

Public Document Pack

COUNCIL

Wednesday, 20th January,
2010
at 2.00 pm

Council Chamber - Civic Centre

Members of the Council

The Mayor – Chair

The Sheriff – Vice-chair

Leader of the Council

Members of the Council (See overleaf)

Contacts

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The agenda and papers are available via Southampton's website at

www.southampton.gov.uk/council-partners/decisionmaking/minagenrep/meetingpapers

WARD	COUNCILLOR	WARD	COUNCILLOR
Bargate	Bogle Mrs Damani Willacy	Millbrook	Davis Norris Wells
Bassett	Hannides Mizon Samuels	Peartree	Drake Jones Slade
Bevois	Barnes-Andrews Burke Rayment	Portswood	Baston Capozzoli Sollitt
Bitterne	Fuller Letts Stevens	Redbridge	Holmes Marsh-Jenks McEwing
Bitterne Park	Baillie White Williams, P	Shirley	Cooke Dean Matthews
Coxford	Galton Thomas Walker	Sholing	Mrs Blatchford Dick Fitzgerald
Freemantle	Ball Moulton Parnell	Swaythling	Beckett Odgers Osmond
Harefield	Daunt Fitzhenry Smith	Woolston	Cunio Payne Williams , R

PUBLIC INFORMATION

Role of the Council

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

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

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

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

Public Involvement

Representations

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

Petitions

Any Councillor may present a petition, on behalf of the signatories, about issues relating to Southampton. If you have such a petition you need to ask a Councillor to present it to the meeting.

The following opportunities also exist for the public to raise matters at Council meetings, but seven clear days' notice must be given before the meeting.

Deputations

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

Questions

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

Southampton City Council's Six Priorities

- Providing good value, high quality services
- Getting the City working
- Investing in education and training
- Keeping people safe
- Keeping the City clean and green
- Looking after people

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

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

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

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

Dates of Meetings (Municipal Year 2009/10)

2009	2010
13 th May	20 th January
15 th July	17 th February (Budget meeting)
16 th September	17 th March
18 th November	12 th May

CONDUCT OF MEETING

FUNCTIONS OF THE COUNCIL

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

RULES OF PROCEDURE

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

BUSINESS TO BE DISCUSSED

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

QUORUM

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

DISCLOSURE OF INTERESTS

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

PERSONAL INTERESTS

A Member must regard himself or herself as having a personal interest in any matter:

- (i) if the matter relates to an interest in the Member's register of interests; or
- (ii) if a decision upon a matter might reasonably be regarded as affecting to a greater extent than other Council Tax payers, ratepayers and inhabitants of the District, the wellbeing or financial position of himself or herself, a relative or a friend or:-
 - (a) any employment or business carried on by such person;
 - (b) any person who employs or has appointed such a person, any firm in which such a person is a partner, or any company of which such a person is a director;
 - (c) any corporate body in which such a person has a beneficial interest in a class of securities exceeding the nominal value of £5,000; or
 - (d) any body listed in Article 14(a) to (e) in which such a person holds a position of general control or management.

A Member must disclose a personal interest.

/continued.....

PREJUDICIAL INTERESTS

Having identified a personal interest, a Member must consider whether a member of the public with knowledge of the relevant facts would reasonably think that the interest was so significant and particular that it could prejudice that Member's judgement of the public interest. If that is the case, the interest must be regarded as "prejudicial" and the Member must disclose the interest and withdraw from the meeting room during discussion on the item.

It should be noted that a prejudicial interest may apply to part or the whole of an item.

Where there are a series of inter-related financial or resource matters, with a limited resource available, under consideration a prejudicial interest in one matter relating to that resource may lead to a member being excluded from considering the other matters relating to that same limited resource.

There are some limited exceptions.

Note: Members are encouraged to seek advice from the Monitoring Officer or his staff in Democratic Services if they have any problems or concerns in relation to the above.

PRINCIPLES OF DECISION MAKING

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

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

In exercising discretion, the decision maker must:

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

SOLICITOR TO THE COUNCIL
M R HEATH
Civic Centre, Southampton, SO14 7LY

Tuesday, 12 January 2010

TO: ALL MEMBERS OF THE SOUTHAMPTON CITY COUNCIL

You are hereby summoned to attend a meeting of the COUNCIL to be held on WEDNESDAY, 20TH JANUARY, 2010 in the COUNCIL CHAMBER - CIVIC CENTRE at 2.00 pm when the following business is proposed to be transacted:-

1 APOLOGIES

To receive any apologies.

2 MINUTES (Pages 1 - 12)

To authorise the signing of the minutes of the Council Meeting held on 18th November 2009, attached.

3 ANNOUNCEMENTS FROM THE MAYOR AND LEADER

Matters especially brought forward by the Mayor and the Leader.

4 DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

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

5 EXECUTIVE BUSINESS (Pages 13 - 22)

Report of the Leader of the Council, attached.

6 MOTIONS

A. Councillor R Williams to move:

This Council supports free concessionary bus travel for the over 60's enjoyed by 8 million people and calls on all three major political parties on social and environmental grounds to pledge its continuation without changing the criteria for eligibility.

B. Councillor Burke to move:

Council calls on the Executive to abandon its plans to privatize the management of council leisure facilities.

C. Councillor Stevens to move:

Council notes the seriousness of the recommendations in the Warnock Report and in light of the very real concerns shared by all councils and councillors, calls upon Southampton City Council to follow the approach adopted by other authorities and increase the status of the Corporate Parenting Group and its ability to make recommendations within either the scrutiny or Local Safeguarding Children's Board structure and become a politically proportionate body within the constitution of the authority.

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

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

8 APPOINTMENTS TO COMMITTEES, SUB-COMMITTEES AND OTHER BODIES

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

9 ANNUAL AUDIT LETTER 2008/09 AND COMPREHENSIVE AREA ASSESSMENT
(Pages 23 - 58)

Report of the Leader of the Council formally receiving the 2009 Audit Commission's Annual Audit and Inspection Letter and the Audit Commission's Comprehensive Area Assessment, attached.

10 ADOPTION OF THE LOCAL DEVELOPMENT FRAMEWORK CORE STRATEGY (
(Pages 59 - 66)

Report of the Cabinet Member for Environment and Transport seeking approval for the adoption of the Core Strategy, following amendments in accordance with the Inspector's recommendations, and the endorsement of the list of additional Local Plan Review policies, attached.

11 TRIENNIAL REVIEW OF GAMBLING ACT 2005 POLICY (Pages 67 - 104)

Report of the Solicitor to the Council seeking the adoption of a revised Gambling Act Policy, attached.

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

To move that in accordance with the Council's Constitution, specifically the Access to Information procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the confidential appendix to item no:13

Confidential appendix 2 contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. It is not considered to be in the public interest to disclose

this information because this Appendix contains confidential and commercially sensitive information relating to the property interests potentially involved in this matter.

13 EASTPOINT REDEVELOPMENT (Pages 105 - 120)

Report of the Cabinet Member for Economic Development seeking approval, subject to certain conditions, for the addition of £3,000,000 to be added to the Economic Development Portfolio Capital Programme, attached.

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

To move that in accordance with the Council's Constitution, specifically the Access to Information procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the confidential appendix to item no 15.

Appendix 1 to the report contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. It is not in the public interest to disclose this information because it comprises financial and business information that if made public would prejudice the Council's ability to operate in a commercial environment and obtain best value during acquisition negotiations.

15 PURCHASE & INSTALLATION OF NEW CREMATORS, MERCURY ABATEMENT & OTHER ESSENTIAL EQUIPMENT FOR SOUTHAMPTON CREMATORIUM (Pages 121 - 126)

Report of the Cabinet Member for Environment and Transport seeking approval for the addition of the sum in the confidential appendix to the Environment and Transport Capital Programme for the Crematorium, attached.

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

To move that in accordance with the Council's Constitution, specifically the Access to Information procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the confidential appendix to item no: 17.

Appendix 1 of the report contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. It is not in the public interest to disclose this information because doing so would prejudice the Council's commercial position in relation to future procurement activities supporting the BSF project and could affect the Council's ability to deliver best value in the procurement of services for the benefit of the public.

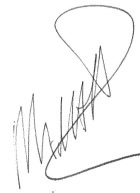
17 BUILDING SCHOOLS FOR THE FUTURE: SUBMISSION OF OUTLINE BUSINESS CASE (Pages 127 - 150)

Report of the Cabinet Member for Children's Services seeking approval for capital and revenue contributions to be added to future years' budget proposals and £4 million to be added to the Children's Services Capital programme, attached.

18 OVERVIEW AND SCRUTINY: SUMMARY OF CALL-IN ACTIVITY (Pages 151 - 154)

Report of the Assistant Chief Executive (Strategy), summarising the use of the Call-In procedure over the last three months, attached.

NOTE: There will be Sikh prayers and a Thought for the Day by David Bothwell in the Mayor's Reception Room at 1.45 pm for Members of the Council and Officers who wish to attend.

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

**M R HEATH
SOLICITOR TO THE COUNCIL**

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SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON 18TH NOVEMBER 2009

Present:

The Mayor, Councillor Mizon
The Sheriff, Councillor Cunio
Councillors Baillie, Ball, Barnes–Andrews, Baston, Beckett, Mrs Blatchford, Bogle, Burke, Capozzoli, Cooke, Daunt, Davis, Dean, Dick (items 58(b) onwards), Drake, Fitzgerald, Fitzhenry, Fuller, Galton, Hannides, Holmes, Jones, Letts, Marsh-Jenks, McEwing, Moulton, Norris, Odgers, Osmond, Parnell, Payne, Samuels, Smith, Sollitt, Stevens, Thomas, Walker, Wells, White, Willacy, P. Williams and Dr R. Williams.

53. APOLOGIES

It was noted that apologies for absence had been received from Councillors Mrs Damani, Matthews, Rayment and Slade.

54. MINUTES

RESOLVED that the minutes of the Council Meeting held on 16th September 2009 be approved and signed as a correct record.

55. ANNOUNCEMENTS FROM THE MAYOR

FRIENDS OF ST. JAMES' PARK

The Mayor congratulated the Friends of St. James' Park on behalf of the whole Council for achieving a Parks for People lottery grant of £1.1million.

TOY APPEAL

The Mayor reminded Members of the assistance the Mayor's Office gives each year to the Southampton Voluntary Services Annual Toy Appeal. The gifts would be presented on Tuesday, 1st December 2009.

CITIZENS AWARD

Members were reminded they could nominate someone for the City of Southampton Award recognising someone who has made an exceptional contribution to the life of the City. The closing date for nominations is Thursday, 31st December 2009.

MAYORS BALL

The Mayor announced that tickets were on sale for the charity ball taking place on Thursday, 28th January 2010.

56. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

- (i) The Council received a deputation and a petition from Dr Ian Thomas concerning traffic lights on Woodmill Bridge.
- (ii) The Council received a deputation from Rose Nicole concerning the plastic bag free community.
- (iii) The Council received a deputation and a petition opposing the privatisation of Leisure Services.
- (iv) The Council received the following public question:
Does the Council intend to carry out a risk assessment into the potential legal costs of asking the Attorney General for permission to sell art works and the potential costs should the case be referred to a Charity Commission Tribunal or the High Court?

Answer

There is no cost associated with the application to the Attorney General, outside of the minor costs of Counsel fee's for his advice in submitting and arguing the Council's case.

Should the Attorney General choose to refer the application to the Charity Commission, further costs could be incurred if the Council wished to pursue this route. If the Council decided to do so, at any point at which the costs appeared to be likely to become excessive, the Council could then decide to withdraw the application at fairly minimal cost. Any such decision would be based on sound legal advice of the likelihood of success and taken in the context of the significant financial, social and economic benefits to the City that the delivery of the Cultural Quarter would bring.

57. EXECUTIVE BUSINESS

The report of the Leader of the Council was submitted, setting out the details of the business undertaken by the Executive (copy of report circulated with agenda and appended to signed minutes).

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

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

- 1. Question from Councillor Payne to Councillor P Williams

Since May 2008, how many Southampton council houses have been upgraded to give tenants control over the temperature and energy consumption in their homes? In these cases, what has been the average cost of installing the equipment, and what has been the average saving that tenants have made on their bills?

Answer

Since May 2008 45 properties have been removed from the council's communal heating system giving tenants full control of their energy consumption. A further 84 properties have been programmed to have their landlord meter disconnected with full control of the heating being transferred to the tenant. This work is planned to be completed by early December.

The average cost for this work is £150 - £200 per property.

The Council does not have the relevant information available to determine whether a saving is being made as it does not have access to individual tenant's information relating to their annual heating costs.

2. Question from Councillor Baston to Councillor Samuels

In view of the announcement that the Administration has decided to defer a decision on the sale of works of art in order to explore other ways of funding the proposed Sea City Museum, can the Leader of the Council confirm that his statements on 15 July at Council and 18 July to the press that 'if we don't sell some paintings we don't get a heritage centre. We have made our choice.' no longer represent the Administration's policy

Answer

The Administration has made no such announcement. There has been no change in policy. This matter will be explored in full through the Motions debate later on today's agenda.

3. Question from Councillor R Williams to Councillor Samuels

Does the Leader of the Council still support the linkage of the basic councillors allowance to the minimum wage as voted for by Council a few years ago

Answer

Personally, I never supported the minimum wage concept as the basis for this calculation. The concept was agreed by the Council when very differently constituted, and in very different economic circumstances.

The Councillors' allowance is an allowance and not a wage. Councillors are not employed by the Council. At present the economy is in dire straits. Many people are losing their jobs, suffering cuts in pay or freezes in pay. The number of unemployed, especially amongst young people, is also rising alarmingly.

The Administration is doing all that it can as a top priority, within very limited finances, to protect and promote employment within the City.

The executive's draft 2009/10 budget demonstrates this commitment. It also emphasises that tough choices need to be made to balance the Council's books and to pay for all the things that we are required to do. I see no reason why Councillors' in the public sector should not bear something of the economic pain being experienced by residents within this city. The executive's draft budget proposals therefore currently include a proposal to freeze councillors' expenses next year.

4. Question from Councillor Sollitt to Councillor Hannides

Will the Cabinet Member consider the establishment of an independent or arms-length trust to manage the city's galleries and museums to ensure that they are legally and ethically safeguarded in the best interests of the people of Southampton?

Answer

The administration is committed to the best management option to safeguard the future viability and development of our Cultural facilities. In the event of a Trust managing any of our facilities, the Council would remain as a client and have ultimate responsibility for the facilities and services, including accountability for serving the appropriate ethical and legal interests of the people of Southampton.

5. Question from Councillor R Williams to Councillor Moulton

If art from the Chipperfield Trust is sold will it be subject to Capital Gains Tax and if so at what rate would CT be applied?

Answer

The Council obtained Counsel's opinion on the proposed sale of Art from the Chipperfield Bequest. As part of this opinion, Counsel stated that:

'...no Capital Gains Tax will arise on the disposal of the paintings by either the Charitable Trust or the Council.'

Charitable Trusts enjoy an exemption from CGT to the extent that the gain in question is both applicable and is in fact applied to the charitable purposes (as the proceeds of the sale of paintings by the Charitable Trust would certainly be).

The relevant provision is provided for by **section 256** of the **Taxation of Chargeable Gains Act 1992**, which states that:

'...a gain shall not be a chargeable gain if it accrues to a charity and is applicable and applied for charitable purposes.'

Local Authorities also enjoy such an exemption, as provided by **section 271(3) of the Taxable Gains Act 1992'**

6. Question from Councillor Baston to Councillor Dean

Transition Southampton' aims to help develop positive solutions to the challenges of fossil fuel scarcity and climate change, and to work with individuals, organisations and local government to this end. Will the Cabinet Member inform us whether it is his policy to work constructively with this group.

Answer

It is my policy to work constructively with Transition Southampton. Lorraine Brown, Bill Clark and I have met Transition Southampton on Monday 16th November and I have already attended a Transition Southampton Event where I spoke.

7. Question from Councillor R Williams to Councillor Dean

Can the Cabinet Member for Environment and Transport describe the Executive's position on the "10:10" campaign which commits organisation's to cut their carbon emissions by 10% in 2010?

Answer

The Council recognises the threat of climate change as a serious issue which has very real implications for the city and one we are committed to addressing. Our commitment to the issue is embedded in our corporate objectives and within the council's established Sustainability Principles.

We have a reputation for being a leading authority on implementing innovative measures to both mitigate against, and adapt to, the emerging impacts of climate change. Signing-up to the 10:10 campaign, which promotes an ambitious commitment to reducing carbon output, would further enhance this reputation.

The council is currently committed to achieving the LAA stretch target of a reduction of 938 tonnes CO₂ emissions arising from SCC operational buildings and schools by March 31st 2010 which equates to a 4.23% annual reduction. Raising this requirement to a 10% reduction is a stretching commitment which will require a raft of actions to be identified and put in place building upon work that is already happening. This will require increased efforts towards energy and transport efficiency measures along with prudent resource use and full corporate commitment to more stretching targets. This presents a significant challenge but one which is worthy of further consideration.

8. Question from Councillor Galton to Councillor Holmes

In light of the recent report stating that 20 schools per week are damaged or destroyed by fire, can the Cabinet Member inform us if all new school buildings within Southampton will be fitted with adequate sprinklers systems, and if any steps are being taken to add sprinkler systems to existing school buildings within the City?

Answer

All wholly new schools, and remodelled schools where there is a substantial proportion of new build, built through Building Schools for the Future will be fitted with sprinklers,. A decision will be taken on a case by case basis in relation to other school capital projects.

9. Question from Councillor McEwing to Councillor White

Can the Cabinet Member for Adult Social Care and Health advise full Council of how many residents of Whitehaven Lodge and Birch Lawn have died since the proposal to close the homes has come into the public domain and can he also advise of those who have already moved into the private sector of residential care have also died?

Answer

The figures requested are as follows;

Since August 2008, of people using Whitehaven:

6 people died in nursing homes
1 person died in another residential home nearer her family
1 person died in Whitehaven
7 people died in hospital

Of people using Birch Lawn:

3 residents have died in Birch Lawn
3 residents have died in hospital
1 resident has died in a nursing home.

It should be noted that it is normal practice to move, following careful assessment, those residents whose frailty has increased to homes providing more specialist care e.g. nursing and/or dementia care.

10. Question from Councillor McEwing to Councillor White

Can the Cabinet Member for Adult Social Care and Health advise full Council of how many residents of Whitehaven Lodge and Birch Lawn have died since the proposal to close the homes has come into the public domain and can he also advise of those who have already moved into the private sector of residential care have also died?

Answer

The figures requested are as follows;

Since August 2008, of people using Whitehaven:

6 people died in nursing homes
1 person died in another residential home nearer her family
1 person died in Whitehaven
7 people died in hospital

Of people using Birch Lawn:

3 residents have died in Birch Lawn
3 residents have died in hospital
1 resident has died in a nursing home.

It should be noted that it is normal practice to move, following careful assessment, those residents whose frailty has increased to homes providing more specialist care e.g. nursing and/or dementia care.

11. Question from Councillor Bogle to Councillor Dean

Would the Cabinet Member for Environment clarify how residents, rather than businesses and visitors may be able to benefit from the recent review of parking charges?

Answer

City centre residents who have no parking place allocated to their place of residence are now able to purchase an overnight season ticket to park in 4 council-owned multi storey car parks for an annual fee of just £250. In effect this means that their vehicle will be in a secure and well lit environment, out of all weathers and covered by CCTV 24 hours a day. This equates to around £5.00 a week. The car parks concerned are Grosvenor Square, Bedford Place, Eastgate Street and Marlands.

In addition, those residents of Southampton who work in and around the city centre now have the opportunity to reduce their parking costs by at least 20% by purchasing a Pay As You Park discount card or a parking season ticket. They could also save as much as 50% on parking charges by parking in Six Dials and Trinity Road car parks.

It remains policy of her majesties opposition to oppose the parking standards which have lead to the deployable situation some local residents, particularly in the city centre, face around parking. Unlike previous administrations we remain committed to doing all we can to help resolve this issue locally.

12. Question from Councillor McEwing to Councillor P Williams
Can the Cabinet Member for Housing and Local Services advise full Council how long does it take for voids to be relet?

Answer

In 2006 it was taking the council 44 days on average to let a council house. At the end of Quarter 2 in 2009 this is now 32.96 days. The overall target for 2009/10 is 32 days.

Within this headline performance indicator, the relet period for general needs properties is 25.17 days.

Over the past three years the Council has reduced the time taken to complete repairs and sign up new tenants which has resulted in a reduction in time taken to re-let homes. The council has also taken the opportunity to carry out some decent homes work when homes have become empty.

The implementation of the sheltered housing review will lead to a reduction of re-let times in our homes for older people and an improvement in performance overall.

The Average re-let time in days is available on the [Intranet](#) and is kept up to date on a monthly basis.

13. Question from Councillor R Williams to Councillor Dean
Can the Cabinet Member for Housing and Local Services advise full Council if the City Council is on track to fulfil the deadline to meeting the Decent Homes Programme?

Answer

Yes.

58. MOTIONS

- Councillor Burke moved and Councillor Bogle seconded:
(a) Council welcomes that all political parties in this Chamber support the delivery of the cultural quarter and see it as essential for the continued regeneration of the city. In order to ensure that the cultural quarter is delivered with the reputation of Southampton untarnished as an arts and heritage centre of excellence, Council calls on the Executive to replace the proposed sale of art from the City Art Gallery with alternative sources of funding.

Amendment moved by Councillor Hannides and seconded by Councillor Smith.

In the second sentence, fourth line, **delete** the words:

“reputation of Southampton untarnished as an arts and heritage centre of excellence,”

and **replace** with:

“support of all relevant stakeholders, Council endorses the Executive's decision to suspend from the forward plan the proposed sale of art. The”

In the second sentence, sixth line, **delete** the words:

“replace the proposed sale of art from the City Art Gallery with”

and **replace** with:

“continue investigating”

AMENDED MOTION TO READ

Council welcomes that all political parties in this Chamber support the delivery of the cultural quarter and see it as essential for the continued regeneration of the city. In order to ensure that the cultural quarter is delivered with the support of all relevant stakeholders, Council endorses the Executive's decision to suspend from the forward plan the proposed sale of art. The Council calls on the Executive to continue investigating alternative sources of funding.

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED CARRIED

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

RESOLVED that the motion as amended be approved.

(b) Councillor Baston moved and Councillor Sollitt seconded:
This Council notes that:

1. Climate change predictions show that without severe cuts in greenhouse gas emissions, the world will be hit by drought, flooding and famine affecting all of us, and poorest countries in particular. Some of these countries are already suffering from the effects of climate change. This is an issue of social justice as well as a call to take environmental action.
2. Under the UK Climate Change Act 2008 the UK is due to cut its emissions by 34% by 2020, but according to climate change scientists, a cut of 10% in 2010 is in line with what is now needed to avert runaway climate change.

In preparation for the Copenhagen conference, government ministers need to know that the public supports more dramatic cuts in emissions than have been proposed. Many councils have

already signed up to the '10:10' Campaign, which seeks to persuade individuals, business, organisations and the UK government to reduce their CO2 emissions by 10% in 2010.

This Council supports these aims and ambitions and therefore resolves to urge the Executive to sign up to the 10:10 Campaign. Amendment moved by Councillor Dean and seconded by Councillor Fitzhenry.

Delete the first section:

“This Council notes that:

3. Climate change predictions show that without severe cuts in greenhouse gas emissions, the world will be hit by drought, flooding and famine affecting all of us, and poorest countries in particular. Some of these countries are already suffering from the effects of climate change. This is an issue of social justice as well as a call to take environmental action.”

In the first line of second paragraph, **delete** the words:

4. “due to cut its emissions by 34% by 2020, but according to climate change scientists, a cut of 10% in 2010 is in line with what is now needed to avert runaway climate change.”

and **replace** with:

“obliged to cut Green House Gas emissions by 80% by 2050 against 1990 levels.”

Delete the entire third paragraph:

“In preparation for the Copenhagen conference, government ministers need to know that the public supports more dramatic cuts in emissions than have been proposed. Many councils have already signed up to the '10:10' Campaign, which seeks to persuade individuals, business, organisations and the UK government to reduce their CO2 emissions by 10% in 2010.”

In the fourth paragraph, **delete** the words:

“This Council supports these aims and ambitions and therefore resolves to urge”

and **replace** with:

“To build upon the good work done by the Council to reduce carbon emissions, the council supports the aims of the 10:10 campaign which seeks to cut Green House Gas emissions in 2010 by 10%. This Council urges”

AMENDED MOTION TO READ

Under the UK Climate Change Act 2008 the UK is obliged to cut Green House Gas emissions by 80% by 2050 against 1990 levels.

To build upon the good work done by the Council to reduce carbon emissions, the council supports the aims of the 10:10 campaign which seeks to cut Green House Gas emissions in 2010 by 10%. This Council urges the Executive to sign up to the 10:10 Campaign.

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED CARRIED

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

RESOLVED that the motion as amended be approved.

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

It was noted that no questions had been received.

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

Council noted that Councillor Fitzgerald had been appointed to replace Councillor Wells on Licensing Committee.

RESOLVED that Councillor Parnell be elected Chair of the Licensing Committee for the remainder of 2009/2010 municipal year.

61. 2009/12 ADULT LEARNING AND SKILLS PLAN (FORMERLY 2009/10)

The report of the Cabinet Member for Young People and Skills seeking approval for the endorsement of the Plan. (Copy of report circulated with agenda and appended to signed minutes).

RESOLVED:

- (i) that the 2009/12 Adult Learning and Skills Plan be approved.
- (ii) that delegated authority be granted to the Executive Director for Children's Services and Learning (following consultation with the Cabinet Member for Young People and Skills) to continue to revise the Plan in response to Learning and Skills Council and City Council priorities.

62. SEA CITY MUSEUM PROJECT

The report of the Cabinet Member for Leisure, Culture and Heritage seeking approval for the expenditure of funds. (Copy of report circulated with agenda and appended to signed minutes).

RESOLVED:

- (i) That the addition of £375,000 to the Leisure, Culture and Heritage capital programme (phased £307,000 in 2009/10 and £68,000 in 2010/11) be approved.

Agenda Item 5

DECISION-MAKER:	COUNCIL		
SUBJECT:	EXECUTIVE BUSINESS		
DATE OF DECISION:	20 JANUARY 2010		
REPORT OF:	LEADER OF THE COUNCIL		
AUTHOR:	Name:	Suki Sitaram	Tel: 023 8083 2060
	E-mail:	suki.sitaram@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

None

SUMMARY

This report outlines the decisions made by the executive since the November 2009 Council meeting. The report also provides an update on Traffic Regulation Order objections referred to the executive and an update on the Southampton Partnership's activities since the last executive business report was presented to Full Council.

Six policy priorities were approved by the Council at the budget setting meeting in February 2009. This report sets out the decisions made by the executive between the 23rd November 2009 and the 21st December 2009 which will progress these priorities. For ease of reference the titles of the individual decision making items are highlighted in bold throughout this report.

RECOMMENDATIONS:

That the report be noted.

REASONS FOR REPORT RECOMMENDATIONS

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

CONSULTATION

Appropriate consultation has taken place on each of the decision items summarised in this report.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Not applicable.

DETAIL

1. GETTING THE CITY WORKING

The following initiatives have been approved by the executive to progress this priority:

- Approval of the **REVIEW OF THE PLANNING DEVELOPMENT CONTROL SERVICE:INTRODUCTION OF CHARGEABLE PRE-APPLICATION ADVICE SCHEME** and to agree the exemptions from pre-application charging, as set out in the report; and that the Head of Division for Planning and Sustainability, in consultation with the Solicitor to the Council, be given delegated authority to undertake the actions required to implement the scheme and to adjust fees to ensure that the scheme responds flexibly to market conditions and that charges do not exceed the cost of service provision.

- Agreement of **SOUTHAMPTON CENTRAL STATION IMPROVEMENT** to approve capital expenditure of £800,000, phased £50,000 in 2009/10, £375,000 in 2010/11 and £375,000 in 2011/12 in the form of a grant to South West Trains towards the cost of an improvement programme of £2.4M to Southampton Central station. Cabinet agreed to delegate to the Director of Environment, following consultation with the Cabinet Member for Environment and Transport, authority to enter into an agreement relating to financial assistance with South West Trains and allocate and apportion strategic section 106 or local transport plan funding in accordance with managing the capital programme.
- Approval of the **REDEVELOPMENT OF THE FORMER TYRRELL AND GREEN DEPARTMENT STORE** and delegated authority to the Head of City Development and Economy to proceed to enter into the necessary documentation (including all leases relating to the development and art complex) to facilitate the delivery of the Grosvenor proposal. The agreement with Grosvenor will be conditional upon the Council entering into a funding agreement with the Arts Council and in line with the financial information provided in Confidential Appendices 1a and 1b of the original 7th September 2009 Cabinet report.
- **ADOPTION OF THE LOCAL DEVELOPMENT FRAMEWORK CORE STRATEGY** which has been amended in accordance with the Inspector's recommendations to recommend that Council endorse the list of additional Local Plan Review policies (attached as Appendix 1) that will be replaced in part or in full by the Core Strategy.

2. INVESTING IN EDUCATION AND TRAINING

The following initiatives have been approved by the executive to progress this priority:

- Adoption of the **BUILDING SCHOOLS FOR THE FUTURE – APPROVAL OF STRATEGY FOR CHANGE PART 2** to:
 - delegate authority to the Building Schools for the Future and Academies Project Director, following consultation with the Cabinet Member for Children's Services, to amend, finalise and submit the Strategy for Change Part 2, to Partnerships for Schools and subject to relevant financial approvals required from Council,
 - delegate authority to the Executive Director, Children's Services and Learning following consultation with the Solicitor to the Council, Executive Director of Resources and the Cabinet Member for Children's Services to take any necessary steps to prepare, finalise and submit the Outline Business Case, to Partnerships for Schools.
 - Subject to relevant financial approvals required from Council, to delegate authority to the Executive Director of Resources as the Council's Section 151 Officer to agree the Council's formal response and commitment on affordability in such form as required in order to submit OBC and obtain all necessary project approvals. To delegate authority to the Executive Director Children's Services and Learning to submit all necessary planning applications for the following schools sites to be included within the BSF programme:

- Bitterne Park School
 - Chamberlayne College for the Arts
 - St George VA Catholic College
 - The Sholing Technology College
 - Upper Shirley High School,

together with such other schools sites as may be necessary in order to finalise the schools to be included within the Building Schools for the Future programme and submit the Outline Business Case.
 - delegate authority to the Executive Director of Children’s Services and Learning, to approve final sample school selection, subject to necessary planning approvals, site surveys and feasibility studies.
 - delegate authority to the Executive Director Children’s Services and Learning in consultation with the Solicitor to the Council and Executive Director of Resources and following consultation with the Cabinet Member for Children’s Services, to undertake the procurement of the Wave 6a Building Schools for the Future programme in accordance with national and EU procurement legislation by such procurement route as is deemed to be legally most appropriate. Such delegation to include any and all procurement decisions necessary up to and including selection of preferred bidder.
 - note that a further report will be brought forward in due course seeking to approve formal award of contract, financial and contractual close and seeking all outstanding delegated authorities including authority for the Council’s Monitoring officer to enter into any necessary contract Act certificate under the Local Government (Contracts) Act 1997 to confirm the Council has the requisite powers to enter into the BSF contracts
 - delegate authority to the Building Schools for the Future and Academies Project Director, to be a signatory on any required license in order to authorise use of land outside of Southampton City Council ownership.
 - delegate authority to the Head of Property and Procurement to acquire or dispose of any interest in land to be used/developed in connection with school sites or otherwise as required in order to progress the Building Schools for the Future programme.
- Cabinet received the **REPORT OF THE CHILDREN’S ANNUAL PERFORMANCE ASSESSMENT SCRUTINY INQUIRY** to enable it to formulate its response to the recommendations contained within it, in order to comply with the requirements set out in the Council’s Constitution.
 - Endorsement of the **HIGHTOWN YOUTH CENTRE – SALE TO THORNHILL PLUS YOU** with a disposal transaction value of £215,000 be approved. Cabinet also endorsed that the future use of the building is secured for Early Years and Youth Services as set out in the report, including a binding agreement in relation to the proposed Early Years provision. Delegate authority to the Head of Property and Procurement to agree the final terms of sale was approved.
 - Endorsement of **BITTERNE PARK SCHOOL SIXTH FORM APPROVAL TO SPEND** the sum of £6,380,000 from the Children’s Services Capital Programme to provide a sixth form at Bitterne Park School.

- Approval of the **EASTPOINT REDEVELOPMENT** to support the principle of the redevelopment of the Eastpoint site by Eastpoint Centre Ltd; with Eastpoint Centre Ltd building the new Eastpoint on 1.5 acres and, through a revised Tripartite Legal Agreement, Itchen College retain an option to develop on the site at a future date; Request Council subject to certain conditions to approve a sum of up to £3,000,000 to be added to the Economic Development Portfolio Capital Programme as a payment to Eastpoint Centre Ltd as compensation for the surrender of their current unexpired lease, to enable them to fund the building and servicing of their new Community, Training and Conference Centre. The Council will gain 5.19 acres with Itchen retaining an option to locate to the site until March 2011 or such other later date as may be agreed by the Chief Executive.

3. **KEEPING THE CITY CLEAN AND GREEN**

The following initiatives have been approved by the executive to progress this priority:

- Adoption of the **AIR QUALITY ACTION PLAN 2009** and its subsequent submission to DEFRA and to delegate authority to the Head of Planning and Sustainability following consultation with the Cabinet member for Environment and Transport to make any minor amendments necessary to the Air Quality Action Plan to give effect to issues arising out of Cabinet and any further consultation prior to it's submission to DEFRA .
- Approval of the **DOCK GATE 20 DEPOT DEVELOPMENT** and in accordance with Financial Procedure Rules, to approve spend of £10.84 million to carry out the construction of a new depot on the site at Dock Gate 20; to be phased £0.7m in 2009/10, £6.6million in 2010/11 and £3.54 million in 2011/12, to approve spend of £250,000 to facilitate the relocation of the Neighbourhoods Services Management team to Red Lodge and to move this budget from the Environment and Transport Portfolio Capital Programme to the Neighbourhoods Capital Programme in 2010/11. Cabinet also delegated authority to the Executive Director of Environment following consultation with the Cabinet Member for Environment and Transport to agree amendments to the scheme which will reduce costs or improve the final operation of the development; provided the amendments are retained within the overall £13.6 million cost envelope. Cabinet noted that delegated powers were exercised by the Head of Property and Procurement to purchase a warehouse in First Avenue at a cost of £370,600 and that costs for the relocation of Building Contracts and Stores will be funded by the Housing Revenue Account (HRA) and will be the subject of a separate report to Cabinet.
- Approval of **PURCHASE AND INSTALLATION OF NEW CREMATORS, MERCURY ABATEMENT & OTHER ESSENTIAL EQUIPMENT FOR SOUTHAMPTON CREMATORIUM** in accordance with Financial Procedure Rules, capital expenditure on the purchase of new cremators, associated mercury abatement equipment and other ancillary equipment and repairs, as set out in the confidential appendix.
- Approval of the **CONNECT2 CYCLE WAY LAND OWNERSHIP – COMPULSORY PURCHASE ORDER** having complied with paragraph 15 of the Council's Access to Information Procedure Rules and having had regard to the

provisions of the Community Strategy and being satisfied that the proposals are likely to improve the economic, social or environmental well being of the area and to authorise the Solicitor to the Council, following consultation where appropriate with the Executive Director of Environment and the cabinet member for Environment and Transport, to do anything necessary.

4. **LOOKING AFTER PEOPLE**

The following initiatives have been approved by the executive to progress this priority since the last Council meeting:

- Approval of **THE FUTURE STRUCTURE AND FUNCTION OF THE COUNCIL'S OWN HOME CARE SERVICES** as a first response rehabilitation and re-ablement service for people needing home care support and to determine that all elements of this service will not attract a charge to the service users. Cabinet also delegated authority to the Executive Director of Adult Social Care and Health, following consultation with the Cabinet Member for Adult Social Care and Health and the Solicitor to the Council, to implement these developments.
- Acceptance of the **RENEWAL OF AGREEMENT WITH HAMPSHIRE PARTNERSHIP FOUNDATION TRUST FOR PROVISION OF INTEGRATED MENTAL HEALTH SERVICES** upon such terms as the Solicitor to the Council considers reasonable under Section 75 of the National Health Services Act 2006 to continue to deliver integrated Mental Health Services for a period of two (2) years from 1st April 2010 to 31st March 2012. Cabinet also delegated authority to the Executive Director of Health and Adult Social Care, following consultation with the Cabinet Member for Adult Social Care and Health, to continue to oversee the role of the Partnership Board which shall govern the arrangements.
- Approval of the **LOCAL AUTHORITY "NEW BUILD" SCHEME** and to accept the grant sum of £2,338,000 from the Homes and Communities Agency (HCA) to build new Council homes under the LA New Build scheme on 6 sites in the city at:-
 - Borrowdale Road
 - Flamborough Close
 - Keynsham Road
 - Orpen Road
 - Pennine Road
 - Grateley Close

Approval of, in accordance with Financial Procedure Rules, overall capital expenditure of £4,722,000 within the Housing Revenue Account Capital Programme for 2010-2011 for the following LA New Build schemes to delegate authority to the Executive Director of Neighbourhood, following consultation with the Cabinet Member for Housing and Local Services and Chief Financial Officer, to undertake all necessary actions to achieve the proposals within the Report, such as entering into the HCA grant contract, all consequential contracts, and rent setting for the new homes. To note that another funding bid to build more new Council homes was made to the HCA in October 2009, and that a further report will be submitted to the Cabinet meeting scheduled for the 15th of February 2010 if the bid is successful.

- Endorsement of the **SUPPORTED BUS SERVICES CONTRACT AWARD** and to delegate to the Director of Environment, following consultation with the Cabinet Member for Environment and Transport, authority to make any further changes and awards following subsequent changes to commercial bus services.
- Approval of the **CONCESSIONARY FARES SCHEME 20010/11** to continue to provide from the 1st April 2010 a local pass for disabled residents who meet the relevant criteria, for the provision of free travel at any time for registered blind residents of Southampton and the continuation of companion passes for pass holders who are unable to travel alone. Approval was also given for free travel between 0900 – midnight Mondays to Fridays and any time at weekends and bank holidays for all other Southampton pass holders and for Non-Southampton English National Concession pass holders free travel between 0930 and 2300 Monday to Friday and any time at weekends and bank holidays in line with the national scheme.

5. **KEEP PEOPLE SAFE**

This priority continues to be actively progressed with the Police and other organisations in the city to ensure that Southampton is a Safe City for residents and visitors alike.

- Cabinet received the **REPORT OF ENFORCEMENT REVIEW SCRUTINY INQUIRY** to enable it to formulate its response to the recommendations contained within it, in order to comply with the requirements set out in the Council's Constitution.

6. **PROVIDING GOOD VALUE, HIGH QUALITY SERVICES**

The following initiatives have been approved by the executive to progress this overarching priority since the last Council meeting:

- The Cabinet also noted the **CORPORATE FINANCIAL GENERAL FUND CAPITAL MONITORING FOR THE PERIOD TO THE END OF SEPTEMBER 2009**, the **HOUSING REVENUE ACCOUNT FINANCIAL REVENUE MONITORING FOR THE PERIOD TO THE END OF SEPTEMBER 2009** and the **2ND QUARTER FINANCIAL AND PERFORMANCE MONITORING REPORT 2009/10**.
- Approval of the **FUTURE CONFIGURATION OF ADULT SOCIAL CARE AND HEALTH IN** to agree closer alignment of their health and social care commissioning arrangements and associated budget responsibilities (Phase 1). That the above arrangements are entered into in anticipation that a recommendation about Phase 2, which will involve moving to fully integrated commissioning, pooled budgets and a single responsible Executive Director across both organisations will be considered formally by both NHS Southampton City Board and the Council no later than September 2011, and if that is approved to implement Phase 2 no later than April 2012. Cabinet also agreed to delegate to the Executive Member for Adult Social Care and Health all decisions with regard to matters concerning the Adult Social Care and Health portfolio that fall to be considered by the proposed Joint Strategic Board. That the Chief Executive, Executive Director of Resources and the Solicitor to the Council be authorised to undertake any such actions as considered necessary

to implement these matters.

- Approval of **REVIEW OF GRANTS TO VOLUNTARY ORGANISATIONS** and agreed the Grants Criteria as a basis for allocating grants in 2010/11 and beyond. Cabinet also approved the principle that in future unallocated grants budgets are used to fund non-recurring, one-off projects and initiatives for discrete periods of time and that only in exceptional circumstances will consideration be given to repeat funding and in future the annual revenue grants scheme will be advertised and new applications encouraged. It was also agreed that where appropriate and for a limited number of organisations the council enters into Three Year Grant Funding Agreements from 2011/12.
- Noted the initial officer responses to the **COURT LEET PRESENTMENTS 2009** and agreed that individual Cabinet Members will ensure that appropriate responses are made to presenters regarding issues within their portfolios as soon as practically possible.
- Approval of the **SEA CITY MUSEUM PROJECT** and the addition of £375,000 to the Leisure, Culture and Heritage capital programme (phased £307,000 in 2009/10 and £68,000 in 2010/11).

7. **TRAFFIC REGULATION ORDERS**

- The Executive received a report on the **PROPOSED RESIDENTS' PARKING SCHEME, KINGSLAND ESTATE** and resolved to approve the introduction of Residents' Parking Scheme in the car park on Kingsland Estate subject to a review within one year of date of adoption.
- The Executive also received a report on the **ITCHEN BRIDGE TOLLS: OBJECTIONS TO PROPOSED EXEMPTION FOR MOTORCYCLISTS** and resolved to fulfil the Council's obligation to consult upon proposals and consider objections to enable the proposed concession to be introduced, if considered appropriate after consideration of the objections. This would encourage the use of motorcycles (i.e. powered two-wheelers of any description) as a means of reducing congestion and as a potentially environmentally-friendly form of transport. It would also ensure that safety is not compromised at the toll booths and avoid inappropriate expenditure in the context of possible future changes to the toll collection facilities

8. **City Partnerships Update**

Southampton Partnership Update:

Since the last Council meeting, the date of the next meeting of the **Southampton Partnership Policy Board** has been agreed for the 18th March 2010. Agenda planning is currently in progress and the outputs of that meeting will be reported to Council accordingly. Meanwhile, at its December 2009 meeting the **Southampton Partnership Delivery Board (DB)** agreed its approach to the **Local Area Agreement (LAA) Performance Reward Grant** and noted the current position regarding the **LAA refresh**; received an update on the **Economy & Enterprise Board Review**; received a report on the **Financial Inclusion Champions – South Coast Cities Project** and endorsed a number of recommendations to strengthen this project through the Southampton Partnership framework; approved a **Family Intervention Programme Plus bid** to PUSH; agreed to hold a **Southampton**

Partnership Annual Conference in June (date to be confirmed) coupled with the production of a **2009/10 SP Annual Report** and a **2010/11 SP Business Plan** building upon the success of the 2009/10 SP Business Plan. At its January 2010 meeting, the Delivery Board agreed a number of actions to accelerate the deliverability of the **LAA Stretch Target Programme**; received a year-one progress report from the **Southampton Energy Partnership**; received a report on the **City Centre Action Plan & Master Plan**; and a presentation on **Mosaic** and its potential applications and enhancements.

Further information on the activities of the Southampton Partnership and its partnership family can be found at www.southampton-partnership.com or by contacting the relevant partnership manager direct whose contact details can be found on the SP website by clicking on the 'Our Partners' page and then the relevant partnership page.

FORTHCOMING BUSINESS

The Executive published its Forward Plan on the 15th January 2010 covering the period February to March 2010 and will publish its next plan on the 12th February covering the period March to June 2010. Details of all forthcoming executive decision items can be found at:

<http://sccwww1.southampton.gov.uk/decisionmaking/internet/forwardplanindex.asp>

FINANCIAL/RESOURCE IMPLICATIONS

Capital

Not applicable.

Revenue

Not applicable.

Property

Not applicable.

Other

None.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

This report is brought forward in accordance with the Local Government Act 2000. The powers to undertake the proposals summarised in this report are detailed within the individual decision making reports presented to the executive over the past few months.

Other Legal Implications:

Not applicable

POLICY FRAMEWORK IMPLICATIONS

None

SUPPORTING DOCUMENTATION

Appendices

1.	None
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Documents In Members' Rooms

1.	None
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Background Documents

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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Background documents available for inspection at: Not applicable

FORWARD PLAN No:

KEY DECISION?

Not Applicable

No

WARDS/COMMUNITIES AFFECTED:

None directly, since this report is presented for information purposes.

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Agenda Item 9

DECISION-MAKER:	COUNCIL
SUBJECT:	ANNUAL AUDIT LETTER 2008/09 AND COMPREHENSIVE AREA ASSESSMENT
DATE OF DECISION:	20 JANUARY 2010

REPORT OF: LEADER OF THE COUNCIL

AUTHOR: Name: Suki Sitaram Tel: 023 80 832060
E-mail: Suki.sitaram@southampton.gov.uk

STATEMENT OF CONFIDENTIALITY

None

SUMMARY

The Annual Audit Letter presents the results of the statutory audit of the Council's 2008/09 financial statements and the results of the work undertaken to assess arrangements to secure value for money in the use of resources. The Comprehensive Area Assessment looks at how well local public services, working together, are meeting the needs of the people they serve. Copies of the Annual Audit & Inspection Letter and the CAA Assessment are appended to this report.

RECOMMENDATIONS:

- (i) To formally receive the 2009 Audit Commission's Annual Audit & Inspection Letter and the Audit Commission's CAA Assessment - Organisational Assessment of the City Council and Southampton's Area Assessment.

REASONS FOR REPORT RECOMMENDATIONS

1. The recommendations reflect the arrangements for the receipt of the Audit Commission's Annual Audit Letter which were agreed by Full Council on the 23rd June 2004.

CONSULTATION

2. The Annual Audit Letter and the CAA Assessment, as attached, has been discussed and agreed with the appropriate officers and the Southampton Partnership Delivery Board.
3. All Members have also been invited to attend a briefing from the Audit Commission prior to the start of today's Full Council meeting to run through the key issues contained within the letter and to ask any questions.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

4. None.

DETAIL

Annual Audit & Inspection Letter

5. Under Regulation 19 of the Accounts and Audit Regulations 2003 (as amended 2006) the Annual Audit letter must be published and copied to all Members of the Council and was sent to all Members on 23rd December 2009.

6. The Annual Audit letter attached at Appendix 1 sets out the Audit Commission's conclusions and any significant issues arising from the audit of the Council's 2008/09 accounts as well as other external inspections carried out within the Council up to the end of December 2009.
7. The letter acknowledges the new Use of Resources assessment framework is more demanding than the previous assessment placing greater emphasis on considering outcomes for local people. Judgements have been made for each key line of enquiry (KLOE) using the Audit Commission's current four point scale from 1 to 4, with 4 being the highest. Southampton City Council received a scored judgement of 3 across all Use of Resources themes.

Comprehensive Area Assessment

8. The Comprehensive Area Assessment (CAA) looks at every area in the country, reporting their strengths and weaknesses and highlighting how well public bodies such as councils, police forces and health services work together to tackle issues. CAA comprises two elements:
 - An **area assessment**, which looks at how well local public services are delivering better results for local people on local priorities and how likely they are to improve in the future. The inspectorates use red flags to highlight issues of significant concern and green flags to highlight exceptional success and innovation from which others can learn;
 - **Organisational assessments**, which for councils and fire and rescue authorities are undertaken jointly by the local public service inspectorates.
9. The Audit Commission's assessment attached at Appendix 2 and 3 states that Southampton City Council performs well and has scored 3 out of 4 for managing its performance. Southampton has received a Green flag for reducing the use of carbon. This is the only Green flag in Hampshire. The Area Assessment identified no Red flags for Southampton. The Assessment identifies for improvement which will be reflected in the 2010/11 Corporate Improvement Plan as necessary.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

10. None.

Revenue

11. The development and implementation of action plans to respond to the CAA Assessments and the Annual Audit Letter forms part of the Council's on-going performance improvement work and can therefore be met from existing resources.

Property

12. None.

Other

13. None.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

14. The duties and powers of auditors appointed by the Audit Commission are set out in the Local Government Act 1999.

Other Legal Implications:

15. None.

POLICY FRAMEWORK IMPLICATIONS

16. None directly. However the content of the Annual Audit Letter and the CAA will play a key role in the development of the Council's Corporate Improvement Plan for 2010/11..

SUPPORTING DOCUMENTATION

Appendices

1.	The Annual Audit Letter 2008/09
2.	CAA – Area Assessment Summary
3.	CAA – Organisational Assessment Summary

Documents In Members' Rooms

1.	None
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Background Documents

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

WARDS/COMMUNITIES AFFECTED:

None directly, however sustained improvements in the overall performance of the Council and the delivery of key services will have a beneficial effect on residents living in all wards in the City.

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Annual Audit Letter

Southampton City Council
Audit 2008-2009
November 2009

DRAFT

Contents

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Value for money and use of resources	9
Audit Fees	15
Closing remarks	16

DRAFT

Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/ members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
-

Key messages

This report summarises the findings from our 2008/09 audit. It includes messages arising from the audit of your financial statements and the results of the work I have undertaken to assess your arrangements to secure value for money in your use of resources.

Audit Opinion and Financial Statements

- 1 I gave an unqualified opinion on the Council's accounts on 30 September 2009.
- 2 The financial statements provided for audit were of a good standard as were the working papers that supported them. There were no adjustments made to the financial statements during the audit that impacted upon the Council's financial position at 31 March 2009.
- 3 There were, however, some adjustments made to the supporting notes to the financial statements that we needed to report three of which were above the materiality level for the opinion of £15 million.
- 4 The audit of the 2007/08 and 2008/09 financial statements cannot be concluded and an audit certificate issued until outstanding elector queries have been resolved. I have issued my decision, and supporting statement of reasons on an objection which was made to the charges to tenants for heating in council properties within the 2007/08 financial statements. I need to allow the elector sufficient time to consider my decision. I am also in the process of responding to similar issues raised by another elector in respect of the 2008/09 financial statements.

Value for money

- 5 I issued an unqualified value for money conclusion on 30 September 2009 stating that "I am satisfied that, in all significant respects, Southampton City Council made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2009".
- 6 In my Use of Resources assessment, I concluded that the Council scored 3 out of a maximum of 4. This is a creditable achievement when set against the rigours of the new framework that has been set by the Audit Commission, the challenging financial pressures and increasing demand for services arising from the worsening economic climate.
- 7 Our assessment benefited from the Council's identification of outcomes from service improvements and delivery which is a key feature of the new assessment framework. We recognise that the Council is addressing the areas that had previously been identified for improvement, for example the need for a new charging policy and income billing system for social care.

Actions

- 8** My audit has confirmed the need for the Council to sustain its impetus to deliver its priorities in the following areas:
- remain focussed on service prioritisation, efficiencies and identifying savings within its budget setting process to enable the Council to preserve its sound financial standing in the medium term;
 - the implementation of the strategic developments that are being delivered in response to corporate priorities, through for example the Building Schools for the Future programme, the Highways Maintenance Partnership, the South Coast Street Lighting PFI and Estates Regeneration as these are key areas in which the Council is seeking to improve outcomes for local people and to improve value for money;
 - continue to address education performance where, despite improvements over the last year, educational attainment is still below that of similar councils and costs are higher; and
 - implement the planned installation of individual electricity supply meters to the tenanted and leasehold properties, including the initial 600 meters by 31 March 2010, so that charges can be accurately calculated for each individual property.
- 9** The Council is already taking these areas forward during 2009/10.

Independence

- 10** I can confirm that the audit has been carried out in accordance with the Audit Commission's policies on integrity, objectivity and independence.

Financial statements and annual governance statement

The Council's financial statements and annual governance statement are an important means by which the Council accounts for its stewardship of public funds.

Significant issues arising from the audit

- 11** I was able to give an unqualified opinion on the Council's financial statements on 30 September 2009.
- 12** In planning my audit, I identified a number of potential risk areas and was pleased to find that the Council had appropriately addressed each of these and that there was nothing I needed to report. The risks I identified included considering whether the Council had established a provision or contingent liability for equal pay claims and staff redundancies; correctly accounted for a number of potentially significant capital accounting transactions; addressed the weaknesses that had previously been identified in the reconciliation between the social care income and Agresso systems; and responded to the changes required by the 2008/09 Statement of Recommended Practice for local authority accounting.
- 13** Our overall materiality level for the opinion audit at Southampton City Council was set at £15m in line with guidance issued by the Audit Commission and International Auditing Standards. With this overall level of materiality the level of error for reporting to those charged with governance was set at £150,000.
- 14** The majority of items which we raised during the audit related to the way things were presented in the supporting notes to the accounts. The adjustments that were identified had no impact on the Council's financial position at 31 March 2009 or the prime financial statements.
- 15** Some amendments were made to the supporting notes to the accounts that were above our materiality level:
 - the carrying value of financial liabilities within note 33 to the financial statements had been understated by £33.2m. The correct value was £133.3m;
 - the estimated contributions expected to be paid by the Council to the Pension Fund in 2009/10 of £16.4 m had been omitted from note 44; and
 - the removal of the major repairs allowance from note 58 (Capital Grants and Contributions Unapplied) by reducing the debit entries by £12.2m and the credit entries by a similar amount. The Capital Expenditure and Financing Statement was also amended in order to separately disclose the major repairs allowance.

- 16 There were two other errors which we reported but which were below our materiality level that were also amended and there were some more minor changes agreed with officers to the wording of the accounting policies and notes to the financial statements.

Material weaknesses in internal control

- 17 I did not identify any significant weaknesses in your internal control arrangements during my 2008/09 audit.

Accounting Practice and financial reporting

- 18 I considered the qualitative aspects of your financial reporting and have no issues that I need to raise with you.

Formal audit powers and correspondence with electors

- 19 I have previously reported that I had received a formal objection from an elector in relation to the Council's 2007/08 financial statements and that I had also received further information that has been brought to my attention by a second elector in relation to the 2008/09 financial statements.

Objection to the 2007/08 accounts

- 20 The formal objection to the 2007/08 accounts was concerned with the heating charges made to tenants by the Council. The electricity used to heat those Council flats that are on the communal heating system is recorded through a number of meters predominantly situated on the ground floor of a block of flats. These record the amount of electricity used to heat the flats within a block and do not record individuals' usage. The Council estimates the following year's total cost of operating the communal heating system by estimating usage (based on the previous year's figure); including any known changes in contract rates and then comparing this with the level of income being received through tenant charges. Any variance is reduced by applying an increase or decrease percentage to the previous year's tenant charge to enable the full recovery of estimated costs. If an over or under recovery is made in one year this is then built into the calculation for the following year.
- 21 The Council was aware that its old system of calculating the charge to individual tenants may not have been the most appropriate method and a new methodology has been introduced to calculate the individual heating charge based on the floor area of the property. The Council also has plans to complete the installation of approximately 600 individual meters by the end of March 2010.
- 22 In summary, the elector contended that:
- the Council in its capacity as a landlord is engaged in the unlawful resale of electricity and gas to its tenants because it is not complying with its responsibilities as a landlord under guidance issued by Ofgem;

Financial statements and annual governance statement

- the Council as a landlord is engaged in unlawful Housing Benefit administration because if tenants heating charges have been over or understated then the calculation of each claimant's housing benefit entitlement would also be over or understated;
 - the Council is breaking local government rules in allowing money in the ring fenced Housing Revenue Account to be used to subsidise right to buy leaseholders; and
 - the Council is failing to comply with government guidance on social rent reform by not correctly calculating the formula rent.
- 23** The elector asked me to consider making an application to the courts under section 17 of the Audit Commission Act 1998 because he believed the items of account relating to the above were contrary to law.
- 24** Having received written submissions from the elector and the Council, made the further enquiries which I considered necessary, and taken my own legal advice I have decided not to apply to the courts for a declaration that there is an item of account which is contrary to law. This is because in my view there is no item of account that is contrary to law. I also considered whether there were any matters arising which should be the subject of a report in the public interest. I concluded this was not necessary because:
- it does not appear to me that there is an item account which is contrary to law;
 - there has been widespread coverage of this issue in the local media and via public meetings and forums and I do not think that a public interest report would add anything in informing the public further; and
 - the Council is continuing to make improvements in its method of calculating recharges and is installing new meters to record actual energy consumption.
- 25** My decision was issued on 26 October 2009. The elector has a statutory right of appeal to the court against my decision not to make an application to the courts for a declaration that there is an item of account which is contrary to law. Any such appeal will need to be made within 28 days of the date of my decision and statement of reasons. Until the expiry of that time I cannot close the audit of the 2007/08 financial statements.
- 26** The key issue underpinning this objection is that there remain properties on the communal heating system which do not have individual electricity supply meters. I will be following the progress made by the Council towards the installation of individual meters for tenanted and leasehold properties and, in particular its intention to complete the installation of the first 600 meters by the end of March 2010.
- 27** Two other issues have come to my attention as I considered this objection which I raise for Members' attention in the period before the Council is able to install individual meters for all properties:
- the method of apportionment of electricity charges for heating costs which the Council uses is different for tenants and leaseholders. I would urge the Council to consider whether this continues to be appropriate; and

- the Ofgem guidance on the resale of Gas and Electricity allows the recharge of administration costs but suggests that such costs should be shown separately from the electricity costs. I would urge the Council to consider whether it can amend its systems to show the administration charge as a separate element of the service charge for heating in the tenant rental agreements.

Information received from an elector in respect of the 2008/09 accounts

- 28** I have also received correspondence from another elector about the accuracy of the total sum which is then apportioned in heating charges to tenants by the Council. I am currently treating this correspondence as matters that have been brought to my attention during my audit of the 2008/09 financial statements. I have been able to refer to my earlier correspondence with the Council in relation to heating charges but there are a number of detailed points which I have referred to your officers. Once I have their response I will be able to decide whether there are any matters relevant to my formal powers. The audit of the 2008/09 financial statements cannot be closed until I have concluded my review.

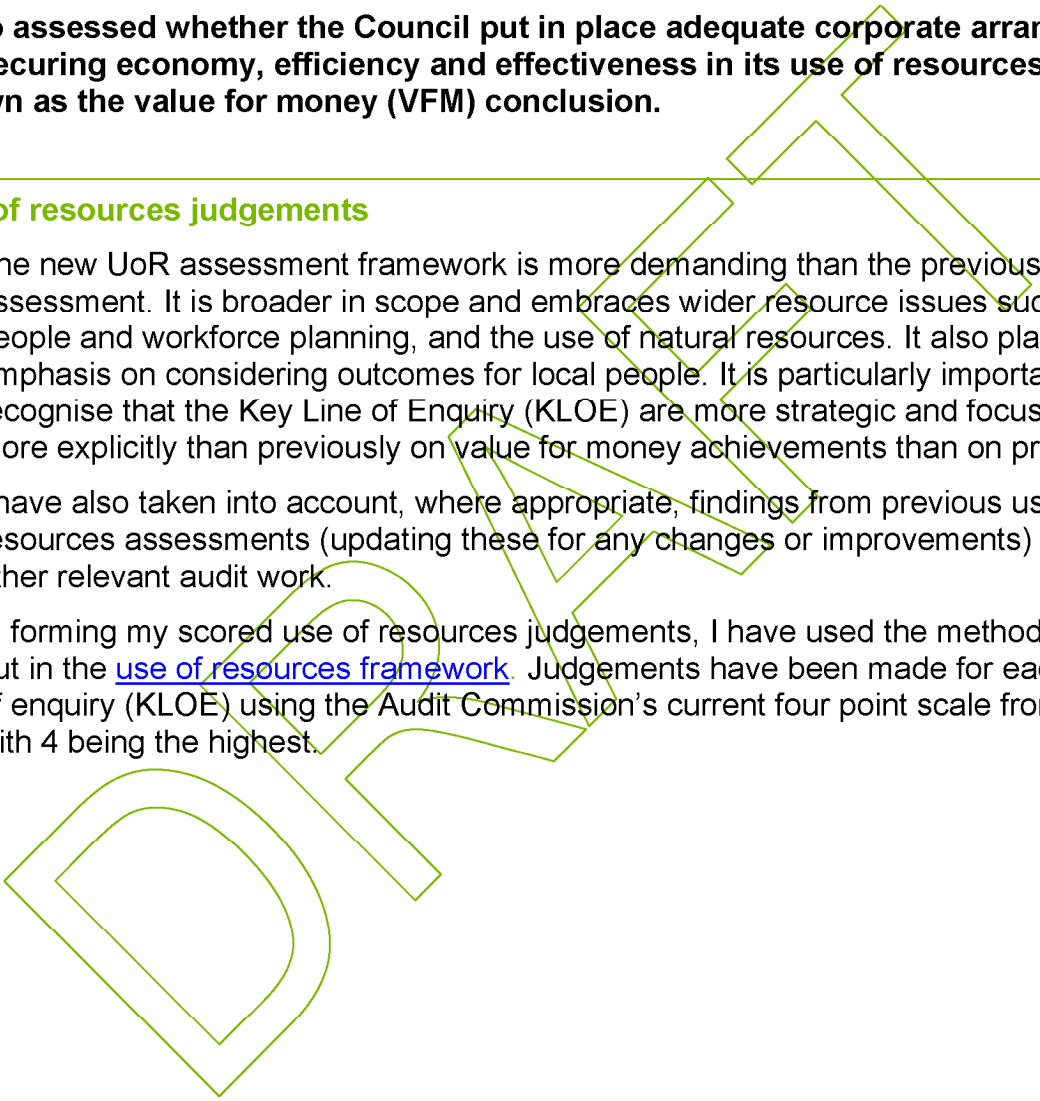
DRAFT

Value for money and use of resources

I considered how well the Council is managing and using its resources to deliver value for money and better and sustainable outcomes for local people, and gave a scored use of resources judgement.

I also assessed whether the Council put in place adequate corporate arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money (VFM) conclusion.

Use of resources judgements

- 29** The new UoR assessment framework is more demanding than the previous assessment. It is broader in scope and embraces wider resource issues such as people and workforce planning, and the use of natural resources. It also places more emphasis on considering outcomes for local people. It is particularly important to recognise that the Key Line of Enquiry (KLOE) are more strategic and focus much more explicitly than previously on value for money achievements than on processes.
- 30** I have also taken into account, where appropriate, findings from previous use of resources assessments (updating these for any changes or improvements) and any other relevant audit work.
- 31** In forming my scored use of resources judgements, I have used the methodology set out in the [use of resources framework](#). Judgements have been made for each key line of enquiry (KLOE) using the Audit Commission's current four point scale from 1 to 4, with 4 being the highest.
- 

32 The use of resources scores for the Council are shown in Table 1 below. I have previously issued the detailed findings from my assessment within the Annual Governance Report for 2008/09 which I presented to the Standards and Governance Committee on 24 September 2009.

Table 1 Use of resources scores

	Council
Use of resources theme	Scored judgement
Managing Finances	3
KLOE 1.1 - Does the organisation plan its finances effectively to deliver its strategic priorities and secure sound financial health?	3
KLOE 1.2 Does the organisation have a sound understanding of its costs and performance and achieve efficiencies in its activities?	3
KLOE 1.3 - Is the organisations financial reporting timely, reliable and does it meet the needs of internal users, stakeholders and local people?	3
Governing the Business	3
KLOE 2.1 - Does the organisation commission and procure quality services and supplies, tailored to local needs, to deliver sustainable outcomes and value for money?	3
KLOE 2.2 - Does the organisation produce relevant and reliable data and information to support decision-making and manage performance?	3
KLOE 2.3 - Does the organisation promote and demonstrate the principles and values of good governance?	3
KLOE 2.4 - Does the organisation manage its risks and maintain a sound system of internal control?	3
Managing Resources	3
KLOE 3.1 - Is the organisation making effective use of natural resources?	3
KLOE 3.2 - Does the organisation manage assets effectively to help deliver its strategic priorities and service needs?	3
KLOE 3.3 - Does the organisation plan, organise and develop its workforce effectively to support the achievement of its strategic priorities?	Not applicable in 2008/09

Overall Conclusion

33 The Use of Resources scores that have been achieved by the Council are commendable, particularly when set in the context of the increased rigour that has been built into the new assessment framework by the Audit Commission. The Council has continued to demonstrate commitment to the development of its services for the benefit of service users, while dealing with a number of challenging financial pressures and increasing service demands arising through the worsening economic outlook.

Value for money and use of resources

- 34** A key element of the new assessment framework is the identification of outcomes for users from services and service developments. Your officers have assisted our work by evidencing the efficient and effective use of resources by the Council through the identification of outcomes. This has been particularly important in relation to the areas that we have assessed for the first time during this review, namely the 'use of natural resources' (KLOE 3.1) and 'strategic asset management' (KLOE 3.2).
- 35** We have also concluded that the Council has addressed the key areas that have been highlighted within our previous assessments, for example the need for a new charging policy in relation to social care billing and a replacement social care billing system which is planned to be implemented during 2009/10.

Managing finances

- 36** The Council plans its finances effectively to deliver its priorities and secure sound financial health. Integration of service and financial planning has enabled it to ensure that financial planning is driven by corporate policies and priorities. The Medium Term Financial Strategy reflects the Council's objectives and is used to challenge resource allocation and to explore ways of delivering priorities, efficiencies and value for money.
- 37** There is pro-active engagement with stakeholders through the budget setting process and the Council has effective budgetary reporting arrangements. Financial standing is sound, and this supports the achievement of long term objectives. There is a culture of transparency about the financial position of the Council which is encouraged by the financial leadership across the Council.
- 38** The economic downturn and banking crisis is having a very significant impact on public finances and the bodies that manage them. This has an impact on my audit and as part of my responsibility I have reflected on the wider environment, specific issues and risks, and the Council's response.
- 39** The impact of the banking crisis on treasury management strategies in the public sector has been immediate. Although not having investments in Icelandic Banks, the Council has reviewed its Treasury Management arrangements in response to the wider economic climate and in my view these are sufficient and robust.
- 40** There are wider and more fundamental impacts on the ability of public sector bodies to fund service delivery and capital programmes, including pressures on income streams and increasing demands made for the services. These have already been experienced by the Council in 2008/09, but it managed its general fund revenue expenditure within its revised budget and delivered a net general fund under spend of £7.1m against the revised budget for 2008/09.
- 41** In my view the Council has sound financial planning processes in place that have enabled it to prioritise its services and make informed decisions over how it will close its budget gap over the next few years. This puts it in good stead, with a clear framework, to make any difficult decisions that may become necessary in the medium term.

- 42** The Council has a sound understanding of its costs and performance. It has good comparative information which has enabled delivery of £19m efficiencies over three years. It achieves outcomes across a range of services while maintaining relatively low costs. Most higher cost services are performing well and delivering good outcomes. Although it has improved the service and lowered costs for educational attainment, there is still work to be done to demonstrate a track record in reduced costs and improved outputs for this service.
- 43** Financial reporting is timely, reliable and meets the needs of stakeholders. Internal financial monitoring is of a high standard. Financial information systems are accessible and provide tailored and useful information. External reporting is timely and provides an objective, balanced and understandable assessment of the Council's achievements and financial performance in the year and includes environmental and social information.

Governing the business

- 44** The Council commissions and procures services to deliver sustainable outcomes and value for money. Its priorities have been developed through on-going involvement with stakeholders. A range of procurement options are taken into account and it has a good track record in identifying new ways of delivering services, which has led to improved access and value for money. Relations and performance with suppliers are managed well and it is developing improvements such as a sustainability policy to help combat climate change. The policy will encourage improvements in areas such as energy efficiency, air quality and renewable energy. For example, all new school buildings will need to meet strict environmental standards, and the new street lighting private finance initiative will result in eco-friendly lighting that emits less carbon.
- 45** The Council produces relevant and reliable information to support decision making and manage performance and works well with partners to ensure the quality of data. It ensures data security meets relevant statutory requirements and has security policies in place and performance management is integrated well with the management of resources. It has a good track record of achieving targets, making efficiency gains and identifying gaps for improvement.
- 46** The principles and values of good governance are promoted and demonstrated by the Council. It has robust procedures and practices in place, is well-governed with an open culture and a clear focus on the needs of communities. Leadership maintains focus on delivering the organisation's strategic priorities. The Council is regarded as an exemplar by other local authorities for its ethical framework and provides support and assistance to other Councils. It also ensures that each of its significant partnerships has an appropriate form of governance that is formally documented.
- 47** The Council manages its risks and maintains a sound system of internal control. Risk management is embedded in key business processes and the Council equips all members to undertake their roles and responsibilities for risk management. Effective risk management supports the Council in managing significant risks to deliver innovative and challenging projects. It has a well-publicised and comprehensive fraud and corruption policies and procedures and a sound system of internal control which provides for transparent governance reporting that is supported by internal audit and leads to a good quality Annual Governance Statement.

Value for money and use of resources

Managing Resources

- 48** The Council makes effective use of natural resources. The baseline information that it has helps it understand the natural resources it consumes. It has a range of sustainable strategies, policies and targets in place and recognises the need to develop plans to reduce water use and raw materials and to embed sustainability impact assessments. It is reducing its use of natural resources and is on track to meet its targets for sustainability indicators. It has started to identify the risks that impact on its operations and the environmental impact of its suppliers.
- 49** The innovative district energy scheme which has helped the City minimise energy use is an example of how the Council works well with its partners. Other partnerships have resulted in developing sustainable schools and developing the region's sustainability policy. It funds an energy manager as part of a city-wide energy partnership, which ensures delivery of its action plan such as reducing CO₂.
- 50** The Council manages its assets effectively to help deliver its strategic priorities and service needs. It has clear views on how landholdings should be used, why properties are owned and uses its property portfolio as an enabler of change. There is a well-managed capital programme linked to priorities and the Council understands the opportunity cost of its property and exploits this to deliver better value for money and benefits for the community. It challenges whether its assets are required, fit for purpose and provide value for money to meet current and future needs.
- 51** The Council has a number of key strategic developments that are in the process of being planned, delivered and implemented. These developments include for example preparations for the 'Building Schools for the Future' project that is being supported by the Partnership For Schools, the Highways Maintenance Public / Private Partnership that is being developed, the South Coast Street Lighting Public Finance Initiative and the ongoing Strategic Services Partnership.
- 52** Partnership working is developing with a strategic approach for assets used by public bodies across the City. It is integrating the management of its asset base with others to identify opportunities for shared use of property and is rationalising its own office occupation. The Council and the PCT share accommodation, bringing closer working relationships and operational savings. The Council maintains a category of 'social property' which is let to third parties to support social or economic outcomes for communities.

Specific reviews

- 53** I have also carried out three specific pieces of work during 2008/09 that informed my Use of Resources assessment for the year. The key messages from two of these reviews were reported in the 2007/08 Annual Audit and Inspection Letter in March 2009. These were a review of the implementation of the 'Strategic Services Partnership' (SSP) and 'Housing Management'. I have not therefore repeated these findings within this letter. I have however set out the key findings from the third specific area that I reviewed in the following paragraphs.

Review of Southampton Health and Well-being Community planning

- 54** I considered how Southampton City Council, Southampton City Primary Care Trust and Southampton University Hospitals NHS Trust (the three partners) are working in partnership to plan and commission services to improve the health and well being outcomes for local people.
- 55** In particular, we were looking at how the local understanding of health needs is used to commission services and how proposed improvements are supported by associated business and resourcing plans. In consultation with chief officers, alcohol harm was selected as a tracer, given that this is a key Local Strategic Partnership priority issue.
- 56** Overall, I concluded that the partners have clear strategic ambitions to address the problem of alcohol harm, and through the Safe City Partnership, are working to develop a framework to deliver these. However, there is a need to ensure that all partners are appropriately engaged in both the development and delivery of need based improvement priorities, which are supported by fully resourced delivery plans.
- 57** The detailed work focused on arrangements between the three partners for addressing alcohol harm. We did not assess whether the conclusions made also applied to partnership working with other organisations involved with the alcohol harm agenda.
- 58** An agreed action plan has been prepared that is focussed upon improving joint commissioning of services and monitoring arrangements to deliver value for money.

VFM Conclusion

- 59** I assessed your arrangements to secure economy, efficiency and effectiveness in your use of resources against criteria specified by the Audit Commission. For 2008/09 the Audit Commission specified the use of resources KLOE for the Council as set out in table 1 as the relevant criteria for the VFM conclusion at the Council.
- 60** Where the scored judgement is 2 or above, I conclude that the VFM criteria has been met. Therefore, as the Council scored 3 in all categories I issued an unqualified conclusion stating that, in all significant respects, the Council made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2009.

Audit Fees

61 Table 2 below sets out the comparison of actual to planned audit fees for 2008/09

Table 2 Audit fees

	Actual	Planned	Variance
Financial statements and annual governance statement	£214,300	£214,300	£0
Value for money	£98,800	£98,800	£0
Whole of government accounts	£1,600	£1,600	£0
Total audit fees	£314,700	£314,700	£0
Non-audit work	£20,500	£20,500	£0
Total	£335,200	£335,200	0

62 The audit was completed in line with the fee that was agreed with the Council.

63 In addition we have completed Advice and Assistance work in relation to the 'Highways Futures Project' (£13,000) and the review of the Council's Partnership Protocol (£7,500) within the planned fee for these two pieces of work.

Formal objection and correspondence with electors

64 The fee for the additional work carried out in relation to the formal objection to the 2007/08 financial statements and correspondence with electors for 2007/08 and 2008/09 has amounted to £24,135 up until 30 October 2009. The final fee will not be available until the objection and the further matters that have been brought to my attention have been finalised. My estimate for dealing with the objection was £20,000.

Closing remarks

- 65** I have discussed and agreed this letter with the Chief Executive, Executive Director of Resources and the Council's Solicitor. I will present this letter at the Audit Committee on 10 December 2009 and the Standards and Governance Committee on 15 December 2009 and I will provide copies to all members.
- 66** Further detailed findings, conclusions and recommendations in the areas covered by our audit are included in the reports issued to the Council during the year.

Table 3

Report	Date issued
Audit and Inspection Plan 2008/09	March 2008
Housing Management Performance*	August 2008
Review of SSP Implementation*	November 2008
Use of Resources 2008*	December 2008
Data Quality 2008*	December 2008
Review of Southampton health and well-being community planning	September 2009
Annual Governance Report (incl. UoR and Data Quality for 2009 **)	September 2009
Opinion on the Financial Statements	September 2009
Value for Money Conclusion	September 2009
Decision on objection and statement of reasons	October 2009
Annual Audit Letter	December 2009

Notes

* Report included in the Annual Audit and Inspection Letter 2007/08 which was issued in March 2009.

** Included in the 2009/10 audit fee.

Kate Handy
District Auditor
November 2009

Southampton City Council

Organisational Assessment (Summary version)

Dated 9 December 2009



oneplace

for an independent overview
of local public services

Southampton City Council

Overall, Southampton City Council performs well

Managing performance	3 out of 4
Use of resources	3 out of 4
Managing finances	3 out of 4
Governing the business	3 out of 4
Managing resources	3 out of 4

Description of scores:

1. An organisation that does not meet minimum requirements, Performs Poorly
2. An organisation that meets only minimum requirements, Performs Adequately
3. An organisation that exceeds minimum requirements, Performs Well
4. An organisation that significantly exceeds minimum requirements, Performs Excellently

Summary

Southampton City Council performs well. It has made very good progress on protecting the environment by making streets cleaner, reducing car use and reducing the amount of waste and carbon dioxide produced. It has expanded its innovative energy scheme, which provides heating and cooling for the city by using a sustainable, natural energy source beneath the city. It has made excellent progress on delivering affordable and decent housing, with 372 affordable homes built this year helping residents who cannot afford market-price housing. However, education results are mixed and Ofsted report that Southampton's children's services are performing adequately.

Southampton scores 3 out of 4 for managing its performance. The council is improving the economy and regeneration of the area by offering advice to local people and businesses and improving housing estates such as Thornhill. It has set up a jobs scheme to give apprenticeships to local people who find it hard to get employment. The speed and accuracy of benefits payments have continued to improve, and it has introduced initiatives and support for people who are unable to pay their rent or mortgage.

It continues to perform well with equality issues, helping to ensure more vulnerable people are not disadvantaged. For example it has increased bus travel to hospitals and improved its system for reporting racial incidents. The council has also worked with landlords to improve the standards of houses. Adult Social Care is rated as performing well by the Care Quality Commission.

The council manages its finances well in order to deliver its priorities. It scores 3 out of 4 for use of resources. It has effective reporting arrangements which helps it to maintain spending within budget. The council offers good value for money with its services, and saved £7.9 million last year. Costs are relatively low compared with other councils. Financial standing, risk and asset

management are sound, and this supports the achievement of long-term objectives. The council manages external funding well, receiving £15.6 million last year for various projects.

Political and managerial leadership is good. Councillors and officers work well together. Groups including partners have been set up by the council to address key challenges facing the city such as the local economy and carbon emissions. A councillor post for 'safeguarding children' has been created, giving the welfare of children a clear focus. It manages its risks well and maintains a good system of internal control. This helps it to deliver innovative projects effectively. It has a well-publicised awareness of fraud and corruption policies.

The council works well with partners and has many examples of how joint-working increases capacity. For example, through working together, the region has received £3.6 million in funding towards estate regeneration schemes to improve the quality of life for disadvantaged communities. The Safe City Partnership focuses on key issues of improving safety in neighbourhoods, tackling alcohol related harm and improving the safety of children and young people, which are tackled by all partners working together. The council has also worked with others to introduce an advert-based scheme used to allocate council and housing association homes for residents.

The council still has more work to do to address the city's issues, but is carrying out its plans to address these. It is working with partners to enhance cultural activities in the city and to secure the funding needed to deliver major regeneration schemes. Work to improve community safety continues to be successful, and most types of crime are reducing, but violent crimes are still too high. Education results are below average but are getting better and the council is working to effectively tackle the city's high number of young people not in employment, education or training. It is also working well with partners to reduce the high number of teenage pregnancies.

CAA looks at how well local public services, working together, are meeting the needs of the people they serve. It's a joint assessment made by a group of independent watchdogs about the performance of local public services, and how likely they are to meet local priorities. From 9 December you will find the results of Comprehensive Area Assessment on the Oneplace website - <http://oneplace.direct.gov.uk/>

Alternative formats - If you require a copy of PDF documents in this site in large print, in Braille, on tape, or in a language other than English, please call: 0844 798 7070

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About Southampton City Council

Southampton is the largest city in Hampshire on the south coast of England, with a population of 234,600. Black and minority ethnic communities account for ten per cent of the population and this figure is increasing. The city has high levels of migrant workers and a large student population of 40,000.

The city is a large cruise and container port and its major employers include the council, the primary care trust and hospitals, the University of Southampton and Southampton Solent University.

Its night-time economy has grown in recent years and the city has 3.5 million visitors a year for retail and leisure activities. Seventy four per cent of residents are satisfied with the area as a place to live, which is the same as similar places, but lower than the national average.

The city has significant deprived areas and a fifth of households are receiving housing or council tax benefit, well above the national average. Southampton has the three worst areas in the south east for older people living in poverty,

wages are below the regional average and there are concentrations of child poverty in the inner city. The health of people in Southampton is poorer than England as a whole. The reported rate of violent crime rate is high.

The Southampton Partnership consists of representatives from local businesses, public sector organisations, voluntary and community agencies. The partnership has agreed six major challenges that it needs to tackle. More information about the partnership's priorities is available at: www.southampton-partnership.com

Southampton City Council has consulted with local people to identify its new priorities, which are:

- Providing good value, high quality services
- Getting the city working
- Investing in education and training
- Keeping people safe
- Keeping the city clean and green
- Looking after people

Organisational assessment

Southampton's priorities reflect the concerns of local people and the council is performing well in relation to most of them. It has been effective in identifying what people need and delivering good priority services, . However, some priorities are longer term and may take many years to achieve.

Providing good value, high quality services

The council is continuing to deliver good quality services. It has improved access for local people to its services but there is still more to do. The council has improved transport by increasing bus services to hospitals, reducing school journeys by car, promoting cycling (which has seen an increase of 25 per cent) and holds meetings four times a year with older people on transport issues. This, for example, has led to improved street signs and clear instructions on how to report pot holes. The council has improved access to services for minority groups, such as delivering training to Chinese restaurants on food hygiene. It has achieved level four out of five of the equality standard, and has clear ambitions to deliver services fairly to all people in the area. This has helped ensure a better representation of women and minority groups among its staff, and taking appropriate action on reported racial incidents. It has completed a project to ensure new migrants settle into the community, including delivering awareness sessions to fire service staff which led to new families taking up fire-safety checks. This is helping to ensure better services for more vulnerable people.

The council continues to achieve good value for money and improve cost effectiveness. Costs are low compared to other councils, and most of the

higher cost services are performing well and delivering good results for local people, such as the efficient waste collection service. The council has improved performance in other high-cost priority services such as leisure and council tax collection although educational results remain below average compared with other councils. The council achieved £18.6 million of efficiency savings over the last three years, exceeding its target by £3.5 million. This was achieved by various methods such as restructuring departments and working better with partners. Procurement practices have improved, for example, by reducing the number of suppliers used.

Getting the city working

Regeneration projects are achieving social and economic benefits for local people by tackling deprivation and inequality. Work in the disadvantaged Thornhill neighbourhood has led to increased employment training for residents, better homes with 2,000 new kitchens and bathrooms, and crime reduction and environment weeks. The council has received funding for a 'Future Jobs' scheme which will provide 274 apprenticeships for local people. One recent apprentice scheme for local work, such as carpentry, resulted in 200 people attending an open day. Other work to help boost the economy includes improvements to regulatory services, improving buying methods for small local businesses so that it is easier for them to do business with the council, receiving £175,000 funding to investigate marine renewable energies. It holds well-attended councillor briefings for the business community. This ensures that local businesses are aware of the services and advice that the council provides.

The council has plans to improve the economy of the city by using its cultural and leisure facilities. It is also using the forthcoming Olympics to boost the economy. It has encouraged local businesses to register on an Olympic website to win contracts from the games, and one major local company has already been awarded a contract through this. It is developing a heritage centre and has received funding as part of an Olympic project to provide public art and to open heritage sites at the weekends, helping to boost tourism. Due to the recession there are funding uncertainties for some planned major redevelopment schemes in the city such as the Southampton New Arts Centre. However, the council is working hard with developers and funders as well as exploring the use of its own assets to help ensure that these schemes proceed.

Investing in education and training

Children's services in Southampton are adequate overall. While most services and settings for children and young people are good or better, this positive picture masks continuing variation in the quality of provision across early years, education and social care. Very young children get off to a good start. Childcare and childminder settings are good and better than the average found in similar areas. By contrast, the performance of the council's schools is mixed. The proportion of good or better primary and secondary schools is above average for similar areas; however, four of the ten secondary schools are no better than satisfactory. Special schools are mostly good, but one of the two pupil referral units is inadequate. Post-16 provision is also a mixed picture which includes two good sixth form colleges and an adequate general

further education college. The quality of social care provision is variable: children's homes and the adoption service are good, but private fostering arrangements are inadequate. The joint area review in 2007 judged safeguarding and services for looked after children and young people as adequate. Three of the four serious case reviews completed since December 2008 were at least adequate. Performance against the large majority of national indicators, including those for staying safe and enjoying and achieving is above, or in line with, similar areas and the national figures. However, the council does not perform well in all areas. Standards are very low in primary school and a stubbornly high proportion of young people aged 16 to 19 are not in education employment and training. The gap in educational outcomes between the majority and those whose circumstances make them vulnerable remains wide and is not reducing fast enough.

The council is aware of the challenges facing the city. As a result, it has reduced its secondary schools from 14 to 12 to focus resources on teaching. It has increased its mixed-sex schools from 6 to 10. As a result more parents are choosing schools in the city than before. Substantial funds have been given by the council to rebuild five secondary schools over the next five years. The council is adding specialist learning centres to the city's schools to help children with special educational needs. Other improvements include after-school clubs, junior warden schemes, truancy patrols and adult learning courses. The council delivers a well-attended after-schools programme in partnership with a local university. This is an innovative scheme where sessions are delivered by students at low cost. Around 50 types of activity are delivered in several schools each week, such as cricket, badminton, rugby and dance. More than 430 children attend each week, showing that it is well-used. The programme has produced health and educational benefits for young people, as well as experience to the students leading the activities. The partnership has received funding to extend this scheme.

The city has a high number of 16 to 19 year olds who are not in work, education or training, many more than in similar areas. Local data suggests this is now reducing at a faster rate than other areas over the last year. The council with its partners have plans in place to help address this, such as rebuilding schools, improving colleges and personalised support for individuals.

Keeping people safe

The council has worked with partners via the 'Safe City Partnership' to once again reduce crime in the city, but some types of crime are still too high. The number of domestic burglaries, sexual offences, drugs and vehicle crimes has fallen since last year, with a reduction in overall crime of 4.8 per cent. There have been improvements in the number of drug users on intervention programmes and offenders employed at the end of supervision orders, which are key factors in reducing repeat crimes. For example, projects to enable offenders to access training and employment opportunities have reduced re-offending by 64 per cent. The council has one of the best road safety records in the region due to the low number of accidents.

However, the level of violence is high, although recent data shows improvement. The number of incidents of violence against the person fell from 8,594 to 8,210 over the past year, and serious violent crime fell from 343 to 305 crimes. The council with its partners is tackling violent crime by focusing

on the key issues of alcohol and the night time economy, particularly relating to young people, anti social behaviour and domestic violence. The council led the initiative to close certain roads on weekend nights to make the city safer, as well as introducing a 'SOS' project in city centre hotspots to help vulnerable people access emergency care. Street lighting in the city has been improved, and a recent residents' survey suggests more people feel safe after dark, although not as safe as some other places in the country.

Other partnership initiatives include the launch of weekend street pastors, development of domestic violence services, tackling knife crime, and a policy where new licensed premises or extensions to opening hours are not permitted if the changes are likely to have a negative impact. There have also been a series of high-profile awareness campaigns such as: a Know Your Limits campaign with 472 people completing scratch cards assessing how much alcohol they have drunk; Safer Nights Out where 2,500 personal safety packs were distributed via local entertainment venues; and supporting the Southampton Kids Against Alcohol event where over 600 young people attended.

Arrangements for keeping children and young people safe are good in most services and settings but not as good in children's homes, special schools, pupil referral units and in private fostering arrangements. Teenage conception rates in the city are higher than the national average, but the council has been working with partners to reduce this, with significant improvements being shown. The number of first-time offenders entering the youth justice system and the numbers re-offending are higher than the average for similar areas.

Keeping the city clean and green

The council continues to make very good progress in improving the environment. The council has reduced the amount of waste sent to landfill from 24 per cent to 18 per cent this year, which is better than most other councils, and now uses over half of its waste to recover heat and power, rather than sending it to landfill. But recycling rates have only increased by a small amount to 27 per cent. The number of biodiversity sites, such as nature reserves, that are improving has risen from 25 to 35, the number of 'green flag' awards the council has received for its open spaces has increased and the amount of litter and graffiti has reduced again, ensuring that Southampton's streets remain clean.

The council uses natural resources well. It knows which of its services produce the most carbon and is targeting this as a key priority. CO₂ reduction within the council increased from 341 to 758 tonnes this year, exceeding targets for both the council and city-wide. Refuse collection vehicles reduced their fuel use by 8,000 litres last year. A long standing partnership between the council and Utilicom provides the innovative District Energy Scheme for heating and cooling in the city. This scheme uses a natural geothermal energy source beneath the city which is piped to local buildings. It is the largest non energy from waste project nationally and is recognised as best practice by the Carbon Trust, Defra and others. This project has helped the city minimise energy consumption and cut carbon emissions by saving over 12,000 tonnes of CO₂ each year. The council requires all new buildings to achieve high environmental standards with an emphasis on saving and re-using water.

Looking after people

The council continues to promote independent living for local people. Adult social care is rated as performing well by the Care Quality Commission.

Healthy lifestyles are promoted well in nurseries, schools and colleges. However, support for being healthy is not as good for children and young people in pupil referral units and children's home. One in ten children is obese by the time they start school, although this reflects the national picture. Good progress has been made in achieving a comprehensive child and adolescent mental health service. Participation in sport has increased significantly since 2005 and is now average. This has been helped by the council working with Solent University to provide specialist sports coaching in schools.

The council and the primary care trust are working well to put in place schemes to help older people and people who have a disability. These include helping more people to live in their own homes rather than in residential care homes. More adults with learning disabilities are getting help from rehabilitation teams who help people to decide themselves what support they need to live in their own homes. The council also offers services giving legal advice to individuals and what benefits they can claim. People with disabilities are helped into paid and voluntary work but the employment of adults with learning disabilities within the area is less than similar councils.

Vulnerable adults have not always been fully happy with the amount of care they receive at home. As a result of changes to the number of care providers there was an increase in complaints. Partners know that more work is needed to review the amount of time that is provided to people who receive care. Carers are supported by the council in a number of ways, including helping them to have breaks from caring. The council has a contact centre to offer advice and support to people, but people often have to tell their story more than once. There are also delays between requests for information and when the council gives the help and advice. People receiving care are also given less choice by the council on who gives them the care that is needed. The council has not met its plans for giving people their own care budget. In response to delays in assessing people's needs, the council is looking to change the way it delivers its services, for example occupational therapy. Over the last few years, the council has upgraded its day care services. For example, people with learning disabilities have more opportunity to get involved in their local communities. However, as the council increasingly agrees specific care plans for each individual, it needs to make sure that its day care services are flexible enough to meet these sometimes detailed needs.

Although most of the care services in Southampton that are provided by the independent sector are good, there are a small number that only deliver poor or adequate levels of service. The council's own care homes do not yet meet the highest standards of care. The council is committed to making sure all vulnerable people are fully protected from harm or abuse, but the amount of training it gives to its staff is far less than other councils. However, the city is investing in looking after vulnerable children. Social services has employed an extra 25 people and overhauled its systems to help ensure children are kept safe. On-going work with partners such as the Southampton City Primary Care Trust has resulted in a new 'Joint Strategic Needs Assessment' and 'Health and Well Being Strategy' to ensure that the health and social care

needs of local residents are met.

The council and primary care trust work well together to support families. SureStart Children's Centres in Southampton give good help to children through combined health, education and family support. The centres provide family nurses, educating parents about breastfeeding and smoking, and running courses to improve parents' skills to help them get work. Local data suggests that normal birth-delivery rates and low birth weigh rates are better in SureStart areas in the city than elsewhere. This is helping to the narrow the gap between the poorer and richer areas of the city. A local survey showed people using SureStart facilities are very satisfied with them.

The council has continued to improve the speed and accuracy of its benefits payments. The council has improved the time taken to process new claims from 25 days last year to 21 days this year, and accuracy of processing the claims improved from 96 to 99.6 per cent. This is a positive move during the economic recession. Work on welfare rights advice has meant a drop in the number of tenants owing rent. The recession has led to a fall in rent collections, but the council is trying to prevent this by schemes such as: giving advice on how not to get into mortgage arrears; promoting shared ownership and short term loans; and funding the Citizens Advice Bureau to give support to people who arrive at court for non-payment.

The council has made excellent progress with ensuring access to decent and affordable housing. Forty per cent of new housing over the last five years has been affordable, and 372 houses were built this year, helping many residents who cannot afford market-price housing.

Access to the housing service is good, with well-located offices, clear standards and consultation with new tenants found that 83 per cent were satisfied with their new homes. The council has helped disadvantaged groups by working with landlords to improve houses in multiple occupancy, such as enforcing safer standards for housing, having an amnesty phase for landlords to register with the council, and working in partnership with landlords and universities in an innovative scheme to improve student accommodation. This for example prevents overcrowding and ensures that working fire alarms and approved gas safety checks are carried out.

Issues raised in a housing inspection last year have been resolved, with an increase in valid gas safety certificates issued from 97.6 to 99.91 per cent, and the replacement of 50 boilers. A housing needs survey led to the development of larger homes for some minority ethnic families. Eight percent of new build completions since April 2007 have been wheelchair adapted, giving better access to suitable housing. The relet times for void properties has reduced by 6.6 days to 32.65 days, meaning that houses are not left empty and unused. But some issues remain. For example, 37.7 per cent of private sector homes do not meet the decent homes standard, mainly due to poor energy efficiency ratings. A scrutiny inquiry has been carried out by councillors on fuel poverty in the city, home improvement loans are available to residents to improve the energy efficiency of their homes and the council received an award for its work to promote the take up of the warm front grants.

Does the organisation have the leadership,

capacity and capability it needs to deliver future improvements?

The council makes decisions based on a good understanding of local needs. Consultation and engagement has led to a change in the council's priorities. Examples of consultation that have taken place include gathering views on school admissions, the budget setting process, the local plan and primary school provision. Some of this consultation has resulted in changes to services, such as more co-educational schools and primary school places. The council has also restructured its internal departments to focus more on the economy and regeneration for the longer-term future of the city.

The council has improved its knowledge about the local community. It has introduced a new ward-based website, so that people can report issues such as missed bins or pot holes, or find out about local events, their ward councillors, planning applications and how to get more involved in the community. It has also worked with partners to develop a new mapping system so that detailed up-to-date information such as education, health and crime can be used to provide better joined-up public services.

The council uses the knowledge about the area towards longer-term planning. It has embarked on a major estate regeneration programme that tackles economic deprivation and social disadvantage. Plans to improve the Hinkler Parade area will lead to new family homes and shops. Over 200 people attended consultation events and completed questionnaires for this. Other priorities include a major programme to improve local schools and £6 million to improve roads.

The council works well in partnership and has many examples of how joint-working increases capacity. For example, through working with the 'Partnership for Urban South Hampshire' (PUSH) the whole area received £3.6 million in funding towards schemes to regenerate deprived areas. The Safe City Partnership focuses on key issues of violent crime, alcohol harm and neighbourhood safety which is tackled by all partners working together. The council has also worked with others to introduce an advert-based scheme to allocate council and housing association homes to residents.

Political and managerial leadership is good. Councillors and officers work well together. New partnership groups have been set up by the council to deal with the key challenges facing the city. A councillor post for 'safeguarding children' has been created, giving the welfare of children a clear focus. Scrutiny focuses on cross-cutting issues such as NEET levels and fluoride in the city. A review of senior management has taken place, and training such as project management has been delivered. A new Assistant Chief Executive has been appointed, with a role to focus on economic development and initiatives such as estate regeneration. The council demonstrates the principles of good internal governance in the way it runs its business. It has good governance procedures in place, is well-governed with an open culture and a clear focus on the needs of local communities. The council has an excellent ethical framework and has provided support and assistance to other councils on this. It manages its risks well and maintains a good system of internal control. This helps it to deliver innovative projects effectively. It has a well-publicised awareness of fraud and corruption policies.

The council manages its finances well in order to deliver its priorities. It has effective reporting arrangements, which enables it to maintain spending within budget. Financial standing is sound, and this supports the achievement of long term objectives. It manages its resources effectively, for example with difficult decisions being made to close some of its care homes. The council also manages external funding well, receiving £15.6 million last year for various projects.

The council has a good understanding of its costs and performance. It has good comparative information on costs and performance, which resulted in £18.6 million efficiencies over the last three years - £7.9 million this year - and the achievement of its efficiency targets. Costs are low compared with other councils. Most higher cost services are performing well and delivering good results for local people. However, although the council has improved its education service and lowered its costs, there is further work to be done to demonstrate a consistent track record in reduced costs and improved results.

The council manages its assets effectively to help deliver its priorities. It has clear views on how its land and building should be used and challenges whether they provide value for money to meet current and future needs. The council and the Primary Care Trust share accommodation within the city, bringing closer working relationships and operational savings. The council also manages property which is let to third parties to support local social or economic projects.

The council has an effective performance management system for identifying strengths, weaknesses and measuring objectives. It has improved how it monitors its risk registers and automatically links its performance and financial management systems. It also uses its performance management methods to monitor the recession effectively.

CAA looks at how well local public services, working together, are meeting the needs of the people they serve. It's a joint assessment made by a group of independent watchdogs about the performance of local public services, and how likely they are to meet local priorities. From 9 December you will find the results of Comprehensive Area Assessment on the Oneplace website - <http://oneplace.direct.gov.uk/>

Alternative formats - If you require a copy of PDF documents in this site in large print, in Braille, on tape, or in a language other than English, please call: 0844 798 7070

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for an independent overview
of local public services

Agenda Item 10

DECISION-MAKER:	CABINET COUNCIL		
SUBJECT:	ADOPTION OF THE LOCAL DEVELOPMENT FRAMEWORK CORE STRATEGY		
DATE OF DECISION:	CABINET – 21 DECEMBER 2009 COUNCIL – 20 JANUARY 2010		
REPORT OF:	CABINET MEMBER FOR ENVIRONMENT AND TRANSPORT		
AUTHOR:	Name:	Deborah Mobbs	Tel: 023 8083 2549
	E-mail:	Deborah.mobbs@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

Not applicable

SUMMARY

The main planning document for the city is the Core Strategy which sets out the vision for the future development of the city and the key strategic planning framework. The Core Strategy underwent its Examination in July 2009 and the Planning Inspector's Report has been received. The Inspector found the document sound providing the amendments he recommended were made. The Inspector's report is binding on the Council. The final version of the Core Strategy, incorporating the Inspector's recommendations can now be adopted. Fewer than 15% of local authorities in England have adopted Core Strategies.

RECOMMENDATIONS:

CABINET

- (i) To recommend that Council adopts the Core Strategy which has been amended in accordance with the Inspector's recommendations
- (ii) To recommend that Council endorse the list of additional Local Plan Review policies (attached as Appendix 1) that will be replaced in part or in full by the Core Strategy.

COUNCIL

- (i) To adopt the Core Strategy which has been amended in accordance with the Inspector's recommendations
- (ii) To endorse the list of additional Local Plan Review policies (attached as Appendix 1) that will be replaced in part or in full by the Core Strategy.

REASONS FOR REPORT RECOMMENDATIONS

1. To give adopted development plan status to the Core Strategy which will encourage investment in the city by providing clarity and predictability in decisions on the use and development of land and contribute to achieving the PUSH and local (City of Southampton Strategy) vision for the City.
2. To adopt the Core Strategy by January 2010 to meet the target agreed by GOSE in our Local Development Scheme.

CONSULTATION

3. Throughout its preparation the Core Strategy has been subject to consultation, both internal and external. There have been 3 formal stages of public participation that culminated in the public examination of the Core Strategy in July 2009. This was held by a Planning Inspector and members of the public, stakeholders, developers and amenity groups were invited to participate in the Examination.
4. The Inspector's report is binding on the Council so the Council is not in a position to further amend the Core Strategy (other than to include his recommended changes).

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. The alternative would be not to adopt the Core Strategy. The current statutory plan (the Local Plan Review) was adopted in 2006 for the period up to 2011. It needs to be updated to ensure delivery of the additional growth identified through the South East Plan. Having an up to date planning framework will contribute to the future prosperity of the city by encouraging investment in new and expanding businesses, homes and leisure, sporting and cultural facilities supported by the necessary infrastructure.

DETAIL

6. The Proposed Submission version of the Core Strategy was published for public consultation between December 2008 and February 2009. Following receipt of comments some changes were proposed to the document. Most of these were minor but some did impact on the soundness of the document. These changes were endorsed by the Cabinet Member for Environment and Transport. The Core Strategy was submitted to the Secretary of State in March together with the suggested changes plus all the background evidence that had been produced to support the document. A Public Examination into the Core Strategy was held by a Planning Inspector for two weeks in July. A number of further changes to the document were discussed during the Examination.
7. The Inspector's report was received in October 2009. The Inspector concluded that with the amendments he recommended the Core Strategy satisfies the requirements of the Planning and Compulsory Purchase Act 2004 and meets the test of soundness in PPS12 "Creating strong safe and prosperous communities through Local Spatial Planning".

8. The Inspector supported the overall strategy set out in the Core Strategy and considered that it “provides an appropriate and realistic spatial vision for the city to 2026”. He considered that “there are soundly based and realistic prospects that the CS will deliver the required growth over the plan period, sustainably focussed on the city centre”. He supported the general thrust of the policies such as those relating to family homes (CS 16), affordable housing (CS 15), the safeguarding of employment sites (CS 7), the requirement for new development to meet the standards for carbon reduction and water resource conservation (CS 20) and measures to improve access to jobs (CS 24).
9. The Inspector accepted most of the changes put forward by the Council but suggested further amendments that relate to points of clarification and soundness. The main changes required are:
 1. **Flood risk.** The policy (CS 23) and the supporting text have been rewritten to explain how the appropriate steps of the flood risk hierarchy required by government guidance will be implemented at the local level.
 2. **City centre retail**, especially future needs. The level of comparison retail floorspace for the city centre has been reduced in policy CS 1 from a level of up to 200,000 square metres down to 130,000 square metres. This is in light of the most recent update study on retail capacity in the city centre carried out by DTZ in June 2009.
 3. **Transport**, notably concerning the strategic road network. Additions have been made to the supporting text to policy CS 18 to refer to the measures that will need to be taken following the joint study of the strategic road network that is underway.
 4. **Biodiversity / nature conservation.** Additions to the supporting text to policy CS 22 to refer to the Habitats Regulations Assessment that has been carried out and the implementation of a strategic approach across the sub-region to protect internationally designated sites.
 5. **The Port.** Additional wording in policy CS 9 and the text (throughout the document) to refer to the importance of the Port and its role in the city’s economy.
10. The Inspector made two further significant changes to policies although they do not affect the overall approach of the strategy.
 1. Affordable Housing. He supported the thresholds and percentages of affordable housing that will be sought by policy CS 15 but changed this to relate to ‘net’ dwellings proposed rather than the ‘gross’ number.
 2. Open Space. He deleted the words ‘seek to’ from the first line of policy CS 21 thus making it a requirement to retain the quantity of open space within the city and also added “help deliver new open space both within and beyond the City”.

11. In order to now adopt the Core Strategy so that it forms part of the development plan, we are legally bound to incorporate the Inspector's recommendations. These changes mainly reflect those that were put forward before and during the Examination and do not affect the overall approach of the strategy. Therefore it is recommended that the changes are incorporated and the strategy adopted. The Core Strategy will be used to enable and enhance development within the city.
12. Once the Core Strategy is adopted it will supersede a number of the policies in the Local Plan Review 2006. Appendix 3 of the Proposed Submission version of the Core Strategy lists the Local Plan Review policies that are to be replaced by Core Strategy policies. With the changes that will be made to the Core Strategy a number of other local plan policies will be partly or wholly replaced by the Core Strategy policies and need to be added to the list in the Core Strategy. A list is attached as Appendix I.
- 13 **Next steps.** The Core Strategy sets out the main strategic policies for the city. Work is now being progressed on the City Centre Action Plan and the Sites and Policies Development Plan Document which will draw up the detailed site allocations and policies for the city centre and the rest of the city, respectively.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

14. The Core Strategy is a spatial planning document. The Core Strategy does not itself commit the Council to capital expenditure but does include an Infrastructure Delivery Plan which will provide a framework for some future decisions on capital expenditure.

Revenue

15. Printing the final document will cost approximately £6000 which will be funded from the existing publication budget associated with the production of the Local Development Framework within the Environment and Transport Portfolio. Costs will be kept to a minimum by making electronic copies available on the website.

Property

16. There are no immediate property implications arising directly from the Core Strategy. If, following approval of this report, property implications arise as the policy is implemented, they will be the subject of further detailed consideration in the normal way which will include evaluation of any property implications and the results of any formal option appraisals where the investment is over £2 million (as required by Financial Regulations).

Other

17. The Core Strategy has been subject to an Equalities Impact Assessment and the findings have informed the document.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

18. The report is prepared in accordance with section 23 of the Planning & Compulsory Purchase Act, 2004.

Other Legal Implications:

- 19. In preparing the Core Strategy regard has been had to the provisions of the Human Rights Act 1998, the Crime & Disorder Act 1998 and Equalities legislation as appropriate.

POLICY FRAMEWORK IMPLICATIONS

- 20. The Core Strategy is a part of the LDF and is a statutory development plan document. It supersedes part of the Local Plan Review 2006. Planning applications must be determined in accordance with the Core Strategy unless other material considerations indicate otherwise.

SUPPORTING DOCUMENTATION

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

Appendices

1.	List of additional Local Plan Review Policies to be replaced by the Core Strategy.
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Documents In Members' Rooms

1.	Inspector's Report on the Examination into the Southampton Core Strategy Development Plan Document, October 2009
2.	Core Strategy – as proposed to be adopted

Background Documents

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.	Proposed Submission Core Strategy, December 2009	
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Background documents available for inspection at: Office of the Head of Planning and Sustainability

FORWARD PLAN No: ET03718 **KEY DECISION?** Yes

WARDS/COMMUNITIES AFFECTED:	All
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ITEM NO: 10 APPENDIX 1

List of additional local Plan Review Policies to be Replaced by Core Strategy Policies

Appendix 3 of the Core Strategy includes a list of Local Plan Review policies that will be fully or partly replaced by Core Strategy policies. Following receipt of the Inspector's report and his recommended changes to the document additional policies will be partly or wholly replaced by Core Strategy policies. The following table lists the policies and is set out in the format shown in the Core Strategy document.

Policy No.	Description	Replaced in full by Core Strategy?	Further information:
SDP 13	Resource Conservation	No	Part replaced by policy CS 20 & Minerals & Waste CS.
SDP 20	Flood Risk & Coastal Protection	Yes	Replaced by policy CS 23.
SDP 21	Water Quality & Drainage	No	Partly replaced by policy CS 20.
NE 4	Protected Species	No	Partly replaced by policy CS 22.
CLT 4	Amenity Open Space	Yes	Replaced by Policy CS 21.
H 12	Housing Type and Design	Yes	Replaced by policy CS 16. <i>(Currently in the Core Strategy it is mentioned that this policy will be partly replaced by the Core Strategy policies)</i>
REI 2	Warehouse Clubs	Yes	Replaced by policies CS 3 & CS 6.

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DECISION-MAKER:	COUNCIL		
SUBJECT:	TRIENNIAL REVIEW OF GAMBLING ACT 2005 POLICY		
DATE OF DECISION:	20 JANUARY 2010		
REPORT OF:	SOLICITOR TO THE COUNCIL		
AUTHOR:	Name:	RICHARD IVORY	Tel: 023 8083 2794
	E-mail:	Richard.ivory@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

None

SUMMARY

Section 349 Gambling Act 2005 requires the City Council, as licensing authority, to prepare and publish a statement of principles that it proposes to apply in exercising its functions under the Act. The Council adopted its first policy in November 2006 with it coming into effect on 31st January 2007. Currently every three years at least it must review the policy. The implementation of the new licensing regime has been low key and has not caused any significant problems that warrant changes to the Council's overarching policy.

The consultation draft previously approved by Council on 16th September 2009 is attached at Appendix A for Members' consideration. The draft SLP includes relevant minor amendments as a result of revisions of Government statutory guidance, minor changes in the introduction but nothing more. The Act and Regulations made thereunder are extensive and prescriptive in relation to the content and form of the Statement.

RECOMMENDATIONS:

- (i) That Council adopts the draft revised Gambling Act policy

REASONS FOR REPORT RECOMMENDATIONS

1. The Council has a statutory obligation to adopt a Statement of Licensing Principles and administration of all matters under the Act

CONSULTATION

2. The City Council has undertaken an extensive consultation on the draft SLP in accordance with the Act and Regulations as well as the Council's own consultation requirements.
3. Reports were considered by the Licensing Committee and the Local Safeguarding Children's Board (LSCB) but neither had any substantive revisions to the draft policy.
4. No responses from the trade or public have been received at the date of this report. Should any be received subsequently they will be reported to the meeting orally

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. Not applicable

DETAIL

6. Section 349 of the Act requires each licensing authority to prepare and publish a statement of principles that they propose to apply in exercising their functions under the Act.
7. The main functions of licensing authorities under the Act are as follows: -
- Licensing premises for gambling activities;
 - Considering notices given for the temporary use of premises for gambling;
 - Granting permits for gaming and gaming machines in clubs and miners' welfare institutes;
 - Regulating gaming and gaming machines in alcohol licensed premises;
 - Granting permits to family entertainment centres for the use of certain lower stake gaming machines
 - Granting permits for prize gaming
 - Considering occasional use notices for betting at tracks
 - Registering small societies' lotteries
8. The Act provides for 3 categories of licence:-
(1) Operating licences;
(2) Personal licences; and
(3) Premises Licences
9. The Gambling Commission issues operating licences and personal licences, and licensing authorities will issue premises licences.
10. The Gambling Commission issued revised detailed guidance to licensing authorities in May 2009 on the manner in which they are to exercise their functions under the Act, and in particular, the principles they should apply in exercising their functions. The vast majority of the SLP is prescriptive or flows from statutory guidance which is expected to be included in the document unless there is very good reason not to do so. The Council has also had the benefit of Leading Counsel's opinion on the draft SLP in order to ensure it meets all statutory requirements.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

11. None.

Revenue

12. None

Property

13. None

Other

14. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

15. S.349 Gambling Act 2005

Other Legal Implications:

16. The Statement of Licensing Principles set out the factors which the Licensing Authority shall take into account, along with relevant statutory guidance, the Gambling Act 2005 and Regulations made thereunder when performing its Licensing functions. It is important to note and reiterate that the Licensing Authority is unable to consider issues relating to morality or demand when determining premises licence applications.

POLICY FRAMEWORK IMPLICATIONS

17. The Gambling Act policy is one of the policy framework documents that is currently required to be considered and adopted by full Council on at least a triennial basis

SUPPORTING DOCUMENTATION

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

Appendices

1.	Appendix A, Southampton City Council’s Revised Draft Statement of Licensing Principles
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Documents In Members’ Rooms

1.	None
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Background Documents

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	Gambling Commission – Guidance to Licensing Authorities May 2009
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Background documents available for inspection at: Gambling Commission website

KEY DECISION? n/a

WARDS/COMMUNITIES AFFECTED:	All
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GAMBLING ACT 2005 SECTION 349

STATEMENT OF PRINCIPLES

This Statement of Principles will remain in force from
31st January ~~2010~~ until 31st January ~~2013~~

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1.0 Licensing Objectives

- 1.1 In exercising most of the functions under the Gambling Act 2005, the Licensing Authority must have regard to the licensing objectives as set out in Section 1 of the Act. The licensing objectives are:
- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime;
 - Ensuring that gambling is conducted in a fair and open way; and
 - Protecting children and other vulnerable persons from being harmed or exploited by gambling
- 1.2 The Licensing Authority is aware that the Gambling Commission has stated that the requirement in relation to children is explicitly to protect them from being harmed or exploited by gambling.
- 1.3 This Licensing Authority is aware that in accordance with Section 153 of the Act, in making its decisions about premises licences and temporary use notices it should aim to permit the use of the premises for gambling in so far as it thinks it:
- (a) in accordance with any relevant code of practice under section 24,
 - (b) in accordance with any relevant guidance issued by the Commission under section 25,
 - (c) reasonably consistent with the licensing objectives (subject to paragraphs (a) and (b)), and
 - (d) in accordance with the statement published by the authority under section 349 (subject to paragraphs (a) to (c)).
- 1.4 [For the avoidance of doubt, any reference in this statement of licensing principles to the Gambling Commission's Guidance or Codes of Practice are references to the current versions of those documents, as updated from time to time.](#)

2.0 Introduction

- 2.1 Southampton is the south coast's regional capital with a population of over 234,600 in an area of 50 square km. The dynamic and vibrant city is forward-looking, balancing steady growth as a prosperous commercial centre with a high quality of life for its citizens. Southampton has been voted one of the most pleasant places to work in the UK, and is the gateway to a wide range of world-class features from the Solent with its maritime opportunities to the new national park in the New Forest.
- 2.2 Southampton boasts the south's largest concentration of major companies and is home to some of the UK's biggest brands, from Ordnance Survey, Carnival, Skandia Life and HSBC, to Ford Transit. Commercially, Southampton's success is also notable. The West Quay shopping centre

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opened in 2000 and in the years since, Southampton has risen from 43rd place to 13th nationally in the table of shopping destinations. IKEA opened its first UK city centre store in 2009. Additionally, it is home to two universities, the University of Southampton and Southampton Solent University and has a student population exceeding 35,000.

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2.3 Southampton is the largest city in southeast England outside London, and is seeing expansion in important emerging sectors, including media and creative industries, business and financial services, marine engineering, tourism and defence applications. Southampton has a rich heritage, with a famous seafaring history as an important Roman and then Saxon port. The Old Town is surrounded by some of the best-preserved medieval walls in the country. Monuments commemorating links with Henry V, the Pilgrim Fathers and RMS Titanic can be found around the city.

2.4 Four-and-a-half million people live within an hour's drive, with over half a million within the "travel-to-work" area. Southampton's position in the centre of the south coast offers a wealth of advantages. Southampton is the region's cultural heart with a nationally renowned art gallery and first class venues for opera, theatre, music and cinema. Southampton is the south's principal media centre: the BBC and radio and regional newspapers are all based in the city region. There are plans for significant new performance, exhibition and studio space in the city's "arts quarter" which has been awarded an Arts Council grant of nearly £6 million. The Council also harbours long-standing plans for a multi-use entertainment, conference and ice venue in the centre of the city and significant improvement to the waterfront adjacent to Royal Pier and Mayflower Park.

The city and Port of Southampton is at the heart of the country's international cruise industry and enjoys a growing market with over 1 million cruise ship passengers passing through the port in 2009 on 300 ships.

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2.5 Southampton lies at the very centre of the south coast's communications network, providing excellent links to national and international destinations through Southampton International Airport and the Port of Southampton. The city maintains a strong international profile and has forged close commercial and cultural ties with European and Far Eastern centres.

2.6 In January 2010 gambling facilities in the city included three casinos, three bingo clubs, 34 betting offices, 18 amusement centres, one betting track, 435 premises and 47 clubs licensed for the supply of alcohol for consumption on the premises, the majority of which have gaming machines installed.

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2.7 A map of the Southampton area is attached as Appendix A. *[not attached for the Council report]*

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3.0 Consultation on the Statement of Principles

3.1 Licensing Authorities are required by the Gambling Act 2005 to publish a statement of the principles that they propose to apply when exercising their

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functions. This statement must be published at least every three years. The statement must also be reviewed from "time to time" and any amended parts re-consulted upon. The statement must then be re-published.

3.2 The Licensing Authority has consulted widely upon this statement before finalising and publishing it. A list of those persons consulted is provided at Appendix B. It should be noted that unsolicited comments may have been received from other persons but all of these have not been listed.

3.3 The Gambling Act requires that the following parties be consulted by licensing authorities:

- The Chief Officer of Police for Hampshire;
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the Southampton area;
- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Act.

3.4 The full list of comments made and the consideration by the Council can be obtained from the Licensing Team, Legal & Democratic Services, Southampton City Council, Southbrook Rise, 4-8 Millbrook Road East, Southampton SO15 1YG

3.5 The policy was approved at a meeting of the Full Council on [date of council meeting] and was subsequently published via the Council's website (www.southampton.gov.uk/licensing). Copies are placed in all the city's public libraries as well as being available from the Licensing Team at Southbrook Rise.

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3.6 The Licensing Authority will also consult the above and any other relevant persons as may be appropriate for any subsequent revision of the statement.

3.7 Any comments as regards this statement should be sent to:

The Licensing Manager
Legal and Democratic Services
Southampton City Council
PO Box 1344
Southampton
SO15 1WQ
Tel: 023 8083 3426 Fax: 023 8083 4061
Email: licensing.policy@southampton.gov.uk

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3.8 It should be noted that this Statement of Principles will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

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4.0 Declaration

- 4.1 In publishing this document, the Licensing Authority declares that it has had regard to the licensing objectives of the Act, the Guidance issued by the Gambling Commission and any responses from those consulted on the statement.

5.0 Responsible authorities and interested parties

- 5.1 When dealing with applications for and reviews of premises licences, the Licensing Authority are obliged to consider representations from two categories of persons, referred to as “responsible authorities” and “interested parties.” (It should be noted that these are defined differently to those defined in the Licensing Act 2003). Representations made by persons other than responsible authorities or interested parties will be inadmissible.

- 5.2 “Responsible authorities” are public bodies that must be notified of applications by the applicant. They are as follows:

- the Licensing Authority in whose area the premises are wholly or partly situated;
- the Gambling Commission;
- the Chief Officer of Police;
- the Fire and Rescue Authority;
- the Local Planning Authority;
- the Public Protection Service;
- the Southampton Local Safeguarding Children Board;
- HM Revenue and Customs; and
- Any other person prescribed by the Secretary of State

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A full list and contact details of all the Responsible Authorities under the Act are contained on the Council’s web-site (www.southampton.gov.uk/licensing).

- 5.3 The Licensing Authority is required by the regulations to state the principles it will apply in exercising its powers under Section 157(h) of the Act when designating in writing, a body which is competent to advise the authority about the protection of children from harm. The principles are:

- The need for the body to be responsible for an area covering the whole of the Licensing Authority’s area; and
- The need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.

- 5.4 In accordance with the suggestion in the Gambling Commission’s Guidance for Local Authorities, this authority has designated the Southampton Local

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Safeguarding Children Board as the body that is competent to advise the authority about the protection of children from harm.

- 5.5 “Interested parties” are persons who may make representations about licence applications or apply for a review of an existing licence. These parties are defined in the Act as follows:

“A person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the Licensing Authority which issues the licence or to which the application is made, the person -

- lives sufficiently close to the premises to be likely to be affected by the authorised activities; or
- has business interests that might be affected by the authorised activities; or
- represents persons in either of those two groups referred to above”.

- 5.6 Each case will be considered on its merits. This authority will not apply a rigid rule to its decision making. It will consider the examples of considerations provided in the Gambling Commission’s Guidance for Local Authorities.

It will also consider the Gambling Commission’s Guidance that “has **business interests**” should be given the widest possible interpretation and include partnerships, charities, faith groups and medical practices.

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- 5.7 The Gambling Commission has recommended that the Licensing Authority states that interested parties include trade associations, and trade unions, and residents and tenants’ associations (the Gambling Commission Guidance for Local Authorities). This authority will not, however, generally view these bodies as interested parties unless they have a member who can be classed as an interested person under the terms of the Act, i.e. lives sufficiently close to the premises to be likely affected by the activities being applied for.

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- 5.8 Interested parties can be persons who are democratically elected such as local councillors and MP’s. No specific evidence of being asked to represent an interested person will be required as long as the councillor / MP represents the ward likely to be affected.

- 5.9 If interested parties wish to approach councillors to ask them to represent their views then care should be taken that the councillors are not part of the Licensing Committee dealing with that particular licence application. If there are any doubts then please contact Democratic Services, Southampton City Council, Civic Centre, Southampton SO14 7LY.

- 5.10 Other than these however, this authority will generally require written evidence that a person/body (e.g. an advocate / relative) ‘represents’ someone who either lives sufficiently close to the premises to be likely to be affected by the authorised activities and/or has business interests that might be affected by the authorised activities. A letter from one of these persons, requesting the representation is sufficient.

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6.0 Exchange of Information

- 6.1 Licensing Authorities are required to include in their statements the principles to be applied by the authority in exercising the functions under sections 29 and 30 of the Act with respect to the exchange of information between it and the Gambling Commission, and the functions under section 350 of the Act with respect to the exchange of information between it and the other persons listed in Schedule 6 to the Act.
- 6.2 The Licensing Authority will act in accordance with the provisions of the Act in its exchange of information which includes the provision that the Data Protection Act 1998 will not be contravened. The Licensing Authority will also have regard to any Guidance issued by the Gambling Commission to Local Authorities on this matter when it is published, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.

7.0 Compliance and Enforcement

- 7.1 Licensing Authorities are required by regulation under the Act to state the principles to be applied by the authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified.
- 7.2 This Licensing Authority's principles are that:
- It will be guided by the Gambling Commission's Guidance for Local Authorities and will endeavour to be:
- **Proportionate:** intervention only when necessary; remedies should be appropriate to the risk posed, and costs identified and minimised;
 - **Accountable:** decisions must be justified, and subject to public scrutiny;
 - **Consistent:** rules and standards must be joined up and implemented fairly;
 - **Transparent:** regulators should be open, and keep regulations simple and user friendly; and
 - **Targeted:** focused on the problem, and minimise side effects.
- 7.3 The Licensing Authority will endeavour to avoid duplication with other regulatory regimes so far as possible.
- 7.4 The Licensing Authority will also, as recommended by the Gambling Commission's Guidance for Local Authorities, adopt a risk-based inspection programme. Whilst the Gambling Commission's Guidance suggests that the

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6.4 . Discussions with the Gambling Commission and Local Authorities Coordinators of Regulatory Services (LACORS) as regards information exchange between the Commission and Local Authorities are, at the time of writing, at an early stage.¶

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criteria the authority will utilise in this respect are included in this statement, this has not been possible. At the time of writing the Gambling Commission has not published its risk criteria, nor are the regulations such as mandatory/default conditions published, nor Codes of Practice. LACORS is working with the Gambling Commission to produce a risk model for premises licences and this authority will consider that model once it is made available.

- 7.5 The main enforcement and compliance role for the Licensing Authority will be to ensure compliance with the premises licences and other permissions that it authorises. The Gambling Commission will be the enforcement body for the operator and personal licences it issues. It should also be noted that concerns about the manufacture, supply or repair of gaming machines will not be dealt with by the Licensing Authority but will be notified to the Gambling Commission.
- 7.6 The Licensing Authority will keep itself informed of developments as regards the work of the Better Regulation Executive in its consideration of the regulatory functions of local authorities.
- 7.7 Having regard to the principle of transparency, the Licensing Authority enforcement/compliance protocols/written agreements will be available on request to the Licensing Team. Our risk methodology will also be available on request.

8.0 The Licensing Authority Functions

8.1 The Licensing Authority will:

- Be responsible for the licensing of premises where gambling activities are to take place by issuing Premises Licences
- Issue Provisional Statements
- Regulate members' clubs and miners' welfare institutes who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits
- Issue Club Machine Permits to Commercial Clubs
- Grant permits for the use of certain lower stake gaming machines at unlicensed Family Entertainment Centres
- Receive notifications from alcohol licensed premises (under the Licensing Act 2003) of the use of two or fewer gaming machines
- Issue Licensed Premises Gaming Machine Permits for premises licensed to sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where more than two machines are required
- Register small society lotteries below prescribed thresholds
- Issue Prize Gaming Permits
- Receive and Endorse Temporary Use Notices
- Receive Occasional Use Notices

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- Provide information to the Gambling Commission regarding details of licences issued (see section above on information exchange)
- Maintain registers of the permits and licences that are issued under these functions

8.2 The Licensing Authority will not be involved in licensing remote gambling. This will fall to the Gambling Commission via Operator Licences.

8.3 The Gambling Commission has recommended that licensing authorities include a list of licensable activities in their policy statements. LACORS has requested a definitive list from the Gambling Commission and this will be incorporated into this statement once provided.

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9.0 General Principles

- 9.1 Premises licences will be subject to the requirements set out in the Act and regulations, as well as specific mandatory and default conditions which will be detailed in regulations issued by the Secretary of State. Licensing Authorities are able to exclude default conditions and also attach others, where it is believed to be appropriate.
- 9.2 The Licensing Authority will aim to permit the use of premises for gambling in so far as it thinks [fit:jt:](#)
- (a) in accordance with any relevant code of practice under section 24,
(b) in accordance with any relevant guidance issued by the Commission under section 25,
(c) consistent with the licensing objectives (subject to paragraphs (a) and (b)), and
(d) in accordance with the statement published by the authority under section 349 (subject to paragraphs (a) to (c)).
- 9.3 The Licensing Authority appreciates that in accordance with the Gambling Commission's Guidance "moral objections to gambling are not a valid reason to reject applications for premises licences" (except as regards any "no casino" resolution – see section on Casinos below – paragraph 15 below) and also that unmet demand is not a criterion for the Licensing Authority.

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Definition of "premises"

- 9.4 "Premises" is defined in the Act as "at any place". Different premises licences cannot apply in respect of a single premises at different times. However, it is possible for a single building to be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises. Whether different parts of a building can properly be regarded as being separate premises will always be a question of fact in the circumstances. However, the Gambling Commission does not consider that areas of a building that are artificially or temporarily separate can be properly regarded as different premises.
- 9.5 This Licensing Authority takes particular note of the Gambling Commission's Guidance for local authorities which states that:
- Licensing authorities should take particular care in considering applications for multiple licences for a building and those relating to a discreet part of a building used for other (non-gambling) purposes. In particular they should be aware that entrances and exits from parts of a building covered by one or more licences should be separate and identifiable so that the separation of different premises is not compromised and that people do not "drift" into a gambling area.

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- Licensing authorities should pay particular attention to applications where access to the licensed premises is through other premises (which themselves may be licensed or unlicensed). Clearly, there will be specific issues that authorities should consider before granting such applications, for example, whether children can gain access; compatibility of the two establishments; and ability to comply with the requirements of the Act. But, in addition, an overriding consideration should be whether, taken as a whole, the co-location of the licensed premises with other facilities has the effect of creating an arrangement that otherwise would, or should, be prohibited under the Act.

Location

- 9.6 The Licensing Authority is aware that demand issues cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives can. As per the Gambling Commission's guidance, this authority will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder. Should any specific policy be decided upon as regards areas where gambling premises should not be located, this statement will be updated. It should be noted that any such policy does not preclude any application being made and each application will be decided on its merits, with the onus upon the applicant showing how potential concerns can be overcome.

Duplication with other regulatory regimes

- 9.7 The Licensing Authority will seek to avoid any duplication with other statutory or regulatory systems where possible, including planning. This authority will not consider whether a licence application is likely to be granted planning permission or building regulations approval, in its consideration of it. It will though, listen to, and consider carefully, any concerns about conditions that are not able to be met by licensees due to planning restrictions, should such a situation arise.

10.0 The Licensing Objectives

- 10.1 Premises licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, this Licensing Authority has considered the Gambling Commission's Guidance to Local Authorities and some comments are made below:

Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime

- 10.2 This Licensing Authority is aware that the Gambling Commission will be taking a leading role in preventing gambling from being a source of crime. The Gambling Commission's Guidance does however envisage that licensing authorities should pay attention to the proposed location of gambling premises in terms of this licensing objective. Thus, where an area has known high

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levels of organised crime, this authority will consider carefully whether gambling premises are suitable to be located there and whether conditions may be suitable such as the provision of door supervisors.

Ensuring that gambling is conducted in a fair and open way;

- 10.3 This Licensing Authority has noted that the Gambling Commission has stated that it would generally not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way, as this will be addressed via operating and personal licences. There is, however, more of a role with regard to tracks which is explained in more detail in section 18 below on Tracks .

Protecting children and other vulnerable persons from being harmed or exploited by gambling;

- 10.4 This Licensing Authority has noted that the Gambling Commission's Guidance for Local Authorities states that this objective means preventing children from taking part in gambling (as well as restriction of advertising so that gambling products are not aimed at or are particularly attractive to children). The Licensing Authority will therefore consider, as suggested in the Gambling Commission's Guidance, whether specific measures are required at particular premises, with regard to this licensing objective. Appropriate measures may include supervision of entrances/machines, segregation of areas etc.
- 10.5 The Licensing Authority will also make itself aware of the Codes of Practice which the Gambling Commission issues as regards this licensing objective, in relation to specific premises such as casinos.
- 10.6 As regards the term "vulnerable persons" it is noted that the Gambling Commission is not seeking to offer a definition but states that "it will, for regulatory purposes, assume that this group includes people who gamble more than they want to; people who gamble beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs." This Licensing Authority will consider this licensing objective on a case-by-case basis. Should a practical definition prove possible in future then this policy statement will be updated with it, by way of a revision.

11.0 Conditions on premises licences

- 11.1 The Licensing Authority will ensure that any conditions imposed are proportionate to the circumstances which they are seeking to address, and will ensure that any premises licence conditions are:
- relevant to the need to make the proposed building suitable as a gambling facility;
 - directly related to the premises and the type of licence applied for;
 - fairly and reasonably related to the scale and type of premises; and

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- reasonable in all other respect

11.2 Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures this Licensing Authority will consider utilising should there be a perceived need, such as the use of supervisors, appropriate signage for adult only areas etc. There are specific comments made in this regard under some of the licence types below. This Licensing Authority will also expect the licence applicant to offer his/her own suggestions as to way in which the licensing objectives can be met effectively.

11.3 The Licensing Authority will also consider specific measures which may be required for buildings which are subject to multiple premises licences. Such measures may include:

- supervision of entrances;
- segregation of gambling from non-gambling areas frequented by children;
- supervision of gaming machines in non-adult gambling specific premises in order to pursue the licensing objectives.

These matters are in accordance with the Gambling Commission's Guidance.

11.4 The Licensing Authority will also ensure that where category C or above machines are on offer in premises to which children are admitted:

- all such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- only adults are admitted to the area where these machines are located;
- access to the area where the machines are located is supervised;
- the area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and
- at the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.

These considerations will apply to premises including buildings where multiple premises licences are applicable.

11.5 The Licensing Authority is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. As per the Gambling Commission's Guidance, this Licensing Authority will consider the impact upon the third licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

11.6 It is noted that there are conditions which the Licensing Authority cannot attach to premises licence which are:

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- any condition on the premises licence which makes it impossible to comply with an operating licence condition;
- conditions relating to gaming machine categories, numbers, or methods of operation;
- conditions which provide that membership of a club or body be required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated); and
- conditions in relation to stakes, fees, winnings or prizes

Door Supervisors

- 11.7 The Gambling Commission advises in its Guidance for Local Authorities that licensing authorities may consider whether there is a need for door supervisors in terms of the licensing objectives of protection of children and vulnerable persons from being harmed or exploited by gambling, and also in terms of preventing premises becoming a source of crime. It is noted though that the door supervisors at casinos or bingo premises cannot be licensed by the Security Industry Authority (SIA). This Licensing Authority therefore will take into consideration relevant criminal convictions, cautions or formal reprimands, if any, and training requirements that meet SIA standards. This is in recognition of the nature of the work in terms of searching individuals, dealing with potentially aggressive persons, etc.
- 11.8 For premises other than casinos and bingo premises, operators and licensing authorities may decide that supervision of entrances/machines is necessary for particular cases but it will need to be decided whether these need to be SIA licensed or not. It will not be automatically assumed that they need to be.

12.0 Other Legislation

- 12.1 The Licensing Authority will not take into account matters not related to gambling and the licensing objectives when considering an application for a premises licence. However, it is for the operator to ensure that premises comply with all other relevant legislation such as fire safety, food safety and health & safety. It should be noted that these examples are not exhaustive, and applicants must ensure that they comply with all other regulatory regimes in respect of their employees and the public.
- 12.2 So far as is possible, this statement of principles will avoid duplicating those other regulatory regimes.

13.0 Adult Gaming Centres (AGC)

- 13.1 The Licensing Authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient

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Part B - Premises Licences

measures to ensure, for example, that persons under the age of 18 do not have access to the premises.

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13.2 The Licensing Authority will expect applicants to offer their own measures to meet the licensing objectives however, appropriate measures / licence conditions may cover issues such as:

- Proof of age schemes
- CCTV
- Supervision of entrances/machine areas
- Physical separation of areas
- Location of entry
- Notices/signage
- Specific opening hours
- Self-barring schemes
- Provision of information leaflets/helpline numbers for organisations such as GamCare.

This list is neither mandatory nor exhaustive and is merely indicative of reasonable measures which might be in place.

14.0 Licensed Family Entertainment Centres

14.1 The Licensing Authority will specifically have regard to the need to protect children and children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that persons under the age of 18 do not have access to the adult only gaming machine areas.

14.2 The Licensing Authority will expect applicants to offer their own measures to meet the licensing objectives however appropriate measures/licence conditions may cover issues such as:

- CCTV
- Supervision of entrances/machine areas
- Physical separation of areas
- Location of entry
- Notices/signage
- Specific opening hours
- Self-barring schemes
- Provision of information leaflets/helpline numbers for organisations such as GamCare
- Measures/training for staff on how to deal with suspected truant school children on the premises

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This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

- 14.3 The Licensing Authority will refer to any conditions applied by the Gambling Commission to operating licences covering the way in which the area containing the category C machines should be delineated. This Licensing Authority will also make itself aware of any mandatory or default conditions on these premises licences when published.

15.0 Casinos

“No Casinos” resolution

- 15.1 The Licensing Authority has not passed a ‘no casino’ resolution under Section 166 of the Gambling Act 2005, but is aware that it has the power to do so. Should the Licensing Authority decide in the future to pass such a resolution, it will update this policy statement with details of that resolution.
- 15.2 This resolution will be reviewed at three yearly intervals or sooner should the circumstances warrant a revision of the resolution. Any such decision will be made by Full Council.

Casinos and competitive bidding

- 15.4 The Licensing Authority is aware that where a licensing authority area is enabled to grant a Premises Licence for a new style casino (i.e. the Secretary of State has made such regulations under Section 175 of the Gambling Act 2005) there are likely to be a number of operators which will want to operate the casino. In such situations the Local Authority will run a ‘competition’ under Schedule 9 of the Gambling Act 2005. This Licensing Authority will run such a competition in line with any regulations/codes of practice issued under the Gambling Act 2005.

Licence considerations/conditions

- 15.5 The Gambling Commission has stated that “further guidance will be issued in due course about the particular issues that licensing authorities should take into account in relation to the suitability and layout of casino premises” (Gambling Commission Guidance for local authorities - 17.30). This guidance will be considered by this licensing authority when it is made available.

Betting machines

- 15.6 The Licensing Authority will, in accordance with the Gambling Commission's Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer.

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16.0 Bingo Premises

- 16.1 The Licensing Authority has noted that if children are allowed to enter premises licensed for bingo that they must not participate in gambling, other than on category D machines. Where category C or above machines are available in premises to which children are admitted the Licensing Authority will ensure that:
- all such machines are located in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
 - only adults are admitted to the area where the machines are located;
 - access to the area where the machines are located is supervised;
 - the area where the machines are located is arranged so that it can be observed by staff of the operator or the licence holder; and
 - at the entrance to, and inside any such area there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.
- 16.2 This Licensing Authority is also aware that the Gambling Commission is going to issue further guidance about the particular issues that licensing authorities should take into account in relation to the suitability and layout of bingo premises. This guidance will be considered by this Licensing Authority once it is made available.

17.0 Betting Premises

- 17.1 **Betting machines** – The Licensing Authority will, in accordance with the Gambling Commission’s Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer.

18.0 Tracks

- 18.1 Tracks are sites (including horse racecourses and dog tracks) where races or other sporting events take place. Betting is a major gambling activity on tracks, both in the form of pool betting (often known as the “totalisator” or “tote”), and also general betting, often known as “fixed-odds” betting.

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- 18.2 The Licensing Authority is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. The Licensing Authority will especially consider the impact upon the third licensing objective (i.e. the protection of children and vulnerable persons from being harmed or exploited by gambling) and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.
- 18.3 The Licensing Authority will therefore expect the premises licence applicant to demonstrate suitable measures to ensure that children do not have access to adult only gaming facilities. It is noted that children and young persons will be permitted to enter track areas where facilities for betting are provided on days when dog-racing and/or horse racing takes place, but that they are still prevented from entering areas where gaming machines (other than category D machines) are provided.
- 18.4 This Licensing Authority will expect applicants to offer their own measures to meet the licensing objectives however appropriate measures / licence conditions may cover issues such as:
- Proof of age schemes
 - CCTV
 - Supervision of entrances / machine areas
 - Physical separation of areas
 - Location of entry
 - Notices / signage
 - Specific opening hours
 - Self-barring schemes
 - Provision of information leaflets / helpline numbers for organisations such as GamCare

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This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

Gaming machines

- 18.5 Further guidance from the Gambling Commission is awaited as regards where such machines may be located on tracks and any special considerations that should apply in relation, for example, to supervision of the machines and preventing children from playing them. The Licensing Authority will consider the location of gaming machines at tracks, and applicants for track premises licences will need to demonstrate that, where the applicant holds a pool betting operating licence and is going to use his entitlement to four gaming machines, these machines are located in areas from which children are excluded. Children and young persons are not prohibited from playing category D gaming machines on a track.

Betting machines

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- 18.6 The Licensing Authority will take into account the size of the premises and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer. It will also take note of the Gambling Commission's suggestion that licensing authorities will want to consider restricting the number and location of such machines in respect of applications for track betting premises licences.

Condition on rules being displayed

- 18.7 The Gambling Commission has advised in its Guidance for Local Authorities that "...licensing authorities should attach a condition to track premises licences requiring the track operator to ensure that the rules are prominently displayed in or near the betting areas, or that other measures are taken to ensure that they are made available to the public. For example, the rules could be printed in the race-card or made available in leaflet form from the track office."

Applications and plans

- 18.8 This Licensing Authority awaits regulations setting out any specific requirements for applications for premises licences but will have regard to the Gambling Commission's suggestion that to ensure that licensing authorities gain a proper understanding of what they are being asked to license they should, in their licensing policies, set out the information that they will require.

This will include:

- detailed plans for the racetrack itself and the area that will be used for temporary "on-course" betting facilities (often known as the "betting ring")
 - in the case of dog tracks and horse racecourses plans should show fixed and mobile pool betting facilities operated by the Tote or track operator, as well as any other proposed gambling facilities.
 - Plans should make clear what is being sought for authorisation under the track betting premises licence and what, if any, other areas are to be subject to a separate application for a different type of premises licence."
- 18.9 This Licensing Authority also notes that in the Commission's view, it would be preferable for all self-contained premises operated by off-course betting operators on track to be the subject of separate premises licences, to ensure that there is clarity between the respective responsibilities of the track operator and the off-course betting operator running a self-contained unit on the premises.

19.0 Travelling Fairs

- 19.1 It will fall to the Licensing Authority to decide whether, where category D machines and / or equal chance prize gaming without a permit is to be made

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available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.

- 19.2 The Licensing Authority will also consider whether the applicant falls within the statutory definition of a travelling fair.
- 19.3 It has been noted that the 27-day statutory maximum for the land being used as a fair, is per calendar year, and that it applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. This licensing authority will work with its neighbouring authorities to ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

20.0 Provisional Statements

- 20.1 The Licensing Authority notes the Guidance for the Gambling Commission which states that “It is a question of fact and degree whether premises are finished to a degree that they can be considered for a premises licence” and that “Requiring the building to be complete ensures that the authority could, if necessary, inspect it fully”.
- 20.2 In terms of representations about premises licence applications, following the grant of a provisional statement, no further representations from responsible authorities or interested parties can be taken into account unless they concern matters which could not have been addressed at the provisional statement stage, or they reflect a change in the applicant’s circumstances. In addition, the authority may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:
- a) which could not have been raised by objectors at the provisional stage; or
 - b) which, in the authority’s opinion, reflect a change in the operator’s circumstances.
- 20.3 The Licensing Authority has noted the Gambling Commission’s Guidance that “A licensing authority should not take into account irrelevant matters... One example of an irrelevant matter would be the likelihood of the applicant obtaining planning permission or building regulations approval for the proposal.”

21.0 Reviews of premises licences

- 21.1 Requests for a review of a premises licence can be made by interested parties or responsible authorities, however, it is for the Licensing Authority to decide whether the review is to be carried out. This will be on the basis of whether the request for the review is relevant to the matters listed below, as

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well as consideration as to whether the request is frivolous, vexatious, will certainly not cause the authority to wish after/ revoke/ suspend the licence, or whether it is substantially the same as previous representations or requests for review:

- In accordance with any relevant code of practice issued by the Gambling Commission;
- In accordance with any relevant guidance issued by the Gambling Commission;
- Reasonably consistent with the licensing objectives; and
- In accordance with the Licensing Authority's statement of principles.

21.2 The Licensing Authority can also initiate a review of a licence on the basis of any reason which it thinks is appropriate.

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22.0 Unlicensed Family Entertainment Centre Gaming Machine Permits

- 22.1 Where a premises does not hold a premises licence but wishes to provide gaming machines, it may apply to the Licensing Authority for this permit. It should be noted that the applicant must show that the premises will be wholly or mainly used for making gaming machines available for use (Section 238).
- 22.2 The Gambling Act 2005 states that a Licensing Authority may prepare a statement of principles that they propose to consider in determining the suitability of an applicant for a permit and in preparing this statement, and/or considering applications, it need not (but may) have regard to the licensing objectives and shall have regard to any relevant guidance issued by the Gambling Commission under Section 25. The Gambling Commission's Guidance for Local Authorities also states: "In their three year licensing policy statement, licensing authorities may include a statement of principles for permits..., licensing authorities will want to give weight to child protection issues." (24.6)
- 22.3 The Guidance also states: "...An application for a permit may be granted only if the Licensing Authority is satisfied that the premises will be used as an unlicensed FEC, and if the Chief Officer of Police has been consulted on the application."
- 22.4 The Licensing Authority cannot attach conditions to this type of permit.
- 22.5 The Licensing Authority will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The efficiency of such policies and procedures will each be considered on their merits; however, they may include the following:
- appropriate measures / training for staff as regards suspected truant school children on the premises,
 - measures / training covering how staff would deal with unsupervised very young children being on the premises, or children causing perceived problems on / around the premises.
- 22.6 The Licensing Authority will also expect that
- applicants demonstrate a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs;
 - the applicant shall disclose relevant convictions (those that are set out in Schedule 7 of the Act) in order that the Licensing Authority may consider whether it would be contrary to the licensing objectives to grant a permit; and
 - staff are trained to have a full understanding of the maximum stakes and prizes.

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23.0 (Alcohol) Licensed premises gaming machine permits

- 23.1 There is provision in the Act for premises licensed to sell alcohol for consumption on the premises, to automatically have 2 gaming machines, of categories C and/or D. The premises merely need to notify the Licensing Authority. The Licensing Authority can remove the automatic authorisation in respect of any particular premises if:
- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
 - gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act (i.e. that written notice has been provided to the licensing authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with)
 - the premises are mainly used for gaming; or
 - an offence under the Gambling Act has been committed on the premises
- 23.2 If a premises wishes to have more than 2 machines, then it needs to apply for a permit and the Licensing Authority must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission, and “such matters as they think relevant.”
- 23.3 The Licensing Authority considers that “such matters” will be decided on a case by case basis but generally there will be regard to the need to protect children and vulnerable persons from being harmed or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that persons under the age of 18 do not have access to the adult only gaming machines. Measures which will satisfy the authority may include:
- The adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by persons under the age of 18;
 - Notices and signage; and
 - Provision of information leaflets/helpline numbers for organisations such as GamCare.
- 23.4 The Licensing Authority recognises that some alcohol licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would most likely need to be applied for, and dealt with as an Adult Gaming Centre premises licence.
- 23.5 The Licensing Authority can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached.

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- 23.6 It should also be noted that the holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine.

24.0 Prize Gaming Permits

- 24.1 In making its decision on an application for this permit the Licensing Authority does not need to have regard to the licensing objectives but must have regard to any Gambling Commission guidance.
- 24.2 The applicant should set out the types of gaming that he or she is intending to offer and should be able to demonstrate:
- that they understand the limits to stakes and prizes that are set out in Regulations; and
 - that the gaming offered is within the law
- 24.3 It should be noted that there are conditions in the Gambling Act 2005 by which the permit holder must comply, but that the Licensing Authority cannot attach conditions. The conditions in the Act are:
- the limits on participation fees, as set out in regulations, must be complied with;
 - all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
 - the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
 - participation in the gaming must not entitle the player to take part in any other gambling.

25.0 Club Gaming and Club Machine Permits

- 25.1 Members Clubs and Miners' welfare institutes (but not Commercial Clubs) may apply for a Club Gaming Permit or a Clubs Gaming machines permit. The Club Gaming Permit will enable the premises to provide gaming machines (3 machines of categories B, C or D), equal chance gaming and games of chance as set-out in forthcoming regulations. A Club Gaming Machine permit will enable the premises to provide gaming machines (3 machines of categories B, C or D).
- 25.2 Members clubs must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming, unless the

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Part C – Permits / Temporary & Occasional Use Notices

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gaming is permitted by separate regulations. It is anticipated that this will cover bridge and whist clubs which will replicate the position under the Gaming Act 1968. A members' club must be permanent in nature, not established to make commercial profit, and controlled by its members equally. Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations.

- 25.3 The Licensing Authority may only refuse an application on the grounds that:
- (a) the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied;
 - (b) the applicant's premises are used wholly or mainly by children and/or young persons;
 - (c) an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
 - (d) a permit held by the applicant has been cancelled in the previous ten years; or
 - (e) an objection has been lodged by the Commission or the police
- 25.4 There is a 'fast-track' procedure available under the Act for premises which hold a Club Premises Certificate under the Licensing Act 2003. Under the fast-track procedure there is no opportunity for objections to be made by the Gambling Commission or the police, and the ground upon which an authority can refuse a permit are reduced and the grounds on which an application under the process may be refused are:
- (a) that the club is established primarily for gaming, other than gaming prescribed under schedule 12;
 - (b) that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
 - (c) that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled."
- 25.5 There are statutory conditions on club gaming permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.

26.0 Temporary Use Notices

- 26.1 There are a number of statutory limits as regards Temporary Use Notices. It is noted that it falls to the Licensing Authority to decide what constitutes a 'set of premises' where Temporary Use Notices are received relating to the same building/site.
- 26.2 As with "premises" the definition of "a set of premises" will be a question of fact in the particular circumstances of each notice that is given. In the Act

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“premises” is defined as including “any place”. In considering whether a place falls within the definition of a set of premises the Licensing Authority will look at, amongst other things, the ownership/occupation and control of the premises.

- 26.3 This is a new permission and the Licensing Authority will consider objecting to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises.

27.0 Occasional Use Notices

- 27.1 The Licensing Authority has very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. The Licensing Authority will need though to consider the definition of a ‘track’ and whether the applicant is permitted to avail him/herself of the notice.

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28.0 Rights of Appeal and Judicial Review

28.1 The Licensing Authority is aware that its decisions may be subject to an appeal in accordance with the provisions of the Act and judicial review. To ensure a transparent decision making process the Licensing Authority will:

- give clear and comprehensive reasons for a rejection of an application where there is a requirement in the Act to do so; and
- wherever practicable, as best practice, give clear and comprehensive reasons for all decisions connected to its functions under the Act, regardless of whether there is a requirement under the Act to do so.

28.2 An appeal may be commenced by the giving of a notice of appeal by the appellant to the local magistrates' court within a period of 21 days beginning with the day on which the appellant was notified by the Licensing Authority of the decision to be appealed against.

28.3 Any person who wishes to pursue an appeal is strongly advised to seek independent professional legal advice from a legal advisor who specialises in the law on gambling.

29.0 Other Matters

29.1 In order to ensure that applicants and persons who make representations have the necessary information to be able to do so, the information below will be available on the Council's website (www.southampton.gov.uk/licensing) or by contacting the Licensing Team:

- Register of premises licences issued by the Licensing Authority
- Fees
- Guidance on how to make an application
- List of responsible authorities and contact details
- Application forms, where appropriate
- Making representations
- Applying for a review of a licence

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Part D – Other Information
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30.0 The Licensing Authority Delegations

Matter to be dealt with	Full Council	Sub-Cttee of Licensing Cttee	Officers
Three year licensing statement of principles	X		
Policy not to permit casinos	X		
Fee setting (when appropriate)		X	
Application for premises licence		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Application for a variation to a premises licence		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Application for a transfer of a premises licence		Where representations have been received from the Commission	Where no representations received from the Commission
Application for a provisional transfer		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Review of a premises licence		X	
Application for club gaming/ club machine permits		Where objections have been made (and not withdrawn)	Where no objections made/ objections have been withdrawn
Cancellation of club gaming/ club machine permits		X	
Applications for other permits			X
Cancellation of licensed premises gaming machine permits			X
Consideration of temporary use notice			X

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Part D – Other Information

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Matter to be dealt with	Full Council	Sub-Cttee of Licensing Cttee	Officers
Decision to give a counter notice to a temporary use notice		X	
Decision to determine an application without holding a hearing on grounds contained within S.162 (3)			X
Decision to reject an application for review made under S.197 based on grounds contained within S.198			X
Take “action” (under S.202) following review		Where application heard by Sub Committee	Where no hearing and all parties agree in advance to relevant “action”.

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Map of Southampton City Council's area



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This Statement of Principles has been drafted at a time when a number of regulations, Operating/Personal Licence conditions, Codes of Practice and guidance are not yet published. Should anything in these documents impact later upon the content of this document it will need to be considered and amended at a later stage as appropriate. All references to the Gambling Commission's Guidance for local authorities refer to the Guidance published in April 2006.

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Agenda Item 13

DECISION-MAKER:	CABINET		
	COUNCIL		
SUBJECT:	EASTPOINT REDEVELOPMENT		
DATE OF DECISION:	21 DECEMBER 2009 20 JANUARY 2010		
REPORT OF:	CABINET MEMBER FOR ECONOMIC DEVELOPMENT		
AUTHOR:	Name:	Sue Jones	Tel: 023 8083 3929
	E-mail:	Sue.jones@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

Appendix 2 of this report is not for publication by virtue of Category 3 (Information relating to the financial or business affairs of any particular person including the Council) of paragraph 10.4 of the Council's Access to Information Procedure Rules as contained in the Council's Constitution. It is not considered to be in the public interest to disclose this information because this Appendix contains confidential and commercially sensitive information relating to the property interests potentially involved in this matter.

SUMMARY

Cabinet and Council are asked to approve the sum of up to £3M to be paid to Eastpoint Centre Ltd as compensation for the surrender of their current unexpired lease of the site. This will enable it to build and service the new Community Training and Conference Centre.

Following surrender, 1.5 acres of the Eastpoint site will transfer to the ownership of Eastpoint Centre Ltd, to provide the site upon which the new Eastpoint can be built. The Council will regain the freehold of the remaining 5.19 acres of the site with an option retained by Itchen College, so that it can locate to the site if it has a commitment by the indicative date of March 2011 (final date to be agreed).

This proposal maintains Cabinet's continued support to enable the delivery of the new Eastpoint Centre, a flagship project of the Thornhill Plus You (TPY) regeneration programme and secures both the successful investment of £7,064,280 of TPY grant, but also a future income for the TPY successor body.

RECOMMENDATIONS:

CABINET

Cabinet is recommended to :-

- (i) Continue to support the principle of the redevelopment of the Eastpoint site by Eastpoint Centre Ltd; with Eastpoint Centre Ltd building the new Eastpoint on 1.5 acres as identified in Appendix 1 and, through a revised Tripartite Legal Agreement, Itchen College retain an option to develop on the site at a future date;

- (ii) Request Council (subject to the conditions listed below) to approve a sum of up to £3,000,000 to be added to the Economic Development Portfolio Capital Programme as a payment to Eastpoint Centre Ltd as compensation for the surrender of their current unexpired lease, to enable them to fund the building and servicing of their new Community, Training and Conference Centre. The Council will gain 5.19 acres with Itchen retaining an option to locate to the site until March 2011 or such other later date as may be agreed by the Chief Executive;

Recommendation (ii) is subject to the following:

- (a) Government Office for the South East (GOSE) and Department of Communities and Local Government (DCLG) approving funding allocation and release of the £2.5 Million in the Thornhill Plus You Delivery Plan for 2010-11, in time to allow Eastpoint to let its contract for the construction of the new Eastpoint and complete the spend of the TPY grant to Eastpoint before the end of the NDC programme in March 2011
 - (b) A Revised Eastpoint Business Plan being approved by both the Head of Finance and IT and GOSE, in addition to any final approvals required from GOSE and DCLG;
 - (c) Eastpoint concluding any s106 agreement in order to achieve planning consent and issue of the decision notice and confirmation that there are no planning issues outstanding from the links with the Itchen College outline planning consent;
 - (d) the successful completion of the revised Tripartite Legal Agreement, which sets out the land deal for the Eastpoint site, the option for Itchen College to still locate to the site and the Council's position
- (iii) Grant to Itchen College an option to locate to the site until March 2011, or such other later date as the Chief Executive may decide, upon such terms as the Solicitor to the Council considers reasonable;
 - (iv) Approve subject to Council recommendation (i) below, expenditure of up to £3,000,000 for the surrender of the Eastpoint Lease;
 - (v) Request Council to add £130,000 to the Capital Programme for the demolition of the old Eastpoint centre following the construction of the new Eastpoint building and services, and the vacation of the old Eastpoint Centre;
 - (vi) Require Eastpoint Centre Ltd (and Itchen College should it in future go ahead on the Eastpoint site) to submit to the Council a Community Plan setting out how the facilities developed on the site will be available for the use of the wider community. This plan will cover the ten year period commencing when the facilities are open for use and will include both recreational and educational activities. The outline of this plan, covering the key principles, will be in place before the land transactions are completed respectively for each development;

- (vii) delegate authority to the Assistant Chief Executive (Economic Development and Regeneration), following consultation with the Cabinet Member for Economic Development and Regeneration, Executive Director of Resources, the Solicitor to the Council and Head of Property Services and Procurement to negotiate, and agree conditions of the redevelopment in the general terms outlined in the report, to resolve and implement anything necessary to effect the proposals contained in this report, including agreeing amendments to the Tripartite Legal Agreement underpinning the land deal for the site;
- (viii) To note that this Cabinet decision supersedes all previous Cabinet decisions regarding Eastpoint redevelopment

COUNCIL

Council is recommended :

- (i) To approve the addition of up to £3,000,000 to the Economic Development Portfolio Capital Programme for the surrender of the current Eastpoint Lease
- (ii) To approve the addition of £130,000 to the Economic Development Capital Programme for the demolition of the old Eastpoint centre following the construction of the new Eastpoint building and services, and the vacation of the old Eastpoint Centre.

REASONS FOR REPORT RECOMMENDATIONS

Revisions required to the funding of the new Eastpoint due to Itchen College loss of funding source

1. Due to government funding constraints Itchen College is now unable to access the government funding required in order to allow the decision by Cabinet in July 2007 to be implemented. Itchen has no funds to buy the Eastpoint site from the Council and therefore, the Council does not have the money from this land transaction to pay Eastpoint Centre Ltd £3,000,000 to enable them to surrender their lease and proceed to build the new Eastpoint Conference and Training Centre on the 1.5 acres, in the timescale necessary to spend the Thornhill Plus You grant allocation to the project by March 31st 2011.
2. Given this position, the Cabinet decision of July 2007 recommendation (x) made provision: 'to undertake a comprehensive review of the Cabinet's position regarding support to Eastpoint Centre Ltd if Itchen College is unable to develop its new provision on the Eastpoint site, on the basis that all previous decisions regarding Eastpoint Trust Ltd will need to be reconsidered'. This Cabinet report is the consequence of such a review.
3. It is not possible for Eastpoint Centre Ltd to build the new Eastpoint Conference and Training Centre and utilise the Thornhill Plus You grant within the lifetime of the New Deal for Communities (NDC) programme (March 31st 2011) unless the Council agrees to pay Eastpoint Centre Ltd for the surrender of their lease on the current Eastpoint site. The value of surrender is equivalent to the gap funding for the new scheme of up to £3,000,000 towards the construction of the building and necessary servicing

and access to the new Eastpoint site.

- 4 Eastpoint Centre Ltd requires up to £3,000,000 towards its funding package to build the new conference and training centre. Currently, Eastpoint is out to tender with a return date of the 18th December 2009. Due to the contractors' Christmas break it is not anticipated that the final winning tender figure will be known until mid January 2010. It is proposed that any financial payment to Eastpoint by the Council, including the cost of the surrender of the Eastpoint lease, will reflect the actual build costs submitted by the winning contractor.

Value for Money for the Council's Funding

- 5 The Council is carrying out due diligence work to ensure that the tendering and building specification is of a correct standard and represents value for money.
- 6 The Council's funding of Eastpoint will only be recommended if the results of the due diligence and value for money checks are satisfactory.

Sale and Lease Back Agreement between Thornhill Plus You and Eastpoint Centre Ltd

- 7 In return for Eastpoint Centre Ltd surrendering its lease 5.19 acres will pass into Council ownership and the remaining 1.5 acres of the site will be owned initially by Eastpoint Centre Ltd. However, in order for Thornhill Plus You to receive maximum gain from its remaining £2.5 million investment in the new Eastpoint there is agreement for Thornhill Plus You to buy the 1.5 acres from Eastpoint Centre Ltd who then pays an annual sum to the TPY successor body, enabling the latter, to gain a source of regular income. Currently, the Heads of Terms for the sale and leaseback agreement have been agreed by the parties. Final approval is required by central government for this spend, which currently sits in the TPY Delivery Plan for 2010-2011.

Benefits to the Council of Gap Funding Eastpoint

- 8 In return for supporting the project the Council will secure the successful TPY spend of £7 million. Thornhill Plus You (TPY) has already spent £1,052,459 on developing the project and a further £6,011,821 is due to be spent, largely on construction. This latter figure includes money held in an escrow account and the £2.5M, which is due in 2010-11, subject to central government final approval. The successful delivery of the new Eastpoint also secures an annual income for the TPY successor body through the sale and lease back agreement.
- 9 Other benefits of delivering the new Eastpoint include a flagship project for TPY with benefits for both the Thornhill community, and those in the east of the city. The Council also gains 5.19 acres of the site, no longer encumbered by the Eastpoint lease. The short term option on the land, which will be given to Itchen College, is in line with Council priorities and if Itchen does not proceed then the Council can develop other plans for the site. The land will have the advantage of the new junction and access from Bursledon Road.

Future Council responsibility for the vacated Eastpoint Centre

- 10 As previously stated, under this proposal the Council will become the freehold owner of the remainder of the Eastpoint site and will be responsible for the existing Eastpoint Centre when it becomes vacant. Under the existing and revised terms of the Tripartite Legal Agreement all current tenants of the existing Eastpoint must vacate the building according to the terms of their lease. It is highly likely that the most cost effective solution for the Council, as owner, will be to demolish the existing building, therefore approval for this is included in the report. Although this requires additional financial commitment by the Council there is a possibility that the cost could be recovered, at a later date if land values sufficiently recover, as part of the capital receipt for the site.

Need to Secure the Council's Commitment at this time

- 11 Good progress is being made towards resolving all the issues necessary to enable the Eastpoint project to build. Recommendation (ii) is subject to items a) to e), which set out the outstanding items, which are being progressed, but are still to be finalised. A Council decision to pay money to Eastpoint Centre Ltd can only take place once these matters have been satisfactorily resolved.
- 12 However, Eastpoint Centre Ltd and Thornhill Plus You require as much certainty as possible, at this time, in order that can continue to commit to the delivery of the new Eastpoint Centre within the timescale (March 31st 2011) of the New Deal for Communities (NDC) programme.

Revised Eastpoint Business Plan

- 13 The Eastpoint Business Plan has been revised to reflect the impact of the recession and the proposed sale and lease back agreement between Eastpoint Centre Ltd and Thornhill Plus You. GOSE appointed a regeneration specialist to report on the revisions, which has been positive. Council Finance Officer's are in ongoing discussions with Eastpoint Centre Ltd regarding the revisions and TPY are to carry out further due diligence. Signs are positive that the revised Business Plan will be accepted by Council officers and TPY, however, government sign off is also required.

Revision to the Land Deal: The Tripartite Legal Agreement

- 14 Following the Cabinet decision of July 2007 Itchen College, Eastpoint Centre Ltd and the Council worked on a legal agreement which put in place the details of the land transaction that would allow the college and Eastpoint to build on the site. However, the legal agreement signed in March 2008 and predicated on Itchen College receiving government funding now cannot be executed within the timescale required by Eastpoint to build and spend the TPY grant before the end of the NDC programme on 31st March 2011. This is due to the current lack of availability of central government funding for the college building programme. Therefore, with the agreement of the parties involved, the Tripartite Legal Agreement must be revised before the Council can pay Eastpoint Centre Ltd any money.

December 2009 Decision to Supersede all previous Eastpoint Cabinet Decisions

- 15 Now that Itchen College cannot implement the agreed Cabinet decision of July 2007 and the Council are now the only alternative funder of the shortfall in the project this new Cabinet decision will supersede the previous decisions

CONSULTATION

- 16 Since the July 2007 Cabinet decision on the Eastpoint Redevelopment the respective parties Itchen College, Eastpoint, Thornhill Plus You and the Council have continued to develop proposals for the site in conjunction with a variety of consultations.
- 17 In line with recommendation (ix) of the July 2007 Cabinet report the Council set up an Itchen Eastpoint Project Board, which has met regularly to co-ordinate and facilitate the work of the various partners in the development.
- 18 Council officers hold regular meetings with both Thornhill Plus You and Eastpoint and discussions have also taken place latterly with the main parties concerning revision to the Tripartite Legal Agreement.
- 19 Public consultations were held as part of the planning application process undertaken by both Itchen College and Eastpoint.
- 20 There have also been ongoing discussions with Government Office for the South-East (GOSE) and the Department of Communities and Local Government (DCLG) who oversee the New Deal for Communities (NDC) Programme, which funds Thornhill Plus You (TPY).

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

The Council Does Not Approve the Funding

- 21 If the Council does not approve the funding to enable the transaction proposed, in this report, then it is doubtful that the new Eastpoint will be built. It is unlikely that Eastpoint could attract the level of commercial borrowing required, and the banks would wish to secure the first charge on the property, thus, reducing the security of TPY's funding. TPY would be left in the last year of their programme with a large sum of unallocated money, which they would be unlikely to be able to re-programme, and the funding would be lost to the benefit of the Thornhill community. TPY's successor body would lose the opportunity to gain a regular source of income from the proposed sale and lease back agreement currently agreed between Thornhill Plus You and Eastpoint Centre Ltd. They would also have to find and pay for new office accommodation and its support. If Eastpoint is not built then the Thornhill community lose a valuable new community asset and an important flagship building, which is going to be visible proof of the regeneration of the area and a boost to local morale.

Funding the financial gap with alternative grant funding

- 22 There are currently no grants available to meet the size of the funding deficit. Also due to State Aid regulations the conference and training centre cannot be funded using public grant money. It must be money to pay for a commercial transaction like the one proposed in this report.

Seeking Commercial Funding to cover the gap

- 23 It is highly unlikely that the application for a commercial loan of this magnitude would be successful, since the enterprise although run as a commercial business has local community regeneration and social benefit as the recipient of its profit. Eastpoint Centre Ltd have prepared bids to two banks, but further work on this has been postponed, since it required further investment of £50,000 in order for the banks to consider them. As previously stated previously commercial lenders insist on having the first charge on property and therefore, other investors, such as TPY in this case, have little protection for their investment.

Council sells the site on the open market

- 24 There is no guarantee within the short timescale available that a successful outcome could be achieved. The timing of selling the site would not be good given the fall in property prices and activity due to the economic recession and a site would not necessarily realise its value.

DETAIL

- 25 This should be read in conjunction with the section of the report on Reasons for the Report Recommendations.
- 26 The provision of a new Eastpoint Centre has been in the Thornhill Plus You Delivery Plan since the beginning of their programme in 2001. The Council, as a key representative, in the partnership has over many years supported the work to deliver a flagship project on the site.
- 27 There have been various iterations of a development on the site. The previous version before Cabinet was the location to the site of a new Itchen College to site beside the new Eastpoint Conference and Training Centre. However, this was dependent on Itchen College receiving Learning and Skills Council funding, which is now not available in the timescale necessary to deliver the new Eastpoint Centre.
- 28 This outcome has required the partnership of Thornhill Plus You, Eastpoint Centre Ltd, the Council and Itchen College to review and reconstruct a new agreement if the Eastpoint Centre is to be built.
- 29 Currently, the financial deal on the land between Itchen College, Eastpoint Centre Ltd and the Council is legally binding in the Tripartite Legal Agreement. Currently this is under revision between the parties, but cannot be finalised by Council officers without Cabinet approval.
- 30 A crucial element for the Council is the lack of immediate funding from the land deal with Itchen College so that the Council can pay Eastpoint for the surrender of their lease, which currently runs until 2024.
- 31 Therefore, the Cabinet and Council now have to decide whether to fund up to £3,000,000 required by Eastpoint for the surrender of their lease. In addition the Council will become the landowner responsible for the vacant Eastpoint and it will need to either, reuse the building, secure it, or demolish it. This report contains a cost for demolition, which is considered to cheapest option in the long run.

- 32 The Council will not be required to exercise its financial decision unless the other outstanding issues listed in the decision are successfully completed. Many of these decisions are not within the Council's control and are subject to central government approval.

Community Benefit

- 33 A Community Benefit Report has been produced by Eastpoint Centre Ltd and is available on request. The proposed benefits are wide ranging and include: 9 community rooms, (affordably priced for community use), new premises for the existing social club, a community development manager, use of further space for social and community educational functions and offices for the TPY successor body. Eastpoint Centre Ltd will also continue and expand the range of social and education activities for which it is well known and reflect its charitable aims.

Timescale for the Build of the new Eastpoint

- 34 The contract for the build of the new Eastpoint is due to take 15 months from start to practical completion. It is anticipated that all necessary consents, including those from central government, can be achieved to allow a site start at the beginning of April 2010, which would enable practical completion by end of July beginning of August 2012.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

- 35 This report asks for formal approval for a sum of up to £3M for the surrender of the Eastpoint Lease and for a further £130,000 for the demolition of the old Eastpoint building once it has been vacated
- 36 The actual level of the payment to Eastpoint for the surrender of their lease will be dependent on the final costs of the construction of the new building and services for the site. Given that the funding for the lease surrender effectively represents gap funding it has been made clear to Eastpoint Centre Ltd that the Council will want to limit its liability as far as possible by ensuring that all works and specifications are good value for money. However the position will be clearer once tenders are received for the construction costs but these will not be known until later in January 2010.
- 37 It is anticipated that the Council can recouped , if not all, a substantial sum of the gap funding from the eventual sale of the old Eastpoint site, but given current market conditions there is likely to be quite a time delay between the payment to Eastpoint and the receipt of sale proceeds for the site.
- 38 This would mean funding the expenditure from Council resources (most likely prudential borrowing) in the short term before the receipt is realised. It should be pointed out that this timing difference is not an unusual situation for the Council but it does mean that they are taking the risk on whether the full value of the expenditure can eventually be recouped from the site.

Revenue

- 39 It is anticipated that the Council would carry out demolition 'back to back' with the vacation of the building by Eastpoint and its tenants. If this was not possible then the Council would be liable to pay the cost of; building

insurance, securing the building, security patrols, and £60k per annum empty property rates. The full revenue cost of looking after the building has not been costed.

Property

40 The property implications are contained within the contents of this report and in the confidential appendix.

Other

41 None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

42 Section 2 Local Government Act 2000

Other Legal Implications:

43 None

POLICY FRAMEWORK IMPLICATIONS

44 The report conforms with the Council’s Policy and Framework Plans.

SUPPORTING DOCUMENTATION

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

Appendices

1.	Site plan
2.	Confidential Appendix

Documents In Members’ Rooms

1.	Community Benefit Report
2.	Plans of the new Eastpoint Building

Background Documents

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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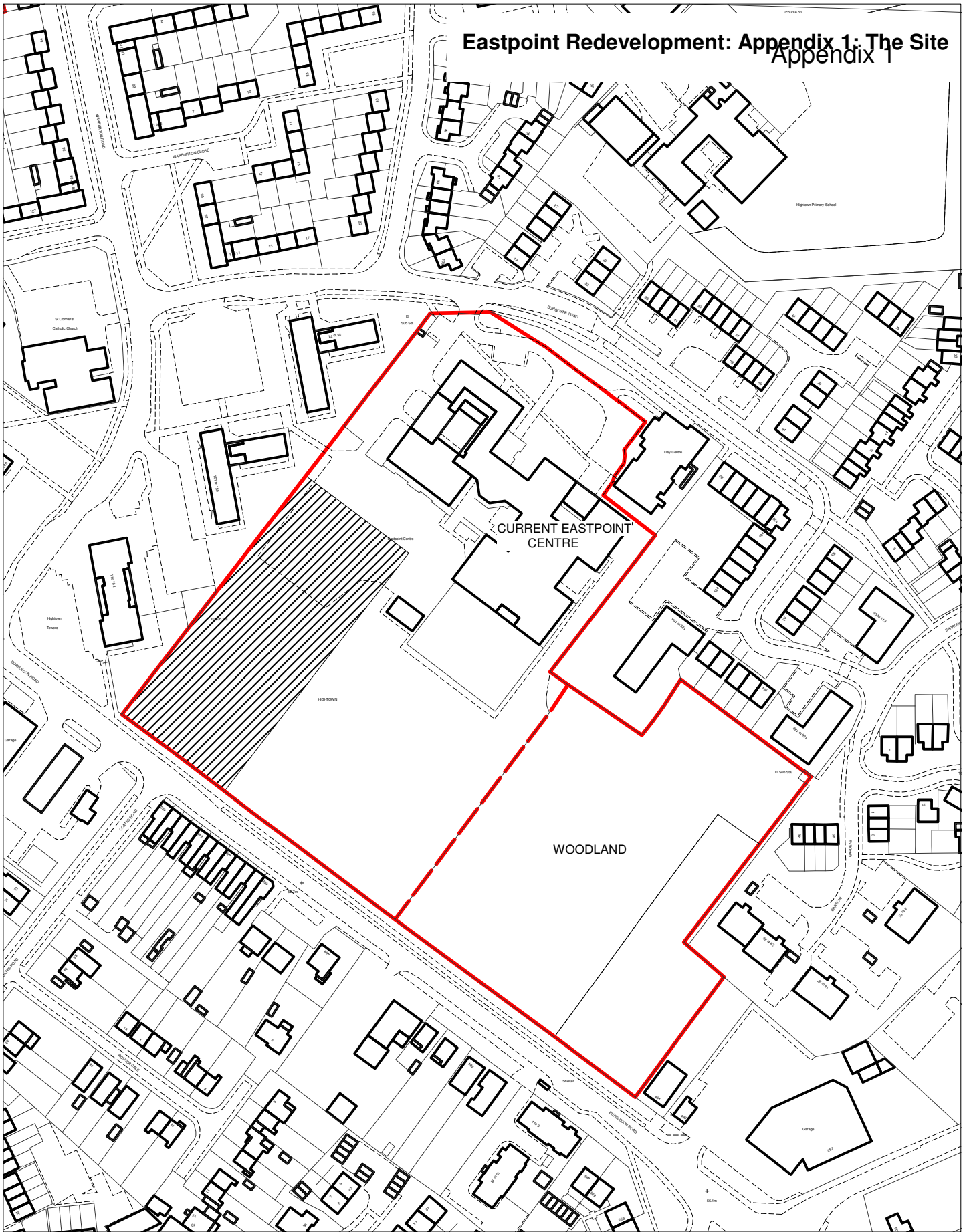
Background documents available for inspection at:

FORWARD PLAN No: ED03650 **KEY DECISION** **Yes**


WARDS/COMMUNITIES AFFECTED:	Bitterne and other wards in the east of the city
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Eastpoint Redevelopment: Appendix 1: The Site
Appendix 1



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 <p>SOUTHAMPTON CITY COUNCIL</p>	<p>PROPERTY SERVICES SOUTHAMPTON CITY COUNCIL OVERLINE HOUSE, BLECHYNDEN TERRACE, SOUTHAMPTON, SO15 1GW.</p>	<p>SCALE (1): 2000</p>	<p>DATE 10/12/09</p>
	<p>PLAN NO V2650</p>	<p>LAND AT EASTPOINT Woodland = 3.53 acres (SCC Ownership) Hatched Area = 1.5 acres (Site of new Eastpoint) Remainder excluding woodland and blue area = 5.19 acres</p>	

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Document is Confidential

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Agenda Item 15

DECISION-MAKER:	CABINET COUNCIL
SUBJECT:	PURCHASE AND INSTALLATION OF NEW CREMATORS, MERCURY ABATEMENT AND OTHER ESSENTIAL EQUIPMENT FOR SOUTHAMPTON CREMATORIUM
DATE OF DECISION:	21 DECEMBER 2009 20 JANUARY 2010

REPORT OF: CABINET MEMBER FOR ENVIRONMENT AND
TRANSPORT

AUTHOR:	Name: Phil Wells	Tel: 023 80 917572
	E-mail: phil.wells@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

Appendix 1 to the report contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. It is not in the public interest to disclose this information because it comprises financial and business information that if made public would prejudice the Council's ability to operate in a commercial environment and obtain best value during acquisition negotiations.

SUMMARY

This report seeks to secure the necessary approval to purchase new cremators and associated mercury abatement equipment allowing the project to progress through the formal procurement process.

The crematorium requires new cremators and coffin handling equipment, new chapel coffin lifts, the renewal of the chapel ventilation systems, the installation of mercury abatement equipment to comply with new legislation and some urgent repairs principally to the East Chapel and book of remembrance room and area.

RECOMMENDATIONS:

Having had regard to the provisions of the Community Strategy and being satisfied that the proposals in this report will improve the economic, social and environmental well being of service users and the local community:-

- (i) Cabinet
Subject to Council approving the addition of the Crematorium - New Cremators scheme to the Environment and Transport Capital Programme, to approve, in accordance with Financial Procedure Rules, capital expenditure on the purchase of new cremators, associated mercury abatement equipment and other ancillary equipment and repairs, as set out in the confidential appendix.

(ii) Council

To approve, in accordance with Financial Procedure Rules, the addition of the sum in the confidential appendix to the Environment & Transport Capital Programme for the Crematorium - New Cremators scheme funded from a combination of direct revenue financing and unsupported borrowing, as set out in the confidential appendix.

REASONS FOR REPORT RECOMMENDATIONS

1. To purchase and install new cremators, mercury abatement equipment and associated plant to comply with new legislation and to replace equipment at the end of its serviceable life.

CONSULTATION

2. Property services, Finance, Democratic Services, Legal, Private Sector Service Providers, Stakeholder groups.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. In total seven other service delivery models have been examined:- Cease service provision, transformation in-house, market testing, outsourcing, public/private partnership, sale of the business and creation of a wholly owned company. All were rejected for financial reasons.

DETAIL

4. The crematorium requires new cremators and the installation of mercury abatement equipment by the end of 2012 to comply with new legislation. The crematorium currently operates with 6 cremators, none of which is compliant with the new legislation and all are reaching the end of their normal operational life. A feasibility study has indicated that the crematorium may operate efficiently with 4 cremators 2 of which will be fitted with mercury abatement equipment. A small amount of other urgent work will also be undertaken including the renewal of the chapel catafalque scissor lifts, the renewal of the chapel ventilation systems, improvement of the book of remembrance room and area and the provision of mechanical coffin handling in the crematory to overcome manual handling issues.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

5. The estimated costs of the scheme are shown in the confidential appendix.
6. On 24th November 2008 Cabinet agreed to an increase in cremation fees, from 1 January 2009, which included an element (£85 per adult cremation) that will be specifically used towards financing the cost of installing new cremators and mercury abatement equipment. In the first 10 months a balance of £217,260 has accumulated. Based on the current forecast of future income levels, it is anticipated that £918,000 will be available as direct revenue financing for the scheme. The balance will be met from unsupported borrowing, as set out in the confidential appendix. The ongoing borrowing costs, over the 15 year anticipated life of the cremators, will be met from the element of cremation fees that will continue to be set aside for this purpose. If the set aside remains unchanged at £85 per adult cremation, it is

estimated that an additional sum of £27,000 per annum will be accrued. This would build a 'sinking fund' of approximately £400,000 over 15 years towards future maintenance and replacement costs.

Revenue

7. The maintenance cost of the crematorium building and the cremators is currently met from the Council's central repair and maintenance fund. It is now proposed that the ongoing revenue costs associated with the operation of the cremators, which include a new refractory lining every 5 years, at a cost of £40,000, and the maintenance of the mercury abatement equipment, will be met from the sinking fund. The purchase of more fuel efficient equipment will reduce gas consumption and reduce energy costs by an estimated £30,000 per annum.

Property

8. Not applicable.

Other

9. Not applicable.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

10. Section 2 of the Local Government Act 2000 permits a Council to do anything likely to improve the economic, social or environmental well-being of its area provided a Council first has regard to the provisions of its Community Strategy and is satisfied that the likelihood of such an improvement is supported in that context.

Other Legal Implications:

11. Procurement of works, goods and services in connection with this report will be subject to compliance with Contract Procedure Rules.

POLICY FRAMEWORK IMPLICATIONS

12. The proposal for the purchase of new cremators and associated plant at Southampton Crematorium, are set out within the Corporate Improvement Plan (CIP) 2009/10 Policy Framework document and implement strategic objective 4 in the Community Strategy – a high quality public realm and a City which lives within clear environmental limits.

SUPPORTING DOCUMENTATION

Appendices

1.	Confidential Financial Implications.
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Documents In Members' Rooms

1.	None.
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Background Documents

Title of Background Paper(s) none.

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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Background documents available for inspection at:

FORWARD PLAN No: **No:ET03742** **KEY DECISION?** Yes

WARDS/COMMUNITIES AFFECTED:	All
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Document is Confidential

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Agenda Item 17

ITEM NO: 17

DECISION-MAKER:	COUNCIL		
SUBJECT:	BUILDING SCHOOLS FOR THE FUTURE: SUBMISSION OF OUTLINE BUSINESS CASE		
DATE OF DECISION:	20 JANUARY 2010		
REPORT OF:	CABINET MEMBER FOR CHILDREN'S SERVICES		
AUTHOR:	Name:	Karl Limbert	Tel: 023 8091 7596
	E-mail:	Karl.limbert@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

Appendix 1 of this report is not for publication by virtue of category 3 (information relating to the financial or business affairs of the Authority) of paragraph 10.4 of the Council's Access to Information Procedure Rules as contained in the Council's Constitution.

It is not in the public interest to disclose this information because doing so would prejudice the Council's commercial position in relation to future procurement activities supporting the BSF project and could affect the Council's ability to deliver best value in the procurement of services for the benefit of the public.

SUMMARY

Building Schools for the Future (BSF) is a once in a generation opportunity to leverage significant Central Government capital investment into the City's secondary school estate and help improve local education, social and economic outcomes.

In order to access BSF funding, Local Authorities must produce an Outline Business Case (OBC). The OBC must demonstrate:

- i) the case for investment in school buildings (via detailed buildings and site surveys);
- ii) the expected return on investment (in terms of improved local, educational, social and economic outcomes); and
- iii) that the investment proposals are financially and technically sound (via outline design, costing, and affordability assessments). This work has been completed ahead of schedule by the BSF Team and is summarised below. The OBC is due to be submitted to central government in early 2010.

The OBC must be submitted following approval of a Council report which deals specifically with Local Authority contributions and overall affordability. This is the focus of this report. A range of other project specific work required for submission of OBC is being completed under delegated powers granted to officers by Cabinet on 23rd November 2009.

RECOMMENDATIONS:

- (i) To approve that the proposed capital and revenue contributions as detailed in Appendix 1 be added to budget proposals in future years.

- (ii) To vire in accordance with Financial Procedure Rules a sum of £5.147 million to the Children's Services Capital programme for BSF Wave 6a, funded from 14-19 Diplomas, SEN and Disabilities Targeted Capital Fund Grant.
- (iii) To delegate authority to the Executive Director of Resources to certify the Council's affordability position (the Section 151 letter) as required for the submission of the OBC or any other stage of the BSF procurement process subject to the project remaining within the overall affordability envelope approved by the Council.
- (iv) To delegate authority to the Executive Director of Resources to determine the actual Capital and Revenue sources of funding to be used to support the Council's required financial contributions (see indicative funding model in appendix 1) to BSF, subject to the project remaining within the overall affordability envelope approved by the Council.
- (v) To delegate authority to the Executive Director of Children's Services and Learning and the Executive Director of Resources, following consultation with the Solicitor to the Council and the Cabinet Member for Children's Services to do anything necessary to give effect to the recommendations in the report and/or to enable the Council to submit the OBC, subject to the project remaining within the overall affordability envelope approved by the Council.

REASONS FOR REPORT RECOMMENDATIONS

1. Central Government requires that the OBC, in particularly the affordability assessment, is supported by a full Council Approval.

CONSULTATION

2. Consultation was undertaken with all relevant officers and councillors, including the Chief Executive, the Executive Director for Children's Services and Learning, the Executive Director of Resources, and Cabinet and opposition members. Finance and legal officers have been actively involved in the production of all financial and legal work-packages under-pinning this programme and have advised on the development of this report and the Outline Business Case.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. Not participating in the BSF programme.

DETAIL

4. Building Schools for the Future (BSF) is a once in a generation opportunity to leverage significant Central Government capital investment into the City's secondary school estate and help improve local education, social and economic outcomes.
5. The secondary school's prioritised for investment in wave 6a of the SCC BSF programme are all currently housed in building stock which mainly dates from the 1950, 60s, 70s. Condition surveys clearly demonstrate that the majority of this accommodation is now well beyond economic repair and

un-sustainable over the short to medium term. Qualitative analyses demonstrate that the vast majority of this accommodation does not comply with relevant requirements (DCSF statutory guidance BB98/BB97; Education (School Premises) Act as amended) on accommodation to support basic requirements for modern teaching and learning. Access audits also indicate that significant investment would be required to establish compliance with the Disability Discrimination Act. A relatively small proportion of building stock dates from the 80's 90s and 2000s. This accommodation is being retained wherever it is economically viable to do so.

6. The investment proposals for wave 6a were developed following a detailed options appraisal process which considered a minimum of four options per school:
 - Do Nothing,
 - Do Minimum;
 - Remodel; and
 - New Build.
7. A detailed value for money appraisal was also undertaken on each option which evaluated capital costs, whole life costs (including sustainability factors), education and community outcomes and design. The investment proposals also ensure that every school will be fully compliant with relevant regulations and legislation. No school exceeds the recommended floor area relative to the number of pupils on roll: this is a key indicator that the investment proposals are sensible rather than extravagant. This information was presented in full in the Strategy for Change Part 2 which was approved by Cabinet on 23rd November 2009.
8. The expected return on investment in terms of local educational, social and economic outcomes has been clearly demonstrated in the BSF Strategy for Change Parts 1 and 2. Significant performance improvements are expected across the standards agenda and the wider set of National Indicators and Every Child Matters Outcomes as a result of BSF investment. These improvements are summarised in Appendix 2.

Business Southampton and the Southampton Chamber of Commerce are key partners and are now well placed to support the BSF Team to ensure that the investment provides local employment opportunities and contributes to the up-skilling of the local workforce.

9. This report (which mirrors the OBC) shows a total inward investment of approximately £110m from central Government via conventional capital grant and Private Finance Initiative (PFI) credits. Appendix 1 details the estimated capital and revenue costs to the Council of taking forward BSF, based on rebuilding 3 schools through PFI, and substantially rebuilding 2 schools through design and build schemes. The figures detailed in appendix 1 are estimates of the maximum amounts the Council may have to contribute toward the total cost of the projects, based on estimated build costs from the design work undertaken to date. However, ultimately the costs of the projects will be determined following a rigorous procurement competition and all efforts will be directed at incentivising a currently depressed construction

market to return the keenest possible prices. No contracts will be entered into without the prior consent of the Cabinet.

10. All detailed design work will take place during the procurement period. Design work will be undertaken by the private sector in competition, overseen by the Council and schools. The Council will require bidders to explore the widest possible range of design strategies, including those which may not have been fully investigated by the Council to date including any options that propose or support co-location opportunities with existing or proposed community and educational facilities located in the area operated by the Council and/or its partners. Any design will have to deliver clear value for money for the Council and for schools, and be fully deliverable within the affordability assumptions set out in this paper and in the Outline Business Case.
11. It should be noted that on initial estimates for every £1 Southampton invests in BSF receives £1.70 in return. We expect this ratio to improve as a function of a highly competitive construction market.
12. It should also be noted that neighbouring Authorities all have BSF schemes with approved OBCs (Portsmouth, Bournemouth & Poole, and Somerset) or in development (Hampshire, Isle of Wight). The same can be said of all Southampton's statistical comparator Authorities. Southampton cannot afford to be left behind its geographic or statistical neighbours in terms of much needed investment in its secondary school estate.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

13. In March 2008, Council agreed in principal to meet the funding required to take forward the BSF programme, and to include funding as necessary (both capital and revenue) within future budgets. At the time the contribution to the capital costs of the whole BSF programme was estimated to be between £15 to £30 million.
14. It should be noted that the Wave 6a programme will bring almost £110 million of much needed inward investment into the city's secondary schools, via a combination of conventional capital grant (£18m) along with PFI credits (£92m).
15. The amount of DCSF grant awarded to Southampton is based on a Funding Allocation Model (FAM) which calculates a funding allocation based on the number of pupils forecast to be in each school, the required floor area and the relative proportion of new build, remodelling and refurbishment required. The FAM assumes that only 50% of the estate will require complete new build, and that a minimum level of expenditure on "abnormals" (e.g. temporary accommodation, planning constraints, demolition, environmental issues) is required. Inevitably, these assumptions ensure the need for a local contribution.
16. Appendix 1 shows the estimated Southampton capital contribution to Wave 6a of BSF along with the potential funding sources.

Revenue

17. **Procurement** - The estimated revenue costs of procurement of the Local Education Partnership (LEP) form part of the General Fund budget for 2009/10 and budget proposals for 2010/11 onwards. The available budget for the period up to and including 2100/12 is £4,720,000, as summarised in the table below:

Funding Source	2009/10	2010/11	2011/12
Revenue Developments Fund	£1,160,200	£1,110,000	£1,350,000
School contribution	£500,000	£500,000	
DCSF Grant	£50,000	£50,000	
Total	£1,710,200	£1,660,000	£1,350,000

18. From 2012/13 onwards, the medium term financial plan assumes a recurring BSF budget available of £1.4m. This sum will be available to contribute towards the ongoing costs of BSF.
19. **Unitary Charge** - The three schools that are due to be completely rebuilt under wave 6a will be procured and built under the Private Finance Initiative (PFI). The estimated annual revenue contribution (the Unitary Charge) to fund the three PFI schemes is as shown in Appendix 1, along with the proposed funding sources.
20. **One off Costs** - A one-off equity investment in both the LEP (£10,000) and the PFI Special Purpose vehicle (£300,000) is required totalling £310,000. This investment will be repayable at the end of the PFI project.

Property

21. Property issues arising from this report will be subject to detailed consideration in accordance with council procedures as implementation of the recommendations progress.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

22. Section 14 of the Education Act 1996 imposes a duty on Local Authorities to secure sufficient primary and secondary school places are available for the inhabitants of their areas. Provision is not considered 'sufficient' unless it is sufficient in number, character and equipment. Local Authorities have further power under s.16 of the Act to establish maintain and assist all schools provided in accordance with the general duties. These powers, together with s.111 Local Government Act 1972 (power to do anything calculated to facilitate or which is incidental or conducive to its primary functions) enable a Local Authority to participate in the BSF programme and to carry out improvements to educational provision in its area.

Other Legal Implications:

23. Provision of facilities and opportunities for pupils in accordance with the BSF programme will be subject to compliance with all relevant equalities

legislation, Human Rights Act 1998, s17 Crime & Disorder Act 1998 and European and national procurement legislation.

POLICY FRAMEWORK IMPLICATIONS

- 24. The proposals in this report are wholly in accordance with the policies contained within the Children and Young Peoples Plan and the Southampton Community Strategy, particularly objective two which requires that Learning and innovation is at the heart of all City Council proposals. The BSF proposals accord with the vision that the City will have excellent education, from the earliest years through to schools and colleges and encourage people to value learning throughout their lives.

SUPPORTING DOCUMENTATION

Appendices

1.	Confidential Financial Information
2.	Summary of Targeted Improved Educational Outcomes

Documents In Members’ Rooms

1.	
2.	

Background Documents

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.		

Background documents available for inspection at:

FORWARD PLAN No:

KEY DECISION?

WARDS/COMMUNITIES AFFECTED:

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Document is Confidential

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APPENDIX 2: SUMMARY OF TARGETTED IMPROVED EDUCATIONAL OUTCOMES

1.) SUMMARY TABLE

School (Name/ Governance / Specialism / Age Range/ Extended school provision)	Current (2008)					Post BSF				
	Com m- unity served	11-16 PlacesN OR 11- 16 Jan 09	Extended Services provision	1.OFSTED overall 2. Ach' ment Grade 3. OFSTED Date 4: GCSE 5A* - C+ E&M 2008 5. CVA (KS2- KS4) 6. Absence 07/08 7. Exclusions 07/08 8: % NEET 2008	Size of Site (m ²) GIFA (m2)	Places 11- 16 (16-18 Places) SRP places	Key Impacts of BSF	14-19 Provision	1:OFSTED overall 2: Achi' ment Grade 3: Date 4 : GCSE 5A*-C+ E&M 5: CVA KS2-4 6:Absence 7: Exclusions 8 : % NEET	Milestones 2012 [Targets] 2014
Bitterne Park Secondary School Community school Performing Arts 11-16 Making Extended schools core offer	FSM: 11.6 % EAL: 5.0% SEN: 25.2 % (S.A: 17.1; SA+ 6.9)	1500 1398 300 0	School open 7.00 am - 10.00 pm term time. After school clubs until 4.30 p.m. Activities and lettings of Sports Hall all year round	1: Outstanding (1) 2: Good (2) 3: 29-01-09 4: 61% 5: 998.9 6: 7.2% 7: 2 8: 4.56%	73,050 12021.6	1500 (180) 15 place ASD SRP	Facilities - combination of new-build and refurbished accommodation. - enhanced Performing Arts facilities & high profile performance space also used by Southampton Music Service - curriculum spaces sufficient for the school to sustain its “outstanding” performance and realise ambitions to make excellent provision in both vocational and academic pathways from 11-16+	Post 16 provision on site L1,2,3 provision for own & other students. Full Functional Skills offer Part of Diploma delivery hub for : Creative & media Retail IT Sport & active leisure Skill centre on site (linked to City College) Above Bar Hair	1: Outstanding (1) 2: Outstanding (1) 3: 2017 4: 76% 5: 1020 6: 3.9 7: 0	1: Outstanding [Outstanding] 2: Outstanding [Outstanding] 3: 2012[2014] 4:65%[67%] 5: 1003[1005] 6: 5.0[4.5] 7: 0.5 [0] 8: 0.75%[0%]

							Second specialism/diploma lead - second specialism in vocational leaning –more detail to be provided by OBC submission - lead role in diploma delivery for Creative and Media SEN - new 15 place ASD provision Extended school provision/services - extended services provision developed, including maximizing community use of performing arts facilities, new vocational learning specialism and lead role in delivery of creative and media diploma - on site/links with locality based services	academy on site Subscribes to 14-19 joint consortium timetable	8: 0.0%	
Chamberlayne College for the Arts Trust status Performing Arts 11-16 Making Extended schools core offer	FSM: 20.2 % EAL: 2.0% SEN: 53.3 % (S.A: 22.9 SA+: 17.1)	900 650 180	Open 7.30 am - 6.00 pm, term time. After school term time clubs, and holiday activity programme on site. Community room. Lettings.	1: Satisfactory (3) 2: Satisfactory (3) 3: 28-01-09 4: 27% 5: 986.7 6: 10% 7:5 8:8.59%	53,834 7388.81	900 12 place PD SRP	Facilities - 100% new build - investment supports major pedagogical & curriculum change driving up standards. - Media & performing arts facilities developed to provide community performance hub & locality base for Southampton Music Service Governance - in partnership with Southampton Education Trust the school has more engaging curriculum offer developed through close partnership with Southampton University and major local businesses Second specialism - new specialism in vocational learning (maritime themed)	L1,2,3 provision for own and other students Full Functional Skills offer On site NEET prevention post 16 centre (linked to City College) Contribution to vocational learning – maritime themed Subscribes to 14-19 joint consortium timetable	1: Outstanding(1) 2: Outstanding (1) 3: 2017 4: 46.5% 5: 1008 6: 6..0 7: 0 8: 0.0%	1. Good [Good} 2: Good [Good] 3. 2012[2014] 4. 34.5%[37.5%] 5: 996[1000] 6. 8.0[7.6] 7: 0.8 [0] 8: 0.9%[0.0%]

							<p>SEN</p> <ul style="list-style-type: none"> - new 12 place PD provision <p>Extended school provision/services</p> <ul style="list-style-type: none"> -well established links with partner primary schools for multi-agency support of families/ positive transition/ high quality personalisation. - extended services for the children and families served by the school, including a locality base for a range of agencies serving the community with a view to helping more families help themselves - extended schools offer developed to make the most of the school's performing arts specialism and its new maritime themed vocational learning specialism 			
<p>St George Voluntary Aided Catholic College</p> <p>VA</p> <p>Science & Humanities</p> <p>11-16</p> <p>Making Extended schools core offer</p>	<p>FSM: 14.1 %</p> <p>EAL: 33.0 %</p> <p>SEN: 17.6 % (SA:1 2.9 SA+: 2.3)</p>	<p>750</p> <p>417</p> <p>150</p>	<p>Open 8.00 am. After school clubs term time. Some lettings in evening</p>	<p>1: Satisfactory(3)</p> <p>2: Satisfactory (3)</p> <p>3: 23-11-06</p> <p>4: 50%</p> <p>5: 977.3</p> <p>6: 9.8%</p> <p>7: 0</p> <p>8: 2.73%</p>	<p>53,784</p> <p>6118.38</p>	<p>600</p> <p>10 place LD SRP</p>	<p>Facilities</p> <ul style="list-style-type: none"> - learning spaces reflect and encourage school's religious character and its commitment to innovation. - high quality design conveys sense of value and purpose in learning ; buildings no longer fit for purpose.have been removed - spaces promote flexible approaches to teaching and learning, and positive social interactions, ensuring high quality personalisation - specialist areas, especially those relating to 14-19 vocational provision - ICT rich environment across 	<p>L1,2 & some 3 provision for own students.</p> <p>Full Functional Skills offer</p> <p>Students will access wider 14-19 consortium curriculum offer at other sites within 14-19 consortium</p> <p>Subscribes to 14-19 joint consortium timetable</p>	<p>1: Outstanding(1)</p> <p>2: Outstanding (1)</p> <p>3: 2017</p> <p>4: 66%</p> <p>5: 1001</p> <p>6: 5..0</p> <p>7: 0</p> <p>8: 0.0%</p>	<p>1: Good [Good]</p> <p>2: Good[Good]</p> <p>3: 2012[2014]</p> <p>4: 56%[58%]</p> <p>5: 990 [997]</p> <p>6: 7.5[6.5]</p> <p>7: 0.2[0]</p> <p>8: 0.2[0.0%]</p>

							<p>school, reflects the commitment to innovation in teaching, learning and management and the school's new specialism</p> <p>Second specialism To be determined by OBC submission</p> <p>SEN - new 10 place LD provision</p> <p>Extended school provision/services -the school's full extended schools core offer will be linked to serving its Catholic parish, as well as making the most of its specialisms - on site/links with locality based services</p>			
<p>The Sholing Technology College</p> <p>Community School</p> <p>Technology</p> <p>11-16</p> <p>Making Extended schools core offer</p>	<p>FSM: 15.1 %</p> <p>EAL: 3.0%</p> <p>SEN: 34.5 % (SA:1 8.2 SA+:16.9)</p>	<p>1050</p> <p>985</p> <p>210</p>	<p>Open 7.30 am - 5.45 pm. After school clubs in term time. Lettings evenings and Saturday mornings</p>	<p>1: Good (2)</p> <p>2: Good (2)</p> <p>3:24-09-08</p> <p>4: 51%</p> <p>5:1020.3</p> <p>6: 7.7%</p> <p>7:1</p> <p>8: 3.92%</p>	<p>24,736</p> <p>6915.83</p>	<p>1050</p> <p>10 place LD SRP</p>	<p>Facilities</p> <ul style="list-style-type: none"> - substantially re-built school campus. - design supports school's well established focus on ECM and 'the whole child' with new accommodation providing opportunities to bring in non-educational professionals and other student support services. - close links with family of primary schools promoting pro-active multi agency family support, smooth student transition & high quality personalisation - spaces that promote flexible approaches to teaching and learning, and positive social interactions. - an ICT rich environment throughout the school, - 	<p>L1,2,3 provision for own & other students</p> <p>Full Functional Skills offer</p> <p>Diploma delivery hub for Manufacturing and Product Design, and possibly Languages</p> <p>Subscribes to 14-19 joint consortium timetable</p>	<p>1: Outstanding(1)</p> <p>2: Outstanding (1)</p> <p>3: 2017</p> <p>4: 66%</p> <p>5: 1035</p> <p>6: 4.0</p> <p>7: 0</p> <p>8: 0.0%</p>	<p>1: Outstanding [Outstanding]</p> <p>2.Outstanding [Outstanding]</p> <p>3: 2012[2014]</p> <p>4: 56%[58%]</p> <p>5: 1018[1020]</p> <p>6:6.5[5.5]</p> <p>7: 0[0]</p> <p>8: 0.0%[0.0%]</p>

							<p>reflecting the school's commitment to innovation in teaching, learning management and communication</p> <p>Second specialism/diploma lead</p> <ul style="list-style-type: none"> - additional specialism in Languages to capture school's outward looking philosophy and strengths in communication - diploma lead for manufacturing and product design and possibly Languages <p>SEN</p> <ul style="list-style-type: none"> - new 10 place SRP provision <p>Extended school provision/services</p> <ul style="list-style-type: none"> - the school's full extended schools core offer will be linked to making the most of its specialisms - on site/links with locality based services 			
<p>Upper Shirley High School</p> <p>Trust status</p> <p>Maths and Computing</p> <p>11-16</p> <p>Making Extended schools core offer</p>	<p>FSM: 19.2 %</p> <p>EAL: 34.0 %</p> <p>SEN: 26.9 % (SA:1 6.1</p>	<p>750</p> <p>576</p> <p>150</p>	<p>Open 7.00 am - 6.00 pm. After school clubs term time. Holiday study programmes . Evenings and weekend lettings. Business Centre and Lecture</p>	<p>1:Satisfactory (3)</p> <p>2: Satisfactory (3)</p> <p>3:11-06-08</p> <p>4: 50%</p> <p>5:995.5</p> <p>6: 9.3%</p> <p>7: 4</p>	<p>33,790</p> <p>6241.00</p>	<p>900</p> <p>12 place VI SRP</p>	<p>Facilities</p> <ul style="list-style-type: none"> - completely rebuilt and equipped school with facilities that support the schools' specialism in Maths and Computing - excellent performance and sports facilities to support new PE & sport specialism <p>Governance</p> <ul style="list-style-type: none"> - a Trust school, that is part of an extended learning community working in close collaboration with its cluster of Primary and Special 	<p>L1,2,3 provision for own & other students Full Functional Skills offer</p> <p>Part of Diploma delivery hub for IT , Sport and Active Leisure</p> <p>Subscribes to 14-19 joint consortium timetable</p>	<p>1: Outstanding(1)</p> <p>2: Outstanding (1)</p> <p>3: 2017</p> <p>4: 65%</p> <p>5: 1017</p> <p>6: 5..0</p> <p>7: 0</p>	<p>1: Outstanding [Outstanding]</p> <p>2: Outstanding [Outstanding]</p> <p>3: 2012[2014]</p> <p>4.57%[59%]</p> <p>5: 1005[1010]</p> <p>6: 7.8[6.9]</p> <p>7: 0.9[0]</p> <p>8: 0.9%[0.0%]</p>

	SA+: 8.8)		Theatre.	8: 6.40%		<p>Schools including Great Oaks Special School.</p> <p>Second specialism</p> <ul style="list-style-type: none"> - new PE & sport specialism <p>SEN</p> <ul style="list-style-type: none"> - 12 place VI SRP <p>Extended schools provision and services</p> <ul style="list-style-type: none"> - extended schools core offer developed to make the most of the sports facilities provided to support its PE/sports specialism - available land used imaginatively to provide for the enhanced extended school and community focus - on site/links with locality based services 		8: 0.0%	
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2.) KEY PERFORMANCE INDICATORS

Indicator	Most recent validated performance	Performance relates to	Aspirational Target, post BSF (2018)	How these will be monitored and evaluated
ENJOYING AND ACHIEVING				
No. of schools where less than 30% of pupils achieve 5 GCSE A*-C,+ En &Ma (NI 78)	5 schools	academic year 2007/08	No schools	Annual results
Number of schools in special measures (NI 89)	2	end of spring term 2009	0	Annual results
Unfilled places in secondary schools (SD2)	21%	academic year 2007/8	8%	APA
% achieving first preference places in secondary schools	86.9%	academic year 2007/8	90%	Annual report by Admissions Team
Achievement of 5 GCSE A*-C incl En & Ma (NI 75)	42.3%	academic year 2007/08	>65%	Annual report by Admissions Team
Gap in achievement of 5 GCSE A*-C incl En & Ma between boys and girls	12%	academic year 2007/08	8%	Annual results
Reduction in difference between % of Southampton White British boys achieving 5+ GCSE A*-C + En & Ma compared with national average	34.6%	academic year 2007/08	45%	Annual results
Achievement of 2+ GCSEs at A*-C in Science (NI 84)	45%	academic year 2007/08	65%	Annual results
Reduction in difference between % of Southampton pupils achieving 5+ GCSE A*-C + En & Ma compared with national av. (LS15 & 16)	8%	academic year 2007/08	Gap will have been reversed:5% above national average	Annual results
% achieving 5+ GCSE at A* to C or equivalent in the Thornhill Plus You area (LS33)	30%	academic year 2007/08	60%	Annual results
Children looked after achieving 5 GCSE A*-C incl En & Ma (NI 101)	0%	academic year 2007/08	>20%	Annual results

Indicator	Most recent validated performance	Performance relates to	Aspirational Target, post BSF (2018)	How these will be monitored and evaluated
Gap between achievement of children eligible for FSM and their peers at KS4 (NI 102b)	22%	academic year 2007/08	0%	Annual results
The percentage of children from different Black and Minority Ethnic groups who achieve 5+ GCSE A*-C + En & Ma at the end of KS 4 (NI 108)	Asian 53% Black 41% Mixed heritage 47%	academic year 2007/08	65% for all groups	Annual results
Gap between achievement of 5+ GCSEs + En & Ma for children with SEN and children without SEN (NI 105)	49%	academic year 2007/08	30%	Annual results
Increase in the % of young people leaving care aged 16 or over with at least 1 GCSE grade A – G or a GNVQ (PAF A2)	63%	financial year 2007/08	100%	Annual results
Reduction in number of resident children attending special schools	1.86%	2007/8	1.5%	Annual report by SEN/inclusion Manager
Reduction in number of resident 11-16 year olds attending special schools out of the city	30	2007/8	20	Annual report by SEN/inclusion Manager
Achievement of a Level 2 qualification by 19 (NI 79)	65.8%	academic year 2006/07	> 80%	Annual report by 14-19 Lead Officer
Inequality gap in the achievement of a level 2 qualification at age 19 (NI 82)	23%	2006/7	4%	Annual report by 14-19 Lead Officer

ECONOMIC WELLBEING

Achievement of a Level 3 qualification by 19 (NI 80)	39.20%	academic year 2006/07	55%	Annual results
Inequality gap in the achievement of a level 3 qualification at age 19	18%	2006/7	7%	Annual report by 14-19 Lead Officer

Indicator	Most recent validated performance	Performance relates to	Aspirational Target, post BSF (2018)	How these will be monitored and evaluated
(NI 81)				
The % at 16+ in Southampton schools progressing to Further Education and Training (LS23)	82.5%	academic year 2008/09	95%	Annual report by 14-19 Lead Officer
17 year-olds in education and training (NI 91)	78%	2005/06	100%	Annual report by 14-19 Lead Officer
Young people entering A levels in the sciences (NI 85)	Physics – 41 Chemistry – 42 Maths – 95	academic year (2008)	Physics – 70 Chemistry-70 Maths – 125	Annual report by 14-19 Lead Officer
Young people from low income backgrounds in higher education (NI 106) * between those progressing to HE from low income households and the general population.	Gap* 16.7%	2005/6 Academic Year	Gap* 7%	Annual report by 14-19 Lead Officer
Take-up of 14-19 Learning Diplomas (NI 90)	0	academic year 2008/09	All	Annual report by 14-19 Lead Officer
Care leavers in employment, education and training (NI 148)	66%	financial year 2007/08	100%	Annual report by 14-19 Lead Officer
Secondary school persistent absence rate (NI 87)	8.4%	academic year 2007/08	<4.0%	Annual report by admissions team
Absence from school of Children in Care (PAF C24)	17%	academic year 2007/08	5%	Annual report by attendance team
Permanent exclusions from school (NI 114)	34 pupils, 0.12% of school population	academic year 2007/08	0 pupils	Annual report by Exclusions Manager
STAYING SAFE AND KEEPING HEALTHY				
Children experiencing bullying (NI 69)	51%	June 2008	<2%	Annual report by Lead Officer for anti-bullying
Emotional health of children (NI 50)	59%	June 2008	78%	Annual report by 'Be healthy'

Indicator	Most recent validated performance	Performance relates to	Aspirational Target, post BSF (2018)	How these will be monitored and evaluated
				Steering Group
Young offenders' engagement in suitable education, employment or training (NI 45)	56%	Quarter 3 2008/9	100%	Annual report by 14-19 Lead Officer
Young people's participation in positive activities (NI 110)	67%	June 2008	>85%	Annual report by Extended Schools co-ordinator
Number of extended schools (NI 88)	58%	academic year 2007/8	100%	Annual report by Extended Schools co-ordinator
% of schools achieving & maintaining Enhanced Healthy Schools status (LS18 &19)	69%	Financial year 2008/9	100%	Annual report by 'Be healthy' Steering Group
% in school sports partnerships doing 5hpw min high quality PE and school sport within and beyond the curriculum (LS17)	83.5%	academic year 2007/08	100% achieving 5 hours per week minimum	Annual report by PE/sports co- ordinator/APA
Children and young people's participation in sport (NI 57)	New indicator - not yet defined	New indicator - not yet defined	100%	Annual report by PE/sports co- ordinator/APA
Take-up of school lunches (NI 5) in secondary schools	26.4%	Summer Term 2007/8	65%	Report by 'Be Healthy' Steering Group
Percentage of children* travelling to school by car (NI 198) *aged 11 to 16	21.2% for children aged 11 to 16	January 2008	10% for children aged 11 to 16	Annual report by School Transport Officer

Agenda Item 18

DECISION-MAKER:	COUNCIL		
SUBJECT:	OVERVIEW AND SCRUTINY: SUMMARY OF CALL-IN ACTIVITY		
DATE OF DECISION:	20 JANUARY 2010		
REPORT OF:	HEAD OF POLICY AND IMPROVEMENT		
AUTHOR:	Name:	Suki Sitaram	Tel: 023 8083 2060
	E-mail:	Suki.sitaram@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

None.

SUMMARY

This report provides the Council with a summary of the use of the Call-In procedure over the last 3 months.

RECOMMENDATIONS:

- (i) That the report be noted.

REASONS FOR REPORT RECOMMENDATIONS

1. Part 4 of the Constitution, which relates to Overview and Scrutiny Procedure Rules, requires the use of Call-in to be reported to Council on a quarterly basis.

CONSULTATION

2. This report is a regular item which summarises the use of and outcomes from the Call-in procedure during the previous three months.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. None.

DETAIL

4. Paragraph 12.29 of the Overview and Scrutiny Procedure Rules requires Full Council to receive a report every quarter on the use of the Call-in procedure.
5. One executive decision has been called-in since the previous quarterly update report to Full Council. The details of this Call-In and the outcomes resulting from the Call-In meeting are summarised in this report.

6. **CAB045 - 09/2009 : Proposal to establish a 6th form at Bitterne Park secondary school**

Reasons given for the call-in:

- Failure to adequately consult with key post 16 partners prior to this proposal being determined.
- Failure to demonstrate that the methodology for determining the demand for such new provision is of sufficient quality to support the spending of both substantial capital and revenue sums. This may lead to the facility being underutilised and thus offer poor value when other public services come under sustained revenue pressures.

Recommendations from the call-in meeting:

At its meeting on 8th October 2009, the Overview and Scrutiny Management Committee considered the report of the Head of Policy and Improvement detailing the Call-in of a decision made by the Cabinet on 21st September 2009 relating to the proposal to establish a sixth form by Bitterne Park Secondary School. The Committee resolved:

- that the Cabinet Member for Children's Services convenes a meeting or series of meetings between Bitterne Park Secondary School and the City's two 6th Form Colleges with the aim of sharing information and developing a collaborative approach to the establishment of a sixth form at Bitterne Park Secondary school;
- that prior to the City Council becoming the statutory authority responsible for education up to the age of 18, a framework is established to facilitate communication between all relevant parties so that everybody can engage in any future proposals to establish a new sixth form as early as possible in this process.
- that consultation on any similar proposals in the future should go beyond the statutory minimum requirement and consider ways of genuinely engaging key stakeholders in this process.
- that any future items for determination by the Cabinet which cannot be re-considered should be flagged up in advance of the decision to members of the Overview and Scrutiny Management Committee.

Subsequent decision of the Executive:

At its meeting 26th October 2009, the Cabinet considered the recommendations made by the Overview and Scrutiny Management Committee following the call-in of the decision to establish a sixth form at Bitterne Park Secondary School and made the following decision:

- That the Cabinet Member for Children's Services ensures that the 14-19 Consultative Group convenes with the aim of sharing information between Bitterne Park Secondary School and the City's two 6th Form Colleges in order to develop a collaborative approach to the establishment of a successful 6th Form at Bitterne Park Secondary School;
- That prior to the City Council becoming the statutory authority responsible for education up to the age of 18, a framework is established to facilitate communication between all relevant parties so that everybody can engage in any future proposals to establish a new

- 6th Form as early as possible in this process;
- That consultation on any similar proposals in the future would go beyond the statutory minimum requirement and consider ways of engaging key stakeholders in this process;
 - That any future items for determination by the Cabinet which cannot be reconsidered would be flagged up in advance of the decision to Members of the Overview and Scrutiny Management Committee.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

8. None

Revenue

9. None

Property

10. None

Other

11. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

12. The duty to undertake overview and scrutiny is set out in Section 21 of the Local Government Act 2000.

Other Legal Implications:

13. None

POLICY FRAMEWORK IMPLICATIONS

14. None.

SUPPORTING DOCUMENTATION

Appendices

	None
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Documents In Members' Rooms

	None
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Background Documents

Title of Background Paper(s)

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

	None	
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Background documents available for inspection at: Not Applicable

FORWARD PLAN No: Not Applicable **KEY DECISION?** No

WARDS/COMMUNITIES AFFECTED:	None directly
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