



Committee: CABINET

Date: TUESDAY, 9 DECEMBER 2008

Venue: MORECAMBE TOWN HALL

Time: 10.00 A.M.

A G E N D A

1. **Apologies**

2. **Minutes**

To receive as a correct record the minutes of Cabinet held on Tuesday, 11th November, 2008 (previously circulated).

3. **Items of Urgent Business Authorised by the Leader**

To consider any such items authorised by the Leader and to consider where in the agenda the item(s) are to be considered.

4. **Declarations of Interest**

To consider any such declarations.

5. **Public Speaking**

To consider any such requests received in accordance with the approved procedure.

Reports from Overview and Scrutiny

None.

Reports

6. **Lancaster and Morecambe Worklessness Project**

(Cabinet Members with Special Responsibility Councillors Archer and Bryning)

Report of the Corporate Director (Regeneration) to follow.

7. **Review of HR Policies (Pages 1 - 3)**

(Cabinet Member with Special Responsibility Councillor Kerr)

Report of the Chief Executive.

8. **Pay and Grading Structure** (Pages 4 - 24)
(Cabinet Members with Special Responsibility Councillors Kerr and Mace)
Report of the Chief Executive.
9. **Budget and Policy Framework - Update** (Pages 25 - 27)
Joint report of the Corporate Director (Finance and Performance) and the Head of Financial Services.
10. **Corporate Performance Monitoring Second Quarter Corporate Report**
(Cabinet Member with Special Responsibility Councillor Charles)
Report of the Corporate Director (Finance and Performance) to follow.
11. **Star Chamber** (Pages 28 - 35)
(Cabinet Member with Special Responsibility Councillor Mace)
Report of Corporate Director (Finance and Performance).
12. **Dome - Options**
(Cabinet Member with Special Responsibility Councillor Fletcher)
Report of the Head of Cultural Services to follow.
13. **International Youth Games 2009**
(Cabinet Members with Special Responsibility Councillors Gilbert and Fletcher)
Report of the Chief Executive to follow.
14. **Lancaster Public Realm**
(Cabinet Member with Special Responsibility Councillor Bryning)
Report of the Corporate Director (Regeneration)
15. **Tourism Strategy Update Report** (Pages 36 - 38)
(Cabinet Member with Special Responsibility Councillor Burns)
Report of the Head of Economic Development and Tourism.
16. **Urgent Business Report** (Pages 39 - 41)
Report of the Head of Democratic Services.
17. **Employee Establishment - Vacancy Authorisation** (Pages 42 - 44)
Report of the Chief Executive (forms to follow).

18. **Exclusion of the Press and Public**

Members are asked whether they need to declare any further declarations of interest regarding the exempt report.

Cabinet is recommended to pass the following recommendation in relation to the following item:-

“That, in accordance with Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business, on the grounds that it could involve the possible disclosure of exempt information as defined in paragraph 12 of Schedule 12A of that Act.”

Members are reminded that, whilst the following item has been marked as exempt, it is for the Council itself to decide whether or not to consider it in private or in public. In making the decision, Members should consider the relevant paragraph of Schedule 12A of the Local Government Act 1972, and should balance the interests of individuals or the Council itself in having access to information. In considering their discretion Members should also be mindful of the advice of Council Officers.

19. **Lancaster Market** (Pages 45 - 49)

(Cabinet Member with Special Responsibility Councillor Archer)

Report of the Corporate Director (Regeneration).

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) Apologies

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

MARK CULLINAN,
CHIEF EXECUTIVE,
TOWN HALL,
DALTON SQUARE,
LANCASTER LA1 1PJ

Published on Friday 28th November 2008

CABINET

Review of HR Policies 09 December 2008

Report of Chief Executive

PURPOSE OF REPORT			
To advise Cabinet on the financial implications of reviewing the effectiveness of the Council's existing HR Policies in particular:			
<ul style="list-style-type: none"> (a) Early Termination of Employment Policy (b) Redeployment Policy 			
Key Decision		Non-Key Decision	Referral from Chief Executive
			X
Date Included in Forward Plan		N/A	
This report is public			

RECOMMENDATIONS OF THE CHIEF EXECUTIVE

- (1) That North West Employers Organisation (NWEO) are requested to undertake a 'desk top' review of the City Council's "Early Termination of Employment Policy" and the related "Redeployment Policy" and to identify from published best practice, any immediate improvements that could be made.
- (2) That the NWEO be asked to identify how many days' work would be required to customise best practice in this area of activity to produce policies in line with Lancaster City Council's Policy Framework, and it be noted that such work would be funded by the Fairpay Reserve.

1.0 Introduction

1.1 Cabinet, at its meeting on the 12 November 2008, resolved amongst other things,:

That Cabinet

- (6) Requests officers to review the effectiveness of existing Human Resources policies relevant to managing the Council's establishment and workforce planning issues.
- (8) Asks for a report identifying the costs of implementing Recommendation 6.

2.0 Proposal Details

- 2.1 In order to maximise the use of its limited resources and maintain Council Tax increases to an acceptable level, it is imperative that the council's establishment is configured to support the delivery of the council's corporate objectives/priorities and meet its statutory responsibilities. In order to achieve this, the council needs to have effective HR policies in place.
- 2.2 Whilst the Council has a range of HR policies to manage its workforce, the two most significant ones are the Early Termination of Employment Policy and the Redeployment Policy. Due to the time and resource constraints facing the council, it is proposed that this work is commissioned from outside the Council. The City Council subscribes to the North West Employers Organisation and has previously commissioned work which has proved to be an effective arrangement for the Council to obtain good advice. The proposal is therefore that the North West Employers Organisation (NWEO) is commissioned to undertake a study to evaluate the City Council's Early Termination of Employment Policy and the related Redeployment Policy against current best practice as it is some time since these policies were reviewed. If Cabinet wishes this work to be undertaken in the next 6-9 months, it will be necessary to commission the work from outside the City Council.

3.0 Details of Consultation

- 3.1 None.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 Option 1 – Commission the NWEO in the near future to undertake this work. Initially this would be a 'desk top' study and this might need to be followed up by a more detailed piece of work. This would enable the work to be completed in the near future which would be timely given the current budget situation.
- 4.2 Option 2 – To undertake this work when the Fair Pay process has progressed sufficiently to free up internal human resources. It is difficult to estimate when this would be, but would not be possible in the next six months.

5.0 Officer Preferred Option (and comments)

- 5.1 The preferred officer option is option 1 for the reason outlined above in the report

RELATIONSHIP TO POLICY FRAMEWORK

The Council's policy framework strives to ensure that the council's limited resources are allocated to deliver its corporate priorities and statutory responsibilities. Effective management of the council's establishment is crucial to providing value for money and service delivery that reflects local needs.

CONCLUSION OF IMPACT ASSESSMENT

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

None arising directly from this report.

FINANCIAL IMPLICATIONS

There will be no additional costs associated with the desk top review. Thereafter, any additional works would be funded from the Fairpay reserve, and delegated authority is already in place for this. Whilst this would reduce the amounts remaining for Fairpay, this impact would be very small, comparatively.

SECTION 151 OFFICER'S COMMENTS

The effectiveness of the Council's strategic financial planning (i.e. its Medium Term Financial Strategy) should be both informed and supported by effective HR planning, amongst other things. The s151 Officer would support any options available that would improve these links, and sooner rather than later.

LEGAL IMPLICATIONS

Legal Services have been consulted and have no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

Funding of the Employee Establishment Report to Cabinet and Minute from the 12 November 2008.

Contact Officer: Mark Cullinan

Telephone: 01524 582011

E-mail: chiefexecutive@lancaster.gov.uk

Ref:CE/ES/Ctees/Cabinet/HR Policies/09.12.08

CABINET

**PAY AND GRADING STRUCTURE
9th December 2008**

Report of the Chief Executive

PURPOSE OF REPORT			
To provide further information to Cabinet on the financial and human resources implications of the four possible structures previously circulated, to enable Cabinet to express a preference for the Council's future pay and grading structure.			
Key Decision	<input checked="" type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Cabinet Member	<input type="checkbox"/>
Date Included in Forward Plan		November 2008	
This report is public			

RECOMMENDATIONS OF COUNCILLORS MACE AND KERR to follow.

The officer preferred option is set out at paragraph 8.1 and is structure 9.5.4.5

1 Introduction

- 1.1 At its meeting on the 11th November 2008, Cabinet noted the progress that had been made since its last meeting on the development of a new pay and grading structure. Three alternative pay and grading structures were circulated with the report to that meeting, together with the financial implications for each of those structures. Personnel Committee had met on the 10th November 2008 and considered the three structures, together with a fourth one (9.5.4.5) which had been developed following discussions with the trade unions in order to reduce the overlap in the grades within the third structure, 9.5.4.2. The four structures are shown in Appendix 1.
- 1.2 Personnel Committee on the 10th November expressed a preference for either 9.5.4.2 or 9.5.4.5, rather than the other two options.
- 1.3 After the November Cabinet and Personnel Committee meetings, the Moderation Panel, comprising three Service Heads and three trade union representatives, met for a further moderation review of the job evaluation scores, and agreed a small number of adjustments. These adjustments were fed into the computerised pay modelling system for the four structures, which has resulted in corresponding adjustments to the costs of the structures.

2 Human Resources (HR) Implications

- 2.1 From all perspectives, it is important to ensure that whichever structure is eventually approved, it is the right structure for the Council in moving forward for the future. Structure 9.5.4.2 extends the number of Spinal Column Points from the current 49 to 53, and this prevents “bunching” within the grades. However, one disadvantage of 9.5.4.2 was identified as being that the overlapping grades meant that in some cases an employee might be able to advance to a higher Spinal Column Point than another employee with more points under the job evaluation scheme. Structure 9.5.4.5 was developed to reduce the overlap and minimise this possibility.
- 2.2 Furthermore it is necessary to undertake an equality impact assessment of the proposed structures, to ensure that the pay and grading structure chosen for the future is equality proofed. This is particularly important in the area of gender as the issue of inequality of pay between men and women was one of main factors influencing the requirement to undertake pay and grading reviews in local government. Information on the equality impact assessments will be provided for Personnel Committee and Cabinet in January.
- 2.3 It should be noted that apart from basic pay, a number of other pay and non-pay elements are also being addressed as part of the Fair Pay process. Bonuses, shift payments and payments for unsocial hours have as part of the pay modelling process all been consolidated into current salary. This means that such separate payments will no longer be made (with the exception of Central Control which will be reviewed separately) and the salary under the new structure will be compared with current earnings including these payments. A small number of employees have tied tenancies, with subsidised rents. The current subsidy has also been consolidated into current salary as part of pay modelling, and in future no one will have a subsidised rent. Other elements currently being considered are car leases, overtime payments and the possible harmonisation of annual leave entitlement. The JCC at its meeting on the 2nd December will be considering options with regard to annual leave and a possible link between annual leave entitlement and good attendance. A copy of the JCC report is attached at Appendix 5 for information and the outcome of the discussions at the JCC will be reported at this meeting. However, any financial implications of the proposals will need to be taken into account as part of the overall package when future decisions are made on the pay and grading structure.
- 2.4 Other elements which form part of the pay package, and which will be particularly important to employees in the transitional stages, are pay protection and market supplements. At the JCC on the 28th February 2008 a management proposal of pay protection at the rate of 100% in the first year, 50% of the difference between the old and new salary in the second year and 25% in the third year was welcomed by the unions on the basis that this would be put forward as part of the final package. The financial implications of the alternative structures have taken account of pay protection at these rates.
- 2.5 With regard to market supplements, a Market Supplement Policy was approved by Personnel Committee on the 10th November 2008. Once a provisional pay and grading structure is approved, scheduled for January, and applied to individual job evaluation results, Service Heads will consider whether there are any posts for which a market supplement would be appropriate, on the basis that there is solid evidence to demonstrate that without a market supplement there would be significant recruitment and retention problems. Depending on the evidence available, a market supplement may cover some or all of the difference between the old and new salary

of a post. Clearly the amount payable overall by way of market supplements will affect the overall pay bill.

3 Timetable

- 3.1 Because it is so important to take the time to ensure that whichever structure is introduced is right for the Council, based on accurate information, the Fair Pay timetable has been amended to reflect the fact that it will not be possible for Cabinet and Personnel Committee to make a final decision at this time. An amended timetable is attached at Appendix 4. This means that any decision will need to be taken by Cabinet and Personnel Committee in January, and that the notification to employees of their job evaluation results will need to be deferred from the 8th January 2009 to the 26th February 2009. The timetable after that date will depend to a certain extent on the number of appeals that are received and can only therefore be provisional.

4 Financial Implications

- 4.1 The financial information provided to Cabinet and Personnel Committee in November 2008 has been updated, and information about structure 9.5.4.5, which had not been available for those meetings, is also included in the information attached in Appendices 2 and 3.. These now give separate information in respect of the General Fund and Housing Revenue Account (HRA). For both the General Fund and HRA, Appendix 2 gives details of the medium-term (three year) forecast for each structure. In Appendix 3, two graphs for both the General Fund and the HRA show firstly the annual financial impact of each structure over a ten year period and secondly the cumulative financial impact over the same period.
- 4.2 The costings associated with the four structure options are subject to two main variables, firstly the outcome of appeals and secondly the application of the Market Supplement policy. Other Fair Pay issues, such as holiday entitlement, will also have a bearing, but these are expected to be less significant.
- 4.3 For now, however, the basic financial implications are based on:
- pay protection being applied in line with the agreed policy,
 - an assumption that annual salary turnover savings within the General Fund will be £100,000 greater than currently estimated, which is in line with the average outturn position for the last three years, and
 - the application of the Job Evaluation Reserve (est. £718,000) within the General Fund. The Reserve was created to help fund anticipated transitional costs associated with Fair Pay, including back pay and pay protection. It does not need to be used for equal pay claims, as a separate provision is held specifically for that purpose.
- 4.4 These forecasts provided are based on the current establishment and assume that this will be maintained throughout the ten year period. The forecasts therefore allow for all in-grade staff progression to have occurred by the end of the period, thus giving the maximum potential cost for each structure. Whilst this position will never be reached in practice, due to changes in staffing and the establishment, the forecasts are important to demonstrate how and where there is the potential for financial pressure to build in the pay structure.

4.5 At this stage, it is not possible to estimate and incorporate any additional costs arising from implementation of the Market Supplement policy, the appeals process or changes to other employees' pay or non-pay benefits.. It is envisaged that, for the General Fund in the medium term, any remaining balance on the Job Evaluation Reserve (as shown in the appendices) would be used to help fund these costs. It cannot be guaranteed, however, that there would be sufficient left in the reserve to cover everything. Should these factors change the position to a net cost, a further review of the grading structures will then be undertaken in line with the timetable as set out at Appendix 4 (i.e. in Spring 2009), to try to ensure as far as possible that a cost neutral position is achieved. Should this not be possible, then it would ultimately be necessary to consider service restructures to ensure the overall staffing budget is not exceeded in the medium term. In the absence of a similar reserve within the HRA, any market supplements or successful appeals in that area would present an additional cost to the account.

4.6 The main points arising from the reports in appendices 2 and 3 are:

General Fund:

- Taken together, the charts demonstrate that in the medium term (three years) all four structures are affordable, and within the budget framework, albeit drawing on differing levels of funding from the Job Evaluation Reserve.
- Beyond year four (2012/13), structures 9.5.4.2 and 9.5.4.5 cease to be affordable given the current budgetary framework. Structure 9.5.4 (Original) is affordable until year six (2014/15) but not beyond. Structure 9.5.4 (Extended Grades) is affordable throughout the ten year period, culminating in a closing balance on the JE Reserve of £281k. In all likelihood, under this option the need for reserve would be reassessed before then.
- In contrast, at the maximum potential cost of the structures at the ten year horizon, structure 9.5.4 (Original) gives an additional annual cost of £544k,, 9.5.4.2 gives £800k and 9.5.4.5 produces £931k.
- In cumulative ten-year cost terms, structure 9.5.4 (Original) gives a potential additional cost of £2.04m whereas 9.5.4.2 and 9.5.4.5 give potential additional costs of £3.54m and £4.11m respectively.

Housing Revenue Account:

- Without an earmarked reserve to call upon, each structure results in additional cost to the HRA from year 1 onwards.
 - In the medium-term (three years), structure 9.5.4.5 provides the lowest additional cost at £91.5k for the period. Structure 9.5.4 (original) gives £149.4k, 9.5.4 (Extended) gives £116k and 9.5.4.2 gives £144.3k
 - Over the ten-year period structure 9.5.4 (Extended) gives the lowest additional cost (136.3k) followed by 9.5.4.5 (£159.7k), 9.5.4 (original) (£186.6k) and 9.5.4.2 (£215.3k)
- 4.7 The financial information presented is the best available at this stage. Work is currently ongoing to update the salary database and the pay modeller system with staff payroll changes that have occurred over the last four months since the systems were last updated. The ten year salary forecast spreadsheet is also being updated to reflect these changes, and will need to be reconciled to the current budget in order to ensure financial correctness. The 2009/10 and future year salaries will also need to be amended and checked. It is essential that this work is completed and assurance

tested before any final decision on the pay and grading structure is taken. Clearly it is of the utmost importance that the information provided to Members in taking any decision is accurate, and also that the information subsequently provided to employees about their pay and grading under the new structure and comparison with their current salary is correct.

5 **Summary**

5.1 The development of a new pay and grading structure is an opportunity to establish a workable structure with fairness in pay and in other terms and conditions of employment, which will serve the Council and its employees well for the future. As indicated above, it is therefore important to ensure that the best possible structure for the Council is approved. Whilst the responsibility of Personnel Committee is in respect of terms and conditions of employment, clearly the concern of Cabinet must be the cost and affordability of the total package, in terms of the actual pay structure, other related pay and non-pay elements, and any transitional protection arrangements.

5.2 It is acknowledged that at this stage not all the costs can be quantified, and work is ongoing in ensuring that all the available information is accurate and up to date. Both Cabinet and Personnel are at this stage being asked to identify their preferred structure. More work will then be carried out in developing that preferred structure. The preference of Cabinet will be reported to Personnel Committee on the 11th December, to assist the Committee's consideration of the matter.

6 **Details of Consultation**

6.1 Discussions on the new pay and grading structure have been ongoing with trade union representatives through Single Status and JCC meetings. Trade union representatives have been closely involved in the moderation of the job evaluation results, and will be involved in the appeals process following the notification of the results.

7 **Options and Options Analysis (including risk assessment)**

7.1 The options open to Cabinet are to express a preference for any one or more of the four structures set out in Appendix 1, or to decline to express any preference at this stage. Personnel Committee too, at its meeting on the 11th December, will be asked for its further views in the light of Cabinet's preference(s). If the options can be narrowed down in this way, so that there is a consensus that one or more of the options should be discounted at this stage, officers will continue to work on the financial and human resources implications of the preferred options only. This will ensure that detailed information and risk assessment is available for Members to consider before a final decision is taken. If one or more preference is expressed, officers would not then intend to provide any further information to the January meetings on the discounted option(s), unless in the meantime any substantial changes to the information provided in this report came to light which might have affected the decision to discount. If Members do not feel that they can express a preference at this stage, then work would continue on all four options, and these would then be brought back to the January meetings. In conjunction with expressing any preference or declining to express a preference, it is open to Members to request any further information that they may feel would assist in making a decision.

8 **Officer Preferred Option (and comments)**

8.1 The Officer Preferred Option is structure 9.5.4.5.

9 Conclusion

9.1 The views of Cabinet are sought.

RELATIONSHIP TO POLICY FRAMEWORK

The Council is committed to good standards of employment practice and to the principles of equality. The aim of the Fair Pay project is to ensure that pay and grading is fair, and that posts are remunerated based on an objective assessment of their relative value to the organisation. The Council is firmly committed to the principle of equality.

CONCLUSION OF IMPACT ASSESSMENT

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

Implementing a new pay and grading structure should ensure that remuneration arrangements and grading structures are fair, and that the Council is able to defend future equal pay claims.

FINANCIAL IMPLICATIONS

The financial implications are set out in the body of the report and in the appendices.

Whilst figures are only provisional at this stage, given that all options are outside the budget framework for the HRA and only one option is within the framework in the longer term for General Fund, currently it is expected that Council approval will be required to fund any new pay and grading structure.

SECTION 151 OFFICER'S COMMENTS

Cabinet is requested to indicate whether it has any preference/s in terms of pay and grading structures at this stage. Whilst there will be further updates to the financial data, the information in these reports should provide a good indication of the implications. There are, however, still some major unknowns, such as the outcome of appeals and market supplements. These will be assessed later in the timetable before the final decisions on adopting any new structure are taken. A full risk assessment will also be undertaken and reported.

Furthermore, and as highlighted previously, if any substantial changes come to light all options would be brought back for due consideration in January.

In terms of the options themselves, (with the caveat regarding appeals and market supplements), for General Fund all four options are within the budget framework for the next 3 years, although only one (9.5.4 Extended Grades) stays within budget over a 10 year period. The other three would give rise to substantial cost pressures from around 2014/15 onwards. Any such pressures would have to be managed through future budget processes.

For HRA, all structures are outside the budget framework and therefore add cost pressures for future years.

In forming a view regarding any preferred option/s, Members are advised to consider both the HR and financial issues in context of the Council's financial prospects, its aspirations for future (long term) service delivery, and its responsibilities as an employer.

LEGAL IMPLICATIONS

There are no legal implications arising directly from this report.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

There are no background papers

Contact Officer: Mark Cullinan

Telephone: 01524 582011

E-mail: MCullinan@lancaster.gov.uk

Ref:

Grading Structures - Cabinet & Personnel Committee, December 2008

9.5.4 Original

SCP	£	Grade	JE Scores
4	12,163	G1	0 - 267
5	12,331	G2	268 - 333
6	12,510	G3	334 - 387
7	12,913	G4	388 - 435
8	13,320	G5	436 - 487
9	13,724	G6	488 - 537
10	14,011	G7	538 - 589
11	14,916	G8	590 - 639
12	15,225	G9	640 - 691
13	15,635	G10	692 +
14	15,920		
15	16,253		
16	16,644		
17	17,038		
18	17,373		
19	18,023		
20	18,682		
21	19,363		
22	19,865		
23	20,449		
24	21,116		
25	21,785		
26	22,496		
27	23,242		
28	24,001		
29	24,952		
30	25,788		
31	26,602		
32	27,387		
33	28,194		
34	28,991		
35	29,598		
36	30,383		
37	31,233		
38	32,147		
39	33,206		
40	34,078		
41	34,976		
42	35,869		
43	36,763		
44	37,667		
45	38,512		
46	39,444		
47	40,348		
48	41,245		
49	42,132		

9.5.4 Ext

SCP	£	Grade	JE Scores
4	12,163	G1	0 - 267
5	12,331	G2	268 - 332
6	12,510	G3	333 - 390
7	12,913	G4	391 - 435
8	13,320	G5	436 - 486
9	13,724	G6	487 - 531
10	14,011	G7	532 - 585
11	14,916	G8	586 - 642
12	15,225	G9	643 - 689
13	15,635	G10	690 +
14	15,920		
15	16,253		
16	16,644		
17	17,038		
18	17,373		
19	18,023		
20	18,682		
21	19,363		
22	19,865		
23	20,449		
24	21,116		
25	21,785		
26	22,496		
27	23,242		
28	24,001		
29	24,952		
30	25,788		
31	26,602		
32	27,387		
33	28,194		
34	28,991		
35	29,598		
36	30,383		
37	31,233		
38	32,147		
39	33,206		
40	34,078		
41	34,976		
42	35,869		
43	36,763		
44	37,667		
45	38,512		
46	39,444		
47	40,348		
48	41,245		
49	42,132		
50	43,024		

9.5.4.2

SCP	£	Grade	JE Scores
4	12,163	G1	0 - 267
5	12,331	G2	268 - 333
6	12,510	G3	334 - 391
7	12,913	G4	392 - 435
8	13,320	G5	436 - 487
9	13,724	G6	488 - 549
10	14,011	G7	550 - 602
11	14,916	G8	603 - 645
12	15,225	G9	646 - 694
13	15,635	G10	695 +
14	15,920		
15	16,253		
16	16,644		
17	17,038		
18	17,373		
19	18,023		
20	18,682		
21	19,363		
22	19,865		
23	20,449		
24	21,116		
25	21,785		
26	22,496		
27	23,242		
28	24,001		
29	24,952		
30	25,788		
31	26,602		
32	27,387		
33	28,194		
34	28,991		
35	29,598		
36	30,383		
37	31,233		
38	32,147		
39	33,206		
40	34,078		
41	34,976		
42	35,869		
43	36,763		
44	37,667		
45	38,512		
46	39,444		
47	40,348		
48	41,245		
49	42,132		
50	43,024		
51	43,928		
52	44,851		
53	45,665		

9.5.4.5

SCP	£	Grade	JE Scores
4	12,163	G1	0 - 267
5	12,331	G2	268 - 362
6	12,510	G3	363 - 435
7	12,913	G4	436 - 487
8	13,320	G5	488 - 549
9	13,724	G6	550 - 602
10	14,011	G7	603 - 645
11	14,916	G8	646 - 694
12	15,225	G9	694 +
13	15,635		
14	15,920		
15	16,253		
16	16,644		
17	17,038		
18	17,373		
19	18,023		
20	18,682		
21	19,363		
22	19,865		
23	20,449		
24	21,116		
25	21,785		
26	22,496		
27	23,242		
28	24,001		
29	24,952		
30	25,788		
31	26,602		
32	27,387		
33	28,194		
34	28,991		
35	29,598		
36	30,383		
37	31,233		
38	32,147		
39	33,206		
40	34,078		
41	34,976		
42	35,869		
43	36,763		
44	37,667		
45	38,512		
46	39,444		
47	40,348		
48	41,245		
49	42,132		
50	43,024		
51	43,928		
52	44,851		
53	45,665		

The following tables give the forecast costs associated with each of the four structures over the medium term (three year) horizon.

It should be noted that as yet it is not possible to estimate the costs associated with applying the market supplement policy, but it is envisaged that, for the General Fund, any remaining balance on the Job Evaluation Reserve (as shown above) would be used to help fund these costs. It cannot be guaranteed however, that there would be sufficient left in the reserve to cover all costs.

STRUCTURE 9.5.4 (Original)

General Fund - Three Year Forecast	2009/10	2010/11	2011/12
	Year 1 £	Year 2 £	Year 3 £
Current Budget (Including Additional Salary Savings)	20,744,978	21,362,751	21,974,825
Application of JE Reserve (£718,325)	126,755	0	15,674
Proposed New Structure Cost (Including Pay Protection)	20,871,733	21,349,661	21,990,499
Net Cost / (Saving)	0	(13,090)	0
Equivalent FTEs (note 1)	0	0	0
Cumulative Net Cost / (Saving)	0	(13,090)	(13,090)
JE Reserve Balance	£ 718,325	591,570	591,570
		591,570	575,896

HRA - Three Year Forecast	2009/10	2010/11	2011/12
	Year 1 £	Year 2 £	Year 3 £
Current Budget	2,218,754	2,282,159	2,342,056
Proposed New Structure Cost (Including Pay Protection)	2,263,852	2,327,121	2,401,424
Net Cost / (Saving)	45,098	44,962	59,368
Equivalent FTEs (note 1)	1.5	1.5	2.0
Cumulative Net Cost	45,098	90,060	149,428

STRUCTURE 9.5.4 (Extended Grade)

General Fund - Three Year Forecast	2009/10	2010/11	2011/12
	Year 1 £	Year 2 £	Year 3 £
Current Budget (Including Additional Salary Savings)	20,744,978	21,362,751	21,974,825
Application of JE Reserve (£718,325)	139,611	0	0
Proposed New Structure Cost (Including Pay Protection)	20,884,589	21,263,897	21,831,036
Net Cost / (Saving)	0	-98,854	-143,789
Equivalent FTEs (note 1)	0	0	0
Cumulative Net Cost / (Saving)	0	-98,854	-242,643
JE Reserve Balance	£ 718,325	578,714	578,714
		578,714	578,714

HRA - Three Year Forecast	2009/10	2010/11	2011/12
	Year 1 £	Year 2 £	Year 3 £
Current Budget	2,218,754	2,282,159	2,342,056
Proposed New Structure Cost (Including Pay Protection)	2,264,907	2,313,765	2,380,339
Net Cost / (Saving)	46,153	31,606	38,283
Equivalent FTEs (note 1)	1.5	1.1	1.3
Cumulative Net Cost	46,153	77,759	116,042

Note 1: "Equivalent FTEs" denotes the number of full-time equivalent posts that the annual net cost represents, based on average staff costs including oncosts.

STRUCTURE 9.5.4.2

General Fund - Three Year Forecast	2009/10	2010/11	2011/12
	Year 1 £	Year 2 £	Year 3 £
Current Budget (Including Additional Salary Savings)	20,744,978	21,362,751	21,974,825
Application of JE Reserve (£718,325)	112,280	42,204	110,912
Proposed New Structure Cost (Including Pay Protection)	<u>20,857,258</u>	<u>21,404,955</u>	<u>22,085,737</u>
Net Cost / (Saving)	<u>0</u>	<u>0</u>	<u>0</u>
Equivalent FTEs (note 1)	0	0	0
Cumulative Net Cost	0	0	0
JE Reserve Balance	£ 718,325	606,045	563,841
		452,929	

HRA - Three Year Forecast	2009/10	2010/11	2011/12
	Year 1 £	Year 2 £	Year 3 £
Current Budget	2,218,754	2,282,159	2,342,056
Proposed New Structure Cost (Including Pay Protection)	<u>2,255,322</u>	<u>2,326,529</u>	<u>2,405,439</u>
Net Cost / (Saving)	<u>36,568</u>	<u>44,370</u>	<u>63,383</u>
Equivalent FTEs (note 1)	1.2	1.5	2.1
Cumulative Net Cost	36,568	80,938	144,321

STRUCTURE 9.5.4.5 (Extended Grade)

General Fund - Three Year Forecast	2009/10	2010/11	2011/12
	Year 1 £	Year 2 £	Year 3 £
Current Budget (Including Additional Salary Savings)	20,744,978	21,362,751	21,974,825
Application of JE Reserve (£718,325)	96,556	20,027	106,991
Proposed New Structure Cost (Including Pay Protection)	<u>20,841,534</u>	<u>21,382,778</u>	<u>22,081,816</u>
Net Cost / (Saving)	<u>0</u>	<u>0</u>	<u>0</u>
Equivalent FTEs (note 1)	0	0	0
Cumulative Net Cost	0	0	0
JE Reserve Balance	718,325	621,769	601,742
			494,751

HRA - Three Year Forecast	2009/10	2010/11	2011/12
	Year 1 £	Year 2 £	Year 3 £
Current Budget	2,218,754	2,282,159	2,342,056
Proposed New Structure Cost (Including Pay Protection)	<u>2,248,743</u>	<u>2,306,678</u>	<u>2,379,146</u>
Net Cost / (Saving)	<u>29,989</u>	<u>24,519</u>	<u>37,090</u>
Equivalent FTEs (note 1)	1.0	0.8	1.2
Cumulative Net Cost	29,989	54,508	91,598

Note 1: "Equivalent FTEs" denotes the number of full-time equivalent posts that the annual net cost represents, based on average staff costs including oncosts.

Chart GF1

Appendix 3

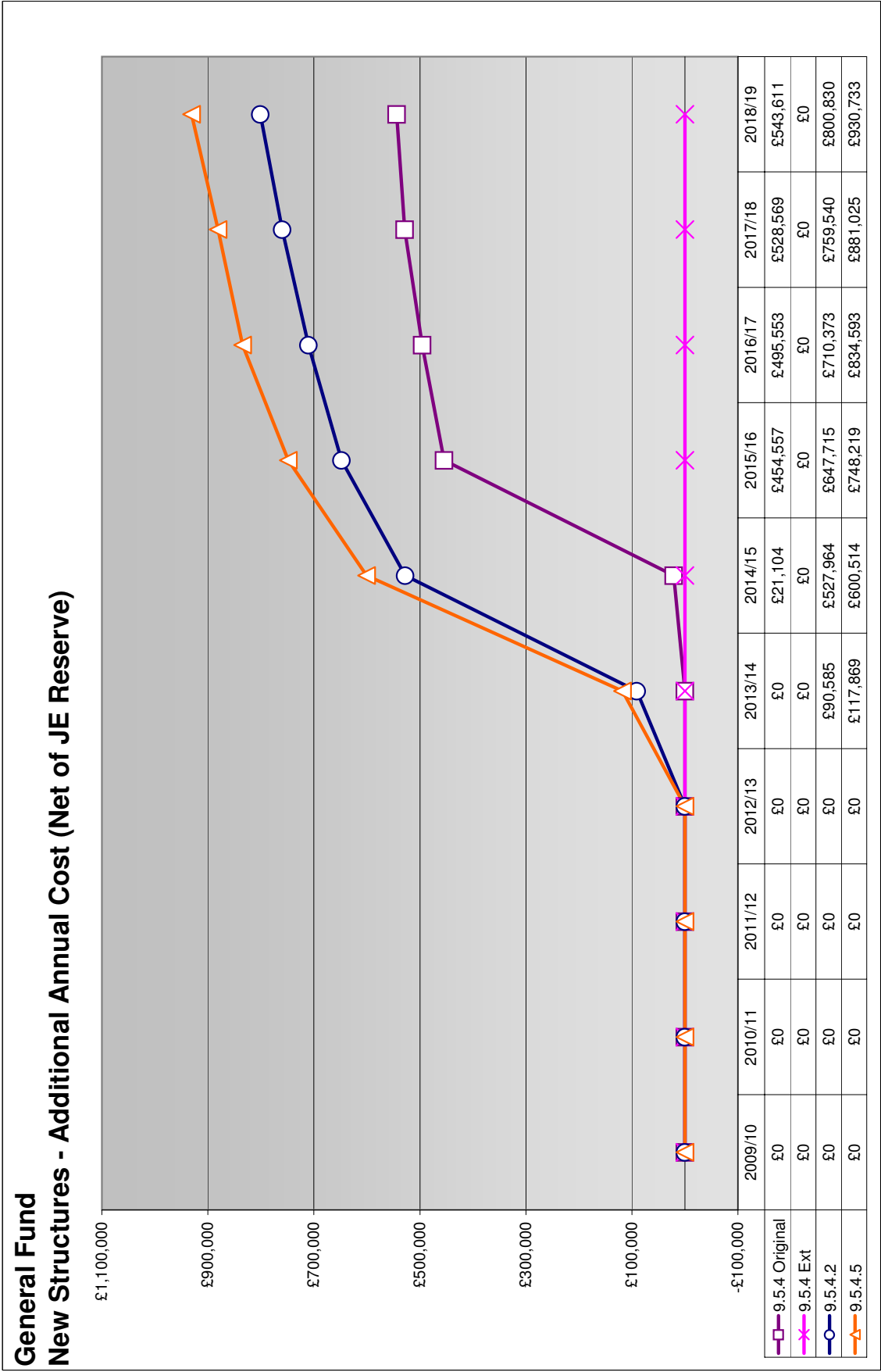


Chart GF2

**General Fund
New Structures - Cumulative Additional Cost (Net of JE Reserve)**

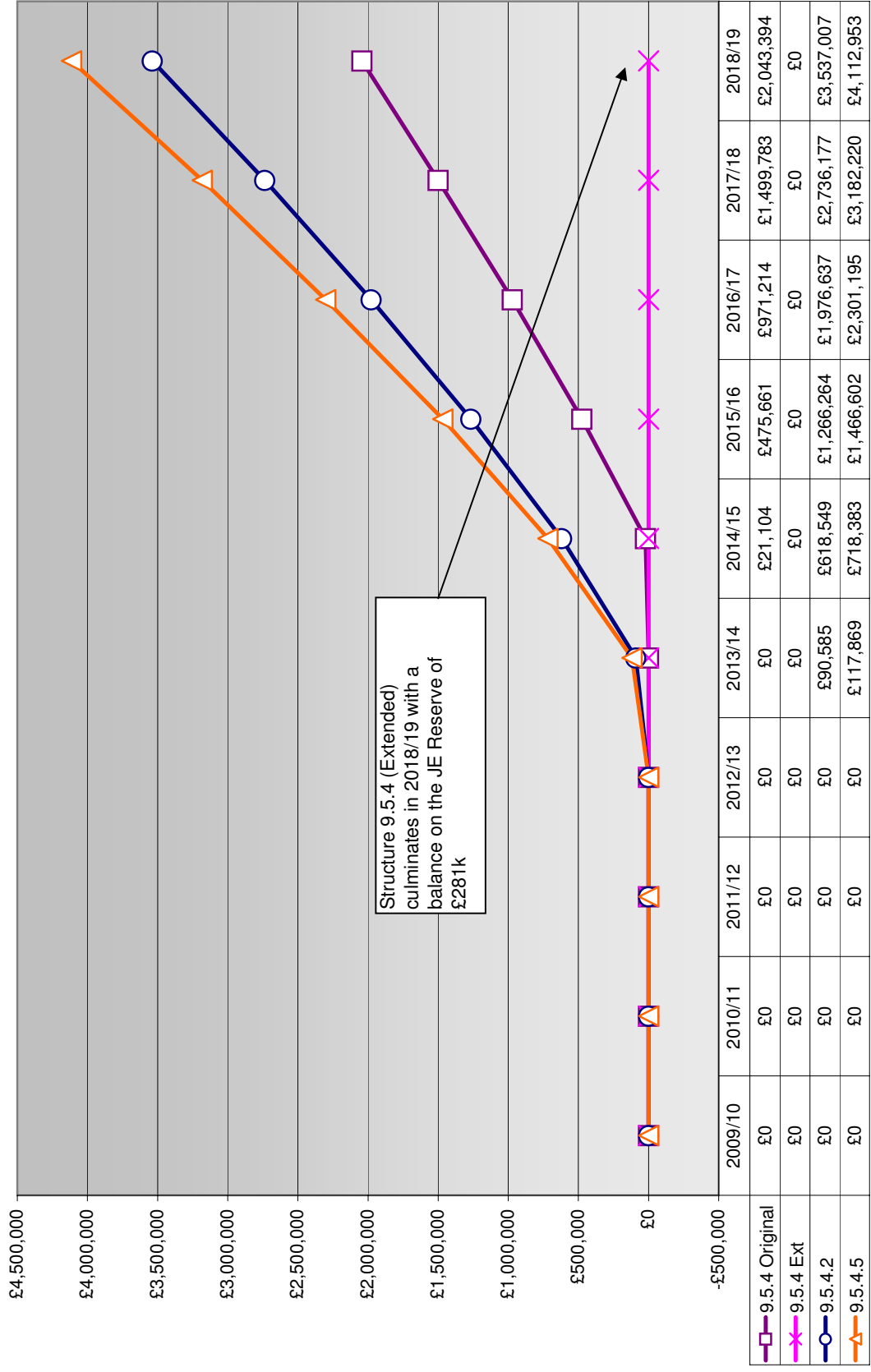
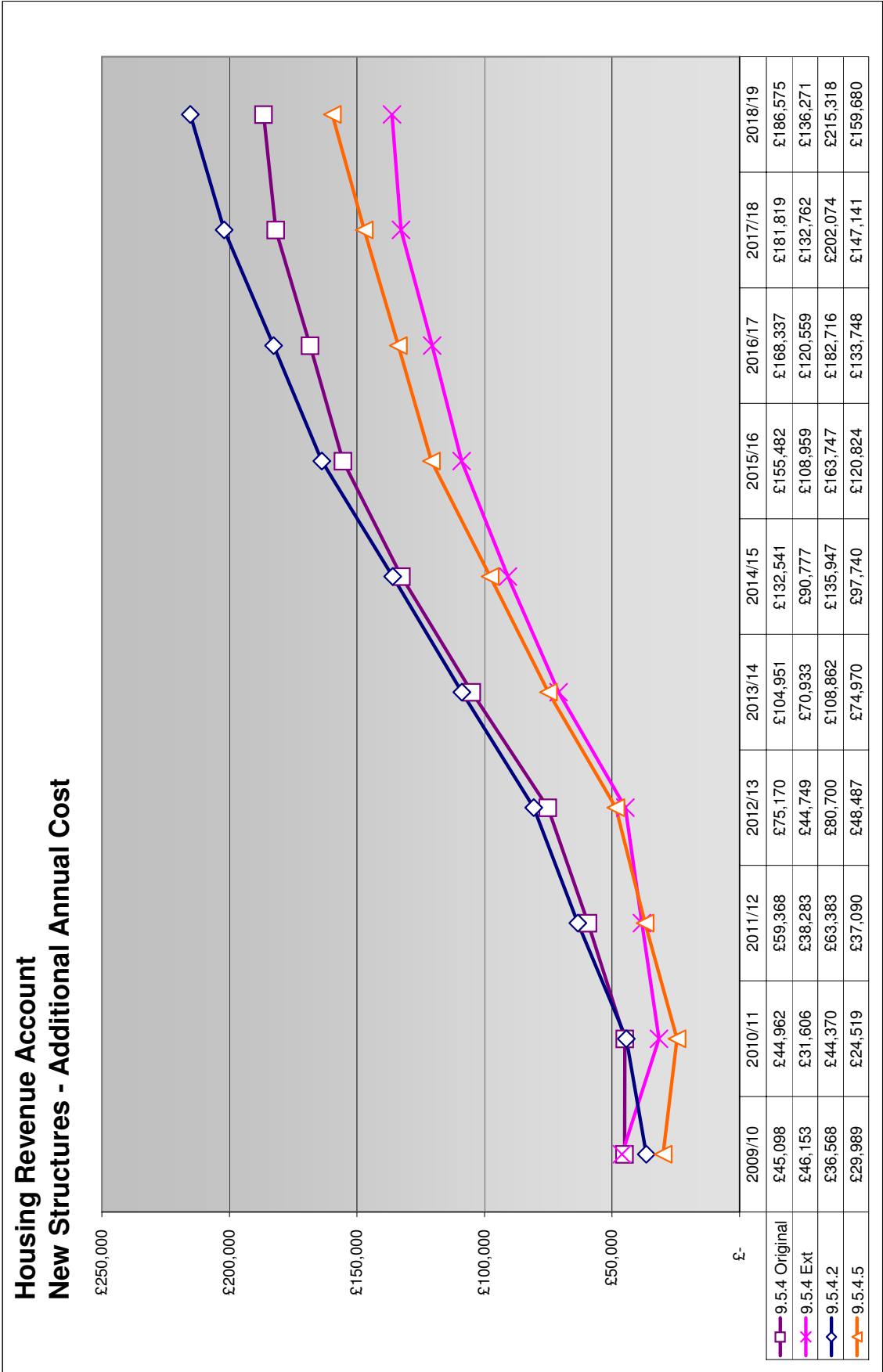


Chart HRA 1

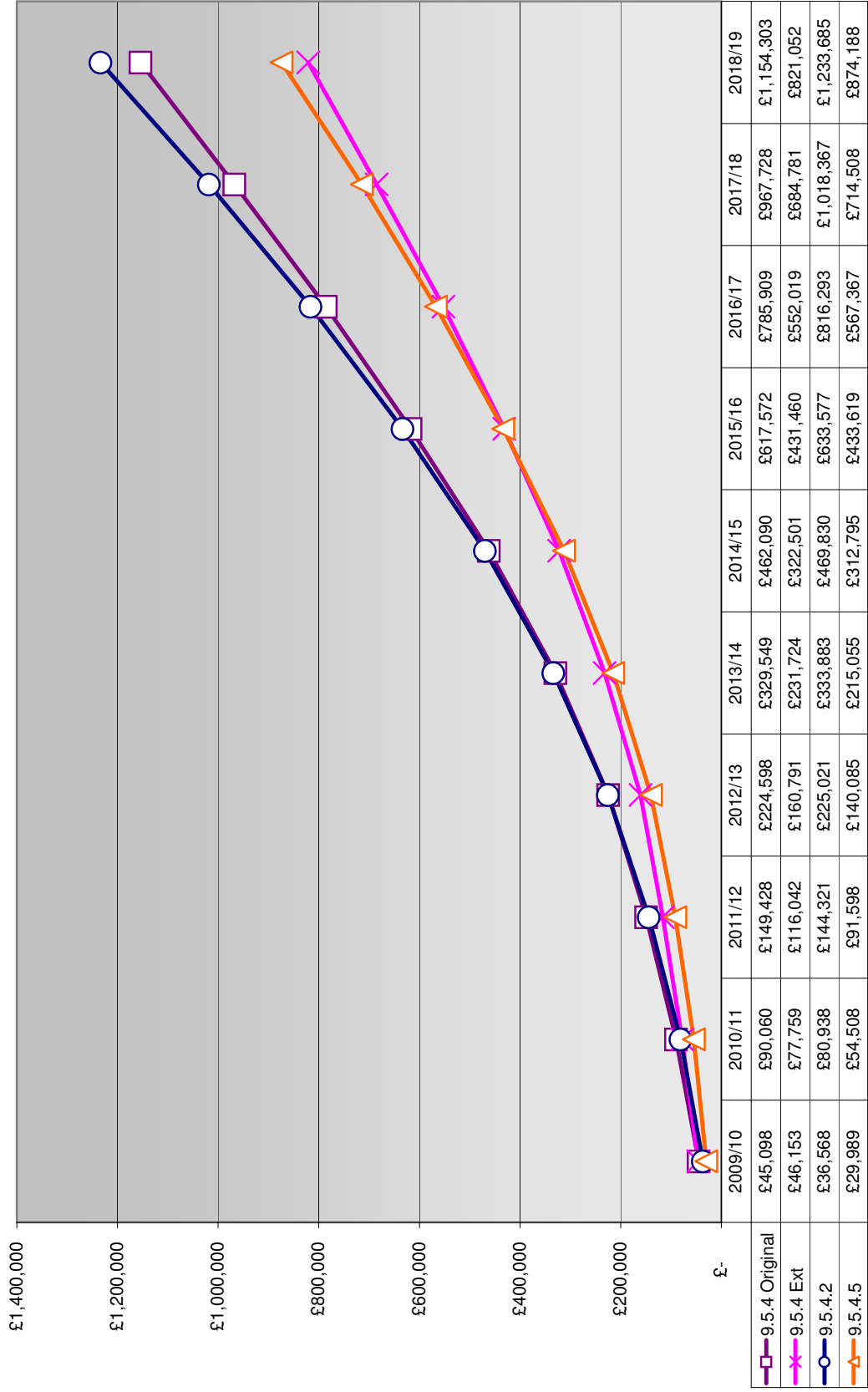
Appendix 3



Appendix 3

Chart HRA 2

**Housing Revenue Account
New Structures - Cumulative Additional Cost**



FAIR PAY TIMETABLE – KEY DATES

Appendix 4

Action Required	Dates	Revised Dates
Negotiation on other pay and non-pay elements	20 th August 2008 to 6 th November 2008	
Pay structure and other elements to be agreed with trade unions subject to approval of Personnel Committee	6 th November 2008	
Pay structure and other elements to be agreed with Personnel Committee.	10 th November 2008	21 st January 2009 - tba
Pay structure and other elements to be agreed with Cabinet.	11 th November 2008	20 th January 2009
Pay Structure and other elements to be agreed at Council		4 th February 2009
Letters to be sent to employees concerning job evaluation outcome and proposed grade and salary. This date marks the start date for any appeals	8 th January 2009	26 th February 2009
		All subsequent dates are provisional and may be adjusted to take account of the number of appeals received
Stage 1 appeals completed	6 th March 2009	17 th April 2009
Check whether changes should be made to grading structure, following outcome of appeals	27 th March 2009	8 th May 2009
Approval of final grading structure by Personnel Committee and Cabinet	Personnel - 7 th April 2009 Cabinet – to be arranged	May 2009 – dates tba
Notification of final outcome to employees	14 th April 2009	22 nd May 2009
Stage 2 appeals completed	15 th May 2009	26 th June 2009
New salaries effective	1 st June 2009	1 st July 2009
Employees paid on new grade	15 th June 2009	15 th July 2009

JOINT CONSULTATIVE COMMITTEE

**FAIR PAY – REVIEW OF ANNUAL LEAVE
ENTITLEMENT**

2nd December 2008

Report of Human Resources Manager

PURPOSE OF REPORT

To advise Members of the Joint Consultative Committee of discussions and management proposals with regard to harmonisation of annual leave, and the possibility of introducing holiday entitlement linked to good attendance, and to enable the JCC to consider any recommendations to be put to Personnel Committee.

RECOMMENDATIONS

- 1) That any proposals in respect of holiday entitlement be referred to the Personnel Committee for consideration in conjunction with the new pay and grading structure.

REPORT

As part of both the Single Status Agreement 1997 and the Pay and Grading Review, there is an undertaking to review all aspects of pay and benefits and to harmonise these where appropriate.

The opportunity has therefore been taken to review the annual leave entitlement, and a copy of the management Review Document is appended to this report. This was discussed at the Single Status meeting on the 13th November 2008, when management confirmed that their preferred option was option 2, which would harmonise all basic holiday entitlements at 26 days plus 8 statutory days.

The Review Document also sets out options to link part of the holiday entitlement to good attendance.

The JCC is requested to consider the proposals and to make recommendations to the Personnel Committee.

REVIEW OF ANNUAL LEAVE ENTITLEMENT**Appendix 5****BACKGROUND**

As part of both the Single Status Agreement 1997 and the Pay and Grading Review there is an undertaking to review all aspects of pay and benefits and harmonise these where appropriate.

The basic entitlement to annual leave is set out in the national terms and conditions known as the Green Book. Annual leave is one of the key national provisions and therefore in part 2 of the document. Part 2 elements represent the basic minimum that staff are entitled to receive and cannot be reduced without being in breach of the Green Book.

The Green Book entitlement is 20 days for less than 5 years service and 25 days for more than 5 years service. In addition there are 8 statutory plus 2 extra statutory days.

CURRENT POSITION AT LANCASTER

Currently there are variations in entitlement to leave for the employees of the Council as to whether employees are employed on the Green Book or Red Book terms and conditions. In addition there are variations resulting from the level of the post and the amount of service of the individual. The entitlements are summarised below

Green Book

	Less than 5 years service	More than 5 years service
Up to scp 28	23	28
scp 29 and above	26	31

The entitlement to statutory days is 8 with the additional 2 included in the above entitlement.

The employees who are graded at scp 29 and above receive an additional 3 days because they are not paid overtime for any additional hours worked.

Red Book

Less than 5 years service	More than 5 years service
21	26

The entitlement to statutory days is 8 with 2 additional days which may be required to be used with one day from the annual leave entitlement if there is a close down at Christmas.

ANNUAL LEAVE ENTITLEMENTS AT OTHER AUTHORITIES IN THE REGION

Research has revealed a variety of practices across the region. We have obtained information from 15 authorities. This is set out in Appendix 1.

Basic Entitlement

Analysis of the results reveals that some authorities include two extra statutory days in the basic holiday entitlement whereas for others it is additional. If this is taken into account then the results show a variation between 22 and 27 days basic entitlement including the two days with 5 of the 15

authorities having an entitlement of 22 days, 3 having 23 days, 1 having 24 days, 5 having 25 days and 1 having 27 days. Lancaster's basic entitlement is 23 days compared to the average basic entitlement of 23.4 days.

Entitlement at Five Years Service

All but one of the 15 authorities gives an additional 5 days entitlement on the completion of 5 years service. This is also the practice at Lancaster which gives a basic entitlement at 5 years of 28 days. The average across the 15 authorities is 28.5 days.

Entitlement at Ten Years Service

Three authorities give additional days for the completion of 10 years service with one authority also giving extra days for 15 and 20 years service. The average basic entitlement at 10 years service is 28.6 days. Lancaster does not give extra days on completion of 10 years service

Additional Leave Based On Grading

Four of the 15 authorities give additional days based on the grade of the post. For those at spinal column point 29 and above the average holiday entitlement across the 15 authorities is 25.1 days. Lancaster is just in excess of this with 26 days.

After 5 years service staff at spinal column point 29 and above have an entitlement of 31 days at Lancaster. The average entitlement is 28.8 days.

After 10 years service staff at spinal column point 29 and above have an entitlement of 31 days at Lancaster. The average entitlement is 29.3 days.

POSSIBLE OPTIONS

There are a number of options that can be considered to achieve full or partial harmonisation of holiday entitlements.

1. **Harmonise All Basic Holiday Entitlements at 23 Days plus 8 Statutory Days**

This proposal would reduce everyone to the lowest level of entitlement. The entitlement would be inclusive of the two extra statutory days.

An additional 5 days would still be given for 5 years service in accordance with the Green Book.

Advantages: This could be quantified as an efficiency saving as the amount of paid holiday within the Council would reduce.

Disadvantages: Employees most affected by this would be those currently paid at or above scp 29 who will lose contractual holiday entitlement.

Some employees paid at or above scp 29 could be facing not only a reduction in salary in the medium term as an outcome of the Fairpay process but also a loss in holiday entitlement. This will increase low morale at a difficult time.

2. **Harmonise All Basic Holiday Entitlements at 26 Days plus 8 Statutory Days**

This proposal would give everyone the entitlement of those currently on scp 29 and above. The entitlement would be inclusive of the two extra statutory days.

An additional 5 days would still be given for 5 years service in accordance with the Green Book.

Employees currently below scp 29 and not on flexi time receive overtime payments for any additional hours worked. It is proposed that this continues unchanged although the overtime scheme is also being reviewed as part of Fairpay.

Employees below scp 29 who are on flexi-time receive overtime for any hours undertaken outside the period covered by the flexi time scheme. However, the bandwidth during which flexi-time operates has been substantially widened since the scheme was introduced and is now 7.30 am to 7.30 pm). It is proposed therefore that this is changed to time off in lieu'.

Employees above scp 29 currently do not receive overtime payments and are not given any credit for hours worked outside the period covered by the flexi time scheme. This is because they receive the additional three days holiday. It is therefore proposed that this group of employees also receive time off in lieu for any hours worked outside the period covered by flexi time to bring them into line with other employees.

Advantages: Many employees would receive an increased holiday entitlement or the ability to take TOIL and this would be a positive outcome for them from job evaluation.

Disadvantages: There would be a cost to this in additional days paid holiday.

3. **Maintain Status Quo**

This proposal would leave all holiday entitlements as they currently stand.

Advantages: This is obviously easier in terms of the implementation of Fair Pay. It avoids creating any losers in terms of holiday entitlement and thus increasing low morale. It also avoids additional costs where increased holiday entitlement is granted.

It does not cause difficulties with contracts and national terms and conditions of employment.

Disadvantages: It does not achieve harmonisation of holidays. However not all councils have chosen to take this route.

4. **Link Part of Holiday Entitlement to Good Attendance**

Under this proposal staff would be given additional holiday entitlement for good attendance. It is proposed that there would be two additional days for a 12 month period with no sickness absence and one additional day for a 12 month period with only one day of sickness absence. The reference period would be the holiday year and the additional days would be awarded for the following year. If there was sickness in that year then the additional days would not be granted in the subsequent year.

HR would check the attendance figures and then write to the employees with no absence or only one day's absence to thank them. The employee would then take the letter to the manager who would add the extra day(s) to their leave card.

There are three ways of approaching this:

- a) The days could be deemed to part of the basic entitlement in whichever option is chosen and therefore the employee would lose one or two days from the entitlement if they are off sick. This seems harsh and is unlikely to act as the incentive we are looking for to improve attendance.
- b) The days could be additional to the basic entitlement.
- c) The days could be additional to the entitlement for employees who lose or stay the same whichever option is selected and within the entitlement for those who gain.

This latter approach is illustrated in the table below.

	Staff Group	Current Basic	Revised Basic	Sickness Linked Days	Total	>5 years Current Basic	>5 Years Revised Basic	Sickness Linked Days	Total
Option 1	Green Book <scp29	23	23	2	23+2	28	28	2	28+2
	Green Book ≥scp29	26	23	2	23+2	31	28	2	28+2
Option 2	Green Book <scp29	23	26	2	24+2	28	31	2	29+2
	Green Book ≥scp29	26	26	2	26+2	31	31	2	31+2
Option 3	Green Book <scp29	23	23	2	23+2	28	28	2	28+2
	Green Book ≥scp29	26	26	2	26+2	31	31	2	31+2

As it is not clear whether this would assist in the reduction of sickness absence it is suggested that there is a trial period of perhaps three years to assess its effectiveness.

Advantages: It will reward those employees who have a good attendance record. It could assist in reducing sickness absence across the council. It will be welcomed by some of the trade unions who are in favour of this approach. They believe that those who attend regularly have to cover for colleagues and deal with the difficulties absence creates and this should therefore be recognised.

Disadvantages: It could be an additional cost to the council. If it is successful it could lead to a reduction in absence costs which will minimise the cost of the additional holidays. It raises an issue about rewarding employees for attending work when it is part of their contract of employment to attend work regularly and they are paid the appropriate salary for doing this.

OTHER ISSUES IN RELATION TO HOLIDAY ENTITLEMENT

If the council maintains a difference in holiday entitlement for those on or above spinal column point 29 then there will need to be consideration of what will happen to employees who are currently paid at this level but following the implementation of the new pay and grading structure will be on a lower spinal column point. The holiday entitlement could be protected while the salary is being protected and then reduce at the end of the three year protection period.

SUMMARY

1. There are a number of options which can be proposed either individually or combined. The views of the trade unions are sought on these options.

Elaine Frecknall
HR Manager
8th November 2008

CABINET**BUDGET AND POLICY FRAMEWORK - UPDATE****9 December 2008****Joint report of
Corporate Director (Finance and Performance) and
Head of Financial Services****PURPOSE OF REPORT**

To note progress made since the last Cabinet meeting in bringing forward options to refresh the 2009/10 Corporate Plan and to consider if any action is required.

To note progress in respect of updating the Medium Term Financial Strategy (MTFS) and budget exercise and to determine any actions that might be required.

Key Decision**Non-Key Decision****Referral from Officers****X****Date Included in Forward Plan**

N/A

This report is public.**OFFICER RECOMMENDATIONS**

- (1) To note the latest progress made on refreshing the 2009/10 Corporate Plan.
- (2) To agree any actions that might be required to ensure the targets and deadlines for updating the Corporate Plan set out in the Budget and Policy Framework timetable are met.
- (3) To note progress made in respect of the MTFS and budget exercise and determine any actions that might be required.

1.0 CORPORATE PLAN REFRESH

- 1.1 At its meeting on 11 November Cabinet considered a progress report on refreshing its Corporate Plan and agreed -
 - (1) That Cabinet notes the latest position on delivering the 2008/09 Corporate Plan targets.
 - (2) That Cabinet notes the latest position in refreshing the 2009/10 Corporate Plan and that the further development of the Plan be undertaken within the context of the Council's financial position as reported in the latest MTFS report and that a further report be given to the next Cabinet meeting including

the comments of the three Statutory Officers of the City Council, identifying the implications.

1.2 Since the meeting, officers have been meeting to consider options for updating the Corporate Plan as requested by Cabinet. This work is currently not completed and although details are not presently available, options for refreshing the Corporate Plan with comments from the Statutory Officers will be circulated prior to the meeting as soon as practicable.

1.3 Cabinet should note that the Lancaster District LSP Sustainable Community Strategy was approved at November's Council.

2.0 **MEDIUM TERM FINANCIAL STRATEGY / BUDGET PREPARATION UPDATE**

2.1 At its last meeting, Cabinet considered a report that reviewed the latest position in respect of the MTFS and resolved (Minute 81):

- (1) That Cabinet notes the revised financial projections at this stage and the assumptions underpinning them, and resolves that they be referred on to Council for information.
- (2) That, at this stage, Council be recommended in principle to retain the existing Council Tax target increase of no more than 4% for future years, but that this be reviewed at the budget develops.
- (3) That, in response to the deterioration in the financial outlook and in order to take forward the setting of a balanced revenue budget for future years, the following actions be taken forward as top priority:
 - Progressing the sale of land at South Lancaster to ensure completion is not delayed;
 - Progressing current negotiations regarding Lancaster Market in order to reach a conclusion by 31 December, so that other alternative options for the future use of the building and/or the Council's interests can be appraised, if a satisfactory outcome is not forthcoming;
 - Bringing forward proposals for the future use of the Auction Mart site as an interceptor car park;
 - Progress Storey Institute Creative Industries Centre to a successful launch and a first year of operation that requires little or no revenue subsidy from the City Council.
- (4) That, in order to achieve item 3 above, and to avoid the Council taking on any further financial or other pressures at this time, Cabinet approves in principle that other initiatives be deferred, and that this be considered in detail by Star Chamber

2.2 In respect of minute resolutions 81 (1) and (2), a report will be presented to Council on 17 December.

2.3 In respect of minute 81(3) officers are progressing the issues outlined in the resolution.

2.4 In respect of minute 81 (4), Star Chamber continue to meet on a regular basis to progress the issues referred to in the resolution.

2.5 Work has also continued in respect of reviewing the MTFS and preparing the draft budget. A summary outlining the latest position will be circulated as soon as practicable.

3.0 OPTIONS ANALYSIS

3.1 Refresh of Corporate Plan

- Option 1 to note progress made on refreshing the Corporate Plan and to agree any actions that might be required to meet the agreed deadlines as set out in the Budget and Policy framework timetable.
- Option 2 to note progress and determine an alternative process for refreshing the Corporate Plan.

3.2 MTFS / Budget Exercise

- Option 1 to note the latest position in respect of the MTFS and budget exercise.
- Option 2 to agree an alternative to option 1.

3.3 The preferred option for both is option 1.

RELATIONSHIP TO POLICY FRAMEWORK	
The refresh of the Corporate Plan and MTFS is an integral part of the Council's Policy Framework and used as the basis for allocating resources in the budget exercise.	
CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)	
None arising directly as a result of this report.	
FINANCIAL IMPLICATIONS	
None arising directly as a result of this report as yet.	
SECTION 151 OFFICER'S COMMENTS	
The Section 151 Officer has been consulted and has no comments to add.	
LEGAL IMPLICATIONS	
None arising directly as a result of this report.	
MONITORING OFFICER'S COMMENTS	
The Monitoring Officer has been consulted and has no comments to add.	
BACKGROUND PAPERS Corporate Plan 2008/09	Contact Officer: Roger Muckle Telephone: 01524 582022 E-mail: rmuckle@lancaster.gov.uk Ref: RCM/JEB

CABINET

Star Chamber

9 December 2008

Report of Corporate Director (Finance and Performance)

PURPOSE OF REPORT			
To receive an update on the Star Chamber meetings held since the last report to Cabinet of 11 November 2008.			
Key Decision		Non-Key Decision	Referral from Cabinet Member
			X
Date Included in Forward Plan	N/A		
This report is public.			

RECOMMENDATIONS OF COUNCILLOR ROGER MACE

(1) That the report be noted.

1.0 Introduction

- 1.1 Star Chamber is an informal meeting of Cabinet Members supported by senior officers. Its purpose is to provide a continuing process that considers options brought forward from cabinet portfolio holders with the aim of ensuring value for money by identifying potential efficiencies, and opportunities, where appropriate, for diverting resources away from non-priorities and into Council priorities. These options may well consider alternative methods of service delivery and how increased collaboration within Team Lancashire could provide efficiencies. Options will focus on financial, physical, and human resource matters.
- 1.2 Star Chamber also provides the framework and focus for achieving the financial savings targets included in the Medium Term Financial Strategy and Corporate Plan, and also to assist Cabinet in bringing forward its annual budget proposals.
- 1.3 The group meets regularly to consider proposals brought forward by Cabinet portfolio holders and reports for information are made on a regular basis into Cabinet and also into the Budget and Performance Panel.
- 1.4 Star Chamber works to revised Terms of Reference as agreed at the Cabinet meeting held on 2 September 2008.
- 1.5 Since the last report to Cabinet, Star Chamber met on 12 , 19 and 26 November. Action notes are attached as an **Appendix**. The action note for 26 November is to follow.

RELATIONSHIP TO POLICY FRAMEWORK

The work of the Star Chamber is critical to providing a challenge and review to both the way that our services are provided or their appropriateness to the targets set out in the Corporate Plan & Policy Framework. In particular this can be seen in:

- Corporate Plan Core Values – Sound Financial Management
- Corporate Plan Priority No 1 “To deliver value for money customer focused services”
- Revenue Budget & Capital Programme Monitoring
- Medium Term Financial Strategy target

CONCLUSION OF IMPACT ASSESSMENT

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

None arising directly as a result of this report.

FINANCIAL IMPLICATIONS

None arising directly as a result of this report.

SECTION 151 OFFICER’S COMMENTS

The Section 151 Officer has been consulted and has no comments to add.

LEGAL IMPLICATIONS

None arising directly as a result of this report.

MONITORING OFFICER’S COMMENTS

The Monitoring Officer has been consulted and has no comments to add.

BACKGROUND PAPERS

Corporate Plan 2008/09
Revenue Budget and Capital Programme
Medium Term Financial Strategy 2008

Contact Officer: Roger Muckle

Telephone: 01524 582022

E-mail: rmuckle@lancaster.gov.uk

Ref: RCM/JEB

ACTION NOTES FROM STAR CHAMBER HELD ON 12 NOVEMBER 2008

PRESENT: Councillors R Mace (Chair), E Archer, J Barry, E Blamire, A Bryning, S Burns, S Charles, J Fletcher, J Gilbert, D Kerr
M Cullinan, P Loker, H McManus, R Muckle, N Muschamp, J Barlow (notes)

1 APOLOGIES

All present, no apologies.

2 LAST MEETING NOTES AND MATTERS ARISING

It was noted that Cabinet yesterday had requested an officer contribution towards the Corporate Plan priorities from statutory officers.

The list of statutory/non-statutory functions were now attached.

3 MTFS UPDATE

The latest position was noted.

4 SERVICE EFFICIENCIES / IMPROVEMENTS

In light of the information considered in 3 above, the following suggestions were discussed as potential options for efficiencies.

(a) Lancaster Market

CD(REG) to report to December Cabinet on all options, to include legal entitlements, and tenancy information. It was acknowledged however that the Council was tied in to a long lease.

(b) Shared Services

Opportunities for generating efficiencies through partnership working (Team Lancashire in particular) were discussed. It was agreed that a list of services that could be shared or outsourced would be provided, along with information on shared services already taking place within the county and how successful it was and lessons learned – both reports to be completed by 26 November.

(c) Salt Ayre Trust

This option to be kept as provisional for the time being. The previous report that considered this to be circulated.

(d) LSP

Information on the cost of the LSP to be provided.

(e) Museums Partnership

It was noted that a review was being undertaken on this partnership and a report back to Star Chamber was requested when it was completed.

(f) Grant Assistance

A brief report identifying all grants currently made by the Council to be brought to Star Chamber to decide if further work was required on working up options.

(g) Cultural Services

It was noted that a report reviewing options for efficiencies in Cultural Services was currently being prepared and would be circulated as soon as possible. This report would cover all activities of the Service, including the Dukes, Dome, Platform, Festivals and Events, Community Sport and Leisure Development.

(h) Marketing and Communications

It was noted that work on improving the effectiveness through a corporate approach to marketing and communications was ongoing and would be reported to the group as soon as possible.

(i) Plastic Waste Collection

A review of the collection rounds to be undertaken to include plastics and other recyclables and how soon options could be implemented.

(j) Internal Post and Subscriptions

Clarification of internal post and subscription provisions that appeared in the budget book was requested.

(k) Youth Games

Report back to December Cabinet on the options available to the Council.

In addition to the above, officers were requested to prepare options for savings required to meet the budget targets for 2009/10 and beyond.

In order for officers to make proposals, members would need to be clearer about their priorities and all members were asked to let the CD(F&P) have their comments and responses on the Leader's draft priorities by the end of next week, i.e. 21 November. All comments to be copied to the Leader.

4 OPTIONS FOR SERVICE EFFICIENCIES AND IMPROVEMENT

Star Chamber considered the savings and growth proposals prepared to date one by one and agreed as follows:

Council Housing – Procurement of Materials

Agreed not to take further at this stage but further information would be prepared on the implications for General Fund services.

Fleet Management – share with other Councils

This would not impact on next year's budget but should be pursued.

VMU Reduction in Establishment

It was agreed to include this proposal on the provisional list.

Review of Waste Collection Rounds

– see (i) above.

CCDS Budget Process

- see (i) above.

Increase charge for bulky matters

Agreed to include on provisional list. Request for information on what other authorities charge and to review charge annually.

[The agreed meeting time of a maximum 2 hours had elapsed and the meeting had to close, but it was agreed to reconvene the following week.]

It was noted that Savings and Growth proposals had not as yet been considered by the Cabinet member with responsibility for Efficiency. It was agreed that the Leader would prepare and distribute for the next meeting a list of those proposals that should go forward for further work, and include his comments and requests.

5 ACCESS TO SERVICES UPDATE

A report previously requested by Star Chamber was circulated for information.

6 DATE OF NEXT MEETING

10.00 am Wednesday 19 November 2008

Committee B, Lancaster Town Hall

RCM/JEB/12 November 2008

ACTION NOTES FROM STAR CHAMBER HELD ON 19 NOVEMBER 2008

PRESENT: Councillors R Mace (Chair), E Archer, J Barry, E Blamire, A Bryning, S Burns, S Charles, J Fletcher, J Gilbert, D Kerr
M Cullinan, P Loker, H McManus, N Muschamp, J Barlow (notes)

1 **APOLOGIES**

Roger Muckle.

2 **LAST MEETING NOTES AND MATTERS ARISING**

The actions notes from 12 November were not considered and would be brought forward to 26 November meeting.

3 **MTFS UPDATE**

The Head of Finance reported verbally there was no change so far. The first draft budget would be finalised and this would include any update re Concessionary Travel,

4 **SERVICE EFFICIENCIES / IMPROVEMENTS**

Star Chamber considered savings and growth proposals outstanding from 12 November meeting.

SAVINGS PROPOSALS

(a) *CCDS – Increase coverage of bulky matters*

Agreed to take forward and include on provisional list.

(b) *CCDS – Closure of West End Toilets*

Further information requested to include list of all toilets, potential savings, and in which parish council area.

(c) *CCDS – Cease Funding of 4 Environmental PCSOs*

Cabinet Liaison Group to be arranged for first week in December to look at Neighbourhood Management report including implications for PCSOs.

An evaluation of PCSOs was requested for the next meeting.

Information on Home Office plans for contribution to funding of PCSOs for the future to be sought and reported back to Star Chamber.

(d) *H&SH – Private Water Supplies*

It was agreed to include this efficiency saving on the provisional list.

(e) *I&CS – Replace Desktop Printers with Multi-Function Devices*

Agreed to include on the provisional list.

A report on progress being made using laptops at meetings was requested.

(f) *Corporate – Implement Findings of Marketing Review*

It was agreed to take this forward. The report on the Review was almost finalised.

(g) *Revenues – Minor Staffing Restructure*

It was agreed to include this on the provisional list.

(h) *Revenues – Renegotiation of Bailiff Fees*

It was agreed to include this on the provisional list.

GROWTH PROPOSALS

(i) *Property Services – Energy Manager / Energy Performance Certificates*

The CD(REG) was looking at both of these and would report back on options including partnership working.

(j) *Property Services – CCTV Staff Contract Renewal*

A briefing note would be prepared on an exit strategy including issues such as town centre management, community safety, value for money, traffic management, etc.

- (k) *Legal & HR – Increased Provision of OH Advice*
It was agreed to add this to the provisional list.
- (l) *Legal & HR – Voluntary Registration with the Land Registry of Council's Unregistered Land Holdings*
This was a "spend to save" item and it was agreed to add this to the provisional list.
- (m) *Corporate Strategy – Service Satisfaction Survey*
It was agreed to defer this item.
- (n) *Corporate Strategy – Community Cohesion*
It had been agreed at Cabinet on 11 November not to take this forward.
- (o) *Corporate Strategy – Secure Resources for Project/Performance and Programme Management Arrangements*
A decision would be made after consideration of a report from the CD(REG) to Cabinet in December.
- (p) *H&SH – Increase the Homeless Priority Need Budget to meet DCLG Targets*
Report back requested to include broader issues.
- (q) *H&SH – Additional Staffing for Statutory Housing Standards Work*
It was agreed to include this on the provisional list.
- (r) *H&SH – Additional Staffing in Homelessness Team*
It was agreed to defer a decision until the Cabinet Liaison Group had reported back on the future of Neighbourhood Management.
- (s) *H&SH – Memorial Safety Team*
It was agreed to defer a decision pending a report to Cabinet on risks and legal implications.
- (t) *CCDS – Augment Cleansing Schedules in Morecambe*
This was not accepted for inclusion on the provisional list.
- (u) *CCDS – Improved Recycling Facilities in Council Buildings*
It was agreed to defer this until next year.
- (v) *CCDS – Enforcement Publicity Campaign*
This was not accepted for inclusion on the provisional list.
- (w) *CCDS – Arson Reduction Team*
It was agreed to include this on the provisional list and to include in the Neighbourhood Management discussions re mainstreaming of budgets.
- (x) *CCDS – Schools Recycling*
It was agreed to include this on the provisional list.

The agreed meeting time of a maximum 2 hours had elapsed and it was agreed to leave consideration of Council Housing growth proposals from 12 November agenda until the next meeting.

A special Cabinet briefing to be prepared on rent increases.

5 Date of Next Meeting

10.00 am Wednesday 26 November, Committee B, Lancaster Town Hall.

NM/JEB/19 November 2008

ACTION NOTES FROM STAR CHAMBER HELD ON 26 NOVEMBER 2008

PRESENT: Councillors S Charles (Chair), J Barry, E Blamire, A Bryning, S Burns, J Fletcher, J Gilbert, D Kerr

M Cullinan, P Loker, H McManus, R Muckle, J Barlow (notes)

1 APOLOGIES

Councillors R Mace and E Archer. Nadine Muschamp, Head of Financial Services.

2 LAST MEETING NOTES AND MATTERS ARISING

The action notes from previous meetings were accepted.

The following briefing notes requested at earlier meetings were available at the meeting:

- Plastic Waste Collection – Review of Rounds
- Cost of Bulky Waste Collection – Other Authorities
- Proposal to Mothball Toilets
- Progress report on use of Laptops at Meetings

3 MTFS UPDATE

The Corporate Director (Finance and Performance) reported verbally there was no change however awaited confirmation of concessionary travel funding was likely to have a detrimental impact on the draft budget.

4 SAVINGS AND GROWTH – LATEST SUMMARY

Members considered the current summaries and requested these be further broken down, i.e. showing summary of accepted, provisionally accepted, provisionally rejected, and rejected savings, and similarly for growth, and that these be distributed as soon as possible.

Star Chamber considered both new and outstanding savings and growth proposals as follows.

SAVINGS PROPOSALS

- (a) *Democratic Services – reduction in printing and stationery costs as a result of increased electronic provision of agenda, minutes and other documentation.*

It was agreed to include this on the proposed list of savings.

- (b) *Democratic Services – Discontinuation of distribution service to Members*

Further information requested to include impact on the Member support services, a comparison of cost of using postal services, and further work on costings of the proposal.

- (c) *Democratic Services – Beadle Services*

It was agreed to include this on the proposed list of savings.

- (d) *Cultural Services – Closure of One or More Community Swimming Pools*

Further information would be brought back to Star Chamber to include alternative pool options, consequent savings from support services if closed, figures for usage of the pools, and capacity for extra usage at Salt Ayre. It was agreed to include this on the list of provisional savings.

- (e) *Cultural Services – Closure of The Dome*

It was agreed to accept this as a proposed saving and that it be brought to the next Cabinet meeting as an item of urgent business.

- (f) *Cultural Services – Review of Museums Partnership*

The Partnership agreement was currently being scrutinised for savings and efficiencies and would be reported to Star Chamber in January 2009.

- (g) *Cultural Services – Summer Playschemes*

The Corporate Director (Regeneration) had tasked the Head of Cultural Services to investigate sponsorship of Playschemes by major local businesses as part of their community responsibilities. It was agreed however not to accept this as a proposed savings.

- (h) *Cultural Services – Withdraw from Participation in the International Youth Games*

It was agreed to include this option on the proposed list and to report into the next Cabinet meeting as an urgent business item.

- (i) *Cultural Services – Withdrawal Festivals Innovation Fund (FIF)*

It was agreed to add this to the list of proposed savings pending consideration of a report to Cabinet.

- (j) *Cultural Services – Closure of The Platform*

It was agreed not to accept this for inclusion on the list of proposed savings.

- (k) *Economic Development – Marketing*

- (l) *Economic Development – Tourism Marketing*

- (m) *Economic Development – Tourism – Removal of exhibitions and photography budgets*

The Corporate Director (Regeneration) was undergoing a corporate review of marketing to deliver efficiencies and savings across all service areas. It was agreed not to include these particular savings proposals because they would be included in the corporate review.

- (n) *Economic Development – Tourism policy – BRADA*

- (o) *Economic Development – Tourism policy – Lancs & Blackpool Tourist Board*

Information on the corporate costs of attendance at conferences was requested and would be reported back to a future meeting.

It was agreed not to accept these two savings proposal.

- (p) *Economic Development – Tourist Information Centres*

It was agreed not to accept this saving proposal.

GROWTH PROPOSALS

Democratic / Property Services – Modernisation of meeting facilities

There was no support for this proposal, unless it could be incorporated into the overarching Access To Services Review as an efficiency.

Members were reminded by the Corporate Director (Finance and Performance) that until Members confirmed their corporate priorities, the Access To Services review was currently on hold until officers knew whether budgets were to be allocated.

Star Chamber requested a further report on the latest position with the ATS Review.

- (q) *Council Housing x 6 Growth Proposals*

The Corporate Director (Community Services) explained that all these proposals would be funded from the Housing Revenue Account and would have no impact on the General Fund. Each would be considered in the January report to Cabinet on the Housing Revenue Account and Capital Programme.

- (r) *Economic Development – Rent Grant*

Further information was required on what other options could be offered to assist local businesses and information regarding previous take-up success. It was agreed to defer a decision on this proposal pending further information.

5 DATE OF NEXT MEETING

11.00 am Wednesday 3 December, Committee B, Lancaster Town Hall.

RCM/JEB/26 November 2008

CABINET

Approval of the Tourism Strategy Update, 2008

9th December 2008

Report of Head of Economic Development and Tourism

PURPOSE OF REPORT			
The purpose of the report is to seek formal approval of the Tourism Strategy Update, 2008, document and its publication on the website.			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Officer Referral	<input checked="" type="checkbox"/>
Date Included in Forward Plan	Not applicable		
This report is public			

RECOMMENDATIONS:

(1) To approve the Tourism Strategy Update, 2008, document and its publication on the website.

1.0 Introduction

1.1 The City Council's Tourism Strategy for 2006 – 2010 was approved in June 2006, following extensive public consultation. Section 6 of the Strategy states that a formal review will be undertaken at its mid point in 2008. This has been completed and the Tourism Strategy Update report has been discussed at the Q1 PRT meeting on 30th July, 2008. The Tourism Strategy remains valid until 2010.

2.0 Proposal Details

2.1 The Tourism Strategy Update document.

The Update document retains the objectives of the approved Tourism Strategy and summarises the progress which has been made over the past two years. In Appendix 3 of the Tourism Strategy, the value and volume of tourism statistics for the district have been given but more recent figures have been reported in the Update document.

The major part of the Tourism Strategy Update is the Action Plan. This has been taken from the Strategy and updated. The main change to the action plan has been to add a column to show any new information or targets, e.g. the coastal defence is

now shown as complete and that item can be removed from the new strategy in 2010. Other examples include reference to progress on the Winter Gardens, on the Lancaster VIC in The Storey and on Lancaster's heritage offer (resulting from the work of the heritage group set up through the Vision Board).

The target of 5% annual growth in tourism spending in the district has been changed to +1% in order to more accurately reflect the economic situation. The only other financial target changed is the revision of 10% increase in income through the accommodation booking hot line to +5% annually, again reflecting current trends. Other ways of making income to offset this national downturn in bookings through TICs are being examined.

It is intended that the Tourism Strategy will continue to be implemented within existing budgets.

3.0 Details of Consultation

3.1 Discussed within the Service, with other related Services and with relevant Cabinet Members.

4.0 Options and Options Analysis (including risk assessment)

4.1 Option 1 - Do nothing. Failure to publish an Update Report would be contrary to the approved strategy. Some members and private sector partners may question why one has not been published.

4.2 Option 2 - Amend the Tourism Strategy Update. The report has already undergone a number of revisions and was discussed at the Q1 PRT meeting. Further revisions would delay the publication unless they were minor ones.

4.3 Option 3 - Approve the Tourism Strategy Update document and publish it on the website. This can also be used for positive publicity for the City Council.

5.0 Officer Preferred Option (and comments)

5.1 The preferred option is Option 3 as relevant members have seen the current Update and no further revisions have been requested. A publicity story can then be produced and the Update published on the website. It is not proposed to publish a paper version of the Tourism Strategy Update document.

6.0 Conclusion

It is recommended that the Tourism Strategy Update, 2008, is approved and published. This can act as a basis of discussions with the LSP and lead towards the writing of a new Tourism Strategy for the district in 2010.

RELATIONSHIP TO POLICY FRAMEWORK

"A Tourism Strategy for Morecambe, Lancaster and the Lune Valley, 2006 – 2010", approved in June, 2006.

CONCLUSION OF IMPACT ASSESSMENT

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

None

FINANCIAL IMPLICATIONS

There are no financial implications arising directly from this report. As highlighted above, it is the intention that its implementation will continue to be in line with existing budgets.

With regard to the reduction in anticipated TIC income through the accommodation booking hotline, an adjustment has already been made to reflect the current trend of more customers booking direct via hotels' websites. This is on the basis that any shortfall can be offset by additional TIC income through affiliate sites and on-line merchandising. These two methods, although explored, are not yet currently used to their full potential. It will be necessary, in due course, to re-appraise the future arrangements regarding accommodation booking to ensure their ongoing cost-effectiveness.

The updated Strategy also includes a small number of specific targets that could, potentially, have financial implications arising. Examples include the THI Scheme, and the possibility of seven day opening at Morecambe VIC. With regard to the latter, this is in the early stages and may be piloted during the Spring months of 2009. Further information is required in order to appraise its cost effectiveness, prior to taking any decision to implement.

Ultimately, any Strategy targets that have financial implications outside of the approved budget would be reported to Cabinet, for consideration as appropriate.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and has no further comments to add.

LEGAL IMPLICATIONS

None

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

Tourism Strategy Update (2008) document

Contact Officer: Jim Trotman

Telephone: 01524 582094/582811

E-mail: jtrotman@lancaster.gov.uk

Ref:

CABINET

Urgent Business Report

Report of Head of Democratic Services

PURPOSE OF REPORT					
To advise Members of actions taken by the Chief Executive, in consultation with the relevant Cabinet Members and the Chairman of the Overview and Scrutiny Committee.					
Key Decision		Non-Key Decision		Referral from Officers	X
This report is public.					

1.0 RECOMMENDATION

That the actions taken by the Chief Executive, in consultation with the relevant Cabinet Members and the Chairman of the Overview and Scrutiny Committee in accordance with the Scheme of Delegation, in respect of the following, be noted;-

1.1 YPO Electricity Contract

- (1) That approval be given to purchase electricity through the Yorkshire Purchasing Organisation (YPO) for a twelve month period from 1st November 2009 to 31st October 2010 at a current fixed rate around £63.00 MWh.
- (2) That call in and the requirement to include the decision in the Forward Plan be waived, in accordance with Overview & Scrutiny Procedure Rule 17 and special urgency procedures, to enable immediate implementation.

1.2 Filling of Vacant Posts in Financial Services

- (1) That authorisation be given to fill the posts of Exchequer Officer and Exchequer Assistant within Financial Services.
- (2) That the call in be waived, in accordance with Overview & Scrutiny Procedure Rule 17, to enable immediate implementation.

2.0 Background

2.1 YPO Electricity Contract

The Council is a member of the Yorkshire Purchasing Organisation (YPO), a consortium of local authorities from throughout the North of England, which specialises in the procurement of energy and other consumables for local authorities. The existing five-year electricity supply contract was obtained through the YPO and expires on the 31st October 2010.

The YPO have now aligned all Authorities under the current electricity portfolios to enable all providers to give renewal prices for electricity for an additional 12 months cover from 1st November 2009 to 31st October 2010. As at the 27th October 2008 electricity was trading at £63.00 per MWh compared to the current contract price of £82.60 per KWh which is fixed until 31st October 2009.

The urgency for this decision was that the YPO were offering Councils the opportunity of purchasing electricity at £63 per MWh for a twelve month period from 1st November 2009 to 31st October 2010 and to benefit from this, the YPO requested that submissions be logged with them by Wednesday 29th October 2008 at 11am. After this date we would not have had the opportunity to move to this option and would remain on a fixed option until 31st October 2009.

2.2 Filling of Vacant Posts in Financial Services

The post of Exchequer Officer (Payroll) will become vacant on 12 December following the early retirement of the current post holder. Financial Services were in the process of recruiting to the post when the current vacancy clearance process came into force. The post of Exchequer Assistant is also vacant, following internal promotion of the previous postholder.

The section is made up of only nine staff, covering a wide range of responsibilities. These include payroll, allowances and expenses reimbursement, residual car leasing and other non-pay benefits, purchase ordering and payments to suppliers, income management and sundry debtor management. There is currently no capacity anywhere else within the service to cover the work of these two posts. Prior to the recruitment freeze coming into force, the section was still reliant on using external contractors, pending becoming fully staffed – and this is still the case now.

The urgency for this decision is that there are currently 6 applicants shortlisted who are awaiting an interview date. This is a key post within the Service as its main task is to process all employees' pay, Members allowances and associated pension, tax and National Insurance payments.

3.0 Conclusion

Approval was given to the above actions, which are reported to this meeting in accordance with the City Council's Constitution.

RELATIONSHIP TO POLICY FRAMEWORK

This is in accordance with the Constitution.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability etc)

Not applicable.

FINANCIAL IMPLICATIONS

Comments were contained in the original reports.

SECTION 151 OFFICER'S COMMENTS

Comments were contained in the original reports.

LEGAL IMPLICATIONS

Comments were contained in the original reports.

MONITORING OFFICER'S COMMENTS

Comments were contained in the original reports.

BACKGROUND PAPERS

1. Letters to the Leader of the Council, Cabinet Member with Special Responsibility and Chairman of the Overview and Scrutiny Committee.

Contact Officer: Sharon Marsh
Telephone: (01524) 582096
E-mail: smarsh@lancaster.gov.uk
Ref ID: UB61/SM
UB62/NM

CABINET

**Employee Establishment - Vacancy Authorisation
09 December 2008**

Report of Chief Executive

PURPOSE OF REPORT			
To seek Cabinet’s approval to the filling of established vacancies where recommended.			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Chief Executive	X
Date Included in Forward Plan	N/A		
This report is public			

RECOMMENDATIONS OF THE CHIEF EXECUTIVE

- (1) That Cabinet Members agree that the vacancies recommended for filling by Service Heads are filled as soon as possible.
- (2) That the Revenue Budget be updated accordingly, for any deleted or deferred posts.

1.0 Introduction

1.1 Cabinet, at its meeting on the 12 November 2008, resolved, amongst other things:

That Cabinet

- (2) Notes the responsibility of Cabinet for the funding of the employee establishment and until further notice, determines to withdraw funding in respect of all posts becoming vacant, apart from Refuse Collection or where a service is facing severe disruption where temporary arrangements be put in place. It should be noted that health and safety is a priority and supersedes all other requirements. This is all subject to the outcome of (3) below.
- (3) Requests that the Chief Executive, upon any post becoming vacant, submits an appropriate form to Cabinet for its consideration to determine if the filling of the post is considered essential for delivering the Council priorities/statutory responsibilities.

- (4) Requests the Chief Executive to develop the appropriate internal procedures to manage this process.
- (5) Resolves that this process be reviewed following the next annual Council meeting in May 2009.
- (7) Authorises the Head of Financial Services to update the Revenue Budgets for any post reductions as a result of 2 and 3 above.

1.2 As determined by Cabinet, an appropriate Vacancy Authorisation form has been produced identifying employee vacancies. The form identifies where the post concerned contributes to a Council statutory responsibility, the fulfilment of a Corporate Plan Priority, Service Business Plan objective, income generation/collection or is financed by external funding. The forms will be circulated prior to the meeting.

2.0 Proposal Details

2.1 Cabinet is requested to consider the recommendations of Service Heads and comments from the Human Resources Manager and Corporate Directors. Cabinet are advised to identify which Service areas are considered to be a higher priority for the filling of vacancies and, therefore, approving expenditure.

3.0 Details of Consultation

3.1 None.

4.0 Options and Options Analysis (including risk assessment)

4.1 The information contained within each form provides details related to the risks of not filling the related vacancy. Cabinet has the option of releasing funding on either a time limited or permanent basis or withholding funding. If funding is not released, there will be an impact on Service provision. If funding is time limited, it will be more difficult and possibly more expensive to fill a post.

5.0 Officer Preferred Option (and comments)

5.1 To fill those posts as recommended by Service Heads unless Cabinet identifies the work as being of a low priority

RELATIONSHIP TO POLICY FRAMEWORK

Effective management of the council's establishment will help to meet the financial efficiency targets included in the Medium Term Financial Strategy. Care must be exercised however to ensure that the process allows the filling of vacant posts that contribute to the delivery of the Council's corporate priorities and statutory responsibilities.

CONCLUSION OF IMPACT ASSESSMENT

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

The process allows for an impact assessment of not filling a post to be made in respect of each vacant post as it is considered

FINANCIAL IMPLICATIONS

As set out on each Vacancy Authorisation form.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has no comments at this stage, but will comment at the meeting if necessary.

LEGAL IMPLICATIONS

There are no legal implications.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

Funding of the Employee Establishment Report to Cabinet and Minute from the 12 November 2008.

Contact Officer: Mark Cullinan

Telephone: 01524 582011

E-mail: chiefexecutive@lancaster.gov.uk

Ref:CE/ES/Ctees/Cabinet/Vacancy Authorisation/09.12.08

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted