

**CHANGES TO EXISTING REVENUE AND CAPITAL BUDGETS
CONSULTATION FEEDBACK AND ANALYSIS**

INTRODUCTION

1. Southampton City Council's Cabinet published their proposals for the first tranche of revenue budget savings for 2015/16 and adjustments to the revenue budget to 2014/15 for public consultation on 15 July 2014. In 2015/16 the Council will again face a significant decrease in the funding from central government. Costs are increasing and demand is rising for many of our services. The challenge faced by the Council is to achieve an overall reduction of around £75 million in the next three years.
2. The Council has difficult decisions to make which will impact on the city and has made a commitment to engage and consult before, during and after decisions are made. This appendix provides details of the consultation on the proposals. However, this report does not cover the proposals relating to adult social care – H&ASC 1-3. These are subject to a separate consultation which is due to finish on 23 October 2014. A report on these changes will be discussed by full Council in November.

THE CABINET'S APPROACH

3. In this difficult financial climate the Cabinet want to protect front line services as much as possible, become fit for the future and deliver a balanced budget. In doing so, the Cabinet recognise that they have to take tough decisions about council services and future spending. They are determined to protect vital services and minimise the impact on residents, businesses, service users and employees by doing things differently. As in previous years the Cabinet's approach to these budget proposals was to ensure that we are:
 - Protecting frontline services, priority areas and vulnerable people
 - Increasing our income and attracting investment
 - Being as efficient as possible
 - Focusing service reductions on services which are lower priority where possible
 - Deleting vacancies and protecting jobs
 - Transforming the way we work to provide better outcomes and services at lower cost
4. The majority of proposals, with the exception of those relating to adult social care, which were subject to separate comprehensive consultation, were internally focused. In addition to the comprehensive staff consultation that is underway, there was also an on-line public consultation. As part of the council's decision making processes there was a discussion at Overview and Scrutiny Management Committee (see annexe 1).

CONSULTATION PRINCIPLES

5. Despite having limited resources to undertake consultation, every effort was made to ensure it was:
 - **Inclusive:** so that all sections of the city's local communities had the opportunity to express their views
 - **Informative:** so that people had adequate 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 used 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 more likely to be affected and using a more tailored approach to get their feedback, complemented by a general approach to all residents and staff.
- **Meaningful:** by ensuring decision makers had the full consultation feedback information so that they can make informed decisions.
- **Reported:** by letting consultees know what we did with their feedback.

CONSULTATION METHODOLOGY

6. In keeping with the approach to make information on budget decisions accessible, in addition to the budget tables, covering paper and equalities impact assessments summary sheets were also produced with more detail of each of the proposals. A set of separate detailed documents were also produced for the consultation on the adult social care proposals.
7. Given that the Council cannot afford to continue to do everything that it currently does, the consultation process was designed for Cabinet and senior managers to hear views about:
 - The Council’s approach to delivering savings.
 - Suggestions for making savings and generating income that we have not yet considered.
 - Potential impacts, and action we could take to reduce impacts that we have not already identified or explored.
8. The consultation on proposals ran for 5.5 weeks from 15 July – 22 August 2014. This was undertaken to give staff, residents and stakeholders an opportunity to comment on the proposals, identify any potential impacts and provide alternative suggestions.
9. The consultation documents were available on-line and promoted in various ways including using the Council’s website, Stay Connected (the council’s email alert system) and the local media.
10. Comprehensive staff consultation was undertaken by service managers, overseen by Human Resources. Guidance for internal staff consultation on specific budget proposals was provided.
11. A full list of consultation activities is outlined in the table below:

Table 1

Consultees	Methods
Members	Various
Scrutiny	Overview and Scrutiny Management Committee
Staff and unions	Ongoing and co-ordinated dialogue with Trade Unions the budget proposals
	Meetings with individual teams and members of staff to consult them on proposals that affect them
Residents and all stakeholders	Proposals available on the Council’s website

CONSULTATION RESULTS

12. As stated above given that the majority of these proposals were related to the internal working of the Council and most of the feedback received was via the staff consultation. Full details of the staff consultation can be found in Annexe 2.

13. However 5 responses were received via the general consultation. These sought confirmation of the effects of the reduction in pest control funding and provided alternative suggestions in relation to kennels, street lighting, business rates and transport.

HOW THE CONSULTATION FEEDBACK WAS USED

14. The Cabinet have considered the feedback provided. As a result of staff consultation changes were made to the number of staff affected by the business support proposals. The consultation process for the Business Support Project allowed for managers to submit Cases for Change to take roles out of scope where they felt they had been captured wrongly. This has led to a reduction in the number of staff potentially at risk, however the required level of savings will still be achieved. This is because although the numbers of staff in scope have been reduced, the numbers of staff in the proposed new structure have also been reduced, bringing down the cost of the new structure.

CONCLUSION

15. The consultation process and feedback has enabled helpful suggestions to be put forward, and the level of feeling on specific proposals to be better understood. Although due to the nature of the proposal the response from the public was limited, staff consultation has been extensive and has helped to refine the proposals in some areas.

ANNEX 1 - FEEDBACK FROM SCRUTINY

The Overview and Scrutiny Management Committee (OSMC) discussed the proposed changes to the General Fund Revenue and Capital Budget at their meeting on 10th July 2014. The Cabinet Member for Resources and Leisure was invited to attend the meeting. The only recommendation made by the Committee at the meeting relating to the budget proposals was as follows:

- That, where available, background papers for each budget line is circulated to the Committee - The information requested by the OSMC was subsequently circulated to the Committee on 15th July 2014.

In addition, a joint meeting of the OSMC and the Health Overview and Scrutiny Panel (HOSP) has been scheduled for 11th September 2014 to discuss the Adult Social Care proposals outlined in the 15 July 2014 Cabinet reports and the consultation process. The Cabinet Member for Health and Adult Social Care has been invited to attend the meeting to outline the proposals and to consider the views of the elected members. It is anticipated that the OSMC and HOSP will have a further joint meeting on this item, at which the Cabinet Member will be invited, prior to the recommendations going to Cabinet in November 2014.

ANNEX 2: DETAILS OF STAFF CONSULTATION

16. The Council takes its obligations under section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992 to provide our employees and their union representatives with information on budget proposals very seriously. In order for the Council to meet its obligations as a good employer and also in order to start the process of discharging its obligations under s.188 of the Trade Union and Labour Relations (Consolidation) Act 1992, a detailed staff and union consultation document launched the statutory consultation process for the budget proposals published 6th July 2014, for implementation in year and during 2015/16.
17. 11 individual consultation documents (which included those relating to adult social care) with an overarching s188 cover notice included a range of information relating to the budget proposals with implications for employees. Detailed guidance on consultation was issued to managers and updated regularly. It is important to the Council, that all employees and union representatives take the opportunity available in a minimum 45 days consultation period to discuss the proposals, including offering a wide range of alternative options to achieve the same budgetary reduction.
18. The Council also takes its responsibilities under the Equality Act 2010 very seriously and therefore employees were advised to speak to their manager, HR Pay or their trade union representative at the earliest opportunity if they consider themselves disabled under the Act and required any reasonable adjustments to the consultation and/or the selection process
19. Employees and union representatives were made aware that during the consultation period further information would be given or updated. This reflected the fact that, by the very nature of consultation, not all of the proposals will be fully formed at the point of consultation and it is important that every opportunity is given to contributing to shaping the final proposals.
20. Views and comments from affected employees and trade union representatives were invited throughout the consultation process through a series of team and individual meetings.
21. A detailed consultation timeline was applied thus –

Indicative date	Activity	Responsibility
7 th July 2014	Collective consultation commences with trade union representatives	Corporate consultation team and trade unions
7 th July 2014	Collective consultation commences with employees affected by proposals	Directors, Heads of Service and managers
15 th July 2014	Individual and service specific consultation meetings begin exploring: voluntary solutions restructure proposals	Directors, Heads of Service and managers

	<p>selection methods selection criteria All meetings to have a written record</p>	
	<p>Employees within specific services or functions that are proposed for deletion identified as 'at risk'</p>	<p>Directors, Heads of Service and managers</p>
<p>29th August 2014</p>	<p>End of statutory 45 day minimum consultation (with the exception of business support which has been extended – see below)</p>	
<p>16th September 2014</p>	<p>Cabinet meet to recommend final budget proposals</p>	<p>Executive</p>
<p>17th September 2014</p>	<p>Budget set and decisions communicated to workforce</p>	<p>Cabinet/Council</p>
	<p>Selection process commences where a reduction in post arises from a restructure or reduction in a 'pool' of similar posts. Employees are selected for redundancy will be placed on the Redeployment register for a period of 4 months.</p>	<p>Directors, Heads of Service and managers</p>
	<p>Dismissal meetings. Employees given 4 months notice for CR (in line with period on redeployment register) and contractual notice for VR.</p>	<p>Directors, Heads of Service and managers</p>

22. Meetings with unions have occurred at a Council-wide level with trade union representatives and at a directorate and service-level with affected staff during a 45 day consultation period.

Place Consultation

23. Kennels: The consultation has concluded with no further changes to the original proposals.

24. Emergency Planning: The consultation has concluded with no further changes to the original proposals.

Corporate Services Consultation

25. Finance: The consultation has concluded with no further changes to the original proposals.

26. Legal & Customer Relations: The consultation has concluded. The management team is still in the process of responding to points made during the consultation, but it is not anticipated that there will be any further changes to the original proposals.
27. Revenue and Benefits Client: The consultation has concluded with no further changes expected to the proposals.
28. Property Services: The consultation has concluded with no further changes to the original proposals
29. Partnership Team: A consultation period of a minimum 45 days commenced September 2013 on the centralisation of the client teams and a restructure. Consultation was extended several times due to the ongoing corporate level consultation on the amended Organisational Change Policies and Procedures which were intended to apply to the implementation of this proposal. Representations made during this extended consultation period were responded to and as a result no changes were made to the proposals, which have since been implemented.

Business Support

30. The formal consultation period for Business Support commenced at the same time as the other proposals already outlined. However, following feedback from managers, staff and trade unions, it was agreed that more detailed information needed to be provided to those affected by the proposals. This is being addressed and a more detailed set of proposals will be communicated to staff on 15 September 2014 thereby commencing a further period of formal staff consultation which is expected to run until 29 October 2014. The project remains on target to achieve the required level of savings.