

SPECIAL CABINET

**Tuesday, 11th September,
2012
at 5.00 pm**

Council Chamber - Civic Centre

This meeting is open to the public

Members

Councillor Dr R Williams, Leader of the Council
Councillor Stevens, Cabinet Member for Adult
Services
Councillor Bogle, Cabinet Member for Children's
Services
Councillor Rayment, Cabinet Member for
Communities
Councillor Noon, Cabinet Member for Efficiency
and Improvement
Councillor Thorpe, Cabinet Member for
Environment and Transport
Councillor Payne, Cabinet Member for Housing
and Leisure Services
Councillor Letts, Cabinet Member for Resources

(QUORUM – 3)

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BACKGROUND AND RELEVANT INFORMATION

The Role of the Executive

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

Executive Functions

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

The Forward Plan

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

Key Decisions

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

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

Decisions to be discussed or taken that are key

Implementation of Decisions

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

Southampton City Council's Seven Priorities

- More jobs for local people
- More local people who are well educated and skilled
- A better and safer place in which to live and invest
- Better protection for children and young people
- Support for the most vulnerable people and families
- Reducing health inequalities
- Reshaping the Council for the future

Procedure / Public Representations

Reports for decision by the Cabinet (Part A of the agenda) or by individual Cabinet Members (Part B of the agenda). Interested members of the public may, with the consent of the Cabinet Chair or the individual Cabinet Member as appropriate, make representations thereon.

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 officers of the Council, of what action to take.

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

Municipal Year Dates (Tuesdays)

2012	2013
19 June	29 January
17 July	19 February
21 August	19 March
18 September	16 April
16 October	
13 November	
18 December	

CONDUCT OF MEETING

TERMS OF REFERENCE

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

RULES OF PROCEDURE

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

DISCLOSURE OF INTERESTS

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

DISCLOSABLE PERSONAL INTERESTS

A Member must regard himself or herself as having a Disclosable Pecuniary Interest in any matter that they or their spouse, partner, a person they are living with as husband or wife, or a person with whom they are living as if they were a civil partner in relation to:

(i) Any employment, office, trade, profession or vocation carried on for profit or gain.

(ii) Sponsorship:

Any payment or provision of any other financial benefit (other than from Southampton City Council) made or provided within the relevant period in respect of any expense incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

(iii) Any contract which is made between you / your spouse etc (or a body in which the you / your spouse etc has a beneficial interest) and Southampton City Council under which goods or services are to be provided or works are to be executed, and which has not been fully discharged.

(iv) Any beneficial interest in land which is within the area of Southampton.

(v) Any license (held alone or jointly with others) to occupy land in the area of Southampton for a month or longer.

(vi) Any tenancy where (to your knowledge) the landlord is Southampton City Council and the tenant is a body in which you / your spouse etc has a beneficial interests.

(vii) Any beneficial interest in securities of a body where that body (to your knowledge) has a place of business or land in the area of Southampton, and either:

a) the total nominal value for the securities exceeds £25,000 or one hundredth of the total issued share capital of that body, or

b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you / your spouse etc has a beneficial interest that exceeds one hundredth of the total issued share capital of that class.

BUSINESS TO BE DISCUSSED

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

QUORUM

The minimum number of appointed Members required to be in attendance to hold the meeting is 3.

Other Interests

A Member must regard himself or herself as having a, 'Other Interest' in any membership of, or occupation of a position of general control or management in:

Any body to which they have been appointed or nominated by Southampton City Council

Any public authority or body exercising functions of a public nature

Any body directed to charitable purposes

Any body whose principal purpose includes the influence of public opinion or policy

Principles of Decision Making

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

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

In exercising discretion, the decision maker must:

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

AGENDA

Agendas and papers are now available via the Council's Website

1 APOLOGIES

To receive any apologies.

2 DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS

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

NOTE: Members are reminded that, where applicable, they must complete the appropriate form recording details of any such interests and hand it to the Democratic Support Officer.

3 CHANGES TO EXISTING REVENUE AND CAPITAL BUDGETS

Report of the Cabinet Member for Resources setting out changes to existing Revenue and Capital budgets, attached.

Monday, 3 September 2012

Head of Legal, HR and Democratic Services

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Agenda Item 3

DECISION-MAKER:	CABINET COUNCIL
SUBJECT:	CHANGES TO EXISTING REVENUE AND CAPITAL BUDGETS
DATE OF DECISION:	11 SEPTEMBER 2012 12 SEPTEMBER 2012
REPORT OF:	CABINET MEMBER FOR RESOURCES
STATEMENT OF CONFIDENTIALITY	
NOT APPLICABLE	

BRIEF SUMMARY

The purpose of this report is to set out further savings in advance of the budget for 2013/14 and to outline the main issues that need to be addressed in considering the Cabinet's recommendations to Council on 12 September 2012.

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

RECOMMENDATIONS:

Cabinet recommends Full Council to:

- (i) Note the Consultation process that was followed as outlined in Appendix 1.
- (ii) Note the Equality Impact Assessment process that was followed as outlined in paragraphs 6 to 8.
- (iii) Approve the efficiencies, income and service reductions as set out in Appendix 2.
- (iv) Note the high level forecast for the General Fund for 2013/14 to 2015/16 as detailed in paragraphs 24 to 28.
- (v) Delegate authority to the Chief Financial Officer to action all budget changes arising from the approved efficiencies, income and service reductions and incorporate any other approved amendments into the General Fund estimates.
- (vi) Note that after taking these items into account, there is an estimated General Fund balance of £5.3M at the end of 2015/16 as detailed in paragraph 30.
- (vii) Delegate authority to the Chief Financial Officer, in consultation with the Executive Director of Corporate Services, to do anything necessary to give effect to the recommendations in this report.

COUNCIL

It is recommended that Council:

- (i) Notes the Consultation process that was followed as outlined in Appendix 1.
- (ii) Notes the Equality Impact Assessment process that was followed as outlined in paragraphs 6 to 8.
- (iii) Approves the efficiencies, income and service reductions as set out in Appendix 2.
- (iv) Notes the high level forecast for the General Fund for 2013/14 to 2015/16 as detailed in paragraphs 24 to 28.
- (v) Delegates authority to the Chief Financial Officer to action all budget changes arising from the approved efficiencies, income and service reductions and incorporate any other approved amendments into the General Fund estimates.
- (vi) Notes that after taking these items into account, there is an estimated General Fund balance of £5.3M at the end of 2015/16 as detailed in paragraph 30.
- (vii) Delegates authority to the Chief Financial Officer, in consultation with the Executive Director of Corporate Services, to do anything necessary to give effect to the recommendations in this report.

REASONS FOR REPORT RECOMMENDATIONS

- 1. The recommendations have been put forward to ensure that proposals are advanced as early as possible as part of the budget process for 2013/14.
- 2. The current medium term financial forecast highlights the challenges facing the Authority. This combined with the potential impact of reductions in future funding levels for Local Government and a continuing weak economic position make it imperative that proposals for 2013/14 onwards are developed and savings achieved as early as possible.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

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

DETAIL (Including consultation carried out)

CONSULTATION

4. The draft proposals in the report presented to Cabinet on 10 July 2012 were published on 2 July 2012 in order to help facilitate consultation with a wide range of stakeholders, including councillors, residents, affected organisations, the business community, staff and Trade Unions who were all invited to submit comments on the detailed proposals. More detail is provided in Appendix 1 on the methods used to consult with staff, residents and other stakeholders.

STAFF CONSULTATION

5. The draft budget proposals were published on 2 July 2012 and this signalled the start of an extensive and ongoing consultation process with staff and Trade Unions which continued until 31 August 2012. More detail is provided in Appendix 1 on the methods used to consult with staff and Trade Unions.

EQUALITY IMPACT ASSESSMENT

6. The Equality Duty is a duty on public bodies which came into force on 5 April 2011 and requires the Council to show that it has 'had regard' to the impact of its decisions on its equality duties and the need to advance equality of opportunity between people who have protected characteristics and those who do not.
7. While the Equality Duty does not impose a legal requirement to conduct an Equality Impact Assessment (EIA), it does require public bodies to show how they considered the Equality Duty and that they have been consciously thinking about the aims of the Equality Duty as part of the process of decision-making. To comply with these requirements as well as the Community Safety legislation, the Council has used its existing Impact Assessment framework so that it can ensure the use of a consistent, council wide mechanism to evidence how decision making took into account equality and safety considerations.
8. Individual EIAs have been completed by Directors and Senior Managers for those proposals contained in Appendix 2 that they identified require such an assessment, as they could have an adverse impact on a particular group or individuals. The individual EIAs have been updated by Directors following consideration of relevant consultation feedback. EIAs have been completed for the following proposals and are available in Members' Rooms:
 - AS 1
 - CS 1
 - HLS 5

EFFICIENCIES, INCOME AND SERVICE REDUCTIONS

9. The scale of the financial challenge facing the Council combined with the potential impact of an ongoing difficult economic position make it imperative that proposals for 2013/14 onwards are developed and savings achieved as early as possible.

10. The report to Cabinet and Council on 10 and 11 July 2012 respectively set out draft proposals for consultation and Appendix 2 sets out the Executives recommendations for efficiencies, income and service reductions in detail.
11. Where possible these will be implemented as soon as practicable in the current financial year, leading to savings of £833,000 in 2012/13 which can be added to balances and utilised to make a one off contribution to reduce the gap in 2013/14.
12. For the majority of the proposals contained in Appendix 2, however, the intention is to take steps during 2012/13 to implement the saving so that they become effective from 1 April 2013 leading to savings of just under £2.0M in 2013/14 rising to just over £2.5M in 2014/15 and future years.

STAFFING IMPLICATIONS

13. It is inevitable when the Council is faced with such a significant funding shortfall, that the savings proposals put forward by the Council will have an impact on staff cost and staff numbers.
14. Being aware of this fact, the Council has continued to have in place a carefully planned approach to recruitment, ensuring that vacant posts have only been recruited to where absolutely necessary. This has been overseen by the Management Board of Directors, chaired by the Chief Executive.
15. Based on the savings proposals contained in this budget report 20.13 FTE are affected of which 4.00 are currently vacant and 16.13 are in post and are at risk of redundancy.
16. The City Council has an excellent past record of using its redeployment policies to minimise any compulsory redundancies arising out of the budget proposals. The Executive is committed to minimising the impact on staff and will seek to strengthen the support for employees who find themselves on the redeployment register as a result of savings implemented as part of the proposals contained in this report.
17. Moving forward, the Executive remain committed to minimising job losses within the Council, and through the consultation process the Executive have been keen to explore all avenues with the Trade Unions and staff to minimise the level of staffing redundancies.
18. The Executive have formulated proposals for a revised redeployment policy which will be applied to any proposed redundancies which arise as a consequence of the implementation of the savings contained in this report. The revised policy will also apply to any savings which were agreed for 2012/13 as part of the February 2012 budget, but which have not yet been progressed.
19. These proposals will be presented to Cabinet on 18 September 2012 and the new arrangements will be managed through the Southampton Transition Employment Programme (STEP). STEP will provide a revised holistic approach to the retention, redeployment and recruitment of staff and the use of agency and temporary staff. The aim of the programme is to provide enhanced measures for staff displaced in the organisation and to ensure that priority is given to existing staff when vacancies arise by providing a superior level of training, assistance and support options.

TERMS AND CONDITIONS CHANGES

20. Proposals have been agreed with the Trade Unions for a phased reinstatement of the pay cuts which were implemented in July 2011. The Trade Unions will ballot their members during the period 14 September 2012 to 4 October 2012, and are recommending to their members that they accept the offer which they have agreed with the Council. The terms of the proposed settlement are set out in Appendix 3
21. The estimated cost of the proposed settlement in the current year to the General Fund is £727,000, (of which £235,000 relates to the cost of funding an increment for staff earning less than £17,500), and this will be funded from the Pay Reserve, which was set up to fund any costs, (including legal costs), arising from defending the Council's position at the employment tribunal. The Pay Reserve currently totals £850,000. As part of the 2012/13 budget a recurring budget of £600,000 was set aside to contribute to the Pay Reserve, however the cost of the proposed settlement from 2013/14 over and above this amount cannot be met from within existing budgets. Therefore, if the offer is accepted the unfunded element of the proposal will need to be added to the budget gap for 2013/14 onwards, and additional savings will need to be found to meet the increased costs. The progressive financial impact is shown below:

	2013/14	2014/15	2015/16
	£000's	£000's	£000's
Cost of Settlement	1,245.0	2,093.0	2,830.0
Current Budget Provision	(600.0)	(600.0)	(600.0)
Unfunded Cost of Settlement	645.0	1,493.0	2,230.0

22. As this report updates the budget forecast to take account of the savings and spending proposals set out in this report, the updated forecast as set out in paragraph 27 has also been updated to reflect what the budget gap will be if the proposed settlement of the Terms and Conditions dispute is agreed collectively by Trade Union members and then implemented.
23. It should also be recognised that if agreement is reached, the Trade Unions will withdraw their Employment Tribunal Claims against the Council. These claims have a maximum value of circa £12M. This potential liability will therefore be negated if the proposed settlement is agreed.

BUDGET DEVELOPMENT FOR 2013/14 AND FUTURE YEARS

24. The report to Cabinet and Council on 10 and 11 July 2012 respectively, highlighted the challenges facing the Authority and identified an updated roll forward gap for 2013/14 of £28.0M rising to £57.7M in 2015/16, before taking into account any further revenue developments, pressures or savings.
25. This forecast provides an indication of the likely gap that will be faced by the Council each year, but there remains a significant element of uncertainty in

forecasting the position for future years. There are a range of variables which can impact on the budget, and in particular the actual grant funding position for individual authorities will not be known until December 2012. Nevertheless our current assumptions provide the medium term financial forecast to inform the financial strategy for tackling the overall position that is presented for future years.

26. The savings proposals for 2012/13 and future years will be taken into account in the development of the budget for 2013/14 but early decision making will enable implementation to be progressed in advance of the February 2013 budget meeting.
27. The overall impact of the savings proposals, as set out in paragraphs 9 to 12, (and detailed in Appendix 2), and the Terms & Conditions changes set out in paragraphs 20 to 23, is shown below:

	2013/14	2014/15	2015/16
	£000's	£000's	£000's
Roll Forward Gap	28,000.5	43,226.2	57,746.0
Savings Proposals	(1,997.0)	(2,537.0)	(2,537.0)
Contribution from Balances	(833.0)		
Revised Current Gap	25,170.5	40,689.2	55,209.0
Proposed Terms & Conditions Changes	645.0	1,493.0	2,230.0
Potential Gap if Proposed Settlement is agreed	25,815.5	42,182.2	57,439.0

28. Given the forecast for future years a fundamental review of all service areas is underway to consider what changes could be made to deliver up to £57.4M of additional savings over the next three years with £25.8M to be delivered for 2013/14. Options are being developed by Officers and the Cabinet with a view to producing a consultation report for publication in October.

GENERAL FUND BALANCES

29. It is important for Cabinet and Council to consider the position on balances. Balances are used either to:
 - support revenue spending,
 - support the capital programme, or
 - provide a 'working' balance at a minimum level suggested by the CFO with any projected excess being available to fund any one-off expenditure pressures or to reduce the council tax on a one-off basis.

The latter option is not recommended by the CFO.

30. The table below shows the position for balances after taking into account the outturn for 2011/12, items approved in July and the savings proposals set out in this report.

	2012/13	2013/14	2014/15	2015/16
	£000's	£000's	£000's	£000's
Opening Balance	23,529.6	7,433.6	5,448.7	5,565.0
(Draw to Support) / Contribution from Revenue	(4,302.2)	3,167.0	4,000.0	4,000.0
Draw to Support Capital	(352.6)			
Draw for Strategic Schemes	(11,441.2)	(5,151.9)	(3,883.7)	(4,305.0)
Closing Balance	7,433.6	5,448.7	5,565.0	5,260.0

31. The uncommitted level of balances forecast by 2015/16 currently totals £5.3M which is £260,000 above the minimum level recommended by the Chief Financial Officer following a risk assessment of the required level to be maintained. This will be available to contribute to the revenue budget in future years subject to the outturn position for 2012/13.
32. This position assumes that the outturn position for 2012/13 will be break even and if this is not achieved then any shortfall will need to be addressed as part of the development of the budget for future years in order to replenish balances.

RESOURCE IMPLICATIONS

Capital/Revenue

33. There are no capital implications and the revenue implications are set out in the report

Property/Other

34. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

35. Local Government Acts 1972, 2000 and 2003 and Local Government Finance Act 1992.

Other Legal Implications:

36. Not applicable.

POLICY FRAMEWORK IMPLICATIONS

37. This report proposes variations to the budget that was approved by Council on 15 February 2012.

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KEY DECISION? Yes/No

WARDS/COMMUNITIES AFFECTED:	
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SUPPORTING DOCUMENTATION

Appendices

1.	Budget Consultation Report
2.	Summary of Efficiencies, Income and Service Reductions
3.	Terms of Proposed Settlement

Documents In Members' Rooms

1.	Budget Proposals - Equality and Safety Impact Assessments
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Integrated Impact Assessment

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

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

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	GENERAL FUND REVENUE BUDGET 2012/13 TO 2014/15 – Council 15 February 2012	
2.	CHANGES TO EXISTING REVENUE AND CAPITAL BUDGETS – Cabinet 10 July 2012 and Council 11 July 2012	

BUDGET CONSULTATION REPORT

1. THE CONSULTATION PROCESS

The Cabinet undertook a range of consultations with various stakeholder groups, including council staff and the Trade Unions and residents and local businesses. The consultation process began with publication of the Cabinet's draft budget on 2 July 2012 and has included face to face discussions with staff. Specific feedback has been sought for particular proposals which have greater public or staff interest and these have been made available for consideration by the Cabinet prior to decision making.

2. STAFF AND TRADE UNIONS

In order for the council to meet its obligations as a good employer information relating to the budget proposals with implications for employees was discussed with staff and unions.

Consultation meetings with staff and Trade Unions commenced on 2 July 2012 and meetings have taken place at a council-wide level with Trade Unions, and at a directorate and service-level with affected staff and Trade Unions. There have also been other meetings with the Trade Unions, including meetings on 20 July 2012 and 28 August 2012 to discuss related issues about the Southampton Transition Employment Programme. In addition to directorate based face-to-face meetings as appropriate, each savings proposal that has a direct impact on staff has been detailed in a consultation document and made available to employees via the intranet, (and in hard copy where required).

One budget consultation meeting was also held between the Trade Unions and the Cabinet Member for Resources to discuss the Executive's draft budget proposals on 14 August 2012.

The following specific staff consultations have taken place:

(a) Parks (HLS 1)

The proposal to reduce costs within the sports pitch maintenance service by £21,000 does not involve the redundancy of any existing member of the team, but does involve some changes to the working arrangements and scope of responsibility of a few specific team members. Consultation has already taken place with these team members over how these proposed new arrangements could work out in practice. Affected staff have made helpful suggestions about the way in which change could be most efficiently and harmoniously implemented, and in respect of requirements in terms of vehicles, equipment and additional support during busy periods. This dialogue to improve the efficiency of the service and reduce costs is an ongoing process.

(b) Oaklands Pool (HLS 5)

There have been three formal staff consultations meetings held and the Senior Manager, Leisure and Culture has given all staff the opportunity for a one to one discussion with a manager. Every staff member affected has been given a

secondment or work placement opportunity in other areas of the council, with partners Active Nations or at Red Lodge Pool as the pool is currently temporarily closed. This has provided them with the opportunity to be in work and to increase their skills base. Management have worked closely with unions throughout the process

(c) City View (LEAD 3)

The Senior Manager, Communications, has met with the Design team to discuss the proposed City View saving on the following dates:

- 2 July informal meeting
- 6 July informal meeting with Finance colleagues
- 12 July formal meeting with HR and UNISON
- 26 July formal meeting with HR and UNISON
- 23 August informal meeting to explore City View self-funding options

The main thrust of these discussions has been to explore options that will enable City View to become self financing through securing external income and thus preventing a redundancy in the Design team. These discussions are continuing and discussions are underway with others to learn from their experiences.

3. RESIDENTS

The Cabinet's draft budget was publicised from its publication on 2 July 2012, via a range of council channels and also the news media. The proposals have been available since that time on the council's website. The website has a feedback mechanism that allows residents to share their views.

Oaklands Pool Proposal

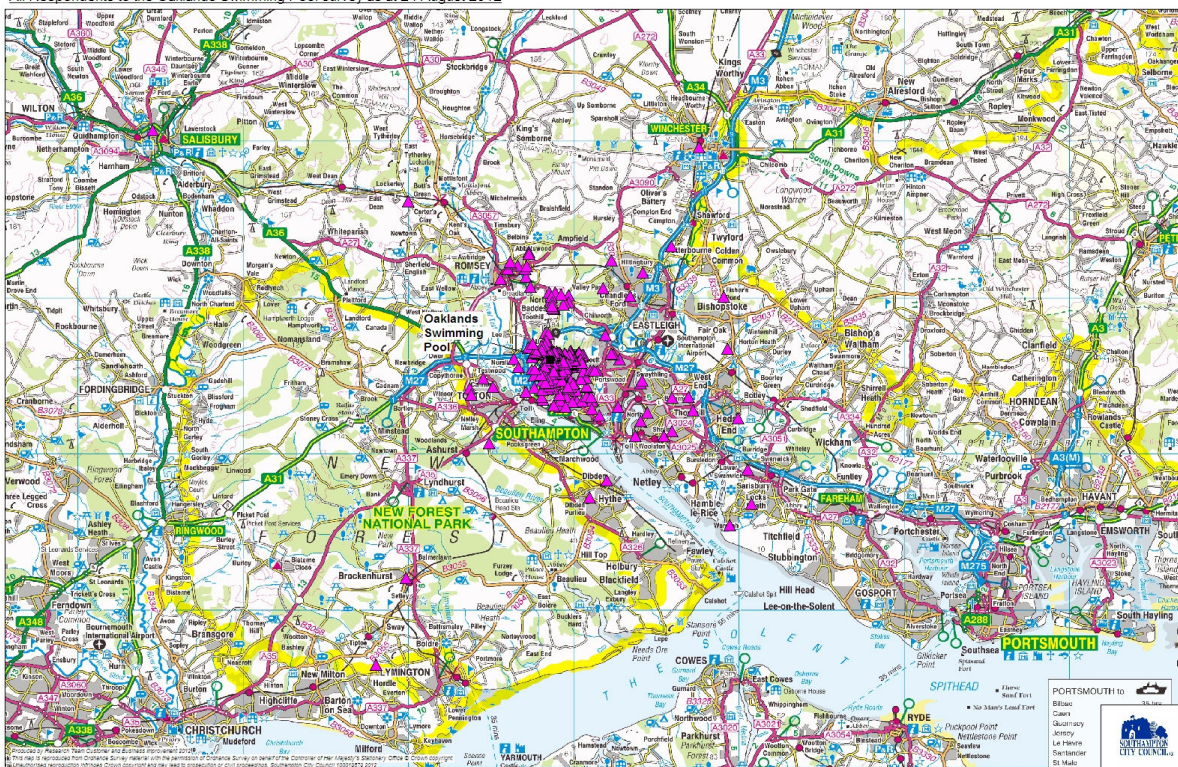
The number of individual visits to the swimming pool in 2011/12 was 80,246. The public consultation was initiated following the decision on 11 July 2012, and used different approaches to engage with varying user groups, given the usage:

- In addition to consultation with staff, a specific consultation exercise with residents was also carried out. This budget proposal was identified as requiring specific consultation, over and above the general consultation because it is a front line service. An Equality Impact Assessment was completed at the start of the process and will be updated in light of the feedback.
- Oaklands Pool is used by a variety of user groups, including schools and individual residents. In 2011/12, the number of individual visits to the swimming pool was 80,246.
- The consultation consisted of a questionnaire that was used in face-to-face drop-in consultation sessions, sent to regular users and placed on the council website. These methods were chosen to reflect the varied nature of hirers of the pool.
- The questionnaire requested information which included the potential impact of the proposed pool closure, what alternative arrangements users had made while the pool had been closed temporarily and whether these could continue in the future.

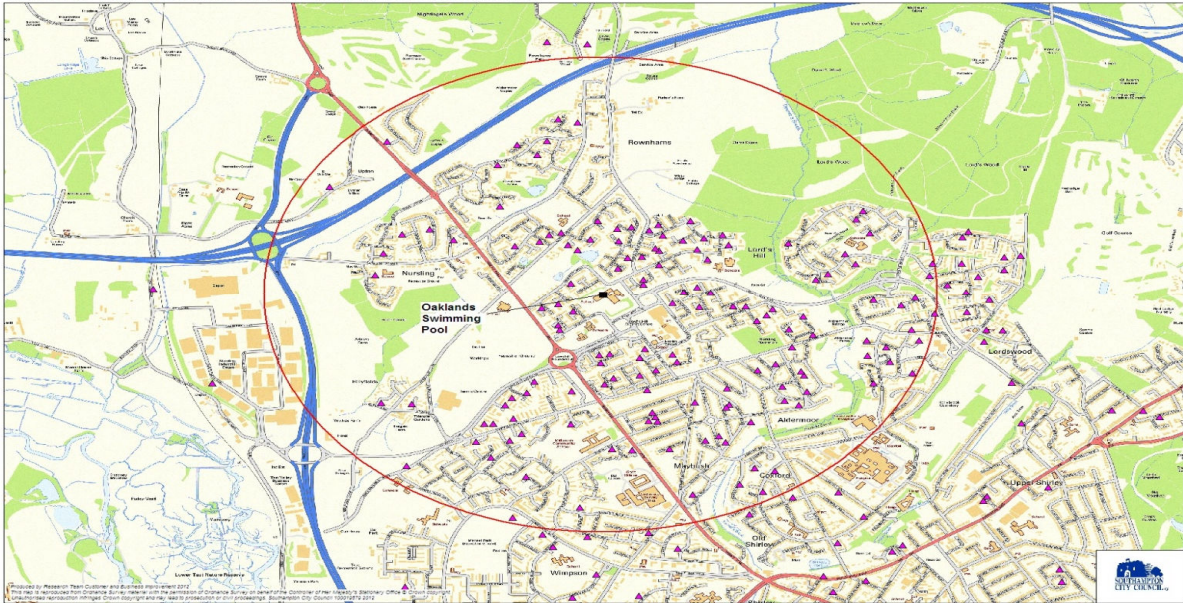
- The consultation sessions were held in venues with relatively high footfall that presented a good opportunity to make contact with a wide range of local residents. The sessions were held at:
 - Sainsbury's Lordshill (Wednesday 18 July 5pm – 7pm; Friday 20 July 10am – 12noon)
 - Lordshill Library (Thursday 26 July 2pm – 4pm).
- Following feedback from Ward Councillors two additional sessions were organised at Sainsbury's on Tuesday 31 July 5pm – 7pm and Wednesday 1 August 2pm – 4pm).
- Letters were sent out to all schools that were regular users of the pool on 12 July, to ensure that information was received before the impending school holidays.
- Letters were also sent to other groups who had hired the pool through block bookings and individual customers, (where their contact details were on file)
- The Council website had an online version of the questionnaire, to enable users/residents from outside the immediate area to submit their views, particularly if they were unable to attend one of the drop-in sessions.

The consultation process ended on 31 August 2012. In total 412 responses were received. The maps below show the distribution of home locations of respondents.

All Respondents to the Oaklands Swimming Pool survey as at 24 August 2012



Respondents within 1 mile radius of Oaklands Swimming Pool as at 24 August 2012



The range shows that 131 respondents lived within half a mile of the pool, 234 respondents within 1 mile, and 169 outside 1 mile. Most responses focused on requesting the council to complete the repairs and re-open the pool. Some responses recognised additional capital was required to complete the repairs and suggested the receipt from sale of the school site might be used. Others suggested contracting it out to a commercial operator.

Ward Councillors organised a public meeting on 3 August 2012 at Lordshill Church, focal media reported approximately 100 attendees. There was strong opposition to the closure voiced and some initial interest in developing a community group to take on the management of the pool and further enquiries by individuals have been responded to by officers. No concrete proposals for alternative management arrangements have been received or developed to date.

SUMMARY OF EFFICIENCIES, INCOME AND SERVICE REDUCTIONS

2012/13

Portfolio	Efficiencies £'000	Income £'000	Service Reductions £'000	Total £'000
Adult Services	(307.0)			(307.0)
Leader's Resources	(20.0)			(20.0)
	(406.0)		(100.0)	(506.0)
Total	(733.0)	0.0	(100.0)	(833.0)

2013/14

Portfolio	Efficiencies £'000	Income £'000	Service Reductions £'000	Total £'000
Adult Services	(560.0)	(20.0)		(580.0)
Childrens Services	(400.0)			(400.0)
Environment & Transport		(50.0)		(50.0)
Housing & Leisure Services	(277.0)		(235.0)	(512.0)
Leader's Resources	(20.0)	(14.0)	(62.0)	(96.0)
	(359.0)			(359.0)
Total	(1,616.0)	(84.0)	(297.0)	(1,997.0)

IMPACT OF PROPOSALS ON STAFFING

Portfolio	FTE In Post	FTE Vacant	FTE Total
Housing & Leisure Services	14.13	1.00	15.13
Leader's Resources	1.00	1.00	2.00
	1.00	2.00	3.00
Total	16.13	4.00	20.13

SUMMARY OF EFFICIENCIES, INCOME AND SERVICE REDUCTIONS

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2012/13	2013/14	2014/15	At Risk	Vacant	Senior Manager
				£000's	£000's	£000's	FTE	FTE	
<u>Adult Services - Efficiencies</u>									
AS 1	Across Portfolio	Joint/integrated commissioning and service remodelling with Adults Social Care/SCPCT/ with other authorities	To cover efficiency savings in contracts and Community Care micro-commissioning spend.	(200)	(200)				Stephanie Ramsey
AS 2	Directors Office	Accumulation of various minor under spends in 1/12 that are recurring.	Reduces the flexibility of the Portfolio to offset potential overspends on demand led services.	(307)	(360)	(360)			Margaret Geary
Sub-total				(307)	(560)	(560)	0.00	0.00	
<u>Adult Services - Income</u>									
AS 3	Adult Disability Care Services	To increase income from clients in residential and non residential care through altering the charging policy and becoming more efficient with billing arrangements.	This charge will be paid only by those people who can afford to pay. Others will stay on the same charge. This brings the short stay charging on to an equitable footing with the long stay clients.	(20)	(20)	(20)			Carol Valentine
Sub-total				0	(20)	(20)	0.00	0.00	
Adult Services Portfolio Total				(307)	(580)	(580)	0.00	0.00	
<u>Childrens Services - Efficiencies</u>									
CS 1	Commissioning Policy & Performance	Commissioning	Efficiencies and changes in Prevention & Inclusion contractual arrangements	(400)	(400)	(400)			Alison Alexander
Sub-total				0	(400)	(400)	0.00	0.00	
Childrens Services Portfolio Total				0	(400)	(400)	0.00	0.00	

SUMMARY OF EFFICIENCIES, INCOME AND SERVICE REDUCTIONS

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2012/13 £000's	2013/14 £000's	2014/15 £000's	At Risk FTE	Vacant FTE	Senior Manager
<u>Environment & Transport - Income</u>									
E&T 1	Planning, Transport & Sustainability	Additional income from infrastructure charges (admin fees)	New proposal reflects Community Infrastructure Levy (CIL) Guidance. Yield is uncertain and will depend on market recovery.	(50)	(90)	(90)			Paul Nichols
Sub-total				0	(50)	(90)	0.00	0.00	
Environment & Transport Portfolio Total				0	(50)	(90)	0.00	0.00	
<u>Housing & Leisure Services - Efficiencies</u>									
HLS 1	Parks & Street Cleansing	Efficiency improvements to the specialist sports pitch maintenance team.	Integrate supervision and provide Pitch & Putt, football and cricket pitch maintenance in district parks by peripatetic teams rather than staff based directly in all the venues.	(21)	(21)	(21)		1.00	Jon Dyer- Slade
HLS 2	Major Projects	Removal of funding for Olympics and Titanic events after 2012	Series of events / activities planned leading up to the April Titanic Centenary Commemorations and London Olympics in 2012. Funding is not required post the events. No impact anticipated.	(60)	(60)	(60)			Mike Harris
HLS 3	Sport & Recreation	Efficiencies from Sports & Recreation Partnership	Efficiencies from Sports & Recreation Partnership alternative management arrangements	(76)	(76)	(76)			Mike Harris
HLS 4	Housing Needs	Reassessment of split of costs between the HRA and the GF	Based on a reassessment of staff allocation to activities and the allocation of the cost of activities to the GF the HRA will pick up a larger share of the costs of non-statutory homelessness support.	(120)	(120)	(120)			Nick Cross
Sub-total				0	(277)	(277)	0.00	1.00	
<u>Housing & Leisure Services - Service Reductions</u>									
HLS 5	Sport & Recreation	Close Oaklands Pool	Removal of subsidy to operate Oaklands swimming pool	(235)	(235)	(235)	14.13		Mike Harris
Sub-total				0	(235)	(235)	14.13	0.00	
Housing & Leisure Services Portfolio Total				0	(512)	(512)	14.13	1.00	

SUMMARY OF EFFICIENCIES, INCOME AND SERVICE REDUCTIONS

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2012/13 £000's	2013/14 £000's	2014/15 £000's	At Risk FTE	Vacant FTE	Senior Manager
<u>Leader's - Efficiencies</u>									
LEAD 1	Across Portfolio	Rationalisation of supplies and services budgets	None - Savings achieved through aggregation and increased control	(20)	(20)	(20)			Mark Heath
Sub-total				(20)	(20)	(20)	0.00	0.00	
<u>Leader's - Income</u>									
LEAD 2	Economic Development	Increase in market income	Negotiated under a new contract.		(14)	(14)			Barbara Compton
Sub-total				0	(14)	(14)	0.00	0.00	
<u>Leader's - Service Reductions</u>									
LEAD 3	Corporate Communications	Withdrawal of current subsidy for City View.	Consider ways in which City View can become self funding. This would include exploring development of digital channels as a key tool for resident communication, complemented by printed material as necessary. Savings of £36,000 from 2013/14 and staffing impact to be confirmed by mid October.		(36)	(36)	1.00		Ben White
Sub-total				0	(62)	(62)	1.00	1.00	
Leader's Portfolio Total				(20)	(96)	(96)	1.00	1.00	
LEAD 4	Corporate Communications	Remove one Media Officer post	Loss of some proactive capacity - would aim to reduce media monitoring to mitigate		(26)	(26)		1.00	Ben White
Sub-total				0	(62)	(62)	1.00	1.00	
Leader's Portfolio Total				(20)	(96)	(96)	1.00	1.00	

SUMMARY OF EFFICIENCIES, INCOME AND SERVICE REDUCTIONS

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2012/13	2013/14	2014/15	At Risk	Vacant	Senior Manager
				£000's	£000's	£000's	FTE	FTE	
<u>Resources - Efficiencies</u>									
RES 1	Capita Partnership Costs	Reduced interest payments	None - Part of contract structure and also due to lower interest rates	(100)	(100)	(100)			John Spiers
RES 2	Organisational Review	Management Restructure	Earlier achievement of approved savings within the Corporate Services Directorate as a consequence of the restructure affecting Management and PA's, Phase 2 of which was implemented in November 2011	(93)			1.00		Mark Heath
RES 3	Finance Service	Reduced External Audit Fees	None - Savings achieved following tendering of service	(150)	(150)	(150)			Andy Lowe
RES 4	Across Portfolio	Rationalisation of supplies and services budgets	None - Savings achieved through aggregation and increased control	(50)	(50)	(50)			Mark Heath
RES 5	Admin Buildings	Reduction in buildings occupied	Savings arising from the current approved accommodation strategy relating to the planned vacation of buildings and rationalisation of accommodation			(500)			John Spiers
RES 6	Admin Buildings	Review of Town Sergeant functions	Review of Reception duties and Senior Town Sergeant role	(13)	(38)	(38)	1.00		John Spiers
RES 7	Admin Buildings	Review of Business Support Posts & Operations Manager	As a result of the downsizing of Civic Buildings, and streamlining of service delivery, a reduction in the amount of business support required for the Civic Buildings Team. Possible outsourcing/transfer of ID card admin, but requires more detailed investigation.		(21)	(21)	1.00		John Spiers
Sub-total				(406)	(359)	(859)	1.00	2.00	

SUMMARY OF EFFICIENCIES, INCOME AND SERVICE REDUCTIONS

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2012/13	2013/14	2014/15	At Risk	Vacant	Senior Manager
				£000's	£000's	£000's	FTE	FTE	
<u>Resources - Service Reductions</u>									
RES 8	Admin Buildings	Reduction of supplies, services and maintenance budgets	A future approved reduction in budgets maintaining Civic Buildings, where there is discretionary spend e.g. legal and policy compliance works, Fire Refuge works, toilet refurbishments (for H&S and DDA reasons), redecorations, recarpetting, wayfinding and information boards, furniture and security equipment purchase and maintenance can be achieved in 2012/13.	(100)					John Spiers
Sub-total				(100)	0	0	0.00	0.00	
Resources Portfolio Total				(506)	(359)	(859)	1.00	2.00	
GRAND TOTAL				(833)	(1,997)	(2,537)	16.13	4.00	

DETAILS OF PROPOSED SETTLEMENT

PAY

Changes to pay will take place in three stages over the next 20 months. In total, the City Council is initially putting £2.3M back into the Council's pay bill, as set out below:

It is proposed as from 1 November 2012:

- those earning up to £17,500 (full time equivalent) will receive an increment payment backdated to May 2012 (unless the individual employee is already on the top of their grade). This increment will therefore cover the period May 2012 to March 2014;
- those earning between £17,501 and £22,000 (full time equivalent) will receive a 2% increase, which will mean the complete restoration of the 2% pay cut;
- those earning £22,001 to £35,000 will receive a 0.45% increase in pay; and
- staff above £35,000 will receive no immediate increase in pay.

From April 2013:

- those earning between £22,001 and £35,000 will receive a further 2.25% increase in pay;
- those earning above £35,000 will receive no increase in pay;
- as previously agreed, normal increment payments will also resume although those staff earning up to £17,500 will already have received their increment in November 2012, (back dated to May 2012); and
- any increase in Local Government pay agreed nationally will be honored.

From April 2014:

- those earning between £22,001 and £35,000 will receive a further 1.8% increase in pay, which will mean that their pay cut is restored in full;
- those earning between £35,001 and £65,000 will receive a 1.82% increase in pay;
- any further increase in pay for those earning between £35,001 and £65,000 and any increase for those earning over £65,000 will be subject to the financial position of the authority and the savings generated to fund that. If by the end of year 2014/15 insufficient savings have been found to increase pay for the remaining staff, then this will be funded from the budget for 2015/16; and
- any increase in Local Government pay agreed nationally will be honored .

The Unions have committed to work with the Council, through an employee suggestion scheme, to identify a further £500,000 in savings, so that in total, up to £2.8M can be added back to the pay bill by 2014/15. The aim would be to identify this additional sum as quickly as possible, so that those employees earning in excess of £35,000 can have their pay restored by 2014/15, or sooner if sufficient savings are found in years 1 or 2. If by the end of 2014/15 insufficient savings have been identified to allow the restoration of pay for those in earning in

excess of £35,000, the intention would be to fund any shortfall from within the 2015/16 budget.

All references to pay are linked to the Pay Bands set out below and relate to the pay rates in force before the 11 July 2011, (that is before the pay cut).

Band	Basic Pay Thresholds	SCP
A	Less than £17,500	4 – 18
B	£17,501 - £22,000	19 - 25
C	£22,001 - £35,000	26 – 41
D	£35,001 - £65,000	42 – 62
E	In excess of £65,000	Above 62

To identify the salary changes that will apply to them, staff need to use the actual SCP (Spinal Column Point) they are on now, and refer back to the equivalent pre pay cut salary to identify which pay band they fall within.

ADDITIONAL ANNUAL LEAVE

None of the additional leave that was awarded when terms and conditions were changed will be withdrawn in 2012/13. Thereafter, leave will be reduced proportionally as pay is reinstated over the next 20 months, as set out below:

Annual Leave Entitlement Reduction

Original Band	Original Reduction July 2011	Year 1 - 2012/13		Year 2 - 2013/14		Year 3 - 2014/15		TOTAL	
		Percent Reinstated	Annual Leave Reduction	Percent Reinstated	Annual Leave Reduction	Percent Reinstated	Annual Leave Reduction	Percent Reinstated	Annual Leave Reduction
A	0.00%	0.00%	0	0.00%	0	0.00%	0	0.00%	0
B	2.00%	2.00%	0	0.00%	0	0.00%	0	2.00%	0
C	4.50%	0.45%	0	2.25%	1	1.80%	4	4.50%	5
D	5.00%	0.00%	0	0.00%	0	1.82%	0	1.82%	0
E	5.50%	0.00%	0	0.00%	0	0.00%	0	0.00%	0

If by the end of 2014/15 insufficient savings have been identified to allow an increase in pay for those in earning in excess of £35,000, the intention would be to fund any shortfall from within the 2015/16 budget and the annual leave entitlement for these employees would therefore be reduced by 5 days at that time.

In addition, an additional half day's annual leave will be given to all staff on the morning of 24 December 2012.

The City Council is looking to develop a salary sacrifice scheme for annual leave which will enable staff to take additional annual leave at a reduced cost to themselves.

CAR ALLOWANCES

The Southampton Contractual Car Allowance will be increased from £20 a month to £40 a month from 1 November. A general review of staff travel allowances with trade union involvement will take place and will be completed by April 2013.

MARKET SUPPLEMENTS

The market supplements for social workers will remain in place, subject to the pre-planned review. The social worker posts not in receipt of the market supplement will be reviewed to see if the supplement should be extended to these posts.

LEGAL ACTION

UNISON and Unite will postpone the hearing of the legal action against the Council while the trade union ballot takes place. If the settlement is accepted in the ballot, the trade unions will withdraw the claims in the trade unions names. Legal assistance will be withdrawn by the trade unions from the individual unfair dismissal claims lodged against the Council by the trade unions.

INDUSTRIAL ACTION

UNISON and Unite have suspended the current industrial action with effect from 15 August, If the proposals are accepted, the industrial dispute on this issue will end.

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