



SUPPLEMENTARY INFORMATION

Budget and Performance Panel

Tuesday, 22nd January 2019

Supplementary information was received after the publication of the Agenda. This is now enclosed: -

Agenda Item Number	Page	Title
4	1 - 25	BUDGET AND POLICY FRAMEWORK UPDATE 2019/20 TO 2023/24 - APPENDICES

Appendix One – Cabinet’s Revenue Budget Proposals – 2019/20

Budget Gap		787	As set out in paragraph 2.3	Page
Savings				
MRP savings	(310)		Lower level of capital expenditure to be funded from borrowing.	10
Refuse / Recycling	(203)		Additional round budgeted for 2019/20 not yet needed.	10
Inflation Savings	(213)		Removal of annual inflationary allowance from multiple non-staff budgets.	10
Additional Car Parking Income	(35)		Extra car parking income due to increased activity.	10
Reduction in R&M expenditure	(39)		Reduction in repairs and maintenance expenditure.	10
Other savings	(55)		Number of small savings.	
Total Non Staff Savings		(855)		
Planned staff savings		(241)	To be delivered by increasing the vacancy allowance (£111k) and via restructures (£130k)	10
Reduced Income				
Car Park / Garden Waste Charges Freeze		131	No increases to car park fees or garden waste collection fees in 2019/20.	10
Staff Growth				
Legal	47		More legal support particularly in the area of property and planning.	11
ICT	22		Two new apprentices to cover service desk and project support.	14
HR	20		Temporary support to undertake a number of HR / restructure projects.	16
Health & Housing	34		Staff support to co-ordinate Council’s approach to food and fuel poverty	17
Marketing	19		Staff support to economic development marketing initiatives.	19
Total Staff Growth		142		
Non-Staff Growth				
Fibre Network	10		To commission work alongside partners to significantly improve broadband coverage in the district.	23
CCTV	23		Extend CCTV service beyond initial pilot stage.	25
ASB team	3		To extend the Anti Social Behaviour Service beyond its original two year pilot (part funded by HRA).	26
Total Non Staff Growth		36		
Growth to be funded from Reserves				
Economic Growth Initiatives	145		Including Business and Skills support (£40k), Place Marketing (£75k), Local Wealth Building (£10k) and contribution to LSCER (£20k).	19
Zoo extension	25		Upfront investment to extend and enhance zoo facilities – payback period under 4 years.	28
Bin Sensor Pilot	11		To implement bin sensors so bins only emptied when full reducing costs – payback period under 2 years.	29
Grassland Management Study	35		Review of 3,500 areas of grass to inform more effective ways to manage grass cutting – payback period under 4 years.	30
Lancaster VIC	69		Move Lancaster VIC to Musuem – payback period under 3 years.	31
Friend of Parks	75		Support to groups to assist with projects in local parks.	10
Total Growth to be funded from Reserves		360		
Contribution from Reserves		(360)		
Budget Gap if all proposals accepted		0		

Appendix Two – Capital Bids with officer group scores

New (N) / Existing (E)	Scheme	Score	Cost	Source of funding
N	Caton Road Flood Relief Scheme	62.0	847	unsupported borrowing
E	Vehicle Replacement Programme	55.0	4,991	unsupported borrowing
N	Vehicle Maintenance Unit Plant	45.0	75	reserves
E	ICT Infrastructure	44.5	285	reserves/unsupported borrowing
E	ICT Desktop Renewals	44.5	258	reserves/unsupported borrowing
N	Williamson Park	41.0	1,000	unsupported borrowing
E	ICT Telephony	39.0	200	unsupported borrowing
E	MAAP - Improving Streets	39.0	124	reserves/unsupported borrowing
E	City Museum Boiler	37.5	125	unsupported borrowing
E	Queen Victoria Memorial	37.5	250	unsupported borrowing
E	ICT Civica Financial & Civica Pay	37.0	258	unsupported borrowing
N	Canterbury Avenue Flood Relief Scheme	37.0	0	grant
E	Canal Quarter	34.5	550	unsupported borrowing
E	Energy Efficiency - Williamson Park Boiler	34.0	311	unsupported borrowing
E	Hale Carr Cemetery	33.0	132	unsupported borrowing
E	Empty Homes	33.0	101	reserves
N	Solar Installation SALC Phase 1	33.0	685	unsupported borrowing
N	Structural Repairs to 1 Lodge Street	31.5	358	unsupported borrowing
E	Royal Albert Playing Field Pavilion	30.0	82	unsupported borrowing
E	Demolition of Outbuildings at Edward Street	28.0	109	unsupported borrowing
E	Cable Street Christmas Lights	27.5	24	reserves/unsupported borrowing
E	Lancaster Town Hall Second Lift	25.0	622	unsupported borrowing
E	Happy Mount Park Pathways	25.0	112	reserves
E	Half Moon Bay Car Park	22.5	60	unsupported borrowing
E	Palatine Recreation Ground	22.0	125	unsupported borrowing
N	Parks & Open Spaces	20.5	150	unsupported borrowing
E	Lancaster Town Hall Phase 3	19.0	485	unsupported borrowing
E	Palatine Hall	19.0	122	unsupported borrowing
E	Heysham Gateway – Tanks Demolition/Removal	15.0	479	reserves/unsupported borrowing

MRP Savings	£310k saving
The minimum revenue provision is the amount charged to the revenue account each year in order that sufficient provision is made for the repayment of long term borrowing for capital expenditure. A review of the MRP for 2019/20 reveals a lower than originally expected charge as a greater proportion of capital expenditure will be funded through other sources of finance.	
Refuse / Recycling	£203k saving
This was an amount added to the 2019/20 budget anticipating sufficient housing growth to necessitate an additional refuse and recycling round. A review of rounds has concluded that no new rounds will now be required in 2019/20 and so the budget provision has been removed.	
Inflation Savings	£213k saving
The removal of the annual inflation uplift across a large number of mainly supplies and services budgets requiring budgetholders to manage expenditure at the same level as 2018/19.	
Additional Car Parking Income	£35k saving
A review of car park income in 2018/19 reveals increased activity resulting in increased estimates for future income in spite of no annual uplift in charges in 2019/20.	
Reduction in R&M expenditure	£39k saving
There has been careful scrutiny of the R&M budgets for this and previous years. As a result of capital investments, planned maintenance and a team restructure, £39k in savings are possible. Consideration for unforeseen circumstances has been built into the budget; however, should any major repair issues arise, a request for funds from the reserves will be made.	
Planned Staff Savings	£241k saving
To be achieved by an increase by 1% in the vacancy allowance rate to 3.5% (£111k). This will be achieved by pro-active management of vacancies ensuring a robust challenge of all vacancies and seeking alternatives to simple like for like recruitment. An addition £130k target to be achieved from Directorate reorganisations. Wherever possible staff savings will be achieved from vacant posts.	
Car Park / Garden Waste Charges Freeze	£131k reduction in income
The 2019/20 budget assumed inflationary increases in car park and waste management fees. The proposal is to freeze charges in 2019/20 which will result in a reduction in income.	
Friends of Parks Growth Bid	£75k expenditure
A 'one-off' provision for grants to voluntary and community organisations which undertake improvements to small parks in the district .	

2019 to 2023 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

SERVICE: Governance

PROPOSAL: Increase budget for Legal Assistant post

Legal Assistant post (extra funding for Standards investigations)

Over the last two years the Council has spent £36,617 on standards investigations with external consultants.

In order to reduce the expenditure on external consultants, the Council has since recruited a new Legal Assistant, an ex Police Officer, who has assisted the Monitoring Officer with various investigations (including standards investigations) as well as on litigation matters. This has meant that the Council has not had to out-source its standards investigation work and has resulted in significant savings to the Council over the last 4 months. The use of this internal resource in 2018/19 has saved the Council an estimated £20k when compared to out sourcing the work.

If the Council deals with just one substantive investigation a year, the use the Legal Assistant, as opposed to an external appointment, should save the Council £9-£10k a year. This does not include the additional savings to be made from the minor investigative work/involvement in standards matters.

The Legal Assistant is currently contracted to work 2 days a week and the growth bid is for a further two days per week.

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Legal Assistant Increased Hours	10,200	10,500	10,700	10,900
Total	10,200	10,500	10,700	10,900

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: None

IMPLEMENTATION DATE: March 2019

PERFORMANCE MEASURES/OUTPUTS (e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):

The provision of 2 extra days will create savings for the Council in efficiency and in external costs. Based on the assumption that the Council normally deals with at least one large standards enquiry a year, the Council should save £9-10k per annum.

Without the extra provision, it is likely that the Council will have to outsource some of its major standards investigations work.

**2019 to 2023 BUDGET PROCESS
GROWTH/REDIRECTION PROPOSAL**

SERVICE: Governance

PROPOSAL: Increase budget for Property and Planning Solicitor posts

Planning and Property Lawyers post – market supplements / new post

The Council's planning solicitor left the authority in March 2018 and the Council's Property Lawyer left in October 2018. The Authority has sought to recruit both of these posts but have been unable to find suitable candidates to take up the roles. In addition to this, an additional planning solicitor's post was also identified as needed to support the Regeneration and Planning Service. Regeneration and Planning have provided legal services with the budget to recruit the additional planning lawyer from June 2018.

Over the last couple of years the Legal Services' team has changed. The Legal Services Manager, retired in 2014 and Chief Officer (Governance) retired in 2016. The position of Legal Services' Manager was deleted and was offered up, to an extent, as a saving to the Council. Line management responsibilities for all staff was moved to the Senior Solicitor post and a new legal assistant position was created.

The post of Chief Officer (Governance) has been deleted under the Council's recent restructure. Many of the responsibilities of the Chief Officer's post will come under the oversight of the Council's new Director of Corporate Services. The Head of Legal Services position will sit under the new director.

In consequence of the recent restructure and creation of the new director posts, it is understood that one of the planning positions has been deleted. This appears to be in consequence of the removal of the Chief Officer (Governance) role and the consequent need to use one of the planning solicitor post to cover the Acting Head of Legal Service's position.

The Council had until very recently been recruiting two planning solicitors. It now appears that there is only one post available. This needs to be corrected to ensure that the Council has a sufficient resources to deal with planning matters and to grow commercially. This is a need that has specifically been identified by Planning and Regeneration department.

Bearing in mind the need to resurrect the grade 6 planning solicitor post, Legal Services needs to obtain and fill the following posts: one commercial property lawyer post and two planning solicitor posts.

Unfortunately, there is a high demand for planning and commercial property lawyers. Given the high demand, they can both command a greater level of pay. This is driven by the lack of lawyers specialising in these areas and the salary levels being offered in other areas of the country.

In order to attract the level of expertise that the Council requires it is thought that it should raise the pay scale in respect of one of the planning posts from Grade 6 to Grade 7. This is to incorporate line management responsibility for our land charges officer and to increase salary levels generally. In addition to this, it is thought that the second planning solicitor and the commercial property lawyer's posts should be given a market supplement. The Council's HR department has carried out research into market supplements and it is thought that a commercial

lawyer's market supplement should be £2,500 and that a planning solicitor's market supplement should be £2,500.

It is proposed that:

- (1) the deleted planning post be resurrected
- (2) the Property Lawyer post be given a market supplement of £2,500
- (3) One of the Planning Solicitors' post be upgraded from pay scale 6 to pay scale 7 – incorporating some line management responsibility
- (4) The second Planning Solicitor post be given a market supplement of £2,500

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Lawyer Market Supplements	4,200	5,000	5,000	5,000
Increase pay scale from grade 6 to 7	-1,000	0	1,000	2,500
Resurrected planning post	33,600	43,400	45,600	48,100
Total	36,800	48,100	51,600	55,600

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: 3 months
2019

IMPLEMENTATION DATE: June

PERFORMANCE MEASURES/OUTPUTS (e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):

The Council is entering to a new phrase in which issues of commercialisation, asset realisation, property acquisition and investment are key. To achieve these outcomes it important to ensure that the Council's legal services recruits lawyers with specialist knowledge and expertise. This will include both a skilled commercial lawyer and a specialist planning solicitor.

Without recruitment of a skilled commercial property/planning lawyers, the Council will have to continue employing locum staff which is both expensive and less than ideal. The hourly rates for locums is far higher than that of an employee and their position and commitment to on-going work is uncertain (given their ability to give short notice to cease the working relationship).

The recruitment of specialist lawyers should reduce the amount of work outsourced and should save the Council monies.

2019 to 2023 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

SERVICE: ICT

PROPOSAL: Increase in staffing by 2 people to improve service offering

Due to the increase of ICT systems in use in the organisation, tied in to most projects and work plans, an increase in the size of the ICT department is required to meet service expectations and provide adequate support for projects. The need for two roles has been identified to support the organisation in the coming years:

Service Desk Assistant

The Service Desk is the first point of contact and customer facing function for all of the Council's ICT incident reporting, requests for service and enquiries. First line resolution is key to all ICT customers as it enables the fix or delivery of a service in the quickest amount of time possible. Handling over 10,000 communications a year, the Service Desk team provide all 1st line ICT end user and device support as well as administration for all fixed and mobile telephony, printing and multifunction device recharging, and the procurement of all ICT equipment and services. The Service Desk aim for a 95% resolution within service level agreement (SLA) target for all incidents and service requests. At the current capacity, the Service Desk is only able to achieve 70-75% within SLA, which is having a detrimental effect on the operation of Council services, which rely on ICT systems and support.

Project Support Assistant

The ICT department are constantly involved in projects. Some of these will be mainly using ICT resources but having a major impact on the organisation, such as the Windows 10 rollout; others involve cross council working groups, such as the Customer Experience Platform. With each project there is a certain amount of paperwork and reporting to be done, and across the teams there is also a requirement for resource planning to ensure that the required team members are available for the projects. This work is currently undertaken by the project managers, which distracts from the high level oversight of the project, and the tasks needing to be completed to progress the project. The recruitment of a Project Officer, who could undertake project support and the required documentation, would free Project Manager resources which could then be better utilised.

Recruitment method

Given the previous positive results of using the apprenticeship scheme (with 4 of the 21.5 posts in the department filled by former or current apprentices) it is envisaged that the Service Desk Assistant and Project Support Assistant roles would be apprenticeships (levels 2 and 3 respectively).

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Service Desk Assistant	11,100	22,700	23,600	24,600
Project Support Assistant	11,100	17,600	23,200	24,100
Total	22,200	40,300	46,800	48,700

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: 3 months
2019

IMPLEMENTATION DATE: June

PERFORMANCE MEASURES/OUTPUTS *(e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):*

The impact of the Service Desk Assistant will be measurable via the Service Level Agreements for call response time, and feedback gathered from periodic user satisfaction surveys conducted by the department.

A qualitative approach will be taken for the Project Support Assistant to check that services have seen an improvement in ICT support for projects. Key corporate projects, such as the Customer Experience Platform, are the most difficult to administer as they require input from multiple departments and a number of third parties. The role will reduce project overruns/overspends on these key projects. No time recording is currently undertaken within ICT so we do not have a measure of time spent on project administration but there are hopes to introduce this which will give a quantitative measure of officer time transferred to this post.

2019 to 2023 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

SERVICE: Office of the Chief Executive

PROPOSAL: Extend Temporary HR Partner

To extend the current fixed term contract of one of the current HR Business Partners for a further two-year period, beyond their current end date of employment of 30th September 2019, to 30th September 2021.

This request for a two year fixed term contract extension is made within the context of an impending period of significant change for the Council, for employees, for structures and for processes, and follows on from the decision to introduce the new Directorate structure and is set within the context of the financial challenges ahead.

The HR Team will play a central role implementing the new structures, working closely with senior officers to deliver timely, solution-focused outcomes to ensure that restructures and other change management activities are successfully completed, so that the Council has the right staff in the right roles to deliver its services. The retention of the existing post holder is crucial to enabling the HR Team to accommodate the increase in workload and to be able to manage this within reasonable timescales.

Inevitably, restructuring and change management activities will involve contentious staffing reductions, as well as other associated people management issues, and it is essential that those activities are managed in an effective and timely manner. Ensuring that these activities are carried out in an appropriate manner, in consultation with our recognised Trade Unions, will form a key part of the Council's approach to reducing overall staff costs. The HR Team's involvement in these activities will protect the Council from employee relations difficulties, legal challenge and negative publicity, whilst seeking to maintain levels of employee engagement at what will be a difficult time for the organisation and its employees.

The current post holder is an experienced HR practitioner who has developed a wealth of knowledge of service areas and who will positively contribute to all necessary activities that will arise from restructures, etc. and will ensure that change is effectively implemented.

NB – as the post will exceed two years duration in total, a small redundancy payment will be due to the post holder at the point of termination of employment.

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
2 Year Extension – HR Partner	19,500	40,200	20,400	0
Potential Redundancy	0	0	4,800	0
Total	19,500	40,200	25,200	0

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: None

IMPLEMENTATION DATE: Immediate

PERFORMANCE MEASURES/OUTPUTS (e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):

This post will contribute to a range of change management activities and restructures, which will result in changes to the shape of Council by the point of termination of contract.

2019 to 2023 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

SERVICE: Health & Housing

PROPOSAL: Public Health Project Coordinator (1 year fixed-term)

Healthy & Happy Communities, the third area of Ambitions in the corporate plan includes several priorities around public health – health inequalities, food & fuel poverty, mental health and social isolation. There is some expertise and existing community engagement within the Directorate for Communities and the Environment to help take forward this area of work. However there is no existing staffing capacity to coordinate and deliver reductions in food and fuel poverty, social isolation or health inequalities.

This growth proposal is offered to coordinate and deliver of public health project work over a 12 month period:

- Coordinating the council's support to tackle food poverty and fuel poverty within our communities
- Researching and identifying priorities / scope for tangible improvement on health inequalities where the council can make a positive and rapid impact
- Attracting partner support and external funding to help to deliver this area of the corporate plan

During this time it will become clear how far the council can impact on key detrimental factors affecting the most vulnerable in our communities. Priority attention would be given to attracting external funding both improves health outcomes for local people whilst – if possible – covering part of the costs of this post.

The dedicated public health coordinator working to the Public Health & Protection Manager in Health & Housing would offer the capacity to coordinate a range of projects (including researching, designing, planning, delivering, evaluating and reporting) demonstrating the council's commitment. It would make a real and measurable impact on these public health priorities. It would also identify external funding sources and opportunities, making the case for and maximising prospects of grant funding for health improvement in the Lancaster district. Finally, the coordinating role would involve a significant element of partnership working with public, private and voluntary sector bodies along with the ability to negotiate and influence decision makers across a range of organisations.

It might be possible to attract a graduate at a lower grade, however that would limit the potential of this temporary role and reduce the potential impact over this short period.

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
1.0 FTE at Grade 5	34,000	6,900	0	0
Total	34,000	6,900	0	0

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: 3 months

IMPLEMENTATION DATE: June 2019

PERFORMANCE MEASURES/OUTPUTS (*e.g. what key performance improvements will be achieved / what measurable outputs will be achieved*):

It is difficult at this stage to detail specific quantitative performance measures, however the demonstrable outputs in community-based working and health project working will immediately offer tangible evidence. Each project area will involve the delivery of several projects that will have formalised monitoring and evaluation processes in place.

The main performance improvement will be that there is a dedicated results-focussed project-working capacity to work on corporate public health priorities.

2019 to 2023 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

SERVICE: Regeneration & Planning

PROPOSAL: Economic Growth Initiatives

In 2016/17 and 2018/19 initial funding was provided from the Economic Growth Reserve to re-establish and develop business and skills services; to raise the profile of the district as a place for business and investment, to study, live and visit; and to develop a range of approaches to local Wealthbuilding. This request is for the budgets required to maintain current level of capacity so that economic growth services can be delivered in 2019/20 and future years.

A strong start has been made. During 2017 and 2018, although there were some challenges, a successful recruitment drive into the Business and Skills and Marketing teams took place. With capacity in place reserve funds were used to deliver a range of services. Key activities during the last year include:

- Economic Growth Plan developed in partnership (draft Plan due January)
- Investment in sub regional business support services via Growth Lancashire
- Developed and launched the Lancaster Story
- Developed the Place brand, website and social media platforms
- Developed (with partners) the Place social media reach at over 3.6m (865% increase)
- Developed the council's social media reach to almost 1.6m (310% increase)
- Established the Place Board
- Showcased the district at the national MIPIM investment exhibition
- Supported delivery of the North Lancs Expo and 100 plus exhibiting businesses
- Business directory and guide to the district developed (due for publication January 2019)
- Property register and agents network developed
- The council's business gateway and web pages established
- Direct engagement with 309 local businesses
- Business survey undertaken with 179 responses
- District Skills Forum established
- Sub regional Energy Sector Partnership established
- The Employment and Skills Supplementary Planning document developed and agreed
- Coastal Communities Team established and their Economic Plan agreed
- City of Culture research undertaken
- Baseline data established for local spend by the Council
- Local community economic projects supported benefitting 30 local people
- Funding achieved for the Coop building in Morecambe
- Lune Industrial Estate businesses supported
- Major investors supported (GVS, Veolia, Eden)
- Local economic partners supported including Business Improvement Districts, Chamber, Lancaster Vision, Universities
- Worked with the Lancaster and South Cumbria Local Authorities to develop arrangements for a new economic region, prospectus and strategic investment requirements

The Council's more recent approach to economic growth has been strongly welcomed and supported by economic partners and stakeholders, including the Chamber of Commerce, the BID's, the Universities, Lancaster and Morecambe College and a large number of businesses, all of which have generated strong, positive feedback and support relating to economic initiatives enabled by the Council including, for example, the Lancaster story and Place Board, the district

Skills Forum, the Coastal communities Team, City of Culture discussions and the Lancaster and South Cumbria Economic Region.

The economic growth initiatives and marketing services that require support provide the Council's primary and direct contribution to its Priority: A Thriving and Prosperous Economy, to:

- Create strong conditions for growth so that businesses thrive and jobs are created
- Support development of new skills and improved prospects for our residents
- Ensure that growth is good for all and increased wealth benefits our local communities
- Work with partners to drive growth and achieve major investment across the Lancaster and South Cumbria Economic Region

Building on work so far, the next stage will direct activities to deliver against Council Plan Success Measures to significantly improve the profile and perceptions of the Lancaster region, generating confidence and investment; encourage business growth and start ups; create and safeguard local jobs; improve skills and prospects for local people, increase visitor numbers and spend.

Planned economic growth activities have recurring costs that are not currently included in annual budgets. Funds are now requested to support developments planned for 2019/20 and beyond, as follows:

Business and Skills: Business enquiries, advice and support services working with Growth Lancashire, the Chamber and other partners; business events programme; local business exhibitions and sponsorship (such as EXPO); monitoring the local economy; business information and communications; support for the district Skills Forum; skills development projects; trade and investment activities particularly following Brexit; external funding for key projects; Coastal Communities Team developments; specific support for major local initiatives, for example jobs and supply chain development for Eden North.

Place marketing: Significantly raise the national and international profile of the area, achieve new investment in the district and increase numbers of businesses and jobs by providing support for development of the Place Board and Place Champions programme; development of Place brand products including website, comprehensive social media strategy and marketing tools; delivery of planned PR and marketing campaigns, showcasing the district nationally and globally.

The temporary marketing capacity that has been brought in is only funded until late 2019/20 and to deliver the council's element of the ambitious marketing and promotion plan for the district, working with the Place Board and Place Champions, this resource needs to be secured. This includes a Place Marketing Manager and a Marketing and Communications Assistant (currently apprentice). The Place Marketing manager had had a huge impact on delivery of the place work so far and the Marketing and Comms Assistant is majoring on digital marketing, which is extremely cost effective and hugely increases audiences for all Council services with the potential to lead to significant additional commercial income. For example, global reach following the Lancaster story launch reached 3.7m within less than 24 hours. Overall social media reach is projected to increase by 225% to 8 million by March 2020.

Within the Council, there has been a significant increase in demand from the corporate Marketing and Communications team for marketing services, development of commercial services, public relations support, internal and external communications. These two posts are also making a contribution to these areas of work, including increasing income generation via commercial services.

Local Wealthbuilding: support for Wealthbuilding projects led by local leaders and community groups particularly those excluded from mainstream funding and programmes, such as small business start-ups, micro businesses, the independent business sector, women entrepreneurs, local skills development initiatives.

Lancaster and South Cumbria Economic Region: Additional resource to part finance a shared officer post for one year to support development of the partnership and to coordinate delivery of joint projects.

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Business and Skills activities	40,000	40,000	40,000	40,000
Place Marketing activities	75,000	45,000	45,000	45,000
Marketing Manager	15,700	48,800	49,800	50,800
Marketing and Comms Assistant	3,100	23,100	24,100	25,100
Local Wealthbuilding	10,000	10,000	10,000	10,000
LSCER	20,000	0	0	0
Total	163,800	166,900	168,900	170,900

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN:

IMPLEMENTATION DATE:

REDIRECTION FROM OTHER BUDGETS – *Where else from within the Services could this proposal be funded from?* None identified. Economic development services have managed efficiency savings over a number of years. The services discussed in this document have been recently re-established in line with Council priorities.

PERFORMANCE MEASURES/OUTPUTS (e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):

The following measures underpin delivery of the Council Plan Success Measures

Performance Measure	Achievements 2018/19 (to date)	Expected achievement 2019/20	Council Plan Success Measures
Business exhibitions	2	3	Growing local economy
Businesses directly engaged with the council	309	600	
Businesses supported	94	300	More local jobs and people in employment
New businesses created	5	12	
Jobs created	34.5	90	More new businesses and investment in our district
Jobs safeguarded	-	550	
Investment enquiries	12	20	More successful businesses
Investment in the district	-	£262m	
Skills sector Action Plans developed	1	4	More visitors and greater spend Increased perception of the
People accessing work or training opportunities	40	320	

Local businesses accessing support re Council procurement opportunities	23 +	150	district as a place to visit More of the Council's services being sourced locally Increased level of public sector spend retained in the district
Total digital audiences (Place)	3.6m	8m	
Total digital audiences (Council)	1.6m	3.5m	
Visitor numbers (lagging data)	7.55 million	7.8 million	
Visitor spend (lagging data)	£476m	£500m	
People benefitting from Local Wealthbuilding initiatives supported by the Council	30	50	
Council spend within the district	14% (£m)	16%	
Sq. ft. business space created / improved	-	50,000	
External funding brought into the district	£50,000	£200,000 (est)	

Services/ products	2019/20 (£'s)	2020/21 (£'s)	2021/22 (£'s)	2022/23 (£'s)
Place marketing				
Place Board contribution	5,000	5,000	5,000	5,000
Place Champions programme	5,000	2,000	1,000	2,000
Place promotion campaigns, PR, media	25,000	20,000	20,000	20,000
Creative brand products, including images	10,000	5,000	5,000	5,000
Place website and content development	10,000	-	2,000	-
"Invest in Lancaster" web pages	5,000	-	2,000	-
Business and community brand/ place engagement	5,000	3,000	-	3,000
Exhibitions and events e.g. Northern Powerhouse Expo, MIPIM	10,000	10,000	10,000	10,000
Total	75,000	45,000	45,000	45,000
Business and Skills				
Business support services (e.g. Growth Lancashire)	15,000	15,000	15,000	15,000
Local business events and sponsorship	5,000	5,000	5,000	5,000
Skills Forum activities/Education and Business links	3,000	3,000	5,000	5,000
Business communications and information	2,000	2,000	2,000	2,000
Destination/ Place/ Coastal Communities team projects	5,000	5,000	5,000	5,000
Support for key sector developments, trade and investment activities (e.g. Irish and Isle of man trade links)	10,000	10,000	10,000	10,000
Total	40,000	40,000	40,000	40,000

2019 to 2023 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

SERVICE: Regeneration and Planning

PROPOSAL: Lancaster Full Fibre Network Development Funding

In 2017 the Government launched the Local Full Fibre Network Programme (LFFN) – a competitive, exclusively capital, grant scheme to help local bodies deliver fast and reliable digital communications networks. The aim is to harness public sector connectivity and aggregate private sector demand to stimulate improvements in broadband connectivity. In August 2018 the Government issued revised LFFN guidance. There is now no fixed date for future submissions - an iterative approach to project selection has been initiated where:

- Local bodies with an interest in bidding to the LFFN are invited to submit an informal expression of interest (EoI) to the programme.
- A dialogue will take place to assess the project.
- A full proposal would be invited when the strategic approach is deemed satisfactory by Government.

While stated as being "informal", the EoI has a series of DCMS specific requirements to allow them to make an initial comparative analysis and initiate pre-dialogue. Bidders are expected to have a good idea of the coverage, project cost, funding required, delivery method and likely impact of the proposed investment. In its simplest form the project as a basic utility infrastructure project - like any other electricity/gas/water project. The bulk of the cost is digging trenches and laying broadband capable fibre the ownership of which is then invested in an independent management organisation which rents access and communication capacity to broadband providers. Costs are related to how far and how easy it is to dig and reinstate across any particular ground (highway/grass verge/footpaths/city centre pedestrianised areas and so on). The more money the further the network can go / or harder areas you can reach. Successful bids to the LFFN are usually in the order of a few million pounds.

Officers are working in partnership with the Lancaster Digital and other stakeholders – NHS, Lancaster University and County Council on the development of proposal. There is a need for expert input to assist in bringing together key information which will allow the partnership to understand what can reasonably be achieved and to give an idea of the broad shape and costs of a proposal. The group is in the process of commissioning work which will: provide a sound basis on which to make a proposal under the EoI terms; gives stakeholders a clear understanding of the resources required to develop and agree a full proposal through the DCMS's full dialogue stage and Investment Panel requirements. The work should allow the Council to understand its own potential resource commitments required in engaging in a "full dialogue" with DCMS and the likely costs and benefits of developing and delivering any proposal.

The proposal secured is attached and comes in at a cost of £8.4k which the group is hoping to finance in the current financial year from current council and partner resources. The outcome of this work will lead to more resource requirement for further development work needed next financial year to get through DCMS full dialogue stage and to agree a capital project. It is difficult to estimate the costs of work required to progress through DCMS dialogue but a contribution of £10K should generate similar partner resources to cover any information needs.

While officers are looking to the Government's capital LFFN Grant Fund, there is scope for something to be delivered outside the Government's Capital scheme given the amount of strategic infrastructure and funds / projects being proposed at the current time– Eden, Bailrigg Garden Village, HIF, Canal quarter are all relevant. There is also, according to IT services, scope for some significant savings in Council broadband costs by implementing a capital fibre project

connecting our (and other) public buildings – although at the moment it’s hard to define exactly what these be in real terms.

Councillor Nathan Burns is supportive of this proposal as Portfolio Holder for IT Services

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Design development contribution	10,000	0	0	0
Total	10,000	0	0	0

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: 6 months

IMPLEMENTATION DATE: May 2019

PERFORMANCE MEASURES/OUTPUTS (e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):

- Additional public buildings expected to be provided with Fibre to the Premises
- increase the number of premises likely to be connected to the gigabit capable infrastructure as a result of the build (either premises passed or premises closer to fibre by type; business / public sector / home)
- Locally specific economic and other benefits of the project e.g. regeneration areas and projects connected
- Improvements in backhaul availability (decreased distance to existing gigabit capable broadband services)
- Cost savings on IT / Broadband support

2019 to 2023 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

SERVICE: Environmental Services

PROPOSAL: CCTV – Extend Funding

The existing 18 month pilot is due to end on 30th June 2019. The pilot has proved successful and has supported the police with serious investigations on 18 occasions from March – November 2018, whilst delivering savings over the previous, manned system.

Due to the success of the pilot, the proposal is to extend the funding and retain the system. Further work is scheduled to take place with the Council's Antisocial Behaviour Team, Environmental Enforcement and Civil Contingencies Officer to explore how the system can help tackle antisocial behaviour, assist with fly tipping investigations and provide support for local emergencies and large-scale events.

Explanation of Costs

Service (Data) Package: The Service Package is the data package provided by Vodafone. Each of the cameras operates using a 4G sim card. Recordings are then transferred to the 'cloud' over Vodafone's 4G network. Vodafone estimated the annual aggregated data package that would be needed for the public space cameras. This equated to £26.8k p/a (excluding inflation).

Maintenance Contract: Estimated £10k p/a for ongoing maintenance of the system. This verbal estimate was provided by the current maintenance contractor. Once the system is officially handed over from Cloudview/Vodafone to LCC, we'll be fully responsible for basic maintenance *i.e. Repairs to cameras, columns, electricity boxes, lens cleaning, call-out's etc.*

Camera Renewals: A renewal reserve is required, to cover the cost of replacing the cameras at the end of their life. Camera warranties expire in two years, so this should be factored in and considered when profiling the replacement year.

Funding – Annual Contributions: Contributions have been made by Lancaster and Morecambe BID's, as well as Morecambe Town Council.

Estimated costs listed below. Estimates include inflation.

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Service (Data) Package	26,800	36,400	37,100	37,800
Maintenance Contract	10,000	10,200	10,400	10,600
Camera Renewals	0	0	55,700	0
Annual Contributions (L&M BID's, MTC) (tbc)	(14,000)	(14,000)	(14,000)	(14,000)
Total	22,800	32,600	89,200	34,400

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: N/A

IMPLEMENTATION DATE: 1st July 2019

PERFORMANCE MEASURES/OUTPUTS (*e.g. what key performance improvements will be achieved / what measurable outputs will be achieved*):

The system has a deterrent effect which is difficult to measure. Since implementation it has proved invaluable in terms of allowing the Police to investigate serious crimes and providing evidence when the public realm has been vandalised

2019 to 2023 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

SERVICE: Health & Housing

PROPOSAL: Anti-Social Behaviour Team

The council introduced a dedicated Anti-Social Behaviour team in 2017-18, bridging prior gaps between council services on anti-social behaviour (ASB) and bringing them together. As mentioned in Member briefings, the council's Anti-Social Behaviour team has made a major positive impact with communities, key partner agencies and as a key part of the Community Safety Partnership.

Existing funding

The formation of the ASB team was made possible by Transformational Challenge Award funding over a two year period, coming to an end early in 2019-20. Some additional funding was provided over a two year period extending into early 2019-2020 under a growth bid drawing on the Housing Revenue Account. The balance of existing funding has come from the city council's single permanent part-time post of 1 x Anti-Social Behaviour Officer*. Finally, Morecambe Town Council has provided some single-year funding towards ASB service delivery in the previous and current financial years.

Mainstreaming the Anti-Social Behaviour team

Securing continued Anti-Social Behaviour service through 2019-20 and beyond, along its existing lines, will require growth funding as previously advised. A separate growth bid now proposes £50k per year funding of the ASB team from the Housing Revenue Account. The balance of existing funds* means that only a half year of funding is required in 2019/20 (commencing October 2019) as outlined in the table below. From 2020/21 onwards there will be the need for full-year funding.

(* This growth proposal is for the balance of funding, as there is permanent funding already of 1 x Grade 4 post 0.4FTE. There is also a corresponding growth bid proposing that the Housing Revenue Account provides continued funding towards the Anti-Social Behaviour team and this has been accounted for in the balance of funding requirement shown below)

What the funding will cover

Full Anti-Social Behaviour team staffing based on the existing delivery model, together with all existing provision relating to transport, equipment and training.

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Balance of funding required to mainstream the Anti-Social Behaviour team from September 2019 onwards	53,200	132,700	137,400	140,800
Contribution from HRA (as per Growth proposal)	(50,000)	(51,000)	(52,000)	(53,000)
Total	3,200	81,700	85,400	87,800

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: 6 months

IMPLEMENTATION DATE: Sep 2019

PERFORMANCE MEASURES/OUTPUTS *(e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):*

The Anti-Social Behaviour team is performing well with high-profile presence and impact. A number of successful enforcement interventions have been made including community protection warnings/notices, prosecutions and formal closure orders. A number of specific Initiatives have been delivered to prevent, minimise and tackle anti-social behaviour. Some have been timed for school holidays and mischief/bonfire night. Others have targeted specific community concerns and lessened the local geographical impact of for example youth ASB. Local communities have reported favourably on the impact made by the council's ASB team working closely with other services and partners. We will develop further key indicators of anti-social behaviour service impact and community reassurance.

2019 to 2023 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

SERVICE: Directorate for Communities and the Environment

PROPOSAL: Mini-Zoo Development

It is proposed to further develop the mini-zoo area located in Williamson Park. Over the last 3 years the area has seen small, but effective redevelopment within budget, resulting in significant increase in visitor numbers and popularity.

In Feb 2016, the Meerkat exhibit was opened and early 2018 the common marmoset exhibit. Both developments paid back their investment within two years and have led to a rise in visitor numbers, revenue through admissions and secondary spend in the gift shop and café. Out turn in admissions alone has risen from £104,840 in 16/17 to a predicted £135,012 by the end of March 2019 whilst net income through the gift shop has risen from £50,744 in 16/17 to a predicted £62,657 by March 2019. Developments have assisted in the following increase in visitor numbers:

2015/16 – 38,593 2016/17 – 43,236 2017/18 – 50,604

It is requested that consideration is taken to continue to further develop the zoo area to enable momentum to continue, otherwise the collection will stagnate and visitor numbers will decrease.

An investment of £30,000 is required to develop the small mammal area further, to improve the standard and increase the value to our visitors. The proposed development would see the inclusion of a mixed exhibit, of which would house animals within the Mustelid family (Racoon, skunk, porcupine) to enable the further study of the post grad employee which would continue to increase the reputation of the collection within the zoo world, BIAZA (British and Irish Association of Zoos and Aquaria), EAZA (European Association of Zoos and Aquaria) and ZSL (Zoological Society of London) but would also be a popular addition to the visiting public.

The funds would also be used to further improve interpretation, lighting, and interactive displays for visitors. We would also look to develop the disused habitat trail area and build a raised wildlife pond that will contribute to educational sessions and assist in income generation for the park.

This investment will assist the facilities achieve the targets set as part of the Council Ambitions to be self financing by 2022 and recognised at a regional and national visitor attraction

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Upfront Investment	30,000	0	0	0
Additional Vets Fees, Food etc	1,500	1,500	1,500	1,500
Net Income (of materials for resale)	(6,500)	(10,000)	(10,000)	(10,000)
Use of Invest to Save Reserve	(25,000)	8,500	8,500	8,000
Total	0	0	0	(500)

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: 3 months

IMPLEMENTATION DATE: 1st July 2019

PERFORMANCE MEASURES/OUTPUTS (e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):

Visitor Numbers/Income Generation are currently monitored to a high standard and the continuation of this would happen.

**2019 to 2023 BUDGET PROCESS
GROWTH/REDIRECTION PROPOSAL**

SERVICE: Environmental Services

PROPOSAL: Bin Sensor Technology Trial

It is proposed that consideration is taken to use a bin sensor trial in conjunction with Vodafone and to assist us become more streamlined with collection of pedestrian bins in the Lancaster City area of the district. Bins are currently emptied on a traditional cyclical basis, rather than based on the need of it to be emptied.

Should the trial be successful then we would look to roll-out to the rest of the district from 2020/21 onwards.

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Upfront Investment	26,300	0	0	0
Annual Subscription	9,000	9,200	9,400	9,600
Salary Savings	(19,400)	(23,100)	(24,100)	(25,100)
Vehicle Savings	(5,000)	(5,000)	(5,000)	(5,000)
Use of Invest to Save Reserve	(10,900)	10,900	0	0
Total	0	(8,000)	(19,700)	(20,500)

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: 1 month

IMPLEMENTATION DATE: 1/4/19

PERFORMANCE MEASURES/OUTPUTS (e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):

See attached business case.

2019 to 2023 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

SERVICE: Environmental Services

PROPOSAL: Grassland Management Study

The current way Public Realm manage grass around the district is dated and potentially inefficient. The current way of working doesn't take into account modern management techniques which will improve the aesthetics of the district and improve areas of biodiversity and sustainability.

The project is to review over 3,500 different areas of grass within the district. The aspiration for the study is to offer 3 key outcomes, which will help us to deliver on the council's ambitions:

- financial saving (which is yet to be fully worked up),
- increase efficiency,
- Improve the public realm in terms of amenity, aesthetics and biodiversity.

The one off consultancy costs will be to undertake the study for us and offer recommendations for how we manage grassland in the future. Areas the consultants will undertake will include:

- Draft management development (inc financial inputs)
- Consultations with key stakeholders
- Site work and surveys
- GIS gap analysis
- Assisting with implementation

Other Authorities have been through this process and have gained positive operational/financial rewards.

ESTIMATED REVENUE COSTS/(SAVINGS)

	2019/20 £	2020/21 £	2021/22 £	2022/23 £
One-Off Consultancy Costs (per quote)	35,000	0	0	0
Ongoing Savings	0	(10,000)	(15,000)	(15,000)
Use of Invest to Save Reserve	(35,000)	10,000	15,000	10,000
Total	0	0	0	(5,000)

FOLLOWING BUDGET COUNCIL – 28 FEB 2019

ESTIMATED LEAD-IN: N/A

IMPLEMENTATION DATE: 1st July 2019

PERFORMANCE MEASURES/OUTPUTS (e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):

Would lead to more effective management information and invariably operating/financial savings,

Appreciating that financial savings are the priority, this would also complement area based working and would allow for savings in capacity, allowing us to signpost staff to other areas of resident need e.g. weeding, graffiti, cleansing, parks etc.

2019 to 2023 BUDGET PROCESS

SAVINGS PROPOSAL

SERVICE: REGENERATION & PLANNING

PROPOSAL: LANCASTER VIC MERGER WITH CITY MUSEUM

Following the successful transfer of the City Council's Museums from County Council control to City Council control, officers are now exploring the potential merger of Lancaster Visitor Information Centre (VIC) with Lancaster City Museum.

Benefits include increased visitors (local and from outside the district) to both the City Museum and Lancaster VIC, increased income from retail sales and new opportunities such as catering, a more central and accessible location for the VIC, efficiency savings and wider economic impact by signposting more people to other attractions, events, cafes, restaurants and accommodation providers within the District. The proposal also creates the opportunity to develop a wider cultural offer around Lancaster and Morecambe, helping to display museum collections beyond the walls of the museums, as well as to develop work with other cultural partners.

During 2019/20 investment will be required to relocate and merge Lancaster VIC with Lancaster City Museum. Towards the end of 2019/20 and future years there will be a return on this investment.

The investment/relocation cost is circa £69K, are based on the original cost to move the VIC from its Castle Hill premises to The Storey back in 2001, and knowledge of more recent museum reception/shop refits in Doncaster of a similar scale to what is being proposed. The recurring savings will include rent, service charges and potentially staffing, however this will be considered at a later date as it is too early to determine the overall staffing requirements across the Council's museums following the transfer. This merger will create opportunities to increase income from catering and retail sales as footfall will significantly increase.

The catering offer will be of good quality but basic to start with, administered by the reception/VIC staff, with the potential to be developed and expanded in the future subject to demand and additional resources. In terms of retail sales, the expertise and quality of the existing VIC offer, combined with specific museum related products will result in an increase in spend per head at the City Museum from £0.06p per head to £0.20p per head (net profit).

The VIC currently achieves 50,000 (in person) visits per annum, it's acknowledged that some (estimated at 30,000) will visit both the City Museum and VIC. The City Museum achieves 54,000 per annum. Therefore a conservative estimate of annual visits to the combined VIC/City Museum could be in the region of 74,000 from 2020/21. We calculate therefore that income will increase from £0.06 per head to £0.20 per head for around 24,000 visitors who currently will visit the City Museum but not the VIC in any single year – representing a net increase (profit) of £0.14 per head for these visitors. We anticipate this growth based on the wider and more successful offer of the VIC offer.

As the new VIC/Museum reception will be located on the ground floor in part of the temporary exhibition space, it is proposed that some additional small-scale exhibition space be created on the first floor. The Storey and other cultural venues will also be used for larger scale temporary exhibitions, some of these could be ticketed events.

The table below shows the investment required and minimum net savings to the VIC /City Museum, further savings should be achieved.

Please refer to growth/reduction proposal 'Morecambe VIC TUPE' as this will also impact on Lancaster VIC/City Museum in future years.

Efficiency Saving Service Reduction Income Generation Invest to Save

BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)

	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Lancaster VIC rent & service charge	-6,300	-30,700	-30,900	-31,100
Storey temporary loss of rent	6,300	0	0	0
Make good vacated space at Storey for letting	10,000	0	0	0
Design, relocation, equipment and contingency costs	50,000	0	0	0
Additional temporary exhibition space at City Museum	9,000	0	0	0
Cultural venue hire (exhibitions)	1,000	4,000	4,000	4,000
Additional net income (shop)	-800	-3,400	-3,400	-3,400
Additional net income (catering)	-300	-1,300	-1,300	-1,300
Use of Invest to Save Reserve	-68,900	31,400	31,600	6,900
Total	0	0	0	-24,900

TIMESCALE FOR COMPLETION FROM BUDGET COUNCIL 27 FEB 2019: Relocation of VIC to City Museum, target date December 2019. Ongoing savings in late 2019 and future years.

POTENTIAL RISKS INHERENT IN THE PROPOSAL:

Relocation costs require further detailed consideration. There could be a short-term impact on The Storey (loss of rent) due to vacated space. However there is unfulfilled demand for digital and creative business space within the city so this is likely to be a short term issue. Future income from the current VIC accommodation will be genuine additional income for the council. A strong cultural programme developing from a council and partners cultural and arts offer can create additional footfall in Storey and other venues if spaces are available for museums and arts exhibitions, events and performances.