

SPECIAL Cabinet MEETING

**Tuesday, 20th November, 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)

Contacts

Cabinet Administrator
Judy Cordell
Tel: 023 8083 2766
Email: judy.cordell@southampton.gov.uk

Head of Legal, HR and Democratic Services
Richard Ivory
Tel: 023 8083 2794
Email: richard.ivory@southampton.gov.uk

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.

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 DISPOSABLE PECUNIARY, 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 GENERAL FUND REVENUE BUDGET 2013/14 TO 2015/16

Report of the Cabinet Member for Resources setting out the General Fund Revenue Budget development for 2013/14 to 2015/16, attached.

4 INCREASING SOUTHAMPTON'S RECYCLING RATE AND ENHANCING COLLECTIONS

Report of the Cabinet Member for Environment and Transport regarding Southampton's bid for funding from the Weekly Collection Support Scheme attached.

Monday, 12 November 2012

Head of Legal, HR and Democratic Services

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Agenda Item 3

DECISION-MAKER:	CABINET
SUBJECT:	GENERAL FUND REVENUE BUDGET 2013/14 TO 2015/16
DATE OF DECISION:	20 NOVEMBER 2012
REPORT OF:	CABINET MEMBER FOR RESOURCES
STATEMENT OF CONFIDENTIALITY	
N/A	

BRIEF SUMMARY

This report summarises the current budget position and outlines the initial draft budget and council tax proposals of the Executive for 2013/14 which will be used as the basis for extensive consultation with a range of stakeholders over the coming months.

The results of the consultation exercise will be reported alongside the Executive's final budget proposals that will be presented to Cabinet in early February and recommended to Council on 13 February 2013.

The report deals with general fund revenue services only and there is a separate timetable and consultation process for the Housing Revenue Account which deals with services to council tenants. Proposals for capital expenditure will be presented early in the new year.

RECOMMENDATIONS:

It is recommended that Cabinet:

- i) Approve the consultation proposals and methodology set out in Paragraphs 4 to 8 and Appendix 1 of this report and that delegated authority be given to the Senior Manager – Customer and Business Improvement, following consultation with the Cabinet Member for Resources, to fine tune and implement the consultation proposals and methodology.
- ii) Note the high level forecast for the General Fund for 2013/14 and the underlying assumptions contained in Appendix 2.
- iii) Note the Executive's initial savings proposals put forward for consultation in Appendix 3 which total almost £18.1M
- iv) Note that the Executive's initial savings set out in Appendix 3 propose the deletion of 279.34 Full Time Equivalent (FTE) posts, of which 65.66 FTE are vacant, leaving 213.68 FTE at risk of redundancy.
- v) Approve a one off saving which will be delivered through the Capita contract of £2.8M in 2013/14. This saving will be achieved through the pre-payment of £17.1M to Capita in 2012/13 allowing them to achieve financing savings, the benefit of which flows through to the Council in 2013/14.
- vi) Note that the Executive's budget proposals for consultation are based on the assumption that they will recommend a Council Tax increase of 2.0% to Full Council.

- vii) Note the Executives proposal to review the local Council Tax discounts in place for households where all residents are persons over 65 years of age (10%) and for special constables (100%), with a view to removing them.
- viii) Note the proposed changes to Council Tax discounts and exemptions with respect to second homes and empty properties in response to the Local Government Finance Act 2012 which recently received Royal Assent.
- ix) Note the medium term financial forecast for 2013/14 to 2015/16 contained in Appendix 4.
- x) Approve the updated budget setting timetable contained in Appendix 5.
- xi) Delegate authority to the Chief Financial Officer, following consultation with the Cabinet Member for Resources, to do anything necessary to give effect to the proposals contained in this report.

REASONS FOR REPORT RECOMMENDATIONS

1. The production of a financial forecast and an outline timetable are a requirement of the Council's Budget and Policy Framework Procedure Rules.
2. In addition, it is good practice for the Council to consult with a range of stakeholders on its proposals for developing the budget. The recommendations in this report have therefore been put forward to allow this process to formally begin.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. The proposals presented in this report represent the Executive's draft budget for 2013/14 that is being published for consultation. Clearly there are a huge number of variables and alternative options that could be implemented as part of the budget. The budget will be set by the Budget Setting Council in February 2013.

DETAIL (Including consultation carried out)

CONSULTATION

4. Where new proposals have been put forward these have been subject to consultation with the Management Board of Directors (MBD) and relevant Cabinet Members.
5. The Executive will undertake an extensive consultation process between 12 November and the end of January 2013 on the attached initial draft budget proposals, prior to the publication of their final budget. The Leader and the Cabinet are keen to listen to new ideas on how to reduce costs and to receive feedback on the potential impact of the proposals to help to finalise the Executive's budget to be recommended to Full Council in February 2013.

6. Consultation will be undertaken with trades unions and staff affected by the proposals in line with the agreed HR policies. The statutory 90 day minimum consultation, which is required as more than 100 individuals are at potential risk of redundancy will commence on 12 November 2012 and will continue until 9 February 2013.
7. Full consultation will be undertaken with any people or organisations affected by the proposals to ensure all options have been considered.
8. Appendix 1 will be used as the key consultation document and outlines the process, including the methods of consultation that will be employed.

BACKGROUND

9. The Comprehensive Spending Review (CSR) released in October 2010 and the detailed Local Government Finance Settlement announced in December of that year confirmed the unprecedented reductions in Local Government Funding for the four year period from 2011/12 to 2014/15, with the decrease in funding front loaded to 2011/12.
10. The City Council is required by law to ensure that residents benefit from a wide range of local services and to set a balanced budget each year against a backdrop of limited resources, greater demand for services and higher expectations from stakeholders on the range and quality of services provided within the City.
11. At this stage in the process the draft budget does not yet represent a balanced financial position but work will continue to develop further proposals in the coming months. The initial proposals in this report are put forward by the Executive as a draft budget that aims to take account of the priorities of the Executive; in the context of the challenging financial environment in which the Council finds itself, allocating limited resources to priority areas of need and ensuring key services are protected.

THE EXECUTIVE'S PRIORITIES

12. Budget setting is about allocation of resources to priority areas and in making difficult decisions the Council will have to focus on what is most important for the City. In making these decisions, the Cabinet has agreed that as a priority the Council will:
 - Try and ensure that we maintain essential social services that protect vulnerable adults and children.
 - Focus on making the council run efficiently to ensure that as many vital front line services as possible are protected.
 - Do all we can to ensure that those in most poverty are protected.
 - Meet our legal obligations.

In many of these areas the priorities of the Executive will be delivered through the budget by providing a level of financial support to existing services.

The scale of the challenge the Council is facing means that while the Council want to encourage genuine ideas for achievable savings from everyone, expectations have to be managed. This is because decisions to protect one service will inevitably have a negative impact on another service. The approach in the long term will be to raise awareness so that consultation is about prioritising within ever decreasing resources.

13. As well as ensuring that resources are allocated to these specific priorities, the Executive has also taken into account high priority services where inflationary and demographic pressures require additional resources to be allocated next year.
14. In particular, funding has been allocated within the Risk Fund in relation to children's and adults social care budgets in order to deal with increasing numbers of children being placed under the care of the local authority, an increasing elderly population and an increasing number of adults with learning disabilities that require more care for longer periods.

COMPREHENSIVE SPENDING REVIEW ASSUMPTIONS

15. The CSR released in October 2010 and the detailed Local Government Finance Settlement confirmed the unprecedented reductions in Local Government Funding over the next four years, which were front loaded. No detailed figures have been released for 2013/14 and beyond. Given the level of uncertainty, in calculating an indicative Council Tax for 2013/14 it had been initially assumed that the figures for National Non-Domestic Rates (NNDR) and Revenue Support Grant (RSG) would reduce by 7%. However, in the light of the information set out in the publication by the Department for Communities and Local Government (CLG) entitled "Business Rates Retention – Technical Guidance" this has been reduced downwards by a further £1M, effectively allowing for an 8% reduction in government grant funding.
16. Uncertainty is heightened as the financial year 2013/14 will see a number of fundamental changes including:
 - The retention of Business Rates and the extent to which Local Authorities may benefit or lose from increases / decreases in Business Rate growth.
 - The localisation of support for Council Tax including an associated 10% reduction in funding.
 - The transfer of Public Health, and its associated funding, to Local Authorities.
 - The introduction of Police Commissioners from November 2012 and the associated transfer of crime prevention responsibilities from Local Authorities.

In addition, it is difficult to predict the future of health funding which is allocated to Local Government beyond 2012/13 but at this stage it has been assumed that there will be a continuation of funding in line with the indicative levels set out in the CSR.

17. More information is contained in Appendix 2 which provides details of the financial forecasts and the assumptions that have been used in coming up with the overall base position, together with other factors relevant to the overall budgetary position.

SAVINGS PROPOSALS

18. The Executive's initial savings proposals put forward for consultation in Appendix 3 total almost £18.1M. They have been proposed in order that the Council is able to continue to deliver those services which it considers a priority in the face of unprecedented reductions in Local Government Funding and a difficult economic outlook.
19. The proposals in Appendix 3 contain almost £7.0M of efficiency savings in 2013/14 which may involve the reconfiguration of some services and which rise to £7.9M in future years. These proposals together with income generation ideas totalling £1.4M and savings from the reduction in the number of Directors through the merger of Directorates of £0.1M will reduce the level of service reductions required which at this stage total more than £9.6M in 2013/14.
20. Over the next few months, Cabinet Members will continue to explore other ideas for savings and efficiencies that could contribute to the 2013/14 budget position. Furthermore, future savings options have also been included in the medium term forecast of £0.7M in 2014/15 rising to more than £1.9M in 2015/16. These items are work in progress and will be further developed in the coming year by the Executive in conjunction with the MBD, Directorate Management teams and our partners, including Capita.

CAPITA – STRATEGIC SERVICES PARTNERSHIP (SSP)

21. The Corporate Services Management Team have been actively working with our partners Capita to consider how to both deliver savings as part of the budget process and also to improve the long term flexibility and governance of the SSP.
22. The base budget position includes a one off saving of £2.8M which will be achieved through the pre-payment of £17.1M to Capita in 2012/13 allowing them to achieve financing savings, the benefit of which flows through to the Council in 2013/14. The pre-payment will be written down over the remaining life of the contract.
23. In addition to this a number of savings proposals have been developed which will contribute £700,000 in 2013/14 and £400,000 in future years (Reference RES 4) and these include:
- Review of fibre refresh costs within the contract.
 - Change to Gateway opening hours.
 - Changes in the Council Tax & Benefits service.

24. Alongside this work which supports the development of the 2013/14 budget, longer term proposals are being explored which include the option of a five year extension to the contract which may offer greater potential savings to the Council. This is a complex piece of work and any proposals will be brought to Cabinet and Council once adequate information is available to inform effective decision making.

WEEKLY COLLECTION SUPPORT SCHEME BID

25. The Council have submitted a bid to the CLG for funding of £8.3M from the £250M available through the Weekly Collection Support Scheme. The scheme is designed to support weekly collections and enable councils to invest in schemes and projects that will benefit the environment, including through raising recycling rates. The Council's bid covers a three year period and includes capital and revenue expenditure with the objectives being to:

- Retain weekly residual collections.
- Improve the recycling service by expanding the range of materials collected for recycling, in this instance, fortnightly glass collections.
- Reduce waste and minimise the amount sent to landfill through the provision of 15,000 subsidised compost bins and 3,000 food waste digesters.
- Reduce environmental impacts and optimise the efficiency and cost effectiveness of the waste and recycling service by using route optimisation software and in-cab terminals.
- Maximise efficiencies through a reward scheme to encourage behaviour change and increase the quantity and quality of material collected for recycling.

26. The results were due to be announced by the CLG in October but have now been delayed until later in November. The Executives clear preference is to retain the weekly refuse collection service which this bid would enable. However, the Council needs to make significant savings and if the bid is unsuccessful then it is unlikely that the current weekly service can afford to be continued across the City as the additional cost of this service is more than £0.8M per annum. The current savings proposals include an item (Reference E&T 28) to introduce alternate weekly collections to reflect this possible outcome and to allow effective consultation to be undertaken.

COUNCIL TAX

27. The original assumption was for an increase in Council Tax of 2.5% but this has now been reduced to 2.0% in light of the announcement by CLG that a referendum will be required for increases of more than 2.0%. This has reduced the forecast level of Council Tax by £0.4M in 2013/14. An assumed increase of 2.0% each year in future years has been built into the forecast position.

28. As part of the announcement limiting the increase in Council Tax to 2.0% the CLG also released details of a scheme to fund a further Council Tax freeze in 2013/14. Based on the announcements to date, the position appears to be that a grant will be payable in 2013/14 and 2014/15 to those Authorities who implement a zero percent increase in Council Tax in 2013/14. The grant receivable will represent additional funding equivalent to increasing Council Tax by 1.0%, which for Southampton City Council is approximately £0.8M.
29. However, based on the level of grant payable in 2013/14 and 2014/15 if the decision was taken to freeze Council Tax and accept the grant this would increase the current budget gap in each of these years by £0.8M due to the difference between the Council Tax income that has been assumed and the level of funding being offered by the Government. This increase in the forecast gap would grow to £1.6M in 2015/16 and beyond when the grant income is also lost.
30. Consequently, the Executive are proposing to refuse the Council Tax freeze grant and increase Council Tax by 2.0% in the light of the ongoing financial challenge that the Council is facing.
31. The Executive is also aware that during the consultation exercise there may be some savings proposals that are not considered to be in the interests of stakeholders. Where this is the case, then either further savings will need to be found, or other changes in income and expenditure will be required if the proposed Council Tax increase is not to exceed 2.0%.
32. The final Budget and Council Tax that will be put forward by the Executive in early February next year will therefore need to take into account the actual resources available to the Council as well as reflect the results of the consultation exercise that will be carried out over the next few months.

Council Tax Discounts for Persons Over the Age of 65 and Special Constables

33. It is proposed that the previously approved Older Persons council tax discount of 10% for households where all occupants are over 65 and the 100% discount for Special Constables are not continued in 2013/14 and beyond. On the basis that these discounts are removed, there would be a resultant saving of £1M per annum, and this saving has been built into the forecast position as set out in paragraph 52.
34. These local discounts were introduced in 2009 and 2010 respectively under section 13A of the Local Government Finance Act 1992, with the aim of meeting specific objectives at that point in time. The Executive have requested that these are reviewed in the light of recent Council Tax increases and changes to fixed incomes such as pensions, the proposed changes to Council Tax benefit and the current financial position in which the Council finds itself.
35. The decision whether or not to grant a council tax discount under s 13A is an executive function and a report will be presented to Cabinet in the new year setting out in full the proposed changes taking into account the relevant considerations and issues which Members need to evaluate.

Technical Changes – Exemptions and Discounts

36. The new regulations allow the Council to make significant changes to the discounts and exemptions that are currently offered on Council Tax. These technical reforms are in line with the Government's stated policy aims to promote localism and address the housing shortage by encouraging owners of unoccupied properties to bring them back into use more quickly; either through sale or renting.
37. Whilst there is no requirement to consult on these changes to discounts, which will be effective from 1 April 2013, the changes will have to be approved by Cabinet in the new year.

Empty Dwellings

38. The regulations allow Councils to change discount awards relating to three classes of empty property, which were subject to statutory limitations. These discretions will be available from 1 April 2013 when the Council will be able to reduce the discount currently awarded to a property where it qualified for a discount under the legislative classifications of Class A and C:
- Class A – A dwelling is exempt for a maximum of 12 months if it requires or is undergoing major structural repair or alterations. The property must be unoccupied and substantially unfurnished. Exemptions for this class have been replaced by a discount that local authorities will set. The discount can be between 0% and 100% based on local discretion.
 - Class C – A dwelling is exempt for a maximum period of six months from the date it is both unoccupied and unfurnished irrespective of any change of ownership. Exemptions for this class have been replaced by a discount that local authorities will set. The discount can be between 0% and 100% based on local discretion.

In 2011/12 approximately £0.7M was granted for these exemptions impacting on up to 1,680 properties on average.

Empty Homes Premium

39. Long-term empty homes are properties that have been empty longer than two years and the new regulations give Local Authorities the option to levy a premium of 50% on top of the full Council Tax charge on these properties. A snapshot at the end of May showed that 191 properties had been empty for more than two years which could theoretically generate approximately £112,000 of additional Council Tax income

Second Homes

40. Local Authorities were able to give a discount of between 10% and 50% on second homes which are not job related, and the new regulations now allow a discount of between 0% and 50% to be granted. Southampton currently allows a 10% discount and in 2011/12 approximately £93,000 was granted for 840 properties on average.

41. Removing in full the discount from Classes A and C, the remaining 10% discount on second homes and charging an empty property premium on properties that are long-term empty of up to 50% on top of the full Council Tax has the potential to generate an additional £0.9M in gross Council Tax income, impacting on approximately 2,700 properties.
42. However, these figures take no account of a number of other factors which need to be considered:
- a) Currently the formula for calculating government grant assumes exemption on some classes of empty properties. If empty properties were not notified to us by residents, it would result in a loss of grant to the Council. Any proposal therefore needs to consider offering an incentive for notification.
 - b) If a person notified as a sole adult resident claiming 25% discount, it would result in a loss of grant and mean that a discount of at least 25% would be claimed. A differential between empty property and single person discount would help to avoid this issue.
 - c) Charging Class C properties for a short empty period would create additional costs (bills, disputes, postage, administration, bad debt etc), for small periods in between moving out and tenancy ending or sale of property.
 - d) The Council's own properties will be affected by any reduction in discounts.
 - e) The legislation as drafted does not allow for flexibility in the length of the exemption granted for Class A properties only in the percentage granted.
 - f) The Council needs to consider if it should provide a reasonable but not excessive discount in order to promote property development, particularly supporting major upgrading and improvements to poor quality housing stock.
 - g) These figures take no account of the additional challenge of collecting Council Tax on empty properties.
 - h) The latest consultation issued by the CLG indicates that a dwelling which is genuinely on the market for sale or letting should not be made liable to the empty homes premium. This effectively would mean that very few premiums would be charged and therefore limited if any additional income would be raised.

Proposals

43. Taking these factors into consideration, along with the need to get empty properties back into use quickly and the Council's financial position, the proposed changes are as follows:
- Empty homes discount left at 100% for Class C empty properties but the discount to be reduced from six months to one month.
 - Empty homes discount to be reduced from 100% to 50% for Class A empty properties

- Long term empty properties premium set at 50%.
- Removal of the second home discount so that Council Tax will be payable in full.

These discounts will be allowed under section 11A of the Local Government Finance Act 1992 as amended by clause 9 of the Local Government Finance Act 2012.

44. In addition to these changes, the Executive recognises that there may on occasion be particular cases of hardship which are not adequately covered by the existing and proposed exemptions and discounts. The Executive are therefore also proposing to put in place discretionary hardship support under section 13A of the Local Government Finance Act 1992, although it is anticipated that this would only apply in limited exceptional circumstances.
45. These proposals aim to balance increases in Council Tax income against the risk of non-collection and any possible loss of grant funding and also consider the housing needs of the City. As a consequence the potential savings from the allowable changes would not reach the maximum possible figure of £0.9M and these recommendations are forecast to raise additional Council Tax income of £0.5M which has been built into the forecast position as set out in paragraph 52.
46. A report will be presented to Cabinet in the new year setting out in full the final proposed changes for approval.

DETAILED FINANCIAL PROPOSALS

47. Appendix 2 to this report sets out the high level financial position for the General Fund for 2013/14 including the provision required in the Risk Fund for possible risks and the unavoidable pressures that have been signed off by the MBD.
48. Appendix 2 shows that after taking into account base changes, inflation, changes in the Risk Fund, revenue pressures and assumptions for Government Grant there is a roll forward gap of approaching £20.2M at an assumed increase in Council Tax of 2.0%.
49. In arriving at this 'base' position a number of one off funding sources have been utilised which total almost £7.8M. These include contractual savings from the Street Lighting PFI project (£0.8M), the 2011/12 Collection Fund surplus (£1M), a reduction in the contribution to reserves (£0.2M), use of balances (£0.3M), a one off saving from the Capita contract (£2.8M) and the utilisation of the estimated New Homes Bonus for 2013/14 (£2.7M). These one off elements, whilst serving to reduce the gap in 2013/14, by their very nature do not positively impact on the medium term financial position.
50. This position has been signed off by the CFO and Chief Executive and will effectively be the same for all Political Groups subject to the amount of additional resources they wish to put into specific initiatives and the level of Council Tax rise they wish to set.

51. Appendix 3 sets out the Executive’s initial detailed proposals for efficiencies, income and service reductions respectively and it is these proposals that are put forward for consultation with stakeholders. The detailed savings proposals for Portfolios in Appendix 3 total almost £18.1M.
52. The overall current draft budget package therefore put forward by the Executive is shown in the following table:

	£M	£M
Budget Gap @ 2.0% Council Tax		20.17
Efficiencies	(6.97)	
Income	(1.40)	
Service Reductions	(9.61)	
Corporate Saving	(0.11)	
		(18.09)
Local Council Tax Discounts		(1.50)
Net Deficit		0.58

53. Even allowing for the draft proposals, the Executive’s proposed draft budget position does not yet represent a balanced budget.
54. The Council is required to set a legally balanced budget by March 11 2013. It is therefore an imperative that further work is undertaken to identify further options for delivering savings which can be utilised to close the budget shortfall and ensure that a balanced budget can be set.

MEDIUM TERM FINANCIAL FORECAST 2013/14 TO 2015/16

55. It should be noted that even after allowing for the draft budget proposals there remain significant budget shortfalls in the medium term, with a forecast gap currently of £19.5M in 2014/15 rising to a cumulative gap of £32.7M in 2015/16. Significant further work is required to ensure that savings can be delivered to balance the budget for these future years. The budget for future years does not need to represent a balanced position by the time that Full Council set the 2013/14 budget on 13 February 2013, but Members should not lose sight of the need to ensure that work is ongoing to develop savings proposals for future years.
56. The medium term financial position is shown in Appendix 4 and illustrates both the financial challenge facing the Council in the coming years and also the impact of the draft budget proposals contained in this report.

STATEMENT ON GENERAL FUND BUDGET STRATEGY BY THE CFO

57. Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for "the proper administration of their financial affairs' and appoint a CFO to have responsibility for those affairs. The CFO must exercise a professional responsibility to intervene in spending plans in order to maintain the balance of resources so that the authority remains in sound financial health.
58. Section 25 of the Local Government Act 2003 imposes a specific duty on the CFO to report formally to Council at the time that the budget is considered and the Council Tax is set on the robustness of the budget estimates and the adequacy of financial reserves.
59. In advance of the report to Cabinet and Council in February 2013 it is important to set the whole of the 2013/14 budget process in the context of the exceptional financial circumstances that Local Government finds itself.
60. Given the continuing uncertainties of the economic environment and the scale of expenditure reductions required year on year, there will inevitably be significant risks involved in delivering a balanced budget. Whilst considerable pressure exists on the Council's budget because of the severely reduced level of resources available for Local Authorities in the future, further advanced forward planning to deliver the future year's budget savings is in preparation and is absolutely essential.
61. Whilst therefore the basic methodology for putting the budget together has not changed, it must be recognised that the scale of the changes and some of the measures which are proposed do increase the risk built into the budget for 2013/14 and beyond.
62. The level of one off funding already included in the 'base position' totals almost £7.8M, (as set out in paragraph 49), and is effectively contributing circa 27% of the savings required to close the gap and balance the budget position in 2013/14. This is clearly not a sustainable position. The Council's reserves are at the minimum level recommended by the CFO and given the ever tightening financial position, the increasing pressures on spend (in particular in social care) and the significant savings to be made in future years, it is difficult to foresee that significant sums of one-off funding will be available in future years to support the budget position.
63. In addition, there are significant shortfalls in future years as set out in paragraph 55. Therefore, Members must not lose sight of the need to ensure that work is ongoing to develop sustainable savings proposals for future years and must be mindful of the need to carefully consider the extent to which one off funding is utilised in order to deliver a balanced budget in any one year.
64. In February Council is required to have regard to the report provided by the CFO under s 25 in approving the budget and the Council Tax and at that time an assessment of the final proposals will be set out to inform decision making.

EQUALITY AND SAFETY IMPACT ASSESSMENT

65. 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.
66. 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.
67. Individual EIAs have been completed by Directors and Senior Managers for those proposals contained in Appendix 3 that they identified require such an assessment, as they could have an adverse impact on a particular group or individuals. The individual EIAs are available in Members' Rooms.
68. The individual EIAs have been analysed to consider the cumulative impacts the Council's budget proposals may have on particular groups and the mitigating actions that could be considered. In order to give the right perspective to the budget proposals, the Cumulative Impact Assessments have to be considered in light of the available information on the City's profile, service user and non-user information and staffing profiles as well as the proportion of the council's budget that is currently spent on targeted groups or communities. Further details on the draft Cumulative Impact Assessments are available in Members' Rooms.

STAFFING IMPLICATIONS

69. The City Council employs more than 3,900 of non school employees of which approximately 3,250 are funded by the General Fund, and staffing costs constitute a significant element of overall expenditure. Given that this is the case, it is inevitable that when the Council is faced with such a significant funding shortfall, the savings proposals put forward by the Council (see Appendix 3) will have an impact on staff cost and staff numbers.
70. 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.
71. This proactive approach has meant that the Council has been able to hold a significant number of posts vacant which can now be deleted in order to make savings as part of the budget process. The deletion of vacant posts reduces the impact on staff in post and reduces the actual number of employees who will be made redundant.

72. Based on the current savings proposals put forward by the Executive it is anticipated that, subject to the outcome of the consultation process, up to 213.68 FTE posts are at risk of being redundant and up to 327 individuals are impacted.
73. Through the consultation process the Executive is keen to explore all avenues with the Trade Unions and staff to identify wherever possible alternative options for delivering savings, in order that the level of proposed staffing reductions and redundancies can be reduced.
74. The Executive will also continue to ensure that impacted staff are aware of all the available options which can be used to avoid compulsory redundancies and this will include:
- Early retirement,
 - Flexible retirement,
 - Voluntary redundancy and
 - Reduced hours
75. In addition, the City Council has an excellent past record of using its redeployment policies to minimise any compulsory redundancies arising out of the budget proposals and the Executive 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 2013/14 budget.

SOUTHAMPTON TRANSITIONAL EMPLOYMENT PLAN (STEP)

76. Moving forward, the Executive remain committed to minimising job losses within the Council, and in September they approved the continued development of the Southampton Transition Employment Project (STEP). The full report is available at the link below (Agenda Item 49):
- <http://www.southampton.gov.uk/modernGov/ieListDocuments.aspx?CId=126&MId=2224&Ver=4>
77. STEP will provide a holistic approach to the retention, redeployment and recruitment of staff and the use of agency and temporary staff. The purpose of the project is to implement improved measures for staff that are displaced in the organisation by ensuring that they are given priority when vacancies arise and by providing an enhanced level of training, assistance and other options.
78. Funding for the initial stage of the project has been allowed for in 2012/13 but the financial implications for 2013/14 and beyond, which will be assessed in the coming months, will need to be taken into account in the development of the final budget proposals for 2013/14 and presented to Full Council in February 2013.

2012/13 IN YEAR ACTION

79. The Executive already have in place a rigorous process whereby all requests to fill vacant posts are referred to the MBD for a decision as to whether the post should be recruited to. This process has ensured that only the most essential posts are recruited to, and has enabled a number of posts to be held vacant. A significant number of these vacant posts are now proposed to be deleted as part of the 2013/14 savings proposals and this will help to ensure that the potential level of compulsory redundancies is minimised.
80. This rigorous assessment of vacant posts prior to external recruitment remains in place and has been strengthened to encompass a review by the Chief Executive of any request to utilise temporary staff or to make changes to the use of staff resources, including all recruitment requests.
81. In addition, it was agreed by the MBD to put in place a spend moratorium on non essential expenditure for the remainder of 2012/13. This was agreed in order to ensure that the support which can be given to the challenging financial position the Council faces in both 2012/13 and future years can be maximised. The action taken to date has resulted in an improvement in the 2012/13 financial position since June of almost £1.8M.

NEXT STEPS

82. This report and the proposals contained in it represents an important step in the overall budget setting timetable for 2013/14 and signals the start of an extensive consultation programme as outlined earlier in the report.
83. The remainder of the budget timetable from this point forward is detailed in Appendix 5.
84. Further proposals for the budget will continue to be developed and will be prepared for presentation to Cabinet and then full Council in February next year.

RESOURCE IMPLICATIONS

Revenue

85. This report is concerned with the revenue forecasts for the General Fund for 2013/14 and beyond

Capital

86. The revenue implications of financing the approved General Fund capital programme are included within the forecasts presented in this report

Property/Other

87. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

INTRODUCTION

88. It is important that Members are fully aware of the full legal implications of the entire budget and Council Tax making process, when they consider any aspect of setting the Council's Budget. Formal and full advice to all Members of the Council protects Members, both in their official and personal capacity, as well as the Council. If Members have received the appropriate professional legal and financial advice and act reasonably, generally the courts will not interfere in their decisions.

GENERAL POSITION

89. The first and overriding legal duty on Members is their fiduciary duty to weigh the needs of service users against the interests of local taxpayers. In planning the budget, Members are under a fiduciary duty to act prudently, responsibly, in a businesslike manner and in their view of what constitutes the best interests of the general body of local taxpayers. In deciding upon expenditure, the Council must fairly hold a balance between recipients of the benefits of services provided by the Council and its local taxpayers. Members should note that their fiduciary duty includes consideration of future local taxpayers as well as present local taxpayers.
90. There is a general requirement in administrative law that a local authority decision must be rational, authorised by law and must take account of all relevant considerations, whilst ignoring any irrelevant ones. It should also be noted that the concept of proportionality, given great emphasis in the Human Rights Act 1998, is also becoming a relevant factor for determining the reasonableness of any decision and should be borne in mind by Members.
91. An authority commits an illegal act if it acts beyond or in abuse of its statutory powers or in breach of its fiduciary duty. It will also act illegally if it fails to take relevant considerations into account or acts in outrageous defiance of reason

OBLIGATION TO MAKE A COUNCIL TAX

92. The legal significance of the Annual Budget derives from the Council's duty under the Local Government Finance Act 1992 (the 1992 Act) to set a balanced budget. This is achieved by calculating the aggregate of:
- i. the expenditure it estimates it will incur in the year in performing its functions in the year (including an allowance for contingencies),
 - ii. the payments it estimates it will make in the year in defraying expenditure already incurred and
 - iii. expenditure it will incur in funding costs before a transfer of funds is made from the Collection Fund and then deducting such sums as will be paid into the General Fund, (i.e. income). Calculations made under this section must be made before 11 March in the preceding financial year.

93. In order to fulfil this duty, the Council must prepare detailed estimates of its expenditure for the coming year and of the resources which will be available to meet this expenditure. Account must be taken of any deficit brought forward from a previous year and the amount needed to cover contingencies. The resources include income from rents, fees and charges and any available balances. All of these issues must be addressed in the budget report. The estimation of the detailed resource and expenditure items is the main reason for the budget process. The budget must balance, i.e. proposed expenditure must be met from proposed income from all sources, with any shortfall being the precept on the Collection Fund.
94. Failure to make a lawful Council Tax on or before 11 March could have serious financial results for the Council and make the Council vulnerable to an Order from the Courts requiring it to make a Council Tax.
95. Section 151 of the Local Government Act 1972 places a general duty on local authorities to make arrangements for 'the proper administration of their financial affairs'.
96. Information must be published and included in the Council Tax demand notice. The Secretary of State has made regulations, which require charging authorities to issue demand notices in a form and with contents prescribed by these regulations.
97. There is also a duty under Section 65 of the 1992 Act to consult persons or bodies appearing to be representative of persons subject to non-domestic rates in each area about proposals for expenditure (including capital expenditure) for each financial year.

DEFICIT BUDGETING

98. A deficit budget, one which does not cover all anticipated expenditure with resources reasonably expected to be available, is unlawful. Any Council Tax which rests on such a budget will be invalid. Councils are constrained to make a Council Tax before all the separate elements, which will constitute available resources or anticipated expenditure, have been identified and quantified fully. Best estimates have to be employed.
99. Where these best estimates include sums for unallocated savings or unidentified expectations of income, extreme care must be taken to ensure that the estimates are reasonable and realistic and do not reflect an unlawful intention to incur a deficit. It might be appropriate at budget setting time to require regular monitoring throughout the financial year of such estimated savings or income. Prompt action to reduce spending must be taken, if at any stage it seems likely that a balance between income and expenditure will not be achieved.

BORROWING

100. The rules and regulations governing a local authority's ability to borrow money were altered significantly by the introduction of the Local Government and Housing Act 1989 and subsequent regulations. This has now been abolished and replaced by the self regulating Prudential Code.

OTHER RELEVANT LEGISLATION

101. The Local Government Finance Act 1988 (the 1988 Act) created the (now repealed) Community Charge and the current National Non- Domestic Rating regime and deals with grants, funds, capital expenditure and the financial administration of a local authority.
102. Under Section 114 (2) and 114 (3) of the 1988 Act, the Chief Financial Officer is required to make a report, if it appears to him/her that a decision or course of action the Council or an officer has agreed or is about to make is unlawful, or that expenditure is likely to exceed resources available.
103. Members have a duty to determine whether they agree with the Chief Financial Officer's statutory report issued under Section 26 Local Government Act 2003. If Members were to disagree, they would need to set out cogent reasons for so doing. Unless such reasons could be set forward, Members' action in disagreeing with the Chief Financial Officer's views on the basis of his/her professional judgement would be likely to be held unreasonable and constitute wilful misconduct. It should be noted that under the Members' Code of Conduct, Members are required to take account of any advice issued by Chief Financial Officer (and the Monitoring Officer) acting in their statutory capacities.

THE CONSTITUTIONAL POSITION: LOCAL GOVERNMENT ACT 2000 (THE 2000 ACT)

104. The 2000 Act has had a fundamental effect on the governance of the Council and in particular has resulted in a change to the working arrangements of Council, with the requirement for a Constitution setting out executive (Cabinet) and scrutiny and overview arrangements. The 2000 Act also provides a power for Councils to promote the economic, social and environmental well-being of their areas and develop community strategies. In addition, the 2000 Act establishes an ethical framework.
105. Of particular importance to the Council Tax setting process and Budget Meeting of the Full Council is the Council's Budget and Policy Framework Procedure Rules set out in Part 4 of the City Council's Constitution. These provide a legal framework for the decision making process whereby the Budget of the City Council is determined, and the Council Tax is set. In addition, Members need to be aware that these Rules provide a route whereby the Leader may require the Full Council to reconsider their position if they do not accept the Executive's recommended budget without amendment.

106. In addition, the Constitution contains a range of further material relevant to the setting of the Council Tax and the Budget Setting meeting:
- i. Article 12 contains guidance on decision making and the law;
 - ii. The Council Procedure Rules in Part 4 regulate the conduct of the Full Council meeting (although traditionally, some of the rules relating to the conduct of the debate are suspended to allow different arrangements during the budget debate);
 - iii. The Members' Code of Conduct must be followed by Members; and
 - iv. The Officer/Member Protocol contains guidance both on pre-budget discussions, but also on how officers and Members should interact with specific guidance about budget preparation issues.

LEGAL STATUS OF POLITICAL PROMISES AND DOCUMENTS

107. It is appropriate for Members to consider their own position as some Members may have expressed support publicly for policies that are not policies of the Council.
108. Political documents do not represent a legal commitment on behalf of the Council. To treat any political document as a legal commitment by the Council would be illegal. Where there is a valid choice before Members, then, at that stage and only at that stage, Members may take political documents into account.
109. All decisions must be taken within the framework of the formal decision making process of the Authority. Members must take into account all relevant matters and disregard all irrelevant ones. Decisions taken at a political meeting, such as a political group meeting, have no status within this process. A Member, who votes in accordance with a group decision which has been reached, having regard to relevant factors and who has addressed their mind independently to those factors and to the decision itself, will be acting within the law.
110. The Courts have also advised on the balancing exercise to be undertaken by a Council when deciding whether to pursue a particular policy:

A local authority must exercise its statutory powers in the public interest and for the purpose of which those powers have been conferred. Political views, as to the weight to be attached to the various relevant considerations and as to what is appropriate in the public interest in the light of those considerations, may properly influence the exercise of a statutory discretion. A decision will not be unlawful merely because some political advantage, such as electoral popularity, is expected to flow from it, so long as the decision is made for a legitimate purpose or purposes. Because at some stage in the evolution of a policy an improper political purpose has been espoused, does not mean that the policy ultimately adopted is necessarily unlawful. However, a political purpose extraneous to the statutory purpose can taint a decision with impropriety. Where there is more than one purpose:-

- a) *The decision will generally be lawful provided that the permitted purpose is the true and dominant purpose behind the act. This is so even though some secondary or incidental advantage may be gained for some purpose, which is outside the authority's powers.*
- b) *The decision will be invalid if there are two purposes one ultra vires and one intra vires and the ultra vires purpose is a (even if not the) major purpose of the decision. Accordingly a decision substantially influenced by a wish to alter the composition of the electorate would be unlawful.*
- c) *Where there is some evidence justifying enquiry, the Court will consider whether an apparently lawful purpose e.g. home ownership is merely a colourable device to conceal an illegitimate purpose e.g. electoral advantage.*
- d) *Even if those voting for a particular policy at a Council meeting have perfectly proper reasons in mind, the policy can be tainted by the improper motives of others who have taken part in the formulation of that policy although not actually present to vote. As a matter of law it is possible for a corrupt principal to cause a result through an innocent agent.*

Other Legal Implications:

- 111. The financial forecasts contained in this report have been prepared and are submitted as part of the budget process set out in the Council’s Constitution. As part of the review process by the MBD, the proposals contained in this report have been checked from a legal viewpoint.

POLICY FRAMEWORK IMPLICATIONS

- 112. The Medium Term Plan and the Budget are key parts of the Policy Framework of the Council and a Budget and Council Tax for 2013/14 must be proposed by the Executive (Cabinet) for consideration by the Full Council under the Constitution.

AUTHOR:	Name:	Andrew Lowe	Tel:	023 8083 2049
	E-mail:	Andrew.Lowe@southampton.gov.uk		

KEY DECISION? Yes/No

WARDS/COMMUNITIES AFFECTED:	ALL
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SUPPORTING DOCUMENTATION

Appendices

1.	The Budget Consultation Process
2.	General Fund Financial Forecast 2013/14 to 2015/16
3.	Executives Proposals for Consultation
4.	Medium Term Financial Forecast
5.	Updated Budget Timetable 2013/14

Documents In Members' Rooms

1.	Budget Proposals - Equality and Safety Impact Assessment
2.	

Equality Impact Assessment

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

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

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	General Fund Revenue Budget 2012/13 to 2014/15 – Approved by Council on 15 February 2012	
2.	Changes to existing Revenue and Capital Budgets – Approved by Council on 12 September 2012	

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THE BUDGET CONSULTATION PROCESS

1. The Executive will undertake an extensive consultation process between 20 November and the end of January 2013 on the attached draft budget proposals. The Leader and the Cabinet are keen to listen to new ideas on how to reduce costs and to receive feedback on the potential impact of the proposals to help to finalise the Executive's budget to be recommended to Full Council in February 2013.

Financial Context

2. The Council is planning to spend more than £500M delivering hundreds of services to residents in 2013/14. These services range from the obvious, visible services such as street cleaning and repairs, housing, waste collection, care of vulnerable children and adults, libraries, leisure centres and schools, through to the less visible, but equally important services, such as trading standards, environmental health and tourism.
3. The Council is funded in a number of ways. It receives grant from central Government, it raises money by charging fees to people using certain services such as planning and licensing and it must fill the gap by raising council tax or reducing the cost of services. The financial landscape is tough and is likely to remain so for some time. It means the amount of money the council is able to raise has fallen while the pressures on its finances are considerable and growing. For example, the Council expects to spend extra money on care for older people, people with learning disabilities and young children. To make matters worse the Council's grant funding from Government will be cut again and is expected to be cut further in coming years.
4. Overall we need to save approximately £60M in the next three years. To put this significant challenge in perspective, removal of the subsidy for Oaklands Pool will save the council in the region of £250,000. In order to meet the savings required for 2013/14 alone, we need to reduce our costs by an amount equivalent to ending approximately 100 services of a similar size.
5. Our choices are exceptionally limited but this does not reduce **the Council's commitment or requirement to engage and consult before, during and after decisions are made. These tough decisions, which will have far reaching impact, mean that we must consult better than we have ever done previously.**
6. We want to ensure that we understand the views of our residents, service users, partners, businesses, community and voluntary sector organisations and other stakeholders, as well as those of our employees, before we agree our final budget in February 2013. We want to hear their views about:
 - The Council's approach to delivering savings while prioritising essential social services that protect vulnerable adults and children, ensuring that as many vital front line services as possible are protected, protecting those in most poverty and meeting our legal obligations.
 - Any suggestions for making savings and generating income that we have not yet considered
 - Any potential impacts, and action we could take to reduce impacts, that we have not already identified or explored

- Different ways in which the council could deliver services such as working with others, including partner organisations and local communities.

The Scale of the Problem

7. In a nutshell, we need to save approximately £60M in the next three years and the forecast funding position for 2013/14 is that there is an initial shortfall in the budget, after the use of one off funding sources to reduce the in year budget gap, of in excess of £20M. More detail is provided in Appendix 2 which deals with the financial position. This is based on delivering the same service levels in 2013/14 as in the current year, ensuring pressures and risks are adequately provided for and includes raising Council Tax by 2.0%, To balance the books and pay for all the things we are required to do some tough choices will have to be made.
8. This draft budget would help us to save almost £19.6M in 2013/14, the first of those three years. We spend more than £500M a year, however, large chunks of council spending are protected. For example, over £100M is for schools and we cannot take a saving here. Other amounts, totalling more than £50M, are tied up in multi-year contracts that are difficult, although not impossible, to renegotiate – but this will take time. Once we discount the funding that is protected or very difficult to reduce, we are left with spending of about £200M of targetable budgets from which we need to take £60M. This represents a reduction in council spending of 30% of targetable budgets in three years. This is unprecedented and a huge challenge but is by no means impossible to achieve. As explained earlier, in order to meet the required savings in 2013/14 alone, we would need to reduce our costs on a scale that is equivalent to ending approximately 100 services of a similar size to Oaklands Pool or increase council tax by more than 25% (or more than an extra £325 on a Band D property). We are not going to increase council tax by this amount and we would not be allowed to either but this does illustrate the scale of the challenge.

Why Do We Have a Budget Gap?

9. We get our funding from three main sources – council tax, government grants (including from next year retained business rates) and fees and charges. Of these, council tax increases are difficult politically, do not raise that much (a 1% increase delivers in the region of £840,000) and in any event increases are limited to a 2% unless the Council wishes to hold a referendum. Our grant from government is being significantly reduced again, (with the business rate element from next year difficult to predict with certainty) and in the main is beyond our control. Specifically, our budget gap is caused by the following factors:
 - Inflation and interest payments - **£9M**
 - Reduction in government grant - at least **£9.2M**, possibly as high as £12M
 - Impact of one-off funds to balance 2012/13 budget - **£6M**
 - Redundancy cost provision in 2013/14 - **£4M**
 - Other cost pressures - **£5.7M**
 - Impact of accepting one-off council tax freeze grant in 2012/13 - **£2.1M**
 - Cost of reinstating pay in 2013/14 - **£0.6M**

10. We have made some savings already, utilised one off funding where it is sensible to do so and made assumptions about the likely level of council tax increase which all serve to reduce this initial gap of £36.6M by £16.4M to just under £20.2M.
11. We are engaged in a change programme that aims to maintain essential services while reducing our costs but this will take time to deliver as it must involve major redesign of many services. In the meantime, our proposed budget has a number of ways for us to increase our income and make efficiencies. We are also proposing to increase council tax by 2.0%. However, it is inevitable that there will be service reductions. We do not want to be cutting services but we simply cannot afford to do everything that we currently do.

Our Priorities

12. In making difficult decisions we will have to focus on what is most important for our city. In making these decisions, the Cabinet has agreed that as a priority the Council will:
 - Try and ensure that we maintain essential social services that protect vulnerable adults and children.
 - Focus on making the council run efficiently to ensure that as many vital front line services as possible are protected.
 - Do all we can to ensure that those in most poverty are protected.
 - Meet our legal obligations.
13. The scale of the challenge we face means that while we want to encourage genuine ideas for achievable savings from everyone, we have to manage expectations. This is because decisions to protect one service will inevitably have a negative impact on another service. Our approach in the long term will be to raise awareness so that consultation is not just about saving a service but about prioritising within ever decreasing resources.
14. Staff and Councillors have been working throughout the year to identify opportunities to be more efficient, to make savings and to raise income to close the overall gap. New efficiency savings including corporate savings totalling almost £7.1M for 2013/14 that will not directly impact on residents' services have been identified. These savings include items such as:
 - Savings from improving the efficiency of the waste collections, policy changes at the Household Waste Recycling Centre and reductions in waste disposal costs rising to approaching £0.5M in future years.
 - Savings from reduced management as a consequence of the rationalisation of Directorates totalling almost £0.5M
 - Savings in reablement services within Adult Services of £0.6M linked to encouraging greater integration between health and social care resulting in better care and outcomes for people needing support or care at lower cost of provision.
 - Efficiencies in the operation of Children's Centres which it is anticipated will deliver more than £0.9M in 2013/14.

15. However, even after allowing for these efficiency savings, there is still a gap of almost £13.1M to be closed. The Council is therefore also proposing, to review some of the council tax exemptions and discounts currently in place in relation to second homes, empty homes and exempt properties and the local discounts offered to Pensioners and Special Constables.
16. This leaves approaching £11.6M still to be found through a combination of increases in fees and charges or service reductions. The draft budget proposals include ideas to increase income which will yield £1.4M and also some service reductions which will deliver more than £9.6M of savings. Where cuts have to be made the council will try to ensure they have the least impact on the most vulnerable in our society. Over the coming months, Cabinet Members will continue to explore with Directorate Management teams and partners, including Capita, other ideas for savings and efficiencies that could contribute to the 2013/14 budget position and close the remaining gap of almost £0.6M.
17. The development of the budget is important work as the council wants to focus on keeping residents safe and secure and consider the impact of its actions on poverty, whilst still continuing to improve services, in what are very difficult financial times.

Our Consultation Principals

18. We have limited resources to undertake consultation but even in these difficult circumstances, we want to make every effort for the consultation to be:
 - *Inclusive*: so that all sections of the city's local communities have the opportunity to express their views
 - *Informative*: so that people have adequate and information about the proposals, what different options mean, and a balanced and fair explanation of the potential impacts, particularly the equality and safety impacts
 - *Understandable*: by ensuring that the language we use to communicate is simple and clear and that efforts are made to reach all stakeholders, for example people who are non English speakers or disabled people
 - *Appropriate*: by targeting people who are likely to be more affected and using a more tailored approach to get their feedback, complemented by a general approach to all residents, staff, businesses and partners.
 - *Meaningful*: by ensuring decision makers have the full consultation feedback information so that they can make informed decisions
 - *Reported*: by letting consultees know what we did with their feedback.

Consultation Process and Methodology

19. The Executive intends to undertake a range of consultation activities to work with all organisations affected by the proposals, as well as providing opportunities for residents to provide feedback on the Council's approach to delivering savings and to make suggestions for making savings and generating income that we have not yet considered and any potential impacts and action we could take to reduce impacts, that we have not already identified or explored.

20. The consultation will involve the publication of information on the City Council web site. In addition, we will liaise with stakeholders through existing communication channels.
21. The local media will also be briefed on the overall process and specific proposals and will be updated as and when required throughout the process.
22. Formal meetings will be held on an ongoing basis with the Trade Unions, starting with a meeting on the day of publication of the draft budget (12 November 2012) in order to receive direct feedback on the Executive's proposals.
23. Organisations directly affected by the budget proposals will be contacted and there will be ongoing liaison to consider impacts, mitigating actions, alternatives or any new ideas.
24. There will also be feedback opportunities for all residents either through the web site or by post. Additional information will be available for staff to access through normal internal channels. This will be in addition to the council's overview and scrutiny processes and all councillors are welcome to make their comments in advance of the budget setting meeting in the new year.
25. The formal minimum 90 statutory consultation on savings proposals which impact on staff commenced on the 12 November and will run through till the 9 February 2013. A meeting was held with the recognised Trade Unions to launch the consultation, and they have been invited to provide feedback and to contribute to the consultation. They have also been invited to a consultation meeting every fortnight through out the consultation period.
26. In addition to the main consultation launch meeting held on the 12 November, individual briefing sessions were also held on the same day for all staff groups who are impacted by potential redundancies. The Council will ensure that for each individual saving proposal there is a meaningful consultation process undertaken during the consultation period.

Providing Consultation Feedback into the Decision Making Process

27.	Details	Timescales
	Collating the feedback and analysis of the results	By 21 January 2013
	Feedback to Cabinet	23 January 2013
	Cabinet meet to recommend budget to Council	5 February 2013
	Publish details of the consultation feedback with the budget papers	6 February 2013
	Full Council budget setting meeting	13 February 2013
	Information on how the council has taken into account the feedback when making the final decisions	By end of February 2013

Consultation Methods and Timescales

28.

Interest groups	Methods	Timescales	Lead
All stakeholders	Questionnaire available through the council's website	12 Nov 2012	Ben White, Senior Manager, Communications
Employees and Trade Unions	Staff questionnaire	Intranet and Management Brief: 12 Nov 2012	Ben White, Senior Manager, Communications
	Regular meetings to receive specific feedback on individual proposals	Individual and team meetings: From 12 Nov 2012	Directors and Senior Managers
	Open door sessions for staff	12 Nov 2012 – 7 Jan 2013	Leader, Cabinet, Chief Executive, Directors
Meetings with specific interest groups	Specially organised sessions and meetings on specific proposals and for groups of proposals identified in the Cumulative Impact Assessment	12 Nov 2012 – 7 Jan 2013	Senior Managers and Managers for different proposals
Southampton Connect, partners and external organisations	Letters to partners and meetings	12 Nov 2012	Alistair Neill, Directors and those who represent the council on other organisations
	Briefing at Southampton Connect	6 December 2012	Alistair Neill
Specific groups such as community and voluntary sector organisations	Letters to relevant organisations who may be affected in specific ways With questionnaire included	From 12 Nov 2012	Vanessa Shahani (for grants) Clients/ Commissioners (for contracted services)
	Ongoing regular meetings	To be agreed in response to specific requests	Service Managers

Interest groups	Methods	Timescales	Lead
Service users	Meetings using a variety of existing forums and user groups for relevant proposals	From 12 Nov 2012	Service Managers
Businesses	Letters to Business Solent, Chamber of Commerce, Business in the Community and others as relevant - with questionnaire included	From 12 Nov 2012	Alistair Neill and Dawn Baxendale
	Business briefing	To be agreed	
	Meetings with them as requested	To be agreed in response to specific requests	

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GENERAL FUND FINANCIAL FORECAST 2013/14 to 2015/16

2013/14 General Fund Financial Forecast

1. Each year the Chief Financial Officer (CFO) prepares a financial forecast for the next financial year that takes into account inflationary pressures, base changes, decisions from previous budgets and assumptions about council tax and grant income from the Government.
2. This forecast forms part of the base assumptions for developing the overall budget, together with unavoidable service pressures agreed by the Management Board of Directors (MBD) that need to be taken into account in the overall budget deliberations.
3. The purpose of this technical financial appendix is to provide details of the financial forecasts and the assumptions that have been used in coming up with the overall base position, together with other factors relevant to the overall budgetary position.
4. Since the Council set its 2012/13 budget in February 2012, the economic outlook for the country has remained difficult. Economic growth has been slow at best and the prospects are that we face a difficult and protracted recovery. Inflation remains sticky and unemployment stubbornly high. There are a range of views as to when the decline will reverse and the Country will begin to see an economic upturn but all opinion points to a longer time frame for recovery.
5. In setting the 2012/13 budget a prudent view was taken but clearly the economic climate has a direct impact upon the Council. Income levels in key areas such as car parking and arts and heritage venues continue to suffer and certain service areas supporting those individuals most affected by the economic climate, such as benefit applications, continue to experience rising demand for services.
6. The Comprehensive Spending Review (CSR) released in October 2010 and the detailed Local Government Finance Settlement that followed confirmed the unprecedented reductions in Local Government Funding over the next four years, which were front loaded. Detailed settlement figures were provided for 2011/12 and 2012/13 but the final two years were subject to a Local Government Resource Review, which will conclude with the announcement of the draft settlement in December.
7. In more general terms, the main impact upon the Council's medium term financial planning relates to the level of Government grant, grant support in respect of capital investment and government policy relating to council tax increases. In particular, the outcome of the Resource Review, alongside the Government's funding on Health and its impact upon Adult Services funding are likely to have a significant impact. The effect on local taxpayers is also a critical element in making decisions on council tax levels, particularly given the legislation contained in the Localism Act which provides local residents with a power to approve or veto excessive council tax rises to be exercised through a binding referendum.
8. No detailed grant settlement figures have been released for 2013/14 and beyond, but it had initially been assumed for planning purposes that further reductions in formula grant of 7% per annum would be made. Uncertainty is heightened as the financial year 2013/14 will see a number of fundamental changes including:

- The retention of Business Rates and the extent to which Local Authorities may benefit or lose from increases / decreases in Business Rate growth.
- The localisation of support for Council Tax including an associated 10% reduction in funding.
- The transfer of Public Health to Local Authorities and its associated funding.
- The introduction of Police Commissioners from November 2012 and the associated transfer of crime prevention responsibilities from Local Authorities.

In addition, it is difficult to predict the future of health funding allocated to Local Government beyond 2012/13 but at this stage it has been assumed that there will be a continuation of this funding in line with the indicative levels set out in the CSR.

9. The, difficult national economic situation and the impact that it is having on the Council's financial situation and the demand for services combined with the challenges presented by the CSR requires the Council to take an extremely robust approach to medium term planning.
10. The budget setting process within the Council has generally been focused on the final decisions made at the February Council meeting, although in reality the development of the budget is a year long activity.
11. In the past there has been a general tendency to wait until the February meeting before progressing new options for spending and saving which can mean that implementation is delayed until later in the financial year depending on the lead in times required for the different proposals.
12. 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.
13. The report to Cabinet and Council on 11 and 12 September 2012 respectively, highlighted the challenges facing the Authority and identified an updated roll forward gap for 2013/14 of £25.8M rising to £57.4M in 2015/16, before taking into account any further revenue developments, pressures or savings.

Update Since September

14. The financial forecast is continually reviewed to ensure that it reflects the most current information and since it was published at the start of September a number of changes have been built into the latest position.
15. Since the CSR announcement which set out the local government spending control totals there have been subsequent changes in the light of changing government policy and the ongoing difficult economic position. These changes were crystallised in the publication by the Department for Communities and Local Government (CLG) entitled "Business Rates Retention – Technical Guidance" and indicate a reduction in funding in excess of that set out in 2010.
16. The changes include transfers and adjustments to the local government spending control totals, and include proposed methodologies for incorporating those separate grant funding streams into the new business rates retention scheme from April 2013. These changes are set out below:

	2012/13	2013/14		2014/15	
	£M	£M	Year on Year Change %	£M	Year on Year Change %
CSR ⁽¹⁾	23,385	23,196	(0.8)	21,856	(5.8)
Revised Assumption for Pay Award ⁽²⁾		(240)		(497)	
TIF & New Development Deals ⁽³⁾		(20)		(20)	
Fire Grants		(50)		(50)	
Neighbourhood Planning		(15)		(20)	
Capitalisation		(100)		(100)	
Safety Net (Business Rates Retention)		(250)		(250)	
New Homes Bonus (Option a)		(1,656)		(1,656)	
Revised Control Total ⁽⁴⁾	23,385	20,865	(10.8)	19,263	(7.7)

¹ CSR adjusted to include neighbourhood planning grant in 2013/14 and 2014/15

² The 2011 Autumn Statement set out that, in order to maintain economic stability and meet its fiscal rules, the Government would "set public sector pay awards at an average of one per cent for each of the two years after the current pay freeze comes to an end and that departmental budgets would be adjusted in line with this policy.

³ Funding (spread over a six year period) will be made available from the local government spending control totals to offset the impact of additional infrastructure spending as a result of Tax Increment Funding 2 and investment in core cities on net public sector debt.

⁴ **The above figures include Police and Fire and for Local Authorities the revised reductions in the spending control totals for 2013/14 and 2014/15 are 12.3% and 8.7% respectively which can be compared to original CSR figures of 0.6% and 6.5%.**

17. Given the level of uncertainty, in calculating an indicative Council Tax for 2013/14 it had been assumed that the figures for National Non-Domestic Rates (NNDR) and Revenue Support Grant (RSG) would reduce by 7%. However, in the light of the information set out in paragraph 16, which shows a potential reduction in grant funding of 12.3%, this has been reduced downwards by a further £1M, effectively allowing for an 8% reduction in government grant funding (excluding the impact of New Homes Bonus for which the Council will receive additional funding).
18. The original assumption was for an increase in Council Tax of 2.5% but this has now been reduced to 2.0% in light of the announcement by the CLG that a referendum will be required for increases of more than 2.0%. This has reduced the forecast level of Council Tax by £0.4M in 2013/14.

19. The estimated Collection Fund surplus at the end of 2011/12 was £435,800 and this estimated surplus was taken into account in setting the 2012/13 Council Tax and was shared by the City Council, Hampshire Police Authority and the Hampshire Fire and Rescue Authority in proportion to the precepts levied by each authority in 2010/11. At the end of 2011/12 the actual surplus was approximately £1.7M and the additional surplus of £1.2M has been carried forward and is available to be shared between the precepting authorities in proportion to the precepts levied in this year. Southampton City Council's element which is £1,041,600 has been taken into account as part of the 2013/14 forecast.
20. In previous years, the Council set up a Risk Fund to manage certain potential pressures that may arise in year. The majority of these pressures are volatile in nature and cannot be forecast accurately until data is collected during the financial year on the level of activity and costs. This change in approach has meant that not all of the money set aside for pressures is allocated to Portfolios prior to the start of the year. The individual items are also risk adjusted to reflect the fact that not all of them are likely to materialise during the year. This approach has proved very effective and will be continued, as a result of which a sum of £7.7M has been included in the forecast to cover such pressures. This sum reflects increasing provision for the costs for children in care, the costs for adult social care, the impact of the recession on income and inflation on key items such as energy costs. This figure is £1.2M greater than previously forecast in September.
21. Other changes have been made to the base position to reflect changes in anticipated expenditure and the utilisation of a number of one off funding sources over and above those previously taken into consideration.
22. The changes since September are summarised below:

	2013/14	2014/15	2015/16
	£000's	£000's	£000's
Gap in September	25,815.5	42,182.2	57,439.0
Government Grant Funding	1,000.0	1,000.0	1,000.0
Council Tax @ 2.0%	417.0	758.0	1,111.6
Collection Fund Surplus	(1,041.6)		
Increase in Risk Fund	1,200.0	600.0	300.0
Other One off Funding	(6,718.8)	(200.0)	
Other Changes	(1,750.0)	(2,350.0)	(2,350.0)
Updated Position	18,922.1	41,990.2	57,500.6

Unavoidable Service Cost Pressures

23. In addition to the forecast prepared by Officers shown in the table above, the MBD have also been reviewing other service cost pressures and assessing whether or not these are unavoidable and should therefore be added directly to Portfolio Budgets (as opposed to those in the Risk Fund that will be held centrally).

24. These pressures totalling £2.2M which have been signed off by the MBD are £1.2M more than originally allowed for in 2013/14 and include additional resources for:
- children in care and
 - additional safeguarding staff resources
25. When these pressures are taken into account the revised gap is approaching £20.2M in 2013/14 as shown below:

	2013/14	2014/15	2015/16
	£000's	£000's	£000's
Updated Position	18,922.1	41,990.2	57,500.6
Pressures (over and above £1M)	1,247.0	797.0	497.0
Revised Gap	20,169.1	42,987.2	57,997.6

Base Position 2013/14

26. Taking all of these items into account gives a Council Tax Requirement figure for 2013/14 of £105M which represents what we think the Council needs to spend. Comparing this to the amount we are able to spend provided by an indicative 2.0% council tax increase produces a 'roll forward gap' for the year of just under £20.2M as shown in the following table:

APPENDIX 2

Portfolio	Original Budget 2012/13	Base Changes & Inflation	Roll Forward 2013/14
	£000's	£000's	£000's
Adult Services	70,082.2	2,426.6	72,508.8
Children's Services	59,590.1	782.6	60,372.7
Communities	6,640.0	(497.1)	6,142.9
Environment & Transport	32,854.5	2,467.3	35,321.8
Housing & Leisure Services	20,461.5	(1,417.6)	19,043.9
Leader's Portfolio	4,513.8	51.1	4,564.9
Resources	16,326.6	(839.8)	15,486.8
Pressures		2,247.0	2,247.0
Sub-total for Portfolios	210,468.7	5,220.1	215,688.8
Levies & Contributions	649.0		649.0
Capital Asset Management	(11,300.6)	1,680.0	(9,620.6)
Risk Fund	6,300.0	1,400.0	7,700.0
Non-Specific Government Grants	(120,810.8)	8,526.2	(112,284.6)
Council Tax Freeze Grant	(2,070.9)	2,070.9	
Other Expenditure & Income	1,003.1	(966.6)	36.5
Net General Fund Spending	84,238.5	17,930.6	102,169.1
(Draw from) / Addition to Balances:	(1,033.0)	3,900.0	2,867.0
Council Tax Requirement	83,205.5	21,830.6	105,036.1
Budget @ 2.0% Council Tax	83,205.5	1,661.5	84,867.0
Total Gap	0.0	20,169.1	20,169.1

27. The overall revised gap that needs to be closed of just under £20.2M represents 19.7% of net General Fund spending.
28. This position represents the 'base' position from which all three political groups may develop their own budgets taking into account the proposals for spending and the savings options put forward.

29. In arriving at this 'base' position a number of one off funding sources have been utilised which total almost £7.8M. These include contractual savings from the Street Lighting PFI project (£0.8M), the Collection Fund surplus (£1M), a reduction in the contribution to reserves (£0.2M), use of balances (£0.3M), a one off saving from the Capita contract (£2.8M) and the utilisation of the estimated New Homes Bonus for 2013/14 (£2.7M). These one off elements, whilst serving to reduce the gap in 2013/14, by their very nature do not positively impact on the medium term financial position.

Medium Term Financial Forecast 2013/14 to 2015/16

30. Whilst the position for the years beyond 2013/14 is even more uncertain, as outlined in paragraphs 6 to 8 and also 15 to 18, the intention remains to produce a high level plan containing longer term objectives that can be pursued and a roll forward position has been prepared for a further two financial years. The forecast shown in detail in Appendix 4 takes into account inflation and known base changes.
31. The 'budget limit' for each of the years is derived from assuming an indicative 2.0% increase in Council Tax for each year and a further reduction of 7.0% per annum in Government funding for 2014/15 and also 2015/16. The gap each year that results is:

	2013/14	2014/15	2015/16
	£000's	£000's	£000's
Council Tax Requirement	105,036.1	129,446.8	146,485.1
Council Tax Increase at 2.00%	(84,867.0)	(86,659.6)	(88,487.5)
Roll Forward Gap	20,169.1	42,787.2	57,997.6

32. This forecast provides an indication of the likely gap that will be faced by the Council each year, but as past attempts have shown it is not an exact science and there are so many variables within the Council's budget that it is impossible to predict accurately. Nevertheless, the forecast provides a medium term financial forecast to enable Political Groups to consider their financial strategies for tackling the overall position that is presented for future years.

General Fund Balances

33. The CFO recommends that the minimum level of the General Fund Balance should be £5.0M, which has been derived by looking at a risk-based approach to the overall General Fund Revenue Account. This takes into account income volatility, interest rate exposure, new contracts and also potential over spends in demand led areas such as social care and safeguarding both for adults and children.
34. The net effect on balances of the forecasts contained in this appendix is shown in the table below:

	2012/13	2013/14	2014/15	2015/16
	£000's	£000's	£000's	£000's
Opening Balance	23,529.6	7,545.8	5,260.9	5,377.2
Draw to Support Capital	(312.6)	(10.0)		
Contributions from / (to) Revenue	(3,999.0)	2,877.0	4,000.0	4,000.0
Draw for Strategic Schemes	(11,672.2)	(5,151.9)	(3,883.7)	(4,074.0)
Closing Balance	7,545.8	5,260.9	5,377.2	5,303.2

35. The above projection includes an addition to the Organisational Development Reserve of £4.0M in 2013/14 and each of the following years in order to ensure that adequate ongoing provision is made for the costs associated with the implementation of staff related savings, based on the current redundancy scheme.
36. The minimum level of balances is set at £5.0M and the above prediction indicates that this will be maintained in the medium term. Presently, £593,200 is available within balances of which £290,000 has been factored into the forecast presented in this report. The remainder of £303,200 is a consequence of the forecast position as at Month 6. Given the fact that this is a forecast position it would not be prudent to utilise this amount at this stage of the year.

Assumptions and Risks

37. Local Authority budgeting is by its very nature difficult to forecast with absolute certainty since there are so many variables that need to be assessed and so much of the information is not known until very late in the process.
38. It is important to note that the revised forecast represents the most realistic forecast position moving forward. However, there are a number of risks associated with these revised forecasts, the main risks being as follows:

Local Government Settlement

39. The Aggregated External Finance through the annual settlement (comprising RSG and NNDR) accounts for £97.6M of the Council's budget in 2012/13 and for 2013/14 the lack of any draft figures provided as part of the settlement for local government within the four year CSR period has heightened this risk as has the uncertainty surrounding the impact on Southampton of the Local Government Resource Review and the changes set out in paragraph 8 of this Appendix.
40. Two other areas which represent a further risk within the Council's forecasts are specific grants (which reflect changes in national funding) and transfers of responsibility in and out of Local Government. Details of these changes will not be known until the settlement figures are released in December.
41. A separate briefing note will be produced once all of the information has been received and analysed. This will outline the impact of the settlement compared to the forecasts shown in this report.

Pay Inflation

42. Assumptions have been made in the forecast about the likely level of pay inflation that will apply from 1 April 2013 and the current assumption is for a 1% pay award. Clearly, since a large proportion of the Council's expenditure is pay related, this can have a significant impact if actual rates are much higher than predicted.
43. These risks are reduced by the announced intention to limit public sector pay to no more than 1% on average in 2013/14 and 2014/15. The impact of any award would be picked up in future forecasts. However, given the current economic outlook, it is not anticipated that there will be an unexpectedly high increase for either of these years compared to assumed levels.

General Inflation

44. Assumptions have been made in the forecast about the likely level of general inflation that will apply from April 2013. Given the uncertain economic outlook if inflation were to increase at a higher rate than anticipated then this would have an impact on the Council.
45. This risk has been mitigated by the inclusion of amounts in the Risk Fund to cover key elements of inflation, for example in relation to fuel and energy costs, which can be volatile.
46. Beyond this provision, it is likely that this would be managed as an 'in year' issue and that Directorates would be expected to absorb the difference which may be partly mitigated by improvements in the Council's financial position driven by any economic recovery.

Interest Rate Exposure

47. The Council has a large long-term debt Portfolio and more recently has had significant cash balances available for short term investment. A major debt restructuring exercise was undertaken in previous years in order to take advantage of market conditions. In achieving this, the Council has exposed itself to short term variable interest rate risk and whilst in the current climate of low interest rates this is obviously a sound strategy, at some point when the market starts to move the Council will need to act quickly to lock into fixed long term rates which may be at similar levels to the debt it has restructured. Furthermore, the volatility in the financial markets means that interest costs and investment income will continue to fluctuate for some time.
48. There is therefore potential for the figures in the forecast to be adversely affected by changes in interest rates. It was therefore recommended and approved in the February 2009 Treasury Management Strategy report to Full Council that an Interest Equalisation Reserve be created from any savings arising from the debt restructure to help to manage volatility in the future and ensure that there is minimal impact on annual budget decisions. Albeit that this may not be needed until the later years of our current financial planning horizon due to the likely position that rates will be lower for longer, this has mitigated these risks and in addition, the assumptions built in for both long term borrowing costs and investment returns are prudent going forward.

Further Economic Decline

49. Assumptions have been made about the economic climate and the impact on the Council and its financial position. Whilst all of the assumptions are very prudent and provision has been made to cover key items such as loss of income a further marked decline in the economy presents a risk.
50. This risk will be managed through some of the mechanisms referred to within this Appendix, notably the Risk Fund, and it is likely that any further economic decline would depress inflation, allowing Directorates to absorb any impact and manage issues “in year”.

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE

2013/14

Portfolio	Efficiencies	Income	Service Reductions	Total
	£'000	£'000	£'000	£'000
Adult Services	(3,295)	(310)	(567)	(4,172)
Children's Services	(2,207)	(62)	(3,795)	(6,064)
Communities	(123)	(35)	(629)	(787)
Environment & Transport	(587)	(945)	(1,987)	(3,519)
Housing & Leisure Services	(248)	0	(1,637)	(1,885)
Leader's	(481)	(50)	(123)	(654)
Resources	(29)	0	(875)	(904)
Total	(6,970)	(1,402)	(9,613)	(17,985)

Corporate Savings - Deletion of one Director to be achieved through the merger of the Adult Social Care & Children's Directorates

(105)

(18,090)

IMPACT OF PROPOSALS ON STAFFING

Portfolio	FTE In Post	FTE Vacant	FTE Total
Adult Services	1.00	6.52	7.52
Children's Services	103.34	22.55	125.89
Communities	6.41	2.98	9.39
Environment & Transport	29.32	13.10	42.42
Housing & Leisure Services	63.11	11.30	74.41
Leader's	5.50	7.21	12.71
Resources	4.00	2.00	6.00
Total	212.68	65.66	278.34

Corporate Savings - Deletion of one Director to be achieved through the merger of the Adult Social Care & Children's Directorates

1.00

279.34

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2013/14		2014/15		2015/16		Net Reduction in Posts		Senior Manager
				£000's	£000's	£000's	£000's	FTE In Post	FTE Vacant	FTE In Post	FTE Vacant	
Adult Services - Efficiencies												
AS 1	Adult Disability Care Services	Increase in Supported Housing capacity for OPMH clients at Graylings.	This exercise will provide alternative care provision for the equivalent of 8 OPMH clients. This will allow 8 clients to live with more independence within a sheltered housing setting with extra care support as opposed to receiving a traditional residential care service.	(25)	(50)	(50)	(50)					Carol Valentine
AS 2	Portfolio Wide	Review use of Social Care transfer funding allocated via NHS.	Social Care Transfer monies are to invest in sustainable services which deliver improved Health and Adult Social care outcomes. This proposal will lead to some of the proposed projects that aim to ease the pathway for clients from Health provided services to Social Care services not commencing. There is a risk that this funding could cease at the end of the current CSR period, (March 2015).	(2,380)	(2,380)	(2,380)	(2,380)					Stephanie Ramsey
AS 3	Provider Services City Care	Full review of current reablement services to inform future commissioning – covering quality, eligibility, productivity and funding sources	The service is at full establishment and is meeting some additional health and social care needs in accordance with the outcomes cited in the criteria for the NHS transfer monies. Approximately £600k of this NHS transfer grant has been used to fund part of the core establishment. This proposal is based on this NHS Funding continuing to be available to the LA on a recurring basis. However, there are two significant risks a) that the NHS will not have this funding to make available to the Local Authority beyond the current CSR, (March 2015), b) that the NHS elect to commission this service elsewhere in later years. Should (b) occur SCC will need to make the corresponding service reductions to maintain this level of saving.	(600)	(600)	(600)	(600)					Stephanie Ramsey / Jane Brentor
AS 4	Portfolio Wide	Increase in the usage of Shared Lives as an alternative to residential care for older persons	To increase the current number of family carers willing to support social care clients in their own homes supported with appropriate funding, this proposal will require the addition of a shared lives officer. The proposal will provide better outcomes for clients in addition to a more cost effective way of providing care. The effectiveness of this service will depend on the ability to recruit appropriate family carers and the suitability of potential clients. This level of saving is reliant on achieving an increase of 50 clients in Shared Lives as opposed to Residential Care by 2015/16.		(100)		(250)					Jane Brentor
AS 5	Adult Disability Care Services	Reprovision of non personal / non time restricted tasks e.g. shopping from existing Domiciliary care providers to a volunteer service.	Currently shopping is provided under the existing care package by the personal carer. This proposal would lead to a specific scheme that would provide this service at a lower rate.	(30)	(65)	(65)	(65)					Stephanie Ramsey
AS 6	Care Management	Reduction in various Care Management posts	The proposal is to redesign the structure for the Care Management teams leading to a reduction in the overall posts. In addition savings will be made from the future Sensory Services reprovision and support staff as a result of changes to the Paris system that will reduce inputting required.	(130)	(200)	(200)	(200)	1.00	5.00			Carol Valentine

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2013/14	2014/15	2015/16	Net Reduction in Posts		Senior Manager	
				£000's	£000's	£000's	FTE In Post	FTE Vacant		
AS 7	Learning Disability Commissioning	Learning Disability Development Fund	Reduction in administrative costs of Valuing People Board and minor service reductions	(15)	(15)	(15)			Stephanie Ramsey	
AS 8	Supporting People	Reduction in staff and supplies and services	Reduction of one time limited contracts officer post will reduce ability to manage back log of work contracts and quality assurance work. Efficiencies from staff costs under the sheltered housing contract to be managed by Housing.	(85)	(25)	(25)	1.00		Stephanie Ramsey / Nick Cross	
AS 9	Provider Services Management	Provider Services Management	Deletion of 0.52FTE vacant Organisational Development Manger post. This level of reduction may lead to the requirement for Change Programme funding for short term staffing to manage major service developments in 13/14.	(30)	(30)	(30)	0.52		Jane Brentor	
Sub-total				(3,295)	(3,465)	(3,615)	1.00	6.52		
<u>Adult Services - Income</u>										
AS 10	Adult Disability Care Services	Increase in income arising from proposed changes to the Non Residential Charging Policy	This is an addition to the estimate of additional income proposed and accepted in Feb 2012. Under the proposed charging policy there will be a greater degree of fairness to ensure that all chargeable services are actually charged for and that all clients will only pay what they can afford.	(260)	(260)	(260)			Carol Valentine	
AS 11	Adult Disability Care Services	Increase in income from clients due to increase in benefits.	This is not an increase in charges. This increase in income is achieved through the annual increase in benefits that clients receive. It does not represent a shift in the application of the charging criteria. This sum is in addition to the amount approved in February 2012.	(50)	(50)	(50)			Carol Valentine	
Sub-total				(310)	(310)	(310)	0.00	0.00		

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2013/14	2014/15	2015/16	Net Reduction in Posts		Senior Manager	
				£000's	£000's	£000's	FTE In Post	FTE Vacant		
<u>Adult Services - Service Reductions</u>										
AS 12	Supporting People	Undertake cuts in the Supporting People programme, resulting in service reductions.	Reductions would be made to contracts for older people, mental health, drugs and alcohol, homelessness and women fleeing domestic violence leading to remodelled services and reductions in accommodation and support. Several contracts are up for renewal. There could be impacts on other service areas including care budgets and health.	(370)	(715)	(715)			Stephanie Ramsey	
AS 13	Adult Disability Commissioning	Advice and Information / Day Care contracts	The cessation of the Age Concern advice contract could lead to the potential increase in referrals to Adult Contact Service. The SCA Day Care contract will reduce by 4% of placements for older people. This may increase risk of carer breakdown or entry into care. However work will be undertaken to maximise under used provision	(59)	(59)	(59)			Stephanie Ramsey	
AS 14	Wellbeing	Reducing the contract values to provide specific support for HIV/Aids	This support is non statutory. The funding allows for two organisations to provide counselling, training, individual support etc for individuals with HIV/Aids. The level of incidence of HIV/Aids in young adults has increased by more than half over the past five years. This proposal may reduce the viability of the organisations which as a result which could mean that no specialist service will be available in the city.	(33)	(33)	(33)			Stephanie Ramsey	
AS 15	Mental Health Commissioning	Drug Action Team - Reducing the commissioning budget to purchase services for drug users	This reduces the DAT capacity to commission services. This service is currently not meeting all national targets. Services are currently out to tender to address this issue, improvement will be restricted by the proposed reduction in resources. In addition this reduction will limit the ability of the DAT to cope with the potential impact on the city arising from reductions within other Portfolios. This proposal will reduce the Adult Services contribution to drug services to nil, although the Council will retain the responsibility and consequent contribution for the budget following the transfer of Public Health in 2013/14.	(105)	(105)	(105)			Stephanie Ramsey	
Sub-total				(567)	(912)	(912)	0.00	0.00		
Adult Services Portfolio Total				(4,172)	(4,687)	(4,837)	1.00	6.52		

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2013/14	2014/15	2015/16	Net Reduction in Posts		Senior Manager	
				£000's	£000's	£000's	FTE In Post	FTE Vacant		
<u>Children's Services - Efficiencies</u>										
CS 1	Prevention	Early Years & Children's Centres	Efficiencies in operating the city's Children's Centres in two hubs - East and West. Reducing staffing duplication, contracts with partners and some reduction in services and supplies. Limited impact on targeted work with vulnerable families.	(935)	(1,000)	(1,000)	8.57	6.51	Alison Alexander	
CS 2	Education	Learning Support (Statutory) Home to school transport	Efficiencies through the introduction of a pilot for families in 2013/14 to take responsibility for transporting their children to special schools with reimbursement.	(100)	(100)	(100)			Alison Alexander	
CS 3	Prevention	Learning Support (Statutory) Locality management	Reduction in management as a consequence of operating Children's Centres and Parenting Teams into two hubs - East and West.	(188)	(223)	(223)	3.40	1.00	Alison Alexander	
CS 4	Prevention	Learning Support (Non Statutory) Traded Services	Efficiencies in provision offered to schools by traded services Music service and Education Welfare	(58)	(58)	(58)	2.00		Alison Alexander	
CS 5	Safeguarding	Emergency Duty Team	Efficiencies from the Emergency Duty Team managed through Children First	(31)	(37)	(37)	0.50		Felicity Budgen	
CS 6	Safeguarding	Fostering/Adoption	Management efficiencies through merging the two operational teams.	(39)	(47)	(47)	1.00		Felicity Budgen	
CS 7	Safeguarding	Family Centres	Efficiencies through delivery of all family based social care activity from the Children's Centres.	(83)	(120)	(120)	3.25	0.46	Felicity Budgen	
CS 8	Safeguarding	Jigsaw Disability Service	Efficiencies through removing a Senior Practitioner and transferring responsibilities to Team Manager	(32)	(38)	(38)	1.00		Felicity Budgen	
CS 9	Safeguarding	Child and Adolescent Mental Health	Efficiencies through removing vacant posts and reviewing a range of services for children and young people with mental health needs and integrating services	(60)	(71)	(71)	0.90	1.10	Felicity Budgen	
CS 10	Safeguarding	Children in care services	Efficiencies through restructuring the management arrangements within the Children Looked after element of the Safeguarding Division	(53)	(64)	(64)	1.00		Felicity Budgen	
CS 11	Safeguarding	Our House	Closure of the underused local authority managed children's home, Our House. Replaced with personalised micro commissioning. It is assumed that the children currently placed at the home will be placed at no additional cost from the forecast position for 2013/14.	(628)	(788)	(788)	16.53	5.05	Felicity Budgen	
Sub-total				(2,207)	(2,546)	(2,546)	38.15	14.12		

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Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2013/14	2014/15	2015/16	Net Reduction in Posts		Senior Manager	
				£000's	£000's	£000's	FTE In Post	FTE Vacant		
<u>Children's Services - Income</u>										
CS 12	Prevention	Learning Support (Statutory) Traded Services	Increased growth in products and services sold to schools and other organisations covering special needs, educational psychology and governance and leadership in schools.	(62)	(73)	(73)			Alison Alexander	
Sub-total				(62)	(73)	(73)	0.00	0.00		
<u>Children's Services - Service Reductions</u>										
CS 13	Education	Learning Support (Statutory) School Standards	Deletion of vacant post responding to demand	(67)	(67)	(67)		1.00	Alison Alexander	
CS 14	Infrastructure	Asset Management Children's Services & Learning Estate and school ICT strategy	Reduction in City Council's provision of school Health and Safety advice. Schools to take sole responsibility for ICT development, including e-safety.	(159)	(173)	(173)	2.00	2.00	Karl Limbert	
CS 15	Children's Services and Learning	Management redesign & centralisation of support teams	Reduction in service support functions including Planning, Performance, Data, Contracting, Business Support and senior and middle management positions	(993)	(1,150)	(1,150)	31.91	4.11	Alison Alexander	
CS 16	Children's Services and Learning	Workforce development	Redesign of staff development programme. Removing funding for Early Years Practitioners following recent upskilling of the workforce and reduced demand.	(475)	(518)	(588)	3.60		Alison Alexander	
CS 17	Commissioning	Contracted services	Co-production of revised contracts with the third sector to achieve a 70% reduction within three years. A decommissioning process informed by an holistic impact assessment would seek to minimise the overall impact of these service reductions on critical key performance indicators.	(1,000)	(1,200)	(1,600)			Alison Alexander	
CS 18	Prevention	Youth Support	Cease Council delivery of universal and targeted youth support services. Seek alternative providers and funders for open access youth provision	(651)	(765)	(765)	27.68	1.32	Alison Alexander	
CS 19	Infrastructure	Asset Management Schools PFI	Sharing of PFI affordability gap with schools	(450)	(450)	(450)			Karl Limbert	
Sub-total				(3,795)	(4,323)	(4,793)	65.19	8.43		
Children's Services Portfolio Total				(6,064)	(6,942)	(7,412)	103.34	22.55		

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Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2013/14	2014/15	2015/16	Net Reduction in Posts		Senior Manager
				£000's	£000's	£000's	FTE In Post	FTE Vacant	
<u>Communities - Efficiencies</u>									
COMM 1	Skills, Economy & Housing Renewal	Reduce running cost, supplies & services for regeneration and city limits team - includes resources for projects	Includes resources for project development so could impact on things like ability to match fund or create projects to respond to city needs	(33)	(33)	(33)			Suki Sitaram
COMM 2	Skills, Economy & Housing Renewal	Fund Skills team from Adult Learning Grant	Reduction in number of adult learning courses	(90)	(90)	(90)			Suki Sitaram
			Sub-total	(123)	(123)	(123)	0.00	0.00	
COMM 3	<u>Communities - Income</u> Skills, Economy & Housing Renewal	Employment & Skills Team income generation	Fund Section 106 post from external grant	(35)	(35)	(35)			Suki Sitaram
			Sub-total	(35)	(35)	(35)	0.00	0.00	
<u>Communities - Service Reductions</u>									
COMM 4	Customer & Business Improvement	Reduce the Grants to Voluntary Organisations Budget by approximately 7% per annum	The Cabinet agreed this principle in the context of approving the outcomes based commissioning model for grants. The level of reduction is subject to annual budget setting decisions by Full Council. The impact on specific organisations will be assessed during the application process and reported to Cabinet.	(73)	(193)	(304)			Suki Sitaram
COMM 5	Skills, Economy & Housing Renewal	Reorganisation of Regeneration and Renewal Team to focus on accountable body and external funding work only	Cessation of some regeneration functions. Provide statutory regeneration function and ability to bid for external funds	(102)	(119)	(119)	3.21	0.79	Suki Sitaram
COMM 6	Customer & Business Improvement	Review and rationalisation of performance management systems, including CORVU	The Policy, Performance Management and Systems Review identified a number of systems used for Management Information and Performance Monitoring. Further work will need to be undertaken to review licences, staffing levels, maintenance costs and value of the existing systems to realise the savings	(58)	(64)	(64)	1.20		Suki Sitaram
COMM 7	Skills, Economy & Housing Renewal	Refocusing and reduction of City Limits	Removal of General Fund resources for City Limits Employment (53% of previous General Fund resources to be replaced by Housing Revenue Account funding). Potential impact on services for residents with learning difficulties/disabilities	(133)	(140)	(140)	2.00	0.19	Suki Sitaram
COMM 8	Customer & Business Improvement	Reduction in general support budgets	These cover budgets in Communities, Communications and Corporate Policy and Performance	(21)	(21)	(21)			Suki Sitaram
COMM 9	Change Management	Restructure of Change Management Team	Deletion of vacant post expected to support the Change Programme. The Change Programme will be supported by the Policy and Performance Analysts who will contribute 50% of their time for 2 / 3 years. In addition this proposal seeks to fund 2 Project Managers from the Transformation Fund	(192)	(192)	(192)		1.00	Suki Sitaram
COMM 10	Customer and Business Improvement	Restructure of Communities Team	Delete vacant post. This will reduce the capacity of the team	(50)	(50)	(50)		1.00	Suki Sitaram
			Sub-total	(629)	(779)	(890)	6.41	2.98	
			Communities Portfolio Total	(787)	(937)	(1,048)	6.41	2.98	

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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				£000's	£000's	£000's	FTE In Post	FTE Vacant		
<u>Environment & Transport - Efficiencies</u>										
E&T 1	Planning, Transport & Sustainability	Reduction of Transport for South Hampshire (TTSH) Contribution	No direct impact as reduction to contribution agreed in 2011/12	(50)	(50)	(50)			Paul Nichols	
E&T 2	Planning, Transport & Sustainability	Efficiencies in Bikeability cycle training	No impact as will be funded from Department for Transport income.	(25)	(25)	(25)			Paul Nichols	
E&T 3	Planning, Transport & Sustainability	Efficiencies in School Crossing Patrols	Supervisor to reduce hours and removal of some vacant School Crossing Patrol posts. Limited impact as it has not been possible to fully staff this service.	(15)	(15)	(15)	0.34	0.50	Paul Nichols	
E&T 4	Planning, Transport & Sustainability	Reduction in market research/consultation budget	Limited direct impact as essential market research/consultation activities will be funded as needed on a project specific basis	(15)	(15)	(15)			Paul Nichols	
E&T 5	Planning, Transport & Sustainability	Reduction of PUSH contribution	There is a risk of a full re-evaluation of Partnership for Urban South Hampshire (PUSH) funding and PUSH programmes being significantly downscated.	(50)	(50)	(50)			Paul Nichols	
E&T 6	Bereavement	Crematorium - staff reduction	Following refurbishment of the Crematorium and installation of new cremators (to be completed by the end of 2012/13) it is proposed to reduce staff by one. This would have an impact on resilience at times of unexpected staff shortage.	(25)	(25)	(25)	1.00		Mitch Sanders	
E&T 7	Environmental Health	Additional Licensing of Houses in Multiple Occupation	The additional licensing of HMO's will generate income. Any associated work that can be done using existing resources within the Environmental Health Team through reprioritising work would produce a net saving.	(50)	(50)	(50)			Mitch Sanders	
E&T 8	Waste Collection and Disposal	Various measures including - improving efficiency of waste collections, policy changes at the Household Waste Recycling Centre and reductions in waste disposal costs.	This will require a concerted publicity campaign to advise residents of changes to services. Consultation with staff and Trade Union will be required on the detail proposed for a range of waste collection efficiencies built around merging of some collection services supported by optimisation of collection rounds. Changes to the waste acceptance policy at the City Depot Household Waste Recycling Centre will also be required along with a review of summer opening hours.	(357)	(464)	(464)	6.00	1.00	Jon Dyer-Slade	
Sub-total				(587)	(694)	(694)	7.34	1.50		

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				£000's	£000's	£000's	FTE In Post	FTE Vacant	
<u>Environment & Transport - Income</u>									
E&T 9	Planning, Transport & Sustainability	Increase in planning fees	Government proposal to increase planning fees nationally by 15%.	(90)	(90)	(90)			Paul Nichols
E&T 10	Parking and Patrol	Introduction of evening charges	Currently there is no charge for on and off street evening parking in the City Centre with the exception of multi-storey car parks. This change would bring the council in line with competitors and other neighbouring authorities.	(300)	(500)	(500)			Paul Nichols
E&T 11	Parking and Patrol	Introduction of charges at District Centre Car Parks	Currently in District Centre car parks parking is free for up to 5 hours with a single charge of £5 a day thereafter. The introduction of an hourly 50 pence rate would simplify enforcement and generate additional income.	(70)	(70)	(70)			Paul Nichols
E&T 12	Parking and Patrol	Charge for first Residents Permit	Currently the first resident permit issued for a property is free. Introduction of an annual charge of £30.	(115)	(130)	(130)			Paul Nichols
E&T 13	Parking and Patrol	Review of Car Parking Charges	There has been no increase in charges since 2009. Some charges will increase and some will decrease, with a net 5% increase in income target.	(250)	(250)	(250)			Paul Nichols
E&T 14	Parking and Patrol	Shared use of on street parking bays for resident parking	Would require a change in the councils Parking Policy. Increased income from additional residents permits.		(50)	(50)			Paul Nichols
E&T 15	Port Health	Government funding for Port Health sampling	Government funding to support sampling in the port as part of dealing with national threats has allowed the revenue budget to be reduced.	(10)	(10)	(10)			Mitch Sanders
E&T 16	Bereavement Services	Increase burial fees	A 5% increase is proposed.	(15)	(15)	(15)			Mitch Sanders
E&T 17	Pest Control	Increase Pest Control fees	A 5% increase is proposed.	(5)	(5)	(5)			Mitch Sanders
E&T 18	Registration	Increase registration fees for ceremonies	A 5% increase is proposed.	(10)	(10)	(10)			Mitch Sanders
E&T 19	Bereavement Services	Increase in cremation fees	Review charges to bring an overall increase of 5% is proposed.	(50)	(50)	(50)			Mitch Sanders
E&T 20	Trading Standards	Use of Food Standards Agency (FSA) government grant income to fund existing service.	Grant is not guaranteed in future years and this risk will need to be managed.	(30)	(30)	(30)			Mitch Sanders
Sub-total				(945)	(1,210)	(1,210)	0.00	0.00	

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				£000's	£000's	£000's	FTE In Post	FTE Vacant	
<u>Environment & Transport - Service Reductions</u>									
E&T 21	Planning, Transport & Sustainability	Restructure of Planning and Development team, Sustainability team and Business Support team	This will significantly reduce capacity to undertake planning policy, planning conservation, archaeology and sustainability policy work. The loss of some Team Leader posts will be balanced by some reinforcement of more junior technical roles to ensure that statutory requirements can be met.	(95)	(134)	(134)	4.98		Paul Nichols
E&T 22	Waste Collection	Introduce a chargeable garden waste collection service where income covers operating costs.	Will require a concerted publicity campaign to advise residents of the change to a chargeable service. Residents would still have access to the Household Waste Recycling Centre (HWRC) to dispose of their garden waste free of charge. With a chargeable service there would be a reduction in the number of posts required to operate the service, the actual reduction will be dependent on resident take up of the service. Changes would reduce the council recycling performance slightly.	(542)	(542)	(542)	4.00	2.00	Jon Dyer-Slade
E&T 23	Planning, Transport & Sustainability	Reduction in bus subsidies affecting evening bus services, night buses and the S1/S2 services plus the Hythe Ferry.	All evening bus and night bus service subsidies will be removed plus all cross boundary subsidy. The night buses can be retained to 2015 using S106 funding. Some of these services may be replaced on a commercial basis. The S1/S2 services would be combined and provided on an off peak basis, leading to service reductions affecting Freemantle, Shirley and Lordshill. The subsidy for the Hythe Ferry is relatively small and it is unlikely that this will place the service at risk.	(404)	(574)	(574)			Paul Nichols
E&T 24	Planning, Transport & Sustainability	Revert to national disabled bus pass scheme	Retain the national scheme with no local enhancement. It is proposed that current local passes should remain in place until their normal expiry date, in order to mitigate the impact.	(30)	(70)	(100)			Paul Nichols
E&T 25	Directorate Support	Remove Directorate Business Support Manager post	Post to be included in the planned restructure	(50)	(50)	(50)	1.00		Suki Sitarum
E&T 26	Directorate Support	Reduction in Management Assistant posts	A reduction in Management Assistant posts to reflect the downsizing of senior management in the Environment & Economy Directorate	(41)	(41)	(41)	2.00	1.00	Dawn Baxendale
E&T 27	Waste Disposal	Reduce Project Integra membership costs	The saving would be made by reducing costs associated with the councils membership of Project Integra. This would be following discussion with other Project Integra partners.	(40)	(40)	(40)			Jon Dyer-Slade
E&T 28	Waste Collection	One waste and one recycling collection every two weeks (but weekly in city centre, where appropriate)	If the Weekly Collection Support Scheme (WCSS) Government bid is not successful we would need to introduce one waste and one recycling collections every two weeks. Residents would have two weekly collections of both residual and recycling where this was suitable and appropriate to the local environment. Changes would increase recycling performance. Allows for a phased introduction by October 2013.	(417)	(834)	(834)	8.00	4.00	Jon Dyer-Slade

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E&T 29	Planning, Transport & Sustainability	Reduction of Road Safety Partnership budget	Reassign funding of road safety education and publicity initiatives to the local sustainable travel programme, to mitigate impacts and ensure that the Council continues to fulfil its statutory functions in support of the Police's speed enforcement programme.	(50)	(50)	(50)			Paul Nichols
E&T 30	ROMANSE (traffic and network management)	Additional saving from ROMANSE and CCTV contract arrangements in year one.	Additional savings from the ROMTV contract arrangements. In addition, there will be no contingency budget for the outsourced service.	(64)	(64)	(64)			Jon Dyer-Slade
E&T 31	Highways Retained Client	Remove additional revenue budget for costs not covered by the Highways Partnership.	There will be no budget to deal with specialist / localised requests and other ad hoc work not covered by the intervention levels in the main Highways Strategic Partnership (HSP) contract.	(100)	(100)	(100)			Jon Dyer-Slade
E&T 32	Waste Disposal	Continued reduction of waste reprocessing costs.	None.	(25)	(25)	(25)			Jon Dyer-Slade
E&T 33	Registration Service	Reduction in staff levels.	Deletion of vacant Support Assistant post currently covered by temporary arrangements. Possible impact on non-statutory income earning work.	(20)	(20)	(20)		1.00	Mitch Sanders
E&T 34	Port Health	Reduction in staff levels.	Deletion of posts and reprioritisation of work within Environmental Health.	(57)	(70)	(70)		2.60	Mitch Sanders
E&T 35	Regulatory Services - Business Support	Review and restructure of Business Support and Admin	Reduction of Business Support admin, vacant Trainee Environmental Health Officer post and associated budgets.	(52)	(62)	(62)		1.00	Mitch Sanders
Sub-total				(1,987)	(2,676)	(2,706)	21.98	11.60	
Environment & Transport Portfolio Total				(3,519)	(4,580)	(4,610)	29.32	13.10	

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<u>Housing & Leisure Services - Efficiencies</u>										
HLS 1	Housing Needs	Outcome based Service Level Agreement on delivering a Housing Needs Service by the Housing Revenue Account (HRA) on behalf of the Council	The HRA will agree an outcome based agreement with the Council on delivering Housing Allocations, Homelessness and Homelessness prevention services for a fixed sum of £1m per annum. The HRA will then use its wider resources to remodel how services are provided reducing financial impact on the general fund	(110)	(220)	(220)			Nick Cross	
HLS 2	Kanes Hill	Review of charges and management resources for the site	Charges to be reviewed to ensure water and electricity are charged to plot holders at the required rate. Review the level of staff time provided to the site to reflect the previous investment in the management and maintenance arrangements ensuring there is no impact from the site to the wider Thornhill area	(18)	(28)	(28)			Nick Cross	
HLS 3	Allotments	Implement the self financed allotment service arrangements	Complete the maintenance cost reductions and increased income from plot rents (as previously agreed and advertised) to achieve a self financing allotment service	(67)	(67)	(67)			Jon Dyer-Slade	
HLS 4	Skills, Economy & Housing Renewal	Integration of Estate Regeneration & Housing Strategy and Development teams	Charge percentages of cost of Housing development posts to HRA as they will also work on estate regeneration	(53)	(53)	(53)			Barbara Compton	
				(248)	(368)	(368)	0.00	0.00		
<u>Housing & Leisure Services - Service Reductions</u>										
HLS 5	Leisure & Culture	Provide only web based visitor information service	Closure of face to face and telephone service and replace by commissioning a dedicated resource to provide digital content and the provision of an electronic information point at SeaCity Museum	(46)	(75)	(75)	2.84		Mike Harris	
HLS 6	Leisure & Culture	Closure of Archaeology Service	Archaeology team is intended to be a self funding trading unit. However, reduction in development and more competition from the private sector has meant that substantial losses have been consistently incurred. It is not anticipated that the trading position will recover substantially.				9.00	1.00	Mike Harris	
HLS 7	Leisure & Culture	Restructure of Leisure & Culture	Review of Leisure & Culture team to provide focused contract management resource, and rationalise business support and project management. Substantial restructure of the Arts & Heritage team, reducing staffing resource committed to education and curatorial functions (including conservation) and enhancing the visitor management functions to provide greater focus on front of house operations. Risk of reputational damage and potential impact on 'Accreditation' for collections. Reduction of posts, removal of business information service, withdrawal of Saturday service on Mobile library, reduction in services to children and in professional support for the service and reduction of 15 hours per week in opening times for eight libraries. There has been a reduction in the libraries materials purchase fund which has been partially offset by the increased costs that may be incurred through the operation of the new Woolston Library. In order to deliver the previously agreed budget reduction of £97,000, the mobile library and Bookbus will be consolidated into a single mobile service.	(200)	(266)	(266)	5.63		Mike Harris	
HLS 8	Leisure & Culture	Reductions in Library service		(197)	(303)	(303)	15.64	2.00	Mike Harris	

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HLS 9	Leisure & Culture	Reductions in Events Team	Delete all general support budgets for events. Further reductions in 2014/15 would require the reduction to a single coordinator post, so that events promoted and managed by others can be effectively coordinated and facilitated. Likely to lead to the loss of many events in the City, or the need to find additional finance for each event to buy in event management capacity. Deletion of funding for Senior Citizen's Festival and Community events. This may be offset if external funding can be secured.	(25)	(96)	(96)	2.00		Mike Harris
HLS 10	Parks & Grounds Maintenance	Reorganise & Restructure Grounds Maintenance Management & Operations	Staffing, overhead and resource savings and efficiencies realised through re-structuring front-line parks service into three much larger and less localised operational groupings (i.e. East District Team, West District Team, Commercial Services Team) with clearer distinction between HRA and non-HRA operations, and elements of service re-designed to more closely address needs of HRA tenants. New streamlined operational groupings will have a smaller core (i.e. winter) staff establishment and will increase service capacity in the peak spring / summer season possibly through annualised hours to maximise use of high output grass cutting machinery, employment of additional seasonal staff, and improved co-working with partner agencies.	(580)	(697)	(697)	14.00	4.50	Jon Dyer-Slade
HLS 11	Street Cleansing	Reorganise and restructure the street cleansing service with reduced management and operational staff, fleet resources and move to a primarily reactive cleansing service model	Significant staff, fleet and resource / overhead savings realised through moving to a more reactive service, with frequency of programmed mechanical sweeping operations reduced by around 35% but response targeted within one working day of report for specific locations developing unacceptable build-ups of litter between routine cleans. Maintenance inputs for highly labour intensive areas such as the city centre, district centres and central estates reduced by around 25%	(400)	(482)	(482)	12.00	1.00	Jon Dyer-Slade
HLS 12	Parks & Natural Environment	Restructure the operational arrangements of the Natural Environment and Tree Management teams	Reduce the general fund costs of management and technical work by the Trees, Natural Environment and Parks Development functions by part funding specialist posts through grants, additional income / contributions from partner agencies or reduced staff levels. Includes additional offset income from the HRA for part funding posts working on improving housing open spaces. If external income cannot be found the service needs to reduce staff numbers.	(129)	(155)	(155)	2.00		Jon Dyer-Slade
HLS 13	Leisure & Culture	Reduction in Art Gallery opening hours	Focus of opening hours at times where usage is highest and school visits can be maximised. New hours to be 10am to 2pm 7 days a week. Will enhance prospects for private hire. The shop will be located upstairs in the main gallery	(60)	(80)	(80)		2.80	Mike Harris
Sub-total				(1,637)	(2,154)	(2,154)	63.11	11.30	
Housing & Leisure Services Portfolio Total				(1,885)	(2,522)	(2,522)	63.11	11.30	

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<u>Leader's - Efficiencies</u>										
LEAD 1	Customer & Business Improvement	Review and restructure of the Communications function	This will reduce communications activity and require the council as a whole to take a different and more coordinated approach to communications.	(95)	(114)	(114)	3.50	2.00	Suki Sitaram	
LEAD 2	Directorate Management	Environment & Economy restructure	Reduction in Senior Management implemented November 2012	(360)	(387)	(387)	1.00	2.60	Dawn Baxendale	
LEAD 3	Democratic Services	Reduction in the number of Cabinet Members	Deletion of 2 Cabinet Member posts	(26)	(26)	(26)			Richard Ivory	
		Sub-total		(481)	(527)	(527)	4.50	4.60		
LEAD 4	Skills, Economy & Housing Renewal	Economic Development - income from city centre spaces	Space in the city centre is being tendered to provide market/events that will deliver more income.	(50)	(50)	(50)			Barbara Compton	
LEAD 5	Democratic Services	Sale of DVLA number plate "TR 1"	One off saving. Will incur small cost in provision of new number plate and registration with DVLA	TBC					Richard Ivory	
		Sub-total		(50)	(50)	(50)	0.00	0.00		
LEAD 6	City Development	Deletion in posts and supplies & services	Limited capacity to take on new projects or facilitate development schemes on non council land.	(64)	(75)	(75)	1.00	0.50	Tim Levenson	
LEAD 7	Skills, Economy & Housing Renewal	Reduction of Economic Development activity	Less reactivity and slower response times to enquiries regarding inward investment	(59)	(59)	(59)		2.11	Barbara Compton	
		Sub-total		(123)	(134)	(134)	1.00	2.61		
		Leader's Portfolio Total		(654)	(711)	(711)	5.50	7.21		

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	2013/14	2014/15	2015/16	Net Reduction in Posts		Senior Manager
				£000's	£000's	£000's	FTE In Post	FTE Vacant	
				(29)	(32)	(32)	1.00	1.00	John Spiers
				(29)	(32)	(32)	1.00	1.00	
				(40)	(40)	(40)	1.00	1.00	John Spiers
				(30)	(41)	(41)	1.00	1.00	John Spiers
				(700)	(400)	(400)			Mark Heath
				(30)					Andy Lowe
				(50)	(54)	(54)	1.00	1.00	John Spiers
				(25)	(30)	(30)	1.00	1.00	John Spiers
				(875)	(565)	(565)	3.00	1.00	
				(904)	(597)	(597)	4.00	2.00	
				(17,985)	(20,976)	(21,737)	212.68	65.66	
RES 1	Admin Buildings	Review and restructure of Building Cleaning	The ongoing rationalisation of the civic buildings portfolio and cleaning specifications will enable a reduction in the number of staff within the cleaning team and review of supervision arrangements						
			Sub-total						
RES 2	Admin Buildings	Review of Town Sergeants (Driving & Ceremonial Duties)	Removal of Towns Sergeants from driving and ceremonial duties for the Mayors office. This would bring an end to all ceremonial duties including mace bearing functions carried out by the Town Sergeants for the Mayor and any other Civic function e.g. council meetings. The saving includes overtime						
RES 3	Property, Procurement and Contract Management	Reduction of 1 FTE Business and Account Management Officer post	Due to a reduction in the size of the Council's property portfolio and the reducing capital and revenue budgets available for service areas to commission works, the amount of client agency support to service areas will be reduced. Service managers requiring professional construction services from Capita will be increasingly required to work directly with Capita and not be able to draw on the Business and Account Management Team to ensure work is correctly specified or that VFM is being obtained.						
RES 4	Capita Partnership Costs	Contract Changes	Savings delivered in partnership with Capita						
RES 5	Finance Service	Delete part-year funding for Project Accountant post	Project resource to be funded from Transformation fund for 6 months if needed. Position to be reviewed in September 2013.						
RES 6	Property, Procurement and Contract Management	Deletion of Customer Services Support Officer and associated Corporate Customer Care supplies & services budgets	The post manages the Customer Excellence Awards, dissemination of quarterly telephone reports and Web Governance. The workload and budget associated with SOCTIM, Fix My Street, Site Improve will also be stopped, together with training and attendance at external events.						
RES 7	Property, Procurement and Contract Management	Reduction of 1 FTE Partnership Officer Post	The planned re-launch of the SSP Partnership will change the working arrangements with Capita. A full review of KPIs will be undertaken as part of the re-launch and less reliance will be placed on verifying and interrogating the figures produced by the Partnership. This will enable the reduction of one Partnership Officer post, with any residual activities to be undertaken by the client teams.						
			Sub-total						
			Resources Portfolio Total						
			GRAND TOTAL						

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MEDIUM TERM FINANCIAL FORECAST

Portfolios	2013/14 Roll Forward £000's	Base Changes £000's	2014/15 Forecast £000's	Base Changes £000's	2015/16 Forecast £000's
Adult Services	72,508.8		72,508.8		72,508.8
Children's Services	60,372.7		60,372.7		60,372.7
Communities	6,142.9		6,142.9		6,142.9
Environment & Transport	35,321.8		35,321.8		35,321.8
Housing & Leisure Services	19,043.9		19,043.9		19,043.9
Leader's Portfolio	4,564.9		4,564.9		4,564.9
Resources	15,486.8		15,486.8		15,486.8
Pressures (Known)	2,247.0	(450.0)	1,797.0	(300.0)	1,497.0
New Pressures (Unknown)		1,000.0	1,000.0	1,000.0	2,000.0
Base Changes & Inflation		10,338.9	10,338.9	8,200.0	18,538.9
Sub-total for Portfolios	215,688.8	10,888.9	226,577.7	8,900.0	235,477.7
Levies & Contributions					
Southern seas fisheries levy	46.0		46.0		46.0
Flood defence levy	43.0		43.0		43.0
Coroners Service	560.0		560.0		560.0
	649.0	0.0	649.0	0.0	649.0
Capital Asset Management					
Capital Financing Charges	14,964.5	700.0	15,664.5	500.0	16,164.5
Capital Asset Management Account	(24,585.1)		(24,585.1)		(24,585.1)
	(9,620.6)	700.0	(8,920.6)	500.0	(8,420.6)
Other Expenditure & Income					
Direct Revenue Financing of capital	10.0	(10.0)	0.0		0.0
Trading Areas (Surplus) / Deficit	19.3		19.3		19.3
Net Housing Benefit Payments	(881.9)		(881.9)		(881.9)
Contribution to Pay Reserve / Terms & Conditions	1,245.0	848	2,093.0	737	2,830.0
Non-Specific Government Grants	(112,284.6)	10,409.2	(101,875.4)	7201.3	(94,674.1)
Collection Fund Surplus	(1,041.6)	1,041.6	0.0		0.0
Open Space and HRA	435.7		435.7		435.7
Risk Fund	7,700.0	(600.0)	7,100.0	(300.0)	6,800.0
Contingencies	250.0		250.0		250.0
	(104,548.1)	11,688.8	(92,859.3)	7,638.3	(85,221.0)
NET GF SPENDING	102,169.1	23,277.7	125,446.8	17,038.3	142,485.1
Addition to / (Draw From) Balances					
General	2,877.0	1,123.0	4,000.0		4,000.0
To Fund the Capital Programme	(10.0)	10.0	0.0		0.0
	2,867.0	1,133.0	4,000.0	0.0	4,000.0
Council Tax Requirement					
	105,036.1	24,410.7	129,446.8	17,038.3	146,485.1
Council Tax Increase at 2.00%	(84,867.0)	(1,792.6)	(86,659.6)	(1,827.9)	(88,487.5)
Roll Forward Gap	20,169.1	22,618.1	42,787.2	15,210.4	57,997.6
Efficiencies	(6,970.0)	(485.0)	(7,455.0)	(150.0)	(7,605.0)
Income	(1,402.0)	(276.0)	(1,678.0)		(1,678.0)
Service Reductions	(9,613.0)	(2,230.0)	(11,843.0)	(611.0)	(12,454.0)
Corporate Savings	(105.0)		(105.0)		(105.0)
Future Savings Proposals - Work in Progress		(697.0)	(697.0)	(1,251.0)	(1,948.0)
Council Tax Changes	(1,500.0)		(1,500.0)		(1,500.0)
DRAFT BUDGET GAP	579.1	18,930.1	19,509.2	13,198.4	32,707.6

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UPDATED BUDGET TIMETABLE 2013/14

Action	Timescale / Date
Draft Report Published	12 November 2012
Commence Statutory 90 Day Minimum Consultation	12 November 2012
Briefings for staff who are affected by the draft budget proposals	12 November 2012
Formal consultation meeting with Trade Unions	12 November 2012
Officer Forecasts and Proposals distributed to Groups	12 November 2012
OSMC Consider Budget Report	19 November 2012
Report on the Executive's Draft Budget presented to Cabinet	20 November 2012
Formal consultation with all stakeholders begins	20 November 2012
Provisional Local Government Settlement	December
Review of financial position in light of settlement	December
Further proposals for consultation to be published – separate timetable to be issued setting out process.	December
Cabinet & Opposition Groups release final budget proposals	Late January
Cabinet meet to recommend budget to Council	5 February 2013
End of Statutory 90 Day Minimum Consultation	9 February 2013
Council meeting to consider the budget and council tax	13 February 2013

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Agenda Item 4

DECISION-MAKER:	CABINET COUNCIL
SUBJECT:	INCREASING SOUTHAMPTON'S RECYCLING RATE AND ENHANCING COLLECTIONS
DATE OF DECISION:	20 NOVEMBER 2012 14 NOVEMBER 2012
REPORT OF:	CABINET MEMBER FOR ENVIRONMENT AND TRANSPORT
STATEMENT OF CONFIDENTIALITY:	
None	

BRIEF SUMMARY:

A bid for £8.28m has been submitted to the Government's Weekly Collection Support Scheme to:

- (i) Retain weekly collections for a minimum of five years and fund the weekly refuse collection service until 2016/17.
- (ii) Expand the kerbside recycling service by providing fortnightly glass collections to all houses and flats across the city. (In order for glass collection proposals to become cost neutral in years 4 and 5, glass collections would need to become four weekly rather than fortnightly).
- (iii) Provide an enhanced home composting programme to increase the amount of material diverted from landfill through the provision of subsidised compost bins and food waste digesters, supported by a dedicated project officer and awareness raising campaign.
- (iv) Funding is for 2.3 years. It will be used to purchase vehicles, pump prime the new services and make savings in order to fund weekly collections in years 4 and 5.

The Secretary of State for Communities and Local Government will announce successful bids about mid-October 2012.

RECOMMENDATIONS:

CABINET:

Subject to the bid being successful, Cabinet are recommended:

- (i) To approve the delivery of the bid projects, (full bid included as Appendices 1 and 2).
- (ii) To recommend that Council approve the addition of the capital scheme "Weekly Collection Support Scheme" to the Environment & Transport Capital Programme in order to deliver the outcomes of the bid, a total of £2,165,000 to be funded by government grants.
- (iii) To recommend that Council approve capital expenditure on the capital scheme "Weekly Collection Support Scheme" of £2,165,000 phased £876,000 in 2012/13, £979,000 in 2013/14 £310,000 in 2014/15.

- (iv) To recommend that Council approve the addition of £1,097,000 to the 2012/13 revenue estimates of the Environment and Transport Portfolio funded by government grant and to note that further additions of £2,373,000 to the 2013/14 and £2,645,000 to the 2014/15 revenue estimates will be formally made as part of the preparation of those financial years' budget.

COUNCIL

Subject to the bid being successful, Council are recommended:

- (i) To accept government grant funding of £8.28m;
- (ii) To approve the addition of the capital scheme "Weekly Collection Support Scheme" to the Environment and Transport Capital Programme in order to deliver the outcomes of the bid, a total of £2,165,000 to be funded by government grants;
- (iii) To approve capital expenditure on the capital scheme "Weekly Collection Support Scheme" of £2,165,000 phased £876,000 in 2012/13, £979,000 in 2013/14 £310,000 in 2014/15;
- (iv) To approve the addition of £1,097,000 to the 2012/13 revenue estimates of the Environment and Transport Portfolio funded by government grant and to note that further additions of £2,373,000 to the 2013/14 and £2,645,000 to the 2014/15 revenue estimates will be formally made as part of the preparation of those financial years' budget;
- (v) To delegate authority to the Director for Environment and Economy to undertake necessary work to implement bid projects.

REASONS FOR REPORT RECOMMENDATIONS:

1. The proposals included in the Weekly Collection Support Scheme Bid aim to increase recycling rates, reduce waste generated and make savings in the first two years which will fund weekly residual collections. Thereafter the project will become self funding up to year 5 as long as we revert to four weekly glass collections in years 4 and 5.
2. The bid enhances our recycling service offer to our customers and will enable us to raise awareness and drive up recycling behaviours by introducing fortnightly glass collections.
3. The bid will enable us to reduce the amount of material sent to landfill through an enhanced home composting programme and provision of subsidised compost bins and food waste digesters.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

4. Alternative options are also currently being developed in conjunction with the Environment and Transport Policy Working Group, should the bid not be successful.

DETAIL (Including consultation carried out):

5. The key objectives of Southampton's bid to the Weekly Collection Support Scheme are to:-
 - Retain weekly residual collections
 - Improve the recycling service by expanding the range of materials collected for recycling, in this instance, glass, which would be collected fortnightly and then four weekly in years 4 and 5
 - Reduce waste and minimise the amount sent to landfill through the provision of subsidised compost bins and food waste digesters
 - Reduce environmental impacts through route-optimisation, use of innovative in-cab technology and increase efficiency.
6. The funding would deliver the following outcomes:
 - Retention of the weekly refuse collection service by improving the recycling service and reducing waste through increased composting. We would be committed to weekly collections for five years.
 - Expansion of our kerbside recycling service by providing fortnightly glass collections to all houses and flats across the city. We will also be expanding our commercial waste recycling service to the city's business community by the introduction of a chargeable glass recycling service which will enable greater efficiencies through the coordination of joint collections and also generate income.
 - An enhanced home composting programme to increase the amount of material diverted from landfill through the provision of subsidised compost bins (for 15,000 households) and food waste digesters (for 3,000 households), supported by a dedicated project officer and accompanying awareness raising campaign (this would be a short term contract).
7. The project will also:
 - Use innovative in-cab technology (Bartec Collective) to identify residents who do not recycle or who contaminate their recycling, and provide targeted communications linked to rewards to promote behavioural change (this technology is already in place).
 - Promote channel shift and the use of new technology (social media/web based solutions etc) to focus and target communications to residents.
 - Enhance communication channels with residents about recycling and waste minimisation.
 - Reduce short journeys to recycling banks by introducing a route-optimised, kerbside glass recycling scheme, saving energy and reducing carbon emissions in support of Southampton's Low Carbon City Strategy.

8. The proposed project timetable is as follows, subject to confirmation the bid has been successful:

Date	Activity
Oct – Mar 2012/13	Project set-up
	Commence procurement
	Commence communications delivery
Apr – Sep 2013	Glass collections phased roll-out/Home composters rollout
	Complete procurement
	Communications
Nov – Mar 2013	Glass collections and home composters phased rollout
Apr – Mar 2013/14	Ongoing communications and support
Apr – Mar 2014/15	Ongoing communications and support

- 8.a As part of the project roll-out and implementation we will monitor and report back to DCLG and Cabinet on progress and delivery against targets.

9. The bid demonstrates the following environmental benefits:

- An increase in the amount of glass recycled – it is estimated that 60kgs of glass per household would be diverted via a two weekly glass collection service and 40 kgs via a four weekly service
- An increase in recycling performance of dry mixed recyclables of 0.5% is anticipated – this is a ‘feel good factor’ spin off from recycling glass
- A reduction in the amount of waste sent to landfill – this has not been quantified. By taking glass out of the general waste bin, it will create space. Some residents however, might fill this space with other waste.
- Reduced CO2 emissions of 6,675 tonnes through more effective collection and processing arrangements.
- Reduction in short journeys to recycling banks will result in reduced carbon emissions. This has not yet been quantified and we will work with the Sustainability team to see how we can capture this information.
- Implementation of route-optimised, co-collections of household and commercial glass will save energy and reduce carbon emissions.
- Supports positive behavioural change which will reduce impacts of negative behaviour on the local amenity
- Improvements to the streetscene and reduced enforcement activity around the presentation of waste.

10. Due to short timescales detailed consultation has not yet been undertaken with Trade Unions, Staff, Resident Groups and other stakeholder groups. Once we know if our bid has been successful a planned programme of consultation will take place.
11. We do not anticipate any anti-social behavioural issues relating to the collection of glass and roll-out of home composters and food digesters. Feedback from four authorities in Hampshire, including Eastleigh Borough Council our nearest neighbour, who operate glass collections; informs us that anti-social behaviour relating to glass collections has not been incurred.

RESOURCE IMPLICATIONS:

Capital/Revenue:

12. The level of grant sought from DCLG is £8.28m, as shown in the following table:

Type	2012/13 £000	2013/14 £000	2014/15 £000	Total £000
Capital	876	979	310	2,165
Revenue	1,097	2,373	2,645	6,115
Total	1,973	3,352	2,955	8,280

13. Funding is for 2.3 years, thereafter, there is no funding. It will be used to purchase vehicles, pump prime the new services and make savings in order to fund weekly collections in years 4 and 5.

Property/Other:

14. Our additional assets will be accommodated at City Depot.

LEGAL IMPLICATIONS:

Statutory power to undertake proposals in the report:

15. The Council's waste functions are carried out in accordance with the Environmental Protection act 1990 and associated secondary legislation.

Other Legal Implications:

16. The Council's S151 officer approved the outline bid.
17. The procurement would be carried out in line with the Council's procurement rules involving waste, legal, financial and procurement officers.

POLICY FRAMEWORK IMPLICATIONS:

18. The proposals are not contrary to the Council's policy framework.

AUTHOR:	Name:	Gale Williams, Development and Performance Manager Waste and Fleet Transport	Tel:	023 8083 2536
	E-mail:	Gale.williams@southampton.gov.uk		

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	ALL
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SUPPORTING DOCUMENTATION

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

Appendices:

1.	Southampton City Councils Weekly Collection Support Scheme Bid
2.	Financial data to support Weekly Collection Support Scheme Bid

Documents In Members' Rooms:

1.	None
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Equality Impact Assessment

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

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

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None	
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Appendix 1 - Southampton City Councils Weekly Collection Support Scheme Bid
FINAL BID

- Notes: WeeklyCollectionSupportScheme@communities.gsi.gov.uk.

Section 1. Basic Information

Name of Bidding Organisation	Southampton City Council
Name of Contact Contact Details (e-mail and telephone)	Gale Williams, Development & Performance Manager Gale.williams@southampton.gov.uk Tel: 023 8083 2536
Name of Bid (please give the bid a short name, unique to any other bids from your organisation)	Weekly Collections and Improved Recycling
If you are a lead bidding authority, please name those organisations you are bidding on behalf of	
If you are submitting other bids, please list all other bids	
Please describe in 150 words your current collection pattern	<p>Residual Waste is collected weekly using wheeled bins (sacks are provided if a bin can't be sited). Flats and housing blocks are collected weekly or more frequently, depending on size of bin store and number of dwellings in each block.</p> <p>Recycling (paper, card, plastic bottles, tin and aluminium cans and aerosols) is collected co-mingled (using wheeled bins) on a fortnightly basis. Approximately 99% of flats and housing blocks have been supplied with micro-recycling points where possible, ensuring the city's schemes are inclusive.</p> <p>Green garden waste is collected free of charge on a fortnightly basis. Each household is issued with up to two reusable polypropylene sacks free of charge.</p>

	<p>There are in excess of 90 recycling bring sites.</p> <p>Bulky Household Waste Collections are provided at a cost of £25 for five items (maximum two collections per year).</p> <p>Collections are provided in-house.</p> <p>The council also operates a stand alone commercial waste service which is available to all businesses.</p>
<p>What is the level of grant sought?</p> <p>Please outline the amount sought in; 2012/13 2013/14 2014/15</p> <p>Please note – it will be assumed that the profile provided here reflects your first preference, but please also refer to the ‘Further Information’ section of this form (which enquires about the budget flexibility of your bid).</p>	<p>Level of grant sought - £8280K</p> <p>2012/13 – capital - £876K 2012/13 – revenue - £1097K</p> <p>2013/14 – capital - £979K 2013/14 – revenue - £2373K</p> <p>2014/15 – capital - £310K 2014/15 – revenue - £2645K</p>
<p>Please describe any other external sources of funding (private or central government) that will help meet project costs and whether these are essential to delivery of the project</p>	
<p>Please indicate if this is a continuation of a previous expression of interest submitted for the scheme, or a new proposal</p>	<p>A continuation of our original expression of interest for retaining weekly collections and introducing a glass collection service. The bid now also includes home composting and a more sustainable reward scheme.</p>
<p>Please describe your bid in 500 words</p>	<p>With pressure on resources and a key council priority to increase our recycling rate and retain weekly collections our bid is described below:</p> <p>Feedback from resident focus groups (as part of a recent Customer Insight project) and our customer engagement group informed us that residents have a strong desire for a kerbside glass recycling service.</p>

Objectives

The key objectives of Southampton's bid are to;

- Retain weekly residual collections.
- Improve the recycling service by expanding the range of materials collected for recycling, in this instance, fortnightly glass collections.
- Reduce waste and minimise the amount sent to landfill through the provision of 15,000 subsidised compost bins and 3,000 food waste digesters
- Reduce environmental impacts through route-optimisation and increased efficiencies
- Optimise the efficiency and cost effectiveness of the waste and recycling service by using route optimisation software and in-cab terminals
- Maximise efficiencies through a reward scheme to encourage behaviour change and increase the quantity and quality of material collected for recycling.

The funding would deliver the following outcomes:

1) Retention of the weekly refuse collection service, improving our recycling rate by nearly 5% and reducing waste through increased composting. Please note that the bid includes costs to retain weekly collections and purchase six new vehicles to replace vehicles at the end of their lease life.

2) Expansion of our kerbside recycling service by providing glass collections to all houses and flats across the city, which will be fortnightly in years 2 and 3 and four weekly in years 4 and 5, unless savings and income are sufficient to enable the continuation of fortnightly collections. We will expand our commercial waste recycling service to the city's business community by the introduction of a chargeable glass recycling

service which will enable greater efficiencies through the coordination of joint collections. With nearly 2000 small/medium sized businesses as customers this will help us maximise the use of vehicles we have requested as part of this bid.

3) An enhanced home composting programme to increase the amount of material diverted from landfill through the provision of subsidised compost bins and food waste digesters, with an accompanying awareness raising campaign.

4) Introduction of a reward scheme to improve the capture and quality of recycling, by selecting and rewarding a number of residents each month who are recycling the correct items.

The project will also:

4) Use innovative in-cab technology (Bartec Collective) to identify residents who do not recycle or who contaminate their recycling, and provide targeted communications to promote behavioural change (this technology is already in place).

5) Promote channel shift and the use of new technology (social media/web based solutions etc) to focus and target communications to residents.

6) Enhance communication channels with residents about recycling and waste minimisation.

7) Reduce short journeys to recycling banks by introducing a route-optimised, kerbside glass recycling scheme, saving energy and reducing carbon emissions in support of Southampton's Low Carbon City Strategy.

Section 2. Additionality

All bids need to provide reasonable evidence that funding will support different or improved activity, rather than activity that would have gone ahead anyway. For some authorities, that might mean adding a weekly collection of residual household waste. For others, it might mean adding a separate recycling collection. Where bids seek to retain a pattern of service provision already in place, you should provide evidence that your bid will fund genuine service improvements (for example by increasing affordability and sustainability of the chosen service configuration).

Please therefore describe (in 250 words) what is likely to happen to your waste and recycling collection services if your bid is not successful¹

If our bid is not successful, we would not introduce a glass collection service, a recycling reward scheme or an enhanced home composting programme. There is also a considerably increased likelihood that without the bid funding, we will need to consider the introduction of alternative collection methods in order to achieve environmental and efficiency improvements.

Southampton City Council needs to make significant financial savings and whilst our bid provides a number of different activities to improve recycling performance, including rewarding residents, it also includes costs to retain weekly collections (including six vehicles). Without this support it is unlikely that we would be able to retain weekly collections.

With a recycling rate of 23.61% (NI 192), SCC recognises we need to see a step change in our performance to reach a satisfactory recycling rate. It is also important that we provide good customer service and our bid is focused on making recycling easier and meeting residents' needs.

We have invested in route optimisation technology (RouteSmart), which will allow us to implement glass recycling collection rounds that are efficient and cost effective.

Our bid will mean we have a comprehensive waste collection service that keeps weekly collections, encourages and enables increased recycling and reduces the amount of waste sent to landfill.

¹ It is important that you provide us with some supporting evidence that supports this alternative scenario, such as minutes of Council meetings or consultation on alternative options. Please provide this as an annex

Section 3. Commitment to Weekly Collections²

		Current	With successful bid	Without bid
Number of households with weekly collection pattern for residual or food waste ³ .	In Local Authority	101,350 Weekly refuse and no separate weekly food waste collection	101,350 Weekly refuse and no separate weekly food waste collection	101,350 Weekly refuse and no separate weekly food waste collection*
	In area of benefit (if different, i.e. if your project is not intended to deliver service improvements across the whole of your area)			
Please describe any additional recycle collection patterns that you operate, both currently and with the successful bid, identifying number of households served, materials collected, frequency and method of collection (i.e. kerbside sort, co-mingled, separate containers)		101,350 Fortnightly co-mingled DMR + free green waste	101,350 Fortnightly co-mingled DMR, four-weekly glass + free green waste	101,350 Fortnightly co-mingled DMR + free green waste*

*Although there are currently no approved alternative plans, there is a considerably increased likelihood that without the bid funding, SCC will need to consider the introduction of alternative collection methods.

² We require a commitment to a weekly collection for 5 years. If you anticipate having a trial period in which not all households are covered by the collection pattern you are committed to, then please provide details of the implementation process as part of an annex and record here the final configuration

³ Please state the number of households served by collection type, using the 8 collection type categorisation used by WRAP and reproduced below. "Weekly" includes collections which are more frequent than weekly

Weekly Refuse and Weekly Food Waste	Weekly Refuse + Weekly mixed food and garden waste	Weekly Refuse + fortnightly mixed food and garden waste	Weekly refuse and no separate weekly food waste collection	AWC and Weekly Food Waste	AWC + weekly mixed food and garden waste	AWC + fortnightly mixed food and garden waste	AWC and no separate weekly food waste collection
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Section 4. Cost Effectiveness (Please see appendix 1 and appendix 1a which provides explanation about how costs derived)

<p>Please outline costs of project (please add further rows as necessary).</p>	<p>In this section describe the key cost components of the project over a minimum five year period⁴. Please show actual costs in each year (i.e. do not attempt to calculate Net Present Values) and identify which elements of the bid are revenue and which are capital expenditure. Separate out individual costs (e.g. the acquisition of principal assets - please indicate number, type and cost of assets -, staffing costs, publicity & communications, and overheads). Credit will be given to projects which increase service effectiveness.</p> <p>Assessors will also be looking for:</p> <ul style="list-style-type: none"> •The cost of the proposed project in absolute terms (taking into account private costs to a local authority and taking the year before the project start date as the baseline year). How these costs compare with industry standards/benchmarks and the performance of similar local authorities, whether delivered in-house or out-sourced; •The budgetary impact of the project compared to current expenditure level and likely expenditure pattern if bid is not successful (a minimum of five years); •evidence that, where relevant, different service design options and procurement approaches have been tested; and •anticipation of changes to costs over time, for example allowing for asset depreciation and future design reconfigurations. 		
<p>Total Costs⁶ Please see appendix 1 and 1a</p>	<p>With bid £8,280K</p> <p>These figures exclude an estimated surplus disposal saving of £0K in 2013/14 and £19K in 2014/15 – this assumes that 40% of the diverted glass tonnage is replaced by additional waste. Some disposal savings from 2013/14 & 2014/15 are carried forward to 2015/16 & 2016/17 to allow scheme to break even.</p>	<p>Without bid⁵ £0K</p>	<p>Difference £8,280K</p> <p>Note: this includes Notional Asset Depreciation of £78K per annum from 2014/15 onwards Bid total = 8,280K allows for Notional Depreciation</p>
<p>Baseline Year (i.e. year prior to the start of your project)</p>	<p>Collection costs Staffing costs 4065K Vehicles 1297K</p>	<p>Collection costs Staffing costs 4065K Vehicles 1297K</p>	<p>Collection costs Staffing costs 0K Vehicles 0K</p>

⁴ For a larger or more complex bid, eg investment in new infrastructure, costs may be shown over a longer time horizon where this is necessary to illustrate cost effectiveness. Please add further rows as appropriate

⁵ This is what is likely to happen if you do not receive funding. Please do not simply roll forward the current figures

⁶ For joint bids, please disaggregate for each party separately

<p>Please show collection and disposal costs separately⁷ These are our total service costs.</p>	<p>Vehicle running costs 621K Bins / containers 79K Internal charges 871K Other costs 306K Fees & charges income -1750K Total collection costs 5490K Disposal Costs Staffing costs 108K Disposal contract 7170K Bins / containers 13K Internal charges 177K Other costs 149K Income -346K Total disposal costs 7272K Total Waste Service Costs Staffing costs 4173K Vehicles 1297K Vehicle running costs 621K Disposal 7170K Bins / containers 92K Internal charges 1048K Other costs 456K Fees & charges income -2096K Total waste service costs 12762K</p>	<p>Vehicle running costs 621K Bins / containers 79K Internal charges 871K Other costs 306K Fees & charges income -1750K Total collection costs 5490K Disposal Costs Staffing costs 108K Disposal contract 7170K Bins / containers 13K Internal charges 177K Other costs 149K Income -346K Total disposal costs 7272K Total Waste Service Costs Staffing costs 4173K Vehicles 1297K Vehicle running costs 621K Disposal 7170K Bins / containers 92K Internal charges 1048K Other costs 456K Fees & charges income -2096K Total waste service costs 12762K</p>	<p>Vehicle running costs 0K Bins / containers 0K Internal charges 0K Other costs 0K Fees & charges income 0K Total collection costs 0K Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K Total Waste Service Costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Disposal 0K Bins / containers 0K Internal charges 0K Other costs 0K Fees & charges income 0K Total waste service costs 0K</p>
<p>Year 1 of project</p>	<p>Collection costs Staffing costs 7K Vehicles 810K Vehicle running costs 0K Bins / containers 66K</p>	<p>Collection costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Bins / containers 0K</p>	<p>Collection costs Staffing costs 7K Vehicles 810K Vehicle running costs 0K Bins / containers 66K</p>

⁷ For each year please show individual components by quantity and total cost values

	<p>Internal charges 10K Other costs 1080K Composters 0K Fees & charges income 0K Total collection costs 1974K</p> <p>Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 7K Vehicles 810K Vehicle running costs 0K Disposal 0K Bins / containers 66K Internal charges 10K Other costs 1080K Composters 0K Fees & charges income 0K Total waste service costs 1974K</p>	<p>Internal charges 0K Other costs 0K Composters 0K Fees & charges income 0K Total collection costs 0K</p> <p>Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Disposal 0K Bins / containers 0K Internal charges 0K Other costs 0K Composters 0K Fees & charges income 0K Total waste service costs 0K</p>	<p>Internal charges 10K Other costs 1080K Composters 0K Fees & charges income 0K Total collection costs 1974K</p> <p>Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 7K Vehicles 810K Vehicle running costs 0K Disposal 0K Bins / containers 66K Internal charges 10K Other costs 1080K Composters 0K Fees & charges income 0K Total waste service costs 1974K</p>
Year 2 of project	<p>Collection costs Staffing costs 548K Vehicles 611K Vehicle running costs 121K Bins / containers 188K Internal charges 20K</p>	<p>Collection costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Bins / containers 0K Internal charges 0K</p>	<p>Collection costs Staffing costs 548K Vehicles 611K Vehicle running costs 121K Bins / containers 188K Internal charges 20K</p>

	<p>Other costs 1638K Composters 255K Fees & charges income -29K Total collection costs 3352K</p> <p>Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 548K Vehicles 611K Vehicle running costs 121K Disposal 0K Bins / containers 188K Internal charges 20K Other costs 1638K Composters 255K Fees & charges income -29K Total waste service costs 3352K</p>	<p>Other costs 0K Composters 0K Fees & charges income 0K Total collection costs 0K</p> <p>Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Disposal 0K Bins / containers 0K Internal charges 0K Other costs K Composters 0K Fees & charges income 0K Total waste service costs 0K</p>	<p>Other costs 1638K Composters 255K Fees & charges income -29K Total collection costs 3352K</p> <p>Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 548K Vehicles 611K Vehicle running costs 121K Disposal 0K Bins / containers 188K Internal charges 20K Other costs 1638K Composters 255K Fees & charges income -29K Total waste service costs 3352K</p>
Year 3 of project	<p>Collection costs Staffing costs 750K Vehicles 122K Vehicle running costs 179K Bins / containers 62K Internal charges 6K Other costs 1622K</p>	<p>Collection costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Bins / containers 0K Internal charges 0K Other costs 0K</p>	<p>Collection costs Staffing costs 750K Vehicles 122K Vehicle running costs 179K Bins / containers 62K Internal charges 6K Other costs 1622K</p>

	<p>Composters 255K Fees & charges income -41K Total collection costs 2955K</p> <p>Disposal Costs Staffing costs 0K Disposal contract K Bins / containers K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 750K Vehicles 122K Vehicle running costs 179K Disposal 0K Bins / containers 62K Internal charges 6K Other costs 1622K Composters 255K Fees & charges income -41K Total waste service costs 2955K</p>	<p>Composters 0K Fees & charges income 0K Total collection costs 0K</p> <p>Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Disposal 0K Bins / containers 0K Internal charges 0K Other costs 0K Composters 0K Fees & charges income 0 K Total waste service costs 0K</p>	<p>Composters 255K Fees & charges income -41K Total collection costs 2955K</p> <p>Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 750K Vehicles 122K Vehicle running costs 179K Disposal 0K Bins / containers 62K Internal charges 6K Other costs 1622K Composters 255K Fees & charges income -41K Total waste service costs 2955K</p>
Year 4 of project	<p>Collection costs Staffing costs 380K Vehicles 0K Vehicle running costs 108K Bins / containers 8K Internal charges 0K Other costs 0K Composters 0K</p>	<p>Collection costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Bins / containers 0K Internal charges 0K Other costs 0K Composters 0K</p>	<p>Collection costs Staffing costs 380K Vehicles 0K Vehicle running costs 108K Bins / containers 8K Internal charges 0K Other costs 0K Composters 0K</p>

	<p>Fees & charges income -29K Total collection costs 466K</p> <p>Disposal Costs Staffing costs 0K Disposal contract -491K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs -491K</p> <p>Total Waste Service Costs Staffing costs 380K Vehicles 0K Vehicle running costs 108K Disposal -491K Bins / containers 8K Internal charges 0K Other costs 0K Composters 0K Fees & charges income -29K Total waste service costs -25K</p>	<p>Fees & charges income 0K Total collection costs 0K</p> <p>Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Disposal 0K Bins / containers 0K Internal charges 0K Other costs 0K Composters 0K Fees & charges income 0K Total waste service costs 0K</p>	<p>Fees & charges income -29K Total collection costs 466K</p> <p>Disposal Costs Staffing costs 0K Disposal contract -491K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs -491K</p> <p>Total Waste Service Costs Staffing costs 380K Vehicles 0K Vehicle running costs 108K Disposal -491K Bins / containers 8K Internal charges 0K Other costs 0K Composters 0K Fees & charges income -29K Total waste service costs -25K</p>
Year 5 of project	<p>Collection costs Staffing costs 387K Vehicles 0K Vehicle running costs 114K Bins / containers 8K Internal charges 0K Other costs 0K Composters 0K Fees & charges income -29K</p>	<p>Collection costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Bins / containers 0K Internal charges 0K Other costs 0K Composters 0K Fees & charges income 0K</p>	<p>Collection costs Staffing costs 387K Vehicles 0K Vehicle running costs 114K Bins / containers 8K Internal charges 0K Other costs 0K Composters 0K Fees & charges income -29K</p>

	<p>Total collection costs 480K</p> <p>Disposal Costs Staffing costs 0K Disposal contract -611K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs -611K</p> <p>Total Waste Service Costs Staffing costs 387K Vehicles 0K Vehicle running costs 114K Disposal -611K Bins / containers 8K Internal charges 0K Other costs 0K Composters 0K Fees & charges income -29K Total waste service costs -131K</p>	<p>Total collection costs 0K</p> <p>Disposal Costs Staffing costs 0K Disposal contract 0K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs 0K</p> <p>Total Waste Service Costs Staffing costs 0K Vehicles 0K Vehicle running costs 0K Disposal 0K Bins / containers 0K Internal charges 0K Other costs 0K Composters 0K Fees & charges income 0K Total waste service costs 0K</p>	<p>Total collection costs 480K</p> <p>Disposal Costs Staffing costs 0K Disposal contract -611K Bins / containers 0K Internal charges 0K Other costs 0K Income 0K Total disposal costs -611K</p> <p>Total Waste Service Costs Staffing costs 387K Vehicles 0K Vehicle running costs 114K Disposal -611K Bins / containers 8K Internal charges 0K Other costs 0K Composters 0K Fees & charges income -29K Total waste service costs -131K</p>
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Section 5. Environmental Benefit⁸

Please provide a brief outline of the environmental benefits you expect from a successful bid	<p>Our bid demonstrates the following environmental benefits:</p> <ul style="list-style-type: none"> • An increase in the amount of material recycled (glass, DMR) • An increase in the amount of waste composted • A reduction in the amount of waste sent to landfill as a result of increased recycling and composting • Reduced CO2 emissions through more effective collection and processing arrangements • Promotion of positive behaviour which will increase environmental awareness and reduce the impacts upon the local environment
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Waste Management Outcomes Waste tonnages		Baseline Year	With successful bid					Without bid				
			Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Total household waste arising		86,836	89,176	90,522	90,938	90,503	90,693	89,176	89,362	89,549	89,737	89,926
Total Recycled/Prepared for Re-use		20,504	21,693	25,452	26,885	25,435	25,546	21,693	21,802	21,911	22,020	22,130
Of which ⁹	Kerbside Dry Recycling	7,544	8,148	8,188	8,229	8,270	8,312	8,148	8,188	8,229	8,270	8,312
	Paper banks	161	162	163	163	164	165	162	163	163	164	165
	Bulky items	89	96	97	97	98	98	96	97	97	98	98
	HWRC recycled	2,914	2,929	2,943	2,958	2,973	2,988	2,929	2,943	2,958	2,973	2,988
	Small WEEE	70	70	71	71	71	72	70	71	71	71	72
	Re-use	1,063	1,068	1,074	1,079	1,084	1,090	1,068	1,074	1,079	1,084	1,090

⁸ Please provide data for all aspects of your bid for each of the successive 5 years, this is all that is needed to score the environmental impact (even if you have provided disposal costs for a longer period). If you have one, then you may in addition annex a waste flow analysis if this helps illustrate the assumptions behind your data.

⁹ This should sum to 100% of the total

	Mixed glass bottles & jars	1,319	1,326	5,207	6,764	5,211	5,217	1,326	1,332	1,339	1,346	1,352
	Food Waste	0	0	0	0	0	0	0	0	0	0	0
	Garden Waste	6,854	7,402	7,214	7,027	7,064	7,102	7,402	7,439	7,477	7,514	7,552
	Wood for composting	490	492	495	497	500	502	492	495	497	500	502
	Energy Recovery – 95% of is black bag waste via Marchwood energy from waste incinerator / 5% mixed wood from HWRC to biomass energy recovery	51,950	51,950	51,950	51,950	51,950	51,950	51,950	51,950	51,950	51,950	51,950
	Landfill	14,382	15,533	13,120	12,103	13,118	13,197	15,533	15,610	15,688	15,767	15,846
	Recycling/Re-use/Compost %	23.61%	24.33%	28.12%	29.56%	28.10%	28.17%	24.33%	24.40%	24.47%	24.54%	24.61%

Net impact on kgCO₂e emissions¹⁰	During the 5 years of the bid period the net impact on CO ₂ emissions due to the introduction of the bid changes would be a net reduction in CO ₂ of 6,618,327 kilograms Please see appendix 2
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¹⁰ Please use [August 2011 Guidelines to Defra/DECC's Greenhouse Gas Conversion Factors for Company Reporting](http://archive.defra.gov.uk/environment/business/reporting/pdf/110819-guidelines-ghg-conversion-factors.pdf) (available at <http://archive.defra.gov.uk/environment/business/reporting/pdf/110819-guidelines-ghg-conversion-factors.pdf>) to calculate this for the total 5 year period of the bid. The waste management factors are contained in the spreadsheet in Annex 9, table 9d. You should attach the completed spreadsheet as an annex to the bid. For more information on completing this section of the form, please see Annex 1 at the end of this Bid Form.

Other environmental impacts not accounted for above.

If there are environmental impacts that will result from your bid that are not accounted for above (e.g. improvements in air quality) please describe in this section and quantify them as far as possible.

- Reduction in the number of glass recycling sites and the associated noise nuisance and anti-social behaviour.
- Reduction in short journeys to recycling banks will result in reduced carbon emissions.
- Implementation of route-optimised, co-collections of household and commercial glass will save energy and reduce carbon emissions.
- Supports positive behavioural change which will reduce impacts of negative behaviour on the local amenity
- Improvements to the streetscene and reduced enforcement activity around the presentation of waste

Section 6. Innovation

Please describe any elements of your bid which you feel are innovative. Credit will be given for innovative bids. You may, for example, demonstrate:

- The extent to which private sector investment has been engaged;
- Participation of SMEs or the voluntary sector in the delivery of waste management services;
- More effective or joined up procurement / service delivery;
- The use of technology;
- Making service more customer focussed (e.g. reduced number of bins);
- Synergies with existing waste management plans or strategies (where these are in place).

The following elements of Southampton's bid are felt to be innovative;

Glass collection

- Use boxes rather than bins for the collection of glass (making the service more customer focused).
- Use RouteSmart to optimise rounds
- Use Bartec Waste Collective to manage the new collection rounds
- Introduce a commercial glass recycling service in order to maximise efficiencies through procurement and route optimisation/co-collections.

Enhanced composting

- Encourage and enable an increase in the amount of green and food waste diverted from landfill through the promotion of subsidised compost bins and food waste digesters.

Rewarding residents

- Target areas of poor recycling based on data from Bartec Waste Collective. Reward a number of residents (20 per month) who recycle correctly. Promote this via website and social media channels to encourage all residents to recycle more of the right materials.
- Rewards would be in the form of a voucher for recycling the right materials. In times of austerity, these rewards will be valued by residents.

Synergies with existing waste management plans or strategies

The bid project proposals meet the key aims and objectives contained in SCC's Consolidated Waste Plan (further details below under 'further information'.) In addition, the expected environmental benefits resulting

from increased recycling, reduced waste to landfill, reduced short car journeys to glass recycling banks, route optimisation and increased collection efficiencies will all contribute to saving energy and reducing carbon emissions in support of Southampton's Low Carbon City Strategy.

The key aims of the strategy are to;

- Use less, waste less and recycle more. Southampton will reduce unnecessary consumption and production. Resource efficiency will be a hallmark of the city.
- Prevent waste through existing initiatives and motivating behaviour change.
- Divert waste from landfill to other treatment methods.
- Monitor, report and set targets on our management of waste and the reduction of waste sent to landfill.
- Encourage reduction and reuse initiatives, both in business and domestically through public education and community action programmes.
- To work in partnership with residents to help them reuse or recycle more reducing their impact on the local environment.

Section 7. Feasibility

<p>What is the proposed timetable to deliver the project</p>	<table border="1"> <thead> <tr> <th data-bbox="1048 264 1431 301">Date</th> <th data-bbox="1431 264 2087 301">Activity</th> </tr> </thead> <tbody> <tr> <td data-bbox="1048 301 1431 493" rowspan="4">Oct – Mar 2012/13</td> <td data-bbox="1431 301 2087 338">Project set-up</td> </tr> <tr> <td data-bbox="1431 338 2087 375">Recruit staff to support project</td> </tr> <tr> <td data-bbox="1431 375 2087 411">Commence procurement</td> </tr> <tr> <td data-bbox="1431 411 2087 493">Commence communications delivery Commence rewards for residents</td> </tr> <tr> <td data-bbox="1048 493 1431 644" rowspan="3">Apr – Sep 2013</td> <td data-bbox="1431 493 2087 568">Glass collections phased rollout/Home composting rollout/Reward scheme rollout</td> </tr> <tr> <td data-bbox="1431 568 2087 604">Complete procurement</td> </tr> <tr> <td data-bbox="1431 604 2087 644">Communications</td> </tr> <tr> <td data-bbox="1048 644 1431 681">Apr – Mar 2013/14</td> <td data-bbox="1431 644 2087 681">Ongoing communications and support</td> </tr> <tr> <td data-bbox="1048 681 1431 722">Apr – Mar 2014/15</td> <td data-bbox="1431 681 2087 722">Ongoing communications and support</td> </tr> </tbody> </table>	Date	Activity	Oct – Mar 2012/13	Project set-up	Recruit staff to support project	Commence procurement	Commence communications delivery Commence rewards for residents	Apr – Sep 2013	Glass collections phased rollout/Home composting rollout/Reward scheme rollout	Complete procurement	Communications	Apr – Mar 2013/14	Ongoing communications and support	Apr – Mar 2014/15	Ongoing communications and support
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<p>Please confirm that you have attached a realistic assessment of the risks and dependencies of the project (eg a Risk Register). That should include dependencies and contingencies, eg forecast changes in gate fees, applications for planning permission or operator licenses, as well as some indication of its sensitivity to these.</p>	<p><u>Risks (please see appendix 3)</u></p> <ul style="list-style-type: none"> • Procurement timescales • Supplier availability • Industrial relations issues impacting on use of Bartec (in-cab technology) • Failure to change behaviour <p><u>Dependencies</u></p> <ul style="list-style-type: none"> • Residential and commercial glass recycling. <p><u>Contingencies</u></p> <ul style="list-style-type: none"> • Priority given to project and integral to overall service priorities. • Up-front planning (including operational strategy, joint working, communications) • Plan to hire vehicles to enable roll out from April 2013. • Phased roll-out planned. • Internal communications strategy to engage staff. 															

	<ul style="list-style-type: none"> • Ability to use paper based systems (as alternative to Bartec) • Comprehensive and targeted communications plan developed and planned to roll out from November 2012
Please describe here your proposed project governance arrangements (including details of legal ownership of any assets)	The Project Board will include Southampton City Council's Waste and Fleet Transport Senior Management, Finance and Communications Overall responsibility will be with the Director of Environment (SCC). Please see Governance chart attached as appendix 4.
Please provide evidence that your S151 officer has approved this bid ¹¹	S151 officer has approved bid (please see accompanying email).
Where applicable, also outline procurement strategy, including evidence of compliance with European Procurement Rules as relevant. What alternative procurement options have been considered and discounted.	We will use existing frameworks for the glass collection scheme procurement (i.e. for vehicles, boxes).and for the procurement of compost bins.

¹¹ This might be in the form of that officer's signature (electronic or otherwise) in this box, or append a letter or e-mail from them. If your LA is having elections in May it might not be possible to get approval from your s151 officer at the Outline Bid stage. This is acceptable but all bids will need to have full sign-up at Full Bid stage.

Section 8. Further Information

<p>Where possible we will try to match the funding profile of successful bids set out in the 'Basic Information' section of this form. However, budget constraints mean we may not be able to match your funding profile preferences. It would be helpful therefore if you could indicate here if there is flexibility in your projected funding profile in each year that you are bidding for funding.</p>	<p>We would be able to be flexible in terms of when (i.e. which year) the funding is received in and would adjust the implementation timescales accordingly.</p>
<p>If it is a joint bid, please specify the identity and role of each of the other parties, clearly identifying the lead authority</p>	
<p>Please provide a brief outline of your Waste Strategy (plus that of the disposal authority if different) and how this bid supports delivery of these strategies.</p>	<p>The bid project will support delivery of SCC's Consolidated Waste Plan by;</p> <ul style="list-style-type: none"> • Increasing the collection of materials for recycling in order to contribute towards the national 'recycling target of 50% of household waste by 2019/20'. • Maximising 'the beneficial use of as much household waste as possible through (in order of priority) materials recycling, composting and maximising the recovery of resources and energy'. • 'Reducing the growth of household waste' through the provision of subsidised compost bins and food waste digesters. • 'Increasing the efficiency and cost effectiveness of the waste collection service' through the introduction of a route optimised glass collection service. <p>Project Integra (PI) is the adopted brand name for the waste management partnership for Hampshire. Its membership comprises all eleven District Councils, the two Unitary Authorities, Hampshire County Council and Hampshire Waste Services (a subsidiary of Veolia), the waste disposal contractor; it is controlled by a Management Board constituted under S.101(5) and S.102(1) of the Local Government Act 1972.3.</p> <p>In 2001 PI was constituted as a formal Joint Committee and in 2005 it</p>

endorsed a Joint Municipal Waste Management Strategy (JMWMS) for Hampshire which forms the basis of its current decision making framework.

Southampton's bid supports the following elements of Project Integra's current Joint Municipal Waste Management Strategy:

- To deliver the relevant municipal elements of the Material Resources Strategy as set out in the stakeholder document *'More from Less'*.
- Win the support and understanding of the wider public, leading to a change in behaviour towards material resources;
- Make access to recycling and related facilities a positive experience for residents and businesses by improving the coverage of kerbside collection systems, implementing further material recovery streams and continuous improvement of services;
- Improve the understanding of, and contain the year on year growth in material resources generated by household consumption;
- Maximise value for money by considering the system as a whole;
- Meet the statutory obligations but at the same time maintain Hampshire at the forefront of the waste to resources agenda.

Annually the partnership produces an Action Plan which is the mechanism by which the Project Integra Board receives its mandate to work on behalf of the partnership.

The Plan includes a Strategic Overview which sets out the political, economic, social and environmental context within which the partnership will be working over the next 5 years. Emerging from this overview are 5 strategic outcomes as follows:

- Sustainable and ethical recycling
- Eliminating landfill
- Commercial materials management
- Efficiencies/value for money

	<ul style="list-style-type: none"> • Leadership and influence 																																																	
<p>We expect local residents to track and hold you to your five year commitment to a weekly collection. Please set out here how you intend to promote your commitment. For example, this could be via your website, in waste and recycling collections literature for householders, or as a statement in your annual report/accounts.</p>	<p>We intend to promote our commitment to weekly residual collections via</p> <ul style="list-style-type: none"> • Printed materials relating to the new glass collection service and home composting scheme (letters/leaflets sent to all residents) • Council magazine • Website and social media, including App 																																																	
<p>If funding is requested for communications activities please give details of the types of activities proposed and explain the assumptions and evidence base that you are relying on to predict the environmental benefits (recorded in Section 5 above) or any other benefits claimed.</p>	<p>A comprehensive communications campaign will be developed and delivered to support the glass collection service, promote the home composting scheme and raise awareness of the Reward Scheme and will be based on WRAP and Project Integra best practice.</p> <table border="1" data-bbox="1048 667 2101 1406"> <thead> <tr> <th>Communication method</th> <th>Detail</th> <th>Timescales</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Direct Marketing</td> <td>Collection calendar (current)</td> <td>Nov 2012</td> </tr> <tr> <td>Rewards promotion</td> <td>Jan 2013</td> </tr> <tr> <td>Service leaflet</td> <td>Feb 2013</td> </tr> <tr> <td>Service calendar</td> <td>Mar 2013</td> </tr> <tr> <td rowspan="4">Advertising</td> <td>City View (council magazine)</td> <td>Ongoing</td> </tr> <tr> <td>Signage on vehicles</td> <td>Ongoing</td> </tr> <tr> <td>Local newspapers</td> <td>Jan-Apr 2013</td> </tr> <tr> <td>Posters</td> <td>Jan-Apr 2013</td> </tr> <tr> <td rowspan="3">Events/ community engagement</td> <td>Launch event</td> <td>Mar/Apr 2013</td> </tr> <tr> <td>Attend community events + talks</td> <td>Ongoing</td> </tr> <tr> <td>Schools programme</td> <td>Ongoing</td> </tr> <tr> <td>PR</td> <td>Regular press releases</td> <td>Ongoing</td> </tr> <tr> <td rowspan="4">Online + new technology</td> <td>Website</td> <td>Ongoing</td> </tr> <tr> <td>Social media (Facebook, Twitter)</td> <td>Ongoing</td> </tr> <tr> <td>Mobile phone app</td> <td>Ongoing</td> </tr> <tr> <td>E-newsletter and Govdelivery bulletins</td> <td>Ongoing</td> </tr> <tr> <td rowspan="4">Internal</td> <td>Crew and contact centre staff briefings/training</td> <td>Nov-Mar 2013</td> </tr> <tr> <td>Member briefing and info packs</td> <td>Nov-Mar 2013</td> </tr> <tr> <td>Internal bulletins (staff, members)</td> <td>Ongoing</td> </tr> <tr> <td>Intranet and regular e-newsletters</td> <td>Ongoing</td> </tr> </tbody> </table>	Communication method	Detail	Timescales	Direct Marketing	Collection calendar (current)	Nov 2012	Rewards promotion	Jan 2013	Service leaflet	Feb 2013	Service calendar	Mar 2013	Advertising	City View (council magazine)	Ongoing	Signage on vehicles	Ongoing	Local newspapers	Jan-Apr 2013	Posters	Jan-Apr 2013	Events/ community engagement	Launch event	Mar/Apr 2013	Attend community events + talks	Ongoing	Schools programme	Ongoing	PR	Regular press releases	Ongoing	Online + new technology	Website	Ongoing	Social media (Facebook, Twitter)	Ongoing	Mobile phone app	Ongoing	E-newsletter and Govdelivery bulletins	Ongoing	Internal	Crew and contact centre staff briefings/training	Nov-Mar 2013	Member briefing and info packs	Nov-Mar 2013	Internal bulletins (staff, members)	Ongoing	Intranet and regular e-newsletters	Ongoing
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	Intranet and regular e-newsletters	Ongoing																																																

For bids from collection authorities in a two tier area only , please provide evidence that your disposal authority is aware and supportive of this bid. ¹²	
If you are adding a new, weekly food waste collection to an existing fortnightly residual collection, then please summarise here the evidence that consultation with residents has confirmed this has their credible support.	

¹² This could be in the form of a confirming letter or e-mail from that authority, the recorded decision of a waste partnership or some other appropriate evidence.

Section 9. Additional Documentation if Necessary

There is no requirement to provide additional documentation. However, in some cases, depending on the scale and complexity of your bid, you may find it necessary to enclose a business case or relevant modelling and analysis where this supports your bid. If that is the case, then please list here the numbers and titles of all attachments and signpost the relevant sections. Also please note you are still required to complete fully the outline bid form as this provides the basis for scoring bids.

Please specify the number and titles of any additional documents and attachments and signpost the relevant sections	Appendix 1 – Summary of Financial Information Appendix 1a – Financial Information (signposts to Section 4, Cost Effectiveness) Appendix 2 - Workings from Environmental Tool Spreadsheet (signposts to Section 5, Environmental Benefits) Appendix 3 – Risks and Dependencies spreadsheet (signposts to Section 7, Feasibility) Appendix 4 – Project Governance (signposts to Section 7, Feasibility)
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Notes on how your Bid will be assessed

Stage 1 - Each bid will be assessed individually to ensure that it meets the three core criteria, i.e. it is cost-effective, shows an environmental benefit over current performance and that there is the required frequency of collection. Each bid that meets the core criteria will go through to Stage 2 of the assessment, and the rest are rejected.

Stage 2 – Each bid is then scored against all the criteria – Cost Effectiveness, Collection Pattern, Environmental Benefits and Innovation. The metrics for all criteria are calibrated on a 0-100 interval scale so they can be combined to produce a single overall score (without weights). 100 is the “best” score.

Stage 3 – Separately, the Policy Team will assign weightings to the core criteria and carry out a sensitivity analysis to sense-check the effect these weightings have on the ranking of bids. The choice of the weightings will ensure that the overall package of successful bids (when taken as a whole) maximises cost effectiveness, satisfies the aggregate environmental tests, and demonstrates a reasonable spread of successful bids (noting factors such as type of bids, geographical spread, and the number of households or local authorities).

Stage 4 - A feasibility check will be applied to the whole package of bids. This feasibility check will consider technological risks, financial risks (i.e. access to finance), evidence of support between collection and disposal authorities in two-tier areas, statutory requirements (i.e. planning permission, Environment Agency licensing, procurement timescales, EU State Aid compliance), and realistic timetables for delivery. Feasibility will be weighed alongside the absolute size of the bid, so that we can manage risk to the fund as a whole and avoid committing funding to high risk projects.

Stage 5 – The overall package of bids will then be assessed in the aggregate against the environmental tests and value for money. This might lead to further adjustment to the final weightings in the scoring system in order to assemble a package which maximises cost effectiveness and demonstrates a reasonable spread of bids (type of bid, geographical spread, and the number of households or local authorities benefiting).

The scoring system we intend to use is set out below. Weightings between criteria are to be settled following consideration of outline bids.

Criteria	Scoring	
	Process	Rating
Cost Effectiveness	Expert Assessment by Technical Advisory Group on whether bids demonstrate a cost effective means of achieving their aims	Bids arranged on an interval scale (0, 25, 50, 75, 100)
Collection Pattern committed to	<p>Partly based on type of collection pattern, with a hierarchy within “weekly” as follows:</p> <ul style="list-style-type: none"> ▪ Weekly residual collection + some recycling streams taken weekly (could be food waste) ▪ Weekly residual collection ▪ Fortnightly residual collection+ weekly food waste collection <p>Also in part related to the effect of the project on the absolute number of households to which a weekly service is offered as well as the percentage of households in that council’s to which that service is offered</p>	Bids will receive a score between 0 and 100
Quantifiable Environmental Benefits	We will create an estimate of the carbon impact of your proposal against a ‘do nothing’ (no bid) scenario using the data on anticipated changes in waste arisings and management over the period of the scheme.	Best bid gets 100, worst gets 0. Other bids calibrated on 0-100 interval scale
Innovation	Assessment of how innovative the bid is, using the criteria set out in the guidance	Bids arranged on an interval scale (0, 25, 50, 75, 100)

Annex 1

Guidance on completing the environmental benefit section of the bid form

This section of the form is for you to set out what waste management/ environmental changes your bid is expected to deliver. The guidance for this section has been prepared by the Defra Household Waste team, and further advice is available if necessary from Michael Sigsworth on 0207 238 4450, or michael.sigsworth@defra.gsi.gov.uk.

Outline of environmental benefits

The section starts with a text box for you to briefly describe the environmental benefits that you expect from a successful bid. This may build on, or repeat, the information you have already provided in the basic information section of the bid form but the intention is to provide some brief context for the numbers that you will be presenting in the tables to aid the understanding of the assessors. For example

The bid is for the roll out of food waste collections to x households. This will be phased over the first year of the bid so the benefits anticipated in the first year will be less. By year 2 the service will be in full operation to all households and by year 3 we expect the additional collection to be diverting x tonnes of food waste from landfill.

The bid is for retaining a weekly residual waste collection service along with the purchase of x electric powered vehicles. This is anticipated to provide an estimated fuel saving of y driven by reduced fuel consumption of z. We anticipate this will save x in carbon emissions annually for the 5 year commitment.

Waste Management Outcomes Table

In this section we are seeking basic information about waste management outcomes, starting with the baseline year, and for five successive years. This should be shown for both with the impact of a successful bid, and what would happen without a successful bid.

In constructing this table the intention is that the first row covers the total of household waste at the outset of the collection process, and the subsequent three rows present the broad treatment/disposal options where this tonnage could end up.

Total Household Waste Arising – Using the normal meaning of the term of how much household waste is collected.

Recycled/Prepared for Re-Use – How much of the household waste collected is prepared for re-use or sent for and accepted for reprocessing. This should be equivalent to how much is recycled against the now defunct NI 192 indicator, plus metals from incinerator bottom ash. Please provide a breakdown by dry recyclates, food waste and garden waste. If you are employing a mixed food and garden waste collection please enter in only one of either food or garden waste but note clearly on the form that it is mixed collection of both. Material collected for recycling but which ends up in landfill, or sent to a recovery operation should be recorded as such in the other rows.

Energy Recovery/Other forms of recovery - This is material sent to some form of recovery operation. This covers a diverse range of possibilities so if tonnages are entered in this row please clarify what form the recovery operation is taking separately.

Landfill – Please add the tonnages for household waste that are sent to landfill

Net CO2e emissions calculation

Local authorities are asked to use the Defra/DECC reporting guidelines ([August 2011 Guidelines to Defra/DECC's Greenhouse Gas Conversion Factors for Company Reporting](#) Annex 9, table 9d) in order to calculate the net change in CO2e emissions from changes in waste management outcomes. We are asking authorities to use these guidelines to provide a consistent, transparent and fair approach. These guidelines are based on the figures used in WRAP's carbon metric for Scotland and reflect current understanding of the emissions impacts of waste treatments.

For each change in your waste management regime, your bid form will have detailed the change in tonnages 'with bid' and 'without bid' of wastes that are sent to different treatments, and, where appropriate, changes in total arisings. The difference between the 'with bid' and 'without bid' represents the effect of the scheme. To calculate the total net impact you should total the differences in each year to produce a cumulative figure for the five year period. It is this difference which you can input into the linked spreadsheet to calculate emissions impacts.

If the differences are to specific material streams you can provide that extra detail. For example, if your bid is estimated to shift (compared to a 'without bid' scenario) 10 tonnes of PET plastic from landfill to closed-loop recycling, you should enter -10 in the landfill column and +10 in the closed-loop recycling column.

If your bid also affects overall arisings, you should specify the change in arisings (in whichever treatment route the additional/reduced arisings will be sent to/would have been sent to in the absence of the bid). In this case, you only need to enter **either** a positive figure in the relevant treatment column for increases in arisings, **or** a negative one for decreases in arisings. For example if the impact is to reduce mixed residual waste arisings by 10 tonnes that would otherwise have gone to landfill you should -10 in the landfill column for the mixed municipal waste row.

Due to the considerable variation in MBT technologies and plant configurations an average figure is not available, therefore applicants should provide their own evidence / details of the environmental benefits of the technology proposed in their bid. Similarly if there other factors that are not accounted for by this spreadsheet please provide details of these, quantifying as far as possible the environmental benefits.

Inputting all the cumulative changes as a result of your bid for the five year period, against a no bid scenario, will allow you to calculate the net impact on GHG emissions. Once done please enter this figure into the form and attach a copy of the completed spreadsheet to your bid.

Other environmental impacts

We recognise there may be other environmental benefits that could result from a bid that are not captured by the focus on waste management outcomes above and the methodology set out. If your bid will result in other environmental benefits (e.g. changes in air quality) please describe them in this section. To help assessors to factor these into their assessment please quantify these as far as possible, ideally in CO₂e emissions or as monetised benefits, and where necessary indicate which modelling tools or assumptions you have used to arrive at these values (eg where you have calculated the impact of reduced vehicle movements).

Agenda Item 4

Appendix 2

1Q - OVERALL IMPACT ON TONNAGES

	2011/12 Baseline year	With successful bid					Without bid				
		2012/13 Yr1	2013/14 Yr2	2014/15 Yr3	2015/16 Yr4	2016/17 Yr5	2012/13 Yr1	2013/14 Yr2	2014/15 Yr3	2015/16 Yr4	2016/17 Yr5
Total household waste arisings	86836	89176	90522	90938	90503	90693	89176	89362	89548	89737	89927
Total recycled prepared for reuse	20504	21693	25452	26885	25435	25546	21693	21802	21910	22020	22131
kerbside dry recyclables	7544	8148	8188	8229	8270	8312	8148	8188	8229	8270	8312
paper banks	161	162	163	163	164	165	162	163	163	164	165
bulky items	89	96	97	97	98	98	96	97	97	98	98
HWRFC recycled	2914	2929	2943	2958	2973	2988	2929	2943	2958	2973	2988
small WEEE	70	70	71	71	71	72	70	71	71	71	72
re-use	1063	1068	1074	1079	1084	1090	1068	1074	1079	1084	1090
mixed glass bottles & jars	1319	1326	5207	6764	5211	5217	1326	1332	1339	1346	1352
food waste	0	0	0	0	0	0	0	0	0	0	0
garden waste	6854	7402	7214	7027	7064	7102	7402	7439	7477	7514	7552
wood for composting	490	492	495	497	500	502	492	495	497	500	502
Energy from waste	51950	51950	51950	51950	51950	51950	51950	51950	51950	51950	51950
Landfill	14382	15533	13120	12103	13118	13197	15533	15610	15688	15767	15846
Recycling performance	23.61%	24.33%	28.12%	29.56%	28.10%	28.17%	24.33%	24.40%	24.47%	24.54%	24.61%

1P - OTHER COSTS (WEEKLY SUPPORT)

year1 2012/13	year 2 2013/14	year 3 2014/15	year 4 2015/16	year 5 2016/17	totals
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weekly support funding for period of bid 1,000,000 1,500,000 1,500,000 0 0

10 - TONNAGES

	year1 2012/13	year 2 2013/14	year 3 2014/15	year 4 2015/16	year 5 2016/17	totals
increase in recycling tonnage	0	3875	5425	3865	3865	17030
disposal tonnage reduction	0	2325	3255	2319	2319	10218
disposal tonnage reduction	0	165	330	330	330	1155
total disposal tonnage reduction	0	2490	3585	2649	2649	11373
Reduction in green garden waste to kerbside	0	225	450	450	450	1575

1N - WASTE DISPOSAL SAVINGS

60%

Glass waste disposal savings

% diversion 60%

% diversion 60%

% diversion 60%

% diversion 60%

3.50%

	year 1 - 2012/13		year 2 - 2013/14		year 3 - 2014/15		year 4 - 2015/16		year 5 - 2016/17	
	glass tonnes	disposal saving / t	glass tonnes	disposal saving / t	glass tonnes	disposal saving / t	glass tonnes	disposal saving / t	glass tonnes	disposal saving / t
Disposal saving	0	0	2325	-86.32	3255	-94.82	2319	-98.14	2319	-101.57
				-200694		-308643		-227587		-235552

Food waste composting disposal savings

3.50%

3.50%

3.50%

	year 1 - 2012/13		year 2 - 2013/14		year 3 - 2014/15		year 4 - 2015/16		year 5 - 2016/17	
	number in use	disposal saving / t	number in use	disposal saving / t	number in use	disposal saving / t	number in use	disposal saving / t	number in use	disposal saving / t
Disposal saving	0	0	1500	-86.32	3000	-94.82	3000	-98.14	3000	-101.57
				-14243		-31291		-32386		-33520

165

330

330

330

Average reduction in food waste due to use of Green Johanna per annum

110 kilograms per unit per annum

0.11 tonnes per unit per annum

Garden waste composting - gate fee savings

3.50%

3.50%

3.50%

	year 1 - 2012/13		year 2 - 2013/14		year 3 - 2014/15		year 4 - 2015/16		year 5 - 2016/17	
	number in use	gate fee saving / t	number in use	gate fee saving / t	number in use	gate fee saving / t	number in use	gate fee saving / t	number in use	gate fee saving / t
Gate fee savings	0	0	7500	-22.12	15000	-22.89	15000	-23.70	15000	-24.52
				-4977		-10302		-10663		-11036

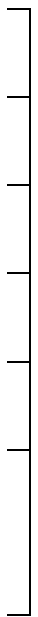
Average reduction in green waste per annum per composter

30 kilograms per unit per annum

0.03 tonnes per unit per annum

Disposal Savings

	year 1 2012/13	year 2 2013/14	year 3 2014/15	year 4 2015/16	year 5 2016/17
savings non bid years	0	0	0	-270636	-280108
carried forward	0	0	0	-219914	-330973
totals	0	0	0	-490549	-611081
savings bid years	0	-219914	-350236		
savings carried to non bid years	0	219914	330973		
savings in year	0	0	-19263		



1M - GLASS INCOME

	year 1 - 2012/13			year 2 - 2013/14			year 3 - 2014/15			year 4 - 2015/16			year 5 - 2016/17		
	vehicle usage	tonne annum	total tonnes	vehicle usage	tonne annum	total tonnes	vehicle usage	tonne annum	total tonnes	vehicle usage	tonne annum	total tonnes	vehicle usage	tonne annum	total tonnes
vehicle 1	0	0	0	1	775	775	1	775	775	1	966	966	1	966	966
vehicle 2	0	0	0	1	775	775	1	775	775	1	966	966	1	966	966
vehicle 3	0	0	0	0.75	775	581	1	775	775	1	966	966	1	966	966
vehicle 4	0	0	0	0.75	775	581	1	775	775	0	966	0	0	966	0
vehicle 5	0	0	0	0.5	775	388	1	775	775	0	966	0	0	966	0
vehicle 6	0	0	0	0.5	775	388	1	775	775	0	966	0	0	966	0
vehicle 7	0	0	0	0.5	775	388	1	775	775	1	966	966	1	966	966
adjustment															
totals			0	100.00%		100.00%			100%			100%			100%
income tonne			-7.60			5425			-7.60			-7.60			-7.60
Total income			0			-29450			-41230			-29374			-29374

1L - COMPOSTERS

Green garden waste composters

	year1 2012/13	year 2 2013/14	year 3 2014/15	year 4 2015/16	year 5 2016/17
composter subsidies	0	120000	120000	0	0
cost per composter	16	16	16	16	16
number of composters	0	7500	7500	15000	15000

Food waste digesters

	year1 2012/13	year 2 2013/14	year 3 2014/15	year 4 2015/16	year 5 2016/17
number of digesters	0	1500	1500	3000	3000
unit rate	90	90	90	0	0
total costs	0	135000	135000	0	0

Totals	0	255000	255000	0	0
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1K - OTHER COSTS

	year1 2012/13	year 2 2013/14	year 3 2014/15	year 4 2015/16	year 5 2016/17
Glass collection calendar (x 100,873, design & print £4k, delivery £14k)	24,000	24,000	24,000		
Glass service letter and leaflet (1/3 year 1 & 2/3 year 2)	6,000	13,000	3,000		
Advertising, events (RCVs, newspapers)	3,000	8,000	5,000		
Home composting comms (leaflets, advertising, events)	4,000	6,000	4,000		
Communications Support (Corporate Communications Team)	3,000	7,000	6,000		
Rewards for recycling properly/better	40,000	80,000	80,000		
totals	80,000	138,000	122,000	0	0

1J - INTERNAL CHARGES

estimated internal charges from Capita for IT services / procurement services

year1	year 2	year 3	year 4	year 5
2012/13	2013/14	2014/15	2015/16	2016/17
10000	20000	6000	0	0

1H - VEHICLE OPERATING COSTS

FUEL COSTS

average annual fuel costs **7.00%** **7.00%** **7.00%** **7.00%** **7.00%**
 year 1 year 2 year 3 year 4 year 5
13000 **13910** **14884** **15926** **17040**

fuel costs	2012/13 year 1 usage	2012/13 year 1 fuel costs	2013/14 year 2 usage	2013/14 year 2 fuel costs	2014/15 year 3 usage	2014/15 year 3 fuel costs	2015/16 year 4 usage	2015/16 year 4 fuel costs	2016/17 year 5 usage	2016/17 year 5 fuel costs
vehicle 1	0	0	1	13910	1	14884	1	15926	1	17040
vehicle 2	0	0	1	13910	1	14884	1	15926	1	17040
vehicle 3	0	0	0.75	10432.5	1	14884	1	15926	1	17040
vehicle 4	0	0	0.75	10432.5	1	14884	0	0	0	0
vehicle 5	0	0	0.5	6955	1	14884	0	0	0	0
vehicle 6	0	0	0.5	6955	1	14884	0	0	0	0
vehicle 7	0	0	0.5	6955	1	14884	1	15926	1	17040
totals		0		69550		104186		63702		68161

MAINTENANCE / INSURANCE COSTS

average annual costs **3.50%** **3.50%** **3.50%** **3.50%**
 year 1 year 2 year 3 year 4 year 5
10000 **10350** **10712** **11087** **11475**

fuel costs	2012/13 year 1 usage	2012/13 year 1 costs	2013/14 year 2 usage	2013/14 year 2 costs	2014/15 year 3 usage	2014/15 year 3 costs	2015/16 year 4 usage	2015/16 year 4 costs	2016/17 year 5 usage	2016/17 year 5 costs
vehicle 1	0	0	1	10350	1	10712	1	11087	1	11475
vehicle 2	0	0	1	10350	1	10712	1	11087	1	11475
vehicle 3	0	0	0.75	7763	1	10712	1	11087	1	11475
vehicle 4	0	0	0.75	7763	1	10712	0	0	0	0
vehicle 5	0	0	0.5	5175	1	10712	0	0	0	0
vehicle 6	0	0	0.5	5175	1	10712	0	0	0	0
vehicle 7	0	0	0.5	5175	1	10712	1	11087	1	11475
totals		0		51750		74986		44349		45901

1G - VEHICLE COSTS

The type of vehicle we are intending to use is a single compartment top loader type vehicle with rear and side lifts mounted on a 25 tonne gvw low entry chassis with a budget figure of £135 K delivery is likely to be up to 26 weeks from point of order for each vehicle

Due to the need to make the scheme self funding in years 4 and 5 onwards it is proposed to purchase 4 vehicles and hire 3 vehicles to allow flexibility in years 4 and 5

glass vehicles			
	no of vehicles	cost per vehicle	total costs
capital	4	135000	540000
hire	3	40560	121680

retain weekly collection vehicle costs			
	no of vehicles	cost per vehicle	total costs
capital	6	135000	810000

	year 1 2012/13	year 2 2013/14	year 3 2014/15	year 4 2015/16	year 5 2016/17
capital costs	810000	540000	0	0	0
hire costs	0	70980	121680	0	0
total costs	810000	610980	121680	0	0

hire vehicles
 £ per week 780
 £ per annum 40560

1F - OVERALL STAFF COSTS

year 1 - 2012/13	Overall Staff Costs		
	costs	year	total costs
project management	29834	0.25	7459
totals	29834		7459

N.B. No leave/Sickness cover for project mgmt

year 2 - 2013/14

Overall Staff Costs

	costs	year	total costs
project management	30729	1	30729
glass supervisor	38021	1	38021
glass vehicle 1		1	
driver	33733	1	33733
charge hand	26170	1	26170
loader	24853	1	24853
glass vehicle 2		1	
driver	33733	1	33733
charge hand	26170	1	26170
loader	24853	1	24853
glass vehicle 3		0.75	
driver	33733	0.75	25299
charge hand	26170	0.75	19628
loader	24853	0.75	18640
glass vehicle 4		0.75	
driver	33733	0.75	25299
charge hand	26170	0.75	19628
loader	24853	0.75	18640
glass vehicle 5		0.5	
driver	33733	0.5	16866
charge hand	26170	0.5	13085
loader	24853	0.5	12426
glass vehicle 6		0.5	
driver	33733	0.5	16866
charge hand	26170	0.5	13085
loader	24853	0.5	12426
glass vehicle 7		0.5	
driver	33733	0.5	16866
charge hand	26170	0.5	13085
Front Line sub total (incl s'visor)			449373
Leave/Sickness cover (15%)			67406
totals			547508

year 3 - 2014/15

Overall Staff Costs

	costs	year	total costs
project management	31651	1	31651
glass supervisor	39162	1	39162
glass vehicle 1		1	
driver	34744	1	34744
charge hand	26955	1	26955
loader	25598	1	25598
glass vehicle 2		1	
driver	34744	1	34744
charge hand	26955	1	26955
loader	25598	1	25598
glass vehicle 3		1	
driver	34744	1	34744
charge hand	26955	1	26955
loader	25598	1	25598
glass vehicle 4		1	
driver	34744	1	34744
charge hand	26955	1	26955
loader	25598	1	25598
glass vehicle 5		1	
driver	34744	1	34744
charge hand	26955	1	26955
loader	25598	1	25598
glass vehicle 6		1	
driver	34744	1	34744
charge hand	26955	1	26955
loader	25598	1	25598
glass vehicle 7		1	
driver	34744	1	34744
charge hand	26955	1	26955
Front Line sub total (incl s'visor)			624652
Leave/Sickness cover (15%)			93698
totals			750000

year 4 - 2015/16

Overall Staff Costs

	costs	year	total costs
project management	32930	0	0
glass supervisor	39945	0	0
glass vehicle 1		1	
driver	35439	1	35439
charge hand	27494	1	27494
loader	26110	1	26110
glass vehicle 2		1	
driver	35439	1	35439
charge hand	27494	1	27494
loader	26110	1	26110
glass vehicle 3		1	
driver	35439	1	35439
charge hand	27494	1	27494
loader	26110	1	26110
glass vehicle 4		0	
driver	35439	0	0
charge hand	27494	0	0
loader	26110	0	0
glass vehicle 5		0	
driver	35439	0	0
charge hand	27494	0	0
loader	26110	0	0
glass vehicle 6		0	
driver	35439	0	0
charge hand	27494	0	0
loader	26110	0	0
glass vehicle 7		1	
driver	35439	1	35439
charge hand	27494	1	27494
Front Line sub total (incl s'visor)			330067
Leave/Sickness cover (15%)			49510
totals			379577

year 5 - 2016/17

Overall Staff Costs

	costs	year	total costs
project management	32930	0	0
glass supervisor	40744	0	0
glass vehicle 1		1	
driver	36148	1	36148
charge hand	28044	1	28044
loader	26633	1	26633
glass vehicle 2		1	
driver	36148	1	36148
charge hand	28044	1	28044
loader	26633	1	26633
glass vehicle 3		1	
driver	36148	1	36148
charge hand	28044	1	28044
loader	26633	1	26633
glass vehicle 4		0	
driver	36148	0	0
charge hand	28044	0	0
loader	26633	0	0
glass vehicle 5		0	
driver	36148	0	0
charge hand	28044	0	0
loader	26633	0	0
glass vehicle 6		0	
driver	36148	0	0
charge hand	28044	0	0
loader	26633	0	0
glass vehicle 7		1	
driver	36148	1	36148
charge hand	28044	1	28044
Front Line sub total (incl s'visor)			336668
Leave/Sickness cover (15%)			50500
totals			387168

1E - INDIVIDUAL STAFF COSTS

type	grade	basic	additional	NI	pension	year 1 2012/13 totals	year 2 2013/14 totals 3%	year 3 2014/15 totals 3%	year 4 2015/16 totals 2%	year 5 2016/17 totals 2%
supervisor	7	29159	1450	2295	4010	36914	38021	39162	39945	40744
driver	6	25926	1230	2037	3557	32750	33733	34744	35439	36148
charge hand	5	20068	1000	1580	2760	25408	26170	26955	27494	28044
loader	5	19058	950	1500	2621	24129	24853	25598	26110	26633
Project Officer	7	25094	0	1453	3287	29834	30729	31651	32284	32930

1D - ASSUMPTIONS for GLASS COLLECTIONS

	4 weekly	2 weekly
Frequency of Collection		
No. of Properties	78000	78000
No. of Collections done per day	1300	1300
No. of Collections required per day	3900	7800
No. of Collection vehicles required	3.00	6.00
		7 (6 plus 1 vehicle for flats)
Purchase cost of 24t Glass Collection veh	£135,000	£135,000
Houses Crew: Driver + Charge hand + Lo.	3 staff	3 staff
Flats Crew: Driver + Charge hand	2 staff	2 staff
Est weight of glass collected/hh/year (kg)	40	60
Est total glass collected per year (tonnes)	3865	5425
		assume 745 tonnes from flats per annum
Est income (per tonne)	-£7.60	-£7.60
Est disposal saving (per tonne)	-£86.32	-£86.32
		Est Landfill Rate 2013/14

	start date	number of vehicles
phase 1	Apr-13	2
phase 2	Jul-13	2
phase 3	Oct-13	3

	2 weekly glass	4 weekly glass
total tonnage collected	5425	3865
vehicles	7	4
tonnes per vehicle per annum	775	966
tonnes per vehicle per week	14.90	18.58
tonnes per vehicle per day	2.98	3.72

1C - BASE YEAR 2011/12

CostC	Account	Account(T)	Controllable	11/12 Budget	11/12 Expendi	Type
TR360	4306	Stores Purchases Sacks	YES	15000	14838.8	Bins/Containers
TR410	4302	Wheeled Bins - Leasing	YES	3100	2046.57	Bins/Containers
TR410	4303	Wheeled Bins - Storage	YES	10000	1144	Bins/Containers
TR410	4304	Container Refurbishment	YES	25000	23054	Bins/Containers
TR410	4305	Container Purchases	YES	32000	12731.05	Bins/Containers
TR410	4306	Stores Purchases Sacks	YES	18000	25221.21	Bins/Containers
						79035.63 Bins/Containers Total
TR300	9386	Sale Of Recyclable Materials - Main Contract	YES	-550000	-699454.1	Fees & Charges Income
TR300	9387	Sale Of Recyclable Material - Other	YES	-20000	-14572.03	Fees & Charges Income
TR320	9031	Fees and Charges - General	YES	0	518.7	Fees & Charges Income
TR320	9389	Income from Chargable Waste Services - Internal	YES	-216500	-255956.56	Fees & Charges Income
TR330	9388	Income From Chargable Waste Services - External	YES	-92500	-38303.87	Fees & Charges Income
TR350	9388	Income From Chargable Waste Services - External	YES	-1000	0	Fees & Charges Income
TR350	9389	Income from Chargable Waste Services - Internal	YES	-18400	-15622.43	Fees & Charges Income
TR360	9031	Fees and Charges - General	YES	-20000	-180	Fees & Charges Income
TR370	9388	Income From Chargable Waste Services - External	YES	-96600	-98485.8	Fees & Charges Income
TR410	9389	Income from Chargable Waste Services - Internal	YES	-10000	-10000.01	Fees & Charges Income
TR420	9389	Income from Chargable Waste Services - Internal	YES	-618000	-618000	Fees & Charges Income
						-1750056.1 Fees & Charges Income Total
TR300	5130	Design	YES	4300	667	Net Internal Charges
TR300	5297	Radio System Recharges	NO	9000	9000	Net Internal Charges
TR300	5347	Capita Print - Pass Through Charges	YES	12400	11847.55	Net Internal Charges
TR300	5375	Customer Service	NO	283700	283700	Net Internal Charges
TR300	5376	HR Service	NO	138900	138900	Net Internal Charges
TR300	5377	Procurement Service	NO	2200	2200	Net Internal Charges
TR300	5379	IT Service	NO	166700	166700	Net Internal Charges
TR300	5380	Town Depot Main	NO	89500	89500	Net Internal Charges
TR300	5437	City Depot And Recycling Park	NO	24400	24400	Net Internal Charges
TR300	5487	Director of Environment Recharge	NO	40100	40100	Net Internal Charges
TR300	5496	Environment Directorate Recharge	NO	4100	4100	Net Internal Charges
TR300	5560	Building Maintenance Services (PMS)	YES	0	1638.33	Net Internal Charges
TR300	5570	Building Contracts	YES	0	1057.94	Net Internal Charges
TR300	5591	Open Spaces - Misc. Clean	YES	0	101.68	Net Internal Charges
TR300	5630	Legal Services	NO	200	200	Net Internal Charges
TR300	5702	Audit	NO	13800	13800	Net Internal Charges
TR300	5706	Environment Finance Support	NO	25500	25500	Net Internal Charges
TR300	5715	Creditor Payments	NO	5800	5800	Net Internal Charges
TR300	5716	Debtors	NO	4200	4200	Net Internal Charges
TR300	5740	Head of Waste & Fleet Transport	NO	75900	75900	Net Internal Charges
TR300	5749	Refuse Pool Labour	NO	0	485.72	Net Internal Charges
TR300	5807	Agresso & MAES Finance Systems	NO	2500	2500	Net Internal Charges
TR300	5809	Insurance Services	NO	11700	11700	Net Internal Charges
TR300	5911	Central Apportionable Overheads	NO	23200	23200	Net Internal Charges
TR300	9530	Recharge Income - GF Revenue	NO	-1626200	-1480600	Net Internal Charges
TR300	9532	Recharge Income - HRA Revenue	YES	-60000	-60000	Net Internal Charges
TR310	5377	Procurement Service	NO	2700	2700	Net Internal Charges
TR310	5749	Refuse Pool Labour	NO	198600	160889.05	Net Internal Charges
TR310	5750	Waste - Management and Overheads	NO	524400	524400	Net Internal Charges
TR320	5377	Procurement Service	NO	600	600	Net Internal Charges
TR320	5749	Refuse Pool Labour	NO	44100	74868.8	Net Internal Charges
TR320	5750	Waste - Management and Overheads	NO	116500	116500	Net Internal Charges
TR330	5377	Procurement Service	NO	100	100	Net Internal Charges
TR330	5711	ICON-Cash Receipting System	NO	900	900	Net Internal Charges
TR330	5749	Refuse Pool Labour	NO	11000	2681.86	Net Internal Charges
TR330	5750	Waste - Management and Overheads	NO	29100	29100	Net Internal Charges
TR350	5377	Procurement Service	NO	200	200	Net Internal Charges
TR350	5379	IT Service	NO	4400	4400	Net Internal Charges
TR350	5749	Refuse Pool Labour	NO	11000	9856.19	Net Internal Charges
TR350	5750	Waste - Management and Overheads	NO	72800	72800	Net Internal Charges
TR360	5377	Procurement Service	NO	700	700	Net Internal Charges
TR360	5592	Open Spaces - Misc. Green	YES	0	154.28	Net Internal Charges
TR360	5749	Refuse Pool Labour	NO	66100	28121.53	Net Internal Charges
TR360	5750	Waste - Management and Overheads	NO	174800	174800	Net Internal Charges
TR370	5749	Refuse Pool Labour	NO	22000	10332.03	Net Internal Charges
TR370	5750	Waste - Management and Overheads	NO	58300	58300	Net Internal Charges
TR390	5377	Procurement Service	NO	700	700	Net Internal Charges
TR390	5749	Refuse Pool Labour	NO	99200	82982.02	Net Internal Charges
TR390	5750	Waste - Management and Overheads	NO	262200	262200	Net Internal Charges
TR410	5377	Procurement Service	NO	7300	7300	Net Internal Charges
TR420	5377	Procurement Service	NO	900	900	Net Internal Charges
TR420	5749	Refuse Pool Labour	NO	82700	37049.7	Net Internal Charges
TR420	5750	Waste - Management and Overheads	NO	218500	218500	Net Internal Charges
TR490	9530	Recharge Income - GF Revenue	NO	-589800	-407266.9	Net Internal Charges
						871366.78 Net Internal Charges Total
TR300	2086	Repair & Maintenance of Furn & Fittings	YES	1000	0	Other Costs

TR300	2094 Removal of Refuse	YES	0	194.06	Other Costs	
TR300	3026 Property Damage	YES	100	0	Other Costs	
TR300	3044 Toll Bridge Tokens	YES	24500	17706.3	Other Costs	
TR300	3061 Essential User - Lump Sum	YES	1200	756.61	Other Costs	
TR300	3062 Essential User - Mileage	YES	1400	510.61	Other Costs	
TR300	3063 Casual User - Mileage	YES	200	2043.55	Other Costs	
TR300	3068 Appendix E - Travel	YES	0	3234.98	Other Costs	
TR300	3081 Staff Travelling	YES	200	176	Other Costs	
TR300	3085 Rail Season Tickets & Warrants	YES	0	118.3	Other Costs	
TR300	4002 Stores - Work order use	YES	2000	0	Other Costs	
TR300	4012 Stationery	YES	3000	1317.76	Other Costs	
TR300	4013 Books and Publications	YES	500	0	Other Costs	
TR300	4015 Maps / Plans / Photos / Guides	YES	500	0	Other Costs	
TR300	4016 Photocopying	YES	7000	3844.86	Other Costs	
TR300	4020 General Office - Other	YES	4000	0	Other Costs	
TR300	4051 Furniture Purchase	YES	1000	0	Other Costs	
TR300	4052 Equipment Purchase	YES	7100	183.35	Other Costs	
TR300	4053 General Provisions	YES	1700	0	Other Costs	
TR300	4057 Repair & Mntnce - Equipment	YES	1000	0	Other Costs	
TR300	4058 Rental and Leasing - Equipment	YES	300	0	Other Costs	
TR300	4071 Telephone - Equipment Purchase	YES	300	0	Other Costs	
TR300	4077 Postages	YES	400	86.02	Other Costs	
TR300	4078 Mobile Phones	YES	900	309.05	Other Costs	
TR300	4082 Computer Maintenance	YES	1000	123	Other Costs	
TR300	4087 Directorates Computer Equipment	YES	1000	28.9	Other Costs	
TR300	4103 Security	YES	500	0	Other Costs	
TR300	4105 Legal Expenses - Other	YES	100	0	Other Costs	
TR300	4106 Consultants	YES	3000	0	Other Costs	
TR300	4110 Credit Facilities / Bank Charges	YES	400	0	Other Costs	
TR300	4111 Services - Other	YES	0	655	Other Costs	
TR300	4121 Subsistence	YES	400	41.35	Other Costs	
TR300	4123 Refreshments	YES	700	312.56	Other Costs	
TR300	4125 Courses and Seminars	YES	2000	729.66	Other Costs	
TR300	4128 Advertising/Publicity - Non Staff	YES	21000	17603.2	Other Costs	
TR300	4146 Licences and Royalties	YES	500	0	Other Costs	external contractor costs
TR300	4150 Other Expenses	YES	8900	774716.59	Other Costs	773200
TR300	4161 Subscriptions	YES	1500	3191	Other Costs	
TR300	4191 Uniforms	YES	3000	15362.38	Other Costs	
TR300	4407 Payments to Capita	YES	0	4686.15	Other Costs	
TR300	4408 Val & Est Mgmt Capita Non Retainer Fees	YES	0	225.24	Other Costs	
TR300	6657 Waste Minimisation Fund	YES	44000	39310	Other Costs	
TR310	3026 Property Damage	YES	1500	111.66	Other Costs	
TR310	3062 Essential User - Mileage	YES	0	24.3	Other Costs	
TR310	3063 Casual User - Mileage	YES	0	6.21	Other Costs	
TR310	3068 Appendix E - Travel	YES	0	2454.33	Other Costs	
TR310	3081 Staff Travelling	YES	0	19	Other Costs	
TR310	4053 General Provisions	YES	2500	0	Other Costs	
TR310	4077 Postages	YES	0	37.95	Other Costs	
TR320	3026 Property Damage	YES	1000	0	Other Costs	
TR320	3068 Appendix E - Travel	YES	0	632.2	Other Costs	
TR320	4053 General Provisions	YES	1500	0	Other Costs	
TR320	4077 Postages	YES	0	9.2	Other Costs	
TR320	4121 Subsistence	YES	0	38	Other Costs	
TR320	4150 Other Expenses	YES	0	12.08	Other Costs	
TR330	3026 Property Damage	YES	500	0	Other Costs	
TR330	3068 Appendix E - Travel	YES	0	187.31	Other Costs	
TR330	4077 Postages	YES	0	2.3	Other Costs	
TR350	3068 Appendix E - Travel	YES	0	355.27	Other Costs	
TR350	3081 Staff Travelling	YES	0	19	Other Costs	
TR350	4077 Postages	YES	0	1.15	Other Costs	
TR360	3026 Property Damage	YES	1000	0	Other Costs	
TR360	3068 Appendix E - Travel	YES	0	1380.72	Other Costs	
TR360	4077 Postages	YES	0	10.35	Other Costs	
TR360	4121 Subsistence	YES	0	19	Other Costs	
TR370	3026 Property Damage	YES	500	0	Other Costs	
TR370	3068 Appendix E - Travel	YES	0	385.77	Other Costs	
TR370	4077 Postages	YES	0	4.6	Other Costs	
TR390	2094 Removal of Refuse	YES	0	94.15	Other Costs	
TR390	3026 Property Damage	YES	700	0	Other Costs	
TR390	3062 Essential User - Mileage	YES	0	24.3	Other Costs	
TR390	3063 Casual User - Mileage	YES	0	6.21	Other Costs	
TR390	3068 Appendix E - Travel	YES	0	1251.68	Other Costs	
TR390	4053 General Provisions	YES	300	0	Other Costs	
TR390	4077 Postages	YES	0	19.55	Other Costs	
TR410	2061 Rent	YES	5100	5288.09	Other Costs	
TR410	4052 Equipment Purchase	YES	7200	3374.91	Other Costs	
TR410	4076 Radio Equipment	YES	6000	152.55	Other Costs	
TR410	4123 Refreshments	YES	500	0	Other Costs	

TR410	4150 Other Expenses	YES	8300	11.47	Other Costs
TR410	4191 Uniforms	YES	20700	15517.92	Other Costs
TR410	4301 Wheeled Bins - Replacement / Parts	YES	32000	62018.85	Other Costs
TR410	7081 Depreciation	NO	97100	97100	Other Costs
TR420	3026 Property Damage	YES	1000	74.75	Other Costs
TR420	3062 Essential User - Mileage	YES	0	24.3	Other Costs
TR420	3068 Appendix E - Travel	YES	0	407	Other Costs
TR420	3081 Staff Travelling	YES	0	19	Other Costs
TR420	4077 Postages	YES	0	17.25	Other Costs
TR420	4121 Subsistence	YES	0	19	Other Costs
TR490	3062 Essential User - Mileage	YES	0	24.3	Other Costs
TR490	3063 Casual User - Mileage	YES	0	6.21	Other Costs
TR490	3068 Appendix E - Travel	YES	0	976.16	Other Costs
TR490	4077 Postages	YES	0	17.25	Other Costs
				1079621.78	Other Costs Total
TR300	1600 Salaried APTC Basic	YES	364800	231343.82	Staffing Costs
TR300	1601 Salaried APTC Overtime	YES	16700	11941.95	Staffing Costs
TR300	1604 Salaried APTC Allowances	YES	600	2125.21	Staffing Costs
TR300	1606 Salaried APTC Shift Pay	YES	10400	8337.09	Staffing Costs
TR300	1607 Salaried APTC Holiday Pay	YES	0	1061.12	Staffing Costs
TR300	1608 Salaried APTC National Insurance	YES	24000	19429.09	Staffing Costs
TR300	1609 Salaried APTC Superannuation	YES	49200	26891.95	Staffing Costs
TR300	1640 Waged APTC Basic	YES	91800	83267.09	Staffing Costs
TR300	1641 Waged APTC Overtime	YES	2900	710.57	Staffing Costs
TR300	1644 Waged APTC Allowances	YES	100	272.48	Staffing Costs
TR300	1646 Waged APTC Shift Pay	YES	0	1718.27	Staffing Costs
TR300	1648 Waged APTC National Insurance	YES	6800	6599.67	Staffing Costs
TR300	1649 Waged APTC Superannuation	YES	11900	11151.17	Staffing Costs
TR300	1800 Vacancy Management	YES	-18500	0	Staffing Costs
TR300	1830 Local Vacancy Management	YES	-6200	0	Staffing Costs
TR300	1900 Pooled Labour - General	YES	5000	43929	Staffing Costs
TR300	1932 Car Leasing - Employers	YES	2500	-988.19	Staffing Costs
TR300	1939 Training - General	YES	9000	10041.24	Staffing Costs
TR300	1948 Medical Examinations	YES	1000	411	Staffing Costs
TR300	1952 Staff Advertising	YES	1000	3772.48	Staffing Costs
TR300	1953 Interview Expenses	YES	0	238.8	Staffing Costs
TR300	1964 Employee - Other Expenditure	YES	4000	100	Staffing Costs
TR300	6160 Waste - Bring Sites - Collections	YES	65000	49849.92	Staffing Costs
TR310	1640 Waged APTC Basic	YES	826900	674564.64	Staffing Costs
TR310	1641 Waged APTC Overtime	YES	4700	4261.96	Staffing Costs
TR310	1647 Waged APTC Holiday Pay	YES	0	-342.14	Staffing Costs
TR310	1648 Waged APTC National Insurance	YES	61200	48174.88	Staffing Costs
TR310	1649 Waged APTC Superannuation	YES	107300	73095.91	Staffing Costs
TR310	1800 Vacancy Management	YES	-30100	0	Staffing Costs
TR310	1830 Local Vacancy Management	YES	-10000	0	Staffing Costs
TR310	1900 Pooled Labour - General	YES	0	54092	Staffing Costs
TR310	1910 Agency Staff - General	YES	0	35072.91	Staffing Costs
TR310	1948 Medical Examinations	YES	0	150	Staffing Costs
TR320	1640 Waged APTC Basic	YES	196000	154775.11	Staffing Costs
TR320	1641 Waged APTC Overtime	YES	2500	255.34	Staffing Costs
TR320	1647 Waged APTC Holiday Pay	YES	0	-2072.82	Staffing Costs
TR320	1648 Waged APTC National Insurance	YES	14500	10390.45	Staffing Costs
TR320	1649 Waged APTC Superannuation	YES	25400	19052.6	Staffing Costs
TR320	1800 Vacancy Management	YES	-7200	0	Staffing Costs
TR320	1830 Local Vacancy Management	YES	-2400	0	Staffing Costs
TR320	1910 Agency Staff - General	YES	0	8066.82	Staffing Costs
TR320	1948 Medical Examinations	YES	0	290	Staffing Costs
TR330	1640 Waged APTC Basic	YES	48500	41632.69	Staffing Costs
TR330	1641 Waged APTC Overtime	YES	2400	228.58	Staffing Costs
TR330	1648 Waged APTC National Insurance	YES	3600	2821.85	Staffing Costs
TR330	1649 Waged APTC Superannuation	YES	6300	5453.8	Staffing Costs
TR330	1800 Vacancy Management	YES	-1700	0	Staffing Costs
TR330	1830 Local Vacancy Management	YES	-600	0	Staffing Costs
TR330	1910 Agency Staff - General	YES	0	535.37	Staffing Costs
TR350	1640 Waged APTC Basic	YES	104200	23056.27	Staffing Costs
TR350	1641 Waged APTC Overtime	YES	2100	-53.62	Staffing Costs
TR350	1648 Waged APTC National Insurance	YES	7700	1658.87	Staffing Costs
TR350	1649 Waged APTC Superannuation	YES	13500	3020.26	Staffing Costs
TR350	1800 Vacancy Management	YES	-3900	0	Staffing Costs
TR350	1830 Local Vacancy Management	YES	-1300	0	Staffing Costs
TR350	1900 Pooled Labour - General	YES	0	44044	Staffing Costs
TR360	1640 Waged APTC Basic	YES	273100	199889.31	Staffing Costs
TR360	1641 Waged APTC Overtime	YES	1100	1218.54	Staffing Costs
TR360	1647 Waged APTC Holiday Pay	YES	0	-355.57	Staffing Costs
TR360	1648 Waged APTC National Insurance	YES	20200	14867.62	Staffing Costs
TR360	1649 Waged APTC Superannuation	YES	35500	18585.79	Staffing Costs
TR360	1800 Vacancy Management	YES	-10000	0	Staffing Costs
TR360	1830 Local Vacancy Management	YES	-3300	0	Staffing Costs

TR360	1910 Agency Staff - General	YES	0	11417.51	Staffing Costs
TR370	1640 Waged APTC Basic	YES	99200	89759.51	Staffing Costs
TR370	1641 Waged APTC Overtime	YES	1100	259.61	Staffing Costs
TR370	1647 Waged APTC Holiday Pay	YES	0	-241.94	Staffing Costs
TR370	1648 Waged APTC National Insurance	YES	7300	6861.78	Staffing Costs
TR370	1649 Waged APTC Superannuation	YES	12900	8693.75	Staffing Costs
TR370	1800 Vacancy Management	YES	-3700	0	Staffing Costs
TR370	1830 Local Vacancy Management	YES	-1300	0	Staffing Costs
TR370	1910 Agency Staff - General	YES	0	4938.74	Staffing Costs
TR370	1948 Medical Examinations	YES	0	144	Staffing Costs
TR390	1640 Waged APTC Basic	YES	415200	345147.83	Staffing Costs
TR390	1641 Waged APTC Overtime	YES	2100	1304.33	Staffing Costs
TR390	1647 Waged APTC Holiday Pay	YES	0	-622.56	Staffing Costs
TR390	1648 Waged APTC National Insurance	YES	30700	24064	Staffing Costs
TR390	1649 Waged APTC Superannuation	YES	53900	40253.65	Staffing Costs
TR390	1800 Vacancy Management	YES	-15300	0	Staffing Costs
TR390	1830 Local Vacancy Management	YES	-5100	0	Staffing Costs
TR390	1910 Agency Staff - General	YES	0	14983.84	Staffing Costs
TR390	1948 Medical Examinations	YES	0	108	Staffing Costs
TR410	1939 Training - General	YES	34600	0	Staffing Costs
TR410	1940 Training - External Course	YES	6600	2093.7	Staffing Costs
TR410	1948 Medical Examinations	YES	2000	80	Staffing Costs
TR420	1640 Waged APTC Basic	YES	336200	276729.37	Staffing Costs
TR420	1641 Waged APTC Overtime	YES	0	123.92	Staffing Costs
TR420	1647 Waged APTC Holiday Pay	YES	0	-516.12	Staffing Costs
TR420	1648 Waged APTC National Insurance	YES	24900	18788.94	Staffing Costs
TR420	1649 Waged APTC Superannuation	YES	43600	31356.22	Staffing Costs
TR420	1800 Vacancy Management	YES	-12300	0	Staffing Costs
TR420	1830 Local Vacancy Management	YES	-4100	0	Staffing Costs
TR420	1910 Agency Staff - General	YES	0	6107.52	Staffing Costs
TR490	1640 Waged APTC Basic	YES	483600	389931.44	Staffing Costs
TR490	1641 Waged APTC Overtime	YES	0	1598.69	Staffing Costs
TR490	1647 Waged APTC Holiday Pay	YES	0	2777.06	Staffing Costs
TR490	1648 Waged APTC National Insurance	YES	35800	28187.77	Staffing Costs
TR490	1649 Waged APTC Superannuation	YES	62700	38424.42	Staffing Costs
TR490	1800 Vacancy Management	YES	-17700	0	Staffing Costs
TR490	1830 Local Vacancy Management	YES	-5900	0	Staffing Costs
TR490	1948 Medical Examinations	YES	0	9	Staffing Costs
3291399.13 Staffing Costs Total					
TR300	3060 Fuel - Work Order	YES	11000	6695.93	Vehicle Running Costs
TR300	5457 Fleet: Damage & Repair	YES	500	90.48	Vehicle Running Costs
TR300	5458 Fleet: Insurance Charges	YES	3200	3200.04	Vehicle Running Costs
TR310	3060 Fuel - Work Order	YES	185000	168365.1	Vehicle Running Costs
TR310	5457 Fleet: Damage & Repair	YES	70000	103708.01	Vehicle Running Costs
TR310	5458 Fleet: Insurance Charges	YES	44400	44400	Vehicle Running Costs
TR320	3060 Fuel - Work Order	YES	53000	48007.66	Vehicle Running Costs
TR320	5457 Fleet: Damage & Repair	YES	3000	5275.95	Vehicle Running Costs
TR320	5458 Fleet: Insurance Charges	YES	7100	7100.04	Vehicle Running Costs
TR330	3060 Fuel - Work Order	YES	8000	8702.73	Vehicle Running Costs
TR330	5457 Fleet: Damage & Repair	YES	500	0	Vehicle Running Costs
TR330	5458 Fleet: Insurance Charges	YES	3200	3200.04	Vehicle Running Costs
TR350	3060 Fuel - Work Order	YES	5400	4259.45	Vehicle Running Costs
TR350	5457 Fleet: Damage & Repair	YES	5500	5259.09	Vehicle Running Costs
TR350	5458 Fleet: Insurance Charges	YES	2700	2700	Vehicle Running Costs
TR360	3060 Fuel - Work Order	YES	42600	36593.5	Vehicle Running Costs
TR360	5457 Fleet: Damage & Repair	YES	2000	1509.01	Vehicle Running Costs
TR360	5458 Fleet: Insurance Charges	YES	6500	6500.03	Vehicle Running Costs
TR370	3060 Fuel - Work Order	YES	24700	37852.82	Vehicle Running Costs
TR370	5457 Fleet: Damage & Repair	YES	5000	6403.24	Vehicle Running Costs
TR370	5458 Fleet: Insurance Charges	YES	8200	8199.97	Vehicle Running Costs
TR390	3060 Fuel - Work Order	YES	86000	71901.88	Vehicle Running Costs
TR390	5457 Fleet: Damage & Repair	YES	10000	8540.9	Vehicle Running Costs
TR390	5458 Fleet: Insurance Charges	YES	10100	10100.03	Vehicle Running Costs
TR410	3060 Fuel - Work Order	YES	0	376.12	Vehicle Running Costs
TR420	3060 Fuel - Work Order	YES	15000	13418.34	Vehicle Running Costs
TR420	5457 Fleet: Damage & Repair	YES	5000	4789.01	Vehicle Running Costs
TR420	5458 Fleet: Insurance Charges	YES	4000	3999.96	Vehicle Running Costs
621149.33 Vehicle Running Costs Total					
TR300	5454 Fleet: Short Term (External) Vehicle Hire	YES	15100	1359.82	Vehicles
TR300	5455 Fleet: Long Term (Lease) Vehicle Hire	YES	35500	35538.48	Vehicles
TR300	5456 Fleet: Short Term (Pool) Vehicle Hire	YES	0	58	Vehicles
TR310	5454 Fleet: Short Term (External) Vehicle Hire	YES	24000	2613.04	Vehicles
TR310	5455 Fleet: Long Term (Lease) Vehicle Hire	YES	524100	524146.56	Vehicles
TR320	5455 Fleet: Long Term (Lease) Vehicle Hire	YES	160900	160853.04	Vehicles
TR330	5455 Fleet: Long Term (Lease) Vehicle Hire	YES	10800	10799.16	Vehicles
TR350	5454 Fleet: Short Term (External) Vehicle Hire	YES	5300	3423.47	Vehicles
TR350	5455 Fleet: Long Term (Lease) Vehicle Hire	YES	13100	13089.72	Vehicles
TR350	5456 Fleet: Short Term (Pool) Vehicle Hire	YES	0	80.92	Vehicles

TR360	5454 Fleet: Short Term (External) Vehicle Hire	YES	86800	11452.5	Vehicles
TR360	5455 Fleet: Long Term (Lease) Vehicle Hire	YES	141900	141882	Vehicles
TR370	5454 Fleet: Short Term (External) Vehicle Hire	YES	65000	47917.1	Vehicles
TR370	5455 Fleet: Long Term (Lease) Vehicle Hire	YES	7300	7325.64	Vehicles
TR390	5454 Fleet: Short Term (External) Vehicle Hire	YES	4600	0	Vehicles
TR390	5455 Fleet: Long Term (Lease) Vehicle Hire	YES	263600	263643.6	Vehicles
TR420	5455 Fleet: Long Term (Lease) Vehicle Hire	YES	72600	71950.93	Vehicles
TR420	5456 Fleet: Short Term (Pool) Vehicle Hire	YES	0	431.38	Vehicles
TR490	5454 Fleet: Short Term (External) Vehicle Hire	YES	0	498.15	Vehicles
				1297063.51	Vehicles Total
			COLLECTION	5489580.06	Grand Total

N.B. Excludes Trade & Skips

CostC	Account	Account(T)	Controllable	11/12 Budget	11/12 Expendi	Type
CB160	4304	Container Refurbishment	YES	10000	8962	Bins/Containers
CB160	4305	Container Purchases	YES	13000	4413.5	Bins/Containers
					13375.5	Bins/Containers Total
CB160	6657	Waste Minimisation Fund	YES	21100	20849.64	Disposal (Contract)
CB160	6661	One Off Claims	YES	0	493.78	Disposal (Contract)
CB160	6664	Fixed Charges - Delivery Point	YES	3520500	3548709.04	Disposal (Contract)
CB160	6666	IPPC - Ongoing Costs	YES	35000	20218.66	Disposal (Contract)
CB160	6668	Rents	YES	96600	82541.2	Disposal (Contract)
CB160	6669	Third Party Landfill Adjustment	YES	93300	43438.65	Disposal (Contract)
CB160	6670	HWRC - Container Hire	YES	24000	16721.48	Disposal (Contract)
CB160	6671	HWRC Incentives/Price Variations	YES	36000	29802.91	Disposal (Contract)
CB160	6672	HWRC - Management Fees	YES	186700	154057.93	Disposal (Contract)
CB160	6673	Administration Fees	YES	65800	65583	Disposal (Contract)
CB160	6676	Collected Dry Recyclables	YES	330000	230713.47	Disposal (Contract)
CB160	6678	Clinical Waste	YES	15800	11424.04	Disposal (Contract)
CB160	6679	Collected Waste	YES	2309300	2155138.15	Disposal (Contract)
CB160	6680	Garden Waste	YES	120000	51583.93	Disposal (Contract)
CB160	6682	Amenity Waste	YES	335000	376303.24	Disposal (Contract)
CB160	6683	Asbestos	YES	12700	6573.21	Disposal (Contract)
CB160	6684	Green Amenity	YES	66200	94281.62	Disposal (Contract)
CB160	6687	Recrubble	YES	50200	56090.84	Disposal (Contract)
CB160	6688	Wood	YES	160000	167466.67	Disposal (Contract)
CB160	6689	Additional HWRC Costs	YES	49500	38265.74	Disposal (Contract)
					7170257.2	Disposal (Contract) Total
CB160	9058	Trade one-offs	YES	-81000	-83615.58	Income
CB160	9061	Other Income	YES	-80000	-124554	Income
CB160	9170	Rent of Business	YES	0	74980	Income
CB160	9265	Provision for Unsold LATS	YES	0	87491.88	Income
CB160	9300	Miscellaneous Income	YES	-15000	0	Income
CB160	9386	Sale Of Recyclable Materials - Main Contract	YES	0	-81333.8	Income
CB160	9497	LATS Income	YES	0	-218903.88	Income
					-345935.38	Income Total
CB160	5130	Design	YES	5200	0	Net Internal Charges
CB160	5347	Capita Print - Pass Through Charges	YES	4100	0	Net Internal Charges
CB160	5376	HR Service	NO	4100	4100	Net Internal Charges
CB160	5377	Procurement Service	NO	29900	29900	Net Internal Charges
CB160	5380	Town Depot Main	NO	5000	5000	Net Internal Charges
CB160	5437	City Depot And Recycling Park	NO	3300	3300	Net Internal Charges
CB160	5487	Director of Environment Recharge	NO	15000	15000	Net Internal Charges
CB160	5496	Environment Directorate Recharge	NO	1500	1500	Net Internal Charges
CB160	5570	Building Contracts	YES	0	78.99	Net Internal Charges
CB160	5702	Audit	NO	400	400	Net Internal Charges
CB160	5706	Environment Finance Support	NO	28300	28300	Net Internal Charges
CB160	5716	Debtors	NO	100	100	Net Internal Charges
CB160	5740	Head of Waste & Fleet Transport	NO	75900	75900	Net Internal Charges
CB160	5750	Waste - Management and Overheads	NO	12000	12000	Net Internal Charges
CB160	5807	Agresso & MAES Finance Systems	NO	200	200	Net Internal Charges
CB160	5809	Insurance Services	NO	400	400	Net Internal Charges
CB160	5911	Central Apportionable Overheads	NO	700	700	Net Internal Charges
					176878.99	Net Internal Charges Total
CB160	2062	Rates	YES	20000	15427.69	Other Costs
CB160	3060	Fuel - Work Order	YES	1200	3028.49	Other Costs
CB160	3061	Essential User - Lump Sum	YES	300	240	Other Costs
CB160	3062	Essential User - Mileage	YES	1100	0	Other Costs
CB160	3063	Casual User - Mileage	YES	-200	1840.47	Other Costs
CB160	3068	Appendix E - Travel	YES	0	163.06	Other Costs
CB160	3081	Staff Travelling	YES	200	92.3	Other Costs
CB160	3085	Rail Season Tickets & Warrants	YES	0	241.7	Other Costs
CB160	4002	Stores - Work order use	YES	500	1043.61	Other Costs
CB160	4012	Stationery	YES	200	0	Other Costs
CB160	4016	Photocopying	YES	2300	877.13	Other Costs

CB160	4052 Equipment Purchase	YES	1000	0	Other Costs
CB160	4059 Materials	YES	-5000	0	Other Costs
CB160	4078 Mobile Phones	YES	300	19.2	Other Costs
CB160	4081 Computer Equipment - Lease	YES	0	26	Other Costs
CB160	4091 Hired and Contracted Service	YES	6100	3028.7	Other Costs
CB160	4123 Refreshments	YES	200	0	Other Costs
CB160	4125 Courses and Seminars	YES	300	0	Other Costs
CB160	4128 Advertising/Publicity - Non Staff	YES	400	0	Other Costs
CB160	4150 Other Expenses	YES	5000	121161.42	Other Costs
CB160	4161 Subscriptions	YES	500	775	Other Costs
CB160	4191 Uniforms	YES	500	0	Other Costs
CB160	4303 Wheeled Bins - Storage	YES	500	0	Other Costs
CB160	6160 Waste - Bring Sites - Collections	YES	1500	1317.19	Other Costs
				149281.96	Other Costs Total
CB160	1600 Salaried APTC Basic	YES	107100	74352.12	Staffing Costs
CB160	1601 Salaried APTC Overtime	YES	2000	0	Staffing Costs
CB160	1607 Salaried APTC Holiday Pay	YES	0	-170.93	Staffing Costs
CB160	1608 Salaried APTC National Insurance	YES	13200	6022.13	Staffing Costs
CB160	1609 Salaried APTC Superannuation	YES	19600	8601.48	Staffing Costs
CB160	1800 Vacancy Management	YES	-4900	0	Staffing Costs
CB160	1830 Local Vacancy Management	YES	-2000	0	Staffing Costs
CB160	1900 Pooled Labour - General	YES	0	19111	Staffing Costs
CB160	1939 Training - General	YES	2000	195	Staffing Costs
CB160	1948 Medical Examinations	YES	100	0	Staffing Costs
				108110.8	Staffing Costs Total
			DISPOSAL	7271969.07	Grand Total
CB160	7081 Depreciation	NO	826200	826200	Ignore

1B - BID DETAILS

	year 1 2012/13	year 2 2013/14	year 3 2014/15	comments	totals
Capital Costs					
glass collection boxes phase 1 - 01/04/2013	66,300	0	0	To be purchased via framework agreement	
glass collection boxes phase 2 & 3 - 01/07/2013 & 01/10/2013	0	128,700	0	To be purchased via framework agreement	
glass high density collection banks	0	55,000	55,000	To be purchased via framework agreement	
1st vehicle commence - 01/04/2013 - phase 1 - houses	0	135,000	0	To be purchased via framework agreement	
2nd vehicle commences - 01/04/2013 - phase 1 - houses	0	135,000		To be purchased via framework agreement	
3rd vehicle commences - 01/07/2013 - phase 2 - houses	0	135,000	0	To be purchased via framework agreement	
7th vehicle commences - 01/10/2013 - flats	0	135,000	0	To be purchased via framework agreement	
Retain weekly collections - vehicle capital support	810,000	0	0	Six vehicles to be purchased via framework agreement to support retaining weekly collection	
Food waste digesters	0	135,000	135,000	To be purchased via framework agreement or tender as appropriate	
Green waste composters	0	120,000	120,000	To be purchased through current framework	
Total Capital Costs	876,300	978,700	310,000		2,165,000
Revenue Costs					
Vehicles					
4th vehicle commences - 01/07/2013 - phase 2 - houses	0	30,420	40,560	Vehicle to be hired	
5th vehicle commences - 01/10/2013 - phase 3 - houses	0	20,280	40,560	Vehicle to be hired	
6th vehicle commences - 01/10/2013 - phase 3 - houses	0	20,280	40,560	Vehicle to be hired	
Labour					
Project management officer	7,459	30,729	31,651	To commence in 2012/13 and be part funded in this year. Figures used are based on mid-range points of salary grade	
Supervisor	0	38,021	39,162	Figures used are based on mid-range points of salary grade	
Vehicle 1 - driver	0	33,733	34,744	Figures used are based on mid-range points of salary grade for staff listed below	
Vehicle 1 - charge hand	0	26,170	26,955		
Vehicle 1 - loader	0	24,853	25,598		
Vehicle 2 - driver	0	33,733	34,744		
Vehicle 2 - charge hand	0	26,170	26,955		
Vehicle 2 - loader	0	24,853	25,598		
Vehicle 3 - driver	0	25,299	34,744		
Vehicle 3 - charge hand	0	19,628	26,955		
Vehicle 3 - loader	0	18,640	25,598		
Vehicle 4 - driver	0	16,866	34,744		
Vehicle 4 - charge hand	0	13,085	26,955		
Vehicle 5 - driver	0	25,299	34,744		
Vehicle 5 - charge hand	0	19,628	26,955		
Vehicle 5 - loader	0	18,640	25,598		
Vehicle 6 - driver	0	16,866	34,744		
Vehicle 6 - charge hand	0	13,085	26,955		
Vehicle 6 - loader	0	12,426	25,598		
Vehicle 7 - driver	0	16,866	34,744		
Vehicle 7 - charge hand	0	13,085	26,955		
Vehicle 7 - loader	0	12,426	25,598		
Sickness / Leave cover 15%	0	67,406	93,698		
Transport					
Vehicles - fuel (£12,000 per annum)	0	69,550	104,186	We have included allowance for inflation as fuel prices are unstable at present. These have been with our corporate finance team.	
Vehicles - Maintenance, insurance etc	0	51,750	74,986		
Publicity promotion					
Publicity promotion including rewards	80,000	138,000	122,000	Please see tab Other Costs, 1k	
Other					
replacement boxes	0	4,037	6,267		
replacement bins	0	569	1,178		
weekly support funding for period of the bid	1,000,000	1,500,000	1,500,000	This is to cover the collection costs of weekly collections for 4 years	

internal charges	10,000	20,000	6,000	IT costs provided by Capita, our strategic partner responsible for IT
Revenue Costs	1,097,459	2,402,394	2,686,297	6,186,149
Income	0	-29,450	-41,230	-70,680
Net Revenue Costs	1,097,459	2,372,944	2,645,067	6,115,469
NET COSTS	1,973,759	3,351,644	2,955,067	8,280,469

