

CABINET

**Tuesday, 15th July, 2014
at 4.30 pm**

Council Chamber - Civic Centre

This meeting is open to the public

Members

Councillor Letts, Leader of the Council
Councillor Barnes-Andrews, Cabinet Member for
Resources and Leisure
Councillor Jeffery, Cabinet Member for Education
and Change
Councillor Chaloner, Cabinet Member for
Children's Safeguarding
Councillor Kaur, Cabinet Member for Communities
Councillor Rayment, Cabinet Member for
Environment and Transport
Councillor Shields, Cabinet Member for Health
and Adult Social Care
Councillor Payne, Cabinet Member for Housing
and Sustainability

(QUORUM – 3)

Contacts

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BACKGROUND AND RELEVANT INFORMATION

The Role of the Executive

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

The Forward Plan

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

Implementation of Decisions

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

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

Southampton City Council’s Priorities:

- **Economic:** Promoting Southampton and attracting investment; raising ambitions and improving outcomes for children and young people.
- **Social:** Improving health and keeping people safe; helping individuals and communities to work together and help themselves.
- **Environmental:** Encouraging new house building and improving existing homes; making the city more attractive and sustainable.
- **One Council:** Developing an engaged, skilled and motivated workforce; implementing better ways of working to manage reduced budgets and increased demand.

Executive Functions

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

Key Decisions

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

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

Decisions to be discussed or taken that are key

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.

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

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

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

Municipal Year Dates (Tuesdays)

2014	2015
17 June	20 January
15 July	10 February*
19 August	17 February
16 September	17 March
21 October	21 April
18 November	
16 December	(* Budget)

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.

BUSINESS TO BE DISCUSSED

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

QUORUM

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

DISCLOSURE OF INTERESTS

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

DISCLOSABLE PECUNIARY INTERESTS

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

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

(ii) Sponsorship:

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

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

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

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

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

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

a) the total nominal value 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 an, 'Other Interest' in any membership of, or occupation of a position of general control or management in:

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

Any public authority or body exercising functions of a public nature

Any body directed to charitable purposes

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

Principles of Decision Making

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

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

In exercising discretion, the decision maker must:

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

AGENDA

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

1 APOLOGIES

To receive any apologies.

2 DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS

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

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

EXECUTIVE BUSINESS

3 STATEMENT FROM THE LEADER

4 RECORD OF THE PREVIOUS DECISION MAKING

Record of the decision making held on 17th June 2014, attached.

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

There are no matters referred for reconsideration.

6 REPORTS FROM OVERVIEW AND SCRUTINY COMMITTEES (IF ANY)

There are no items for consideration

7 EXECUTIVE APPOINTMENTS

To deal with any executive appointments, as required.

8 QUESTIONS FROM MEMBERS TO CABINET MEMBERS

To consider any questions to the Executive from Members of the Council submitted on notice.

ITEMS FOR DECISION BY CABINET

9 HRA CAPITAL PROGRAMME PROJECT APPROVALS 2014-15 AND 2015-16 PHASE 1 □

Report of the Cabinet Member for Housing and Sustainability seeking approval for expenditure on various housing projects across the City, attached.

10 PROPOSAL TO ENTER INTO A JOINT VENTURE

To consider the report of the Director of Corporate Services recommending that the Council enters into a joint venture limited liability partnership with a private sector partner, Public Section Plc Facilitating Ltd.

11 EXPANSION OF SPRINGWELL SCHOOL □

Report of the Cabinet Member for Education and Change, seeking approval to expand Springwell School by 16 places from 1 September 2014, attached.

12 ROCKSTONE LANE, CONFIRMATION OF ARTICLE 4 DIRECTION □

Report of the Cabinet Member for Environment and Transport seeking approval of the Article 4 Direction for Rockstone Lane, removing Permitted Development Rights for the properties in Rockstone Lane.

13 ACCOMMODATION STRATEGY UPDATE 2014 □

Report of the Cabinet Member for Resources and Leisure on the winding up of 'ASAP' (the Accommodation Strategy Action Programme) and Vacation of Marland House project, seeking approval to combine the remaining budget from these schemes into a new project to cover the next phase of the Accommodation Strategy, attached.

14 SOUTHAMPTON CITY STRATEGY 2014-2025

Report of the Leader of the Council seeking approval of the Council's contribution towards the implementation of the City Strategy 2014-2025, attached.

15 COUNCIL STRATEGY 2014 - 2017

Report of the Leader of the Council to agree the Council Strategy 2014 – 2017, attached.

16 IMPLEMENTING THE COUNCIL STRATEGY 2014-2017 □

Report of the Cabinet Member for Education and Change on the next phase of the Council's transformation programme, attached.

17 ADULT SOCIAL CARE PROVIDER SERVICES □

Report of the Cabinet Member for Health and Adult Social Care seeking approval to commence consultation on transformation of a number of SCC Adult Social Care provider services and some commissioned day care provision, attached.

18 CONSULTATION ON PROPOSED CHANGES TO THE GENERAL FUND REVENUE AND CAPITAL BUDGET □

Report of the Cabinet Member for Resources and Leisure, detailing proposed changes to the General Fund Revenue Budget for consultation, attached.

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

To move that in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the confidential appendix to the following Item

Confidential Appendix 1 contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. The appendix includes details of a proposed transaction which, if disclosed prior to entering into a Legal contract, could put the Council at a commercial disadvantage.

20 PROPERTY DISPOSALS - REVISION OF AGREED TERMS □

Report of the Cabinet Member for Resources and Leisure seeking approval to the revised terms of the property sales set out in this report, attached.

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

To move that in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the confidential appendix to the following Item

Confidential appendix 1 contains information the confidentiality of which is based on Category 3 (financial or business affairs of the Authority) of paragraph 10.4 of the Council's Access to Information Procedure Rules. It is not in the public interest to disclose this because the information is considered commercially sensitive and doing so would prejudice the Authority's ability to achieve best value for the provision of future services.

22 ADVOCACY SERVICES FOR ADULTS

Report of the Cabinet Member for Health and Adult Social Care seeking approval to re-commission advocacy services for adults, inclusive of all elements of dedicated advocacy currently provided across the City, attached.

NOTE: This item is being presented in line with Paragraph 15 of the Council's Access to Information Procedure Rules

Monday, 7 July 2014

Head of Legal and Democratic Services

SOUTHAMPTON CITY COUNCIL
EXECUTIVE DECISION MAKING

RECORD OF THE DECISION MAKING HELD ON 17 JUNE 2014

Present:

Councillor Letts	-	Leader of the Council
Councillor Barnes-Andrews	-	Cabinet Member for Resources and Leisure
Councillor Chaloner	-	Cabinet Member for Children's Safeguarding
Councillor Jeffery	-	Cabinet Member for Education and Change
Councillor Kaur	-	Cabinet Member for Communities
Councillor Payne	-	Cabinet Member for Housing and Sustainability
Councillor Rayment	-	Cabinet Member for Environment and Transport
Councillor Shields	-	Cabinet Member for Health and Adult Social Care

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

Having received representations from the Chair of Scrutiny Panel A, Cabinet noted the report of Scrutiny Panel A detailing the Panel's inquiry into maintaining balanced neighbourhoods through planning.

2. EXECUTIVE APPOINTMENTS

On consideration of the report of the Head of Legal and Democratic Services, Cabinet agreed

- (i) That the executive appointments for the 2014/15 Municipal Year as set out in the Registered and amended below was approved:

Adoption and Performance Panel – Labour Vacancy

Health and Wellbeing Board – Councillor Baillie

Member User Group – remove Councillor L Harris, appoint Councillor Lloyd

- (ii) That all appointments be for one year save where the terms of reference and or constitution of the body or organisation concerned specify the duration of an appointment or where the decision on any nomination by the City Council to their membership is reserved to the body or organisation concerned to determine the appointment or continuation of appointments, in light of any changes in City Council Administration.

3. QUESTIONS FROM MEMBERS TO CABINET MEMBERS

The following questions were submitted:-

1. 20mph pilot in Maybush

Question from Councillor Moulton to Councillor Rayment – Cabinet Member for Environment and Transport

Can the Cabinet Member provide an update on the 20mph pilot in Maybush? When might the results of the pilot be available and when might further 20mph be introduced? Residents in Freemantle are pushing for a timescale and I would like to be able to update them?

Answer

The collection and collation of all relevant data from the pilot will take place during July 2014. The information gathered will then be analysed with a view to making the results available to residents in September 2014. A decision on the further roll out of 20mph zones / limits will need to be informed both by the results of the pilots and the potential costs and extent of a wider roll out. These factors will be presented to Members for consideration after the conclusion and publication of the outcomes from the pilot scheme.

2. Residents Parking Survey

Question from Councillor Moulton to Councillor Rayment – Cabinet Member for Environment and Transport

The Council has recently undertaken a residents' parking survey which attracted around 3300 responses. Residents are keen to know what the next steps are and when any changes might be formally consulted upon and introduced. Previously the Council stated that a report would come to Cabinet in the Summer. Officers are suggesting a Cabinet Report in August. The Forward Plan has been published for the period ending 30th September and no item has been included for the parking policy. In light of this can the Cabinet Member clarify the process and timescales?

Answer

The results of the survey are now available and will be shared with all Councillors in the next few weeks as well as then uploaded onto the Council's website. In summary, the results indicate that no zone has requested the removal of permit restrictions removed and generally speaking there is little consensus that any significant change is required.

Analysis is still being undertaken on a road by road level to determine if there are local cases where change is supported.

We will be consulting with ward members and residents on the roads where changes have been requested with a view to developing a set of recommendations. This will be an iterative process depending on the response to the consultation and

at this stage it is not possible to give a firm date for formulation of these recommendations.

We will also, in the next few weeks, be launching a citywide consultation on Resident Parking Zones via the website. This will take the form of a web based survey (with paper copies available on request), the purpose of which is to identify the impact of Resident Parking Zones on other residents outside of the zone and to highlight areas not in a zone that may wish to be considered for inclusion.

Once the next round of consultation has been concluded a firm date will be set for a report to Cabinet on the outcomes of the consultation and any recommended actions resulting from this.

4. EXPANSION OF GREAT OAKS SCHOOL
DECISION MADE: (Ref: CAB 14/15 12773)

On consideration of the report of the Cabinet Member for Education and Change, Cabinet agreed the following:

- (i) to note the outcome of statutory consultation as set out in the report.
- (ii) to authorise the increase in pupil numbers at Great Oaks School (Foundation Special School) from the 1 September 2014 by the addition of 17 places from 1 September 2014 and an additional 8 places from 1 September 2015; and
- (iii) to delegate authority to the People Director, following consultation with the Cabinet Member for Education and Change, to do anything necessary to give effect to the recommendations in this report.

5. TRANSFER OF LAND AND BUILDINGS FROM SCC TO ST JOHNS PRIMARY AND NURSERY SCHOOL
DECISION MADE: (Ref: CAB 14/15 12481)

On consideration of the report of the Cabinet Member for Education and Change, Cabinet agreed the following:

- (i) to approve the leasehold transfer of the Eagle Warehouse from the Council to St John's Primary and Nursery School (the Regents Park Learning Trust) for;
- (ii) to approve the freehold transfer of the Mission Hall from the Council to St John's Primary and Nursery School (the Regents Park Learning Trust);
- (iii) to approve the freehold disposal of the Mission Hall on terms at less than Best Consideration in accordance with the Local Government Act 1972 General Consent 2003;
- (iv) to delegate authority to the Head of Property Services, following consultation with the Head of Education to determine the detailed terms and conditions pertaining to the above property transactions and all ancillary and associated matters.

6. LOOKED AFTER CHILDREN STRATEGY 2014-2017

DECISION MADE: (Ref: CAB 14/15 12633)

On consideration of the report of the Cabinet Member for Safeguarding Children, Cabinet agreed to approve the Looked After Children Strategy and associated Placement Commissioning Strategy 2014-17 attached at Appendices 1 and 2 of the report

7. BETTING SHOPS, PAYDAY LOAN PREMISES, FAST FOOD OUTLETS AND PUBLIC HOUSES

DECISION MADE: (Ref: CAB 14/15 12800)

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

- (iv) That the Planning & Development team assess the impact of betting shops, pay-day loan businesses, and takeaways near schools as part of the work on the new Local Plan to see if new policies are necessary to give more control.
- (v) To delegate authority to the Director of Place to do anything necessary to progress new policies through the Local Plan process in line with recommendation (i) above if deemed to be appropriate to provide effective planning controls.
- (vi) To delegate authority to the Director of Place to progress work on an article 4 direction to prevent the conversion of pubs to other uses, giving one years notice before the article 4 will take effect. This will include guidance on how any subsequent planning applications will be determined for the conversion of a pub. This will require determination by a subsequent Cabinet and Full Council meeting to assess the evidence to support an article 4 direction before making a final decision.

8. PARIS 5.1 UPGRADE

DECISION MADE: (Ref: CAB 14/15 12731)

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

- (vii) To approve the addition of £300,000 to the Health and Adult Social Care Capital Programme in 2014/15 for the upgrade of the Council's Social Care system from Paris 4.4 to Paris 5.1. This will be funded by Council resources made available through the un-ring fenced Personal Social Services Capital grant.
- (viii) To approve, in accordance with Financial Procedure Rules, capital expenditure of £300,000 in 2014/15 to facilitate the upgrade of the Paris system from 4.4 to 5.1.

9. AWARD OF SUBSTANCE MISUSE TENDER

DECISION MADE: (Ref: CAB 14/15 12878)

On consideration of the report of the Cabinet Member for Health Adult Social Care and having complied with paragraph 15 of the Council's Access to Information Procedure Rules. Cabinet agreed the following:

- (i) approve the award of the three contracts which make up the substance misuse tender to the providers and on the key terms and conditions set out in Confidential Appendix 1.
The service model consists of three distinct services, which have been procured in accordance with the council's Contract Procedure Rules and the European Procurement Regulations. This has been a two-stage procedure, which requires a pre-qualification of suitable candidates, who are then short-listed and invited to submit tenders, based on the specifications and terms and conditions provided by the council.
The three elements are:
 - a) Early Support and Planning service (Young People aged 11 – 24 years)
 - b) Assessment, Review, Monitoring and Recovery co-ordination service
 - c) Delivery of Drug and Alcohol Treatment Recovery service

- (ii) To delegate authority to the People Director, following consultation with the Head of Finance and IT and the Head of Legal and Democratic Services to do anything necessary to give effect to the recommendation above including, but not limited to progressing to contractual and financial close and entering into any associated or ancillary documents necessary to give effect to the contracts.

NOTE: Councillor Shields declared an interest as the Executive's appointment to the Solent Health Care Trust and remained at the meeting.

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Agenda Item 9

DECISION-MAKER:	CABINET COUNCIL		
SUBJECT:	HRA CAPITAL PROGRAMME PROJECT APPROVALS 2014-15 AND 2015-16 PHASE 1		
DATE OF DECISION:	CABINET – 15 JULY 2014		
	COUNCIL – 16 JULY 2014		
REPORT OF:	CABINET MEMBER FOR HOUSING AND SUSTAINABILITY		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY

Not applicable

BRIEF SUMMARY

This report seeks formal approval, in accordance with Financial Procedure Rules, for expenditure on various housing projects. These projects will contribute to the Council's strategic housing objectives through improving facilities of our estates, the wellbeing and the satisfaction of our residents in the areas where they live.

The proposals are consistent with the HRA Business Plan and Capital Programme approved by Council in February 2014. As part of our approach to self-financing the Council is required to plan for longer term investment in our housing stock and as such Council agreed to a detailed five year Capital Programme. In order to deliver this programme and secure suitable procurement efficiencies, we now need to seek Scheme Approval to progress with planning, procurement and delivery of the associated projects, many of which are significant in nature and therefore require suitable lead-in time.

The proposed works cover elements under the headings of:

- Warm and Energy Efficient
- Well Maintained Communal Facilities
- Safe, Wind and Weather Tight
- Modern Facilities

RECOMMENDATIONS:

- CABINET (i) To approve in accordance with Financial Procedure Rules expenditure of £4,472,000 phased
 £1,921,000 in 2014-15; and
 £2,551,000 in 2015-16
 on replacement windows, structural works, Disabled Adaptations, Programme Management Fees and Supported Housing Asset Programme (SHAP), provision for which exists within the Safe, Wind and Weather Tight, Modern Facilities and Well-Maintained Communal facilities sections of the HRA Capital Programme as detailed in the table below:

	2014-15	2015-16	Total
	£000s	£000s	£000s
Safe Wind and Weather Tight			
Window Replacement	476	715	1,191
Structural Works	1	330	331
Total for Safe Wind and Weather Tight	477	1,045	1,522
Modern Facilities			
Disabled Adaptations	141	112	253
Programme Management Fees	481	541	1,022
Total for Modern Facilities	622	653	1,275
Well Maintained Communal Facilities			
Supported Housing Asset Programme (SHAP)	822	853	1,675
Total for Well Maintained Communal Facilities	822	853	1,675
TOTAL	1,921	2,551	4,472

- COUNCIL** (i) To approve that the previously agreed schemes of “External Cladding (PRC houses)”, totalling £3,951,000, “External Cladding (flats)”, totalling £2,212,000, and “External Cladding (tower blocks)”, totalling £3,215,000, be merged into one scheme headed “External Cladding across the City” with a combined budget of £9,378,000.
- (ii) To approve in accordance with Financial Procedure Rules capital expenditure of £11,466,000 phased
£5,240,000 in 2014-15; and
£6,226,000 in 2015-16

on External Cladding systems and Supported Housing two-storey walkway repairs across the City for which provision exists within the Warm and Energy Efficient and Safe and Wind and Weather Tight sections of the HRA Capital programme, as detailed in the table below:

	2014-15	2015-16	Total
	£000s	£000s	£000s
Warm and Energy Efficient			
External Cladding across the City	4,739	4,639	9,378
Total for Warm and Energy Efficient	4,739	4,639	9,378
Safe Wind and Weather Tight			
Supported Housing two-storey walkway repairs	501	1,587	2,088
Total Safe Wind and Weather Tight	501	1,587	2,088
Total	5,240	6,226	11,466

REASONS FOR REPORT RECOMMENDATIONS

1. Financial Procedure Rules state that all schemes already in the Capital Programme between £200,000 and £500,000 will require Cabinet Member approval, those between £500,000 and £2 million will require Cabinet approval and those with total values above £2 million will require the approval of full Council. The schemes in this report fall into all of these categories but are presented in one report for completeness.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. There have been various consultation meetings with Tenant Groups and Leaseholders during the last 12 months with regard to the proposed programme of Capital expenditure associated with the Housing Revenue Account (HRA) and the Self-Financing regime.
3. These works form part of the approved five year Capital programme (formally approved in February 2013).
4. The alternative option of not undertaking the works identified would leave the Council's homes and surrounding areas in their present condition and would not accord with the view expressed during the consultation process or with the Council's policies of providing homes that comply with the four agreed headings of:-
 - Safe Wind and Weather Tight
 - Warm and Energy Efficient
 - Modern Facilities
 - Well Maintained Communal Facilities

DETAIL (Including consultation carried out)

5. This report seeks permission to proceed with the development, procurement and implementation of Capital projects which form part of the HRA Capital Programme 2014-15 and 2015-16. This report deals with those schemes that are currently ready for approval.
6. The programme outlined in this report is consistent with the HRA Business Plan approved by Cabinet and Council in February 2014.
7. A key role in the development of the Capital programme has been the involvement of the Tenant Focus Groups, Block Wardens, Tenant representatives, Leaseholders and staff. Tenants and Leaseholders have also been closely involved in the production of our long term Business Plan for future investment.
8. Under Self-Financing our stock condition database is crucial to planning the works needed to our stock. As part of our approach to developing a Business Plan we have identified, through the stock database, the properties where work is required over the next five years and we are now in a position to strategically plan the investment needed to complete the work identified.
9. Therefore, the budgets identified and seeking approval are determined by the detail from our stock database to which we have then applied an accepted industry calculation for estimated value which is based on known costs and Building Research Establishment (BRE) national average at this time.
10. The detail in the tables above is therefore provided based on the detailed property assessments undertaken and is presented in unit quantities with a more detailed description of the work to be undertaken in the paragraphs below.

Safe, Wind and Weather Tight.

11. **Windows:** Previously successful programmes of replacement window works have now seen all SCC homes that had single glazed windows replaced with new UPVc double glazed units across the city. However many communal area windows i.e. stairwells and landings now need to be replaced (those that are still of a single glazed or of a wooden frame construction). The intention is to, in conjunction with other schemes of works i.e. External Wall Insulation, decoration etc; commence a new replacement programme for these communal windows. Other communal window works shall include a new programme of double glazed replacement windows to community rooms commencing with those at Bassett Green Community Room.
12. In addition to the communal window works, a programme of window replacement shall also be commissioned replacing the old double glazed metal "Crittal" windows with new UPVc double glazed units, with works commencing at Meon Court. These new units will stop / prevent the "cold Bridging and Condensation" problems that currently exist within this type of metal windows. Further identical works are already being identified and consulted on at Toronto Court and these shall be added to the programmes accordingly. All of the works indicated shall contribute to SCC's energy saving measures, benefiting both the Council and its residents.
13. **Structural Works:** Given the type and age of Council properties, it is essential that regular structural investigations are carried out together with any remedial works identified. Under the current SSP agreement, Capita are to carry out the surveys, then document and report on their findings and oversee any works required. The approximate level of surveys / works is a 40% surveys / 60% works split. It is proposed that in 2014/15 **surveys / inspections** will be carried out by the Structures Team to St James House, Holyrood House and Canute House as well as 99 medium rise blocks in the Thornhill area. In 2015/16 **surveys / inspections** will be carried out to Castle House, Redbridge Towers and Millbrook Towers and a further 102 medium rise blocks in the Maybush / Shirley / Lordshill areas of the City. In 2014/15 **repair works** will be carried out to Canberra Towers, Hightown Towers, Meredith Towers, Dumbletons Towers, Wyndham Court and a number of medium rise blocks previously identified as needing repair in 2013/14's inspections. In 2015/16 **repair works** will be carried out to St James House, Holyrood House, Canute House and a number of medium rise blocks previously identified as needing repair in 2014/15
14. **Supported Housing 2 Storey Walkway Repairs:**
An existing programme of works has been developed and commenced in 2013/14 to reinforce / provide additional support to the communal walkways to some of the many two Storey Supported Housing blocks across the City. Further structural investigations to other blocks have now identified similar work requirements and whilst there is no immediate concern or safety risk, the existing pro-active programme of works is to be extended across the city with associated works carried out in both 14/15 and 15/16.

Modern Facilities

15. **Disabled Adaptations:** In a previous Cabinet Scheme Approval document the disabled adaptations budgets were agreed for both 14/15 and 15/16, however the demand for adaptations has increased. To meet the demand an additional amount of funding was added to the Capital Programme in February 2014 to ensure these requirements are met allowing tenants to stay put and enjoy their homes. Scheme approval is now sought for these additional sums.
16. **Programme Management Fees:** There are certain fees involved with managing the programmes of work included within the HRA Capital Programme that are not charged to individual schemes. Separate scheme approval is sought for these essential programme management fees.

Well Maintained Communal Facilities

17. **Supported Housing Asset Plan (SHAP):** In previous years many successful improvements to the Council's Supported Housing stock have been carried out i.e. Graylings and Manston Court. These types of works are to be continued / expanded across the City. After the completion of the new lifts at James Street and the two blocks at Rozel Court, the intention is to immediately refurbish the "central core" areas of these buildings. Works shall include:- low energy lighting installations, hard wearing carpet / floor coverings, re-decoration, new windows / curtain walling to stairwells and electric scooter charging / parking facilities. These works will ensure that these buildings are energy efficient, bright and safe as well as making them a "good place to live" for many years to come. Further works are currently being developed across other communal areas including Fairfax Court, Medwall Court Bisley / Bowman Court and Bishops Crescent.

Warm and Energy Efficient

18. **External Cladding:** With the introduction of the Government's Autumn Statement, the conditions around ECO grant funding were greatly changed, one of the main changes was the reduction / requirement needed for External Wall Insulation (EWI) to be carried out to properties of a non traditional build i.e. no cavity. The result of this reduction has seen the grant funding of these types of works reduce from circa. £140.00 per tonne of carbon saved to £30.00 per tonne. Therefore, the previously presented and agreed ECO works across the city have all had to be re-assessed to ensure they are still deliverable within the HRA budget.
19. During this current ECO funding round, the Council aims to see six tower blocks externally insulated (Shirley Towers, Sturminster House, Albion Towers, Meredith Towers, Dumbleton Towers and Hightown Towers). These are proposed as the next tranche of works as they offer some of the biggest gains in improving energy efficiency, and would soon need to be re-cladded anyway, whether the ECO scheme existed or not. Re-cladding the three Thornhill tower blocks would also tie in with the council's proposed district energy scheme, which is expected to include these blocks. Officers are working hard with all Utility Companies and our ECO partner MITIE to ensure the council secures the best possible grants and best possible deal.

20. To reflect the change in ECO this scheme approval report requests that the previously agreed schemes of “External Cladding (PRC houses)”, “External Cladding (flats)” and “External Cladding (tower blocks)” be merged into one scheme headed “External Cladding across the City”, thus allowing additional flexibility in the future delivery of EWl projects.

RESOURCE IMPLICATIONS

Capital/Revenue

21. There are sufficient funds available within the HRA Capital budget to meet the requirements of the proposed schemes. In addition, a number of the items will represent an investment that will support an ongoing reduction in revenue expenditure within the HRA. Obtaining Scheme Approval in this way minimises administration plus officer and member time, plus maximises the potential for wider procurement efficiencies from longer term planning.

Property/Other

22. The HRA Capital programme is fully reflected in the Corporate Property Strategy.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

23. There are no specific legal implications in connection with this report. The power to carry out the proposals is contained within Part 2 of the Housing Act 1985.

Other Legal Implications:

24. None

POLICY FRAMEWORK IMPLICATIONS

25. The proposed schemes in this report contribute positively to the Council’s objectives set out in the Housing Strategy and HRA Business Plan to maintain and improve the condition of the City’s housing stock.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	None
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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)

1.	None	
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DECISION-MAKER:	CABINET		
SUBJECT:	PROPOSAL TO ENTER INTO A JOINT VENTURE		
DATE OF DECISION:	15 JULY 2014		
REPORT OF:	DIRECTOR OF CORPORATE SERVICES		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Mark Heath	Tel: 023 8083 2371
	E-mail:	Mark.heath@southampton.gov.uk	
Director	Name:	Mark Heath	Tel: 023 8083 2371
	E-mail:	Mark.heath@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
None.

BRIEF SUMMARY

The purpose of this report is to recommend to Cabinet that the Council enters into a joint venture limited liability partnership (LLP) with a private sector partner, Public Sector Plc Facilitating Ltd (PSPF). PSPF is a company formed in 2007 between the Winston Group, the William Pears Groups and BVSF. PSPF approaches local authorities with whom it seeks to partner. It works in partnership with authorities using a relationship first approach and requires no prior commitment or guarantee of work by the Council. It provides the Council with an additional option over and above those currently available to it with regard to the disposal, sale or use of its assets to maximise income and opportunity. The relationship brings funding opportunities which are not traditionally available and the formed LLP will be required to demonstrate its value to the Council before projects are agreed for delivery. It is already operating in Bolton, Dudley, Dorset, Southend, Scarborough and Warwick .

RECOMMENDATIONS:

- (i) That the creation of a limited liability partnership (LLP) between the Council and Public Sector Plc Facilitating Limited (PSPF) be approved;
- (ii) That the final terms of the necessary agreements be agreed by the Director of Corporate Services, following consultation with the Cabinet Member for Resources, provided that all the due diligence checks have been carried out successfully;
- (iii) That it be noted that the LLP arrangement requires the establishment of an LLP Members board with equal Council and private sector representation, supported by an Operations board for officers;
- (iv) That the Council representation on these boards be agreed by the Director of Corporate Services following consultation with the Cabinet Member for Resources once the format of these boards is established as part of the final terms of the agreement; and that the Council representation on the LLP board will be from members of the Cabinet;

- (v) That it be noted that the LLP will be an additional option for the Council to use to deal with its property portfolio; and
- (vi) That it be noted that further reports will be submitted to Cabinet in respect of relevant proposals to pursue a property related project through the LLP.

REASONS FOR REPORT RECOMMENDATIONS

1. The purpose of the LLP would be to facilitate property related projects for the Council, making use of private sector funding, resources and skills in addition to those available through the Council and paid for by the LLP. The Council can use the Strategic Partnership created to achieve a wide-range of property opportunities for the Council, including regeneration, redevelopment, rationalisation and property portfolio reductions.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None.

DETAIL (Including consultation carried out)

3. PSPF has been in discussion with Council officers for a number of months.
4. It is proposed that the Council and PSPF will each own 50% share of the intended LLP whose main purpose would be to:
 - a. Invest private sector funds in projects of mutual benefit;
 - b. Facilitate comprehensive regeneration projects in Southampton;
 - c. Provide potential capital receipts and/or revenue income streams for the Council from the ongoing development of surplus land and buildings (the Council would share net profits 50:50 with PSPF);
 - d. Provide opportunities for any in-house surplus capacity to be deployed on development projects, thus generating a further fee income opportunity; (N.B. This is unlikely for the Council, as there is no surplus capacity at present)
 - e. Support the Council in its strategic review of its property portfolio, particularly in relation to its service property holdings;
 - f. The acquisition of private property by PSPF adjacent to SCC land holdings (or indeed other public sector land holdings) could facilitate an aggregation of sites for development purposes to deliver enhanced receipts; and
 - g. Provide further tools to maximise the return from the Council's land and property portfolio, interests and potential interests.
5. A clear driver of this initiative would be the desire to review and establish alternative approaches in relation to the current disposals programme post 2016. This could be from a robust review of service properties within the service property portfolio. It is also suggested that as part of this, a Property Board is established between Southampton City Council, Hampshire Fire & Rescue, Hampshire Police and relevant health bodies to pool information in relation to properties and consider options for co-location, marriage values and other aspects. This arrangement will emulate the approach undertaken by Hampshire County Council in relation to "One Public Sector Estate".

6. It will also emulate the approach undertaken by Bristol City Council who established a Property Board as part of their City Deal arrangements. It should be noted that the Property Board is not a pre-requisite requirement or linked to the LLP, but it is suggested that the two could provide additional opportunities (but this should be pursued regardless of whether the LLP is pursued).
7. In many cases the partnership may be able to respond more quickly than the Council using normal development processes to market opportunities and drive greater value through its commercial approach. The LLP is a commercial entity and is capable of taking risks that a local authority might not. The LLP sits outside the Council and does not carry the balance sheet risks for it. It is essentially "Opening an Account" with entrepreneurs, who have the skills and resources to look at individual problems and make creative suggestions, and then implement them if agreed. It is an alternative to "Asset Backed Vehicles".
8. Initially the LLP would focus on the service property portfolio and allow the Council to explore opportunities for sharing properties between service areas (and other public sector bodies where possible), improve service delivery by co-location of services, generate revenue savings, and generate capital receipts.
9. The risks of establishing the partnership and facilitating any subsequent projects will be met by the private sector partners although it would require input from existing staff resources within the property, finance and legal teams to set up the LLP initially. It is also worth noting that the Council will not be obliged to use the LLP should it choose not to do so, nor will it in any way be compelled to dispose of or transfer any assets to the joint venue company. All proposals, if they are to be taken forward, will be determined on the basis of unanimity between the public and private sector participants in the LLP and assets will only transfer when the necessary conveyancing documentation (usually preceded by an option agreement) is entered into.
10. The Council, in committing sites through an option agreement while they are investigated, would be limiting dealings on these sites for a period of time however the Council already enters into option agreements from time to time. Providing the initial feasibility results suggest it is worth progressing further, the risk in this respect should be limited.
11. Appendix 1 sets out in more detail how the LLP will operate.
12. It is proposed that the LLP will be governed by an LLP Members' Board, made of three Council members and three PSPF members. In parallel to this will be an Operations Board made of five Council officers and five PSPF directors. The Operations Board would have close links to the Council Management Team as well as the Council's Capital Board.

Next Steps

13. Next steps are envisaged to be as follows:
 - a. Formal approvals to establish the LLP – authority having been delegated to officers to negotiate the relevant agreements;
 - b. Negotiation and conclusion of legal agreements;
 - c. Establishment of LLP as a legal entity;
 - d. Review of initial project to stream through the LLP.

RESOURCE IMPLICATIONS

Capital/Revenue

14. It should be noted that the costs of establishing the LLP are met entirely by PSPF.
15. The PSPF model is unique as it seeks to share net development returns 50:50 between the public and private sector partners. The basic premise of value created less costs (costs accounting for any facilitation fee) = profit = profit share is central to the proposition. The aim of the LLP is to generate value using Council assets which is above and beyond that which the Council would be able to generate itself. This could be achieved by, for example, the LLP acquiring assets and improving them, or changing their use. It should be noted that the Council's existing asset value will be protected and it is only the value that is achieved above this figure that will be shared, after the deduction of the associated costs.

Property/Other

16. This proposal will clearly have potentially significant property ramifications and implications as its aim is to bring about a sea change in the way in which the property portfolio is considered by the Council, but individual proposals will be considered on a case-by-case basis and either addressed through the existing delegated powers arrangements for officers and/or as set out in the recommendations, in further reports that will be submitted to the Cabinet in respect of relevant proposals to pursue specific property-related projects through the LLP.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

17. Local Government Acts 1972 – 2000 and the general power of competency under the Localism Act 2011.

Other Legal Implications:

18. The Director of Corporate Services has reviewed the legal documentation in relation to this matter. These arrangements are constructed in such a way that they do not attract the attention of the European Procurement regime. Property disposals are dealt with on that basis, namely as property disposals in accordance with the Local Government Act 1972. The legal documentation, which includes Counsel's advice, has been reviewed in detail alongside the existing arrangements the Council has with its commercial partners which could impact upon the way the LLP might operate. The due

diligence work undertaken has demonstrated that the arrangements would work in the environment that Southampton currently finds itself, both in terms of its partnership with Capita, but also its other commercial arrangements, including where commercial operators are using council premises and property. However, as part of the Council's own diligence, the documentation will be considered further and any points of concern highlighted prior to the Council entering into an agreement.

POLICY FRAMEWORK IMPLICATIONS

19. None.

KEY DECISION? Yes/No

WARDS/COMMUNITIES AFFECTED:	
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SUPPORTING DOCUMENTATION

Appendices

1.	Detail of how the LLP will operate
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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.	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.	None	
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DETAIL

1. **Background**

This document summarises the outcome of an initial review of the potential establishment of a limited liability partnership (LLP) with PSPF.

The purpose of the LLP would be to facilitate property related projects for the Council making use of private sector funding, resource and skills in addition to those available through the Council and its commercial partners, and paid for by the LLP. The Council can use this strategic partnership created to achieve a wide range of property opportunities for the Council, including regeneration schemes, estate development programmes, property portfolio rationalisation and reduction and the development of “tricky” sites.

The principles of this approach have been discussed and reviewed with a wide group of senior officers and this document summarises the outcomes and opportunities.

2. **Overview of Public Sector PLC model**

Projects are facilitated through the establishment of a limited liability partnership. The governance arrangements for the LLP provide both structure and process to facilitate the delivery of projects; it is a robust and flexible model that is already tried and tested and operational in a number of local authorities.

Key facets of the offer include:

- a. it provides access to substantial private sector funds otherwise not available to the public sector;
- b. it provides capital receipts and/or revenue income streams to the Council at the choice of the Council but without the need for any expenditure by the Council;
- c. it provides Southampton City Council with sufficient private sector resource and expertise to deliver their long and short-term property strategies in the current financial climate;
- d. it can involve working with other public sector bodies including (but not limited to) agencies already based within Southampton, eg Police, Fire, etc as well as other bodies such as the Homes and Community Agency;
- e. the Council shares net profits 50:50 with PSPF, profits being generated from downstream development activities not normally shared with the Council;
- f. it promotes in-sourcing, that is to say the use of Council resources on a paid for basis where appropriate, thus producing further income streams to the Council for areas such as property, etc.

Once established, the LLP can add value to the Council:

- a. through delivery of early capital receipts to the Council by transferring assets into the LLP;
- b. by aggregating Council land with other land, whether acquired by the LLP or by the Council using its CPO powers funded by the LLP to enable more comprehensive development to take place;
- c. by reworking existing assets to create value through refurbishment, improvement, securing planning permission or active management;
- d. the avoidance of future costs that would otherwise be required to deliver new projects;
- e. speed of delivery.

3. Initial Prospect Review

There is a wide range of property opportunities, and this initial review should not be taken to be either a full list or to exclude other opportunities that may arise, but generally speaking, there seemed to be some specific opportunities worthy of exploration through this regime:

- a. regeneration opportunities: there remain regeneration opportunities within Southampton, although some of them are tied to sites that are difficult to develop, whether through multi-ownership issues, sites that have remained on the market but sterile for a number of years or for other reasons. The LLP cannot buck the market, but it can assist the Council to deliver schemes that are viable by:
 - i. providing initial funding to enable schemes to be progressed and de-risked;
 - ii. acting in a facilitating role, securing planning provision for sites and running a competition for the delivery of other developers;
 - iii. reviewing opportunities for requiring additional land to secure the delivery of more comprehensive schemes which make an otherwise unattractive or high risk option more attractive to development.

- b. estate development programmes: PSPF, through its partner organisations, has access to a residential land development model created specifically for use in bringing forward public sector land for residential development. This is a flexible model allowing different sized sites to be released or groups of sites to be released as a package and that can bring some significant benefits, eg homes can be sold at a significant discount to market sales (15-30%). In addition, land owners returns are significantly enhanced with the reduction of individual ground rent in lieu of selling the land to a house builder. By securing ground rent in lieu of a capital receipt, this would mean that the City Council would keep all of the income.

- c. property portfolio (particularly service properties): the Council has been working through a robust accommodation property strategy for sometime. The civic accommodation strategy is in hand, although future options including the future of OGS may well be capable of contemplation through the LLP. The investment portfolio has also been robustly reworked, but could be re-considered by the LLP. The third aspect of the Council's property portfolio which has not be the subject of a significant review, is the service property element. By using the LLP to help, in particular, review (but not exclusively) the service property element of the Council's property portfolio, benefits that could accrue to the Council include:
 - i. costs – this work will not require the Council to find money for consultant fees. The work will be done through the LLP who will off-set costs against future capital receipts;
 - ii. resources – the LLP has access to a vast array of property-related expertise and will draw down relevant expertise as and when required, including from the Council / Capita. The nature of the relationship is that the LLP would start work immediately;
 - iii. relationship – unlike many traditional Council / consultant relationships, the LLP will be established for a life beyond a single project. Having formed a long-term partnership with the Council, it will take on some ownership of the wider problems and will remain in place long after it helps the Council deliver the right solution. The Council's representation on the LLP board would ensure that the Council's interests (value for money, regeneration, priorities,

etc) are considered properly, and no proposal can be taken forward unless both parties – public and private sector – agree.

- d. other opportunities – there are a number of other opportunities that are less well defined but could become valuable additions to the work of the LLP:
 - i. job creation – PSPF is exploring ways in which links can be made to new and existing social programmes to channel local people from employment projects and initiatives into jobs that will be created through the development of public sector assets that will arise as a consequence of these activities.
 - ii. place-based budgets – once the LLP is established, it can act as a conduit for delivery of projects with other public sector partners with whom the Council has an interest in engaging;
 - iii. environmental opportunities – the LLP can help the Council achieve its carbon reduction programme with particular emphasis on the opportunities created through renewable energy installations that generate revenue streams;

4. The Commercial Proposition

The PSP model is unique in that it seeks to share net development returns 50:50 between the public and private sector partners. The basic premise of “value created less cost = profit = profit share” sits at the heart of the proposition. This is achieved through the creation of a long-term partnership rather than a single project-specific vehicle.

The aim of the LLP is to generate value using Council assets which is above and beyond that which the Council would be able to generate for itself. This value can be achieved by:

- a. generating capital receipts through acquisition of Council assets by the LLP, and through sales into market of assets.
- b. creation of revenue savings in terms of rent costs, running costs, maintenance costs and efficiency gains.

Of increasing significance is the need to generate revenue savings. In many instances the creation of revenue savings only comes through expenditure and often that expenditure is not accompanied by capital receipts to pay for the investment. In such instances, the LLP can contribute to the creation of revenue savings through the aggregation of projects to deliver a larger suite of projects that generate a commercial return. This would enable projects to be delivered without the need for expenditure by the Council.

The value of revenue savings needs to be shared along with capital sums created to establish an overall sharing of value once costs have been deducted. Costs cover all aspects of delivering the agreed project and can include payments to the Council for projects brought into the LLP, payments to the Council for the use of its resources in delivering projects, such as in-source staff members, the use of Capita, etc and interest payments to the Council should an investor invest in the project.

5. Governance

The PSP model is a combination of structure and process. The governance structure provides appropriate levels of participation at all relevant points within the Council thus ensuring there is a conduit for requirements to be streamed into the LLP for delivery.

Two boards will be established, a strategic members board, populated by elected members and an Operations Board populated by senior officers. Once the structure is agreed and

established, the process of the model provides a template through the LLP will operate using a four-stage process of:

- a. explore;
- b. evaluate;
- c. examine;
- d. engage.

The use of this four-stage process takes opportunities from their earlier stages through to delivery in the manner that is compliant with all the necessary financial, governance, statutory, legal and procurement rules.

Of these, “examine” is vital, since it is the yardstick by which the Council is able to confirm that it is securing value for money and through the use of appropriate success criteria, see the wider objectives of the Council are being delivered through its use of the LLP.

6. Next steps are envisaged to be as follows:

- a. presentation of formal proposal to Cabinet, including presentation by PSPF;
- b. formal approval to establish the LLP with authority delegated to officers to negotiate the relevant legal agreements;
- c. negotiation and conclusion of legal agreements;
- d. establishment of LLP as legal entity;
- e. review of initial projects to stream through LLP Board and Operations Board, which will be populated by a combination of members and officers as outlined in this paper.

DECISION-MAKER:	CABINET		
SUBJECT:	EXPANSION OF SPRINGWELL SCHOOL		
DATE OF DECISION:	15 JULY 2014		
REPORT OF:	CABINET MEMBER FOR EDUCATION AND CHANGE		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Graham Talbot	Tel: 023 8091 7501
	E-mail:	graham.talbot@southampton.gov.uk	
Director	Name:	Alison Elliott	Tel: 023 8083 2602
	E-mail:	alison.elliott@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
N/A

BRIEF SUMMARY

The demand for places at Springwell Special School is greater than the number of places the school can offer in 2014/15. Following consultation by the school and the Local Authority, this paper is seeking approval to expand the school.

RECOMMENDATIONS:

- (i) To note the outcome of statutory consultation as set out in this report.
- (ii) To authorise the increase in pupil numbers at Springwell School (Community Special School) from the 1 September 2014 by the addition of 16 places.
- (iii) To delegate authority to the People Director, following consultation with the Cabinet Member for Education & Change, to do anything necessary to give effect to the recommendations in this report.

REASONS FOR REPORT RECOMMENDATIONS

1. The number of students that require a place at Springwell School is greater than the number of places that will be available in 2014/15. Springwell is the only school that can suitably support the needs of these students. The additional 16 places in 2014/15 would allow the Local Authority to meet its statutory duty of providing a school place to all young people that require one.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. The Council could decide not to increase pupil numbers at the school but this would mean it wouldn't be able to offer a school place to all those who require one. The Local Authority would not meet the requirements of the Special Education Needs test or the duty to provide sufficient places suitable for the needs of children with identified Special Educational Needs (SEN) requirements.

DETAIL (Including consultation carried out)

3. Four weeks of consultation on the proposal to expand the school ran from 2 June 2014 until 30 June 2014, following the publication of a statutory notice in the Daily Echo on 2 June 2014 and at the school's main entrances. Key stakeholders (headteachers, SCC education staff, local councillors, local MPs, trade union representatives and the Roman Catholic and Church of England Dioceses) were notified of the proposals via email. A webpage with full details of the proposal, including a copy of the formal statutory notice, was published on the Southampton City Council website on 2 June 2014. There were no formal responses to the consultation.
4. **Special Educational Needs (SEN) Improvement Test**
When proposing any reorganisation of SEN provision, the Local Authority must demonstrate how the proposals are likely to lead to improvements in the standard, quality and/or range of educational provision for children with special educational needs.
5. To this end, the Local Authority provides the following information (which was included in the consultation documentation) to highlight details of the specific educational benefits that will flow from the proposals.
 - a. The additional places will provide a greater number of children with access to the specialist education available at the school.
 - b. The additional places will provide a greater number of children with access to the specialist staff, both education and other professionals, that work at the school.
 - c. Additional accommodation at mainstream schools will be used to accommodate the additional students.
 - d. This proposal would result in additional places being available in the City, thus meeting the demands of those children with Special Educational Needs.
6. Local Authorities are also required to provide the following:
 - a. All headteachers in the city were notified of the consultation via email.
 - b. The Local Authority is committed to delivering a proposal to increase appropriate SEN provision in order to accommodate those children that require SEN support. These children have been assessed and it is clear that their needs can best be served at Springwell.
 - c. The current transport and admission arrangements for the children will continue to apply. Additional transport may be required for students to travel from the existing site in Hinkler Road to the proposed site.
7. The proposal will drive up education standards and attainment for children with SEN by enabling a greater number of students to access the educational support that they need. It will also allow a greater number of those students that have a preference to attend Springwell to do so.

RESOURCE IMPLICATIONS

Capital/Revenue

8. The additional places commissioned from Springwell school will be paid for from the High Needs budget funded from the Dedicated Schools Grant. Additional transport costs are estimated to be £33,000 in 2014/15 and will be funded from the Education and Change portfolio budget.
9. The capital costs of accommodating the increase in pupil numbers at the school are estimated to be £70,000. This will be funded from the Education and Change portfolio budget.

Property/Other

10. The additional accommodation will be created by using vacant space at Bassett Green Primary School.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

11. Local Authorities have a statutory duty under s.14 of the Education Act 1996 to secure sufficient high quality places for children and young people with SEN. Local Authorities must also ensure that there are sufficient schools in their area and promote diversity and parental preference.
12. Alterations, changes, creation or removal of SEN provision across the city is subject to the statutory processes contained in the School Standards & Framework Act 1998 as amended by the Education & Inspections Act 2006. Proposals for change are required to follow the processes set out in the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013. Statutory Guidance on bringing forward proposals entitled "School Organisation-Maintained School. Guidance for Proposers and decision makers" applies, which requires publication of statutory notices followed by a prescribed representation period which must take part predominantly within school term time to meet the requirements of full, open, fair and accessible consultation with those most likely to be affected (pupils, parents and staff often being on vacation or otherwise unavailable during school holiday periods). Any representations made during this period must be considered by Cabinet who are responsible for determining whether or not to approve the proposals as advertised. Minor modifications and / or statutory conditions can be applied to proposals in limited prescribed circumstances but are not proposed in this case.

Other Legal Implications:

13. In bringing forward School Organisation proposals the Council must have regard to the need to consult the community and users, the statutory duty to improve standards and access to educational opportunities, the statutory special educational needs improvement test, observe the rules of natural justice, the provisions of the Human Rights Act 1998, article 2 of the First Protocol (right to education) and the Equalities Act 2010. The Council is satisfied the proposals in this report fully conform to the legislative framework and are necessary to meet a pressing social need in the local authority area.

POLICY FRAMEWORK IMPLICATIONS

14. This proposal is in line with Southampton’s School Organisation Plan and the Special Educational Needs (SEN) Strategy.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	ALL (SEN pupils attend the school from across the City).
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SUPPORTING DOCUMENTATION

Appendices

1.	Copy of the statutory notice
2.	Equality Impact Assessment

Documents In Members’ Rooms

1.	N/A
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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.	N/A	
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Springwell School Expansion Proposal

From 2 June 2014 four weeks of consultation is taking place on the proposal to expand Springwell School by 16 additional places from September 2014. Further information can be found by going to <http://www.southampton.gov.uk/learning/schools/consultations/springwell.aspx> or by writing to Springwell Expansion Consultation, Infrastructure, Southampton City Council, 4th Floor, One Guildhall Square, Civic Centre, Southampton, SO14 7FP or infrastructureandcapital.projects@southampton.gov.uk.

The consultation will close on **Monday 30 June 2014**.

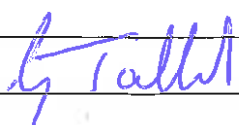
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Equality and Safety Impact Assessment

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

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

Name or Brief Description of Proposal	Springwell Expansion The proposal is to expand Springwell School by a total of 16 additional places from September 2014.
Brief Service Profile (including number of customers)	Education and Change Head of Education – Graham Talbot Provision of school places for all those young people in the city that require one.
Summary of Impact and Issues	If approved, this proposal would increase that number of students on roll at Springwell School, thus enabling the Local Authority to meet its statutory duty. If it is not approved, the Local Authority would be unable to meet its statutory duty.
Potential Positive Impacts	A greater number of children would be able to access the excellent provision available at Springwell School.
Responsible Service Manager	Graham Talbot
Date	May 2014

Approved by Senior Manager	Graham Talbot
Signature	

Date	16 June 2014
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Potential Impact

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Age	The school accommodates students aged 4-11 so extra secondary school places will be needed as children work their way through the year groups.	Plans are already in place to expand Great Oaks School (which is the secondary school that the majority of Springwell students go on to attend) in the short term and planning is underway with regards to expanding the provision at Great Oaks on a long term basis.
Disability	The rooms at the additional site may not currently be available for use for Great Oaks students.	The Local Authority has the necessary time and capital to make alterations to the site/buildings to make it suitable for Springwell students.
Gender Reassignment	N/A	N/A
Marriage and Civil Partnership	N/A	N/A
Pregnancy and Maternity	N/A	N/A
Race	N/A	N/A
Religion or Belief	N/A	N/A
Sex	N/A	N/A
Sexual Orientation	N/A	N/A
Community Safety	N/A	N/A
Poverty	N/A	N/A
Other Significant Impacts	N/A	N/A

DECISION-MAKER:	CABINET		
SUBJECT:	ROCKSTONE LANE, CONFIRMATION OF ARTICLE 4 DIRECTION		
DATE OF DECISION:	15 JULY 2014		
REPORT OF:	CABINET MEMBER FOR ENVIRONMENT AND TRANSPORT		
<u>CONTACT DETAILS</u>			
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	E-mail:	stuart.love@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY

On 19 November 2013 Cabinet agreed to start formal consultations with residents about the imposition of an Article 4 Direction on Rockstone Lane, part of the Cranbury Place Conservation Area. In the event that there were objections a further report was to come before Cabinet to consider those objections and determine whether or not to confirm the proposed Direction in light of any material planning concerns raised.

RECOMMENDATIONS:

- (i) Having considered the objections to the proposals, to confirm the Article 4 Direction for Rockstone Lane, removing Permitted Development Rights for the properties set out in Appendix 1.

REASONS FOR REPORT RECOMMENDATIONS

1. To enable the Council to control unsympathetic development within the Conservation Area and preserve its character and appearance.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. Not to confirm the Article 4 Direction. This would make it harder for the Council to control unsympathetic development in the area, leading to a gradual loss of character.

DETAIL (Including consultation carried out)

3. On 19 November 2013 Cabinet agreed to adopt the revised Conservation Area Appraisal and Management Plan for the Cranbury Place Conservation Area (CAB 13/14 11552). The report to Cabinet also contained a recommendation to include Rockstone Lane within a revised Conservation Area boundary, and to implement an Article 4 Direction for Rockstone Lane.
4. The proposed Article 4 Direction was subject to a further period of consultation. If during this time no objections were received the direction would automatically be put in place on May 1 2014.

5. Two letters of support and three letters of objection were received from local residents and a business in the area. The letters of objection require a further report to Cabinet for the points raised to be considered, and for Cabinet to either approve the Direction or reject it. The objections are set out below, along with responses from the Historic Environment Group Leader. Any further objections received prior to the date of the Cabinet meeting will be reported verbally at the meeting.

Summary of Objection Comments:

6. *Firstly, the houses were never uniform - they were built at different times so were always varied in appearance.*

Response. It is not the intention that the existing houses should be made uniform in appearance. There are many conservation areas in the City that are not uniform, and this is part of the character of the area. To impose uniformity would be contrary to the aims of the Article 4.

7. *Furthermore, work has been done on a large number of houses since they were built - the vast majority already have UPVC windows for example. Imposing a restriction which prevents the few houses that haven't got double glazing from upgrading without great expense seems fruitless and is effectively punishing a handful of owners.*

Response. It is acknowledged that there are a number of properties with existing uPVC windows. If the Article 4 Direction is approved by Cabinet it would be unlikely that further uPVC windows (or doors) would be approved. However, this does not mean that windows could not be replaced with double-glazed units in the future. There are now a number of companies who manufacture timber and metal double glazing to comply with restrictions imposed by Conservation Area status. This is a growing industry and, while the cost is currently greater than uPVC, these units are becoming more competitive in price. Additionally it would be possible (even with the Article 4 Direction in place) to install secondary glazing without the need to apply for planning permission, and as the Direction only applies to the front elevations rear windows could be replaced with uPVC without permission.

8. *It should also be noted that Rockstone Lane is not a particularly affluent street, with houses costing around £165,000. Therefore, residents don't necessarily have the disposable income to pay for upgrades such as wooden replacement windows.*

Response. Homeowners wishing to improve thermal and acoustic insulation would be able to opt for secondary glazing systems. These do not require planning permission. Research published by English Heritage on the relative performance between double glazing and secondary glazing demonstrates that there is little if any difference between the two. Secondary glazing is of a roughly equivalent cost to double glazing and has virtually no impact on the character and appearance of conservation areas.

9. *The higgledy piggledy nature of the street is part of its appeal, with different coloured front doors and styles for example. Imposing a restricted palate would do nothing to enhance the appearance of the street and would serve to make it blander and less attractive.*

Response. It is agreed that the lack of uniformity of the houses are part of the character of Rockstone Lane. It is not the intention of the article 4 Direction to impose uniformity.

10. *We feel that it would have been a more democratic approach to have arranged a local referendum of residents (there are only 60 residences on the street) to obtain support or otherwise for the application ahead of investing in this assessment work being undertaken. This could have been easily co-ordinated with the Rockstone Lane Resident's Association, who the council already have a working relationship with.*

Response. A public meeting was held on 18 June 2013. Invitation letters were mainly hand-delivered by staff of the Historic Environment Team. Six weeks were allowed for consultation responses, either at the meeting or via letter or e-mail to the Conservation Officer, and further opportunities to comment in the lead up to the Cabinet Report on 19 November. The general response to the proposals was positive, and a summary of the responses received were included as an appendix to the report. The Chair of the Rockstone Lane Residents Association was present at the public consultation meeting and expressed her support for both the inclusion within the conservation area, and the Article 4 Direction.

11. *The Article 4(1) Direction was applied for without support from the majority of residents. Could you please justify why the Article 4(1) Direction was applied for when only 11 out of 60 residents responded positively at the previous consultation stage?*

Response. At their meeting of 19 November 2013 Cabinet approved *the proposal to implement an Article 4 Direction for Rockstone Lane to remove Permitted Development (PD) rights for works to the roofs and front elevations, and to authorise the Head of Legal, HR and Democratic Services to take any action or decision necessary to make an Article 4 Direction and consult with residents.* The Article 4 Direction can only come into force after the consultation comments have been presented to Cabinet. See also the response at (10) above.

12. *Southampton City Council is facing huge cut backs over the next few years. Is the use of an Article 4 (1) Direction something which a local planning authority should be embarking on?*

Response. Part of the duties laid on Local Authorities by National Government is set out in Section 71 (1) of the Planning (Listed Buildings and Conservation Areas) Act 1990, which states ‘*Formulation and publication of proposals for preservation and*

enhancement of conservation areas.

(1)It shall be the duty of a local planning authority from time to time to formulate and publish proposals for the preservation and enhancement of any parts of their area which are conservation areas.'

The proposals to add Rockstone Lane to the Cranbury Place Conservation Area, and subsequently to consult on imposing an Article 4 Direction are in compliance with that duty.

13. *Do the planning department have the resources to implement an Article 4 Direction and deal with the consequent planning applications? Will it have the resources to investigate possible breaches and enforce the new legislation if an Article 4(1) Direction is made?*

Response. Yes.

14. *As a homeowner on Rockstone Lane, the houses require considerable expenditure to renovate them and to bring them up to modern standards. Even when this renovation has already been undertaken further investment is needed to meet the need for energy efficiency. A large percentage of homeowners on the road are first time buyers with limited budgets, we are concerned that the Article 4(1) Direction will make it very expensive for homeowners to undertake renovations to their properties. As a first time buyer, we would have not purchased a property with Article 4(1) Direction restrictions.*

Response. Most of the measures needed to improve energy efficiency in homes (such as loft insulation, draught-proofing etc) would not require planning permission even if an Article 4 Direction were to come into force. The only measure that would require planning permission would be the replacement of windows with double glazing, and it would generally only be the use of uPVC double glazing that would be opposed. The requirement *not* to use uPVC is well known within the glazing industry, and there are now a number of products on the market that use traditional materials (wooden or metal frames). Metal-framed double glazing has been installed in the Civic Centre, (a Grade II* Listed Building) with approval from English Heritage. While it is recognised that traditionally-framed double glazing is a more expensive option, due to a greater understanding of the glazing industry of the requirements for working in Conservation Areas and with Listed Buildings, and due to the competitive nature of that industry, prices have fallen in recent years. Additionally, please see the response at (8) above.

15. *The appearance of the properties on Rockstone Lane is varied, with a variety of styles of windows and doors. By enforcing the Article 4(1) Direction and removing permitted development rights this is asking for the windows to adhere to a standard style, taking away the individual style of that embodies the character of the road.*

Response. It is not the intention that the existing houses should be made uniform in appearance. There are many conservation areas in the City that are not uniform, and this is part of the character of the area. To impose uniformity would be contrary to the aims of the Article 4.

16. *Rockstone Lane is a popular road to live on, this is reflected by the higher than average house prices. Homeowners on the road take pride in their properties and we do not feel that there is a strong justification for the removal of development rights because there is no threat to the loss of character on the road. There are no properties on the street which have lost their character, even where modernisations such as double glazed UPVC windows and doors have been applied.*

Response. Most respondents agree that Rockstone Lane is a pleasant road and that the area has a lot of character. Managing change within a Conservation Area is not the same as preventing change or development (although sometimes this is the case). Threats to the character of conservation areas are not always from large developments, but can often come from numerous small-scale, incremental changes. The Article 4 Direction (if approved) will help to manage these changes, to the benefit of residents and homeowners alike.

17. *Southampton City Council have been the biggest threat to the character of Rockstone Lane and their efforts should be directed towards Council repair work rather than homeowners. Examples of this include:*

- *Repair of pavement drains with new out of character drainage;*
- *Cutting back (to ground level) of the community garden (which responsibility for had been assigned to the residents by the council) at the end of the street without consulting the residents who spent their own money and effort planting up the area;*
- *The threat of replacing the existing traditional swan neck lampposts with new lighting;*
- *Paving slabs being replaced by tarmac (we understand that the ground needed to settle, but the tarmac has been here for years and despite talking on a number of occasions with the council these haven't been replaced);*
- *Numerous cobblestones have been tarmaced over and in places removed and replaced by tarmac;*
- *Numerous flagstones have been removed and replaced by tarmac;*
- *Installation of an unsympathetic flower bed railing;;*
- *No regular cleaning regime for the stone water trough at the apex of*

Rockstone Lane. The stone work has been cleaned once in 5 years.

Response. While these issues fall outside the remit of the Planning Legislation, experience (i.e. in Oakmount Triangle) has shown that Conservation Area status has enabled the planning department to more carefully manage inappropriate works that may harm the essential character of the area. This has included using more sympathetic materials to repair kerbs, pavements and gutters etc. Street Lighting have confirmed that there are no proposals to remove the existing street lights as part of the Lighting PFI, and that the only works proposed are to change the lanterns. Cleaning of the Water Trough is not a planning issue, but these comments will be passed on to the relevant Council department.

18. *We bought this site three years ago and have inherited all the uPVC windows which I personally think do not look too bad. However, many are draughty, leak and the double glazing panes have condensation between them. We need to replace them fairly urgently but as with all things in life there is a cost. We have ten windows and a number of doors that let out heat and our utilities are very high as we have to keep the pub heated all the time for the customers.*

The windows are over £500 each, so £5,000 for them alone. If we have to replace them and the doors with wood to match whatever was there in history then we need nearer £20,000. No wonder pubs are going out of business every day. It's because of your, I am sure good intentions, but not thinking the problem through.

Response. As a commercial property in a conservation area the public house already has no Permitted Development Rights. It is also a Locally Listed Building. The Council always seeks to work proactively with property owners to find solutions to problems such as those noted above, and will continue to do so. Please see the response at (14) above, which sets out the position regarding secondary glazing, which would not require planning permission.

19. *I don't know whether anyone in your department has actually looked at Rockstone Lane but an area of outstanding beauty worth conserving it is not! At one end you have the garage next to some scruffy take aways. Half way up Rockstone Lane is an industrial signage site. Next to that is scrap land that is unkempt beyond belief.*

Response. Rockstone Lane (as has been noted in all of the comments) has a character that is distinct from the surrounding areas, and one that is worth conserving. The garage site is not included in the conservation area. The industrial site was located within the original Cranbury Place Conservation area, prior to the recent boundary revisions.

20. *At the high end is a block of old flats and a lawn that my son has got the residents to replant with his money after your Council grubbed it all out!*

Response. The issues with the Community Garden are noted. These comments will be passed on to the Parks Department.

21. *Further down the road towards our pub are houses of every hue and cry, none matching and none deserving conservation. Most have a weird and wonderful selection of windows and doors and I cannot imagine any residents having the money to replace the said items with wood.*

Response. The mixed character of Rockstone Lane has already been noted. Most of the conservation areas in the City contain a mixture of house types from different ages. Uniformity is not a requirement.

22. *I accept that there may be some roads in Southampton that should be returned to their original Victorian or Georgian state however Rockstone Lane should not be one of them!*

Response. There is no implication in the proposals that the buildings need to be returned to their original state. The Article 4 Direction concerns only the front elevations of the properties (with the exception of The Rockstone public house). There is no change on householders ability to carry out works to the rear which will not affect the character and appearance of the conservation area.

23. The purpose of identifying conservation areas and applying Article 4 Directions is not to prevent change, but to set a framework within which change can be managed. The Article 4 Direction applies to the front elevations of the properties, and homeowners retain Permitted Development Rights for the rear and side elevations.
24. While it is accepted that as a result of the Article 4 Direction the use of uPVC materials will be actively discouraged, other materials are available, and double glazing is still an option for replacement windows and doors, provided that the materials are traditional.
25. The comments regarding the works to the highways and the pocket park are noted. While these are not planning matters, and therefore lie outside the control of the Article 4 Direction, there have been positive instances in other conservation areas where inappropriate modern materials have been replaced with traditional materials (for example concrete kerbs have been replaced with Purbeck kerbs).
26. On balance it is still felt that the Article 4 Direction would benefit both the city and the local residents in providing a mechanism that will allow the council to control inappropriate development and preserve or enhance the character and appearance of the conservation area. It is therefore recommended that Cabinet approve the proposal set out in the Recommendation (i) above.

RESOURCE IMPLICATIONS

Capital/Revenue

27. There is no capital implication arising from this report.
28. The cost of publication and distribution are estimated at £900. This can be met from within the existing E&T revenue budget.

Property/Other

29. There are no property implications for the Council arising from the recommendations contained within this report.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

30. The Planning (Listed Buildings and Conservation Areas) Act 1990.

Other Legal Implications:

31. The Council must be satisfied that any Conservation Area Appraisal and Management Plan conforms to the requirements of the Human Rights Act 1998, which incorporates the European Convention of Human Rights and Fundamental Freedoms into domestic legislation in particular Article 1 of the First Protocol in relation to the Protection of Property. Any interference with property rights (including restricting development opportunities, etc.) must be necessary and proportionate in order to control the use of property in accordance with the general public interest. The Council is satisfied that the proposals set out in this report are necessary to protect the local amenity and environment for the reasons set out in the body of the report.

POLICY FRAMEWORK IMPLICATIONS

32. The recommendations set out in the Cranbury Place Conservation Area Appraisal and Management Plan are based on and complement the existing policies set out in the Core Strategy and the saved policies of the City of Southampton Local Plan Review.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	Bevois
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SUPPORTING DOCUMENTATION

Appendices

1.	Proposed Article 4 Direction for Rockstone Lane
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Documents In Members' Rooms

1.	None
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Equality Impact Assessment

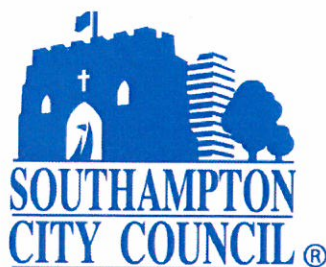
Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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Other Background Documents

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

1.	None	
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**TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT)
ORDER 1995 AS AMENDED**

DIRECTION MADE UNDER ARTICLE 4(1) TO WHICH ARTICLE 5 APPLIES

ROCKSTONE LANE AREA

WHEREAS Southampton City Council, being the appropriate local planning authority within the meaning of article 4(4) of the Town and Country Planning (General Permitted Development) Order 1995 ("the Order"), is satisfied that it is expedient that development of the descriptions set out in the First Schedule below should not be carried out on the land set out in the Second Schedule below, and shown edged blue on the attached plan, unless planning permission is granted on an application made under Part III of the Town and Country Planning Act 1990 as amended,

NOW THEREFORE the said Council in pursuance of the power conferred on them by article 4(1) of the Town and Country Planning (General Permitted Development) Order 1995 hereby direct that the permission granted by article 3 of the said Order shall not apply to development on the said land of the descriptions set out in the Schedules below:

FIRST SCHEDULE

DEVELOPMENT FOR WHICH PLANNING PERMISSION WILL NOW BE REQUIRED

- a) The enlargement, improvement or other alteration of a dwellinghouse where any part of the enlargement, improvement or other alteration would front a highway, waterway or public open space, being development comprised within Class A of Part 1 of Schedule 2 to the Order and not being development comprised within any other class;
- b) The enlargement of a dwellinghouse consisting of an addition or alteration to its roof where any part of the enlargement would front a highway, waterway or public open space, being development comprised within Class B of Part 1 of Schedule 2 to the Order and not being development comprised within any other class;
- c) Any other alteration to the roof of a dwellinghouse where any part of the alteration would front a highway, waterway or public open space, being development comprised within Class C of Part 1 of Schedule 2 to the Order and not being development comprised within any other class;
- d) The installation, alteration or replacement of a chimney, flue or soil and vent pipe on a dwellinghouse, being development comprised within Class G of Part 1 of Schedule 2 to the Order and not being development comprised within any other class;
- e) The installation, alteration or replacement of a microwave antenna on a dwellinghouse or within the curtilage of a dwellinghouse where the microwave antenna would front a highway, waterway or public open space, being development comprised within Class H of Part 1 of Schedule 2 to the Order and not being development comprised within any other class;
- f) The erection, construction, maintenance, improvement or alteration of a gate, fence, wall or other means of enclosure where the gate, fence, wall or other means of enclosure would front a highway, waterway or public open space, being development comprised within Class A of Part 2 of Schedule 2 to the Order and not being development comprised within any other class;
- g) The painting of the exterior of any building or work where the exterior would front a highway, waterway or public open space, being development comprised within Class C of Part 2 of Schedule 2 to the Order and not being development comprised within any other class;

- h) Any building operation consisting of the demolition of the whole or any part of any gate, fence, wall or other means of enclosure where the gate, fence, wall or other means of enclosure would front a highway, waterway or public open space, being development comprised within Class B of Part 31 of Schedule 2 to the Order and not being development comprised within any other class;
- i) The installation, alteration or replacement of solar PV or solar thermal equipment on a dwellinghouse where the solar PV or solar thermal equipment would front a highway, waterway or public open space, being development comprised within Class A of Part 40 of Schedule 2 to the Order and not being development comprised within any other class;
- j) The installation, alteration or replacement of solar PV or solar thermal equipment on a building other than a dwellinghouse where the solar PV or solar thermal equipment would front a highway, waterway or public open space, being development comprised within Class A of Part 43 of Schedule 2 to the Order and not being development comprised within any other class.

SECOND SCHEDULE

LAND TO WHICH THIS DIRECTION RELATES

- i. 1 – 70 Rockstone Lane (all properties)
- ii. 63 Onslow Road
- iii. Southcliff House (Numbers 1-6) and 35 Southcliff Road

Made under the Common Seal of Southampton City Council this 22nd day of January 2014

The Common Seal of the Council was affixed to this Direction in the presence of


G. Tronidge

.....
Authorised Signatory



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at the moment

DECISION-MAKER:	CABINET		
SUBJECT:	ACCOMMODATION STRATEGY UPDATE 2014		
DATE OF DECISION:	15 JULY 2014		
REPORT OF:	CABINET MEMBER FOR RESOURCES AND LEISURE		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Annabel Fox	Tel: 077 8830 4557
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Director	Name:	Mark Heath	Tel: 023 80 832371
	E-mail:	Mark.heath@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
Not applicable.

BRIEF SUMMARY

This report recommends the next steps in the Accommodation Strategy for Civic Buildings, as the current programme of works and moves is due to end in August 2014 with the conclusion of ASAP (the Accommodation Strategy Action Programme) and the vacation of Marland House.

Following careful management of these schemes, there is an under spend against the budgets for both schemes. This report provides a summary of works covered by both ASAP and Marland House vacation and sets out proposals to vire the remaining capital budgets into a new Accommodation Strategy scheme within the overall Resources Portfolio capital programme to cover future accommodation changes, including the potential vacation of the council occupied floors within One Guildhall Square (OGS) subject to a suitable tenant being identified and to extend the scope of the remaining revenue budget to support these accommodation changes.

The Strategy will also consider as a further future stage the vacation and disposal of Service Property with moves into the Civic, once OGS has been vacated. The strategy will continue to incorporate the use of flexible and mobile working and the potential conversion into offices of some spaces in the Civic Centre, alongside the provision of additional desks.

RECOMMENDATIONS:

- (i) To approve the next phase of the Accommodation Strategy to enable the potential vacation of One Guildhall Square, followed by Service Properties through the implementation of further accommodation changes to in order to generate ongoing revenue savings
- (ii) Subject to the conclusion of successful negotiations with a third party, to approve the grant of a lease of the Council's office space within OGS and delegate authority to the Head of Property, Procurement and Health & Safety and the Head of Legal and Democratic Services to finalise the detailed terms and complete the lease.

- (iii) To add in accordance with Financial Procedure Rules a sum of £1,837,000 to the Resources Portfolio Capital programme in 2014/15 to enable the next phase of the accommodation strategy to be implemented.
- (iv) To vire in accordance with Financial Procedure Rules a sum of £742,000 from the Accommodation Strategy Action Programme (ASAP) and £1,095,000 from the Vacation of Marland House schemes within the Resources Portfolio Capital programme to the newly created scheme for the next phase of the accommodation strategy
- (v) To note the revenue under spend of £425,000 as set out in the report and approve the extended scope of this remaining budget to now include spend to support the next phase of the accommodation strategy.
- (vi) To note that the existing authority delegated to the Director of Corporate Services will continue to be applied, to allocate premises related resources (revenue and capital) to enable any works necessary to be delivered to ensure the implementation of this next phase of the Accommodation Strategy.

REASONS FOR REPORT RECOMMENDATIONS

1. To approve the changes to the Accommodation Strategy and put in place appropriate funding and approvals for its ongoing implementation to facilitate future accommodation changes as required.
2. To enable the Council to lease its office space in One Guildhall Square to a third party to enable a further rationalisation of office accommodation to generate an ongoing saving to the council from both a reduction in running costs and an additional rental income.
3. To enable the Council to vacate and dispose of Service Property.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

4. Leasing in new office premises is more costly than the proposals set out in this report.

DETAIL (Including consultation carried out)

Introduction

5. The Accommodation Strategy was approved in 2004 and updated in 2005, 2008, 2009, 2011 and 2013 to vacate five leased buildings and one freehold building, allowing for urgent repairs to the cladding of Marland House and subsequently the Civic Centre to avoid building failure, helping to facilitate the Council's occupation of One Guildhall Square and introducing flexible working and modular layouts.
6. The 2009 & 2013 reports note that *"..reviews are built into the Strategy to cover substantial changes that may take place and to provide Risk Management for the Strategy to ensure that it continues to meet the needs of SCC."*

7. This report looks to the future of the Accommodation Strategy, together with the winding up of the existing projects and proposes that under spends on these are transferred to a new capital scheme to enable future accommodation changes and ongoing savings to be achieved.

Winding up of existing Accommodation Strategy Projects:

Vacation of Marland House

8. The disposal of Marland House was approved by Cabinet to support regeneration of this part of the city, to save running costs of the building and to avoid significant repair costs in the future. The initial deal agreed has faltered and the property has been re-marketed. It is anticipated that another deal will be agreed shortly and a further update is provided as part of a separate report on this agenda. The vacation of the building is proceeding to ensure savings can be maximised and vacant possession provided.
9. In addition to this, it is noted that this project has assisted the implementation of the People Transformation Project, by enabling the Multi Agency Safeguarding Hub (MASH) to be located in the Civic Centre alongside the co-location of People's Children & Families and directorate support services in the North Wing, also helping to enable the disposal of a number of Service Properties.
10. The approved capital budget of £1,200,000 was established to cover any works for the conversion of non office space within the Civic Centre, although it was stated at that time that no works would be undertaken unless absolutely necessary. The clear instruction was to find a more cost effective solution through the use of flexible working and other changes in working practices including desk use at a ratio 4:3 staff to desks and adoption of 1200mm desks in the North Wing by People Directorate. In addition the Public Interface has been moved into Gateway rather than requiring the conversion of space within the Civic Centre and, to ensure maximum savings were achieved, fit out works were halted on the ASAP project and re-planned (to ensure one fit out only).
11. As a result significant capital savings on the vacation of Marland House project have been achieved as the only works required related specifically to the fit out of the North Block, for electrical works to provide additional desks over and above those already planned at a cost of £105k. **The forecast saving on this project is therefore £1,095k.**
12. The project has been run in parallel with the ASAP scheme to ensure that costs could be kept to a minimum and that the number of moves could be monitored and multiple moves avoided.

The only items approved as part of the £1,000,000 revenue budget were:

- £300,000 to fund the moves over and above those already planned under ASAP. This is a maximum figure to enable the next / final phase of moves to re-occupy the North Block with People Directorate staff.
- £275,000 contribution towards the digitisation of the ROMTV equipment currently located in Marland House. The feasibility study and subsequent tender process to move this equipment into the Civic

Centre demonstrated that it was more cost effective to digitise the equipment and decommission the existing ageing kit. The original sum approved to cover the cost of moving the kit was therefore re-directed towards this longer term solution.

A reduction in works has also been achieved by forward planning the space on a modular basis to enable staff to be moved into existing layouts.

As a result **the forecast revenue saving on the vacation of Marland House project is estimated to be £425,000.**

Accommodation Strategy Action Programme (ASAP)

13. The programme was set up to deliver essential cladding repairs to Marland House to keep it safe, operational and avoid the need to close the building, repairs to the Civic Centre, the facilitation of Gateway, the Council's occupation of OGS and the vacation of leased office buildings, within an overall capital budget of £24,149,000. The approved budget of £24,500,000 was subsequently reduced by an approved virement of £351,000 to set up a new scheme for repairs to the Civic Centre Clock Tower.
14. Repairs to the Civic Centre were carried out to prevent likely building failure, which in turn would have prevented the vacation of leased buildings, thereby incurring additional revenue costs rather than providing savings. Little systematic upgrading of the Civic Centre had been carried out since the 1930's, building and service elements were life expired and the risk of major disruption was increasing.
15. As part of ASAP, repairs to the Civic Centre included stonework, steelwork, roofs, windows and life expired services, removing and managing hazardous materials, geothermal connections, improving energy and environmental performance of the building and upgrading the offices, IT re-cabling, a back up generator for the IT suite and provision of IT services, and a more modern and flexible office environment.
16. Extra pressures also incorporated additional compounds, increased building regulation and Heritage requirements, the art restoration roof, lift repairs, previously unknown items (such as the secondary roof light and the removal of significant further unknown asbestos, identified when detailed invasive surveys were undertaken) alongside other unknown problems hidden within the building fabric. The offices have been refurbished, re-carpeted and painted, public areas have also been re-decorated. The scheme was also one of 4 shortlisted for an RICS Building Conservation award.
17. Works have now been completed on time and within budget, with ongoing management and decisions taken within the Councils project management structure. The contract with Wates was carefully managed, with SCC and Capita staff working closely together throughout the process to ensure that the works undertaken and settlement of the final accounts did not exceed the budget. As a **result the forecast under spend on the scheme is estimated to be £742,000** (in addition to the sum of £351,000 already vired to create a new scheme for the repairs to the Clock Tower).

Strategy for the future

18. As before, the programme established to look at the overall way in which the council uses office accommodation includes the following examples:
- (a) Reviewing how service areas/staff should work with an eye to future use of IT, flexible and mobile working and using this to define accommodation requirements.*
 - (b) Increasing the potential capacity within the Civic Centre, by conversion of storage, offices, Leisure and other areas to enable more desks to be created and subsequently reduce buildings occupied.*
 - (c) Identifying what IT infrastructure and facilities are already available, and what else is needed.*
 - (d) In HR terms, managers need to have the skills and tools to move away from management by physical presence at a desk or in an office, and support is needed for Management and Staff to assist any changes.*
 - (e) Space allocation will need to be considered alongside need in terms of what is to be delivered.*

Proposed vacation of One Guildhall Square (OGS)

19. The revised Strategy includes a further rationalisation of office accommodation and now proposes that the Council occupied areas in OGS are vacated with a lease granted to a third party in order to generate an annual revenue saving.
- In order to ensure that the timescales for vacating OGS can be achieved if the provisional deal agreed (or an alternative letting) can be progressed, approval is being sought now to put in place the necessary delegated powers to enable the vacation to proceed.
20. There are potentially around 186 full time and 47 part time staff to be relocated from OGS, subject to agreement on the lease and terms. These staff can be moved into the Civic on the basis set out below; please note these proposals are high level and detailed plans and options are currently being discussed with the Council's Management Team.
21. As a result of changes in staff numbers following the budget savings approved for 2014/15 and ongoing, the original proposal to occupy office space at a ratio of 4:3 staff to desks (i.e. 75%) did not need to be fully utilised. However new plans/options to use the Civic more intensively include the strict adoption of this principle and the provision of additional smaller (1200mm) straight desks, together with conversion of non office areas of the Civic (i.e. Fountains Café).
22. Working flexibly involves a number of options for different requirements, supported by HR and IT with systems needed for staff to do their job wherever they are working. HR policies to support this have been developed and issued and there are a number of flexible working solutions already available. Further options may be developed to support this, including training, purchase of IT kit, HR support and adjustments to layouts.
23. Castle Way has been retained on a short term basis with a reduced rent agreed, to avoid double moves and associated costs.

Service Properties

24. As before, it is assumed that the Civic Centre is the main preferred location for staff given low running costs, location and long term ownership. Leasing alternative space from external landlords is generally far more costly and will also involve dilapidations payments on exit.
25. Where further capacity is found to exist within the Civic to provide space for additional staff, the vacation and disposal of Service properties will be considered as part of the Accommodation Strategy as a later stage where it is cost effective to do so.

RESOURCE IMPLICATIONS

Capital/Revenue

26. As detailed above the two approved capital schemes that exist to enable the implementation of the accommodation strategy are now drawing to a close with the latest forecast position set out below:

	Capital Scheme Budget	Capital: Forecast Under spend
	£	£
ASAP	24,149,000	742,000
Marland House	1,200,000	1,095,000
Total	25,349,000	1,837,000

Although these schemes will end during the current financial year, further accommodation changes are anticipated within the overall accommodation strategy, to include the potential vacation of the Council occupied floors within One Guildhall Square (OGS) and the subsequent impact of the service property review, if funds permit, following the vacation of OGS. It is therefore proposed that the forecast capital under spend be vired to create and enable a new capital scheme to cover the next phase of accommodation changes.

In addition it is proposed that the unspent revenue budget of £425,000 set out in paragraph 12 be utilised to widen the scope of spend in order to support the next phase of the accommodation strategy.

27. In February 2009 Cabinet approved the delegation of authority to the Director of Corporate Services following consultation with the Cabinet Member for Resources to allocate premises related resources (revenue and capital) in order to maximise the efficient use of resources in respect of general repairs and maintenance, major works to civic buildings and the implementation of the accommodation strategy. This delegated authority will continue to be applied to ensure the successful implementation of this next phase of the accommodation strategy.
28. As set out above, detailed plans are currently being drawn up to establish the most cost effective way of vacating the council occupied floors within OGS. It is not possible at this stage to accurately state the value of any potential capital costs, but these are expected to include works relating to the creation of storage, alterations, new desk areas and conversion of spaces as

necessary within the Civic Centre in order to meet the shortfall from the vacation of OGS and Service Properties, this will include fees, electrical, mechanical, IT, building works and contingency. As with the vacation of Marland House scheme, only those works necessary to generate an essential and cost effective solution will be undertaken.

- 29. The revenue costs of vacating One Guildhall Square are expected to include fees, furniture and equipment, moves, IT and contingency. As with capital it is not yet possible to state the accurate forecast of costs at this stage.
- 30. The current annual revenue costs of running the Council occupied floors within OGS form part of the Admin Buildings budget within the Resources and Leisure Portfolio. These costs would be saved at the point of disposal of this space to a third party. Vacation of the offices (leaving them empty) will not produce a material saving as the building will still need to be maintained and costs paid for under the service charge, until the space is let. If let, the additional rental income would form part of the Investment property account within the Resources and Leisure Portfolio.
- 31. It is anticipated that as the vacation proposals progress, the estimated annual saving in running costs of £447,000 and additional rental income generated (to be agreed as part of any future lease) will form part of a future budget savings proposal.

Property/Other

- 32. As set out in the report.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

- 33. Local Authorities have a variety of powers to acquire, appropriate and dispose of land including the Localism Act 2011. For the purposes of any of its functions or for the benefit, improvement or development of its area, the Council may by virtue of Section 120 Local Government act 1972 acquire by agreement any land, whether situated inside or outside its area. S 123 of the 1972 Act covers disposals.

Other Legal Implications:

- 34. None

POLICY FRAMEWORK IMPLICATIONS

- 35. None

KEY DECISION? Yes.

WARDS/COMMUNITIES AFFECTED:	None specifically.
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SUPPORTING DOCUMENTATION

Appendices

1.	None
2.	

Documents In Members' Rooms

1.	None
2.	

Equality Impact Assessment

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

1.		
2.		

DECISION-MAKER:		CABINET COUNCIL	
SUBJECT:		SOUTHAMPTON CITY STRATEGY 2014-2025	
DATE OF DECISION:		15 JULY 2014 - CABINET 16 JULY 2014 - COUNCIL	
REPORT OF:		LEADER OF THE COUNCIL	
AUTHOR:	Name:	Suki Sitaram	Tel: 023 8083 2060
	E-mail:	Suki.sitaram@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
None.			

BRIEF SUMMARY

Southampton Connect (the partnership comprising leaders of key public, private and voluntary organisations in the city) has identified the top city priorities detailed in its draft City Strategy. The partnership believe that through collaborative action, implementation of the strategy will help to maximise opportunities and address challenges for the city.

As a key member of Southampton Connect, the Council with other main partners, has been requested to endorse the draft City Strategy 2014 - 2025, and to contribute to delivering the priorities and outcomes contained within the attached draft strategy.

RECOMMENDATIONS:

CABINET:

- (i) To endorse the draft Southampton City Strategy 2014 - 2025 prepared by Southampton Connect and to recommend its approval to Council on 16th July 2014.

COUNCIL:

- (i) To endorse the draft Southampton City Strategy 2014 - 2025 prepared by Southampton Connect.
- (ii) To delegate authority to the Chief Executive, as the incoming Chair of Southampton Connect, to agree the Council's contribution to the final City Strategy 2014 – 2025 which will reflect feedback from Southampton Connect partners.

REASONS FOR REPORT RECOMMENDATIONS

1. The council is a significant partner within Southampton Connect and is therefore being requested to endorse the draft city strategy along with all key partners.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None as the draft Southampton City Strategy 2014 - 2025 has been developed by Southampton Connect.

DETAIL (INCLUDING CONSULTATION CARRIED OUT)

3. Launched in 2011, Southampton Connect replaced Southampton Partnership as the key strategic partnership for the city and agreed a City Plan for 2012-2015 in October 2011.
4. Under the leadership of the Chief Executive of Southampton Voluntary Services, Southampton Connect has forged closer working relationships with other city partnerships, including the recently formed Future Southampton. It has been effective in bringing organisations together to improve outcomes, particularly around the city's response to Welfare Reforms and promoting the 50th anniversary of Southampton gaining city status.
5. Reflecting changing opportunities, needs and resources within the city, and the necessity to focus on addressing fewer key strategic challenges, Southampton Connect have drafted the city strategy for Southampton covering the period 2014 to 2025.

Vision and priorities

6. The draft City Strategy 2014 – 2025, attached as Appendix 1, articulates Southampton Connect's vision for the city which was developed with key partners from across the city with 3 key priorities for the city and accompanying outcomes.
7. The 3 priorities within the draft strategy are:
 - Economic growth with equality
 - Skills and employment
 - Healthier and safer communities.
8. As identified in the strategy, progress in delivering the stated outcomes will be led by the strategic partnerships in the city that have strategic responsibility in these areas, with Southampton Connect keeping an overview of progress.
9. The strategy also identifies four cross-cutting themes that require the collective action of Southampton Connect partners to progress over and above the work of the strategic partnerships. The 4 cross cutting themes are:
 - Improving mental health
 - Building community capacity
 - Fostering city pride and identity
 - Delivering whole place thinking
10. Southampton Connect will be developing mechanisms to progress the cross cutting themes by Autumn 2014.

How were the priorities and cross cutting themes determined?

11. The priorities and cross cutting themes have been decided following consultation with Southampton Connect partners and reflect extensive

feedback from city residents, Southampton's aspirations within the region, and analysis of information about the city.

Feedback from residents

12. In March and April 2014 the first City Survey since 2010 was undertaken. Southampton Connect, the Safe City Partnership, Health (Southampton City Clinical Commissioning Group) and the Council commissioned the City Survey, to find out what residents think of Southampton and the services we all provide. The main feedback was:
- 82% of residents are satisfied with their local area as a place to live
 - Increasing jobs and employment, as well as reducing crime and antisocial behaviour, were among the top priorities identified.
 - 63% of residents feel safe in their local area at night - compared to 93% during the day.
 - 63% of residents feel a strong sense of belonging to their local area, compared to the national average of 78%.
 - 36% of residents feel they can influence decisions affecting their local area.
 - One third of residents feel they have little or no influence over decisions about their healthcare.
 - 60% of residents have not taken part in any voluntary activity in the last year.

Regional Aspirations

13. These include:
- Promoting the area as the UK's leading growth hub for advanced manufacturing, marine and aerospace both at home and, more importantly, in the global marketplace.
 - Ensuring people have the right skills to access employment and support our growing sectors.
 - Increasing and accelerating the number of jobs and housing by releasing key sites and helping to provide the infrastructure needed to regenerate and develop them.
 - Helping young people, the long-term unemployed and those who may be made redundant get into work.

City Profile

14. Southampton is the second highest ranking city in England for 'good growth' based on the "Good Growth Index 2013". This index compares how 39 UK above average cities for 'good growth' perform on job, income and skills measures. The city is now ranked 4th overall for economic growth in the UK and the 2nd highest English city for good growth. Southampton showed the most improvement of any other city, between 2012 and 2013. This is a rise of 10 ranking places since the 2012 survey, demonstrating the city's commitment to growth and economic development opportunities. We are ensuring that we capitalise on this by being actively involved in the region's developing Strategic Economic Plan to access the Single Local Growth Fund. This will help us to drive the key developments in the city, particularly Royal Pier, and continue the critical work on waste

transformation and estate regeneration.

15. Analysis of information contained within publications such as the Joint Strategic Needs Assessment (Health and Wellbeing), the Strategic Assessment (Community Safety), and the Digest of Key Statistics provides us with an overview of the strategic needs across Southampton. This profile identifies the following:
 - The achievement of children and young people at school and college has significantly improved over recent years, but further improvement is still needed.
 - Wages are below the regional average.
 - Southampton is the most deprived area in the south east for older people living in poverty with above average levels of child poverty
 - An increasing number of people are living in private rented accommodation.
 - There has been a significant increase in demand for specialist safeguarding services for vulnerable children, young people and families.
 - A high number of people are claiming benefits due to mental health issues and mental health problems are increasing.
 - The number of people with dementia and those who are frail elderly are increasing.
 - Although crime is falling the comparable position for all crime is 6th out of 9 core cities.
 - Southampton has high levels of alcohol related crime and ill health.
16. The Leadership Foundation for Higher Education also provided input into the development of the draft strategy. A group of academics and senior managers in higher education were invited to undertake a strategic challenge in Southampton on 15th May 2014. They conducted desk based research and interviews with key city leaders to help identify the top 3 challenges and opportunities where partnership working could add real value. Their conclusions helped to inform the discussion at a workshop on 29th May 2014 where draft priorities were identified by Southampton Connect members and additional invitees made up of leaders from a cross section of organisations and partnerships in the city.
17. To enable progress to be tracked Southampton Connect identifying a number of measures against which performance in delivering the outcomes identified in the strategy will be monitored.
18. The priorities within the City Strategy 2014 – 2025 need to be reflected within the priorities of the key partners within Southampton Connect to ensure that the city works collaboratively to meet the challenges it faces. To this end the priorities contained within the draft Council Strategy 2014-17 clearly show how the council will contribute to meeting the priorities outlined in the draft City Strategy.
19. As the draft Southampton City Strategy 2014 - 2025 has been developed by Southampton Connect, formal organisational sign-up is now being sought from all key partners so that it can be formally launched in Autumn 2014. As part of the approval process, delegated authority is sought for the Chief

Executive, in her capacity as the incoming Chair of Southampton Connect, to finalise the strategy for launch. This will incorporate any changes requested during the approval process.

FINANCIAL/RESOURCE IMPLICATIONS

Capital/Revenue

20. There are no additional capital or revenue implications for 2014/15 arising from the proposals outlined in this report.

Property/Other

21. None as a consequence of the recommendations contained within this report.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

22. S101 Local Government Act 1972, Local Government Act 2000.

Other Legal Implications:

23. None.

POLICY FRAMEWORK IMPLICATIONS

24. Whilst the City Plan is no longer a statutory requirement or part of the council's Policy Framework, it is expected that other plans and strategies within the Policy Framework will seek to address the challenges in the City Plan and contribute to the priorities and projects detailed within it.

SUPPORTING DOCUMENTATION

Appendices

1	Draft Southampton City Strategy 2014 - 2025
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Documents In Members' Rooms

	None
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Background Documents

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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	None.	
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FORWARD PLAN No: N/A

KEY DECISION No

WARDS/COMMUNITIES AFFECTED: None




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Southampton - a city of opportunity where everyone counts

Our goal: Prosperity for all

We want to build on Southampton's unique location by the sea with exceptional transport links, its strong position nationally for economic growth, excellent reputation for teaching and learning, good regional specialist hospital, varied retail offer and night time economy, vibrant voluntary and student communities with rich diversity and cultural mix. Southampton is the most improved of any other UK city for good growth between 2012 and 2013. The 2nd highest ranking English city for good growth.

! Our priorities

	 Economic growth with equality	 Skills and employment	 Healthier and safer communities
Focus	Ambitious inward investment Maximising Southampton's waterfront potential	Promoting Inspirational role models Closing the gap for local people	Keeping people healthy Protecting vulnerable people
Outcomes	Strong local economy which includes a wide range of businesses and SMEs Reduction in poverty - both in and out of work Southampton is known as a waterfront destination	Improved match between local skills and business needs Increased employment opportunities for local people All residents have access to good quality learning opportunities	People stay healthy for longer and improving everyone's well being People of all ages are safer and feel safer People experience less social isolation
Measures	Number of active enterprises Gross Value Added Net increase in jobs Salary inequality of city residents Child poverty levels Number of visitors to the City Number of dwellings and amount of commercial floorspace completed on major waterfront development sites	Employment rate Number of apprenticeship starts Results for Science, Technology, Engineering and Maths Achievement indicators	Reoffending and crime rates Healthy life expectancy Resident perceptions of safety Outcomes for Dementia Hospital admissions related to alcohol Perception of influence over healthcare decisions Decent and affordable housing Number of people reporting feelings of isolation

★ Our cross-cutting themes

Improving Mental Health	<ul style="list-style-type: none"> Supporting people with mental health issues to gain and stay in employment Working together to support and signpost people into appropriate mental health services as early as possible
Building community capacity	<ul style="list-style-type: none"> Increasing volunteering in the City Increasing the number of people who work together to improve their local area
Fostering city pride, passion and identity	<ul style="list-style-type: none"> Increasing community cohesion Increasing satisfaction with Southampton as a place to live
Delivering whole place thinking	<ul style="list-style-type: none"> Enabling more community budgeting and pooling of budgets to deliver community-led services Increasing the number of people who want to get involved and influence decision making in the City

? Why did we choose these priorities?



City profile

The achievement of children and young people at school and college has significantly improved over recent years, but further improvement is still needed

Wages are below the regional average

Southampton is the most deprived area in the south east for older people living in poverty with above average levels of child poverty

An increasing number of people are living in private rented accommodation

There has been a significant increase in demand for specialist safeguarding services for vulnerable children, young people and families

A high number of people are claiming benefits due to mental health issues and mental health problems are increasing

The number of people with dementia and those who are frail elderly are increasing

Although crime is falling the comparable position for all crime is 6th out of 9 core cities

Southampton has high levels of alcohol related crime and ill health



Feedback from residents

82% of residents are satisfied with their local area as a place to live

Increasing jobs and level of employment, as well as reducing crime and antisocial behaviour, were among the top priorities identified as needing improvement

63% of residents feel safe in their local area at night - compared to 93% during the day

63% of residents feel a strong sense of belonging to their local area, compared to the national average of 78%

One third of respondents believe they have either little or no influence over the decisions on healthcare



Regional aspirations

Promoting the area as the UK's leading growth hub for advanced manufacturing, marine and aerospace both at home and, more importantly, in the global marketplace

Ensuring people have the right skills to access employment and support our growing sectors.

Increasing and accelerating the number of jobs and housing by releasing key sites and helping to provide the infrastructure needed to regenerate and develop them

Helping young people, the long-term unemployed and those who may be made redundant get into work

Southampton Connect will work closely with the key city partnerships to deliver the vision



DECISION-MAKER:		CABINET COUNCIL	
SUBJECT:		COUNCIL STRATEGY 2014 - 2017	
DATE OF DECISION:		15 JULY 2014 - CABINET 16 JULY 2014 - COUNCIL	
REPORT OF:		LEADER OF THE COUNCIL	
AUTHOR:	Name:	Suki Sitaram	Tel: 023 8083 2060
	E-mail:	Suki.sitaram@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
None.			

BRIEF SUMMARY

The Council Strategy is a key strategic document, setting out what we will do, how we will work and how we will contribute to the draft city strategy (2014 – 2025). It sets out our priorities for the next three years, the outcomes we expect to achieve by 2017 and the measures we will use to monitor our progress. It will influence all other strategies and policies developed during this period, as well as spending decisions; directorates and services will also use it to plan service delivery. It is part of the council’s Policy Framework and must be approved by Council.

Once agreed, it will be made published on the council’s website and be available to staff, residents and stakeholders. It has been drafted as an easy to read, accessible document, which focuses on key priorities, rather the trying to describe all ‘business as usual’ activities.

It replaces the current Council Plan, which received positive feedback, and has been used to set the strategic direction for the council since its development. It has been refreshed in light of feedback from residents and the changing local and national context.

RECOMMENDATIONS:

CABINET:

- (i) To note the recommendations made by the Overview and Scrutiny Management Committee, as reported verbally at the meeting, which, if approved by Council, will be reflected in the final version of the Council Strategy.
- (ii) To recommend the draft Council Strategy 2014-2017, including the Council priorities attached as Appendix 1, to Council for approval.

COUNCIL:

- (i) To note the recommendations made by the Overview and Scrutiny Management Committee and Cabinet, to be reported verbally at the meeting, and which, if approved, will be reflected in the final version of the Council Strategy 2014 - 2017.
- (ii) To approve the draft Council Strategy 2014-2017, including the council priorities attached as Appendix 1.
- (iii) To delegate authority to the Assistant Chief Executive, following consultation with the Leader of the Council, to finalise the draft Council Strategy 2014 -2017, including incorporating any changes made at the meeting and to make any in

year changes and to refresh relevant sections of the strategy in 2015 and 2016 so that it aligns with any new budgetary or policy developments which will impact on the council's activities during 2014- 2017.

REASONS FOR REPORT RECOMMENDATIONS

1. The Council Strategy is a key element in the council's policy framework, as it sets the direction of travel and priorities for the council for 2014-2017. It will influence all other strategies and policies developed during this period, as well as spending decisions. Whilst it sets the overarching strategic direction for the council, ongoing review and changes will be necessary over the three year period, in response to a number of factors. Delegated authority is therefore sought to review and make changes in the future.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None.

DETAIL (INCLUDING CONSULTATION CARRIED OUT)

3. The draft Council Strategy 2014-2017, attached as Appendix 1. The strategy describes how the council will contribute to the priorities set out in Southampton Connect's City Strategy 2014 -2025.
4. The previous Council Plan was published in July 2013. Key achievements against last year's plan are attached as Appendix 2. Highlights include:
 - Agreement on the development of the Royal Pier with key partners and commenced work on phase 1 of the Station Quarter Development and Centenary Quay, as part of the City Centre Master Plan.
 - Successful City Deal submission, jointly with Portsmouth City Council which is expected to lever significant funding to support local economic growth and jobs for local people.
 - Improvement in the levels of educational attainment at both Key Stage 2 and Key Stage 4 (GCSE) by the city's children and young people including those from disadvantaged backgrounds.
 - Launch of a new mobile app 'Recycle for Southampton' to help residents check collection dates, set reminders and find their nearest recycling point.
 - Over 10,000 residents have signed up for the garden waste collection service.
 - Establishment of a joint Multi Agency Safeguarding Hub (MASH) to improve the effectiveness of responses to all children's referrals.
 - Started work on the Southampton New Arts Complex.
 - Established a joint Integrated Commissioning Unit between the council and Health (Southampton City Clinical Commissioning Group) within a unified management structure.
 - Establishment of an independent Fairness Commission to consider issues of fairness and equality in Southampton.
 - Delivered 300 affordable homes and brought 100 empty homes back into

use.

- Conducted the first City Survey since 2010 in partnership with Southampton Connect.

5. We face a number of challenges including financial pressures and improving our performance in some areas. The final performance report for 2013-14 is available on the council's website, and provides an overview of progress to date. The key areas for improving council performance in the coming year have been incorporated into the draft Council Strategy 2014 -2017 and are:

- Improving educational attainment for all children and young people.
- Improving children's safeguarding services including of increasing the number of care leavers in suitable accommodation and in employment, education or training.
- Increasing direct payments and reducing delayed transfers of care.
- Increasing recycling rates and transforming waste services.

6. In developing the Council Strategy, we have also considered feedback from residents, both from the pre-budget priorities survey, and the more recent City Survey 2014. It is reassuring to note that despite the fact that in the last few years the council has had to make difficult decisions in light of financial challenges. The feedback shows that:

- Satisfaction with how the council runs things has gone up since 2010 by 7% to 59%.
- 44% agree that the council provides value for money which is 4% higher than in 2010.
- Over 75% are satisfied with parks and open spaces, bin collections and recycling.
- Over 60% are satisfied with our play parks/areas, libraries, sports and leisure, local tips and recycling.

7. We have also given particular attention to the key feedback points:

- The top priorities for improvement were roads and pavements and local transport and travel congestion.
- 88% of Southampton residents have access to the internet.
- 28% use email alerts and 27% use the website as the main source of information about the council.

8. The draft Council Strategy 2014 -2017 sets out the following priorities:

- Jobs for local people
- Prevention and early intervention
- Protecting vulnerable people
- Affordable housing
- Services for all
- City pride
- A sustainable Council

9. The strategy details the outcomes we expect to achieve by 2017 and the key success measures we will use to monitor our performance. Quarterly performance reports will be published on the council's website and be available for the Overview and Scrutiny Management Committee (OSMC) to consider.

10. In addition to setting out our key priorities, the strategy reflects our priority to become a sustainable council in the context of our ongoing financial pressures. A separate report is on this agenda detailing the next phase of our Transformation Programme to enable us to achieve this priority by 2017.
11. OSMC is due to consider the draft Council Strategy 2014 - 2017 on 10th July 2014 and their recommendations will be reported verbally at the Cabinet and Council meetings.
12. The final version of the Council Strategy 2014- 2017 will be published on the Council's website, following consideration of the feedback from OSMC, Cabinet and Council.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

13. There are no additional capital implications for 2014/15 arising from the proposals outlined in this report.

Revenue

14. There are no additional revenue implications for 2014/15 arising from the approval of the report's recommendations. The measures contained within the strategy will be met from the resources allocated to portfolios through the 2014/15 budget setting process and future approved budgets.

Property

15. None as a consequence of the recommendations contained within this report.

Other

16. None.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

17. The statutory powers for producing this strategy can be found in the Local Government & Housing Act 1989, Local Government Acts 1972, 1999 and 2000 and s.1 Localism Act 2011. The council has a statutory duty to secure best value. The production of the Council Strategy demonstrates that the council has an integrated and planned approach to this requirement.

Other Legal Implications:

18. In preparing the Strategy the council has had regard to its duties under the Equalities Act 2010, the Human Rights Act 1998 and s.17 of the Crime and Disorder Act 1998.

POLICY FRAMEWORK IMPLICATIONS

19. The Council Strategy forms part of the council's Policy Framework, as set out in Article 4 of the Council's Constitution. The Executive is, for almost all functions, responsible for implementing the policies and spending the budget in accordance with the Policy Framework and budget. Each of the proposed actions in this strategy will be subject to the council's normal decision making processes, including detailed legal and financial assessments as necessary.

In developing this strategy, consideration has been given to known national policy and budgetary changes which will have a significant impact on the city. Progress over the next few years will be partially dependent on the availability of funding from external sources or the identification of new income sources. As it is not possible to guarantee the outcomes in some cases, the Council Strategy is subject to in year variation. It is therefore proposed to delegate authority to the Assistant Chief Executive, following consultation with the Leader of the Council, to finalise the Council Strategy, including incorporating any changes made at the meeting and to make any in year changes and to refresh relevant sections of the strategy in 2015 and 2016 so that it aligns with any new budgetary or policy developments which will impact on the council's activities during 2014- 2017.

SUPPORTING DOCUMENTATION

Appendices

1	Draft Council Strategy 2014 - 2017
2	Council Plan 2013 - 16 Progress highlights

Documents In Members' Rooms

	None
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Background Documents

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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	None.	
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FORWARD PLAN No: N/A

KEY DECISION No

WARDS/COMMUNITIES AFFECTED: None

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DRAFT SOUTHAMPTON CITY COUNCIL STRATEGY 2014-17

Contributing to the City Vision “Southampton - A City of Opportunity for all, where everyone counts”

OUR PRIORITIES

OUTCOME: BY 2017 WE WILL

1. Jobs for local people	<ul style="list-style-type: none"> • Increase investment into the city • Reduce unemployment for young people, care leavers and long term unemployed • Increase apprenticeship opportunities for young people • Improve educational attainment for all children and young people • Increase sign up to the Living Wage
2. Prevention and early intervention	<ul style="list-style-type: none"> • Encourage active and healthy lifestyles • Provide early help and support to victims of domestic violence • Work with families with complex needs to help them to “turn around” • Provide effective early help services for children in need • Enable more people to live independently in their own homes
3. Protecting vulnerable people	<ul style="list-style-type: none"> • Ensure provision for Children Looked After is based on ‘right child, right placement, right time’ only for as long as needed • Provide effective intervention for children in need of protection • Reduce youth offending • Increase in the proportion of people who use adults services who feel safe • Work with health to provide effective, seamless services to vulnerable adults
4. Affordable housing	<ul style="list-style-type: none"> • Increase the number of affordable homes • Improve the quality of council housing • Reduce the number of empty properties
5. Services for all	<ul style="list-style-type: none"> • Improve the condition of roads and pavements • Increase recycling • Improve street cleanliness • Modernise library provision to achieve best value
6. City pride	<ul style="list-style-type: none"> • Encourage voluntary work • Encourage participation in city life
7. A sustainable Council	<ul style="list-style-type: none"> • Increase access to information and services online • Manage future demand for our services effectively • Commission and deliver services that provides value for money and meets the needs of customers

How we will work



By 2017 we expect to be very different

- A sustainable council
- Different customer experience
- Commissioning services
- Mixed economy with different service delivery models
- Digitally driven
- Smarter working: Employees, Procurement, Assets
- Community ownership

How did we decide on these priorities?

Southampton Connect City Strategy 2014 – 2025

Priorities

- Economic growth with equality
- Skills and employment gap
- Healthier and safer communities

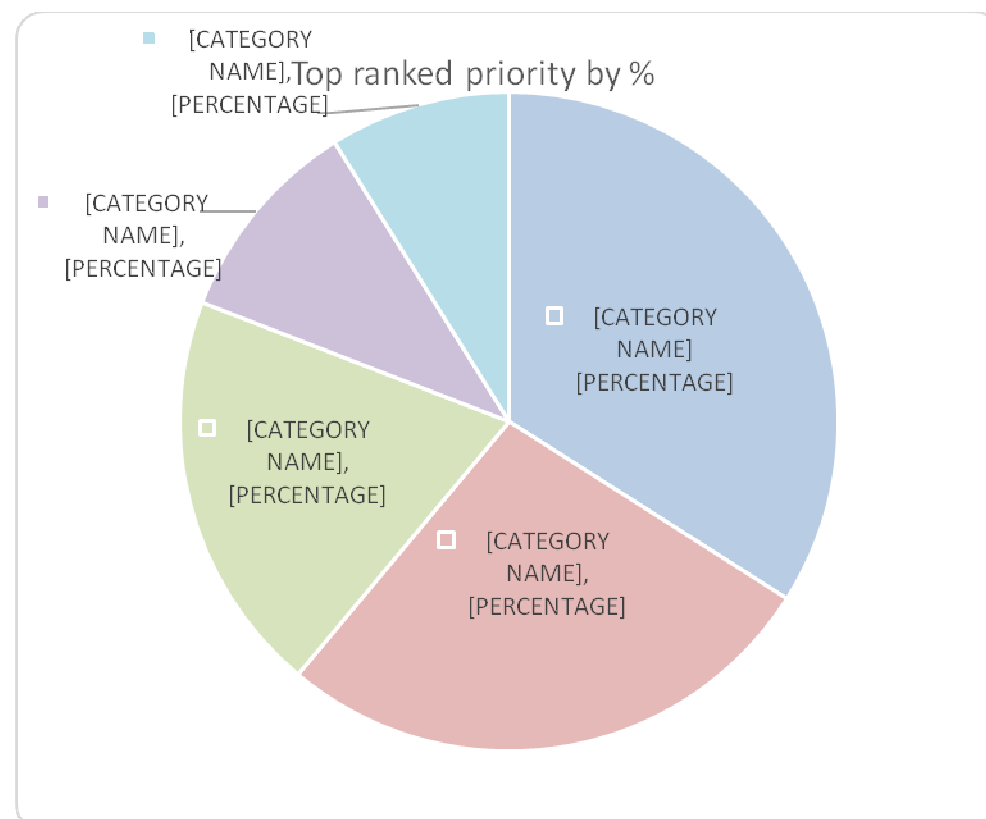
Cross cutting themes:

- Improving mental health
- Building community capacity
- Fostering city pride, passion and identity
- Delivering whole place thinking

City Survey 2014 feedback (from a representative sample)

- 31% of residents said that improving roads and pavements is one of the top the challenges for the council should with 26% saying it is the single most important thing that needs improving
- Providing jobs was the 5th most important challenge
- 57% of residents were satisfied with the council in keeping land clear of litter, with 29% being dissatisfied
- 63% of Southampton residents felt they have a strong sense of belonging to their local area
- 60% of residents said they have not volunteered in the last year
- 89% of residents have access to the internet
- 28% use email alerts and 27% use the website as the main source of information about the council
- 81% of residents exercise at least once a week

Feedback on the pre-budget priorities survey in October 2013



Success measures

Priorities	Measures – performance to be published quarterly on www.southampton.gov.uk/performance
Jobs for local people	<ul style="list-style-type: none"> • £ investment jobs created through the City Centre Master Plan • Jobs created for long term unemployed through City Deal • Long term unemployed and young people supported through City Deal • % of 16-18 year olds who are not in education employment and training • Apprenticeship starts • % pupils attaining level 4+ at key stage 2 • % all pupils achieving 5+ A* to C grades at GCSE including English and Maths • Employers in Southampton signed up to the Living Wage
Prevention and early intervention	<ul style="list-style-type: none"> • % of adult participation in sport and active recreation • % Smoking prevalence • Mortality rate from preventable causes • % of families worked with by the Families Matter programme who have been “turned around” and in a job for more than 6 months • % of referrals to Multi Agency Safeguarding Hub (MASH) where domestic violence is a feature • Permanent admissions of older people to residential and nursing homes of 100,000 population • % of older people who were still at home 91 days after discharge from hospital into reablement / rehabilitation services • Injuries due to falls in people over 65
Protecting vulnerable people	<ul style="list-style-type: none"> • % of children subject to repeat child protection plans. • % of children leaving care for permanence • First time entrants into the youth criminal justice system • % youth re-offending rates • % of people who use adults services who feel safe • Delayed transfers of care from hospital
Affordable housing	<ul style="list-style-type: none"> • Affordable homes delivered • Vacant homes empty for over 6 months • % of local authority housing stock that is non decent • Applications received for licensing houses in multiple occupation (HMOs) in Bevois, Bargate, Swaythling and Portswood wards • % of care leavers in suitable accommodation
Services for all	<ul style="list-style-type: none"> • % of main roads in need of maintenance • % of unclassified roads in need of maintenance • % of household waste sent for re-use, recycling and composting • Net cost of waste and recycling per household • % satisfied with the council keeping land clear of litter • <i>Library measure to be added</i>
City Pride	<ul style="list-style-type: none"> • % satisfied with Southampton as a place to live • % feel Southampton is a place where people from different backgrounds get on well together • % residents who take part in voluntary work • Visitors to major city events and museums and galleries
A sustainable council	<ul style="list-style-type: none"> • Agreed level of savings to be achieved • Customer Portal registered users • Transactions completed online • % agreeing council offers value for money • % satisfied with how the council runs things

Council Plan 2013 – 2016: Progress Highlights in 2013/14

We said	We did
Economic	
Promoting Southampton and attracting investment	<ul style="list-style-type: none"> • The Southampton and Portsmouth City Deal was signed with Government in November 2013, and levers significant funding to support local economic growth • Signed contracts for the development of the Royal Pier, with key partners and commenced work on phase 1 of the Station Quarter Development and Centenary Quay, as part of the City Centre Master Plan • Free access to internet is now being rolled out across a range of locations in the city • Delivered Platform Road improvements • Over 900 people attended literacy and digital skills courses • 177 new supported jobs and apprenticeship starts created through section 106 Employment and Skills Plans
Raising ambitions and outcomes for young people	<ul style="list-style-type: none"> • Reduced the gap for educational attainment at key stage 2 level 4 and attainment of 5+ A* to C grades at GCSE including English and Maths between disadvantaged pupils (in receipt of free school meals and children looked after) and other pupils • Established a joint Multi Agency Safeguarding Hub (MASH) to manage all referrals, alongside early intervention teams for 0-4 year olds and 5-19 year olds • Reduced the number of 16-18 year olds who are not in employment, education or training to 5.6%
Social	
Improving health and keeping people safe	<ul style="list-style-type: none"> • Established a joint Integrated Commissioning Unit between the council and the Clinical Commissioning Group within a single management structure • The provision of community equipment in Southampton and Portsmouth has been commissioned jointly between the two authorities • Following submission of a joint bid with Portsmouth, the Council has been awarded £241,941 over 2 years from the Big Lottery 'Chances for Change Programme' to improve health in some of the most deprived communities in Southampton • Delivering a successful Families Matter programme, which has worked with 472 families that have been 'turned around' • The Council and the Southampton City Clinical Commissioning Group are working together on Department of Health's Better Care Fund programme to improve outcomes for customers of health and social care services
Helping	<ul style="list-style-type: none"> • The Community Asset Transfer Strategy was approved to

We said	We did
individuals and communities to work together and help themselves	<p>progress applications for community asset transfers</p> <ul style="list-style-type: none"> • Established an independent Fairness Commission to consider issues of fairness and equality in Southampton • Following a city-wide review into impacts of Welfare Reforms, allocated £128,000 to fully implement the recommendations to deliver the local welfare provision offering support and guidance to vulnerable people in need • Awarded a grant of £386,000 to West Itchen Community Trust for the refurbishment of the Acorn Enterprise Centre in Empress Road • The Freemantle and Shirley Network was awarded £18,500 through a jointly funded bid to the department of Communities and Local Government (CLG) to build on existing networks to develop community led services and increase digital capacity and skills, focussing on the High Street at its heart.
Environmental	
Encouraging new house building and improving existing homes	<ul style="list-style-type: none"> • 300 affordable homes were delivered and 100 empty homes were brought back into use • 1,342 applications were considered for licensing houses in multiple applications in Bevois, Bargate, Swaythling and Portswood wards • Secured Energy Company Obligation (ECO) funding to install energy saving measures to council stock including PV panels, LED lighting and water pumps
Making the city more attractive and sustainable	<ul style="list-style-type: none"> • Significant role in promoting the city's 50th anniversary • Reduced energy consumption in the city's street lighting • Launched "Solent Go", a new regional travel Smart Card that enables linked transport trips for reduced fares • Organised a range of events in the city including Sky Ride to promote cycling in the city • 'My Journey' sustainable travel programme (funded by the Local Sustainable Transport Fund) has contributed to a 12% growth in cycling and an additional 500,000 annual bus passenger journeys. • Approved funding for the Eastern Cycle Route Project • Houndwell Park play area has been refurbished and reopened • The city's 21 hectares of Central Parks have been awarded Grade II* listed status by English Heritage • Progress on the Southampton New Arts Complex
One Council	
Developing an engaged, skilled and motivated workforce	<ul style="list-style-type: none"> • 12 people were redeployed through the STEP programme • The Pay and Allowances priority project is making good progress to ensure that the council has a fair, equal and affordable pay and allowances structure and this is being presented to Cabinet and Council in July 2014.

We said	We did
<p>Implementing better ways of working to manage reduced budgets and increasing demand</p>	<ul style="list-style-type: none"> • The Waste and Recycling services has launched a new mobile app called 'Recycle for Southampton' which will help residents check collection dates, set reminders and find their nearest recycling point • Introduced a new household glass and changes to weekly rubbish and recycling collection days to provide a more efficient and cost effective service • Over 10,000 residents have signed up for the garden waste collection service • Introducing mobile working for teams in Housing Operations • Commissioning the development of a refreshed website with significant improvements • Rolling out the new automated telephone switchboard system as part of the wider channel shift programme

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DECISION-MAKER:	CABINET		
SUBJECT:	IMPLEMENTING THE COUNCIL STRATEGY 2014 - 2017: NEXT PHASE OF THE COUNCIL'S TRANSFORMATION PROGRAMME		
DATE OF DECISION:	15 JULY 2014		
REPORT OF:	THE CABINET MEMBER FOR EDUCATION AND CHANGE AND THE CABINET MEMBER FOR RESOURCES AND LEISURE		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY

Southampton City Council is continuously striving to be a modern, efficient organisation focussed on and valued by its customers. In times of financial austerity, the approach of reducing budgets through “salami slicing” is not a viable way forward as it will not deliver the right outcomes for the city’s residents and businesses. As an Executive we will be agreeing our medium term priorities and are committed to delivering the best we can to make this city a great place to live, work, learn, invest and visit. The Council has to make further significant savings in the next three years and given the scale of our challenge, it is essential that we use the learning from other councils to deliver transformation and become a sustainable organisation.

Since May 2012 the Council has prioritised transformation in Children’s and Adults Services. It has also been successful in delivering year on year budget reductions whilst still enabling economic growth and protecting the most vulnerable people in the city. The growth is not only evidenced by the number of cranes, the successful City Deal bid with Portsmouth, the recognition of our work in skills and employment for local people, it is also evidenced in external validation by in the Good Growth for Cities report. The city is now ranked as the 4th overall for economic growth in the UK, 2nd highest English city for good growth and the most improved between 2012 and 2013.

We want to ensure that this economic growth and potential brings jobs and improved prosperity to local people. At the same time, going forward we recognise that we have to become sustainable within a very short period whilst delivering significant savings. Therefore we have injected pace so that we can still deliver better outcomes for our residents within our reduced budgets. This requires the Council to work very differently, do different things and be willing to take more risks in a managed way. We have to be prepared to stop delivering some services, design and deliver others through a number of different ways, some of which will be new. It will also require communities to be more self-sufficient and for us to work more effectively with local

people and a range of partners.

We have prioritised 3 areas:

- delivering better experiences for our customers
- reducing our costs for infrastructure and
- designing services with our partners so that they are more cost effective and together with our partners we can deliver better outcomes.

We recognise that the scale of transformation required will need investment, for instance in new technology, and this is highlighted in this report. Further work is being undertaken and will be detailed in subsequent reports in November 2014 and February 2015. This report provides details about the next phase of the One Council Transformation Programme which is based on our transformation priorities.

This report provides details on the transformation work completed to date, the work currently planned or underway as well as specific recommendations to improve experiences of the Council's customers through the establishment of a single approach to our customers and putting in place a new model for business support.

RECOMMENDATIONS:

- (i) Note and endorse the work that has been completed and the work currently planned or underway as the part of the implementation of the One Council Transformation Programme, as detailed in this report.
- (ii) Approve the establishment of a single approach to the customer model for the Council.
- (iii) Approve, as part of the customer model, the establishment of a single 'front door' for customers of services within the People Directorate (adults, housing and children) as set out in this report.
- (iv) Delegate authority to the Chief Executive following consultation with the Cabinet Members for Resources & Leisure and Education & Change to agree and implement the final option for the single 'front door' and the associated investment needed to deliver it.
- (v) Approve the proposal for a new model for business support as set out in paragraphs 87 – 93 of this report.
- (vi) Authorise the Assistant Chief Executive to implement further phases of the Business Support Project as detailed in paragraph 94.
- (vii) Note and endorse the governance arrangements as set out in paragraphs 97 – 101 of this report.
- (viii) Note that further reports on the transformation programme will be brought forward to Cabinet and Council over the next six months.
- (ix) Authorise the Chief Executive, following consultation with the Cabinet Members for Resources & Leisure and Education & Change to take any further action necessary to give effect to the content of this report.

REASONS FOR REPORT RECOMMENDATIONS

1. The financial challenges faced by the Council makes it imperative for the Council to adopt radical and different approaches to meeting customer needs, service delivery models and maximising the potential of our employees. In the next phase of the Transformation Programme, we will need to seek approval

to take specific actions to become a sustainable Council and one which will help us deliver the savings and become more customer-focused and commercially minded.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. The option of continuing to reduce services without making radical changes in how we work and deliver services was considered and rejected because this will not deliver a sustainable Council. Therefore, it is not in the wider interests of the city and its residents.

DETAIL (Including consultation carried out)

The strategic context

3. Southampton is the second highest ranking city in England for 'good growth' based on the "Good Growth Index 2013". This index compares how 39 UK above average cities for 'good growth' perform on job, income and skills measures. The city is now ranked as the 4th overall for economic growth in the UK and 2nd highest English city for good growth. Southampton showed the most improvement of any other city, between 2012 and 2013. This is a rise of 10 ranking places since the 2012 survey, demonstrating the city's potential for growth and economic development opportunities. We are ensuring that we capitalise on this by being actively involved in the region's developing Strategic Economic Plan to access the Single Local Growth Fund. This will help us to drive the key developments in the city, particularly Royal Pier, and continue the critical work on waste transformation and estate regeneration.
4. However many of the city's residents also experience the effects of poverty both in work and out of work and the impact of deprivation that is more commonly associated with northern cities. Therefore our focus on economic growth is to create opportunities for local people to get local jobs and this is reflected in our Council Strategy 2014 – 2017.
5. We recognise the following areas will significantly change the way in which public sector agencies will operate in the future:
 - continued pressure on public finances
 - challenges in demand management for acute, high cost interventions as we expect a continued rise in demand for our services, particularly for complex needs in social care
 - changes in demographics particularly an aging population
 - changes in expectations of our customers and
 - impact of national programmes e.g. Welfare Reforms, Care Act 2014 etc.
6. Whilst we are in a period of significant change, the Council's core purpose and commitment remains the delivery of excellent services to residents and to lead economic development in the city. As a civic leader, the Council recognises the importance of working in a collaborative manner. This is reflected in our commitment to Southampton Connect's city vision in the draft City Strategy 2014 - 2025 which has three priorities, namely: economic growth with equality, skills and employment and healthier and safer communities.

7. We value the feedback from residents and have considered this when developing our draft Council Strategy 2014 – 2017. Our medium term priorities therefore reflect all of the above:

1. Jobs for local people.
2. Prevention and early intervention.
3. Protecting vulnerable residents.
4. Affordable housing.
5. Services for all.
6. City pride.
7. A sustainable Council.

A sustainable Council

8. The priority to become a sustainable Council in the long term will be delivered through the next phases of an ambitious transformation programme which will focus on:

- improving the experiences of our customers and in many cases these will be different and ensuring that they will be able to access information and services themselves without relying on the Council;
- embracing a range of models for service delivery;
- using technology as a tool to innovate and become a digitally driven organisation;
- adopting smarter working practices; and
- supporting our communities to take action to improve their neighbourhoods and lives through a strong sense of ownership.

Journey to date

9. Our transformation programme is about fundamentally redefining our role as a Council and service provider. Since 2012, we have achieved the following fundamental building blocks:

- achieved efficiencies and savings of over £29M;
- established the People and Place Directorates to improve service delivery from a resident and business perspective. This aims to provide services to customers, especially vulnerable people, in a much more joined up manner, thereby improving their experiences and reducing costs for the Council;
- prioritised the transformation of Children’s Services and Adults Services. Early successes include the launch of the Multi Agency Safeguarding Hub (MASH) in March 2014, the progress on mobile working and the development of proposals for a single ‘front door’ for residents needing to access these services. [*The ‘Front Door’ refers to the first point of contact a customer has with the Council which covers a number of different channels.*]
- established the Integrated Commissioning Unit with Health (Southampton City Clinical Commissioning Group) which has begun to deliver savings through smarter joint commissioning of services;
- introduced mobile working for our teams in Housing Operations in June 2013 and work is currently underway to extend this to other services;

- implemented Stay Connected (email marketing) to increase reach and make savings on printed communications. Results show an increase in the percentage of residents who feel informed has gone up from 55% in 2010 to 70% in 2014 which is now 8% over the national average. This service reaches 40% of the city's over 18 population and is the number one reference to our website.
- commissioned the development of a new website with significant improvements, so from autumn 2014 residents will have better easy access to information as well as be able to make payments at a time of their choosing;
- reduced our office accommodation to 3 buildings and currently we are reducing this further to 2 buildings by vacating Marlands House. This has required piloting flexible and mobile working which will be extended across the Council as we aim to be in a single office building in the future;
- rolled out our new automated telephone switchboard system from April 2014 as part of the wider channel shift programme. This is designed to improve the experience of our customers when they contact the Council, as well as achieve savings under the revised contract with Capita;
- implemented transformation of our waste services with funding from a successful bid to the Department of Communities and Local Government, resulting in the introduction of a new household glass collection and changes to weekly rubbish and recycling collection days to provide a more efficient and cost effective service;
- progressed on key elements of smarter resource management and smarter procurement including starting work on the HR transformation and establishment of a Procurement Board;
- progressed preliminary work on service redesign in key areas of libraries and adult social care provision of care homes and day care;
- established a Public Sector Property Board with membership from the City Council, health, police, Hampshire Fire and Rescue Service, the Government's Property Unit and support from the LGA.

The case for doing things differently

10. In the last 2 years, we have had to make efficiencies and savings of over £29M whilst still delivering a vast range of services. However, it is clear that increasing financial challenges are here to stay and the Council has to be more focused on what it *has* to deliver and make radical changes to get the best value for residents. While the Council priorities detailed in the draft Council Strategy 2014- 2017 have remained consistent, for the Council to deliver them in the next three years, we will have to make significant changes in:
 - how we prioritise, design and deliver services with a customer focus;
 - how we work collaboratively with partners;
 - how we design, deliver and manage services;
 - the ways in which we work and communicate with our residents; and
 - how we use research, information and feedback in an intelligent way so that we can use evidence more effectively to inform our decisions.
11. Cumulative budget reductions combined with changing demographics and the pressures of managing future demand mean we have no other option except to systematically redesign every aspect of how we work and deliver services. This will include year on year service reductions, stopping some services and changing others. In doing this, we can learn from others who have invested wisely in technology for customers to access to services and information and to improve productivity of staff. We want to do this in partnership with residents so that we can support them to be less reliant on the Council and be more able to manage and run facilities and services, in the spirit of the Localism Act 2011.
12. Our current way of working has been built over many years around specific service offerings and the skills required to deliver them. The current business model depicted in Figure 1 reflects the fact that whilst there may be consistency in the provision of customer service, it is delivered in separate service areas and has the potential to be joined up from a customer perspective.
13. Our current business model has been in place for a long time and to date, it has enabled us to manage service delivery and meet objectives set out in strategies and plans. However, the ongoing significant financial challenges will make it difficult to deliver the outcomes detailed in the draft Council Strategy 2014 - 2017 if we do not significantly change how we operate. We need to become more efficient in our approach to customer contact and business support and proposals for these areas are outlined in this report. For instance, there are multiple approaches to commissioning, customer contact and business support. We also need to become more agile in responding to external pressures.
14. Further reports will be brought to Cabinet on a creating a new business model once work has been completed on the activity analysis and detailed design referred to in paragraphs 25 - 32.

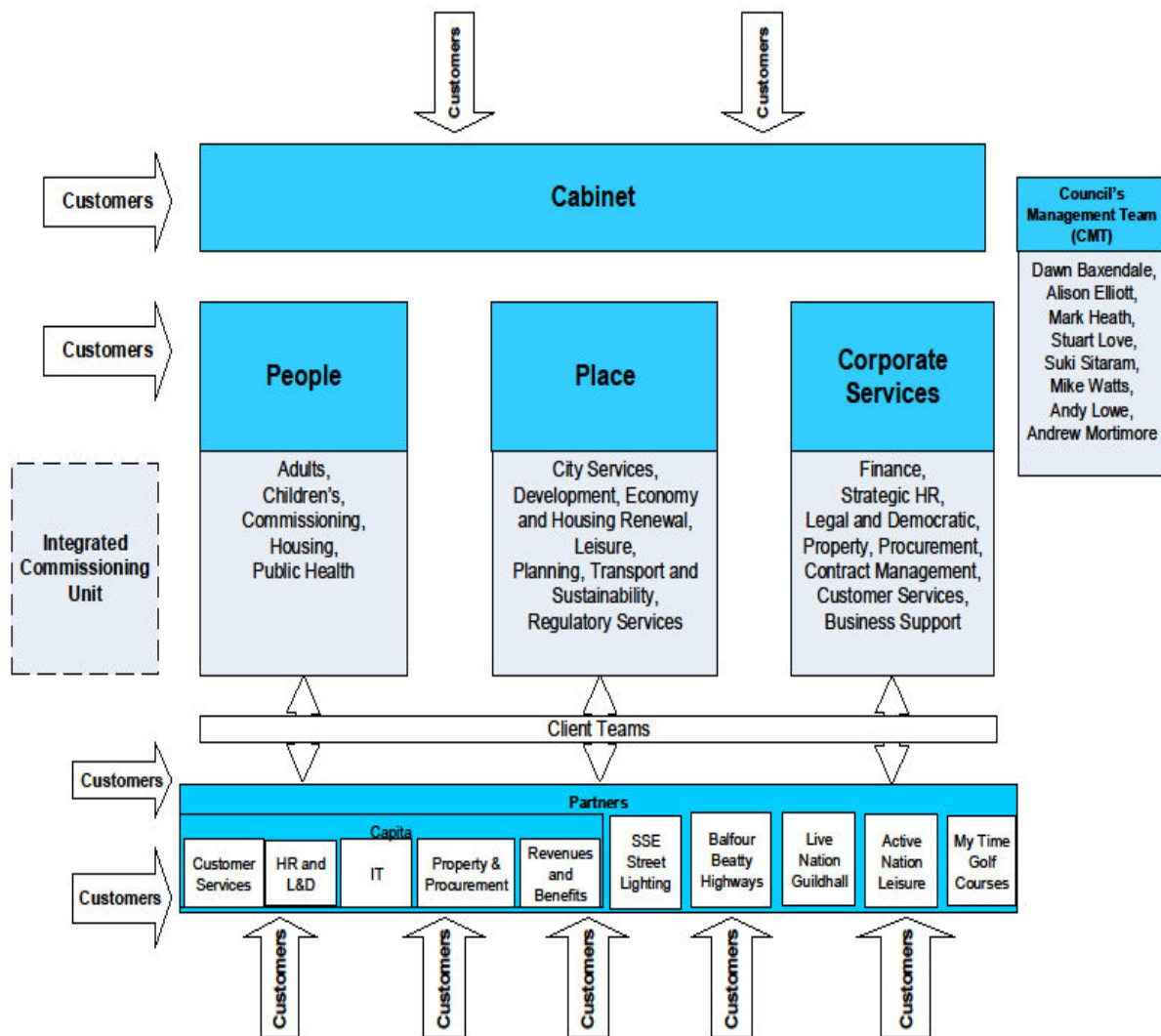


Figure 1 Our current business model

What do we want to achieve?

15. We want to work to enable continued economic growth and work with other public sector providers to achieve “whole place” thinking so that together, we can achieve the best outcomes for our residents. We want to do this by prioritising economic growth, prevention and early intervention and digital by default. This will mean we have to:

- Focus on outcomes rather than outputs and move away from being the controller to an influencer and facilitator. We will do this by building on the joint work undertaken with health (the Southampton City Clinical Commissioning Group) to establish the Integrated Commissioning Unit and by focusing performance management on outcomes.
- Move away from delivering services to a greater focus on commissioning outcomes for people and place. We are currently delivering many services in mostly traditional ways. This gives us opportunities to be innovative, question whether we have to deliver everything we do, whether they have to be delivered in the way and to the standards they are currently delivered and whether there are new services we should be

offering given the changing demographic profile of the city. We need to move away from being seen as the main direct provider of services and to ensure we commission them through the best possible route – whether it is Council, voluntary sector, co-operatives and mutuals, joint ventures or the private sector. This will mean we have to encourage and embrace innovation and use opportunities to do different things as well as do things differently. An example would be the libraries transformation in some London boroughs resulted in fewer libraries but greater access as they are open on Sundays.

- Build on the fact that the city boundary is co-terminus with health and continue to develop our strong partnership with health and other partners to further improve outcomes for residents.
- Change our relationship with our customers – the refreshed Council website and business support function will enable residents to access information and complete transactions at their convenience without the need for face to face or telephone contact with the Council unless this is absolutely necessary.
- Manage demand effectively by channelling customers to do as much as possible for themselves and provide appropriate and early intervention for vulnerable residents. This will be achieved through extending the principles we have used in setting up early help and MASH within children’s services and by having a single point of contact for clients of our adult social care, housing and health services (the single ‘front door’) and making our digital interactions (website, social media) accessible, easy and effective. This will help us to be better placed to intervene at the right time and enable greater self-sufficiency in our customers.
- Work with our partners to facilitate behaviour change and use the appropriate marketing and communication tools for this.
- Use our public health responsibilities to drive the Council wide focus on prevention and early intervention.

16. We cannot deliver these outcomes without becoming a Council that is agile and able to understand and meet the needs of its customers. We have already started making progress towards this goal and the key building blocks are:

- Setting up a Business Intelligence Unit following the completion of a review of policy, strategy and performance. This will help us to drive up service performance in our priority areas and use analysis to make informed decisions about the future. We know that we will have to make difficult decisions. By storing all data in one place we will also be able to use analytics to improve what we deliver and have a better measure of our success.
- Officers are conducting a root and branch review of all the activity that takes place in the Council over a 12 week period to help us gather and analyse the information and make decisions about what and how to deliver services in the future.
- The Council has to become more efficient and effective and our focus here is reducing accommodation costs and increasing productivity by

changing how we work. In doing this not all actions require big investment. For example, the Chief Executive and her senior management team vacated their offices last November to work from an open plan office space; this has started to change their working styles and how they communicate. We need to roll out this approach across the whole organisation to benefit from new ways of working and to free up accommodation space to reduce costs and consider moving everyone to a single office building in the future.

- We recognise that we have to invest in our workforce and give them the right tools to do their jobs. We have been extending initiatives in flexible and mobile working. An example is the work we are doing to enable social workers to work on mobile devices (tablets, phones etc.) when they visit clients and be able to get access to our social care system (PARIS). This will not only make them more productive, it will improve accuracy of data and ultimately benefit the client.
- The Council has invested very little in organisational development in the last 6/7 years. We are taking steps to improve our return on spend by controlling costs (e.g. agency staff and overtime payments) and by improving performance management.

What will successful transformation look like in 2017?

17. Our successful transformation will be underpinned by ensuring early intervention, sustaining economic growth and responding to our customer's digital needs. This means we will:
- Be financially viable and continue to meet our budget challenges.
 - Have further reduced our procurement costs and achieved greater value from our spend on commissioning.
 - Have significantly reduced our direct service delivery activity.
 - Have a range of service delivery providers.
 - Have a small, agile business support 'hub' with a limited number of 'spokes' for essential specialist activities.
 - Have an investment portfolio that provides a steady income enabling allowing us to continually invest in improvements.
 - Have different contractual arrangements in place with our strategic partners as a result of:
 - Adopting a digital by default approach to our ICT and HR help desks
 - Changing our customer contact centre and our face to face offerings
 - Have further reduced our overall HR spend including significant reductions in staff, agency costs and overtime.
 - Have reduced layers of management and staff at all levels.
 - Work from a single Council office building.
 - Have a high percentage of our workforce using their own device to undertake work activity.
 - Have further increased our apprenticeship programme intake.
 - Become an employer of choice.

- Have a workforce with different skills, behaviours, competencies and are self-sufficient.
- Know our customers and use our customer insight data to model outcomes and predict impacts on our services enabling proactive improvement plans.
- Have a new balanced score card for the organisation which is built on a culture of performance management, compliance and continuous improvement.
- Have the appropriate levels of compliance to our performance management framework.
- Have invested in cloud based technology infrastructure reducing our ICT operating costs.
- Have significantly reduced the level of complaints we receive as a result of getting it right.

Our approach to the next phase of transformation

18. Our transformation programme covers all services and all employees including agency staff and those that the authority has with external providers. Whilst schools fall outside of the scope, services which support schools are within scope. We recognise also that we cannot achieve the right outcomes for our residents on our own and are committed to building on the excellent partnership working we have in the city.
19. We have agreed that we will use the following principles to redesign our services and deliver our improved outcomes:
 - Do It Once – we will constantly strive to be an organisation that gets it right first time every time. We will listen to our customers and learn from our mistakes.
 - Safety First – we will prioritise the safety of our most vulnerable residents, intervening early to provide the right level of service at the right time.
 - Valued Workforce – we will be an agile, confident, talented and dynamic workforce able and prepared to make decisions at the right level.
 - Pride in our city – we will enable our customers, communities, staff and businesses to flourish.
 - Focus on finance – we will proactively generate new funding, income and cost saving opportunities.
20. We will use these principles to fundamentally change the shape of our organisation to become a sustainable Council. This will mean that our customers will interact with us differently, we will be delivering fewer services directly, we will commission our services differently, our communities will play a bigger role in the shaping and delivering our services and our staff will be more effective as a result of embracing flexible and mobile working. We have to redesign our organisation from 3 different perspectives:
 - Customer: digitally driven, different and better customer experiences. This will cover the best way for our customers to interact with us, simplifying and reducing complexity and understanding and assessing

needs of our customers.

- Infrastructure: digitally driven, service enabling, smarter working, employees, procurement and assets. This will cover business support, levels of other support needed by our front line delivery teams need and minimising these costs.
- Service Design: This will cover a range of delivery models including community ownership, assessing what services our customers need and what is the best way to deliver them, including exploring new ways of delivering.

21. Therefore, in moving forward we have prioritised these work streams and all transformation work and resource allocation will be agreed on the basis of meeting the 5 principles and their contribution to the 3 cross cutting work streams. This will be supported by business intelligence on assessing what information we need to run our business and on using our data more effectively to improve outcomes and manage demand better. The governance arrangements in paragraph 100 shows how this will work.
22. The Chief Executive has nominated a Director to sponsor each work stream. A Head of Service lead has been appointed on a full time secondment basis for each of the three work streams in addition to identifying managers within each directorate to support the implementation of the next phase. The Head of Service will be responsible for the delivery of the work stream on a day to day basis. We are securing additional capacity and specialist expertise on a time limited basis for some areas such as HR, innovation and technology and customer.
23. This report provides details on the customer work stream and on a new model for business support comprising the first set of service enabling actions within the infrastructure work stream. Further reports will be brought to Cabinet for consideration on these work streams and on the service design work stream.
24. Our Council does not have the experience of undertaking the scale of transformation necessary, which goes beyond transformation of specific services. Experience from other councils shows us that while undertaking organisation wide transformation is complex and challenging it will enable us to fundamentally review how we operate now and how we use evidence to design how we should operate in the future. Therefore we are undertaking a comprehensive analysis of the activity of the organisation and use this to develop the business model for the future. This will be done over 3 stages.

Stage 1: Creating our business model

25. We are currently establishing our base position to establish the gap between where the organisation is now and where it needs to be to meet the financial pressures, demand management including growing demand of our customer digital preferences. The transformation programme will operate as the bridge to enable the transition to our new ways of working. Stage 1 is structured into three key work activities:

26. *Work activity 1: baseline*

- Activity Analysis – to establish our base position we are conducting an analysis of all activity across the organisation. They will enable us to view the level of activity currently underway and highlight areas of duplication and fragmentation. This will inform our baseline of what we do now and how it links to achieving our outcomes.
- Staff Survey – We are conducting a staff survey during Stage 1 to provide a baseline of satisfaction levels across the organisation to better inform the priorities of the transformation programme.
- Customer Satisfaction - We are undertaking customer satisfaction surveys of all our front and back office services. This will help inform areas of improvement required and better inform the redesign of these service offerings.
- New Ways of Working - We will also build the baseline information to support the new ways of working by undertaking a number of audits to assess the level of desk and storage utilisation.

27. *Work activity 2: high level service reviews*

We will review at a high level all our services focusing on why we offer them, who to, and challenge ourselves to whether we are the right provider. In the first phase, we are progressing work on redesign of adult social care provider services (elsewhere on this agenda) and libraries transformation.

28. *Work activity 3: designing the future Council*

We will commission external specialist support in helping us develop our new business model. Building on all the work done to date, and aligning to our new City and Council strategies; we will design a new business model that enables us to meet the financial pressures we face over the coming years. This will mean us continuing to improve our commissioning capabilities; our response to our digital customer needs and change the way we deliver our services.

29. The outputs from all three activities will better inform our outline business case for transformation and an update will to be presented to Cabinet in November 2014. The outline business case will details the level of investment required to complete the transformation programme.

Stage 2: Developing the detailed business model

30. Building on the outputs from Stage 1 we will develop the detailed design and start the transition to our new business model. We will design our new integrated business functions for our customer, infrastructure and service

delivery work streams. This will cover roles, functions, structures, supply chain and partner relationships. We will ensure we have the right people in the right roles delivering to achieve the best outcomes. Our intention is to commence the delivery of our early opportunities identified in Stage 1 and start the implementation of our key innovation building blocks.

31. We will continue with:
- The implementation of our existing transformation activities underway which underpin savings for 15/16 onwards.
 - Service reviews building on Stage 1 output.
 - Building on the work done to establish the ICU and develop our commissioning to support our new service delivery functions.

The outputs from all three activities will better inform our transformation and an update will be presented to Cabinet in February 2015.

Stage 3 – Alignment of our new business model

32. We will start our transition to our new business model from December 2014 over a 36 month period.

The Business Case

33. The current Medium Term Financial Strategy (MTFS) shortfall clearly provides one of the drivers for the transformation programme. The current forecast savings required are shown in Table 4-1.

Table 4-1 – current savings requirement forecasts

	2015/16 £000's	2016/17 £000's	2017/18 £000's
Required Savings - Updated Position	30,894.2	54,676.2	74,133.5
Less Savings Proposals 2014/15	(1,322.5)		
Less Savings Proposals 2015/16	(7,710.5)	(8,416.5)	(8,566.5)
Contribution from Balances - MRP	(4,527.0)		
Remaining Gap	17,334.2	46,259.7	66,567.0

34. To effectively manage our benefit realisation plan we will:
- Require a clear and agreed baseline
 - Collective agreement on targets
 - Agreed boundaries of how we share the cost and benefits across the Council
 - Regular tracking and monitoring of benefits with a sound evidence base
 - Robust accounting of both costs and benefits.
35. The Transformation Programme will deliver benefits to the Council for many years. It is intended not just to address the known funding shortfall but also to prepare us for the future.
36. At this stage the exact level of savings the Transformation Programme will

save is not known, each stage of the Transformation Programme will enable the savings position to be better informed. The benefits will be short, medium and long term and to achieve this we will need short, medium and longer term investments.

37. The cost of developing and delivering different service models through external providers, shared services, our communities or partners is not currently factored into our cost estimates. These costs may be significant and will be clarified through our service design work. Investment requirements will be clearly outlined in a business case with a clear payback period.
38. The overall business case will be under constant review as the transformation programme progresses. The progress will be reviewed regularly by Cabinet and the Council's Management Team and regular reports on progress will be provided to the Overview and Scrutiny Management Committee.

Investment in transformation

39. We recognise the importance of investment in achieving transformation and large scale budget reductions. Indeed the Council has been investing in transformation work over the last few years through its 'Invest to Save' programme and more recently through a range of transformation projects but without a clear agreed forward looking cross Council plan for this investment.
40. Investment in innovation and technology is key to improving outcomes for our customers. We need to invest in innovation and technology to achieve our new business model. We have some of the foundation building blocks in place and we will build and improve our existing technology to improve customer experience and to enable us to share and join up our services and data with other partners such as health.
41. Going forward we are seeking to invest in the region of £3-5 M per annum in transformation, subject to ongoing review. This is similar to the levels of investment made by the Council so far. Our approach will be to have a single plan of investment for the council with priorities and use our asset base to secure one off funding as well as a healthy revenue stream. It is important to note that the level of investment per annum can be tested by the experience of other councils that have invested significantly to achieve the necessary transformation. The Chief Financial Officer has recommended the approval of the underspend of £3M in 2013/14 to fund the Council's Transformation programme in 2014/15. This is detailed in the General Fund Revenue Outturn 2013/14 report elsewhere on this agenda.
42. Based on discussions with other authorities, we are aware that significant investment will be required in the following key areas over the next 3 years:
 - New Ways of Working: including mobile and flexible working for staff
 - Technology solutions to underpin work flow solutions for the Customer through to Service Enabling functions, Customer portal and Document management.
 - Core system changes and development of new applications
 - Performance Management framework
43. This excludes process redesign, project management, cost for seeking alternative service delivery models and change management. Investments

will be subject to business cases setting out why they are necessary to ensure the delivery of the savings and benefits.

44. We will only be able to fully define the costs for the Transformation Programme over the next 3 years once we have undertaken the activity undertaken in Stage 1. This will inform our next stage business case in November 2014 and subsequent detailed business case in February 2015.
45. We have invested in city centre capability for WiFi. We will invest in Cloud technology enabling us to be infrastructure free and in data cleaning and join up to enable our single view of our customer (single sign on/ customer account).
46. Our priorities in innovation are:
 - Setting a vision for a digital organisation.
 - Using and building further our social media platforms as a key enabler for open data and sharing knowledge.
 - Driving through new forms of customer access and channel shift.
 - Improving employee efficiency and effectiveness through the use of self-service and enabling location independent working.
 - Reducing the cost of delivering services through digital means.
 - Integrated working with public services and partners in sharing data and building on innovative solutions.
 - Enabling our staff to work differently delivering hot desking, touch down areas and mobile and flexible working. We will build on the 'Bring Your Own Device' agenda ensuring data is secure when working independent of location.
 - Sharing more office locations with our partners driving through cost reductions through the work of the Public Sector Property Board on developing one public estate. This will enable collaborative working and to reduce our office accommodation costs and release public sector estate for development in the City.

Measuring our success

47. Both financial and non-financial benefits will come from many sources to identify, track and release these savings a single benefits realisation plan will be created for the programme. This is in addition to savings being realised through reducing demand as a result of effective prevention and early intervention which is the basis of the current transformation work led by the Integrated Commissioning Unit.
48. The savings categories will be:
 - Reduction in procurement and contract spend
 - Reduction in activity of our service enabling functions, e.g., business support, HR, ICT, Finance, Procurement etc.
 - Reduction in our Customer service operation
 - Reduction in overtime, agency costs
 - Reduction in employee and management costs
 - Further release of assets/properties
 - Reduction in our costs through alternative service delivery models

and improved commissioning.

Customer work stream

49. Our Customer work stream will focus on encouraging our residents to access Council information and services in a different way. It will focus on defining the needs and preferences of our customers using insight and analysis to start to develop a deeper and more gradual understanding of our customer's behaviours, needs, demands and preferences of different customer groups. It will focus on ensuring that our customer journey is a consistent and simple. It will design and implement a:
- New customer portal
 - Combined assessment portal
 - New customer service function.
 - Supported by a new model for Business Support.
50. We deliver a diverse range of services across numerous locations, to customers that differ in the way they want (or need) to access our services. We need to address those expectations in a consistent and fair way, ensuring that we achieve value for money and improved customer satisfaction. Our approach is to design a model for customer access on a consistent basis that is not only more cost efficient but also delivers real benefits to our customers. It aims to target resources where they are needed most, reserving face- to- face customer service where it is most needed.
51. Work is already underway to improve customer experiences and this comprises redesign of our Gateway, refresh of the council website and establishing a single 'front door' for customers of services in Adults, Housing and Children's services. The timelines are:
- Gateway Refurbishment project – in Summer 2014
 - Website refresh project – in Autumn 2014
 - Single front door for the People Directorate – in April 2015
 - Business Support Phase 1 implementation - in April 2015
52. The Customer programme will bring together our customer service and business support in a coherent model, which means aligning the front line services with the business support services on a Council wide basis, in partnership with the Councils key partners (Capita and Belfour Beatty) who deliver such services. The first set of decisions required to progress this model are included in this report and comprise:
- Approving the establishment of a single approach to the customer model for the Council.
 - Approving the model establishing a single 'front door' for customers of services within the People Directorate (adults, housing and children) as set out in this report.
 - Delegating authority to the Chief Executive following consultation with the Cabinet Member for Education and Change to agree and implement the final option for the single 'front door' and the associated investment needed to deliver it.

- Approving the proposal for a new model for business support as set out in paragraphs 87 – 93 of this report.
- Authorising the Assistant Chief Executive to implement further phases of the Business Support Project as detailed in paragraph 94.

What will success look like for our customers?

53. We want to put customers at the heart of our Transformation Programme, the redesign of the Council and its services and how we operate. For us this means improving customer experiences and this will mean that over the next 3 years they:

- Will be able to complete most of their transactions on line removing the need to come into Council offices, for cash and cheques.
- Will have their own unique account with the Council (single sign on/ customer account) and receive updates and information based on their preferences using their account via the mobile device of their choice.
- Will not be required to input data multiple times when engaging with us and their information will be shared across departments and with partners but with robust information governance to protect data from misuse.
- Will be able to access advice and support via a number of different digital platforms such as video and social media.
- Will be able to complete the majority of their assessment online.
- Will access the Council through a single front door for their social care and housing needs and assessment.
- Will be able to manage their own care budgets and purchase their goods and services directly.
- Will facilitate their own Freedom of Information requests using the Council's open data source and an enforced publication scheme.
- Will be able to receive instant tweets and Facebook responses from the Council based on key words they are using and questions they are asking.
- Will still be able to have access to a face to face service if their personal circumstances and needs require this.

Gateway redesign

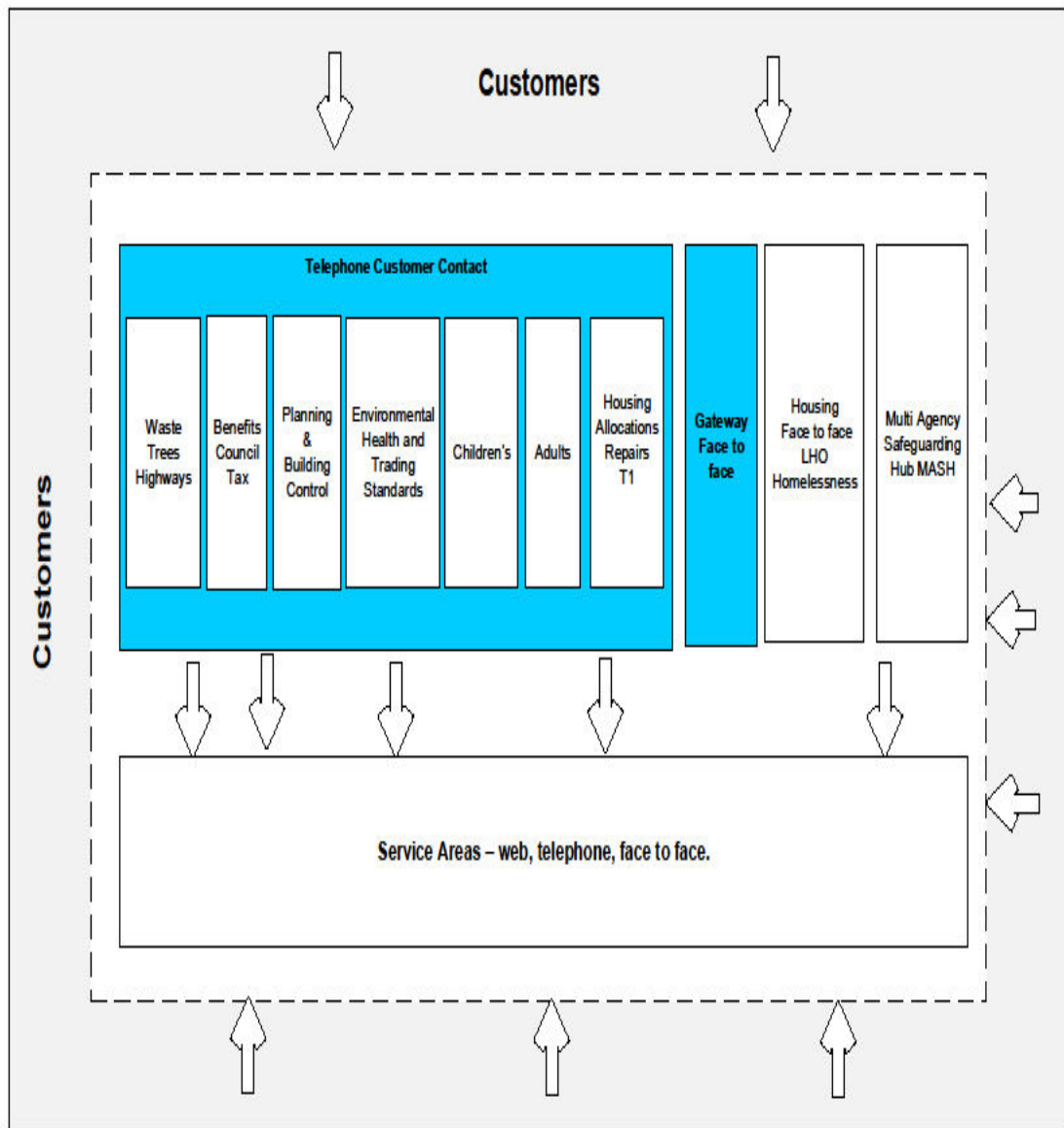
54. Work is already underway to refurbish our existing Gateway face-to-face location. This work is due for completion in late Summer 2014 and will offer:

- Supported self-serve terminals for customers to access services via the web, true digital by default.
- Document scanning, eliminating manual checking and printing.
- Face to face transactions restricted to processes that have to be done face to face (by appointment only) and for vulnerable customers.
- Reducing paper forms, making them available only on request.

Council website refresh

55. Our website will be our 24/7 digital access to our customers and will continually change and develop. We have commissioned work on the refresh of our existing website and this is in the process of being given a new look and feel. Additionally this will provide our customers with the ability to complete more of their transactions online. Our new website will be available on a wide range of mobile devices, e.g., tablets, smartphones and iPads enabling a greater reach by Autumn 2014.

56. The current position for customer access is illustrated in Figure 2.



57. In moving forward, we will take the following approach to the redesign of our customer access in Figure 3:

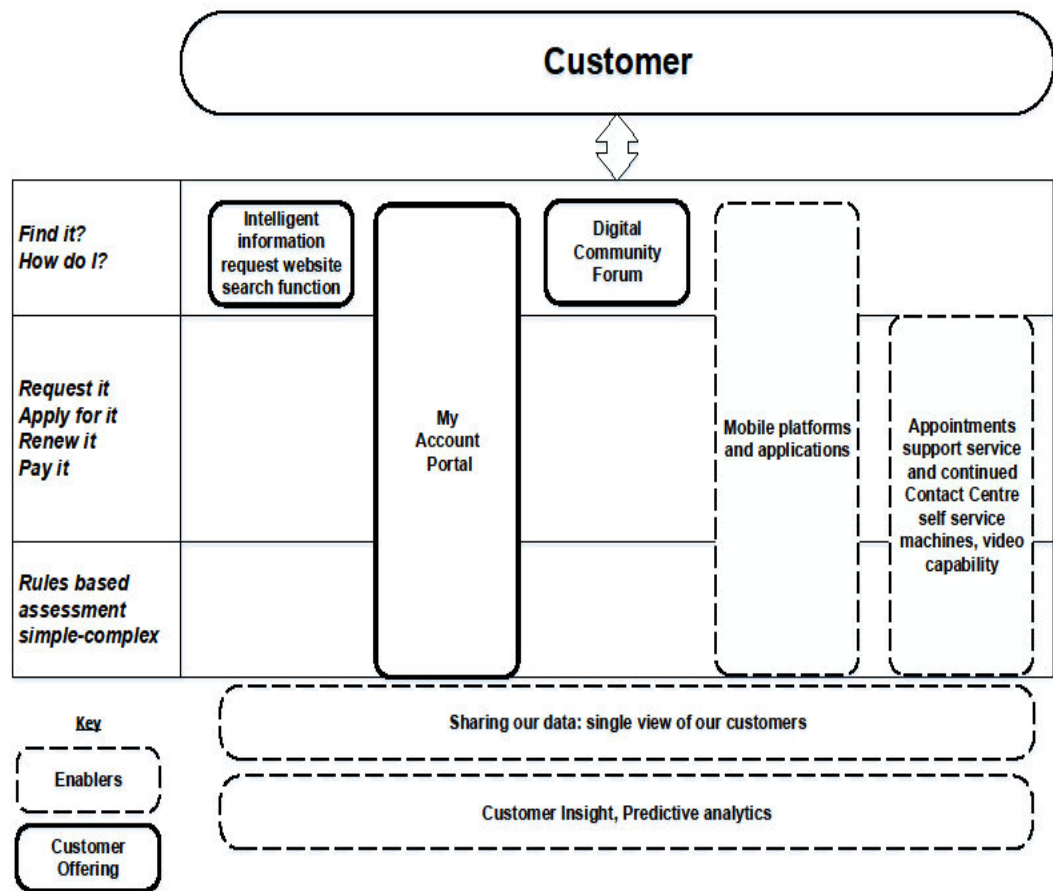


Figure 3 Our Approach to Customer Access

Digital Context

58. For the UK as a whole recent Office of National Statistics figures showed that
- 21 million households (83%) had internet access in 2013.
 - In 2013, 36 million adults (73%) accessed the Internet every day, 20 million more than in 2006, when directly comparable records began.
 - Access to the internet using a mobile phone more than doubled between 2010 and 2013, from 24% to 53%.
 - In 2013, 72% of all adults bought goods or services online, up from 53% in 2008.
 - Broadband Internet connections using fibre optic or cable were used by 42% of households, up from 30% in 2012.
59. The recent City Survey shows that in Southampton:
- 89% of residents use the internet
 - 80% of residents use the internet at least most days
 - 71% of residents use a smartphone
 - 47% of residents use a tablet computer.
60. The high levels of internet access and usage by residents provides us a strong foundation on which to develop and improve digital customer experiences. Our vision for improving the digital customer journey includes the following:

- Intelligent Information Request (How do I, Where do I?)
- My Southampton Portal (Request, Pay, Enquiry, Renew it)
- Digital Community Forum
- Triage
- Data and use of data.

Intelligent Information Request (How do I, Where do I?)

61. We will provide a standard search box for our customers to enable questions to be asked. Using a knowledge based tool the answers will be narrowed down to the specific topic and related pages making it easier for the customer to seek advice and support relevant to their question. As our customer starts to type a question into the box a predicted text will appear providing a drop down menu with other related subjects answers. These capabilities are widely used in the private sector such as Marks and Spencer and Barclays Bank. Once implemented we expect to see a reduction in our telephony contact with our customers.

My Account Portal (Request, Pay, Enquiry, Renew it)

62. We will provide a single place for our customers to access a wide variety of information, make requests and follow up on progress of activities. Our customers will access this information by entering their account details once rather than having to provide their information to multiple different sources to gain access to their account details and track progress of their requests. This will become the My Account Portal. *[A web portal is most often one specially-designed web page which brings information together from diverse sources in a uniform way].*
63. We want to offer a single account for our customers (single ‘sign-on’) enabling them to interface and transact with the Council in the easiest and fastest way. For specific tasks the portal will be integrated to our back office systems enabling a *one and done approach* to high volume activities and transactions.
64. Our portal will have customisable settings enabling the customer to personalise their data, information and alerts. Our customers will sign on once to our portal avoiding the need for numerous login passwords and user names and the use of multiple customer reference numbers. The portal will be informed by our customers during our co-design with them. We will provide our customers with multiple ways of making contact with us, via smart phone applications, assessment portal on their tablet, access from a service point located in a partner or local business location. Our portal will provide fast, easy access to a wealth of information and advice.

Digital Community Forum

65. Our engagement and consultation will become more dynamic using a Digital Community Forum. This will differ from the single customer account, as it will provide information about services to our customers, acting as a short circuit for the Council. We want to encourage and support residents to:
- hold different discussions on topics and services relevant to the local area

- resolve issues between themselves, pass on advice and support to each other without the need to contact the Council
- proactively give feedback on how the Council can improve its services.

Appointments

66. Our appointments based service will be delivered in a number ways, using innovation and technology where possible. We will always provide a face to face safety net for our vulnerable residents. Our customer appointment services will take many forms. We want to embrace technology to reduce the need for customers to travel to our service points.

Data and use of data

67. Open Data is created by a wide range of individuals and organisations. It can include information from sports and event venues, utilities, shopping outlets, transport hubs, charities and the statutory sector, to name just a few.
68. We will adopt an open approach to how we use and share our data with our customers, businesses and partners. Open data also gives insight that has never been available before and this makes it an incredibly powerful resource. When open data from different sectors is combined it becomes a rich resource because it helps to identify new connections. It is through these connections that solutions for improving the lives of people who live, work and visit Southampton can be clarified. The goal would be to bring together in one location a wealth of open data, from which people can discover new information and explore what happens throughout the city.
69. Data sharing is the disclosure of personal information and/or sensitive personal information from one organisation to another, or between different parts of the same organisation. Sharing data potentially enables organisations to provide a better service, which is beneficial to both individuals and society. There are three main cases where the Council may share data:
- Within the Council
 - With a contractor
 - With other organisations or third parties.
70. The Council already operates a range of data sharing arrangements. Work has been undertaken and will continue to ensure that effective data sharing is at the heart of how the Council operates. Transformation requires effective data sharing and it is an area that we will focus on. Data is cleansed so as not to contain personal identifiable information – working within a strong lawful and ethical framework should be a core principle of the project.
71. In addition, accessing and sharing our customer information and data will be key to our redesign. Within data protection law, we will adopt an open approach to how we use and share our data with our customers, businesses and partners.
72. Currently much of this data is published, but is locked away in formats such as PDFs, documents and spread sheets. This data has usually been pre analysed and filtered at great expense in terms of time and expertise, but gets little traffic because it cannot be found or understood readily.

Single Front Door for Adults, Housing and Children's Services

73. The first phase of improvements to customer experiences includes the establishment of a single front door for adults' services, housing service and children's services.

What happens now?

74. Currently there are multiple customer contact points spread across the Council. There is inconsistency in the way customer services are provided and levels of performance are varied. These services and teams are not joined up and the experience for the customer is generally poor for the following reasons:
- It is confusing for customers in terms of where to go for different services.
 - End to end transaction times are often long and complicated with very little first time resolution being achieved. This means customers are often passed around before resolution can be achieved.
 - The amount of effort the customer themselves have to put in to achieve resolution can be significant. Customer effort is now considered a much more accurate way of determining the quality of service than more traditional methods, such as customer satisfaction surveys. Surveys are unduly influenced by factors such as when they take place during the customer journey and the propensity of particular customers to take part.
 - We are overly reliant on traditional contact methods, meaning that many of our customers who want to interact with us on the web are unable to do so and are forced to visit or call us. This has been evidenced by the recent customer insight analysis and is more expensive to our customers and the Council.
 - Performance within teams is highly varied, with as many as 40% of customer contacts going unanswered. Often, this results in customers having to try many times to talk to someone who may, or may not be able to help them.
75. Currently customers may have contact with us many times before the assessment process is complete and this is the initial phase of a much longer customer journey.
76. The proposal is to establish a unified model to initial customer contact, irrespective of the channel chosen (i.e. the web, phone, face to face etc.) by the customer. The scope of this will include Adult Services, Housing Services, the proposed 0-25 Special Educational Needs or Disabilities (SEND) service and the Children's and Young People's Information Service (CYPIS). The rest of services offered by Children's and Family Services are not included as the majority of their initial contacts will be channelled to the new Multi-Agency Safeguarding Hub (MASH).
77. We want to maximise the potential for the single front door to be for wider than Council services. This is one of the key elements of the Better Care Fund, which has highlighted the need for a single front door for all services. We will be exploring opportunities to make it wider than the Council so that it is centred around our customers.

78. The 'front door' refers to the first point of contact a customer has with the Council which covers a number of different channels:

- The web site
- Phone interactions
- Face to Face interactions
- Interactions done by any other channel chosen by the customer e.g. social media.

79. In its simplest form the model will bring together all these elements into a single place with a unified approach to:

- Ensure customer queries, no matter what channel they choose, are dealt with and resolved straight away, or as quickly as possible, applying the principle of do it once and get it right first time.
- In line with the Council's ambitions to become digital by default, move customer interactions online, where possible.
- Ensure the right skills are in the right place at the right time to make the right decisions. This will require the contact centre to be staffed by specially trained staff authorised to deal with customer enquiries. For example, in Adult Social Care, they will also have access to a Senior Practitioner and Occupational Therapist who will work alongside them to give advice when needed.

80. The implementation of the 'front door' is expected to deliver significant improvements for the customer and the Council.

Improvements for the customer

81. For our customers it will be the following:

- For customers who interact with us, the vast majority of their enquiries can be dealt with straight away, removing any issues with having to be passed around to get resolution and confusion about how to make contact with the right team.
- When using the web, they will be able to access their own data at times convenient to them and take control of their own enquiries thus increasing independence and self-reliance.
- When contacting the Council via the phone they will be speaking with someone authorised to resolve most enquiries, who will also encourage use of the web, where this is relevant.
- If interacting face to face, they will have face to face interviews with experts when required, supported to use the web or redirected to the phone. It is of vital importance that those who are able to use the web are encouraged to do so and that those who cannot are fully supported to get their enquiries resolved in the same speedy manner. This will be done through the quick assessment of need and the provision of access to the right level of skills for the customer.
- Reduced effort required to resolve their enquiry as a result of the vast majority of enquiries being resolved at the first point of contact
- Reduced end to end process time that will mean any interventions required will happen faster and ultimately improve outcomes for the

customer.

Improvements for the Council

82. The Council will benefit from:
- Improved customer satisfaction.
 - Greater productivity.
 - More efficient end to end processes to release savings in the back office.
 - Earlier interventions and better outcomes for customers that will reduce long term costs to the Council.
83. All options that have been developed for establishing a single 'Front Door' will deliver the following:
- service specific web portals or online systems that will link in with the corporate website and any corporate portal.
 - processes to be implemented into the 'front door'.
84. Each of the services in scope is at a slightly different stage in development of the 'front door':
- Adults Services and Housing Services are expected to be the first services in the new 'Front Door' by the end of 2014.
 - Further work is needed in the Children and Young People's Information service (CYPIS) and the expectation is that the service will be included in the 'front door' by March 2015.
 - 0-25 (SEND): This is a new service and has not yet been fully scoped and the aim is to include this new service in the 'Front Door' by March 2015.
85. The main options being considered have very little difference in the savings they are likely to offer:
- Do nothing and maintain the status quo.
 - Increasing the scope of existing contact centre managed by Capita.
 - Establish a separate Council managed contact centre.
86. Further work is being undertaken on due diligence, legal property and financial considerations and therefore delegated authority is being sought for the Chief Executive to agree and implement the final option and the associated investment needed to deliver it, following consultation with the Cabinet Members for Resources & Leisure and Education & Change.

Business Support Model

87. Delivering improvements in customer experiences requires our service enabling processes to be fit for purpose and business support is critical to this. We are developing a new model for business support service that is flexible and consistent so that it can meet the varying demands placed on the Council and enable our front line services to support their customers in the most effective way possible. The proposed model covers all business support services for the Council to be managed through a single team.
88. The scope includes all business support and administrative activities, relevant

posts and staff across the organisation (including staff funded through the General Fund as well as the Housing Revenue Account, health and other externally funded posts). In the first phase, we will bring together business support staff currently operating in different teams and different locations into one team, under a single Head of Service, within the Corporate Services directorate.

89. The current position

Currently, business support services are primarily based on each directorate with each service area/team having its own business support staff. This dispersed model gives issues relating to:

- Responding and managing peaks and troughs in demand in a cost effective way.
- Inconsistencies and variations in support offered, job grades, job titles and what staff are required to do.
- No clear career progression and different areas have different levels of business support.
- The opportunities to reduce bureaucracy, improve and simplify our processes and support managers and staff outside of the business support function to do more of their own administration.
- The opportunities offered by technology to modernise how we work and be a catalyst for bigger cultural change.

90. The proposed model is for retaining an in-house model and establishing a central team (the 'hub') in the Civic Centre and a few specialist 'spokes' to provide a service that is appropriate to the needs of the organisation as a whole. It seeks to centralise 'common processes' into one Business Support team, pool specialist business support into centralised teams within strategic locations and where appropriate, embed specialist support within the service area. Service retained in house. The number of staff posts are 355, with an estimated reduction of 83 full time equivalents by April 2015. The details on the budget reductions for this and associated staffing numbers have been included in the budget report elsewhere on this agenda.

91. This new model will change working practices for managers and business support staff and where possible and affordable, technology will be used to automate work e.g. self-service for managers and requests for work. We will be looking at how we do things to see where we can simplify our processes and whether technology can help us to carry out work more effectively.

92. Improvements resulting from the implementation of the Business Support Project will be:

- A flexible, consistent service, able to respond to peaks and troughs in demand.
- More efficient working practices, saving staff time.
- Increased self-sufficiency of staff, as more do their own administration, saving business support staff time.
- Clear career development pathways, and associated training for business support staff, leading to improved staff satisfaction.
- Improved IT literacy of staff outside the business support function.

- A service making increased use of technology and able to change as the Council changes.
93. The key implementation dates for the project are as follows:
- Minimum 45 day staff consultation will commence on 7th July 2014
 - Consultation will be completed by the end of August 2014
 - Service menus, Service Level Agreements and standards will be agreed by mid-September 2014
 - Recruitment begins at the end of September 2014
 - Accommodation in the Civic Centre will be agreed by the end of December 2014
 - New team will be in place by January 2015
 - Testing & reviewing new systems will be completed by the end of March 2015
 - The new service will be launched on 6th April 2015.
94. Following the launch of the new model in April 2015, further work will be required. Delegated authority is therefore sought to implement the next phase of the Business Support project.

Infrastructure work stream

95. Our Infrastructure work stream will focus on the entire enabling infrastructure we need to deliver our new business mode and cover HR, Finance, Innovation and ICT, Procurement, Property etc. It will design and implement the following:

Staff

- New ways of working to enable our workforce to work independent of location. We will enable our workforce to work differently in a collaborative environment using multiple social media formats, e.g., instant messenger, SharePoint, Yammer etc. We want to create an environment of sharing knowledge in an open and transparent way, which in turn will regain productivity.
- New frameworks for performance, skills, competencies and training and development

Property

- Review our current property portfolio to generate more income.
- Reduce our office accommodation significantly.
- Incorporate the work currently underway relating to the Council's property strategy.

Procurement

Improve how we commission, procure and contract management across the organisation and this work stream is responsible for overseeing leading activity in this area. This work stream will deliver cashable savings from buying smarter.

Innovation

We want to deliver all the underpinning technology and innovation required to delivery our new business model.

Role of the Councillor

A work stream will be established within the New Ways of Working programme to support all councillors in responding to changing needs and expectations of residents, the changing roles of councillors, for them to be fully engaged in the changing Council and in the ongoing development of the role of the 21st Century Councillor. Areas of work include:

- Support in terms of ICT hardware, information management.
- Support in understanding the changing needs and demands of our customers.

Service Design work stream

96. This work stream will focus on reviewing and redesigning the services we provide to our customers with our providers, partners and communities. It will:

- Explore and extend commissioning processes and principles within the Council.
- Undertake a review of what services we will continue to deliver and the best delivery models such as co-operatives and mutuals, commercial partnerships, community arrangements, joint ventures etc.
- Ensure delivery of the new business model for services.

Governance and Delivery

97. We will develop a knowledge rich, dynamic and agile resource team focused on programme delivery using expertise when appropriate to challenge our thinking, create innovative solutions and help accelerate our delivery. We will empower our staff and services users to co-design our new functions making them part of the solution to underpin ownership of the new model moving forward.

98. The governance of our transformation programme is cross cutting to reflect the fact that we need to join up across our organisation to design our services in an integrated way for our customers. The governance reflects the 3 work streams detailed in this report, supported by Business Intelligence and Assurance.

99. We will ensure the programme is:

- Accountable – through robust programme governance and leadership vision.
- Collaborative – all Cabinet, the Council's Management Team and Heads of Service will own the design of the new business model.
- Engaging – all councillors, managers, employees, customers, partners and unions will be aware of our plans and their role.
- Open – we will be transparent and open in our communication, speaking with one voice that represents one Council.
- Aware – using external expertise and knowledge to alert us to best practice and keep us up to date with other organisations experiences and learnings.
- Focussed – driving hard to meet the challenging time scales with outcomes and outputs clearly defined.
- Delivered – transformation will be delivered by the whole organisation as

a single programme of change.

100. The following elements are key to the success of the programme:
- Proper resourcing and appropriate investments, drawing on internal capacity and skills.
 - Completion of the programme by October 2017.
 - Ensuring all decisions are based on sound business cases.
 - The implementation of an effective communication and engagement plan to ensure awareness, understanding, ownership, buy in and to underpin delivery.
 - Continued close working with our partners to join up delivery and maximise benefits and outcomes, such as the work on Better Care Fund.
 - Continued focus on delivering agreed transformation projects that underpin savings for 2014/15 and future years that are currently underway, including the work programme currently being implemented by the Integrated Commissioning Unit (ICU) to secure savings and efficiencies for health and social care services.
 - Continued review of Council services that are not included within the ICU's work programme, against the new operating principles.
 - Strong buy in and engaged leadership.
 - Active engagement by Members providing strategic direction, robust challenge, peer reviews and helping in the shaping the delivery.
101. The governance arrangements are outlined in Figure 4.

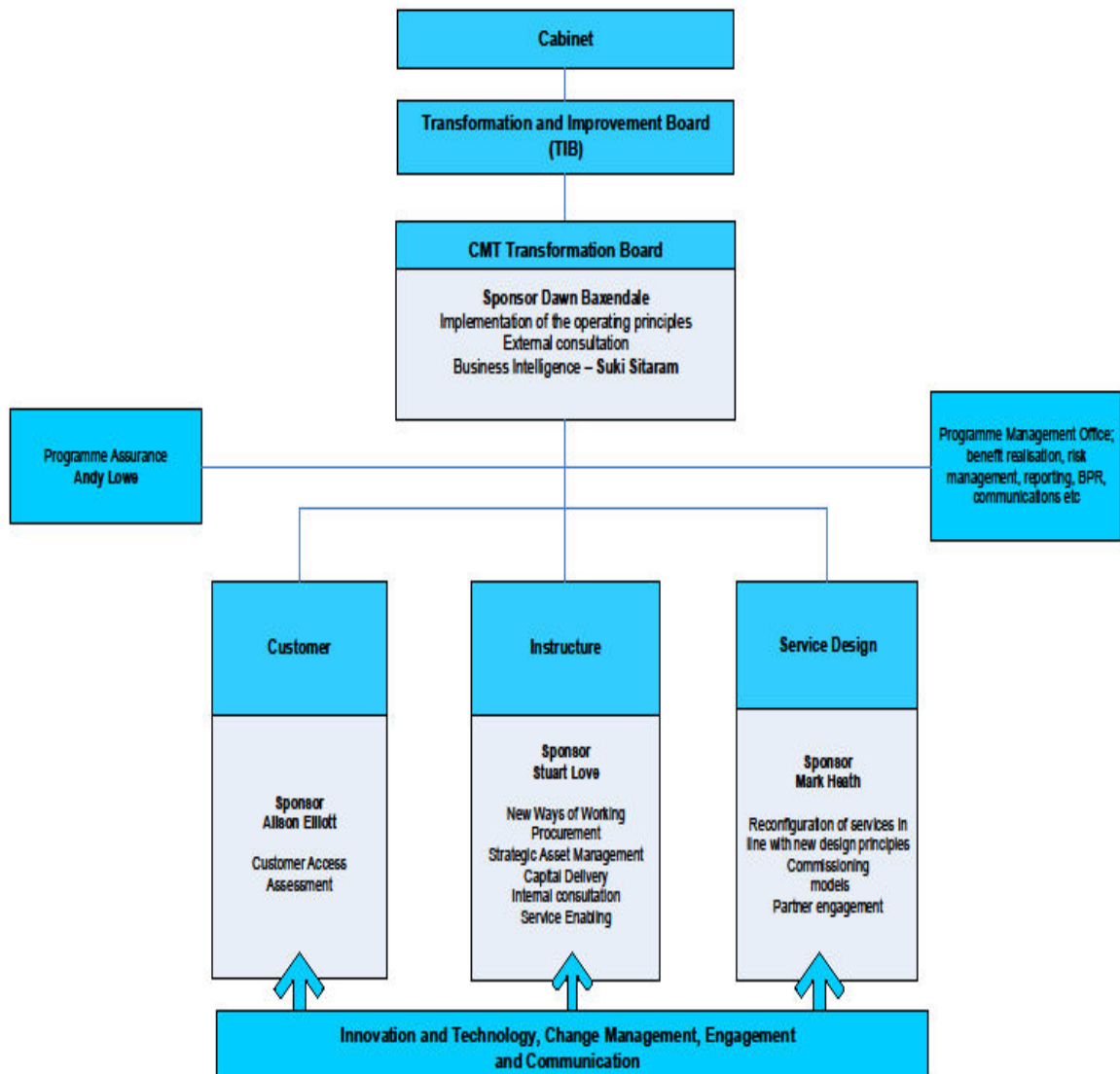


Figure 4 Transformation Programme Governance arrangements

Business Intelligence

102. Our Business intelligence work will focus on delivering the right information needed to run the Council and to design the right services for the future. Much of the work will be done in partnership and will cover:

- A new balanced score card supported by the developing performance management system.
- Insight, Research, Intelligence
- Strategic needs assessment
- Horizon scanning, Strategy, Policy and Business Planning

- Future modelling and improvement
- Engagement and consultation
- Streamlined support to Strategic Partnerships
- Scrutiny.

Communications and Engagement

103. A comprehensive communication and engagement plan is being developed and implemented, which identifies key stakeholders and enables coherent, open, consistent and transparent communication throughout the programme. We will use a range of communication channels including our refreshed website and social media.

Managing risks and using learning

104. Our Risk Management Plan will be a dynamic document which we will use and review continuously. We want to learn from our experiences of transformation both past and future. We will conduct robust ‘lesson learnt’ reviews at key stages to help mitigate risks moving forward. We want to proactively learn from other organisations, including councils that have delivered Council wide transformation programmes. This will help us to take and adopt what went well, in order to accelerate our delivery and what could have been differently to help inform our implementation plan.

RESOURCE IMPLICATIONS

Capital/Revenue

105. The capital and revenue implications of individual decisions to implement the transformation programme will be considered as part of the decision making process for each decision.

Property/Other

106. The property related implications of individual decisions to implement the transformation programme will be considered as part of the decision making process for each decision.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

107. S1 Localism Act 2011, S101 Local Government Act 1972.

Other Legal Implications:

108. Detailed equality and safety Impact assessments and consultation plans will be developed and implemented as necessary for each aspect of the programme and will be made available for consideration by Members.

POLICY FRAMEWORK IMPLICATIONS

109. Draft Council Strategy 2014 - 2017

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	None
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SUPPORTING DOCUMENTATION

Appendices

	None
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Documents In Members' Rooms

	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.	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)

1.	None	
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DECISION-MAKER:	CABINET		
SUBJECT:	ADULT SOCIAL CARE PROVIDER SERVICES		
DATE OF DECISION:	15 JULY 2014		
REPORT OF:	CABINET MEMBER FOR HEALTH AND ADULT SOCIAL CARE		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Chris Pelletier	Tel: 023 6029 6948
	E-mail:	Chris.pelletier@southampton.gov.uk	
Director	Name:	Alison Elliott	Tel: 023 8083 2602
	E-mail:	Alison.Elliott@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
N/A			

BRIEF SUMMARY

This report seeks Cabinet authority to initiate a process of consultation on several options regarding proposals to re-provide and redesign the provision of adult care services, with the preferred option for the re-provision of one residential care home, one respite unit and all day services. The proposals affect current services which are directly provided by the Council and services which are purchased by the Council from the private and voluntary sectors.

RECOMMENDATIONS:

- (i) To authorise the Director of People to initiate a process of consultation regarding proposals to re-provide and redesign the care services for adults specified in Section 11 of this report.
- (ii) To note the indicative savings to be realised as shown in Section 17 of this report should proposals for re-provision and re-design be subsequently taken forward.

REASONS FOR REPORT RECOMMENDATIONS

1. Proposals to change a service provision require consultation with those affected, including staff, service users carers and other stakeholders. Consultation must be at a time when proposals are still at a formative stage. Sufficient reasons must be given for any proposal, and adequate time must be given for consideration. A decision should not be taken until such consultation has occurred and the outcome of the consultation must be taken into account in making the decision.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 2 Doing nothing is not a viable option. Without exploring the potential of radically redesigning the way that adult care is provided, it will not be possible to meet the increasing demand for care within the diminishing resources available. It is imperative within the Care Act 2014 to reduce reliance on

residential and nursing home care to move to a model of preventative services which promote choice, independence and wellbeing.

3. Re-provision and re-designing the service without consultation is not a viable option. Proposals to re-provide any adult care services should only be taken after full consultation, failure to do so would likely result in court action and/or formal complaints. Any court action could be costly to defend and could lead to substantial delay in implementing any changes. There could also be reputational damage. A failure to consult could also increase the risk that re-provided services would fail to meet local need, increase resistance to change,
4. Incremental or service-specific change not requiring formal consultation could deliver marginal improvements to the quality of adult care services in their current form, but only more transformative change would be capable of achieving cost reductions and more substantial qualitative change at the scale and pace required.

DETAIL (Including consultation carried out)

Background

5. The Integrated Commissioning Unit (ICU) was formed in December 2013 to enable the Council to pool capabilities and purchasing power with Southampton City Clinical Commissioning Group (SCCCG) such that both organisations are able to exercise much greater influence over the price, quality, and demand for care services. The proposals for the re-provision and redesign of adult care services detailed below form part of wider whole systems change being delivered by the unit. Together these aim to prevent or intervene early to avoid, reduce or delay the use of costly specialist services whilst promoting independence, choice and control in the community through person centred planning processes. They will join up provision such that the right care is provided in the right place at the right time in order to secure better outcomes,
6. The improvements to the quality of adult care services must be delivered at a time when the Council continues to face unprecedented financial challenges as a result of year on reductions to Government spending on public services. Budget projections show a local deficit of £76 million emerging over the next three years.
7. A significant proportion of this budgetary gap may need to be found from budgets that are held to provide services within Health and Adult Social Care (HASC) Portfolio. The HASC budget comprises over 18% of the Council's controllable gross budget. Spending in this area is subject to demand led pressures associated with the provision of social care and the performance of related duties; pressures which stem largely from demographic trends including an ageing population and people living longer with more complex disabilities.
8. Roughly 11% of Council expenditure within HASC Portfolio pays for services provided directly by the Council in the form of internally operated residential care, day services, respite, and reablement services. This investment ties up a substantial amount of resources within specific services over an extended

period of time, thereby restricting the extent to which choice can be offered to service users. In order to satisfy the public's rising expectations that care services be highly flexible and tailored to individual need Councils are increasingly delivering fewer services of this type directly, choosing instead to commission and/or purchase them from a range of private and voluntary sector organisations. Southampton, however, is a higher than average user of 'in-house' residential care, and a full three quarters of local day care for people with learning disabilities is directly provided by the Council, so the opportunity to deliver savings through re-provision of these services is substantial.

9. Nationally and locally the per person weekly cost of providing residential care directly (£633) is currently running at 42% higher than the average weekly cost of residential care purchased in the external market (£445). Long term trends show a sharp decline in the use of residential care, with a drop in local use of 38% since 2002, so there is a need to reduce the number of residential care homes in the city. This is consistent with the Council aim of making greater use of tenanted models of care (i.e. extra care, supported living) when meeting the accommodation-based needs of adult care service users. These models promote greater levels of independence, enhance quality of life, and increase value for money. Woodside Lodge has the lowest occupancy of all residential Council care homes in Southampton. The proposed consultation will be on the option to re-provide one residential care home and one respite unit, which could include the potential option of closing both.
10. For day services, progress has been made in recent years towards reducing reliance on a building-based service models. There is scope for taking this work further through greater use of personalisation and maximising opportunities for individuals to have wider access to services in their local communities, and the development of services that increase access to employment, education and leisure activities. Services should be flexible and tailored around the lives of individuals and their carers. Initial analysis indicates that the average weekly cost of directly provided day care per person is £170 compared to £61 per person purchased in the external market. The Council need to achieve better outcomes for the money that is spent on the services.
11. Proposals for re-provision affect a number of adult care services directly provided by the Council. The scope of consultation to be undertaken is inclusive of the following in-house services:

Residential Care/ Respite

- Woodside Lodge: a 27 bedded long stay residential home providing care and support for adults generally over 65 years of age who are living with moderate/severe dementia. Short term respite beds are also available.
- Kentish Road: an 8 bedded unit providing short term respite for approximately 70 people with learning disabilities per year.

Day Services

- Sembal House: a day service for adults with physical disabilities and mental health issues providing 134 sessions per week to 41 service users.
- St Denys: a day service for adults with learning disabilities providing 257 sessions per week (building and community-based) to 55 service users.
- Woolston Community Centre: a day service for adults with learning disabilities and complex needs providing 281 sessions per week (building and community-based) to 55 service users.
- Freemantle: a day service for adults with learning disabilities providing 312 sessions per week (building and community-based) to 69 service users.
- The scope for re-design within day service provision, however, will not be limited to those services which are directly provided by the Council, but will rather be inclusive of all day care provided to users of adult care including people with disabilities, mental health conditions, and older people. In addition to the day services which are directly provided by the council, day care is also purchased externally from a range of private and voluntary sector organisations (39 in total).

A wide range of stakeholders will be involved in the consultation process Where staff may be affected the Council policies and processes will be followed

12. The consultation and any subsequent service change will be underpinned by the following principles:
- The Council remains committed to protecting and supporting the most vulnerable of the city's residents.
 - The cost of care in its current form has outpaced available resources, and will continue to do so by increasing degrees for the foreseeable future. Failure to make significant change to the could result in the Council providing services to adults scaled back to the statutory minimum required which could not be in the persons best interests
 - We will make all reasonable effort to ensure that affected stakeholders views are heard, considered, and incorporated into any subsequent recommendations for service change.
 - Publicly-funded community-based care and support services should be designed such that they can demonstrate the extent to which they promote community resilience and social inclusion, empower individuals to develop greater levels of independence, maintain and/or improve levels of health and well-being, comply with relevant quality standards, and are preventative such that the use of higher threshold services (i.e. hospital, residential/ nursing care) is reduced and/or delayed.
 - For carers, breaks from the caring role are important because of the

potential health consequences of being a long-term carer and the risk that arrangements for care may breakdown as a result.

- Care and support services should be ‘personalised,’ such that the users of those services and their carers have choice and control over the shape of the support they receive.

13. A 12 week consultation is proposed in line with Government guidance for conducting written consultation and consistent with previous consultation practice where comparable service changes have been proposed. The full public consultation is proposed to take place from 23rd July to 21st October 2014, if this consultation is authorised by Cabinet. Following approval to consult, officers will produce a consultation plan which details the approach to gathering stakeholder views including consultee mapping, engagement methods, and timescales. The Council will also need to undertake a variety of other tasks before Cabinet is asked to make any decision this will include giving consideration to the risk of health and lives of all residents, who may need to be relocated.
14. Consultation will allow people to put forward other alternatives that can be assessed as part of the final decision making process, and the model of consultation used will vary for each service type in order to maximise the potential for this to occur. With day services, for instance, there are a wide range of potentially viable options for how these services may be re-provided, and for this reason a ‘co-production’ model of engagement will be employed within the process, whereby councils and services providers design and deliver services in partnership with the people who use them so as to create new relationships that strengthen democracy and accountability.
15. Following completion of the consultation, it is expected that a further report will be submitted to Cabinet in November 2014 with a report of the consultation and further recommendations.
16. The consultation will help to inform Cabinet’s final decision, but there are several other factors that will influence this and the consultation findings will have to be balanced against these other factors, including financial considerations and the extent to which the status quo within directly provided services is inconsistent with the council’s strategic priorities.

RESOURCE IMPLICATIONS

Capital/Revenue

17. The table below shows the 2014/15 budget for services within scope for the consultation and the estimate of savings to be realised through re-provision/redesign, including potential closure a care home, respite unit and alternatives to building based day services, should proposals be taken forward following consultation, assessments and further consideration of all relevant factors. These savings have been included within the mini budget proposals to be agreed by Council on 16th July 2014.

	Budget	Savings proposed 16 th July	
	2014/15	2015/16	2016/17
Residential Care	£930,000	£200,000	£300,000
Respite	£346,000	£200,000	£300,000
Day Services	£3.8m*	£500,000	£1,200,000
Total	£5,076,000	£900,000	£1,800,000

* Of which, £1.5m is spent on internally provided day services

The communications budget for delivery of the consultation plan remains to be confirmed but will be met from existing service budgets.

Property/Other

18. The proposals relate to services which are delivered from a number of council-owned buildings, but there are no property-related implications for Cabinet to consider at this stage.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

19. The Council has a variety of statutory duties owed to individuals to provide appropriate accommodation and care for persons who are in need of care and attention, as defined by statute that is not otherwise available to them. The care that is provided to all vulnerable adults must be tailored to their individual needs. If the Council wish to significantly change the accommodation or care provision for individuals it should carry out a full statutory consultation. Any consultation should be in line with Government guidance and codes of practice. The Council should also comply with relevant good practice guidance.

The Council has a duty to consult under the Housing Act 1985 when contemplating the closure of any supported living scheme.

Other Legal Implications:

20. The Council have to adequately consider the effect on residents' health and lives of any decision which affects the way the Council provide service provision, particularly if this meant an individual having to move from a residential unit.

Public Authorities when they are carrying out "functions of a public nature" have a duty under the Human Rights Act 1998 not to act incompatibly with rights under the European Convention for the Protection of Fundamental Rights and Freedoms (the Convention) The Council will need to consider whether any changes in service provision is likely to breach any residents right to life under Article 2 of the Convention and whether any decision to re-provide services would likely to lead to any individual being subject to inhuman or degrading treatment under Article 3.

The Council must also consider if Article 8 is engaged, in particular if any re-provision would interfere with an individual's right to respect for their private and family life.

If any re-provision of services breached any of the Articles, as set out above, the Council would need to demonstrate that the breach is justified and proportionate. This will require examination of the facts of any particular case. The Council could determine that the general economic and policy issues justify the breach but the Council should take steps to ascertain, and take into account any particular factors applying to some or all of the residents which may be relevant to the exercise of weighing up whether a breach can be justified.

The Council also has to give consideration to the positive equalities in the Equality Act 2010 and in particular its duty to have due regard the Public Sector Equality Duty.

The Council will need to ensure that any consultation exercise fully takes into account the above statutory duties to ensure that the consultation is robust and capable of identifying all relevant factors.

Equality Impact Assessments will need to be carried out in respect of any subsequent proposals for service change following consultation and will be completed in advance of the Cabinet decision regarding such proposals.

Statutory consultation of either 30 days or 45 days will be required where the number of affected employees is 20 or more.

POLICY FRAMEWORK IMPLICATIONS

21. These proposals are aligned to a number of key priorities set out in the City Council Plan 2013-16, including:
- Improving health and keeping people safe by redesigning the way we deliver and commission services for children, young people, and adults
 - Helping individuals and communities to work together and help themselves by increasing opportunities for self-reliance and community resilience
 - Managing reduced budgets and increasing demand by making a significant contribution to the council's savings gap of £72m.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:

All

SUPPORTING DOCUMENTATION

Appendices

1.	N/A
2.	

Documents In Members' Rooms

1.	N/A
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	Not at this time.
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Other Background Documents

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

Title of Background Paper(s)

1.	N/A	
2.		

DECISION-MAKER:	CABINET		
SUBJECT:	CONSULTATION ON PROPOSED CHANGES TO THE GENERAL FUND REVENUE AND CAPITAL BUDGET		
DATE OF DECISION:	15 JULY 2014		
REPORT OF:	CABINET MEMBER FOR RESOURCES AND LEISURE		
<u>CONTACT DETAILS</u>			
AUTHORS:	Name:	Stephen Fitzgerald	Tel: 023 8083 4897
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STATEMENT OF CONFIDENTIALITY			
None			

BRIEF SUMMARY:

The purpose of this report is to ask for Cabinet’s approval to consult on the first tranche of revenue budget savings for 2015/16 and beyond and make adjustments to the revenue budget to 2014/15.

Additionally it seeks approval to adjust the capital programme to provide £1.3m in 2014/15 to improve the condition of the unclassified roads network in Southampton, as set out in paragraphs 38 - 40.

It also asks members to note the spending pressures and initiatives outlined in paragraph 9 - 12.

Consultation will be undertaken on the savings proposals and the results will be reported alongside the Executive’s proposals which will be presented to Cabinet and the Council in the autumn.

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

RECOMMENDATIONS:

- (i) To add £1.3M to the Environment & Transport Capital Programme for a new scheme ‘Unclassified Roads – Carriageway Resurfacing’ to be funded from the following sources:-
 - (a) A grant of £233,000 awarded from the Department for Transport’s Pothole Repair Fund 2014/15;
 - (b) Local Transport Plan grant for Highways Maintenance of £425,000 available from scheme under spends in 2013/14;
 - (c) Local Transport Plan grant for Integrated Transport of £295,000 available from the deletion of the ‘Improved Safety 2014/15 – Engineering’ project.

- (d) Direct Revenue Financing available from the Highways Strategic Partnership Third Party Income surplus for 2013/14 (£126,000) and a one-off contribution from the On Street Car Parking Surplus Account (£221,000) following a favourable outturn position in 2013/14 mainly due to staff savings.
- (ii) To approve, in accordance with Financial Procedure Rules, capital expenditure of £1.3M in 2014/15 on the 'Unclassified Roads – Carriageway Resurfacing' scheme within the Environment & Transport Capital Programme to help improve the condition of the roads network.
- (iii) Notes the high level revenue forecast for the General Fund for 2015/16 as detailed in paragraph 13.
- (iv) Note the Executive's proposals for savings as set out in the Appendix to this report and approve their release for consultation, where appropriate.
- (v) Note that formal consultation on the relevant proposals as set out in Appendix 1 will now commence with trades unions, affected staff and any people or organisations affected by the proposals to ensure all options have been considered.
- (vi) Note the spending pressure for Pay and Allowances as set out in paragraph 10.
- (vii) Note the spending initiative to support the Council's approach to Customer Services as set out in paragraph 12.
- (viii) Note the change to the council's minimum revenue provision as outlined in paragraphs 27 – 30 which released £4.5M of revenue in year benefit in 2013/14 and £0.6M in future years.
- (ix) Delegate authority to the Chief Financial Officer (CFO) following consultation with the Cabinet Member for Resources and Leisure to do anything necessary to give effect to the recommendations in this report.
- (x) To instruct officers to implement savings at the earliest date to secure benefits in 2014/15.

REASONS FOR REPORT RECOMMENDATIONS:

1. The recommendations have been put forward to ensure that savings proposals are advanced as early as possible as part of the budget process for 2015/16.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

2. The Executive could choose to only progress savings as part of the annual budget process through the November budget report leading to the setting of the Council Tax in February 2015. However, recognising the importance of seeking to effect change at the earliest opportunity, and to deliver savings in a timely fashion, the Executive are seeking to bring forward a range of savings proposals for early consultation.

This should allow some of the proposals to be implemented in the current financial year and thus deliver in year savings which can contribute to the

overall budget shortfall for 2015/16 onwards, and will also allow time to fully consult on other proposals which the Executive wish to implement from April 2015 onwards. Alternative options may be presented to Council at the meeting on September at which a decision on a number of the proposals will be taken after the end of the consultation process. Further options will also be brought forward as part of the November budget report.

DETAIL (Including consultation carried out):

CONSULTATION

3. Where new proposals have been put forward these have been subject to consultation with the Council's Management Team and relevant Cabinet Members.
4. Consultation will be undertaken with trades unions and staff affected by the proposals in line with the agreed HR policies.
5. Full consultation will be undertaken with any people or organisations affected by the proposals to ensure all options have been considered.

EQUALITY IMPACT ASSESSMENT

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

SPENDING PRESURES

9. There is a recurrent spending pressure that members need to be aware of for Pay and Allowances, as set out below.

Pay and Allowances Framework

10. Following consultation with the Trade Unions, a report is due to be considered by Full Council on the 16th July on the implementation of a new pay and allowances framework. Should Full Council agree, the best estimate of the general fund budget pressure in 2015/16 is £483k ongoing, with a part year effect in 2014/15 of £283k. If the proposals are agreed, it is proposed in the first instance that the part year effect will need to be absorbed within existing budgets. Should this lead to any particular budget issue in year, this could be

covered by either a draw from the Pay Reserve, a draw on contingencies or from General Fund reserves. From 2015/16 onwards, the full year cost to implement the proposed changes is estimated to be £483k ongoing. This cost will be built into the 2015/16 budget and managed through the budget process for that year.

SPENDING INITIATIVES

11. The Executive have been considering additional priorities that they wish to progress in the current year, and as part of supporting the Council's transformation programme, propose that a new post of Customer Services Manager is created, as set out below.

Customer Services

12. As part of the council's transformation agenda, as set out elsewhere on the Cabinet agenda, there will be an increasing drive to improve the way the council interacts with and delivers services to its customers. In recognition of this, a dedicated senior resource is required to help drive forward the customer services agenda in partnership with Capita. In the current financial year the cost will be met from contingencies. The ongoing cost of circa £80k will be met from the £1M allowance per annum for pressures, which is allowed for within the High Level Forecast for future years as set out below.

HIGH LEVEL FORECAST 2015/16 to 2016/17

13. The table below sets out an indication of the likely gap that will be faced by the Council each year, but there remains a significant element of uncertainty in forecasting the position for future years. There are a range of variables which can impact on the budget. Nevertheless our current assumptions provide the medium term financial forecast set out below to inform the financial strategy for tackling the overall position that is presented for future years.

	2015/16 £000's	2016/17 £000's	2017/18 £000's
Cumulative Gap from February Budget Resolution	30,958.2	54,740.2	
Plus Estimated Gap 2017/18			75,197.5
Reduction in Pressure - Taxi Cab Cameras (Licensing Committee Decision)	(64.0)	(64.0)	(64.0)
Required Savings - Updated Position	30,894.2	54,676.2	75,133.5

OPTIONS FOR SAVINGS

14. 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 2015/16 onwards are developed and savings achieved as early as possible.
15. Appendix 1 sets out savings proposals which have been developed and where possible these will be implemented as soon as practicable in the current financial year. The proposals would deliver savings of 1.3M in 2014/15 and recurrent savings of £7.7M in 2015/16 which will be utilised to reduce the budget

gap.

16. In addition, changes to the way in which the council provides for its Minimum Revenue Provision, as set out in paragraphs 27 – 30, will allow for a one off contribution of £4.5M to be made in 2015/16 towards reducing the budget gap.
17. For the majority of the proposals contained in Appendix 1, the intention is to take steps during 2014/15 to implement the saving so that they become fully delivered from 1 April 2015.
18. There are three proposed savings outlined in Appendix 1 which account for the majority of the proposed staff reductions, and these are within Adult Social Care Provider Services and Business Support. Further information is set out below.

Adult Social Care Provider Services

19. There are a number of specific proposals for consultation which are covered by the 'Adult Social Care Provider Services' report elsewhere on the Cabinet agenda. These are as follows:
 - Consultation on potential closure of Woodside Lodge residential home and re-provision
 - Consultation on potential closure and re-provision of Kentish Road Respite Unit and the review and potential re-provision of day services
20. The proposals referred to in the above paragraph will be the subject of extensive consultation with service users and stakeholders, and a 12 week consultation will be undertaken in line with Government guidance. Further information is set out in the Adult Social Care Provider Services report.

Business Support

21. Currently, Business Support services are primarily based within Directorates. The proposal is to develop a model whereby all business support services are provided and managed through a single team. This will mean bringing different teams from multiple locations together into one team, managed by a single Head of Service within the Corporate Services Directorate. Further information is set out in the 'Implementing the Council Strategy 2014 – 2017: Next Phase of the Council's Transformation Programme' Report on the Cabinet agenda.

Library Service

22. Whilst no specific proposals are brought forward in this report for the Library Service, initial informal consultation has taken place with Library Staff to set out that a Library Review is underway. The intention is that formal consultation will commence with both service users and affected staff in the autumn.

STAFFING IMPLICATIONS

23. It is inevitable that when the Council is faced with such a significant funding shortfall, that the savings proposals put forward by the Council will have an impact on staff cost and staff numbers.
24. 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.
25. Based on the savings proposals contained in this report 195.43 FTE posts are potentially affected of which 47.52 are currently vacant and 147.91 are in post

and would be at risk of redundancy, should the proposals for consultation set out in Appendix 1 subsequently be agreed for implementation.

26. Through the consultation process the Executive are keen to explore all avenues with the Trade Unions and staff to minimise the level of the proposed potential staffing redundancies. 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 a decision to the implement the savings as part of the proposals contained in this report.

MINIMUM REVENUE PROVISION (MRP)

27. Each year local authorities are required to set aside some of their revenue for the provision of debt. This is known as the MRP. The provision must be prudent but the regulations governing these arrangements do not define what “prudent provision” is. Whilst there is guidance on MRP produced by the government, it is made clear that it is the local authority’s decision as to what a prudent level of provision is.
28. A review of the Council’s calculation of the MRP has taken place and, following consideration of the guidance, the view is that the Council’s approach has not been consistent with the guidance. This is because the guidance states that the “Adjustment A” should not be varied from year to year. With this in mind the Council has recalculated its MRP retrospectively. Additionally, the guidance states that if the calculation of the MRP results in an anomalous or disadvantageous result it may modify its approach to achieve the intended neutrality.
29. In this case, by being “overly prudent” in the past, the Council has provided for a greater charge from the general fund to MRP. With the benefit of hindsight, this was not the most appropriate course of action and it is considered that action to adjust the position is justified
30. To resolve this, the Council has recalculated the MRP for the years 2006/07 to 2013/14, using the value attributed to “Adjustment A” in 2004/05 which gives a cumulative reduction in the Council’s MRP of £4.5M, and an ongoing reduction of £600k for 2014/15 onwards. The MRP for 2013/14 has therefore been reduced by £4.5M, and this will be taken into balances and drawn down in 2015/16 as a one off contribution to reduce the 2015/16 budget shortfall. The £600k is included as a recurrent saving for 2014/15 onwards. It should however be noted that this adjustment to MRP will be subject to external audit as part of the audit of the 2013/14 final accounts, and whilst no issues are anticipated in this regard, the MRP figure will only be finalised once the final accounts are signed off.

BUDGET DEVELOPMENT FOR 2015/16 AND FUTURE YEARS

31. The overall impact of the savings proposals, as set out in the Appendix to this report is shown below:

	2015/16	2016/17	2017/18
	£000's	£000's	£000's
Required Savings - Updated Position	30,894.2	54,676.2	75,133.5
Less Savings Proposals 2014/15	(1,322.5)		
Less Savings Proposals 2015/16	(7,710.5)	(8,416.5)	(8,566.5)
Contribution from Balances - MRP	(4,527.0)		
Remaining Gap	17,334.2	46,259.7	66,567.0

32. If the proposals contained in this report are subsequently implemented following consultation, there will be a revised budget shortfall for the 3 year medium term of £67M, and a shortfall to fund for next year of £17.3M.
33. The Executive continue to work with the Council's Management Team on the development of further options to deliver the remaining savings required. As part of this work the Executive set out elsewhere on the Cabinet agenda their plans to deliver significant transformation to the way the council will operate and deliver its services over the medium term, and the transformation programme will be a major contributor to helping the Council deliver the remaining savings required of £67M by 2017/18. Further information is set out in the 'Implementing the Council Strategy 2014 – 2017: Next Phase of the Council's Transformation Programme' Report on the Cabinet agenda.
34. To support the Transformation Programme, it is proposed that additional funding of £3M is set aside from the 2013/14 underspend, to fund Transformation investment in 2014/15. Agreement to release the £3M funding for Transformation is subject to Full Council approval as set out in 'General Fund Revenue Outturn 2013/14' report which will be considered by Full Council at its meeting on the 16th July.
35. Further options for delivering additional savings for 2015/16 and beyond will be included in the November budget report, and work will continue at pace on developing proposals.
36. It is also noted that there are one off sums which it is anticipated will be available to contribute to the budget shortfall in 2015/16 if required, for example, New Homes Bonus Grant, estimated to be in the region of £3-4M.
37. In addition, there may be flexibility across the medium term to draw on the General Fund Balances to help manage the financial position.

ADJUSTMENT TO CAPITAL BUDGET FOR HIGHWAYS RENEWAL

38. This report includes a recommendation to spend £1.3M in 2014/15 to help improve the condition of the unclassified roads network in Southampton. The proposed works are based on the most current available condition information.
39. The City's unclassified roads run for 281miles (452Km) and form 76% of the total network length. The percentage of the unclassified network that is failing is 17%, which equates to approximately 46 miles (75Km).
40. Whole scale carriageway resurfacing has only been considered and the list of roads, set out below, are focused to achieve as great a spread of treatments across the unclassified network taking into consideration the poorest roads,

bus routes and routes to schools.

Proposed Roads	Ward
College Street	Bargate
Hanley Road	Shirley
Belle Moor Rd (part)	Shirley
Prince of Wales Avenue	Millbrook
Perran Road	Redbridge
Cheviot Road (K& F)	Redbridge
Cromer Road	Redbridge

Property/Other:

41. None.

LEGAL IMPLICATIONS:

Statutory power to undertake proposals in the report:

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

Capital/Revenue:

43. The revenue and capital implications are as set out in the report.

Other Legal Implications:

44. Not applicable.

POLICY FRAMEWORK IMPLICATIONS:

40. This report proposes variations to the budget that was approved by Council on 12 February 2014.

AUTHOR:	Name:	Stephen Fitzgerald	Tel:	023 8083 4897
	E-mail:	Stephen.Fitzgerald@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

Appendix: Savings proposals

1.	Summary of Efficiencies and Service Reductions
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Documents In Members' Rooms:

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Integrated Impact Assessment

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

Other Background Documents

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

Title of Background Paper(s)

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

1.		
2.		

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APPENDIX 1

SUMMARY OF EFFICIENCIES AND SERVICE REDUCTIONS

<u>Portfolio</u>	<u>2014/15</u> <u>£000's</u>	<u>2015/16</u> <u>£000's</u>	<u>2016/17</u> <u>£000's</u>	<u>2017/18</u> <u>£000's</u>
Children's Services*	0.0	0.0	0.0	0.0
Communities	0.0	0.0	0.0	0.0
Environment & Transport	0.0	(2,350.0)	(2,150.0)	(1,950.0)
Health & Adult Social Care	(300.0)	(2,100.0)	(3,000.0)	(3,050.0)
Housing & Sustainability	0.0	(55.0)	(55.0)	(55.0)
Leader's Portfolio	(75.5)	(166.5)	(172.5)	(172.5)
Resources & Leisure	(947.0)	(2,239.0)	(2,239.0)	(2,539.0)
Sub-Total	(1,322.5)	(6,910.5)	(7,616.5)	(7,766.5)
Business Support savings	0	(800.0)	(800.0)	(800.0)
Total Savings	(1,322.5)	(7,710.5)	(8,416.5)	(8,566.5)

IMPACT OF PROPOSALS ON STAFFING

<u>Portfolio</u>	<u>FTE in</u> <u>Post</u>	<u>FTE</u> <u>Vacant</u>	<u>FTE Total</u>
Children's Services*			0.00
Communities			0.00
Environment & Transport	5.50	0.20	5.70
Health & Adult Social Care	75.91	13.26	89.17
Housing & Sustainability	0.00	0.00	0.00
Leader's Portfolio	2.00	3.20	5.20
Resources & Leisure	8.50	3.86	12.36
Sub-Total	91.91	20.52	112.43
Business Support savings	56.00	27.00	83.00
Total Savings	147.91	47.52	195.43

**Children's Services now consists of Education & Change and Children's Safeguarding.*

APPENDIX 1A SUMMARY OF EFFICIENCIES AND SERVICE REDUCTIONS

<u>Portfolio Ref</u>	<u>Service Activity</u>	<u>Description of Item</u>	<u>2014/15</u> <u>£000's</u>	<u>2015/16</u> <u>£000's</u>	<u>2016/17</u> <u>£000's</u>	<u>2017/18</u> <u>£000's</u>	<u>Net Reduction</u> <u>in Posts</u>		<u>Head of Service</u>
							<u>FTE</u> <u>In Post</u>	<u>FTE</u> <u>Vacant</u>	
<u>Environment & Transport</u>									
E&T 1	E&T Contracts Management	Highways: Remove revenue contribution to capital.		(2,200.0)	(2,000.0)	(1,800.0)			Frank Baxter
E&T 2	Regulatory Services	Animal Welfare & Kennels: Close kennels, retain Animal Welfare Officer to undertake statutory duties and buy private kennel space, as required.		(40.0)	(40.0)	(40.0)	5.00		Mitch Sanders
E&T 3	Regulatory Services	Emergency Planning: Restructure to include public health emergency planning function.		(20.0)	(20.0)	(20.0)	0.50	0.20	Mitch Sanders
E&T 4	Regulatory Services	Increase income - Bereavement Services and Registration Services.		(60.0)	(60.0)	(60.0)			Mitch Sanders
E&T 5	Regulatory Services	Pest Control: Increase income to cover cost.		(30.0)	(30.0)	(30.0)			Mitch Sanders
Sub-Total			0.0	(2,350.0)	(2,150.0)	(1,950.0)	5.50	0.20	
<u>Health & Adult Social Care</u>									
H&ASC 1	Adult Disability Care Services	Integrated Commissioning Unit (ICU) savings: Reducing permanent admissions to Nursing and Residential Care.	(300.0)	(1,200.0)	(1,200.0)	(1,200.0)	0.00	0.00	Helen Woodland / Stephanie Ramsey
H&ASC 2	Provider Services - Day Services	Integrated Commissioning Unit (ICU) savings: Consultation on potential closure of internal Day Provision, potential closure of Kentish Road and re-provision through Shared Lives respite.		(700.0)	(1,500.0)	(1,550.0)	50.18	8.96	Helen Woodland / Stephanie Ramsey
H&ASC 3	Provider Services Internal Provision	Integrated Commissioning Unit (ICU) savings: Consultation on potential closure of Woodside Residential Home.		(200.0)	(300.0)	(300.0)	25.73	4.30	Helen Woodland / Stephanie Ramsey
Sub-Total			(300.0)	(2,100.0)	(3,000.0)	(3,050.0)	75.91	13.26	
<u>Housing & Sustainability</u>									
HS 1	Sustainability	Increase income from Laser if Energy Group takes on bill management components of the Laser contract.		(55.0)	(55.0)	(55.0)			Paul Nichols
Sub-Total			0.0	(55.0)	(55.0)	(55.0)	0.00	0.00	

APPENDIX 1A SUMMARY OF EFFICIENCIES AND SERVICE REDUCTIONS

<u>Portfolio Ref</u>	<u>Service Activity</u>	<u>Description of Item</u>	<u>2014/15</u> <u>£000's</u>	<u>2015/16</u> <u>£000's</u>	<u>2016/17</u> <u>£000's</u>	<u>2017/18</u> <u>£000's</u>	<u>Net Reduction</u> <u>in Posts</u>		<u>Head of Service</u>
							<u>FTE</u> <u>In Post</u>	<u>FTE</u> <u>Vacant</u>	
<u>Leader's Portfolio</u>									
LEAD 1	Democratic Representation & Management	Employers pension contributions for Members reduced due to changes to the pension provision for Members.	(11.0)	(24.0)	(30.0)	(30.0)			Richard Ivory
LEAD 2	Democratic Representation & Management	Reduction in number of Cabinet Members from 8 full time Members to 7.	(10.5)	(12.5)	(12.5)	(12.5)			Richard Ivory
LEAD 3	Legal Services & Customer Relations	Redirection & restructure of resources within Legal Services.	(49.0)	(117.0)	(117.0)	(117.0)	2.00	2.50	Richard Ivory
LEAD 4	Legal Services & Customer Relations	Redirection of resources within Customer Relations.	(5.0)	(13.0)	(13.0)	(13.0)	0.00	0.70	Richard Ivory
Sub-Total			(75.5)	(166.5)	(172.5)	(172.5)	2.00	3.20	
<u>Resources & Leisure</u>									
R&L 1	Finance Service	Review of Accounting Provisions: Implementation of Accounting Policy change to Minimum Revenue Provision (MRP).	(600.0)	(600.0)	(600.0)	(600.0)			Andy Lowe
R&L 2	Finance Service	Introduce charging for Appointeeship and Deputyship.		(60.0)	(60.0)	(60.0)			Andy Lowe
R&L 3	Finance Service	Redirection of resources and reduction in current service provision.	(100.0)	(250.0)	(250.0)	(250.0)	5.00	0.86	Andy Lowe
R&L 4	Local Taxation & Benefits Services	Reduction in Client Team.	(10.0)	(38.0)	(38.0)	(38.0)	1.50		Andy Lowe
R&L 5	Local Taxation & Benefits Services	Reduction in Capita Print costs.	(11.0)	(11.0)	(11.0)	(11.0)			Andy Lowe
R&L 6	Partnership	Savings achieved from partnership contracts.		(1,000.0)	(1,000.0)	(1,300.0)			Andy Lowe
R&L 7	Partnership	Savings achieved from rationalisation of team following centralisation.	(113.0)	(113.0)	(113.0)	(113.0)			Andy Lowe
R&L 8	Property Services	Savings arising from the rationalisation of central office accommodation (Accommodation Strategy) including the vacation of buildings.	(64.0)	(64.0)	(64.0)	(64.0)			John Spiers
R&L 9	Property Services	Removal of vacancies for a Town Sergeant and a cleaner.	(19.0)	(33.0)	(33.0)	(33.0)		2.00	John Spiers
R&L 10	Property Services	Civic Centre Security Review: Changes to arrangements made in night security service for the Civic Centre.	(30.0)	(30.0)	(30.0)	(30.0)	2.00	1.00	John Spiers

APPENDIX 1A SUMMARY OF EFFICIENCIES AND SERVICE REDUCTIONS

<u>Portfolio Ref</u>	<u>Service Activity</u>	<u>Description of Item</u>	<u>2014/15</u> <u>£000's</u>	<u>2015/16</u> <u>£000's</u>	<u>2016/17</u> <u>£000's</u>	<u>2017/18</u> <u>£000's</u>	<u>Net Reduction</u> <u>in Posts</u>		<u>Head of Service</u>
							<u>FTE</u> <u>In Post</u>	<u>FTE</u> <u>Vacant</u>	
R&L 11	Leisure & Heritage	Full Cost Recovery on Education Team.		(40.0)	(40.0)	(40.0)			Mike Harris
		Sub-Total	(947.0)	(2,239.0)	(2,239.0)	(2,539.0)	8.50	3.86	
	<u>Cross Portfolio</u>								
ALL 1		Business Support: Introduction of 'hub and spoke' model across Council.		(800.0)	(800.0)	(800.0)	56.00	27.00	
		Sub-Total	0.0	(800.0)	(800.0)	(800.0)	56.00	27.00	
		Total	(1,322.5)	(7,710.5)	(8,416.5)	(8,566.5)	147.91	47.52	

DECISION-MAKER:	CABINET		
SUBJECT:	PROPERTY DISPOSALS – REVISION OF AGREED TERMS		
DATE OF DECISION:	15 JULY 2014		
REPORT OF:	CABINET MEMBER FOR RESOURCES		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Paul Mansbridge	Tel: 023 8083 2635
	E-mail:	Paul.mansbridge@southampton.gov.uk	
Director	Name:	Mark Heath	Tel: 023 8083 2371
	E-mail:	Mark.heath@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

Confidential Appendix 1 contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. The appendix includes details of a proposed transaction which, if disclosed prior to entering into a Legal contract, could put the Council at a commercial disadvantage.

BRIEF SUMMARY

This report seeks authority to the disposal of the following four properties, three of which were subject to previous Cabinet decisions:

- Marland House
- 60 – 64 St Mary's Road
- Former Eastpoint site
- 22 – 28 Above Bar Southampton (long leasehold interest)

The terms negotiated differ from previous approvals and Cabinet are requested to approve the revised terms. In the case of 22 – 28 Above Bar this is a new disposal for which approval is sought.

RECOMMENDATIONS:

- (i) To delegate authority to the Head of Property, Procurement and Health and Safety to negotiate and agree the terms of the sale following consultation with the Cabinet Member for Resources, and the Leader in respect of Marland House, and Culture and carry out all ancillary matters to dispose of the site on the basis of the terms set out in the confidential appendix.
- (ii) To note the estimated value of the capital receipt from these disposals has already been built into the funding of the capital programme, apart from the new receipt for 22 - 28 Above Bar. Any receipts that differ from the estimates will need to be considered corporately as part of any future prioritisation of resources as the intention is to use any additional capital receipts from disposals over and above those which are funding the current programme to repay long-term council borrowing.

REASONS FOR REPORT RECOMMENDATIONS

1. To release properties surplus to Council requirements
2. To raise a capital receipt.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. Marland House, 60 – 64 St Marys Road and the former Eastpoint site have been declared surplus by the Council. Retention of the properties would not be viable as cost would exceed revenue.
4. Not disposing of a long leasehold interest would mean the Council would continue to receive a low fixed income. The capital receipt is more beneficial.

DETAIL (Including consultation carried out)

5. Cabinet approved the disposal of Marland House on 29th January 2013. The preferred bidder was not in a position to conclude the transaction in a timescale to give the Council certainty over its proposals to vacate in the Autumn of this year. With improving market conditions the property was placed back on the market. The bidding process has been concluded and the recommendations are set out in the confidential appendix.
6. The Council has a contract with Bougyues for the sale of 60 – 64 St Mary's Road with the condition of if the contract could not be satisfied by 30 April 2014 then it could be terminated. Although this deadline has passed, Bougyues have undertaken investigative and design work, and submitted a planning application for development on a reduced scale. Recommendations are included in the confidential appendix.
7. Cabinet approved a sale of the former Eastpoint site at Cabinet in September 2011, and the Council entered into an option agreement and lease with a Apprenticeship Training Limited (ATL). They were replaced by their parent company (JT Consultancy) as the provider of training, and have taken over the lease to the property, although an option was not concluded prior to liquidation of ATL. The Council are seeking to use part of the former Eastpoint site for an energy centre, whilst the former day centre adjoining the site has become vacant. Revised terms for a sale, reflecting these changes circumstances are included in the confidential appendix.
8. 22 – 28 Above Bar is a retail unit which is currently occupied by Primark, who own a headlease. They have the remainder of 35 years left on their lease and are seeking to acquire the freehold / long leasehold of the property. Recommendations are included in the confidential appendix.

RESOURCE IMPLICATIONS

Capital/Revenue

9. The sale of these properties will realise a 100% capital receipt to the General Fund which has already been built into the funding of the current capital programme, apart from the new receipt from 22 – 24 Above Bar. Any receipt that differs from the estimates in terms of value and timing will need to be considered as part of any future prioritisation of resources as the intention is to use any additional capital receipts from disposals over and above those which are funding the current programme to repay long-term council

borrowing. In practice this will be subject to the current position on temporary borrowing at that time together with any future prioritisation of resources.

10. As reported in February 2014 the capital programme is fully funded based on the latest forecast of available resources although the forecast can be subject to change: most notably with regard to the value and timing of anticipated receipts. The capital receipts set out in the attached confidential appendix should therefore be considered as part of a wider assessment of forecast receipts.
11. The revenue implications resulting from the disposal of Marland House, 60 – 64 St Mary's Road and Eastpoint have been set out in previous Cabinet reports, and where applicable are reflected in the Resources and Leisure Portfolio Investment Property income estimates from 2014/15 and ongoing. . The revenue implications for 22 – 28 Above Bar are included in the confidential appendix and have also been reflected in the Investment Property income estimates from 2014/15 based on an assumed disposal date.
12. The capital receipts are included in the confidential appendix.

Property/Other

13. 22 – 28 Above Bar is within the Resources and Leisure Portfolio Investment Property Account. It is intended that the Council retain a long leasehold interest in the property to ensure there is an unbroken freehold ownership to Above Bar.
14. The remaining properties included have all been declared surplus to Council requirements under previous Cabinet decisions.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

15. The property interests are to be sold under powers contained in section 123 Local Government Act 1972 or section 223 town and Country Planning Act 1990.

Other Legal Implications:

16. None.

POLICY FRAMEWORK IMPLICATIONS

None

KEY DECISION? Yes/No

WARDS/COMMUNITIES AFFECTED:	Bargate, Bevois and Bitterne.
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SUPPORTING DOCUMENTATION

Appendices

1.	Confidential Appendix
2.	Plan V3528 Plan of former Eastpoint Centre

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.	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)

1.	None	
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Agenda Item 20

by virtue of paragraph number 3 of the Council's Access to information Procedure Rules

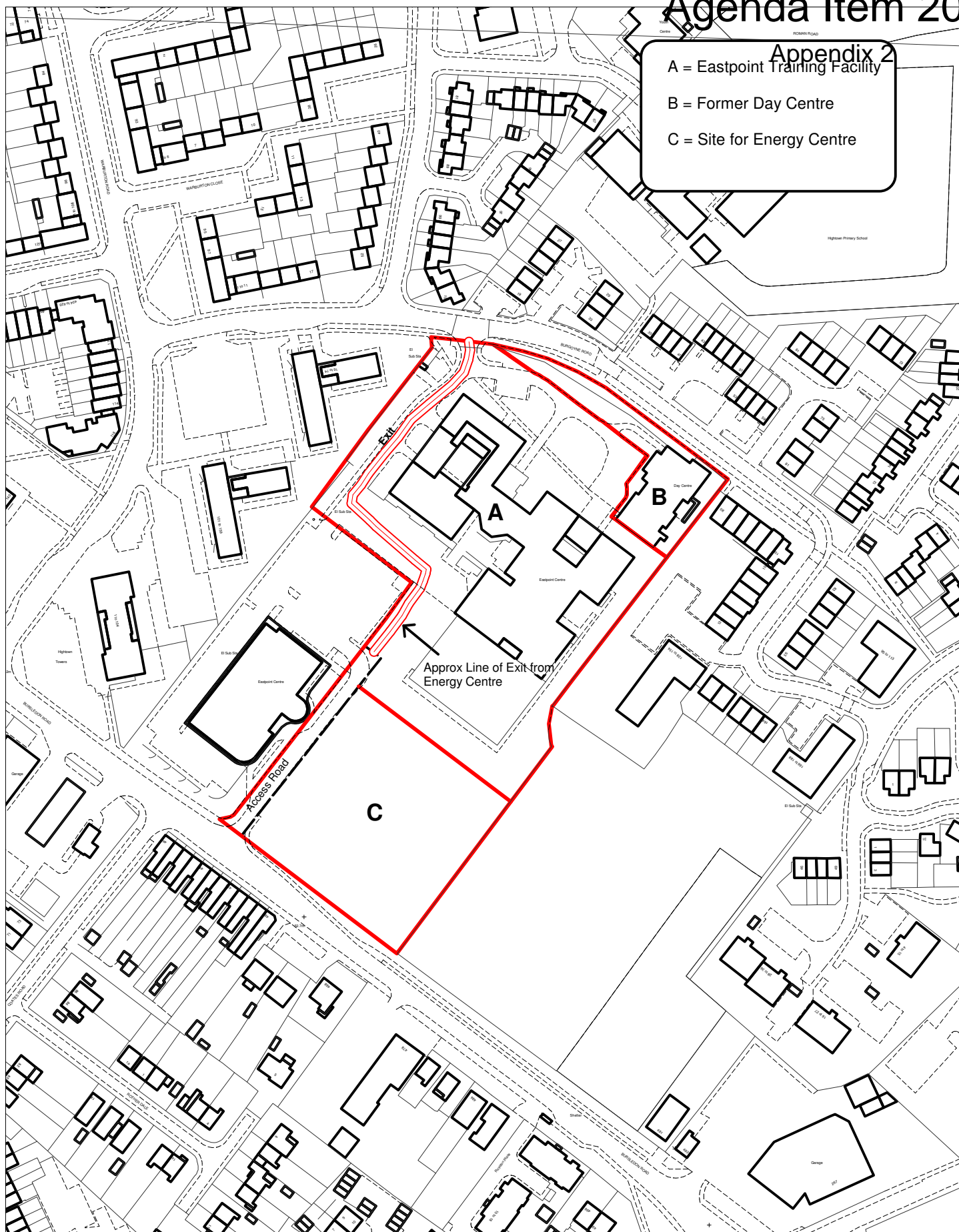
Appendix 1

Document is Confidential



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Appendix 2

- A = Eastpoint Training Facility
- B = Former Day Centre
- C = Site for Energy Centre



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 <p>SOUTHAMPTON CITY COUNCIL</p>	<p>PROPERTY SERVICES 3rd Floor, One Guildhall Square, Above Bar Street, Southampton. SO15 1GW</p>		<p>SCALE (1:) 2000</p>	<p>DATE 2/7/14</p>
	<p>Plan No V3528</p>	<p>Former Eastpoint Centre - Disposal</p>		

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DECISION-MAKER:	CABINET		
SUBJECT:	ADVOCACY SERVICE FOR ADULTS		
DATE OF DECISION:	15 JULY 2014		
REPORT OF:	CABINET MEMBER FOR HEALTH AND ADULT SOCIAL CARE		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Adam Wells	Tel: 023 8083 4685
	E-mail:	Adam.wells@southampton.gov.uk	
Director	Name:	Allison Elliott	Tel: 023 8083 2602
	E-mail:	Alison.elliott@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

There is a confidential appendix attached to this report, the confidentiality of which is based on Category 3 (financial or business affairs of the Authority) of paragraph 10.4 of the Council's Access to Information Procedure Rules. It is not in the public interest to disclose this because the information is considered commercially sensitive and doing so would prejudice the Authority's ability to achieve best value for the provision of future services.

BRIEF SUMMARY

Across Southampton a number of dedicated advocacy services are commissioned which cover both statutory and non statutory provision.

These services are fragmented across several separate funding streams and contracts with commissioners paying for multiple sets of overheads and internal contract management resource. There are also some issues with equal and fair access to advocacy services between different care groups.

The 2014/15 budgeted spend on dedicated advocacy services across Southampton is £259,200 per annum. £14,000 of this funding is transferred from Southampton City Clinical Commissioning Group via a Section 256 agreement under the National Health Service Act 2006. A full breakdown of this funding is included within Appendix 1.

This paper outlines a recommendation to amalgamate these funding streams and re-commission advocacy services for adults through a tender process, including all elements of dedicated advocacy provision currently provided across the City.

Not included within the consideration of this report are some specific areas of advocacy, such as NHS Complaints and Direct Payment Support advocacy, which are commissioned as part of wider contracts. It also excludes lower level support or provision of information and advice services for the wider community which may sometimes be referred to as advocacy services.

RECOMMENDATIONS:

Having complied with paragraph 15 of the Council's Access to Information Procedure Rules:

- (i) To approve the re-commissioning, through a tender process, of advocacy services for all adults, inclusive of all elements of specialist and dedicated advocacy currently provided across the City.
- (ii) Following a procurement process to delegate authority to the Director of People to select a provider(s) and after consultation with the Head of Legal and Democratic Services to enter into a contract with a service provider(s), for a maximum period of 5 years, for the provision of advocacy services and take all ancillary action to give effect to this decision

REASONS FOR REPORT RECOMMENDATIONS

1. This report is presented as a general exception item in accordance with Rule 15 of the Access to Information Procedure Rules of Part 4 of the Council's Constitution. Amendments to the Local Authorities (Executive Arrangements) (Meetings and Access to information) (England) Regulations 2012 require 28 days notice to be given prior to determining all Key Decisions. This new requirement was published by Government mid August and came into effect on 10th September 2012. Whilst the report did have the required 28 days notice, the new requirement to indicate potential elements of confidentiality was not complied with as notification of the decision was published on the 4th June 2014.
2. Approving the recommendation to procure an advocacy service which amalgamates current fragmented funding streams will allow the services to be redesigned in order to meet current demand, local need and achieve parity of service access.
3. The recommended option will release a 10% efficiency saving whilst ensuring statutory provision and eligible needs are still met.
4. Approving the recommendation will allow the start of consultation around the future service option for advocacy services within Southampton.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. To use the available extension option provided within the contract to extend the current mental health advocacy service for a period of 2 years, whilst implementing the recommendations identified within service reviews. This option maintains the systems inbuilt inefficiencies with multiple contracts to manage, duplicated provider overheads and multiple points of access. Any budget efficiencies that could be realised within this option would result from top slicing the current budget and maintaining the current service model. This does not allow for a more efficient service to be developed and would not obtain best value from available resources.
6. To re-commission the current mental health advocacy service in its current format without including wider advocacy services. This option maintains the systems inbuilt inefficiencies with multiple contracts to manage, duplicated provider overheads and multiple points of access. The opportunity to achieve

the potential budget efficiencies is not present within this option. There is also the potential that through re-commissioning one service without realising system wide efficiencies the unit cost for services may increase, reducing value.

7. To re-commission a service which including only the statutory elements of provision. This option offers the largest headline efficiency but is highly likely to incur significant costs in other areas of the health and social care system due to frontline staff carrying out additional duties and dealing with complaints. This option does not fit with local and national priorities and guidance within key documents such as the Winterbourne Concordat and could have the potential to cause reputational damage to the City Council.

DETAIL (Including consultation carried out)

8. Those individuals who access, or may be entitled to access, health and social care support services are often unable to fully express their wishes, express choice and control over decision which impact their lives or protect their rights. Advocacy services support these individuals to take control of their own lives, understand their options and take the decisions they want. This can include support related to all aspects of life which impact on health and wellbeing, from care and support decisions to welfare and benefits or housing issues.

9. Across Southampton several dedicated advocacy services are currently commissioned to meet the needs of those who receive health and social care support services. Currently these services are covered by several separate agreements which range from small purchase orders to larger tendered contracts. Historically these services have each catered for those with defined needs or specific user groups. The exception to this is provision for statutory services which are accessible to all individuals regardless of their needs through the current mental health contract.

10. In the summer of 2011 SCC re-commissioned advocacy services for those with mental health issues, including statutory and non statutory provision. This service was developed with the amalgamation of two separate service specifications in order to gain service efficiencies.

This service includes provision of:

- General advocacy – non Statutory (excluding for those with Learning Disabilities & those aged over 65)
- Independent Mental Health Advocate - Statutory
- Independent Mental Capacity Advocate and Deprivation Of Liberty Safeguards advocacy – Statutory

This service started on 1st November 2011 with a contract period of 3 years with a 2 year extension option.

11. The multiple services for learning disabilities were under separate contracts and set for review during 2011. Consideration was given to including advocacy for those with learning disabilities within the wider amalgamated mental health service at this time however, for various reasons this option was not possible and was not taken. During 2012 the separate funding elements were pulled together under one contract which was due to end on

31st March 2014. This contract covers

- Locally Based Hospital Unit Advocacy
- Learning Disabilities Development Fund Advocacy Services
- Supporting Vulnerable people and Busy People
- Adults Services - General Advocacy for those with Learning Disabilities

12. A separate smaller service is provided with its own funding stream for those aged 65 and over and those who have dementia. This service provides non statutory advocacy only.

13. Full service reviews for the Mental Health and Learning Disabilities service have recently been carried out along with a desktop review of contact monitoring and consultation with the contract manager. These service reviews found that:

- The services currently commissioned meet an important and increasing need within the City and contribute to local and national strategic aims and objectives.
- The services enable the City to meet its statutory requirement in relation to the provision of advocacy under that Mental Health Act 2007 and Mental Capacity Act 2005
- All services have a good local presence and links with the community and with those that it supports
- The demand for and the type and style of advocacy is affected by wider changes to legislation and services both locally and nationally for example the Welfare Reform Act (2012) and changes to the social/health care market
- Multiple separate funding streams were recognised as being an issue along with a recognition from services that a lack of longer term contracts in some instances reduce the ability for providers to develop and invest in more efficient ways of working, thereby reducing value.
- Benchmarking for value and price shows local providers offer services at costs which are comparable within Southampton and favourable when compared to hourly rates paid within neighbouring areas and nationally. Approximately 650 individuals were supported by dedicated advocacy services during 2013/14 with demand for services expected to increase.

14. Recent national and local developments (Supreme Court judgement around Deprivation of Liberty, national report into the implementation of Mental Capacity Act and local CQC visit to University Hospital Southampton) have increased and will continue to increase demand for statutory advocacy within the City. In order to meet this increase in demand a greater proportion of advocacy funding will be required for statutory provision. As a consequence the amount of money committed to non statutory advocacy will be reducing.

15. Within Southampton advocacy is commissioned on both a statutory and non statutory basis. The provision of advocacy outside of statutory requirements currently accounts for a large part of the total investment into advocacy support. However, due to recent changes to the understanding of legislation

and resulting directly from a Supreme Court judgement, referrals for statutory provision have increased significantly. This trend is expected to continue resulting in an increasing proportion of funding being allocated to statutory provision. While there is no legal requirement to commission non statutory elements of support, it has attracted funding in the past on the basis that it is viewed as central to the development and maintenance of a fair, equitable and good quality care and support market which safeguards vulnerable individuals.

16. Following a review of the current mental health contract a report outlining future commissioning options was submitted to the Integrated Commissioning Units senior management team meeting for discussion and recommendation.

17. With the recommendation of the ICU management team a briefing paper was taken to the People Directorate Management Team outlining the preferred option to re-commission a new advocacy services for adults which includes all elements of specialist, dedicated advocacy currently provided across the City.

18. Advantages of recommendation

- Ability to re-design service model
- Service is market tested
- Commissioning resource efficiencies with one contract to manage
- Back office/administration efficiencies for service provider
- Competitive tender where price is evaluated part of selection criteria
- Easier access to one service for professional and service users
- Implement improved monitoring, quality and outcomes frameworks which are central to service improvement
- Ability to tie into wider work around information and advice services, reducing resource required for advocacy services

Disadvantages of recommendation

- Potential risk to local voluntary sector agencies in losing business
- Fear that some specialist skills which provide for targeted groups will be lost
- Service Users may prefer the option of accessing a specialised service
- Commissioning resource on tender process

19. The provision of dedicated advocacy services across Southampton is currently fragmented with a number of separate funding streams and contracts in place. This is an historic set up which builds a number of inefficiencies into the City's advocacy provision. For example, additional internal resources are required to manage multiple contracts and financial requirements and each provider will have built separate overhead costs into their service pricing. The recommended option outlined below will create one service which combines all funding streams for dedicated advocacy, giving the opportunity to realise efficiencies both in terms of costs and commissioning resources. Within commissioning and procurement options opportunities for the consideration of consortium and partnership bids will be

included. These options will be explored during stakeholder consultation events. Prior to the commencement of any procurement process a 10% efficiency saving from the current £259,200 funding committed to advocacy services will be released. This is a saving of £26,000 per annum. The 10% budget efficiency will maintain enough resources dedicated to advocacy services within Southampton to commission a service which meets the needs of the City and safeguards the rights, needs and wishes of vulnerable individuals within the context of increasing demand for services.

20. All current contracts for dedicated advocacy service end on 31st March 2015. Through the service reviews and contract monitoring processes the service providers within the City are aware that the ICU is looking at the provision of advocacy services. As part of developing any new service model, service user and stakeholder groups will be consulted, and their input used to inform decision making. The proposed timescales for the procurement are;
- Forward plan submission - June 2014
 - Cabinet – 15th July 2014
 - Work with Provide Relationship Team to engage/stimulate market - June to July 2014
 - Develop service specification/model - July to August 2014
 - Tender phase (PQQ, ITT and evaluations) to commenced - September 2014
 - Provisional award - December 2013
 - Services fully implemented - April 2015

RESOURCE IMPLICATIONS

Capital/Revenue

21. Within the Health and Adult Social Care Portfolio budget for 2014/15 there is a budget of £259,200 for all contracted advocacy services of which SCCCG fund £14,000. This is currently split across six budgets with three separate providers. In addition there is a budget of £4k for spot purchased advocacy for Paid Representatives.
22. The anticipated cost of the newly provided service is expected to be within the approved budgeted level for 2014/15. Furthermore due to a 10% efficiency target that will be built into the tender process it is expected that there will be a minor saving of £26,000. As part of the tender process it is anticipated that there will be one provider, or one provider leading a consortium bid, within the new arrangements.
23. There are not expected to be any additional revenue costs, one off or recurring, from this tender exercise other than those already detailed within this report. Any saving will be retained within the Portfolio until such point it can be confirmed that fluctuations of activity volume will not adversely affect it's long term achievability.

Property/Other

24. There are no property implications.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

25. The Mental Capacity Act 2005 covers the statutory provision of Independent Mental Capacity Advocates (IMCA). This Act also covers the provision of Deprivation of Liberty Safeguards which falls under statutory advocacy services.
26. The Mental Health Act 2007 covers the statutory provision of Independent Mental Health Advocates
27. Section 256 of the NHS Act 2006 which covers the transfer of £14,000 from the CCG for advocacy services.

Other Legal Implications:

28. The Council would also have to enter into a new Section 256 agreement under the NHS Act 2006 to secure the funding from the CCG.

POLICY FRAMEWORK IMPLICATIONS

29. None

KEY DECISION? yes

WARDS/COMMUNITIES AFFECTED:	None
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SUPPORTING DOCUMENTATION

Appendices

1.	Confidential Appendix Service Review – Advocacy Services for adults with mental health problems, including independent mental health advocates (IMHA) and independent mental capacity advocates (IMCA)
2.	Equality impact Assessment

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)

1.	None	
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Agenda Item 22

by virtue of paragraph number 3 of the Council's Access to information Procedure Rules

Appendix 1

Document is Confidential

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Equality and Safety Impact Assessment

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

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

<p>Name or Brief Description of Proposal</p>	<p>Advocacy Services for Adults</p> <p>Following reviews of current advocacy services for adults a recommendation has been made to re-commission a new advocacy service to include all elements of specialist, dedicated advocacy for adults currently provided across the city. This would include OP, LD, MH and statutory services.</p> <p>Within this proposal there will be a 10% budget efficiency.</p>
<p>Brief Service Profile (including number of customers)</p>	<p>Advocacy services represent the needs and interests of the most vulnerable who may not be able to do this on their own without support.</p> <p>Currently £259,000 per annum is committed to the provision of advocacy service for adults within Southampton. This covers non statutory provision as well as statutory services provided under the Mental Health Act (2007) and Mental Capacity Act (2005).</p> <p>Approximately 650 individuals received advocacy support from dedicated services within Southampton during 2013/14. Currently there is a trend of increasing demand</p>

	<p>on advocacy services which is fuelled by changes to wider national legislative changes, for example Caring for Our Future (2010) and the Welfare Reform Act 2012.</p>
<p>Summary of Impact and Issues</p>	<p>At present the majority of dedicated advocacy services in the city are provided by separate providers to meet the needs of Older People, those with Learning Disabilities and those with Mental Health issues. Statutory advocacy services are universal and accessible by all, regardless of their support needs.</p> <p>The recommendation to move towards a larger, universal service which is accessible to all fits within wider commissioning priorities and will create parity of access to services for all, regardless of their support needs. It also presents the opportunity to redesign the current service model to account for recent changes in the health and social care market.</p> <p>The completion of a tender process will achieve a budget efficiency on current spend of 10%.</p> <p>Potential negative impacts:</p> <ul style="list-style-type: none"> • Tendering exercise could result in a degree of instability during the tender its self and during new service implementation. • Staff and service users could be anxious with a change to current advocacy support systems. • Staff and service users may view the recommendation as a reduction in support from providers who specialise in providing support to those with specific needs. • Potential risk to smaller voluntary sector providers of losing business if they cannot compete with pricing from larger organisations.

	<ul style="list-style-type: none"> There is a risk that, while overall budgets will decrease, the unit cost of service may increase decreasing the value achieved.
Potential Positive Impacts	<p>Commissioning a single all encompassing advocacy service will allow the council to re-design existing provision in line with service review recommendations, improving service models, quality and outcomes monitoring. It also provides the opportunity to market test services, obtaining best value at a time when local and national changes are increasing demand on advocacy services.</p> <p>Amalgamating several funding streams creates cashable savings as well as internal efficiencies with reduced resources required for contact management functions.</p> <p>The new service model will also be required to provide a single point of access for referrers and those requiring support, reducing duplication and confusion currently experienced with multiple services and access points.</p>
Responsible Service Manager	
Date	

Approved by Senior Manager	
Signature	
Date	

Potential Impact

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Age	<p>Potential perceived or actual loss of specialist support.</p> <p>Re- design of the current advocacy services could cause</p>	<p>The service design, specification and procurement processes will ensure that any newly appoint service provider,</p>

	<p>confusion and anxiousness within current user groups who are used to the current system.</p>	<p>or consortium of providers, is able to fully meet the needs of all specific user groups.</p> <p>Providers will be expected to detail previous experience and future plans for meeting the needs of all individuals who will be accessing advocacy services.</p> <p>This will include staff training and implementation plans for any new service will need to address access issues and appropriate staff training to ensure that those who require advocacy support do not experience a reduction in the quality of service which they receive.</p> <p>As part of the service design and tender process a communications and consultation plan will be put in place for existing services users and stakeholder groups.</p> <p>Clear messages for staff and service users will be agreed with existing providers as well as any new provider following the procurement.</p>
<p>Disability</p>	<p>Potential perceived or actual loss of specialist support.</p> <p>Re- design of the current advocacy services could cause confusion and anxiousness within current user groups who are used to the current system.</p>	<p>The service design, specification and procurement processes will ensure that any newly appoint service provider, or consortium of providers, is able to fully meet the needs of all</p>

		<p>specific user groups.</p> <p>Providers will be expected to detail previous experience and future plans for meeting the needs of all individuals who will be accessing advocacy services.</p> <p>This will include staff training and implementation plans for any new service will need to address access issues and appropriate staff training to ensure that those individuals with disabilities who require advocacy support do not experience a reduction in the quality of service which they receive.</p> <p>As part of the service design and tender process a communications and consultation plan will be put in place for existing services users and stakeholder groups.</p> <p>Clear messages for staff and service users will be agreed with existing providers as well as any new provider following the procurement.</p>
Gender Reassignment	No specific issues identified	
Marriage and Civil Partnership	No specific issues identified	
Pregnancy and Maternity	No specific issues identified	

Race	No specific issues identified	
Religion or Belief	No specific issues identified	
Sex	No specific issues identified	
Sexual Orientation	No specific issues identified	
Community Safety	No specific issues identified	
Poverty	No specific issues identified	
Other Significant Impacts	Staff employed within advocacy services will be anxious and uncertain about what any tendering process and new service will mean for them. It is unlikely that there will be an equality issue affecting a particular grouping or that proposed changes will disproportionately affect one staff group.	As part of the service design and tender process a communications and consultation plan will be put in place for existing services users and stakeholder groups. Clear messages for staff and service users will be agreed with existing providers as well as any new provider following the procurement.