



Committee: CABINET
Date: THURSDAY, 31 JULY 2008
Venue: MORECAMBE TOWN HALL
Time: 6.00 P.M.

SUPPLEMENTARY A G E N D A

6. **Festival & Events** (Pages 1 - 15)
(Cabinet Member with Special Responsibility Councillor Shirley Burns)
Referral report from Overview and Scrutiny Committee.
Note: Report received after the publication of the Agenda.
14. **Review of Sheltered Housing Management Arrangements** (Pages 16 - 25)
(Cabinet Member with Special Responsibility Councillor David Kerr)
Report of Corporate Director (Community Services)

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Roger Mace (Chairman), Evelyn Archer, Jon Barry, Eileen Blamire, Abbott Bryning, Shirley Burns, Susie Charles, Jane Fletcher, John Gilbert and David Kerr

(ii) Queries regarding this Agenda

Please contact Debbie Chambers, Democratic Services, telephone 01524 582057 or email dchambers@lancaster.gov.uk.

(iii) Changes to Membership, substitutions or apologies

Please contact Members' Secretary, telephone 582170, or alternatively email memberservices@lancaster.gov.uk.

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Published on Monday, 21st July, 2008

CABINET

**Referral from Overview and Scrutiny – Festivals and
Events
31st July 2008**

Report of Head of Democratic Services

PURPOSE OF REPORT			
To request the Cabinet to consider a referral from the Overview and Scrutiny Committee with regard to Festivals and Events.			
Key Decision	X	Non-Key Decision	
		Referral from Overview & Scrutiny	X
Date Included in Forward Plan		9 th May 2008	
This report is public			

RECOMMENDATIONS OF OVERVIEW AND SCRUTINY COMMITTEE

- (1) That Cabinet consider revisions to the Festivals and Events programme arrangements (as itemised below):
- Lancaster City Council's Cultural Services to continue to offer direct and indirect support to Festivals and Events within the District, in accordance with the City Council's Corporate Plan Regeneration Objective; - "Attract visitors to the district by promotion of cultural events" or to support priorities within the Community Strategy.
 - The above addresses and resolves the concerns expressed in Paragraph 2.11 in the report of the Head of Cultural Services to Overview and Scrutiny Committee, (see Appendix A), as part of the original rationale for reviewing the Festivals Innovation Fund (FIF).
 - To provide a strategic forum within Cultural Services, responsible for developing and reviewing Festival & Events policy and programmes, based on the Council's Corporate Plan priorities.
 - To identify a lead officer responsible for the planning, delivery, monitoring and evaluating of the festivals and events programme, whether organised directly or "in partnership" (e.g. via FIF support) with Cultural Services.
 - To establish a forum responsible for developing partnership opportunities with the private and voluntary sector for other festivals and events.

- (2) That Cabinet notes that the revision of the Festivals and Events programme arrangements could be incorporated into the Overview and Scrutiny Work Programme as a possible task group.
- (3) That Cabinet notes the recommendation of the Overview and Scrutiny Committee that monitoring of the Festivals Programme be referred to the Budget and Performance Panel in accordance with their terms of reference and the recommendations of the Grants Task Group.

1.0 Introduction

- 1.1 At the Overview and Scrutiny Committee meeting on 9th July 2008 the Committee considered a report from the Head of Cultural Services in respect of Festivals and Events and was requested to support and recommend to Cabinet, a revision to the Festivals and Events programme arrangements.

The Committee had requested that this be added to the Overview and Scrutiny Committee Work Programme following on from the Urgent Business Decision to allocate additional funding to the Maritime Festival which was reported to the Committee at its meeting on 5th March 2008 (Minute 46 refers).

The Cabinet Member with responsibility for Tourism and Events also participated in the discussions.

2.0 Details

The Head of Cultural Services introduced a report which provided details of the background to the Urgent Business Cabinet Decision for additional funding to support the Maritime Festival including reference to the service restructuring and how this investigation had highlighted a number of issues. These included a lack of consistency and clarity regarding funding, either 'core' or external through Festivals Innovation Fund (FIF). It was noted that a review and evaluation of FIF was undertaken in 2006 and options were produced at that time to address shortcomings.

It was noted that there was greater linkage of recent events to the Council's Corporate objectives and that event organisation benefitted from a long lead up, especially as calendar and municipal years differed which could have an adverse effect on budgets.

The following recommendations were agreed by the Overview and Scrutiny Committee:

- (1) That Overview and Scrutiny Committee support and recommend to Cabinet, a revision to the Festivals and Events programme arrangements (as itemised below):
 - Lancaster City Council's Cultural Services to continue to offer direct and indirect support to Festivals and Events within the District, in accordance with the City Council's Corporate Plan Regeneration Objective; - "Attract visitors to the district by promotion of cultural events" or to support priorities within the Community Strategy.

- The above addresses and resolves the concerns expressed in Paragraph 2.11 in the report of the Head of Cultural Services to Overview and Scrutiny Committee, (see Appendix A), as part of the original rationale for reviewing the Festivals Innovation Fund (FIF).
 - To provide a strategic forum within Cultural Services, responsible for developing and reviewing Festival & Events policy and programmes, based on the Council's Corporate Plan priorities.
 - To identify a lead officer responsible for the planning, delivery, monitoring and evaluating of the festivals and events programme, whether organised directly or "in partnership" (e.g. via FIF support) with Cultural Services.
 - To establish a forum responsible for developing partnership opportunities with the private and voluntary sector for other festivals and events.
- (2) That the Overview and Scrutiny Committee inform Cabinet that the revision of the Festivals and Events programme arrangements could be incorporated into the Overview and Scrutiny Work Programme as a possible task group.
- (3) That the monitoring of the Festivals Programme be referred to the Budget and Performance Panel in accordance with their terms of reference and the recommendations of the Grants Task Group.'

A copy of the Festivals and Events Report to Overview and Scrutiny Committee, together with FIF Guidance Notes is attached to this report.

OFFICER COMMENTS ON THE OVERVIEW AND SCRUTINY RECOMMENDATIONS

Recommendation 1 supports the officer preferred option set out in 4.3 of the report to Overview and Scrutiny Committee with an addition at the end of the first bullet point:- 'or to support priorities within the Community Strategy.'

Recommendations 2 and 3 provide welcome "checks and balances."

RELATIONSHIP TO POLICY FRAMEWORK

Festivals and Events are an integral part of the Cultural Services 'offer' within the District and impact in terms of services provides for visitors and residents.

However, the Council's Corporate Plan includes the following priority :-

"To attract visitors to the district by promotion of cultural events".

There is a significant change of emphasis in the "*promotion*" of festivals and events rather than the planning, organising and delivering as set out in the recommendations from Overview & Scrutiny. The current priority is more in line with the previous Cabinet's decision, which is still in place, to support only a limited number of core festivals and events (and staff accordingly), and encourage the private sector and other community groups to take ownership of other events by providing financial assistance only through the Festivals Innovation Fund.

Little evaluation has been undertaken on existing festivals and events as previously requested by Cabinet, and no logs of officer time to support festivals and events are in place to assess how much they cost or if they provide value for money (2008/9 Corporate Plan priority No 1).

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

As per attached report to Overview and Scrutiny.

FINANCIAL IMPLICATIONS

As per Festival & Events Report to Overview & Scrutiny dated 9th July 2008.

It is intended that the Lead Officer, the Cultural Services Manager will assume the role of Responsible Spending Officer (paragraph 3.1) and there would be no additional financial implications.

At present there is no evaluation if the festivals and events programme gives value for money, or indeed the true cost of any individual event.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer commented on the original report to Overview and Scrutiny (see Appendix A). No further comments.

LEGAL IMPLICATIONS

There are no legal implications relating to this report.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer commented on the original report to Overview and Scrutiny (see Appendix A). No further comments.

BACKGROUND PAPERS

Overview and Scrutiny Minutes 5th March 2008, minute 46

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Ref:

OVERVIEW & SCRUTINY COMMITTEE**Festivals & Events
9th July 2008****Report of Head of Cultural Services****PURPOSE OF REPORT**

To update the Overview & Scrutiny Committee in respect of Festivals and Events and to request approval of a revision to the programme arrangements.

This report is public

RECOMMENDATION OF THE HEAD OF CULTURAL SERVICES

- (1) That Overview and Scrutiny Committee support and recommend to Cabinet, a revision to the Festivals and Events programme arrangements.

1.0 Background

- 1.1 Cultural Services came into being in January 2007, following a Council wide review of Service Head posts undertaken in April 2006. Prior to that date, the Festivals and Events function was part of the former Arts & Events Service. To that end, a number of decisions taken by Cabinet in respect of Festivals and Events were the responsibility of the former Head of Arts & Events. However, Members will be aware that as a result of the Council wide review of Service Head posts, the former Head of Arts & Events left the employment of Lancaster City Council.

2.0 Introduction

- 2.1 During the 2007/2008 financial year, a number of issues arose with regards to Festivals and Events and relating specifically to the Maritime Festival. There was no intention in 2008 that Cultural Services should be directly involved in any Maritime Event. However, when it became public that no other event organiser had come forward to organise such an event, there followed a period of lobbying which included the local press. As part of the above a local business (Seatruck Ferries) came forward in late December and subsequently in January 2008 offered a substantial sponsorship of circa £9,400, to Cultural Services specifically towards the organisation of a Glasson Dock Maritime Weekend (to be held in March 2008). Working to an established organisational and financial model, it was intended that the event would be financed via;- sponsorship, help in kind/donations and income (from ticket sales) – i.e., at no direct cost to the City Council.
- 2.2 However, in February 2008, the Head of Cultural Services produced an updated budget position, which identified a potential deficit of £10,247, and the situation was

reported to Cabinet by the Chief Executive on 19th February 2008 with the result that a detailed Urgent Business Report was required. The consequent Urgent Cabinet Business Decision was taken on 25th February 2008, approving the staging of the 2008 Maritime Festival and financing of the projected deficit from savings in other budgets.

- 2.3 In March 2008, the Chairman of Overview and Scrutiny informed Members that he had been consulted regarding waiving the right to call-in with regard to the extra funding allocated to the Maritime Festival. The Chairman confirmed that he had decided that the right to call-in should not be waived on this occasion as there was concern as to how this might impact on the Festivals Innovation Fund. It was reported that the Chief Executive had asked for the matter to be investigated. As such Overview and Scrutiny resolved that the issue of funding the Maritime Festival be added to the work programme. Minute 46 (07/08) refers.
- 2.4 Further to the above, the Head of Cultural Services requested the Internal Audit Manager to undertake an investigation into the circumstances contributing to the issues associated with the 2008 Maritime Festival and the outcome of that investigation has been presented to the Chief Executive. The investigation undertaken into the above dealt with two aspects;-
- to ascertain how the issues associated with the 2008 Maritime Festival actually occurred, with reference to previous year's decisions regarding the staging and funding of Festivals
 - whether the above should lead to a review of the Council's policies and processes in relation to Festivals and Events and propose any necessary revisions.
- 2.5 Within the investigation report presented to the Chief Executive, the Internal Audit Manager, concludes;-
- Cabinet, in October 2004 established a policy regarding Festivals and Events programmes, including the Festivals Innovation Fund (FIF) and the core programme. The above has not been altered by any decision of equivalent standing.
 - Allocations (i.e., Budgets) approved by the Cabinet Portfolio Holder in April 2005 (Re;- 2005/06) and by Cabinet in December 2005 (Re;- 2006/07) were in accordance with an established framework and criteria. The allocations made in March 2007 (Re;- 2007/08) and the Cabinet Portfolio Holder decision in December 2007 (Re;- 2008/09) were made in accordance with a framework and criteria, but not one that had been approved by an equivalent decision-making authority and/or Cabinet.
 - The investigation does not suggest that staging any of the Maritime Festivals since 2005 has been contrary to Council policy, as the Cabinet decision in October 2004 did not explicitly state that future festivals should not be staged. It has not been clear, however, how authority has been established for staging each of the three subsequent festivals, given the decision taken by Cabinet in 2004, the framework it established, and the fact that there has not been a specific budget for the Maritime Festival since that date.
 - The failure to formalise a review undertaken in 2006 (referred to in paragraphs 2.11 and 2.12 of this report), as part of the establishment of the new Cultural Services, of the whole Events and Festivals programme, has contributed to a lack of clarity and confusion. The review itself was a positive course of action, designed to improve the

product(s), relate activity better to Corporate Priorities and address a number of shortcomings identified, particularly in relation to the operation of FIF funding.

2.6 Within the investigation report presented to the Chief Executive, the Internal Audit Manager goes on to recommend;-

- That the Chief Executive considers whether any further action is necessary in relation to the investigation.
- That Overview and Scrutiny examine a proposed revision and improvements to the Festivals and Events programme arrangements, including the Festivals Innovation Fund (FIF), and make recommendations to Cabinet.

2.7 Festivals and Events represent a core function within Cultural Services, contributing to the Economic Regeneration of the District. Included within the City Council's 2007/8 Corporate Plan, as part of the Regeneration Objectives, aligned to Tourism, as a priority outcome;-

- *"To provide a varied programme of festivals and events throughout the district."*

This has subsequently been amended in the 2008/9 Corporate Plan with a slightly different emphasis on promoting events as set out below :-

- *"Attract visitors to the district by promotion of cultural events"*

This change in emphasis is significant when considering the future direction for the Council's promotion of Festival and Events.

2.8 Over recent years, the Lancaster district has built and established a positive reputation for its Festivals and Events and is often quoted as "punching above its weight", with support funding agencies and partners citing the Lancaster district in the same breath as much larger cities, such as Liverpool and Manchester. Lancaster City Council is acknowledged, throughout Lancashire, as one of the most successful local authorities that has successfully used Festival and Events to transform its reputation and profile. The 2005 Punk Festival became the blueprint and was the first Festival to achieve a revenue turnover of over £1million for the hospitality sector, over a single weekend, in Morecambe.

2.9 Although some elements of the Festival and Events programme has changed, or been replaced, others such as the Heritage Gala in Morecambe, and the Fireworks Spectacular in Lancaster consistently continue to draw in audiences in their tens of thousands. Over the last eighteen months, there has been a deliberate strategy to influence the youth market, and Morecambe has boasted an unrivalled series of rock concerts in the Dome, featuring;- the Arctic Monkeys, Athlete, Reverend and the Makers, the Kooks, and the Fratellis. The above has allowed the City Council to engage positively with young people and in particular the two Universities (Lancaster University and the University of Cumbria), who previously had documented, via their consultation processes, a poor image of the District in terms "of things to do".

2.10 In 2005, Cabinet within the framework of the Council's Medium Term Financial Strategy (MTFS) reviewed its Festivals and Events programme, which included the introduction of a Festivals Innovation Fund (FIF). Minute 81 (04/05) refers.

2.11 In late 2006, the newly appointed Head of Cultural Services undertook a review and evaluation of the Festivals Innovation Fund (FIF). The rationale for undertaking the FIF review and evaluation was;-

- Confusion about the relationship between the FIF, Festivals & Events, and Cultural Services.
- Concerns relating to experience, quality and risk management, etc., of FIF festivals/projects/events.
- In the financial year 2006/2007, out of nine festivals, one festival was cancelled and two experienced difficulties.
- There was no specific evidence as to how the FIF festivals/projects/events contributed to the Council's corporate objectives.
- Poor record by the FIF festivals/projects/events of leveraging in additional external funding, via direct and/or secondary income generation, match funding or sponsorship.
- The level of additional support required from Cultural Services (unplanned) to FIF festivals/projects/events.
- Weak financial monitoring of FIF awards.
- There was no requirement of FIF festivals/projects/events to conduct a post-festival evaluation.
- Some FIF festivals/projects/events gave a poor reflection of the performance/image of the Council, with Cultural Service unable to influence the organisation of some of the weaker events.
- Staff frustration when attempting to work with organisers without the same level of experience or knowledge in event management.
- Review opportunities for identifying efficiencies to contribute towards the Medium Term Financial Strategy (MTFS) savings targets

2.12 Following from the above, the Head of Cultural Services presented options to address the above shortcomings to the then Leader of the Council, the then Cabinet Member with responsibility for Cultural Services, and the then Corporate Director (Regeneration). However, the Audit Manager's recent investigation into the 2008 Maritime Festival, referred to in paragraph 2.3, reveals that the approval of the Leader of the Council, the Cabinet Member with responsibility for Cultural Services, and the Corporate Director (Regeneration) was not formally taken through any further decision-making process.

2.13 As part of this report, Overview and Scrutiny Committee are asked to address the above anomaly by providing their views, and if considered appropriate, support and recommendation to Cabinet a revision to the Festivals and Events programme arrangements.

3.0 Proposals for a revision of the Festivals and Events programme arrangements

3.1 It is proposed that the responsibility for the FIF be placed with the Cultural Services Manager, identified as the nominated lead and responsible spending officer (RSO). It is further proposed to establish a Festival and Events Programming Group of officers from within Cultural Services (to include the Venues and Events section, the Arts Development section and the Festivals & Events section) together with Tourism Service, and a representative from the a representative from the Morecambe Hoteliers Association.

3.2 The above will provide;-

- A strategic forum allied to Cultural Services, responsible for developing and reviewing Festival & Events policy and programmes, based on the Council's annual Corporate Plan priorities.
 - A lead officer responsible for the planning, delivery, monitoring and evaluating of the festivals and events programme, whether organised directly or "in partnership" (e.g. via FIF support) with Cultural Services. In the event of the latter, where a festival or event receives City Council funding, a Case Officer from within Cultural Services will be appointed to liaise regarding the festival/event and to monitor and feedback on progress.
 - The above officer group would also be responsible for developing opportunities for partnership arrangements with the private and voluntary sector in planning and delivering other festivals and events. Forming part the overall festivals and events programme, such partnerships should complement the festivals and events organised directly by Cultural Services. It is also recognised that in some cases, for purposes of development and sustainability, this could mean funding and or supporting an existing festival or event for more than one year.
- 3.3 Following difficulties and problems experienced in 2006/2007 and onwards, it is proposed that in relation to future FIF allocations, that Cultural Services adopt a methodology developed and utilised by Arts Council England (ACE) and Sports England, in respect of their grant awarding processes, namely "solicited" and "applied" for bids;-
- Solicited** whereby Cultural Services seek out Festival/Programme/Event "Partnering" arrangements with the private and voluntary sector. This would account for up to two-thirds of the Council funds allocated to FIF in any one year.
- Application** an open process whereby Cultural Services advertise and invite applications (subject to FIF Criteria), to support a manageable number of festivals or events. This would account for up to one third of the Council funds allocated to FIF in any one year.
- 3.4 By whichever of the above processes, it is suggested that the Programming Group would make recommendations to the Head of Cultural Services in respect of the Festivals and Events annual programme, including FIF recommended Festivals and/or Events. Using the Council's Service Business Planning process, the Cabinet Member with responsibility for Events would "sign off" the Festival and Events programme as part of the Cultural Services Business Plan. Thereafter, the success and outcomes of Festival and Events would form part of the Council's Quarterly and Annual Performance Review Team (PRT) meetings. Financial Services will also be involved, in order that they can provide advice as appropriate.
- 3.5 Any FIF approved funding agreement would have an Officer from Cultural Services assigned to assist with developing, planning, delivering, monitoring and evaluating the festival/project/event. Attached as Appendix A to this report is a proposed Festivals Innovation Fund (FIF) criteria and applicant guidance note.
- 3.6 The Festivals Innovation Fund (FIF) focuses heavily on the Festival and Events team in that they take the lead role on behalf of Cultural Services in assessing, guiding, supporting and evaluating delivery partners as part of the Festivals Innovation Fund initiative. The reality is that although there are proficient events organiser in the commercial and community sector able to deliver Festivals and Events, in terms of the legal requirements associated with event organisation and management, including risk assessment/risk management, logistics, child protection issues,

insurance and licence requirements, etc., the majority cannot. Furthermore, in awarding financial support via FIF for Festival and Events within our district, there is no avoiding that the City Council (as landowner and funding body) cannot absolve itself completely of all responsibilities, particularly in terms of public liability.

- 3.7 Again based on difficulties and problems experienced in 2006/2007 and onwards the above require some degree of flexibility and delegation to the Head of Cultural Services. For example, based on the principles and allocations made by Cabinet in 2005, although extensively advertised the 2008/2009 FIF applications were undersubscribed. As such the Head of Cultural Services had to intervene at short notice to enhance and cross-supplement the direct (undertaken by Cultural Services) and indirect (i.e., FIF supported) Festivals and Events programme, to ensure that there was a meaningful Festivals and Events programme available to advertise in the Council's 2008 Tourism Guide.
- 3.8 Issues associated with the FIF, highlight other anomalies and difficulties for Cultural Services. For example, as with some other services undertaken by Lancaster City Council e.g. Tourism Service as mentioned in paragraph 3.7 above, the lead in time associated with organising, publicising and marketing "events" are at odds with the Council's annual budget cycle. To illustrate the point, next year (2009) Lancaster City Council is scheduled to host the International Youth Games. 2009 also sees a number of notable municipal buildings and facilities celebrating key anniversaries (e.g., Lancaster Town Hall and Williamson Park will both celebrate centenaries, whilst Morecambe Town Hall will be celebrating 75 years). A group of Elected Members, Officers and community representatives are already meeting to discuss the potential of a major new Festival/Event for Morecambe in April 2009. However, the opportunities of maximising the event's impact by securing additional external financial support, involving partner organisations, and attracting key participants, etc., are hampered in that the Council's 2009/2010 budget will not be approved until at least the final quarter of the 2008 calendar year, or more likely, the first quarter of the 2009 calendar year. The reality is that the planning and preparation work, even without the added complication of seeking external funding support, has to be undertaken some considerable time in advance, sometimes as much as 18 months ahead of the City Council's formal funding approval mechanism. To complicate matters even more, the timing of any "Easter" themed activities or events (which traditionally represents the start of the "season") has also proved difficult, as it has not always been recognised that Easters do not always fall neatly in with Financial Years. For example, strictly there is not an "Easter" in the 2008/2009 Financial Year!
- 3.9 The budget allocations for the Festivals and Events programme are established on a three-year rolling budget arrangement as part of the Council Medium Term Financial Strategy (MTFS), but subject to annual review. It may not always be recognised, however, that some services for planning festivals and events are genuinely received (and therefore payable) in the year before an event is held. An easy solution to the above would be to ensure, in planning budgets, that the timing of Easter events and planning activities is properly considered and reflected accordingly in the three-year budget projections. Furthermore, it could be formally recognised that other commitments associated with planning events may be incurred 'at risk', in the year before an event is held. If such an event is then removed as part of the annual budget process, any expenditure commitments would then need to be financed even though the event itself would not go ahead. Alternatively, Members could decide to remove the event a year later (e.g. in the 2009/10 budget process, remove an event from 2010/11 onwards). This would avoid any abortive costs, but still achieve savings in later years. Such arrangements would provide Cultural Services, at least for its Festivals and Events programme, with a similar approach adopted by one of the

Council's major funding "partners" – Arts Council England (ACE). Clearly this assists in terms of planning, preparing and marketing, as well as providing Festival and Event organisers (be they Cultural Services directly or FIF supported Festivals/Programmes/Events), the opportunity to lever in maximum support and/or match funding. Unfortunately, a number of external funding partners have very long lead-in and application processes.

- 3.10 In reality a similar budget principle as outlined above already operates in respect of other functions undertaken by Cultural Services (e.g., the "partnership" arrangements in respect of the Museums Service and the operation and management of the three community swimming pools, both of which require a full 12 months advance notice if the partnership arrangements are to be significantly changed or terminated. In the event of such a decision by either partners (i.e., the City or the County Council), the financial consequences would be with effect from 12 months from the required period of notice, which in itself is 12 months.
- 3.11 An alternative would be to re-affirm the original Cabinet member decision from October 2004 that authorised officers to plan, organise and deliver a limited number of core festivals and events, and to manage a Festivals Innovation Fund. This Fund was set up to finance events and festivals that were to be developed by the private sector and community organisations, but not organised and supported by council officers. It was further anticipated that this would result in a review of the staff resources needed to deliver this approach, but this seems to have been subsumed into the re-organisation of the new Cultural Services not on the basis of Cabinet's original decisions for festivals and events, but more in keeping with providing officer support for all festivals and events other than the approved core festivals.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 To terminate the Festivals and Events programme.
- The above would have a potentially damaging impact on the reputation of the Council and district. A cessation or reduction in Festivals and Events would be viewed negatively in terms of the impact that they make to the district and undermine the City Council's Corporate Plan - Regeneration Objective; - "Attract visitors to the district by promotion of cultural events".
 - This option would provide an opportunity as part of the annual budget process to review the budget allocation currently made in respect of Festivals and Events, including the staffing arrangements that currently support festivals and events.
 - The likelihood that external funding agencies, such as Arts Council England, the Lancashire & Blackpool Tourist Board and the Regional Development Agency, etc., would withdraw their current levels of funding support to Cultural Services.
- 4.2 To retain the Festivals and Events programme arrangements, including the Festivals Innovation Fund (FIF), as initially established in 2005.
- Paragraph 2.11 sets out the original and full rationale for reviewing FIF, but in particular highlights the lack of clarity surrounding those arrangements. However, the original decision of Cabinet in respect of this discretionary area, was to focus and provide resources in both funds and manpower, to organise and operate a range of core festivals in Lancaster and Morecambe that received wholesale local support. The introduction of the Festivals Innovation Fund was an opportunity to provide funding for the private sector and

community organisations to bid for funds to deliver other events and festivals to supplement the core programme. This option would provide a further opportunity to review the staffing arrangements that currently support festivals and events.

4.3 To amend the Festivals and Events programme arrangements as set out in the report.

- Lancaster City Council's Cultural Services would continue to offer direct and indirect support to Festivals and Events within the District, in accordance with the City Council's Corporate Plan - Regeneration Objective; - "Attract visitors to the district by promotion of cultural events".
- The above addresses and resolves the concerns expressed in Paragraph 2.11, as part of the original rationale for reviewing FIF.
- Provides a strategic forum within Cultural Services, responsible for developing and reviewing Festival & Events policy and programmes, based on the Council's Corporate Plan priorities.
- Identifies a lead officer responsible for the planning, delivery, monitoring and evaluating of the festivals and events programme, whether organised directly or "in partnership" (e.g. via FIF support) with Cultural Services.
- Establishes a forum responsible for developing partnership opportunities with the private and voluntary sector for other festivals and events.

5.0 Officer Preferred Option (and comments)

5.1 The Officer preferred option is 4.3 for the reasons as set out in the report, which allows the City Council to deliver against its 2008/9 Corporate Plan - Regeneration Objective; - "Attract visitors to the district by promotion of cultural events".

6.0 Details of Consultation

6.1 The revised Festivals and Events programme arrangements (including FIF) propose representation from Cultural Services, Tourism Service and the Morecambe Hoteliers Association, and as such provides an in-built annual consultation process.

7.0 Conclusion

7.1 The provision of Festivals and Events is closely allied to the City Council's 2008/9 Corporate Plan - Regeneration Objective; - "Attract visitors to the district by promotion of cultural events", and is supported by a number of key partners, including;- Arts Council England, the Lancaster & Morecambe Vision Board, the Lancashire & Blackpool Tourist Board and the Regional Development Agency, etc.

RELATIONSHIP TO POLICY FRAMEWORK

Festivals and Events are an integral part of the Cultural Services "offer" within the District and impact in terms of services provided for visitors and residents.

CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

The report raises issues in respect of sustainability.

FINANCIAL IMPLICATIONS

There are no significant additional Financial Implications arising from the report. Budgetary provision made by Lancaster City Council, in respect of Festival and Events, form part of the Council Medium Term Financial Strategy (MTFS) reviewed annually as part of the Council's overall budget deliberations.

Option 1, if supported and approved by Overview and Scrutiny Committee would ultimately present Cabinet, as part of the annual budget process, to review and determine what to do with the budget allocation currently made in respect of Festivals and Events.

Option 2 would result in a review of the current staffing levels that support festivals and events which could lead to on-going efficiencies.

As yet, however, alternative options have not been costed but this would need to be done, to support sound decision-making.

The principles regarding budgeting and recognising 'at risk' commitments would impact on the profiling of budgets but overall, would have no major impact. They would require better financial planning for events, however, and this in turn may help with maximising the opportunities for leveraging in additional external financial support and/or match funding, as well as earlier marketing opportunities.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has not yet seen the Internal Audit report, but has no further comments to make at this stage.

LEGAL IMPLICATIONS

There are no legal implications relating to this report.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has not yet seen the Internal Audit report, but has no further comments to make at this stage.

BACKGROUND PAPERS

Internal Audit report, exempt under paragraphs 1 and 3 of Schedule 12A of the Local Government Act 1972.

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Ref: WDO/wdo/o&s/f&e/090708

Festivals Innovation Fund (FIF) criteria and guidance note (These are reviewed annually to reflect the Council's current Corporate Priorities).

FIF applications are subject to a 2 stage process (in common with the process adopted by other external funding agencies, such as Arts Council England).

Stage 1

Essential: Event organisers must demonstrate how their project/festival/event;-

- Contributes to attracting visitors (day or staying visitors) and/or be for the enjoyment and wellbeing of local residents and/or encourage wider access and involvement from under represented groups
- Demonstrates good practice (quality, well throughout in terms of planning, promotion and management, financially sound and have a rigorous evaluation process)

Desirable:

- Attracts additional external funding over and above the required match funding being sought via FIF.
- Demonstrate partnership working.
- Improves an existing festivals or events or introduces a new festival or event.

Match Funding

Private Sector – will need to secure 50% minimum match funding (not including in-kind contributions)

Voluntary Sector – will need to secure 25% match funding (15% of this can be in-kind contributions)

NB. Payments of FIF grant will only upon receipt of invoices. For the voluntary sector, up to a maximum of 50% can be paid in advance. Cultural Services may “claw-back” full or partial FIF grants in cases where stated outcomes are not achieved, or an event is cancelled. There will be a partial retention of any FIF grant (10%), payable on completion of a satisfactory evaluation process. It will be a requirement of any FIF grant that the applicant includes the Lancaster City Council logo on all promotional literature etc.

What FIF will fund and won't fund

Will:

- Cost of performers/artists
- Marketing & Promotion
- Purchase of essential equipment
- Insurance cover for the event (if not covered elsewhere)
- Cost of hiring external facilities
- Only Festivals or Events which take place in our District

Won't:

- Hire cost of applicants own facilities
- Replace existing funding
- Double fund i.e., fund from more than one Council budget
- If there is no match funding at the level required
- Support for individuals
- Provide funds to generate income for organisers

Stage2

Once a Stage 1 FIF has been assessed by the Programming Group and approved by the Head of Cultural Services, a Case Officer will be assigned to the FIF applicant to ensure compliance with regards to developing, planning, delivering, monitoring and evaluating the festival/project/event.

CABINET

**Review of Sheltered Housing Management Arrangements
31 July 2008**

Report of Corporate Director (Community Services)

PURPOSE OF REPORT			
The report identifies weaknesses within the existing arrangements for managing the Council's Sheltered Housing Schemes and proposes a more flexible approach utilising non resident managers for Category I Schemes			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date Included in Forward Plan	05 June 2008		
This report is public			

RECOMMENDATIONS OF COUNCILLOR KERR:

- (1) That the Prospect Grove Sheltered Housing Scheme be redesignated as having a non residential manager.
- (2) That, as and when the Scheme Manager positions at Penhale Gardens and Altham Walk become vacant, the schemes be redesignated as having non residential managers.
- (3) That the pooling of the three schemes referred to in (i) and (ii) be approved.
- (4) That the Scheme Manager's house at Prospect Grove be converted into an operational base for all non residential scheme managers and a guest bedroom for visitors to the Scheme.
- (5) The cost of the house conversion, estimated at £15,000, be funded by an additional revenue contribution to the Capital Programme, utilising funds contained within 2007-08 Carry Forward Requests (subject to the approval of these by Cabinet).
- (6) That the tenants of the ground floor flats connected to the community alarm service on the Ryelands and Vale estate are given the option to opt out of the community alarm service with a view to phasing out the service in these blocks.
- (7) That the Revenue Budget and Capital Programme be updated to reflect the above.

1.0 INTRODUCTION

1.1 Background Information

- (i) The Council currently owns and manages 16 sheltered housing schemes, comprising 575 units of accommodation in total. We are the single largest provider in the district (with eight Registered Social Landlords also providing a combined total of 573 units). In addition to the sheltered housing schemes we also have 309 units of council accommodation connected to the community alarm service.
- (ii) The full cost of providing the additional services which tenants of sheltered housing and community alarm properties receive is accounted for separately and incorporated within a service charge. Prior to April 2003, the full amount of the service charge qualified for housing benefit purposes.
- (iii) Since 2003, the personal support aspect of the service which tenants receive has been separately accounted for, and is funded via the Supporting People Budget. The "landlord" functions undertaken by Scheme Managers continues to be funded via housing benefit (where applicable).
- (iv) The Supporting People Fund is administered by Lancashire County Council. The County now commissions Support Services from a range of providers and has responsibility for ensuring that the services commissioned are of the right quality, are in the right place, and are provided for those people who are in most need.

1.2 The Need for Change

- (i) Lancashire County Council are currently in the process of reviewing the arrangements for commissioning community alarm and sheltered accommodation services for older people across the County. They have adopted a three stage approach to future service provision:
 - Award of "Steady State Contract" for existing services (this is likely to be for three years)
 - By 2010, to have developed and approved a long term vision of how housing and support services for older people should be delivered across the County
 - Procure services in line with the long term vision
- (ii) The Lancashire Supporting People Team (who are responsible for administering contracts) have already begun to discuss proposals for change with existing providers. The general areas where they are looking to see proposals coming forward are:
 - changing from "hard wired" to "dispersed" alarm systems
 - changes in warden/scheme manager working patterns and practices

- optional stepped/planned support
- changes in/declassification of sheltered property
- moves towards tenure neutrality, with support services offered to people in non sheltered housing and other tenures

(iii) Providers of sheltered housing, including ourselves, must therefore become accustomed to operating in a contract culture. Future contracts which rely on Supporting People funding will need to demonstrate:

- Strategic relevance
- Demand
- Quality
- Performance
- Value for Money
- User involvement

Supporting People has also introduced a comprehensive Quality Assessment Framework to ensure that services meet people's individual needs and are of the highest quality. The Council will need to ensure that we continue to be in a position to meet these standards.

(iv) The Council has always provided a traditional sheltered housing service. It is clear that this approach is no longer appropriate as it offers a very fixed service which is unable to respond to users changing needs and demands.

(v) Traditionally, sheltered housing was allocated to independent, active older people who would then ultimately move into residential care when they could no longer remain independent. However, the promotion of supported care and independent living has resulted in a move away from residential care. The modern view of sheltered housing is that it should provide a flexible service that can adapt to the changing demands of residents as they get older and frailer.

(vi) As well as responding to the external drivers for change, the Council also has to acknowledge that, in recent years, sheltered housing has become less attractive than it once was. Demand for sheltered housing is now much lower than for other property types, with demand for bedsit accommodation within Category II Schemes being particularly low. Elderly people are now less inclined to want to move to sheltered housing and prefer to receive support within their own home environment as and when that becomes necessary.

(vii) Low demand is becoming an increasing problem. Advertising and marketing campaigns have failed to generate any significant new demand and bedsit units and upstairs flats not serviced by a lift are the most difficult properties within the Council's entire housing stock to let. Problems are particularly acute within the Melling House Sheltered Housing Scheme which is the oldest Category II Scheme within the district and its internal design falls far short of the expectations of today's elderly applicants.

(viii) Many other providers within Lancashire have already reviewed their services and have examined the need for some of their existing sheltered schemes. Locally, officers have also been undertaking a review and are now in a position to present a range of options to Cabinet for consideration.

2.0 PROPOSAL DETAILS

2.1 Category I Schemes

- (i) One of the major problems the Council has at the moment is not being able to meet individual tenant Support Plans (which is a key aspect of the Quality Assessment Framework). Because our existing arrangements rely on Residential Scheme Managers for service delivery, there is no inbuilt flexibility to provide continuity of service should there be a Scheme Manager absence. Because of annual leave, sickness, staff turnover, etc, such occurrences are frequent and, at best, all that we currently are able to offer is a maximum of two visits a week using very ad hoc arrangements.
- (ii) As an attempt to increase flexibility, we have in recent years filled two Scheme Manager vacancies with Non Residential Scheme Managers (Morley/Price Close and Elterwater Place). This has been extremely successful as, not only do the postholders undertake the traditional duties within their own scheme, they have become a useful resource for providing a mobile service to cover other schemes during periods of absence (as referred to above). It is clear that where we have introduced Non Residential Scheme Managers, we have been able to provide greater flexibility without adversely affecting service delivery.
- (iii) A Scheme Manager vacancy currently exists at the Prospect Grove Sheltered Housing Scheme in Morecambe. This scheme comprises 30 bungalows with a small communal lounge attached to the Scheme Manager's House. In order to provide increased flexibility, officers propose that this vacancy should be filled with a Non Residential Scheme Manager. To ensure even greater flexibility, it is further proposed that Prospect Grove be "pooled" with two other similar nearby Category I Schemes – Penhale Gardens (25 properties) and Altham Walk (26 properties). Whilst these two schemes currently have residential managers, it is further proposed that, as and when vacancies arise, they too will be replaced by non residential managers. There will then be a pool of three managers covering the three schemes. These arrangements will mean that, even when one of the managers is absent, there will be sufficient flexibility for the remaining two managers to ensure that resources are targeted where needed and that individual tenant Support Plans can be honoured. The pooling of the schemes should also provide increased opportunities for integrating communal activities for residents – at the moment many activities and trips are not viable within individual schemes as there are insufficient numbers of interested residents.
- (iv) These proposals have been discussed at length at public meetings with residents of the three Sheltered Schemes. These were followed up by individual surveys of their views. The results were as follows:

	No of Properties	No of Surveys Returned	% in Favour	% Against	Don't Know
Prospect Grove	30	29	55%	45%	0%
Penhale Gardens	25	22	59%	28%	9%
Altham Walk	26	23	57%	31%	9%
TOTAL	81	74	57%	37%	6%

These results illustrate a clear majority of residents are in favour of the proposals.

- (v) Should the proposals be approved, the Scheme Manager's house which is attached to the communal lounge at Prospect Grove would be surplus to requirements. The property is a two bedroom house which has shared access with the communal lounge. Its design and the fact that it is situated within a quiet cul de sac entirely comprising sheltered bungalows would make it impractical to convert into general needs accommodation. It is therefore proposed that the ground floor be converted into a guest bedroom for use by visitors to residents of the scheme (this type of facility is already being provided within a number of other sheltered schemes) and the first floor be used as an operational base for non residential scheme managers to use as a "hot desking" facility (all Category 2 Schemes already have their own scheme manager's office). The costs of conversion works are estimated at £15,000. (This will include upgrading of access and toilets to meet current standards.) The cost of this work can be funded by an additional revenue contribution to the Capital Programme, utilising funds contained within 2007-08 Carry Forward Requests (subject to the approval of these by Cabinet).
- (vi) Officers will monitor the effectiveness of the new arrangements and will report back to Cabinet with proposals for introducing non residential pooled managers for the remaining Category I Schemes throughout the district.

2.2 Category II Schemes

- (i) It is envisaged that the larger Category II Schemes will always require a Resident Scheme Manager. This is because the tenants within these schemes tend to have greater levels of dependency and the size and nature of the buildings also require them to have a more permanent management presence. This Report therefore makes no immediate recommendations in respect of the service provision in Category II Schemes.
- (ii) Officers will, however, also consider whether or not any new arrangement could generate sufficient capacity to extend the service offered by Scheme Managers to include visiting vulnerable elderly people who don't live within an existing sheltered scheme. This could be particularly useful in rural areas where the current sheltered provision is extremely limited.

2.3 Community Alarm Properties

- (i) The majority of community alarm properties are older person's bungalows providing good sized accommodation with an appropriate level of support through the community alarm service. This type of property is very popular and demand is good.
- (ii) We also have a number of flats connected to the community alarm service, some of which again are very popular forms of accommodation for older people – notably Park House in Skerton. However, we have a number of ground floor flats with community alarms in mixed aged blocks where the demand from older people for this type of accommodation is low (24 in total). This is particularly the case where we also have a good supply of bungalow accommodation in the same vicinity for example on the Ryelands and Vale estates.
- (iii) It is proposed that with the 24 ground floor flats connected to the community alarm service on the Ryelands and Vale estates we should give the tenants of those properties the option to opt out of the service with a view to phasing out the service in these blocks. It is envisaged that this will be a gradual process which will take a number of years to achieve. However, the total income received for monitoring all 24 alarms is just £2,027pa (assuming 100% occupancy of all flats), the majority of which is funded via Supporting People. It is likely that this level of income can be secured in the longer term by providing mobile dispersed alarm equipment within other properties where specific individual needs have been identified.

2.4 Longer Term Issues

- (i) As previously indicated, the Council, as a housing support provider, is in a contract situation with County. The Supporting People Commissioning Body will be looking at the possibility of tendering services in 2010. At this stage, there are no indications as to whether this will be on a county wide basis or more local contracts (officers are clearly lobbying for a local contract). Even if there were to be a Lancaster contract, the likelihood is that it would incorporate all local provision, not just the Council's stock. If the Council wants to continue to be a direct provider of housing support, it is therefore likely that we will need to be in a position to compete for a contract which will include providing support to properties not in our ownership (and, potentially, not in our district). A further report will therefore need to be presented to Cabinet once the position becomes clearer.

3.0 DETAILS OF CONSULTATION

- 3.1 The proposals for Prospect Grove/Penhale Gardens/Altham Walk were discussed in details at public meetings with residents. This was followed by a survey of all individual tenants which resulted in a 91% return rate.
- 3.2 The proposals have also been discussed at meetings of the Sheltered Housing Forum and District Wide Tenants Forum and have their support.

4.0 OPTIONS AND OPTIONS ANALYSIS (including risk assessment)

(i) Redesignate the Prospect Grove Sheltered Scheme as Non Residential.

	PROS	CONS
<p>Option 1 To continue with existing arrangements</p>	<p>Tenants would not see any changes in service and would retain the perceived comfort of having a resident warden</p>	<p>The Service would not have sufficient flexibility to meet individual tenants Support Plans. The Council would not be able to meet the Quality Assessment Framework Service Standards.</p>
<p>Option 2 To redesignate Prospect Grove as Non Residential</p>	<p>There would be increased flexibility to respond to the wider needs of the service and of individual tenants</p>	<p>Some residents are concerned about the loss of a Residential Scheme Manager.</p>

(ii) Redesignate the Penhale Gardens and Altham Walk Schemes to become non residential as and when managers posts become vacant.

	PROS	CONS
<p>Option 1 To redesignate the schemes as posts become vacant</p>	<p>This would enable the service to provide even greater levels of flexibility in delivering support to vulnerable tenants</p>	<p>There are a minority of tenants who would prefer to retain the services of a Residential Scheme Manager</p>
<p>Option 2 To continue with existing arrangements</p>	<p>Tenants would not see any changes in the service and would retain the perceived comfort of having a residential scheme manager</p>	<p>The Council would not have sufficient flexibility to meet individual support plans or meet the QAF Standards if any Scheme Managers were absent from work</p>

(iii) Conversion of Scheme Manager's House, Prospect Grove.

	PROS	CONS
<p>Option 1 Not to proceed with the conversion</p>	<p>There would be a saving of £15,000 conversion costs and the Council would continue to receive rental income</p>	<p>The proposals for non residential scheme management would not work efficiently without the provision of an office base. It is difficult to envisage an</p>

	PROS	CONS
		alternative use for the house.
Option 2 To convert the Scheme Manager's House	Conversion would facilitate arrangements for providing an efficient "mobile" non residential service. There would also be an opportunity to provide a guest bedroom for visitors to Prospect Grove	The HRA would loose ongoing rental income for the house (currently £3,419pa).
(iv) Opting Out of the Community Alarm Service – Ground Floor Flats, Ryelands and Vale.		
	PROS	CONS
Option 1 To approve the opt out.	Would enable the better use of the flats to meet the housing needs of applicants.	There could be a potential loss of income for alarm monitoring (a maximum of £2,027pa).
Option 2 To continue with existing arrangements.	Would ensure alarm monitoring income is retained.	Would result in flats continuing to be allocated inappropriately, as tenants of these flats generally don't have support needs and the alarm service is of no value to them.

5.0 OFFICER PREFERRED OPTION

5.1 (i). Prospect Grove – Option 2 is the preferred option as redesignation will enable the service to be delivered more flexibly and the Council will be better placed to meet individual tenants' support needs.

(ii). Penhale Gardens and Altham Walk – Option 1 is preferred as this will further progress the principle of non residential managers for Category 1 Schemes. Officers are firmly of the view that providing a more flexible "mobile" service is the best way of ensuring the Council is well placed to meet the demands of the Supporting People Commissioning Body and also those of existing vulnerable tenants.

(iii). Conversion of Scheme Manager's House – Option 2 is the preferred option as an office base will be an integral part of providing a more comprehensive and flexible service.

(iv). Opting Out of Communal Alarm Service – Option 1 is preferred as it is clear that most tenants currently living in these ground floor flats do not require the Community

Alarm Service. Opting out will also ensure that future vacancies can be allocated to those applicants with the greatest housing need.

6.0 CONCLUSION

- 6.1 It is clear that the traditional model for managing sheltered housing is no longer appropriate and is incapable of meeting individual tenant Support Plans. The proposals will provide greater operational flexibility and will make the Council better placed to respond to future external demands.
- 6.2 The Council can't ignore the increasing problems of low demand for some of its sheltered properties. In the longer term, we will need to identify a solution which will address the general oversupply problems as well as the specific design issues associated with the Melling House Scheme. A further report will therefore be presented to Cabinet later this year.

RELATIONSHIP TO POLICY FRAMEWORK

Corporate Priority 1 - Continue to evaluate our services to ensure they are delivered in the most efficient and cost effective way.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

The proposals contained within the report will help to ensure the long term sustainability of the Council's Sheltered Housing Provision. They also offer the prospect of providing housing support to non sheltered elderly tenants, particularly those living in rural communities.

FINANCIAL IMPLICATIONS

The costs of providing services to tenants of sheltered housing is fully recoverable via service charges (which in turn qualify for housing benefit/Supporting People Payments). The proposals contained within the report are therefore cost neutral to the Housing Revenue Account. There will be savings achieved from discontinuing with the 50% rent allowance paid to the Scheme Manager at Prospect Grove (£1,709pa) but these will be offset by slight increases in car allowances/public transport and the cost of running the new office. Any net increase in expenditure which may arise (if any), would need to be reflected within the 2009/2010 service charges paid by tenants.

The only direct revenue implications to the Housing Revenue Account at this stage would be the loss of the rental income for the house and garage previously paid by the Residential Scheme Manager at Prospect Grove (£3,419pa).

The cost of converting the Scheme Manager's House is estimated at £15,000. The proposal is that this be funded by an additional revenue contribution to the Capital Programme, utilising funds contained within 2007-08 Carry Forward Requests (subject to the approval of these by Cabinet).

In the worse case scenario, the withdrawal of the 24 fixed community alarms could reduce income by £2,027pa. However, as the number of customers connected to Central Control is subject to continued fluctuation, it is difficult to predict whether there will be any long term financial impact to the housing Revenue Account. Overall, therefore, it can be seen that the effects of the recommendations at this stage are expected to be fairly minimal for the Housing Revenue Account, and well within the discretion available to Cabinet for increasing future years' net budgets.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and her comments incorporated within the report.

LEGAL IMPLICATIONS

There are no legal implications stemming from this report.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and her comments incorporated within the report.

BACKGROUND PAPERS

Council Housing Services Files.

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