

Southampton City Council – Cabinet consultation report Budget proposals 2009/10

The council context

Southampton City Council delivers over 700 services for the residents of the city. These services range from the obvious visible services such as street cleaning and repairs, housing, waste collection, care, libraries, leisure centres and schools, through to the less high profile, but equally important services such as trading standards, environmental health, tourism and business support.

In 2009/10 the council will have a net budget of £184m to spend to ensure that the city is clean and safe, that young people are educated and provided with opportunities to further develop, that our residents are healthy making sure those in need of care receive it and all the time trying to reduce waste, improve recycling and improve the overall city environment.

Priorities

To ensure that the council continues to deliver these services, the Cabinet have set priorities which provide a focus for service delivery. These priorities have been identified as:

- 1) Delivering value for money and efficient services, avoiding excessive taxation, ensuring good City governance, and working with neighbouring authorities, partner agencies and with appropriate strategic partnerships such as the Partnership for Urban South Hampshire.
- 2) Promoting economic prosperity in the City by improving the City's infrastructure, facilitating business growth and enabling more residents to enjoy rewarding employment.
- 3) Raising educational standards and attainment in the City, and promoting greater choice and diversity.
- 4) Reducing crime and anti social behaviour and improving the protection of residents from crime.
- 5) Minimising and recycling waste, promoting energy initiatives and improving the City's environment.
- 6) Improving the wellbeing of all residents and supporting older people especially those with medical, care, social or financial needs.

These form the basis for the strategic direction of the council and thus the priorities for spend.

The current financial position

The council has estimated that to continue to provide all services at the current level, it needs to spend £184m next year. However at this time, there is a gap between the money needed to deliver services and the funding available. A large proportion of the money received is from central government through grant. This, plus the income received through council tax is the total net amount that the council can spend on delivering services.

At the moment the gap between what is required to deliver services, and projected income from the government and council tax is £6.4m based on a 3% council tax increase. However there are also unavoidable costs of £1.3m which increases the gap to £7.7m.

The Cabinet is also keen to provide new spending in high priority areas as part of next year's budget including:-

- £1.3m to provide a council tax discount to pensioners and special constables
- £1.3m for the street lighting private finance initiative that will see substantial replacement of many of the street lighting columns in the City.
- £800,000 extra for at least the next three years to maintain the expanded annual £6m roads resurfacing programme,
- £1M for the Building Schools for the Future (BSF) initiative that will see substantial re-build and improvement of many secondary schools in the city.

Taking all of these items into account, together with a further allowance of £1m for bids or new pressures that are expected come forward as part of the budget process, this increases the overall gap to just under £13.4m.

Although this represents a significant gap in resources, the overall amount of money allocated for spending on services will still have increased by £10.6m before any savings have been taken into account. Most of the savings proposals will be generated through efficiencies and additional income and it is still anticipated that there will be a significant net increase in spending on services to the public.

Staff and councillors have been working throughout the year to identify opportunities to be more efficient, to make savings and to raise income to close the overall gap. To date the Cabinet has identified £7.1m efficiencies, with further efficiencies being considered as part of the overall process. Other savings may need to be found through income generation and service prioritisation.

This is important work as the council wants to keep the council tax increase as low as possible, whilst still continuing to improve services.

Our consultation

A range of proposals have been developed to help close this £13.4m gap the majority of which relate to the council being more efficient and raising additional income. Reductions to services have been kept to a minimum, but where these

have been proposed the Cabinet have tried to keep the impact to residents to a minimum.

There is still some way to go to finalise the budget and the Cabinet intends to undertake a range of consultation activities to work with all organisations affected by the proposals, as well as consulting with the public on some major issues.

Specifically the Cabinet will:

- Consult directly with schools on any proposals which affect them
- Consult with partners in the city, including the Primary Care Trust, the police and the voluntary sector.
- Undertake a specific, separate consultation with voluntary organisations directly affected by the proposals so they can make detailed representations on the proposals and to feed into the decision making process before a final decision is actually made.
- Write to all other organisations, and user groups which may be affected by the proposals to ensure there is clarity and an opportunity to feed back
- Work with the trades unions to effectively consult on staff issues which arise
- Ensure that the general public can comment on these proposals through City View and the web site. There will comprehensive information City View which will be distributed from 7 November 2008. This will include a feedback form for readers to complete. This information will also be available on the council web site with mechanisms to allow feedback online.

Additionally there are other consultations which are currently being undertaken which are subject to a separate process, for example on charges for social care services.

Cabinet proposals for consultation

This year the Cabinet is seeking consultation on two levels. They are keen to get information on some broad areas from the public as well as views on some of the more specific areas for consideration.

The consultation process will start from 28 October and finish 21 December to allow as many people as possible to feed back their views.

Generally feedback will be sought through City View and the council web site on:

1. Priorities for services
2. Overall levels of council tax increase
3. Increasing investment in our highways and what the best way might be to fund this

Specifically the Cabinet are also keen to seek feedback on the following proposals:

1. *Crisis intervention (Saving proposal of £28,000)*

The ongoing support for children and their families is important work for the council and our services are very successful in keeping families together and ensuring children and young people's safety. Specific funding for this service is around £125,000 per annum and whilst the Cabinet anticipate reducing the amount of money available to families for crisis intervention, they are confident that the high calibre of support available will be maintained

2. *Safer roads partnership (Removal of subsidy of £163,000)*

This partnership manages and maintains mobile and fixed safety cameras in the city. It is clear that this partnership has delivered improvements in casualty reduction, but it is felt that this level of safety could be maintained by the council with a reduced contribution to this partnership, and it is therefore proposed that this some of this funding be removed.

3. *Handy person scheme (Removal of subsidy of £24,000 in a full year)*

The handy person scheme provides a free or low cost repair service to 600 households each year. It carries out minor repairs to private homes in the city occupied by people who are over 60, disabled and/or claiming an income related benefit (such as income support). The Cabinet are keen to continue this service and are exploring avenues to make this self funding.

4. *Swimming (Removal of subsidy of £160,000)*

The council introduced free swimming for children under 12 years old in 2007, and there has been a low take up of this. Developing the ability to swim is an important skill and this should be achieved through the targets set for schools, many of whom provide free swimming. It is therefore felt that this initiative could be withdrawn particularly as the grant of £97,000 offered by the government to provide free swimming for the under 16's only covered about 25% of the overall estimated cost. This was not considered affordable. The Cabinet are exploring other opportunities to provide young people with access to a range of sporting activities including taster sessions, and have already introduced more access to sports in partnership with Southampton Solent University and have launched a new street sport initiative in Thornhill.

The Cabinet will also be introducing free swimming for people over 60 years of age from April 2009 with funding from the government for a period of two years.

5. *Private sector enforcement (Saving proposal of £57,000 rising to £76,000 in a full year)*

This service is designed to carry out the council's statutory duties to promote safe and healthy conditions in Southampton's private housing and administer assistance to improve the homes of vulnerable and disabled people. The Council currently spends £1.1M on supporting private sector housing and the Cabinet are proposing to better target and prioritise the work of the team to address the worst housing conditions in the private sector.

6. *Allotments (Saving proposal of £3,000 rising to £9,000 in a full year)*

The council has 1,600 allotment plots on 23 sites throughout the city which generate around £36,000 income per annum. The interest in these sites is increasing with record numbers of plots in use and waiting lists on the majority of sites. It is hoped to continue to invest in these sites with green toilets, however is also a proposal to increase the rental of an average plot by £5 per year. Discounts will still be available for people over 60 years and those receiving benefits.

7. *Bus transport (Saving proposal of £150,000)*

The city has a high quality and extensive bus network, ensuring that our residents and visitors can move around this city quickly and comfortably. The current concessionary fares scheme for older people provided by the council allows travel from 9am, and there are no plans to change this. The council also spends £1.6M per year supporting bus services and bus routes which, following research, are underused at times and may not be viable to continue. The proposal is to undertake surveys with a view to reducing some underused routes or journeys, and to remove funding from the City Loop service.

8. *Opening hours (Savings proposed in Libraries of £12,000 and £70,000 at the Quays)*

Whilst we try to keep many of our buildings open to ensure our customers can access our services for as long as possible, it is clear that sometimes our buildings are not always full to capacity. Savings are being proposed to reduce opening hours where there is less use. Specifically the Cabinet are proposing to reduce the hours of Thornhill and Weston libraries by 5.5 hours each, and closing the Quays at 9pm for the general public.

An additional proposal is to close the cafe at the Quays and provide more and improved self service vending machines.

9. *Keeping the city safe (Saving proposal of £250,000 in a full year)*

Southampton is generally a safe city and the Cabinet has identified this as area of work as a priority for ongoing support, and one which the public have also identified as important. The Cabinet is offering 100% council tax discount for people who are special constables to encourage more of these volunteers in the community and the current budget for this area of work is over £1.5M. There many different people who work in the community to ensure it is safe for residents and visitors, including neighbourhood wardens and city patrol officers. The Cabinet are seeking to relocate neighbourhood wardens focussing on priority areas and on housing estates, whilst maintaining some presence in the city centre. Additionally some existing vacancies in the city patrol team which have not been filled, and have not adversely affected the work of the team, will be deleted.

10. *Relocation of the Rope Walk advice centre (Saving proposal of £34,000 rising to £45,000 in a full year)*

The work of the Rope Walk advice centre is important to the council and costs around £170,000 per year. It is felt that this same service could be provided based in the civic centre, and operating on an outreach basis, at a reduced cost.

Users of the service could then also access the full range of support services also located at the civic centre which is a more central and accessible place for users. The Cabinet is keen to safeguard the use of the Rope Walk community garden and to see the site developed for exemplar affordable housing.

11. General Income generation

The council is keen to raise income from selling services where ever possible. This year we proposing that we can raise additional income from offering opportunities for advertising and sponsorship in the city and continuing the strategic approach we have adopted over the past two years. Additionally specific service areas such as music services, city catering, events, registration services, tourism and parks have proposed targets from new sources of income.

12. Empowerment of neighbourhood and resident groups (Saving proposal of £42,000)

The Cabinet are committed to the ongoing empowerment of local groups, and have restructured the service to encourage this. With this shift in emphasis it is proposed that savings are made against a total budget of over £620,000.

Outline budget process timetable

27th October 2008: Report on the Executive's Policy Priorities and major consultation issues presented to Cabinet

28th October 2008: Formal consultation period begins

Early December: Draft Revenue Support Grant Settlement released

21st December: End of formal consultation period

2nd February 2009: Cabinet meet to recommend budget to Council

18th February 2009: Council meeting to consider the budget and council tax

Conclusion

This year, like any year, presents significant challenges for the council. However the Cabinet has spent time protecting priority service areas and have sought to minimise impact on residents and businesses. However they are keen to seek views on the proposals set out in this document, as well as the views of partners, voluntary organisations, staff and unions and other affected organisations.

This information will feed into the budget decision making process in early 2009.