



Committee: CABINET

Date: TUESDAY, 18 JANUARY 2022

Venue: MORECAMBE TOWN HALL

Time: 6.00 P.M.

A G E N D A

1. Apologies

2. Minutes

To receive as a correct record the minutes of Cabinet held on Tuesday, 7 December 2021 (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 receive declarations by Councillors of interests in respect of items on this Agenda.

Councillors are reminded that, in accordance with the Localism Act 2011, they are required to declare any disclosable pecuniary interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Whilst not a legal requirement, in accordance with Council Procedure Rule 9 and in the interests of clarity and transparency, Councillors should declare any disclosable pecuniary interests which they have already declared in the Register, at this point in the meeting.

In accordance with Part B Section 2 of the Code Of Conduct, Councillors are required to declare the existence and nature of any other interests as defined in paragraphs 8(1) or 9(2) of the Code of Conduct.

5. Public Speaking

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

Reports from Overview and Scrutiny

None

Reports

6. Advancing the Climate Emergency Local Plan Review (Pages 4 - 11)
(Cabinet Member with Special Responsibility Councillor Dowding)
Report of Director for Economic Growth & Regeneration
7. Corporate Fees & Charges Review 2022/23 (Pages 12 - 38)
(Cabinet Member with Special Responsibility Councillor Whitehead)
Report of Director of Corporate Services (report published on 13.01.22)
8. Budget & Policy Framework Update (Pages 39 - 50)
(Cabinet Member with Special Responsibility Councillor Whitehead)
Report of the Chief Finance Officer (report published on 17 January 2022)
9. Eden North: Car Parking - Agreement in Principle (Pages 51 - 61)
(Cabinet Member with Special Responsibility Councillor Dowding)
Report of Chief Executive

10. Exclusion of the Press and Public

This is to give further notice in accordance with Part 2, paragraph 5 (4) and 5 (5) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of the intention to take the following item(s) in private. Whilst agenda item 11 is public it contains exempt appendices and Cabinet would be recommended to go into private session if Members wish to refer to the exempt appendices.

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

“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(s) of business, on the grounds that they could involve the possible disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act.”

Members are reminded that, whilst the following item(s) have been marked as exempt, it is for Cabinet itself to decide whether or not to consider each of them 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 also whether the public interest in maintaining the exemption outweighs the public interest in disclosing the information. In considering their discretion Members should also be mindful of the advice of Council Officers.

11. Lancaster City Council Corporate Rebranding (Pages 62 - 90)
(Cabinet Member with Special Responsibility Councillor Caroline Jackson)
Report of the Chief Executive

12. Morecambe Sparkle 2022/25 (Pages 91 - 95)

(Cabinet Member with Special Responsibility Councillor Thornberry)

Report of Director of Economic Growth & Regeneration (report published on 18 January 2022)

13. Land forming part of Lancaster Leisure Park, off Wyresdale Road, Lancaster (Pages 96 - 102)

(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)

Report of Director for Economic Growth & Regeneration

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Caroline Jackson (Chair), Kevin Frea (Vice-Chair), Dave Brookes, Gina Dowding, Tim Hamilton-Cox, Tricia Heath, Erica Lewis, Cary Matthews, Sandra Thornberry and Anne Whitehead

(ii) Queries regarding this Agenda

Please contact Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk.

(iii) Apologies

Please contact Democratic Support, telephone 582170, or alternatively email democracy@lancaster.gov.uk.

KIERAN KEANE,
CHIEF EXECUTIVE,
TOWN HALL,
DALTON SQUARE,
LANCASTER, LA1 1PJ

Published on 7 January 2022.

Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	Date	18 January 2022
Title	Advancing the Climate Emergency Local Plan Review		
Report of	Director for Economic Growth and Regeneration		
Purpose of Report			
<p>The purpose of the report is to set out progress on the preparation of the Climate Emergency Review of the Local Plan (CELPR) following consultation on updated versions of both the Strategic Policies & Land Allocations Development Plan Document (DPD) and Development Management DPD in 2021 under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012.</p> <p>The report seeks the support of Cabinet for the revisions made to the both the Strategic Policies & Land Allocations DPD and Development Management DPD in response to the Regulation 18 consultation and additional evidence. Cabinet is asked to support the intention to seek a resolution from Council to formally publish both DPDs and then submit the documents, the representations received and all supporting evidence to the Secretary of State under Regulations 19 and 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012.</p> <p>It should be noted that the Cabinet is requested to support this approach, policy making is a function of full Council. With Cabinet's endorsement it is anticipated that a recommendation to publish and submit the CELPR DPDs will presented at the next meeting of Council, prospectively on 26th January 2022.</p>			
Key Decision (Y/N)	N	Date of Notice	Exempt (Y/N)
			N

Report Summary
<p>The Council adopted a new Local Plan for Lancaster District in July 2020, the Plan consists of Part One (Strategic Policies & Land Allocations DPD) and Part Two (a Reviewed Development Management DPD). The Plan provides a formal planning framework for Lancaster District in terms of providing strategic direction on future growth and identifying land which should be protected for its social, environmental, and economic value.</p> <p>The Council declared a Climate Emergency in January 2019. This was accompanied by a series of actions and ambitions on addressing Climate Change. The Council's declaration came too late in the Local Plan process to take account of the Climate Emergency Declaration (the Plan had been submitted to Government in May 2018).</p> <p>Consequently, in adopting the Local Plan in July 2020, the Council resolved to undertake an immediate review of the Local Plan, specifically to further consider Climate Change, following the Council's declaration of a Climate Emergency.</p> <p>Since adoption of the Local Plan, Council officers have been working on updating the Local Plan in the context of the declaration of a Climate Emergency. Consultation on the potential scope of the review took place in late 2020. On 13th July 2021 Cabinet resolved to consult on draft revised versions of the Local Plan documents under Regulation 18 of the Town &</p>

Country Planning (Local Planning) (England) Regulations 2012. An eight-week long consultation was held from Friday 23rd July to Friday 17th September.

The draft CELPR documents were generally welcomed, though a wide range of responses were received that alternatively supported or challenged the revised policies. Officers have now considered these responses and have prepared revised versions of the Strategic Policies & Land Allocations DPD and the Development Management DPD.

Officers have continued to work closely with the Local Plan Review Group (LPRG) and have reported progress at wider member briefings late in 2021.

Members are advised that subject to minor amendments (to correct errors, take account of factual updates, improve grammar or presentation), the finalised versions of both DPDs are ready to advance to the formal stages of the plan making process, specifically; publication under Regulation 19 of the 2012 Regulations and submission to the Secretary of State (via the Planning Inspectorate) under Regulation 22 of the 2012 Regulations.

It is recommended that Members endorse the content of the attached DPDs and the process of onward reporting to Council, prospectively on 26th January 2022, to seek a formal **decision** on a recommendation to Council to publish and submit to government.

Recommendations of Councillor Gina Dowding

- (1) That Cabinet endorses the content of the Climate Emergency Local Plan Review DPDs and the process of onward reporting to Council to seek a formal **decision** on a recommendation to publish and submit the revised document to government. Publication will enable formal representations to be received, and subsequently submitted to the government, along with the revised DPDs and supporting evidence. This will ensure that in accordance with the relevant regulations, the representations of the community and stakeholders about the soundness of the revised DPDs and the preparation process can be considered by a government appointed Inspector through an independent Examination.

Relationship to Policy Framework

The purpose of the CELPR is to ensure greater alignment with the Council’s ambitions around Climate Change in recognition of the Council’s Climate Emergency Declaration of January 2019.

The CELPR seeks to strengthen the Council’s planning policies with the aim of securing better outcomes from built development for climate change mitigation and adaptation. Improved outcomes from development will support the prospect of the Council achieving its wider objectives on climate change including the target of being Net Zero by 2030.

The CELPR will assist in the delivery of many of the Council’s other corporate priorities, including the creation of a more sustainable district, the provision of an inclusive and prosperous local economy and support for developing healthy and happy communities.

Conclusion of Impact Assessment(s) where applicable

<p>Climate The CELPR will support the adaptation to, and mitigation of, Climate Change and assist in achieving</p>	<p>Wellbeing & Social Value The CELPR aims to provide greater resilience to Climate Change by securing development outcomes with wide benefits to Well-Being and Social Value.</p>
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the actions and ambitions of the Council's Climate Emergency Declaration of January 2019.	
Digital The CELPR will support the Council's ambitions set out in its Digital Strategy, particularly around the installation of communications infrastructure in new development.	Health & Safety N/A
Equality N/A	Community Safety N/A
Details of Consultation	
<p>The scope of the CELPR was subject to public consultation during late 2020. Subsequently an eight-week period of consultation on revised policies was held during summer 2021 under Regulation 18 of the Town & Country Planning (Local Planning) (England) Regulations 2012. Member input to the consideration and drafting of revised policies has been enabled through discussion with members of the Local Plan Review Group.</p> <p>Following the extensive engagement on the CELPR over the course of 2020 and 2021 versions of both the Strategic Policies & Land Allocations DPD and Development Management DPD are ready to be advanced under Regulation 19 of the 2012 Regulations. This requires a formal six-week period of publication, supported by evidence and other relevant documentation, to ensure that interested parties can make formal representations on the soundness of the documents and the plan preparation process.</p> <p>The DPDs, the evidence and other documentation, and the representations made in the six-week period will be submitted to the government (via the Planning Inspectorate) under Regulation 22 of the 2012 Regulations. Once the documentation is received by the Inspectorate an Inspector will be appointed and the Council will be advised of the Inspector's intentions to hold an independent Examination. The Inspector will consider all the submitted material and, in most cases, will chair hearing sessions series at which he or she will invite people from amongst those who made representations to assist with his or her consideration of issues of soundness.</p>	
Legal Implications	
<p>Regulations 19 and 22 are necessary stages of the plan-making process. Regulation 19 provides the opportunity for representations to be made in relation to the soundness of the Plan, including accordance with national planning policy, and its preparation process, including compliance with legal requirements.</p> <p>Regulation 22 is the formal process of submitting the Plan, its supporting documentation and the representations received under Regulation 19 to the Government for independent Examination.</p>	
Financial Implications	
<p>There are no direct financial implications arising from this report. The process of preparing the Climate Emergency Local Plan Review is currently fully funded and resourced from within existing budgets. There is the potential for additional costs such as consultancy support for challenges, greater inspector costs for detailed examinations, and legal challenges.</p> <p>Any future decisions or variations that result in further costs must be reported and approved as appropriate prior to their commencement.</p>	
Other Resource or Risk Implications	
<p>The policies of development plan documents are used in the determination of development proposals; however, there are no other direct resource or risk implications arising from a positive resolution to a recommendation to forward the documents to Council for formal publication and submission or consult on the draft documents.</p>	

Section 151 Officer's Comments	
The Section 151 Officer has no further comments to add to those already provided within the Financial Implications.	
Monitoring Officer's Comments	
The Monitoring Officer has been consulted and has no comments to add. The Local Development Plan and Development Plan Documents form part of the Policy Framework of the Council, adoption of which must be by Full Council.	
Contact Officer	Maurice Brophy. Service Manager – Planning and Housing Strategy
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Email	mbrophy@lancaster.gov.uk
Links to Background Papers, click here	
<ul style="list-style-type: none"> • Climate Emergency Review of the Strategic Policies and Land Allocations Development Plan Document [P_01.1] • Climate Emergency Review of the Development Management (Policies) Development Plan Document [P_02.1] • Sustainability Appraisal Report (SA) by AECOM [P_03] • Habitats Regulation Assessment Screening Report (HRA) by AECOM [P_04] • Equality Impact Assessment (EIA) [P_05] • Rapid Health Impact Assessment (rHIA) [P_06] • Regulation 18 Statement of Consultation Report [P_07] <p>Other Supporting Material (Evidence Base Documents)</p> <ul style="list-style-type: none"> • Evidence Base documents 	

1.0 Introduction

- 1.1 Cabinet Members will be aware that the Council made a significant decision to adopt a new Local Plan in July 2020. The adopted Plan establishes how much development is required to meet local needs up to 2031 and it protects land for its environmental, economic, and social value. The production of a Local Plan is a legal requirement for the Council (as local planning authority) and the application of its policies in the determination of planning proposals means it has significant influence on development in the district.
- 1.2 Along with adopting the Local Plan in July 2020, the Council also approved an updated Local Development Scheme (LDS) [the Local Plan timetable] which sets out the Council's intention to proceed with an immediate review of the just-adopted Local Plan in the context of the Climate Emergency Declaration, as made by the Council in January 2019.
- 1.3 In September 2020, Cabinet Members endorsed the formal commencement of the Climate Emergency Local Plan Review (CELPR) which set out the proposed timetable for preparation and the regulatory plan-making processes.
- 1.4 Given the context of the Climate Emergency, the timescales for preparing the CELPR have been ambitious, and work to undertake the CELPR has been appropriately resourced by the City Council and has been undertaken rapidly by officers of the Planning and Place Service with support from external consultants.

- 1.5 This report sets out the progress of the CELPR to date, a summary of the key changes which have occurred within the CELPR documents between consultation on the draft versions earlier this year and the finalised versions (these can be read in more detail through the full, tracked-changed, version of both DPDs which accompany this report).
- 1.6 The report sets out a recommendation for Cabinet Members to endorse the content and direction of both DPDs prior to a formal decision being taken on its Publication and Submission of the documents for the Secretary of State (via the Planning Inspectorate) under Regulations 19 and 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

2.0 Progressing the Review

- 2.1 A report was presented to Members at the 13th July 2021 Cabinet which set out the progress on the CELPR to that date and with a recommendation to publish and consult on a suite of draft policies under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulation 2012.
- 2.2 Following approval, consultation took place for an eight-week period between 23rd July and 17th September 2021. A series of seven topic-based videos were produced to provide detailed summaries of the policies proposed as part of the CELPR process. These were made available on the CELPR pages of the Council's website and were well received.
- 2.3 The consultation resulted in 544 comments being received from 44 separate submissions and the topic area where most comments were received was in relation to the Green and Blue Infrastructure strategy. Second to this was comments in relation to Viability Assessments, and then energy efficiency and sustainable design and construction matters.
- 2.4 A response was received from a developer consortium comprised of eight developers/housebuilders which raised queries relating to viability and concerns over whether the new proposed policy requirements within the CELPR would make development unviable. A response of this nature is not unexpected, as development viability can be a key issue for residential development. Council officers held a Development Industry Engagement Event as part of the consultation in the summer; invitations were sent to over 350 industry representatives.
- 2.5 A Viability Assessment was undertaken, by specialist consultants Three Dragons, prior to the formulation of the new policies. Three Dragons have also further assisted council officers in considering the responses to the issues that the consortium raised.
- 2.6 Council officers are content that the viability assessment is robust, is based on realistic and transparent assumptions, and, that issues about viability during consultation have been appropriately considered.
- 2.7 The Energy Efficiency policy proposed (policy DM30a, b and c) represents a significant amendment to that contained within the current adopted Local Plan however, officers are content that in relation to the representations received on this policy, which was generally very positive from residents but less positive from the development industry, that the policy is robust.

- 2.8 The 544 representations received on the CELPR at Regulation 18 Stage have resulted in more than 140 changes to the publication version. However, only around 20% of these are material changes to the plan. The majority have been made for editorial purposes to improve clarity, such as updating references to national guidance including the National Planning Policy Framework (NPPF).
- 2.9 Of those material changes, again these are not significant, with most changes being made to further highlight Biodiversity Net Gain and nature recovery; improved clarity on the need to carefully consider the design of Electric Vehicle charging infrastructure in terms of mobility access and the impact upon the historic environment; and also improved reference to providing space for composting and the need for private gardens to be free from flood risk and to be well drained which will in turn assisting in helping to provide opportunities for food growing- one of the key People's Jury recommendations.
- 2.10 Officers advise that upon adoption the revised policies have the potential to realise development that could contribute to better tackling the Climate Emergency, including through:
- The objective of ensuring that all new housing approved in the district will be net zero carbon by 2028 using a method of construction called fabric first which means not relying on decarbonisation of the grid which is the Government's proposed approach.
 - Better consideration of flood risk and water management to respond more strongly to issues of surface water run-off and water efficiency.
 - Introducing a strategic focus on habitat and ecosystem connectivity and function, which will ensure greater protection and enhancement of the district's Green (land) and Blue (water) Infrastructure.
 - Increased emphasis on the key role that renewable energy generation, distribution and storage plays in climate mitigation within new development.
 - A greater focus on active travel networks and connectivity as well improved expectations on Electric Vehicle infrastructure provision.

3.0 Details of Consultation

- 3.1 The proposed CELPR has been subject to extensive consultation in various preparation stages, the scope of the partial review has been considered during late 2020 and a suite of draft policies have been the subject of consultation during the summer of 2021.
- 3.2 If the Council resolves to publish and submit the CELPR, officers will prepare the publication editions of the documents and make them available for a six-week period in which stakeholders and the wider community can comment on the soundness of the published CELPR.
- 3.3 The CELPR documents, the comments received upon publication, and the supporting evidence, would then be submitted to the government, potentially in April 2022. The government would then appoint an Inspector to consider; whether the Plan's preparation has complied with duty-to-cooperate requirements; whether it is compliant with legal requirements; and, whether the Plan is sound. To be sound, a Local Plan should be positively prepared, justified, effective and consistent with national policy. The Inspector may hold local hearing sessions in which other parties are invited to assist him or her in considering these issues.

3.4 Following the Inspector’s consideration of issues, the Inspector may then ask the Council to consult on proposed modifications. Following the Inspector’s consideration of the responses to the proposed modifications the Inspector will send the Council a report which will conclude whether the plan has been properly prepared and is sound. Most often where an Inspector advises the Council that it may adopt its plan the version to be adopted will need to be modified to accommodate his or her binding recommendations. At this point the Council would be asked to decide to formally adopt its revised Local Plan.

4.0 Options and Options Analysis (including risk assessment)

<p>Option 1: That Cabinet Members support the intention to take the CELPR to Council, anticipated on 26th January 2022, with a recommendation seeking a resolution to publish the CELPR, obtain formal representations and then submit the documents to the government for independent Examination. This will ensure the relevant regulations are followed and will enable stakeholders to make their views on soundness of the plan and its preparation process. The submitted documents will then be considered by a government appointed Inspector.</p>
<p>Advantages: The Publication and Submission of the CELPR are essential stages in advancing the Council’s ambitions to review it adopted Local Plan to better address the Climate Emergency.</p> <p>The Council’s Local Development Scheme (LDS) provides the intended timetable for advancing the plan through these stages. The proposed revision of the plan is supported by evidence documents, on matters such as development viability, that are time-sensitive; delaying publication and submission would affect the applicability and relevance of evidence documents.</p> <p>The CELPR will strengthen policies in a way that can realise better outcomes from development on Climate Change mitigation and adaptation.</p>
<p>Disadvantages: None</p>
<p>Risks: The Inspector at independent Examination may conclude that the CELPR could have benefited from further work prior to submission.</p>
<p>Option 2: That Cabinet Members do not support the intention to take the CELPR to Council, anticipated on 26th January 2022, with a recommendation seeking a resolution to publish the CELPR, obtain formal representations and then submit the documents to the government for independent Examination.</p>
<p>Advantages: Further time could be spent on continuing to prepare policies before publication and submission.</p>
<p>Disadvantages: Delay to the CELPR processes will increase the time that passes until its potential formal adoption. It is only upon formal adoption that the revised policies will form the development plan that is used in the determination of development proposals. Delay in plan preparation would mean a delay in realising better outcomes from development on Climate Change mitigation and adaptation that would assist in helping to address the environmental concerns that motivated the Council’s declaration of a Climate Emergency.</p> <p>The Council’s Local Development Scheme (LDS) provides the intended timetable for advancing the plan through these stages and it is not apparent why the Council would not wish to keep to this published timetable given the resources that have been deployed to</p>

enable a prompt review of the adopted plan. The proposed revision of the plan is supported by evidence documents, on matters such as development viability, that are time-sensitive; delaying publication and submission would affect the applicability and relevance of these documents.

Risks: Delay in preparation increases the risk of the evidence being considered no longer up to date during the Examination of the submitted Local Plan.

4. Officer Preferred Option

- 4.1 Option 1. The intended publication editions of the CELPR documents are now sufficiently advanced to be formally published and submitted. Officers recommend members moving the CELPR forward to Council for a formal decision on publishing and submitting the documents in accordance with regulatory processes.
- 4.2 Officers are sufficiently content that the challenges which have been raised at the earlier stages have either been addressed through revisions to both DPDs and that these do not warrant sufficient justification for further amendments to be made.
- 4.3 Whilst the publication version of the CELPR represents the Council's intended definitive version of both DPDs, the publication process will provide the opportunity for any parties who do not consider its content to sound (i.e. not consistent with national planning policy) or legally compliant (i.e. has not met the legal requirements of plan-making) to make formal representations setting out their concerns. Those representations will be considered by the Planning Inspector through the public examination process.

Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	Date	18/1/2022
Report of	Head of Financial Services		
Purpose of Report			
To consider the annual review of fees and charges for 2022/23			
Key Decision (Y/N)	Y	Date of Notice	13/12/2021
		Exempt (Y/N)	N

Report Summary

The report asks Members to endorse the Fees and Charges Policy for 2022/23 and also to consider a range of charging options as deemed appropriate to the service area.

Recommendations of Councillors

- (1) That Cabinet endorses the Fees and Charges Policy as set out at Appendix A, and during 2022/23 as part of the mid-year budget strategy review determines whether any other areas of income generation be explored further for 2023/24 onwards.
- (2) That Cabinet note that a car parking tariff review will take place and a further report will be presented to Cabinet outlining future options, as reported as part of the current 2022/23 budget setting process.
- (3) That Cabinet endorses the freezing of Salt Ayre Leisure Centre prices, as reported as part of the current 2022/23 budget setting process with the exception of retail-led activities.
- (4) That Cabinet endorses the freezing of garden waste collection charges, as agreed by Cabinet on 27th October 2020.
- (5) That Cabinet endorses the annual review of Mellishaw Park pitch fees in line with RPI, as prescribed by the Mobile Homes Act 1983.
- (6) That Cabinet endorses the return to applying inflationary increases to fees and charges across all remaining areas as appropriate, as reported as part of the current 2022/23 budget setting process.
- (7) That Cabinet endorses the implementation of the new charges in respect, as reported as part of the current 2022/23 budget setting process.

Relationship to Policy Framework

Fees and charges form an integral part of the budget setting process, which in turn relates to the Council's priorities. Under the Medium Term Financial Strategy (MTFS), income generation is a specific initiative for helping to balance the budget.

Conclusion of Impact Assessment(s) where applicable

Climate	Wellbeing & Social Value
Digital	Health & Safety
Equality	Community Safety
<p>The proposed increases are considered to be fair and reasonable; generally, equality considerations are provided for within the attached policy.</p>	
Details of Consultation	
<p>Lancaster BID, Morecambe BID, Chamber of Commerce. A summary of the proposals shall be sent to each of the above.</p>	
Legal Implications	
<p>Local authorities have a variety of powers to charge for specific statutory services.</p> <p>The Local Government Act 2003 also provides a power to charge for discretionary services. Authorities are under a duty to secure that, taking one year with another the income from charges for these services do not exceed the cost of provision.</p> <p>The power to charge for discretionary services is therefore on a cost recovery basis only and is not available if there is a statutory duty to provide the service or if there is a specific power to charge for it or if there is a prohibition on charging.</p> <p>Additionally, the Localism Act 2011 provides local authorities with the general power of competence that confers on them the power to charge for services but again subject to conditions/limitations similar to those noted above.</p> <p>Where authorities have a duty to provide a statutory service free of charge to a certain standard, no charge can be made for delivery to that standard, however delivery beyond that point may constitute a discretionary service for which a charge could be made.</p>	
Financial Implications	
<p>As set out in the report and further detailed financial implications are included in the relevant appendices. With regard to Salt Ayre Leisure Centre and car parking proposals, these are subject elsewhere to agreement by Cabinet and Council. Any further proposals to increase fees would require further consideration and would need to be fed into the budget process as appropriate.</p>	
Other Resource or Risk Implications	
<p>None specifically arising from this report.</p>	
Section 151 Officer's Comments	
<p>The s151 Officer has been consulted and has no further comments.</p>	
Monitoring Officer's Comments	
<p>The Monitoring Officer has been consulted and has no further comments.</p>	
Contact Officer	Andrew Kipling
Tel	01524 582143
Email	akipling@lancaster.gov.uk

Links to Background Papers

None

1.0 GENERAL POLICY

This report sets out the proposed fees and charges framework for 2022/23. The current policy was last considered by Cabinet at its meeting on 19 January 2021 and a copy is attached at **Appendix A**. No substantive updates of the policy are being proposed at this stage.

1.1 In terms of fee increases, traditionally as part of the annual budget process all relevant fees and charges are increased by inflation for the following year, in line with the annual inflationary review. However, in light of the pandemic, an inflationary freeze on fees across all areas was agreed by Cabinet for 2021/22 and this was included in setting the 2021/22 budget. It is now proposed to return to applying inflation with the exception of the following areas :-

- Car Parking
- Salt Ayre Leisure Centre
- Garden Waste
- Mellishaw Park

More details surrounding these areas are included within section 2 of this report.

1.2 In support, **Appendix B** provides a listing of the General Fund fees and charges for 2020/21 actuals, the 2021/22 original budget and the 2022/23 latest draft budget. This shows that the total estimated base income to be generated from fees and charges (including rents) is now projected to be £19.23M next year. Of this total, around £8.81M is generally inflation-linked. The majority of the remaining income relates to statutory fees, commercial charges, general cost recovery and fixed contracts, e.g. trade refuse. As such these income areas allow for little or no discretion in setting fee increases (aside from any consideration of market share etc). Furthermore, certain fees such as various licensing fees cannot by law be set by Cabinet.

1.3 From Appendix B, it can be seen that between 2021/22 and 2022/23 gross income from comparative fees and charges is expected to increase from £14.05M to £17.50M, representing an increase of £3.44M or 24.5%. It should be noted that a number of income budgets were significantly reduced in 2021/22 due to the pandemic and where appropriate these have now been returned to pre-pandemic levels when formulating the draft 2022/23 revenue. Whilst this does not take account of any associated expenditure linked to service provision, it does highlight that income generation is a significant contributor to the Council's net position, thereby helping to reduce service subsidisation and protect other service provision.

1.4 Where fees and charges are to change in line with policy and/or the budget, these will be amended through existing Officer delegations and therefore no Cabinet decision is required – and so no detail is provided within this report. It should be noted that in exercising their delegated authority, Officers may well consider groupings of charges for similar or related activities and within those groupings, they may vary individual fees (or concessions) above or below inflation, for example – but as long as in totality, it is reasonable to assume that the relevant income budget will be met and the variances do not go against any other aspect of policy, then no Cabinet decision is required.

- 1.5 Cabinet is requested to indicate whether there are any other specific areas for income generation that it wishes to consider as part of its budget development, primarily for 2022/23 onwards, on top of those already included.

2 OTHER SPECIFIC CHARGING CONSIDERATIONS

2.1 Communities and Environmental: Car Parking

Effectively managed car parking makes a significant strategic contribution to the wider climate change mitigation, transport management, regeneration and public realm objectives for the district. Much work has taken place to review the Council's wider parking policies and the charging structure that underpins them. The options arising from this review will be shared with stakeholders over the next few weeks and will be separately considered by Cabinet at its meeting of 8th February 2022. The potential impact on the budget of the different options have been modelled.

2.2 Communities and Environmental: Salt Ayre Leisure Centre

Salt Ayre provides a wide range of leisure, sports and community services that are valued by resident. In order to ensure the range of services can continue to be providing that income is required to offset the net operating cost of Salt Ayre Leisure Centre. Income of £2.78M is included in the draft revenue budget for 2022/23. As part of the budget setting process, there is a specific budget proposal relating to realising additional income at the centre equating to £234K in 2022/23 rising to £510K in 2023/24 and future years. The estimate for 2022/23 has been prudently calculated paying particular attention to the road back to recovery following the pandemic. No significant changes are proposed to the fee structure as the majority of improved projections are volume related and this would undoubtedly assist in growing and protecting the client base. However, retail-led activities e.g. the spa facility and the café are excepted to this and general inflation is proposed in this instance. This is ultimately a positive situation and if approved, the revenue budget will be updated to include the additional income and will be monitored closely via the Council's usual corporate monitoring arrangements.

2.3 Communities and Environmental: Garden Waste

Due to changes made by Lancashire County Council (as the waste disposal authority) in March 2016 the Council approved the proposal to introduce an opt-in subscription service for the collection of garden waste. A number of other Councils in Lancashire took a similar decision, as have many Councils nationally.

The Council 27th October 2020 (minute 71 refers) approved the freezing of inflation for the next two financial years on the subscription of £40 per annum. Following that decision, retention levels of 100% for subscriptions, and a further 10% new subscribers have been gained over the previous two years leading to increased income of £86K against 2019/20 levels. It is viewed that initially this was largely due to the pandemic and the initial period of lockdown but now given that this has continued, it is hopeful that the client base has been protected. As we enter into the final year of the price freeze, this area will be reviewed in 2022/23 alongside the exploration of introducing automatic renewal for future years.

2.4 **Communities and Environmental: Mellishaw Park**

Ownership of the site transferred to the Council with effect from 25th November 2020. The Mobile Homes Act 1983 allows the site owner to propose new pitch fees which may increase (or reduce) by no more than the change in RPI since the last review date. Therefore, it is proposed to annually review charges in line with RPI using September as the annual base month which is consistent with the HRA applying CPI to social rents. This proposal will be communicated to tenants through the usual channels. For reference the currently weekly pitch fee for Mellishaw is £75.17 collected for 48 weeks. September RPI is 4.9% so the increase will take it to £78.85 (an increase of £3.68).

3 **NEW CHARGES**

3.1 **Economic Growth & Regeneration: Building Control Additional Charges**

The Planning and Place Service charges fees for building regulation work. Unlike planning application fees, which are set nationally, local authorities can choose the level of fees for the building regulation services that they provide.

Whilst it is proposed to maintain much of the existing fee schedule, the supplementary charges for service provision have been revised into different categories and have been expanded into a greater number of categories. This would align Lancaster broadly with other district local authorities. The proposed charging will be on a commercial basis and full details can be found at **Appendix C**.

3.2 **Economic Growth & Regeneration: Planning Pre-Application Advice**

The Planning and Place Service already offers a chargeable pre-application advice service. As part of the Service Review, the Service has been discussing revised advice with some service users. The proposed new service provides a more flexible advice service for users (more options to choose in terms of how a developer wants to receive their advice). The proposed changes will also aim to reduce waiting times for receiving advice by two weeks. The proposed charging will be on a cost recovery basis and full details can be found at **Appendix C**.

4 **OPTIONS AND OPTIONS ANALYSIS**

4.1 The attached policy remains substantively unchanged and it is considered that it remains fit for purpose (at least in the short term) and it adequately covers Cabinet's budget proposals. As such, no options are presented and Cabinet is simply requested to endorse the policy, with a review being undertaken next year.

4.2 With regard to charges in general, inflation has been applied and the impact has been fed into the draft general fund budget for 2022/23. Should Members wish to apply inflation, further work to determine charging levels would need to take place and be fed into the budget setting process as appropriate.

4.3 With regard to other specific considerations, these have been fed into the draft revenue

budget where appropriate and will seek to update the net financial position when agreed as part of the budget setting process.

- 4.4 The introduction of the new regeneration and planning charges are subject to Member agreement and as such are included as a recommendation within this report.



LANCASTER CITY COUNCIL
Promoting City, Coast & Countryside

APPENDIX A

FEES AND CHARGES POLICY

January 2022

1 INTRODUCTION

- 1.1 The decisions made by councils about charging for local public services affect everyone. Where councils charge for services, users pay directly for some or all of the costs of the services they use. Where no charges are made, or where charges do not recover the full cost of providing a service, council taxpayers subsidise users.
- 1.2 Fees and charges represent an important source of income, providing finance to help achieve the corporate objectives of the City Council. The purpose of this policy is to set out a clear framework within which fees and charges levied by the Council are agreed and regularly reviewed.
- 1.3 The decisions on whether to make a charge (and the amount to charge) are not always within the control of the Council. Where they are controlled locally, however, it is important that the implications of the charging decisions being taken are fully understood and that the appropriate information is available to make informed decisions.
- 1.4 This policy therefore provides clear guidance to service managers on:
- the setting of new fees and the policy context within which existing charges should be reviewed;
 - how fees and charges can assist in the achievement of corporate priorities;
 - the Council's approach to cost recovery and income generation from fees and charges; and
 - eligibility for concessions.
- 1.5 The policy supports the Council in having a properly considered, consistent and informed approach to all charges it makes for its services. This will, in turn, support the delivery of corporate objectives.

2 GENERAL POLICY

- 2.1 This policy relates to fees and charges currently being levied by the Council and those which are permissible under relevant legislation, including the wider general powers to provide and charge for discretionary services included within the Local Government Act 2003.
- 2.2 Statutory charges also fall within the scope of the policy, even though their level may not be determined by the Council. This ensures clarity and consistency and allows subsequent reviews of the policy to be comprehensive. It also enables changes to the national legislative charging framework, and any other situations that may arise in the future, to be addressed.

Council policies, strategies and priorities

- 2.3 Specific decisions and charging policies should support delivery of the council's Corporate Plan and other local strategies and service objectives. Charging decisions will take account of the council's corporate priorities and have regard for the potential impact on other service areas.

Basis of Charging Decisions

- 2.4 The council will charge for all services where it is appropriate and cost-effective to do so, unless there are contrary policies, legal or contractual reasons that state otherwise.
- 2.5 When discretionary charges are set, the general aim will be to cover the cost of the service or, where legally possible, the council may charge on a commercial basis. Charges will reflect the full cost of provision, unless covered by subsidies/concessions designed to meet corporate priorities or there are contrary policies or legal reasons.

Subsidies and/or Concessions

- 2.6 Subsidies and concessions may be used to help achieve specific targets or objectives. Concessions should be awarded and reviewed in relation to each service. Where subsidies and concessions are applied, there should be a proportionate evaluation process in place to measure levels of success in meeting these objectives. Definitions and qualifying criteria for concessionary target groups should be consistent across the Council.
- 2.7 Any reference to the setting or review of fees and charges within this policy should be taken to include/cover any relevant subsidies or concessions also.

Surplus Income

- 2.8 Income derived from charging will be used to offset the costs of providing the service being charged for, including support service costs. Where a surplus, over budget, is generated in-year, its use shall be determined in accordance with the Council's Financial Regulations (in particular, the virement scheme as set out in the Medium Term Financial Strategy (MTFS)). This is on the provision that this is not prohibited by other statutory requirements or government guidance.
- 2.9 It is acknowledged that the ability to use charges to deliver the corporate priorities of the Council requires a degree of freedom; corporate controls should avoid imposing unnecessary restrictions, but also the Council's future budgetary challenges need to be addressed.
- 2.10 Any proposals for generating any additional income (over and above normal budgetary provisions) to be raised from charging in the expansion and development of a particular service will be considered as part of the budget and planning process, and in line with the approved Medium Term Financial Strategy. Each proposal will therefore be considered on its own merits and in light of financial planning processes and other pressures.

Efficient Administration

- 2.11 Arrangements for charging and collecting fees should be efficient, practical and simple to understand by users, and meet any other requirements of the Council's Financial Regulations and supporting processes. The reasons behind any significant changes to charges should be communicated to residents and service users. The impact of charging decisions on service users and local residents will need to be taken into account.

Regular Review

- 2.12 Charges, and decisions not to charge, will be reviewed annually in sufficient time for the impact of any revisions to be included in the budget setting process. This ensures that they fit within the approved budget framework, as determined by full Council.

Policy Implementation

- 2.13 This policy encompasses decisions made as part of the annual fees and charges review process, where new charges are introduced or where existing charges are removed or amended.
- 2.14 It supports the Council’s Financial Regulations, which are part of the Constitution. Under the Regulations, Directors, Chief Officers and others designated by them are responsible for collecting budgeted income, and maximising such income in accordance with this policy and any other relevant supporting policies.
- 2.15 Furthermore, under the Scheme of Delegation to Officers, which is also included in the Constitution, such Officers have authority to set fees and charges in accordance with relevant legislation and any charging policy set by Cabinet (as long as they fit with the approved budget framework).

3 DETERMINING SPECIFIC CHARGING POLICY (CASE BY CASE)

- 3.1 Each fee or charge (or group of similar charges) should be linked to one of the categories in the following table and the appropriate charging policy adopted in establishing and reviewing charging rates for that particular service or activity. Where new charges are being introduced or changes in charging policy are proposed, the charging policy should be made clear as part of the decision-making process.
- 3.2 In all cases, in determining an appropriate charging policy proper consideration should be given to the wider equality implications that could affect accessibility of council services to any groups.

CHARGING POLICY	POLICY OBJECTIVE
Full commercial	The council seeks to maximise revenue within an overall objective of generating as large a surplus (or a minimum loss) from this service.
Full commercial with discounts	As above, but with discounted concessions being given to enable disadvantaged groups to access the service.
Fair charging	The council seeks to maximise income but subject to a defined policy constraint. This could include a commitment made to potential customers on an appropriate fee structure. Alternatively, a full commercial rate may not be determinable or the council may be a monopoly supplier of services.

Cost recovery	The council wishes to make the service generally available, but does not wish to allocate its own resources to the service.
Cost recovery with discounts	As above, but the council is prepared to subsidise the service to ensure disadvantaged groups have access to the service.
Subsidised	Council policy is to make the service widely accessible, but believe users of the service should make some contribution from their own resources. Could also be due to the adverse impact a cost recovery or commercial charging policy would have on other council services.
Nominal	The council wishes the service to be fully available, but sets a charge to discourage frivolous usage.
Free	Council policy is to make the service fully available.
Statutory	Charges are set in line with legal obligations.

3.3 In applying the appropriate charging policy, as well as equality considerations typically the issues that may need to be considered in setting the level of fee and charge for any particular service include those set out below:

CHARGING POLICY	POLICY OBJECTIVE
Full commercial	<ul style="list-style-type: none"> • Are the charges high enough for the service to be profitable? If not, consider whether the service should be provided. • Are competitors charging similar prices? • Does the council offer any premium in terms of service levels that customers would be prepared to pay more for? • How would changes in pricing structures affect demand for the service and potentially its profitability? • How does the proposed fee structure fit in with the long-term business plan for the service?
Fair charging	<ul style="list-style-type: none"> • How do the charges compare to other providers of similar services? • Has the loss of income from not charging on a commercial basis been evaluated? • Is the policy constraint justifying this charging policy still valid?
Cost recovery	<ul style="list-style-type: none"> • Do charges recover the full costs, including overheads, capital charges and recharges? • Is it possible to charge on a full commercial basis and if so has the loss of income from not charging on a full commercial basis been evaluated? • Are Members aware of the effect on demand for this service from this charging policy? • What would be the effect of changing the policy to a different one e.g. subsidised?
Subsidised	<ul style="list-style-type: none"> • Has the cost of the subsidy been evaluated?
Nominal	<ul style="list-style-type: none"> • What has been the impact on demand and on service levels from adopting this approach?
Free	<ul style="list-style-type: none"> • Does this approach fit in with the requirements of other funding streams i.e. grants? • Is this approach legally required? • Is there a potential problem from frivolous use of the service?
Statutory	<ul style="list-style-type: none"> • Are charges in line with statutory requirements? • Are they set at the maximum permitted levels?

4 **SUBSIDIES AND CONCESSIONS**

4.1 It may be appropriate to consider subsidising some services, particularly if this helps to achieve corporate priorities and supports local strategies and policies. The main reasons for charging less than full cost are set out below:

- There is a sound financial and policy justification for the council tax payers subsidising this service.
- The desire to encourage particular sections of the community to use specific services and they could not afford, or might otherwise be deterred by, full cost charges.
- Charging full cost discourages or prevents uptake, which may have a detrimental impact on the council's finances in the long run.
- Use of the service is sensitive to a change in price – an increase in charges reduces demand and income.
- The council incurs higher costs than other providers because the service is provided in a way that is appropriate and accessible for all sectors of the community.

4.2 When considering using a subsidy, the following points should be taken into account:

- It must clearly and directly support a corporate priority, objective, or policy.
- There is evidence to suggest that the impact of the policy can be measured.
- The cost of the subsidy can be estimated and can be accommodated within the council's budget, making it affordable.
- The proposal is the most effective approach available to deliver the policy objective, and so can be judged to give value for money.

4.3 It is recognised that in some circumstances discounts may not be appropriate and that, in all cases, it will be necessary to carefully consider the impact on income before introducing discounts or concessions to service areas which do not currently offer them.

5 **NEW FEES AND CHARGES**

5.1 Proposals for new discretionary fees and charges must be considered within the annual budget process or alternatively, if appropriate, submitted to Cabinet initially for approval as an in-year change. Should any proposed change fall outside of the budget and policy framework, it would also require referral to Council.

5.2 Proposals for new fees and charges should be analysed using the guidance in the appendix to this policy. This effectively provides a brief rationale and business case for the proposed charge.

5.3 The effects of any new charge on service usage and income generated will be monitored regularly over the first 12 months and formally reviewed as part of the following budget process.

- 5.4 Where new statutory fees and charges are to be introduced, or when changes have been notified, ideally Cabinet and/or Council should be advised of any significant budgetary or policy implications prior to their implementation by Officers, should timescales allow; this may be done through the budget process. Alternatively, any implications should be reported retrospectively through usual quarterly monitoring arrangements.

6 REVIEWING FEES AND CHARGES

- 6.1 Directors, Chief Officers and designated staff must consider charging policies and current levels of charge each year as part of the budget and service planning process.
- 6.2 The general assumption (where the Council has control) is that the value of fees and charges will be maintained in real terms over time and increased annually in line with estimated inflation, as determined through the budget. Clearly this assumption changes, if the adopted charging policy for a particular activity determines otherwise.
- 6.3 Additionally, Cabinet may decide to set income targets for specific service areas as part of an effort to identify efficiencies and/or generate additional income.
- 6.4 Separate to the annual budgeting exercise, if there are any significant matters arising during the course of a year, such as in cost, market forces or service levels, which materially affect current service costs and revenues, then relevant fees and charges should be reviewed. If it is reasonable for them to be adjusted in year, to keep within the budget framework, then the Director or Chief Officer has delegated authority to do so, as long as any fee or charge under question was not explicitly approved by Members during the last budget process. Any such changes must be reported to Cabinet retrospectively as part of usual quarterly monitoring arrangements.
- 6.5 In all other cases (except for statutory fee change notifications covered in 5.4), any proposals to change fees, and/or any expected income budget shortfalls, must be reported initially for Cabinet's consideration. Referral to Council may also follow, depending on circumstances. Any proposal to amend significantly an existing fee or charge will require a full explanation and justification to be provided.

7 COLLECTION OF FEES AND CHARGES

- 7.1 Fees and charges income should be collected and accounted for in accordance with the Council's Financial Regulations and any supporting instructions, procedures and guidance. Wherever it is reasonable to do so, charges should be collected either in advance or at the point of service delivery. Where charges are to be collected after service delivery has commenced, invoices will be issued promptly, and appropriate collection and recovery procedures followed.

8 PUBLICATION OF FEES AND CHARGES

- 8.1 Each service should maintain a schedule of fees and charges levied. This schedule should include, but identify separately, those charges where there are national / external procedures or other specific procedures for determining and reviewing rates of charge.
- 8.2 Generally the Council's fees and charges should be set prior to the start of each financial year. They should be widely published, including through the council's website.
- 8.3 Reasonable notice should be given to service users before any decisions to amend or introduce new fees and charges are implemented, together with clear advice on VAT, and information on any discounts or concessions available. In the absence of any specific requirements, reasonable notice is defined broadly as one calendar month.

GUIDANCE FOR NEW FEES AND CHARGES

Charging Policy

The charging policy objectives must be stated here, together with why this policy (Full Commercial or Fair Charging etc.) has been adopted. The intended aims of the charges should also be clearly thought out and explained. Any legal issues should be identified.

Comparative Information

Include here details of comparative information collected from other authorities or competitors etc.

Financial

Information Required	Description
Level of charge	Recommended or proposed new level of charge.
Start date	Proposed implementation date for new level of charge, although it could be related to a future event.
Budgeted income	Level of income to be generated from the new charge.
Surplus / deficit as a percentage of cost	The total cost of supplying the service (including recharges and other overheads) should be calculated and deducted from the income generated. This surplus or deficit should then be compared to the total cost as a percentage. Calculating total cost may require the use of judgement and reasonable assumptions. This is acceptable, so long as a clear audit trail of those assumptions is maintained.
Surplus / deficit per usage	The difference between income generated and the total cost of providing that service, divided by the expected number of users of that service.

Impact Assessment

Any proposals must identify likely impact on the service's users including; who currently benefits from the service, the effects on them of any changes and who will benefit from new exemptions and discounts together with how demand and usage is expected to change. Equality issues must specifically be considered and reported.

Impact on Other Areas

The likely consequences in terms of reduced or increased demand for other council services must be identified here as well as any extra costs to other services. Equality issues must specifically be considered and reported.

Method of Collection

Proposals for new charges must identify what collection methods will be used. If this is a change in current arrangements it will need to identify the following:

- What the likely impact is on the rate and costs of collection;
- What account has been taken of how low income users can pay; and
- How cost effective will the new methods be?

Alternatives

Explain here the other measures that have been considered instead of, or as well as, the proposed charge (cost cutting, reducing charges, sponsorship etc.).

Consultation

Include here the extent of consultation conducted, which will be dependent upon the impact of fee and/or charge, and the results of that consultation.

Summary of General Fund Fees and Charges (including rents)

APPENDIX B

For Consideration by Cabinet 18 January 2022

Directorate	Service	Service Area	Detail Code	2020/21 Actual £	2021/22 Original £	2022/23 Estimate £		
Communities and Environment	Business Support	Vehicle Maintenance	General Fees & Charges	-1,003	-1,000	-1,000		
			MOT Income	-2,202	-6,000	-6,000		
		White Lund Depot	Feed In Tariff Credits	-19,364	-17,000	-17,400		
			Rents - General	-13,835	-13,800	-13,800		
	Customer Involvement & Leisure	Customer Services Mgmt & Admin	Sales - Goods Resold	-7	-700	-700		
		Salt Ayre	Feed In Tariff Credits	-14,876	-16,800	-17,200		
			Fees and Charges	-74,267	-1,465,400	-2,761,700		
	Housing Services	Home Improvements	Administration Charges	-189,601	-300,000	-340,900		
		Home Improvement Team	General (CR) - Miscellaneous	-5,340	-5,000	-5,000		
		Mellishaw Park	Rent - Houses	-55,202	-65,500	-68,700		
			Service Charges Recovered	-4,433	-7,800	-6,700		
	Public Protection	Dog Warden Service	Collections and Kennelling	-4,626	-5,000	-5,200		
			Fines	-735	-1,500	-1,500		
		Environmental Protection	EPA Authorisation Fees	-19,926	-17,000	-17,000		
			Fines	-390	-2,000	-2,000		
			Income - Works In Default	-4,657	-2,200	-2,300		
			Water Sampling Fees	-3,415	-3,400	-3,500		
		Food & Safety	Fines	0	-100	-100		
				General Fees & Charges	-1,009	-8,000	-8,300	
				Training Course Fees	-12	-2,000	-2,000	
		Gambling Act 2005	Amusement Machines	-1,550	-2,700	-2,800		
			Licences - Betting Shops	-4,050	-6,000	-7,200		
			Licences - Bingo Establishments	-2,411	-4,200	-4,300		
			Licences - Gaming Machines	-1,165	-3,500	-3,600		
			Licences - Lotteries	-2,590	-3,100	-3,200		
		Hackney Carriage & Private Hire Licences	Dual Drivers Badge	-33,569	-32,200	-36,200		
			H.C. Driver Licence	-2,760	-4,100	-3,600		
			H.C. Inspection Fees	-9,671	-14,000	-12,900		
			H.C. Taxi Plates	-896	-2,000	-900		
			H.C. Transfer Of Ownership	-170	-300	-300		
			H.C. Vehicle Licence	-26,341	-25,600	-28,400		
			P.H. Drivers Licence	-4,302	-8,800	-4,900		
			P.H. Inspection Fees	-16,926	-27,800	-26,900		
			P.H. Operators Licence	-6,381	-8,800	-7,700		
			P.H. Taxi Plates	-962	-2,000	-900		
				P.H. Transfer of Ownership	-102	-100	-100	
				P.H. Vehicle Licence	-33,008	-53,300	-43,400	
		Lancaster Port Health Authority	General Fees & Charges	-4,415	-5,200	-4,600		
			Licensing Act 2003	Licensing Act 2003 - Personal	-3,591	-6,800	-7,000	
			Licensing Act 2003 - Premises	-89,016	-113,000	-116,700		
			Temporary Event Notices	-2,978	-6,000	-6,200		
		Miscellaneous Licences	Licences - Motor Salvage Operators	-2,858	0	-2,800		
			Licences - Second Hand Dealers	-97	-400	-300		
			Licences - Sex Shops	-175	-200	-200		
			Licences - Skin Piercing/Tattoos	-2,037	-4,000	-4,100		
			Licences - Street Cafes	-1,948	-4,000	-4,100		
		Pest Control	Domestic Insects	-28,166	-32,400	-36,200		
			Domestic Rodents	-48,503	-35,700	-41,300		
			Unbugged	-99,350	-118,000	-121,900		
		Private Rented Sector Activity	Admin - Works In Default	-400	-1,000	-1,000		
			APS Fees	0	-100	-100		
			Fines	-5,133	-2,800	-2,800		
			HMO License Fees	-62,505	-49,800	-71,400		
			Immigration Inspection Fees	-136	-300	-300		
		Public Health Services	Burial Of The Dead	-49,080	-30,000	-31,000		
			Exhibiting Animal Licences	0	0	-300		
			Licences-Animal Boarding	-2,346	-4,600	-2,800		
			Licences - Dog Breeding	-1,068	-1,400	-1,700		
			Licences - Pet Shops	-131	-600	-700		
			Licences-Riding Estabs	-106	-600	-1,000		
			Vets Fees Recovered	-438	-1,000	-1,000		
			Public Realm	Bulky Waste Collection	Domestic Collections	-88,411	-94,300	-97,400
					Sales - Goods Resold	-11,624	-14,700	-15,200
					Sales - Scrap	-2,000	-1,200	-1,200
		Cemeteries - General		Hire Of Chapels	0	-5,200	-5,400	
				Interment Fees	-169,078	-155,800	-160,900	
				Memorial Fees	-24,792	-26,100	-27,000	
				Rents - General	-513	-500	-500	
				Rents - Grazing Rights	-330	-300	-300	
				Sale Of Grave Spaces	-118,609	-81,000	-83,700	
				Sale Of Memorial Benches	0	-600	-600	
			Sale Of Memorial Plaques	-23,465	-25,000	-25,800		
			City Centre Markets & Traders	Administration Charges	0	-500	-500	
				General Fees & Charges	-1,168	-7,200	-9,900	
		Market Tolls		-11,242	-50,200	-69,200		
		Rents - Market Stalls		-3,585	-14,800	-20,400		
			Service Charges Recovered	20	-3,200	-4,300		

Directorate	Service	Service Area	Detail Code	2020/21 Actual £	2021/22 Original £	2022/23 Estimate £
		Garden Waste	Fees - United Utilities	0	-1,200	-1,200
			Garden Waste Collection	-950,120	-947,800	-978,800
			General Fees & Charges	-10,456	-9,000	-9,300
		Grounds Maintenance	General Fees & Charges	-5,712	-163,100	-166,300
		Happy Mount Park	Bowling	0	-400	-400
			General Fees & Charges	0	-30,600	-31,600
			Rents - Concessions	-3,500	-3,700	-3,800
			Rents - General	-29,628	-21,000	-33,700
			Service Charges Recovered	0	-500	-500
			Tennis	-258	-400	-400
		Household Waste	Clinical Waste	-5,294	-5,000	-5,000
			Domestic Collections	-628	-1,500	-1,500
			Fees - United Utilities	0	-1,600	-1,600
			General Fees & Charges	-18,532	-27,100	-28,000
		Morecambe Market	Advertising - Hoardings Etc	-98	-300	-300
			Rents - Market Stalls	-90,100	-228,400	-314,700
			Service Charges Recovered	-6,487	-9,300	-12,400
			Storage	-4,066	-6,600	-6,600
		Non-Resort Parks	Administration Charges	0	-1,500	-1,500
			Bowling	0	-1,100	-1,100
			Receipts Non-Vatable	-6,273	-11,300	-11,700
			Rents - Concessions	-8,671	-9,900	-10,200
			Rents - General	-1,795	-5,000	-5,200
			Service Charges Recovered	-3,443	-1,700	-1,800
		Nurseries	General Fees & Charges	-12,878	-59,900	0
		Off Street Car Parks	Car Parking Fees	-831,400	-1,572,300	-2,757,000
			Car Parking Fees - RingGo	-363,752	-284,000	-451,400
			Car Parking Permits	-151,883	-117,300	-186,400
			Fines	-96,970	-103,300	-159,000
			Rents - General	-22,698	-55,000	-25,000
		Promenade Management	Rents - Concessions	-400	-31,300	-32,300
			Rents - General	-21,297	-19,500	-20,100
			Sales - Promenade Passes	-403	-500	-500
			Service Charges Recovered	-888	-1,500	-1,500
		Public Conveniences	General Fees & Charges	-23,969	-23,100	-23,100
		Public Realm Mgmt & Admin	General Fees & Charges	0	-130,000	0
		Recycling	Fees - United Utilities	0	-1,400	-1,400
			General Fees & Charges	-17,733	-12,000	-12,400
		Resort Parks	Rents - Concessions	4,160	-4,300	-4,400
			Rents - General	-3,930	-3,500	-3,600
			Service Charges Recovered	-1,418	-100	-100
		Small Parks & Open Spaces	General Fees & Charges	0	-400	-400
		Street Cleaning	General Fees & Charges	-15,811	-32,500	-33,600
		Trade Refuse	Trade Refuse Collections	-1,190,267	-1,603,300	-1,724,700
		Williamson Park Butterfly House	Admission Fees	0	-107,300	-110,800
			Educational Usage	0	-12,600	-13,000
			Family Tickets	0	-33,400	-34,500
		Williamson Park Cafe	Sales - General	-128,199	-351,700	-363,300
		Williamson Park Events	Special Events	-10,043	-17,400	-18,000
			Venue Hire	-7,040	-46,600	-48,100
		Williamson Park Ice Cream Concession	Sales - General	-21,678	-25,000	-25,800
		Williamson Park Mgmt & Admin	Car Parking Fees	-30,146	-41,100	-42,500
			Sales - General	-350	-400	-400
		Williamson Park Reception & Retail	Sale of Recycling Material	0	-1,000	-1,000
			Sales - General	0	-57,400	-59,300
			Sales - Publications & Data	0	-200	-200
Corporate Services	Democratic	Electoral Registration	Sales - Publications & Data	-3,061	-2,200	-2,300
	Finance	Financial Services Management & Admin	Administration Charges	-916	-1,000	-1,000
	Legal	Legal Services Mgmt & Admin	General Fees & Charges	-56,341	-73,400	-75,800
			Legal Fees-County Court	-4,110	-17,200	-17,800
			Legal Fees-Magistrates Courts	-65	-3,100	-3,200
		Searches Administration	Search Fees	-174,572	-180,000	-185,900
	Revenues & Benefits	Council Tax & NNDR	Legal Costs Recovered	6,973	-308,000	-318,200
Economic Growth and Regeneration	Economic Development	Arnsdale and Silverdale AONB	Feed In Tariff Credits	-306	-500	-500
		City Museum	Admission Fees	0	-100	-100
			Sales - General	-45	-14,800	-15,300
		Cottage Museum	Admission Fees	0	-1,500	-1,500
			Sales - General	0	-100	-100
		Lancaster V.I.C.	Commission - Concerts/Discount Ticket	-129	-3,100	-3,200
			Commission - National Express	14	-200	-200
			Sales - Publications & Data	-216	-8,400	-8,700
			Sales - Souvenirs	-375	-18,000	-18,600
		Maritime Museum	Admission Fees	-92	-10,600	-10,900
			General Fees & Charges	0	-700	-700
			Sales - General	-33	-5,000	-5,200
			Sales - Refreshments	-23	-6,500	-6,700
		Morecambe V.I.C.	Commission - Accom Bookings	0	-100	-100
			Commission - Coach Travel Tickets	420	-400	-400
			Commission - Concerts/Discount Ticket	204	-300	-300
			Commission - National Express	0	-200	-200
			Sales - Publications & Data	-402	-7,400	-7,600

Directorate	Service	Service Area	Detail Code	2020/21 Actual £	2021/22 Original £	2022/23 Estimate £
			Sales - Souvenirs	-501	-14,200	-14,700
			Travel Tickets	0	-1,300	0
		The Platform	Admission Fees	-7,825	-189,000	-262,300
			Bar	-467	-75,600	-90,800
			Cafe	0	-3,400	-3,500
			Private Hire	0	-55,100	-56,900
			Venue Hire	0	-20,100	-30,900
		Winning Back West End Property Account	Rents - Commercial Properties	-16,120	-16,000	-16,000
	Planning & Place	Building Regulations	Bldg Regs - Application Fees	-43,694	-75,000	-95,000
		Development Control	Planning Application Fees	-723,771	-800,000	-850,000
			Planning Pre Application Advice Fees	-17,023	-70,000	-75,000
		Middleton Nature Reser & Pumping Station	Rents - General	-875	-900	-900
			Rents - Grazing Rights	0	-900	-900
			Rents - Wayleaves & Titles	-500	-500	-500
	Property, Investment and Regeneration	Commercial Land & Buildings	Hire Of Premises	-168	-4,800	-5,000
			Rents - General	-1,364,288	-1,959,500	-2,225,000
			Rents - Grazing Rights	-3,780	-4,000	-4,000
			Sales - Refreshments	0	-100	-100
			Service Charges Recovered	-319,504	-301,500	-306,000
		Municipal Land & Buildings	Hire Of Premises	-74,511	-60,800	-68,600
			Rents - General	-4,600	-4,800	-5,000
			Sales - Refreshments	385	-3,100	-3,200
		Property Services Mgmt & Admin	General Fees & Charges	410	-2,100	-2,200
		Storey Institute	Hire Of Premises	-736	-85,200	-95,700
			Rents - General	-86,808	-93,500	-87,900
			Sales - General	-18,087	-202,400	-209,100
			Service Charges Recovered	-76,296	-71,800	-71,300
			TOTAL INCOME	-8,506,918	-14,052,900	-17,496,500

APPENDIX C**Service / New Charge**

The Planning and Place Service charges fees for building regulation work. Unlike planning application fees, which are set nationally, local authorities can choose the level of fees for the building regulation services that they provide.

Whilst it is proposed to maintain much of the existing fee schedule, the supplementary charges for service provision have been revised into different categories and have been expanded into a greater number of categories. This would align Lancaster broadly with other district local authorities.

Charging Policy

The proposed charging will be on a full commercial basis.

Comparative Information

The additional charges will involve re-categorising many of the more regular occurring domestic alterations and supplementary other charges. The proposed charges align with other local authority providers.

Financial

Information Required	Description
Level of charge	See foot of this form for the proposed additional fees.
Start date	1 April 2022
Budgeted income	<p>The additional fees would not account for all of the Building Control income – much of the income will derive from new housebuilding and fees are already established for those categories.</p> <p>In total fees are projected to achieve £95k for 2022/23.</p>
Surplus/deficit as a percentage of cost	N/A

Surplus/deficit per usage	N/A
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Impact Assessment

Customers can choose who they want to deliver their building regulation services. They may choose the public sector or the private sector. The fees being proposed therefore are not mandatory for residents of the district and are only part of the competitive local building control market.

Impact on Other Areas

The fees can be levied with the current staffing arrangements (Capita) in place, but the possibility of raising greater fee income would benefit from recruitment to the currently-vacant Building Control posts (this has been highlighted via the budget process discussions).

Method of Collection

Pre-paid fee, submitted alongside application form and plans.

Alternatives

Local authorities charge for their building regulation services. The private sector and other local authorities offer competitive alternatives. The revised structure and service offers are commensurate with the service being offered and will represent an improvement for users of the service.

Consultation

None, given the competitive nature of the local market – advanced consultation would not be beneficial.

Schedule 4 – Standard Charges for Domestic Alterations		Standard Charges for Domestic Alterations			
		Plan Charge (inclusive of VAT)	Inspection Charge (inclusive of VAT)	Building Notice Charge (inclusive of VAT)	Regularisation Charge (exempt from VAT)
a	Installation of replacement windows and doors in a dwelling (not exceeding 20)	£100.00	inc.	£100.00	£120.00
b	Controlled electrical work to a single dwelling (not carried out in conjunction with work being undertaken that falls within the other tables) <i>Work is undertaken by a person who is not a member of a registered Competent Person Scheme</i>	£500.00	inc.	£500.00	£600.00
c	Renovation of a thermal element (i.e. work involving recovering of a roof or renovation of an external wall)	£130.00	inc.	£130.00	£156.00
d	Formation of an ensuite, bathroom or cloakroom	£270.00	inc.	£270.00	£324.00
e	Removal or partial removal of chimney breast(s)	£200.00	inc.	£200.00	£240.00
f	Removal of wall & insertion of steel beam(s)	£250.00	inc.	£250.00	£300.00
g	Conversion of an existing conservatory roof to solid roof construction	£225.00	Inc.	£225.00	£270.00
h	Forming two existing dwellings into one single dwelling	£225.00	Inc.	£750.00	£900.00
i	Installation of a new heating appliance to a single dwelling	£240.00	Inc.	£240.00	£288.00
j	Installation of new sewage chemical treatment plant	£250.00	Inc.	£250.00	£300.00

Schedule 5 – Other Charges		Fee (inclusive of VAT)	
a	A revised scheme considered not to be the same as originally deposited	£100.00	
b	Fee to be applied for Completions inspection where 12 months have elapsed since the previous inspection. A further charge will be applied for issuing a Completion Certificate. This service is not available on applications which were submitted more than 15 years ago.	£130.00	
c	Fee to be applied for issuing a Completion Certificate where 12 months have elapsed since the previous inspection. This service is not available on applications which were submitted more than 15 years ago.	£50.00	
d	Fee to cover technical and admin costs if an application is withdrawn before it has been assessed. The fee less the £60 will be refunded.	£75.00	
e	Copy of Approval Notice, Completion Letter or Completion Certificate	£25.00	
f	Building Regulation Confirmation Letter (i.e. letter of exemption)	£60.00	
g	Pre-Application Advice: Includes one site visit and the fee paid is non-refundable but is deductible from your total application cost should an application be submitted within 6 months of your pre-application submission	Domestic	£60.00
		Commercial	£120.00

APPENDIX C

Service / New Charge

The Planning and Place Service already offers a chargeable pre-application advice service. As part of the Service Review, the Service has been discussing revised advice with some service users. The proposed new service provides a more flexible advice service for users (more options to choose in terms of how a developer wants to receive their advice). The proposed changes will also aim to reduce waiting times for receiving advice by two weeks.

Charging Policy

The proposed charging will be on a cost recovery basis.

Comparative Information

The backlog of planning application work has been addressed and there is a need to relaunch the pre-application advice service for 2022-23.

Two levels of pre-application advice will be offered - the popular 'Developer Forum' advice will be retained as one of the advice the Service offers as this provides excellent value for money for developers who want to test their major, strategic proposals. Fees have been reviewed to ensure that they are commensurate with costs (fees have not increased since 2017).

The second level of service will replace the current 'Level 1' and 'Level 2' products. The Service has listened to feedback from some agents and architects regarding the speed of pre-application advice, and the need for increased flexibility (for example, the ability to simply meet on site for some schemes, rather than to require written responses). Taking this into account, our new pre-applications service will provide applicants with the choice of receiving their advice via (a) a site visit; (b) a site visit + written follow up; or (c) a site visit + written + additional meeting.

Financial

Information Required	Description
Level of charge	Fees will be set on a sliding scale based upon the type of advice service that the user selects, and the scale of development that is proposed. See foot of this form for proposed sliding scale.
Start date	1 April 2022

Budgeted income	Difficult to gauge given that this would be a revamped service, but budget estimates for 2022/23 aim to achieve £75k.
Surplus/deficit as a percentage of cost	N/A
Surplus/deficit per usage	N/A

Impact Assessment

Entering into pre-application advice is not mandatory in the UK, and therefore users of the service have a choice as to whether to seek advice for their development proposals.

Good quality pre-application advice has the ability to help applicants address any issues prior to the submission of a planning application, thus reducing long-term project costs.

Good quality Forum advice has already proved popular for developers and has been welcomed by Parish Councils and local Flood Groups who are now involved in shaping pre-application proposals for major development.

Impact on Other Areas

None.

Method of Collection

Pre-paid fee, submitted alongside application form.

Alternatives

Local authorities have been able to charge for pre-application advice for some considerable time. Not charging for advice would make the service unviable. Significant increases in fees would make the service unpopular. The revised structure and service offers are commensurate with the service being offered and will represent an improvement for users of the service.

Consultation

Managers have informally discussed these proposals with some agents and architects, and informally with the local Chamber of Commerce.

Development Category	'ENGAGE' ADVICE SERVICE	'FORUM' ADVICE SERVICE
Residential: 1-2 New residential units	Site Meeting Only - £250	Not Available
	Site Meeting + Written Advice - £300	
	Site Meeting + Written Advice + Follow Up Meeting - £350	
Residential: 3-9 New residential units (or where the number of units is not specified, up to 0.49 hectare)	Site Meeting Only - £300	Not Available
	Site Meeting + Written Advice - £350	
	Site Meeting + Written Advice + Follow Up Meeting - £400	
Residential: 10-49 New residential units (or where numbers are unknown, between 0.5-1.0 hectare)	Site Meeting Only - £650	£2000
	Site Meeting + Written Advice - £800	
	Site Meeting + Written Advice + Follow Up Meeting - £1000	
Residential: 50+ New residential units (or where numbers not known, development in excess of 1.01 hectare)	Site Meeting Only - £800	£3000
	Site Meeting + Written Advice - £1000	
	Site Meeting + Written Advice + Follow Up Meeting - £1750	
Non-Residential: Proposals involving development, works, operations or change of use of up to 1000 sq.m	Site Meeting Only - £250	Not Available
	Site Meeting + Written Advice - £300	
	Site Meeting + Written Advice + Follow Up Meeting - £350	
Non-Residential: Proposals (defined above) between 1001-2000 sq.m	Site Meeting Only - £300	Not Available
	Site Meeting + Written Advice - £350	
	Site Meeting + Written Advice + Follow Up Meeting - £400	
Non-Residential: Proposals (defined above) in excess of 2000 sq.m site area	Site Meeting Only - £500	£2000
	Site Meeting + Written Advice - £750	
	Site Meeting + Written Advice + Follow Up Meeting - £800	

Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	Date	18 January 2022
Report of	Chief Finance Officer		
Purpose of Report			
To provide an update on the Council's budget strategy for 2022/23 and financial outlook up to 2025/26. Specifically, the report considers the budget and council tax proposals for 2022/23.			
Key Decision (Y/N)		Date of Notice	
		Exempt (Y/N)	N

Report Summary

The report summarises the latest budget and council tax proposals for 2022/23 and looks forward to the work to be undertaken in respect of the Capital Strategy and Medium Term Financial Strategy.

Recommendations of Councillor Anne Whitehead

1. That Cabinet make recommendations to Council regarding the Lancaster City Council element of the Council Tax as set out in paragraph 3.4 (option one) of this report which is a £5 increase to the Band D Council Tax (from £236.95 to £241.95).
2. That Cabinet makes recommendations regarding its initial budget proposals as set out in section 4 and Appendix A of this report.
3. That the recommendations and proposals in this report be referred to Council on 26 January for initial consideration as well as being presented for scrutiny by Budget and Performance Panel on 02 February, in order that any feedback can be provided to Cabinet at its 08 February meeting.

Relationship to Policy Framework

The budget framework in general sets out a financial plan for achieving the Council's corporate priorities which incorporate the above cross cutting themes. Equalities impact assessments are undertaken for the relevant activities which are reflected in the budget.

Conclusion of Impact Assessment(s) where applicable

Climate	Wellbeing & Social Value
Digital	Health & Safety
Equality	Community Safety

The budget incorporates measures to make progress in addressing the climate emergency and digital improvements as well as activities to address wellbeing, health

and community safety.	
Details of Consultation	
Details of consultation are set out in sections 7 and 8 of the report.	
Legal Implications	
No legal implications directly arising from this report.	
Financial Implications	
As set out in the report.	
Other Resource or Risk Implications	
No other implications directly arising from this report.	
Section 151 Officer's Comments	
The Section 151 Officer has authored this report in his capacity as Chief Finance Officer	
Monitoring Officer's Comments	
The Monitoring Officer has been consulted and has no comments on this report.	
Contact Officer	Paul Thompson Chief Finance Officer/ s151 Officer
Tel	01524 582603
Email	pthompson@lancaster.gov.uk
Links to Background Papers	

1 INTRODUCTION

- 1.1 Under the Constitution, Cabinet has responsibility for developing corporate planning proposals and a balanced budget for Council's consideration.
- 1.2 The Cabinet meeting on 07 December 2021 considered updated estimates in respect of Government funding and Council Tax and the corresponding impact on the revenue budget gap. Since that report, the Government has released the Provisional Local Government Finance Settlement. A number of informal meetings have been held between Members and Executive Management Team to consider specific revenue budget proposals for 2022/23.
- 1.3 All services have been working with the Chief Executive and Finance Team to ensure a balanced budget aligned with our priorities is achieved. Throughout the Autumn discussions have been held with all services to identify opportunities to address the structural deficit and align expenditure with priority outcomes based on the Funding the Future Strategy.
- 1.4 This report sets out:
 - An update to the estimates in respect of Council funding including Revenue Support Grant, Retained Business Rates & New Homes Bonus following on from the release of the provisional local government finance settlement and the corresponding impact on the budget gap. (section 2)

- Consideration of options for setting the Council's element of the Council Tax for 2022/23. (section 3)
- A summary of the proposals for achieving a balanced revenue budget for 2022/23. (section 4)
- An update on the work undertaken in respect of the capital programme for 2021/22 to 2025/26 and a longer-term Capital Strategy. (section 5)
- An update on the development of a Medium Term Financial Strategy which will secure the long term financial resilience of the authority and identify resources to meet the Council's priorities for the next five years. (section 6)

2.0 LOCAL GOVERNMENT FUNDING UPDATE

2.1 The Council's net revenue expenditure is funded from the following sources:

- Settlement Funding Assessment which is divided into Revenue Support Grant and Localised Business Rates
- Council Tax
- New Homes Bonus

2.2 The Government released the provisional local government finance settlement on 16 December 2021. As in 2020 this is a one-year settlement following on from its Spending Review in November 2021, rather than a long-term review due to the ongoing economic uncertainty caused by the COVID-19 pandemic.

2.3 A summary of the provisional settlement for Lancaster City Council is provided in table one below.

Table One – Provisional Settlement allocations for Lancaster City Council

	Provisional Settlement £000	LCC Forecast £000	Difference £000
Settlement Funding Assessment			
Revenue Support Grant	212	0	212
Retained Rates	9,762	9,624	138
New Homes Bonus	547	556	-9
Lower Tier Services Grant	257	0	257
Services Grant	395	0	395
Reimbursement 1.25% NIC	0	144	-144
Total Government Funding			849

2.5 As table one shows, the provisional settlement allocates £0.849M more resources than anticipated and this slightly reduces the gap for the 2022/23 revenue budget. However, a number of additional pressures have been identified and reflected in the current budgeted position. These are discussed further in section 4.

2.4 The pattern of one year settlements and the lack of a longer term horizon makes financial planning particularly difficult; however, a number of funding assumptions have been made within the Council's Medium Term Financial Strategy (MTFS) reflecting the past two settlements. These are discussed in greater detail within section 6.

3 COUNCIL TAX

3.1 As part of the provisional finance settlement, the Government published its referendum criteria for Council Tax. District councils will be permitted to raise their Council Tax by 2% or £5, whichever is higher, without reference to a referendum. Table two below considers the following two options for Council Tax:

- Option one – an annual 2% or £5 increase in Council Tax (whichever is higher) – for Lancaster City Council, this will be £5 in 2022/23
- Option two – no increase in Council Tax

Table Two – Impact of council tax options: 2022/23 to 2025/26

Year	Taxbase (% Annual Increase)	Estimated Annual Movement	Option One Annual maximum increase in Council Tax			Option Two No annual increase in Council Tax		Additional Income from increase
			%	Band D	Increase	Income	Band D	
2022/23	42,060	1.34%	241.95	£5	10,176,417	236.95	9,966,117	210,300
2023/24	42,480	1.00%	246.95	£5	10,490,584	236.95	10,065,778	424,806
2024/25	42,905	1.00%	251.95	£5	10,810,017	236.95	10,166,436	643,581
2025/26	43,334	1.00%	256.99	2%	11,136,523	236.95	10,268,100	868,423

3.2 The budget proposals have assumed the maximum allowable increase in Council Tax. In 2022/23 this will raise an additional £210k. If there was no increase in Council Tax, income would increase by £133k due to additional properties. The table above also shows the difference, in terms of income, between the maximum allowable tax increase and no increase which, over four years, amounts to an additional £2.147M in income if option one is adopted.

3.3 Taxbase growth of 1.34% in 2022/23 is higher than originally forecast in the MTFS. The MTFS assumes an increase of £5 until a 2% increase is greater than £5.

3.4 **The recommendation arising from this report is that the Council on 26 January 2022 agree a £5 increase (option one) to the level of the 2022/23 Band D Council Tax for the Lancaster City Council element.** It is also recommended that option one is selected for the purposes of completing estimates in the Medium-Term Financial Strategy.

4 BUDGET PROPOSALS

- 4.1 The 7 December 2021 Cabinet report set out the challenges facing the Council in balancing its revenue budget for 2022/23 and beyond. Since that report several savings and growth proposals have been presented as well as in-year changes and ongoing changes to accounting, forecasting and grant activity which have caused a change in the budgetary position for this budget from that stated previously. Proposals for closing the budget gap are shown in table three below and are provided in more detail in **Appendix A**.

Table Three Cabinet's Draft Revenue Budget Proposals – 2022/23

	2022/23 £'000
Revenue Budget/Forecast as at 24 February 2021	21,110
Base Budget Changes	
Operational Changes	1,478
Additional Inflationary Pressure	67
Latest Budgetary Position	22,655
Outcomes Based Resourcing Proposals:	
Savings Proposals	(180)
Additional Resource Requirements	690
Income Generation Proposals	(840)
Revenue Impact of Capital Programme Review	(1,505)
Contribution to/(from) Collection Fund Reserves	400
Contribution to/(from) Unallocated Reserve	34
General Fund Revenue Budget	21,254
Core Funding:	
Revenue Support Grant	(212)
New Homes Bonus	(42)
Supplementary Government Grants	(652)
Prior Year Council Tax Surplus	(66)
Net Business Rates Income	(10,106)
Council Tax Requirement	10,176
Estimated Council Tax Income - (Increases based on £5 for 2022/23 then max)	10,176
Resulting Base Budget (Surplus)/Deficit	0

- 4.2 The proposals set out in the table 3 above produce a balanced revenue budget for 2022/23, which forms part of the recommendations of this report. If Cabinet agree the proposal, then it will go forward to the Budget and Performance Panel on 02 February 2022 and to Council on 29 January 2022 and then form part of the Budget and MTFS report to the Budget Council Meeting on 24 February 2022.
- 4.3 Table 4 below reconciles the position reported to Cabinet 7 December 2021 to the current balanced position.

Table 4 Reconciliation Cabinet 07 December 2021 to Current Position

	2022/23
Resulting Base Budget (Surplus)/ Deficit as at 7 December 2021 (Cabinet)	2,232
Impact of Provisional Local Government Finance Settlement as at 16 December 2021	(849)
Impact of Review of the Capital Programme (MRP & Interest)	(1,505)
Savings Proposals	(180)
Additional Resource Requirements	690
Additional Income Proposals	(840)
Operational Changes (Pension Top Up plus minor changes)	447
Inflationary Impact	(19)
Council Tax/Business Rates Adjustments	(10)
Contribution to Reserves	34
Resulting Base Budget (Surplus)/ Deficit as at 18 January 2022	0

Budget Principles and Assumptions

- 4.4 Within the revenue budget there are several principles and key assumptions underpinning the proposed revenue strategy. These are:
- i. Annually, a balanced revenue budget will be set with expenditure limited to the amount of available resources;
 - ii. No long-term use of balances to meet recurring baseline expenditure.
 - iii. Resources will be targeted to deliver Corporate ambitions and value for money. Any additional investment and spending decisions will be made to reflect Council priorities and strategic commitments.
- 4.5 Table 5 below, lists the major assumptions that have been made for the 2022/23 budget.

Table 5 Major Assumptions 2022/23

	2022/23
Council Tax base growth	1.34%
Council Tax inflation	£5
Business Rates Multiplier	Frozen
Inflation – Pay	2% 515,100
Inflation – Premises Related	Various 128,900
Inflation – Insurance	10% 60,800
Inflation – General Index	3.3% 216,400
Inflation – Fees & Charges	3.3% (401,400)

Operational Changes

- 4.6 Operational changes included in the base budget for 2022/23 currently amount to an increase in expenditure of £1.478M. The Council budgets for inflation across a number of areas such as gas, electricity, water, insurance, building costs etc as well as general price inflation and seeks the appropriate indices from a number of sources. The impact of inflation increases expenditure by a further £0.067M. A summary of operational changes is given in the table 6 below:

Table 6 Operational Changes

Operational Changes	£M
Salaries	0.515
Additional cost pressures	0.430
Slipped expenditure	0.095
Other minor changes	0.038
Pension Fund Top Up	0.400
Sub Total	1.478
Impact of Inflation	0.067
Total	1.545

Pay & Prices Increases

- 4.7 A 2% pay award allowance has been included in 2022/23 and 2% across the remaining years. The assumption of 2% considers that employees on lower salaries are expected to receive an increase. It should be noted that pay awards in Local Government are covered by collective bargaining between employers and trade unions and are not subject to direct control from Central Government. However, it is reasonable to assume that Local Government will mirror what happens in the rest of the public sector.
- 4.8 Prices inflation has been included on selected non-pay items as set out in table 5.

Pension Fund Top Up Payment

- 4.9 The pension fund is subject to a triennial actuarial valuation, the most recent of which was undertaken by Mercers LLP during 2019, on behalf of Lancashire County Council, the pension fund administrator. As a result of the triennial valuation Council elected to prepay its pension's deficit recovery and future service costs in April 2020 for the period 2020/21 to 2022/23. Due to an underestimation in pensionable pay the Council has been asked to consider making additional payments to the pension fund.

Additional Cost Pressures

- 4.10 Significant cost pressures have been highlighted through budget monitoring. Some key pressures are set out below and within **Appendix B**:
- HGV Drivers £0.087M
 - Bank Charges £0.027M
 - Investment Interest £0.055M
 - Audit Fees £0.020M
 - Vehicle Repair & Maintenance £0.084M
 - Salt Ayre Energy Costs £0.233M

Savings and Income Generation Proposals

- 4.11 The budget savings or income growth identified in **Appendix B** for 2022/23 relate to several areas where actions are being undertaken by the Council. Some of the key areas are:
- Car Parking Tariff Review £0.495M
 - Salt Ayre Income £0.209M
- 4.12 It should be noted that the potential income of £0.495M relating to the Council's car parking tariff review is subject to a separate report and agreement and at this time may be at risk.

Revenue Impact of Capital Programme Review

- 4.13 Cabinet and Executive Management Team have reviewed in detail the Council's existing capital programme and have repositioned and reprofiled a number of capital schemes in line with its revised Capital Investment Strategy (Investing in the Future) to lessen the revenue impact of capital projects through Minimum Revenue Provision (MRP) and interest cost savings.

5 CAPITAL PROGRAMME

- 5.1 As noted previously Cabinet and Executive Management Team are currently finalising the proposed Capital Programme for 2022/23 and beyond in accordance with its Capital Investment Strategy (Investing in the Future). A draft version of this strategy was presented Budget and Performance Panel 14 December 2021 for consideration and commentary as per the Council's constitutional requirements.
- 5.2 Details of the current proposed Capital Programme are provided at **Appendix C**. The final Capital Programme for 2022/23 to 2025/26 and supporting Capital Strategy to cover this period and beyond will be considered by Cabinet at its February meeting ahead of the Budget Council on 23 February 2022.
- 5.3 It is expected that a number of significant capital proposals will be put forward in line with the Capital Investment Strategy during the forthcoming year covering major upcoming corporate priority projects. These ambitious schemes, which cover economic development, regeneration, housing development and meeting the climate emergency which will contribute to achieving the Council's ambitions and longer term revenue budget position.

6. MEDIUM TERM FINANCIAL STRATEGY

- 6.1 A revised Medium Term Financial Strategy will be considered in detail at Budget Council. The revision of the MTFFS will be important and timely in order to provide sound financial planning processes to underpin the Council's ambitions. Key considerations of the MTFFS include taking account of the impact of decisions made to balance the 2022/23 budget alongside forecasts for future funding.
- 6.2 There are a number of factors to be considered as part of the financial planning exercise and Members will be aware of the recent announcements regarding the decommissioning plans for the Heysham1 and Heysham 2 nuclear reactors. This announcement will have a significant impact across the district as a whole but will inevitably have a significant impact the Council's finances, as currently the rateable value of the reactors accounts for over 30% of the Council's total rateable value. The retained business rates scheme does have a safety net mechanism in place to ensure that a Council's income does not drop below more than a set percentage of its index linked spending baseline. Given the Council's exposure it is expected that we will inevitably fall into a safety net scenario and will need to rely on the Business Rates Retention Reserve to smooth operational shortfalls in the short term.
- 6.3 Medium Term financial forecasts have been updated as shown in Table 6 below. These estimates are the best estimates and may be subject to change prior to presentation at Budget Council.

Table 6 Medium term Financial Forecasts

	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000
Revenue Budget	21,254	21,929	23,445	24,692
Budget Gap (Incremental)	0	2,151	3,177	3,923
Budget Gap (Incremental)	0	2,151	5,328	9,251
Percentage of Revenue Budget		9.81%	22.73%	37.47%

- 6.3 The forecast gaps are structural in nature, meaning that the Council's forecast spending exceeds the income it expects to receive. This represents a significant challenge over the short and medium term. Re-iterating the commentary in the 07 December 2021 Cabinet report, it is now imperative that a thorough and detailed review of our cost base is undertaken through application of Outcomes Based Resourcing (OBR), or other similar budget principles. This will have a particularly important part to play alongside the other pillars of the Funding the Future strategy in driving down budget gaps from 2023/24 and beyond and in realising financial sustainability.
- 6.4 Members will be pleased to note that at the time of writing this report detailed proposals are being developed to enable phase 1 procurement of external advice, with the aim of securing suitable expertise by the end of the financial year. Further updates of the progress of OBR procurement and the MTFs will be made to Budget Council 23 February 2022.
- 6.5 A full update on the Housing Revenue Account budget and financial outlook will be considered alongside the revenue budget including options to ensure that the service's 30-year business plan is viable and that its ongoing budget is balanced, whilst delivering value for money to tenants.
- 7 DETAILS OF CONSULTATION**
- 7.1 As in previous years, the usual high level consultation with relevant stakeholders on the budget will be undertaken prior to Budget Council in February. More specific consultation may be required depending on the budget savings options being considered. Consultation on council housing matters will be undertaken through the District Wide Tenants' Forum.
- 8 OPTIONS AND OPTIONS ANALYSIS (INCLUDING RISK ASSESSMENT)**
- 8.1 It is essential that the Council Tax rate is set in accordance with the Council tax billing timetable. Any delay would put the Council at risk of not being able to collect the tax in time to make precept payments which would have serious cash flow implications.
- 8.2 Regarding the budget strategy, Cabinet may approve the proposals as set out, or require changes to be made to the suggested approach. The overriding aim of any budget setting process is to approve a balanced budget by statutory deadlines, allocating resources to help ensure delivery of the Council's corporate and service ambitions. The proposed approach is in line with that broad aim and any changes that Cabinet puts forward should also be framed in that context.
- 8.3 In term of the actual budget position, this report puts forward a balanced budget. If Cabinet agrees the budget, then it will form their proposal to Budget and Performance Panel on 02 February 2022. The feedback from this meeting will be considered by Cabinet and incorporated into a final budget proposal which will be considered at the Cabinet meeting on 08 February 2022 and recommended to Council on 24 February 2022.

General Fund Revenue Budget Projections 2022/23 to 2025/26

For Consideration by Cabinet 18 January 2022

BUDGET PROJECTIONS		2022/23	2023/24	2024/25	2025/26
		£'000	£'000	£'000	£'000
	Revenue Budget/Forecast as at 24 February 2021	21,110	23,550	24,400	24,400
	Base Budget Changes				
	Operational Changes	1,478	1,243	1,454	1,586
	Additional Inflationary Pressure	67	117	179	791
	Latest Budgetary Position	22,655	24,910	26,033	26,777
	Outcomes Based Resourcing Proposals:				
	Savings Proposals	(180)	(212)	(222)	(230)
	Additional Resource Requirements	690	842	803	806
	Income Generation Proposals	(840)	(1,112)	(1,068)	(1,074)
	Revenue Impact of Capital Programme Review	(1,505)	(1,775)	(1,808)	(1,405)
	Contribution to/(from) Collection Fund Reserves	400	(743)	(316)	(216)
	Contribution to/(from) Unallocated Reserve	34			
	General Fund Revenue Budget	21,254	21,910	23,422	24,658
	Core Funding:				
	Revenue Support Grant	(212)			
	New Homes Bonus	(42)	(42)	(42)	(42)
	Supplementary Government Grants	(652)	(652)	(652)	(652)
	Prior Year Council Tax Surplus	(66)			
	Net Business Rates Income	(10,106)	(8,593)	(8,764)	(8,940)
	Council Tax Requirement	10,176	12,623	13,964	15,024
	Estimated Council Tax Income - (Increases based on £5 for 2022/23 then max allowable)	10,176	10,491	10,810	11,135
	Resulting Base Budget (Surplus)/Deficit	0	2,132	3,154	3,889
	Original MTFs Savings Requirement	2,183	4,223	4,668	N/A
	Change	(2,183)	(2,091)	(1,514)	N/A

General Fund Unallocated Balance	
	£M
Balance as at 31 March 2021	(7.808)
2021/22 In Year allocations	+2.267
2021/22 Forecast (Under)/Overspend	+0.319
Projected Balance as at 31 March 2022	(5.222)
2022/23 Forecast Budgeted Contribution	(0.034)
Projected Balance as at 31 March 2023	(5.256)
Less Recommended Minimum Level of Balances	3.500
Available Balances	(1.756)

Saving and Budget Proposals 2022/23 to 2025/26

SAVINGS PROPOSALS	Upfront	2022/23	2023/24	2024/25	2025/26
	Investment	£'000	£'000	£'000	£'000
Central Services					
<u>Chief Executive</u>					
Delete vacant Head of Policy & Strategy		71	74	77	80
Communities & the Environment					
<u>Public Protection</u>					
Community Safety Partnership		16	16	17	17
ASB Contribution to Police		12	12	12	12
Domestic Abuse Contribution		4	4	4	4
<u>Public Realm</u>					
Marketgate (toilets)		21	21	21	21
Corporate Services					
<u>Democratic Services</u>					
Staffing Changes (succession planning)		-	13	13	13
<u>Legal Services</u>					
Staffing Changes (succession planning)		15	30	30	30
Economic Growth & Regeneration					
<u>Economic Development</u>					
Remove FHS staff costs		41	42	43	43
<u>Planning & Place</u>					
Additional Pre-Application Service Offers		-	-	5	10
Net Savings		180	212	222	230

INCOME GENERATION PROPOSALS	Upfront	2022/23	2023/24	2024/25	2025/26
	Investment	£'000	£'000	£'000	£'000
Communities & the Environment					
<u>Customer Involvement & Leisure</u>					
Salt Ayre Leisure Centre		209	484	483	482
<u>Public Protection</u>					
Street Trading Consent		-	20	20	20
Pest Control/Unbugged		9	15	20	22
<u>Public Realm</u>					
Car Parking charging at new sites		20	20	20	20
Car Parking Tariff Review		495	430	371	371
Revisit delivery of Morecambe Concessions		10	30	30	30
Williamson Park Events Income		70	75	80	80
Economic Growth & Regeneration					
<u>Economic Development</u>					
Commercial ticketed events (estimated)		10	20	25	30
<u>Planning & Place</u>					
Building Control		5	6	7	7
<u>Property, Investment & Regeneration</u>					
Assembly Rooms Rent		12	12	12	12
Net Cost of Redirection		840	1,112	1,068	1,074

ADDITIONAL RESOURCE REQUIREMENTS	Upfront	2022/23	2023/24	2024/25	2025/26
	Investment	£'000	£'000	£'000	£'000
Central Services					
<u>Chief Executive</u>					
Partnerships & Innovation Coordinator (shared costs)		(20)	(20)	(20)	(20)
Executive Support Apprentice		(7)	(18)	(22)	(25)
Communities & the Environment					
<u>Housing Services</u>					
LATCo Development Manager		(23)	(92)	(94)	(95)
<u>Public Protection</u>					
New EHO Post (Apprentice/Student)		(10)	(23)	(23)	(23)
<u>Public Realm</u>					
LESS Contribution (Food Futures)		(13)	(13)	(13)	(13)
Recycling (Wheelie Bin Pilot in Heysham)		(25)	(25)	-	-
Bin Sensor Technology	(62)	(36)	(36)	(36)	(36)
District Wide Tree Survey/Strategy		(75)	-	-	-
Open Spaces (ad-hoc Councillor requests)		-	(50)	(50)	(50)
Additional Public Realm Capacity		(32)	(66)	(70)	(72)
Williamson Park Business Development Officer		(32)	(33)	(34)	(35)
Williamson Park Events		(30)	(30)	(30)	(30)
Corporate Services					
<u>Financial Services</u>					
Internal Audit Manager (offset by Wyre savings)		-	(32)	(34)	(36)
Project Accountant(s) to cover larger projects		(12)	(47)	(50)	(52)
CIVICA Financials Contract		-	(15)	(15)	(15)
<u>Human Resources & Organisational Development</u>					
Programme Manager (position made permanent)		(58)	(59)	(60)	(62)
Working Well		(25)	-	-	-
Economic Growth & Regeneration					
<u>Economic Development</u>					
Museums staff Job Evaluation (following TUPE transfer)		(14)	(15)	(16)	(16)
Critical maintenance and security for architectural site		(10)	(10)	(10)	(10)
<u>Planning & Place</u>					
Building Control (post-external contract)		(105)	(95)	(75)	(65)
Voice-recognition software		(6)	(6)	(6)	(6)
Integrated EDMS system		(45)	(45)	(45)	(45)
Amenity Improvements Programme		(12)	(12)	-	-
<u>Property, Investment & Regeneration</u>					
Project due diligence (contribution to new reserve)		(100)	(100)	(100)	(100)
Net Cost of Growth		(690)	(842)	(803)	(806)

General Fund Capital Programme

Cabinet 18 January 2022

Service / Scheme	2021/22			2022/23			2023/24			2024/25			2025/26			5 YEAR TOTAL		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Total Gross Programme	Total External Funding	Total Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Communities and Environment																		
Vehicle Renewals	2,503,000		2,503,000	2,012,000		2,012,000	194,000		194,000	2,253,000		2,253,000	1,423,000		1,423,000	8,385,000	0	8,385,000
Fleet Growth & changed fleet specifications	0		0	180,000		180,000	0		0	0		0	0		0	180,000	0	180,000
Electrification of Vehicles	0		0	508,000		508,000	186,000		186,000	2,454,000		2,454,000	1,423,000		1,423,000	4,571,000	0	4,571,000
2 x Electric Refuse Vehicles	400,000		400,000	0		0	0		0	0		0	0		0	400,000	0	400,000
Electronic Vehicle Charging Points - Phase 2	58,000	(30,000)	28,000	0		0	0		0	0		0	0		0	58,000	(30,000)	28,000
SALC optimised solar farm, air sourced heating pumps & glazing efficiency	4,828,000	(4,828,000)	0	0		0	0		0	0		0	0		0	4,828,000	(4,828,000)	0
One Million Trees	33,000		33,000	30,000		30,000	30,000		30,000	0		0	0		0	93,000	0	93,000
Happy Mount Park Pathway Replacements	13,000		13,000	0		0	0		0	0		0	0		0	13,000	0	13,000
Far Moor Playing Fields s106 Scheme	56,000	(21,000)	35,000	37,000		37,000	0		0	0		0	0		0	93,000	(21,000)	72,000
Disabled Facilities Grants	1,870,000	(1,870,000)	0	3,667,000	(3,667,000)	0	2,144,000	(2,144,000)	0	2,144,000	(2,144,000)	0	0		0	9,825,000	(9,825,000)	0
Next Steps Accommodation Programme	750,000		750,000	0		0	0		0	0		0	0		0	750,000	0	750,000
Half Moon Bay Car Park Extension	30,000		30,000	30,000		30,000	0		0	0		0	0		0	60,000	0	60,000
Salt Ayre Asset Management Plan	1,436,000		1,436,000	549,000		549,000	124,000		124,000	38,000		38,000	53,000		53,000	2,200,000	0	2,200,000
Customer Contact System	91,000		91,000	0		0	0		0	0		0	0		0	91,000	0	91,000
Mellishaw Park	0		0	600,000		600,000	360,000		360,000	240,000		240,000	0		0	1,200,000	0	1,200,000
Roof Mounted Solar Array - City Labs	33,000		33,000	0		0	0		0	0		0	0		0	33,000	0	33,000
Vehicle Maintenance Unit Brake Rollers	36,000		36,000	0		0	0		0	0		0	0		0	36,000	0	36,000
Economic Growth and Regeneration																		
Sea & River Defence Works	910,000	(722,000)	188,000	725,000	(725,000)	0	0		0	0		0	0		0	1,635,000	(1,447,000)	188,000
Morecambe Regeneration	3,165,000		3,165,000	0		0	0		0	0		0	0		0	3,165,000	0	3,165,000
Lancaster Heritage Action Zone	174,000	(174,000)	0	2,356,000	(1,383,000)	973,000	777,000	(136,000)	641,000	0		0	0		0	3,307,000	(1,693,000)	1,614,000
Canal Quarter Site Acquisition	110,000		110,000	40,000		40,000	0		0	0		0	0		0	150,000	0	150,000
Edward Street Coach House Area Improvement	0		0	84,000		84,000	0		0	0		0	0		0	84,000	0	84,000
Bailrigg Garden Village - Contribution	0		0	0		0	0		0	306,000		306,000	306,000		306,000	612,000	0	612,000
1 Lodge Street Urgent Structural Repairs	150,000		150,000	340,000		340,000	0		0	0		0	0		0	490,000	0	490,000
Coastal Revival Fund - Morecambe Co-Op Building	11,000	(11,000)	0	0		0	0		0	0		0	0		0	11,000	(11,000)	0
Morecambe Co-Op Building Renovation	50,000		50,000	375,000		375,000	0		0	0		0	0		0	425,000	0	425,000
Lancaster Square Routes	0		0	21,000	(16,000)	5,000	0		0	0		0	0		0	21,000	(16,000)	5,000
Lancaster District Empty Homes Partnership	0		0	73,000		73,000	0		0	0		0	0		0	73,000	0	73,000
S106 Highways Works	70,000		70,000	0		0	0		0	0		0	0		0	70,000	0	70,000
Lancaster City Museum Boiler	179,000		179,000	0		0	0		0	0		0	0		0	179,000	0	179,000
Palatine Recreation Ground Pavillion	138,000		138,000	0		0	0		0	0		0	0		0	138,000	0	138,000
Lawson's Bridge S106 Scheme	2,000		2,000	63,000		63,000	0		0	0		0	0		0	65,000	0	65,000
Engineers Electric Vehicle	15,000		15,000	0		0	0		0	0		0	0		0	15,000	0	15,000
Cable Street Christmas Lights	0		0	24,000		24,000	0		0	0		0	0		0	24,000	0	24,000
Corporate Services																		
ICT Systems, Infrastructure & Equipment	105,000		105,000	370,000		370,000	160,000		160,000	150,000		150,000	130,000		130,000	915,000	0	915,000
ICT Laptop Replacement & e-campus screens	0		0	120,000		120,000	30,000		30,000	0		0	0		0	150,000	0	150,000
ICT Telephony	40,000		40,000	0		0	0		0	0		0	0		0	40,000	0	40,000
			0			0			0			0			0			0
GENERAL FUND CAPITAL PROGRAMME	17,256,000	(7,656,000)	9,600,000	12,204,000	(5,791,000)	6,413,000	4,005,000	(2,280,000)	1,725,000	7,585,000	(2,144,000)	5,441,000	3,335,000	0	3,335,000	44,385,000	(17,871,000)	26,514,000
Financing :																		
Capital Receipts			0			0			0			0			0			0
Direct Revenue Financing			300,000			0			0			0			0			300,000
Earmarked Reserves			(325,000)			(947,000)			(484,000)			(278,000)			0			(2,034,000)
Increase / (Reduction) in Capital Financing Requirement (CFR) (Underlying Change in Borrowing Need)			9,575,000			5,466,000			1,241,000			5,163,000			3,335,000			24,780,000

Appendix C

Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	Date	18 January 2022
Title	Eden North: Car Parking - Agreement in Principle		
Report of	Chief Executive		
Purpose of Report			
To support progression of the Eden North planning application and business / funding case, the council needs to confirm it supports a jointly agreed strategic approach to the handling of car-borne visitors to the proposed attraction. The report seeks approval to parameters which will assist the project in satisfying the demands of the Local Planning Authority and Government funding approval processes, with specific regard to the role of council car parking assets in Eden North's sustainable travel and transport proposals.			
Key Decision (Y/N)	Y	Date of Notice	13 Dec 2021
		Exempt (Y/N)	N

Report Summary

The report sets out the process by which the city council and Eden North will progress firm contractual agreements concerning the car parking sites/locations required and the associated operational matters, with proposed implementation anticipated prior to Eden North opening to the public. The form proposed is an Agreement in Principle, the signing of which will satisfy the Local Planning Authority of the viability of Eden North's Transport Strategy, a material consideration in the current planning application. A route to securing planning approval will also support Eden North's business case to Government.

Recommendations of Councillors

- (1) The terms of the Agreement in Principle outlining the proposed role in Eden North's Transport / Parking Strategy of city council car parking assets in Morecambe is endorsed.
- (2) A further report on the detailed operational and financial mechanisms of the proposed operations is considered by Cabinet prior to formal contractual agreement.

Relationship to Policy Framework

Eden Project North provides an opportunity to deliver considerable social and economic benefits for Morecambe and the wider area, contributing to the following priorities:

- A Sustainable District
- An Inclusive and Prosperous Economy
- Healthy and Happy Communities

Conclusion of Impact Assessment(s) where applicable

Climate	Wellbeing & Social Value
Digital	Health & Safety
Equality	Community Safety

Climate: While there are no climate change implications arising directly from the decision, the Agreement in Principle feeds into Eden North’s sustainable travel and transport proposals. The appropriateness of these proposals in terms of their contribution towards mitigating climate change will be tested through Eden North’s planning application by the Local Planning Authority.

Equality - While the detail of car parking sites and operational methodology are not part of this report, the provision of and location of publicly accessible/disabled provision will be a key consideration in considering the detailed arrangements between the city council and Eden North.

There are no other relevant impacts on aspects of Well Being, Digital, Community Safety, however a successful Eden North initiative will contribute positively towards these issues.

Details of Consultation

Eden North has conducted substantial consultation activity at a variety of scales among communities to elicit views regarding Eden North. The decision will feed into consideration of the Eden North planning application currently under review by the Local Planning authority. The planning application is subject to open consultation and scrutiny as part of the formal approval process.

Legal Implications

The Heads of Terms considered in this report do not represent a formal contract with Eden North. The report outlines a strategy and process towards enabling a legally enforceable agreement to be developed between the parties.

At this stage therefore it is purely an Agreement in Principle providing sufficient safeguards for the council in terms of the matters outlined, and sufficient certainty for Eden North in progressing their planning application and negotiations with central Government regarding business case matters. Further Cabinet decisions may be required to finalise a contract dependent on the financial and community implications of the detailed proposed operations.

Financial Implications

There are no direct financial implications in approving this Agreement in Principle. However, operational methodology for the car parks has yet to be determined and any future implications will be subject to a further report to Cabinet.

It should be noted that given the proposal is currently considering the offer of c.400 spaces out of the 1,800 council owned space in Morecambe, then not all car parks need be turned over to Eden North for exclusive use. Current thinking is that they will be made available as “shared use” between Eden North visitors and the public, managed under a dynamic allocation system which would ensure a space is available for pre-paid Eden visitors.

This will be a complex area of operation/negotiation and the final likely impact on the council’s net income in comparison with the current public use profile of Morecambe’s public car parking spaces will need to be assessed. However, the officer assumption is that due to increased volumes, the final revenue position will be at least neutral or positive impact on the Council’s net financial position. A final contract will include an agreed charging schedule including pricing reviews to mitigate any financial risk.

Other Resource or Risk Implications

This must be framed in terms of the downside risk of Eden North failing to progress efficiently through the statutory planning process and potentially failing to secure planning approval under the current application process. An Agreement in Principle will support the certainty of the travel and transport arrangement currently under consideration. A successful award of planning permission will also support consideration of Eden North's financial case presented to Government where certainty of planning approval is a critical consideration.

Section 151 Officer's Comments

Like most local authorities, the Council is facing on significant on-going financial pressures, which have been further exacerbated by impact of the COVID-19 pandemic. Although recent Government proposals may lessen this pressure to some degree, the Council can expect reductions in both our income and on our levels of reserves.

The Eden Project North represents an opportunity to deliver considerable social and economic benefits for Morecambe and the wider area across several the Council's priorities. Associated growth within areas such as business rates and other income streams will assist the Council in becoming financial sustainable.

Monitoring Officer's Comments

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

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Links to Background Papers

1.0 Introduction

Members will be aware that The Eden Project North (EPN) planning application (21/01113/FUL) was validated on 2nd September 2021. This seeks full planning permission for the demolition of existing buildings and proposed construction of the major mixed leisure development proposal including use classes E, F1 and F2, outdoor arena (for live music performances), public realm, landscaping works, cycle parking, detached shelter and energy pods, and associated infrastructure and engineering operations.

As part of this application, a Transport Assessment (TA) and an Interim Travel Plan (ITP) were submitted within the Environmental Statement (Volume 3, Appendix 11.1 and 11.2). The nature of the Parking Strategy proposed in the planning application is being scrutinised by city council officers in its role as Local Planning Authority (LPA) in detail. As Morecambe's main publicly accessible car parking assets are stated in the published planning application as being required to play a critical role in visitor management, it is necessary for the city council in its role as property asset holder to provide certainty to the LPA officers that the approach set out is agreeable.

A formal declaration, by way of an Agreement in Principle, will allow the LPA to complete its review of car parking matters as a material consideration and progress the planning application to recommendation / decision in the New Year. Progression of the Eden North proposal through to planning approval is also a critical matter to support the funding business case to Government.

2.0 Background

The proposed Eden North Parking Strategy set out in Chapter 8 of the planning application Transport Assessment and Transport Assessment Addendum 2 (refer to links in Background Papers links). In association a draft high level Dynamic Parking Strategy provides an initial starting point for discussions to be completed between Eden and the Council.

A key principle of the Eden Transport Strategy is to encourage people to arrive by non-car modes, particularly for their last mile element of the journey. Notwithstanding this, there is also a practical reality that initially many visitors will still seek to travel by car, particularly as external bodies such as the rail industry will take time to be able to provide more frequent services between Lancaster and Morecambe to respond to increased travel demand created by the facility.

The focus of the Eden Parking Strategy to intercept a significant proportion of vehicles using the county council operated M6 Junction 34 Caton Road Park and Ride, where there is current parking capacity. However, an element of parking in Morecambe town centre is also required not only for some Eden specific visitors but also to actively encourage visitors to spend time in Morecambe before and/or after their visit to the proposed attraction.

3.0 Proposal

The city council owns and operates around 1,800 surface Pay and Display parking spaces across Morecambe town centre at different locations (on-street parking is not included in this figure as it is widely permitted free of charge). Within 500m of the Eden North site there are 2,168 surface parking spaces distributed across both city council and private car parks on a 1,056/1,112 private/council split.

It is estimated that the maximum number of private vehicles travelling to the proposed development on a peak day would be 850 vehicles to be accommodated between Morecambe town centre and the Park & Ride. Due to rotation and differing arrival/departure times the maximum parking space demand is likely to fall below that figure. Assuming a car park rotation based on the manually adjusted arrivals and departures profile for a peak day, and using the predicted modal share the total number of visitor parking spaces required is between 532 and 586 depending on the underlying assumptions used. Details of the work can be found in the planning application Transport Assessment.

It is therefore proposed that, under the terms of the Agreement in Principle (Appendix 1) and subject to further negotiation and contract, that the city council initially agrees to provide up to 400 spaces at any one time across a range of its Morecambe sites, but within 650m of Eden North. This represents the maximum number of spaces identified on a peak day and assumes no rotation for the entire day to be available for Eden visitors and staff.

A time controlled and advance booking system will allow Eden North to know in advance a series of visitor details (origin, party size, vehicle details). This information will allow predictability, manage, and influence the parking demand within Morecambe Town Centre and the M6 Junction 34 Caton Road Park and Ride. The system will allow allocation of parking spaces at a specific location and not all the final identified car parks/spaces in Morecambe Town Centre may be required by the proposed development throughout the year.

In summary it is anticipated that ordinary day-to-day parking demand can be accommodated alongside Eden North visitor demand. The broad Car Parking Strategy has been developed in conjunction with the city council (Parking, Economic Growth and Regeneration and Planning

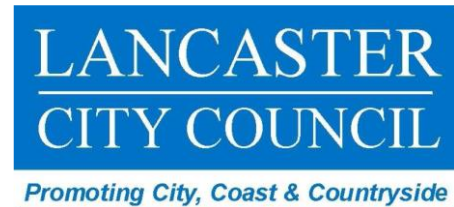
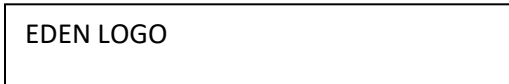
teams) and Lancashire County Council (Infrastructure, Parking and Public Transport teams) and is recognised as a work in progress where further engagement and clarification is required prior to formal contractual agreements being made, which will occur post-planning submission and decision. This work will focus on a charging regime, to include charging reviews at periods to be agreed between the Parties (refer to financial Implications), and further work on management and operational matters.

4.0 Options and Options Analysis (including risk assessment)

<p>Option 1: The terms of the Agreement in Principle outlining the proposed role in Eden North’s Transport / Parking Strategy of city council car parking assets in Morecambe is endorsed.</p>
<p>Advantages: Provides a degree of formal support towards a jointly agreed strategic approach to the handling of car-borne visitors to the proposed Eden North attraction.</p> <p>Approval of the parameters will assist the project in satisfying the demands of the Local Planning Authority and Government funding approval processes, with specific regard to the role of council car parking assets in Eden North's sustainable travel and transport proposals.</p>
<p>Disadvantages: No disadvantages identified.</p>
<p>Risks: The practical operational mechanisms will be a complex area and the final likely impact on the council’s net income in comparison with the current public use profile of Morecambe’s public car parking spaces will need to be assessed. However, officers are confident that the dynamic booking arrangements can be progressed and formally agreed, and day-to-day parking demand for Morecambe Town Centre can be managed alongside Eden North visitor demands.</p>
<p>Option 2: The terms of the Agreement in Principle outlining the proposed role in Eden North’s Transport / Parking Strategy of city council car parking assets in Morecambe are not agreed.</p>
<p>Advantages: No advantages identified.</p>
<p>Disadvantages: This will not support nor satisfy the demands of the Local Planning Authority and Government business case approval processes</p>
<p>Risks: This must be framed in terms of the downside risk of Eden North failing to progress efficiently through the statutory planning process and potentially failing to secure planning approval under the current application process.</p>

4. Officer Preferred Option (and comments)

4.1 The officer preferred option is Option 1.



Agreement in Principle in respect of the provision of Car Parking for Eden North

This Agreement in Principle sets out the principal terms of, and subject to which, Lancaster City Council and Eden Project International are willing to enter into an Agreement together for the provision of Car Parking for the Eden Project, Morecambe.

Background:

To enable Lancaster City Council Development Control Officers to make a recommendation to Planning Committee, there needs to be an agreement in principle between the Parties that secures Eden North’s parking provision in Morecambe Town Centre in line with the Transport Assessment submitted with its planning application

This agreement in Principle is not exhaustive and is not intended to be legally binding between the parties, except where specifically stated.

The following terms have been agreed between the parties in principle, subject to contract:

Parties:	<p>EDEN PROJECT INTERNATIONAL LIMITED, a company registered in England and Wales with company number 10770957 whose registered office is at Eden Project, Bodelva, Par, Cornwall PL24 2SG (Eden)</p> <p>LANCASTER CITY COUNCIL, whose principal address is at Town Hall, Dalton Square, Lancaster LA1 1PJ (City Council)</p>
Term:	To be agreed between the parties – minimum term of 10 years subject to review?
Main Obligations:	<p>City Council to make up to 400 car parking spaces available for use by visitors and staff to the Eden Project.</p> <p>Such car parking spaces are to be across a variety of Council owned/ operated car parking sites all of which are to be located within a 650m radius of the Eden Project Site.</p> <p>The parties will enter into an agreed Parking Strategy to address the management and operation of the provision of car parking spaces.</p> <p>The parties agree that the basis of the provision of the car parking spaces will be on the basis that 400 spaces is the maximum number of spaces required by Eden on any day and it assume no rotation in use (ie. each car using a space is assumed to stay for the entire day) for Eden visitors and staff.</p>

Charges:	Charging regime/ Ticket prices/ pricing reviews to be agreed upon between the parties, subject always to the base position that the Council will suffer no detriment to its current revenue or capital costs.
Payment:	Payment dates to be agreed upon between the parties
Types of Tickets:	Staff Visitors to primary car parks (car parks where spaces can be cordoned off and reserved) Visitors to alternative car parks (unreserved spaces but ticket machines can be calibrated to issue parking tickets from the Eden Visitor Ticket QR code)
Location of Car Parks:	To be identified as an initial core group of Car Parks with provision for addition/ removal from these. The Parties agree that the City Council may from time to time, take back car parks for the purposes of regeneration and/or redevelopment. The taking back of car parks will be subject to the Council offering alternative equivalent/ similar car parking to Eden in substitution for the original spaces. Any alternative car parking will be offered in line with the agreed parking requirements and highway authority approval reached before issuing a relocation notice on Eden. Notice to only be effective if the relocated spaces/ car park(s) are not materially less convenient to Eden. Notice period to be agreed between the Parties and the service of relocation notices to be limited to a set amount per year/ fixed period - to be agreed between the Parties. Dispute resolution process to be followed in event of dispute.
Provision of further car park materials/ equipment (Barriers, APNR, pay on foot, cones etc)	Parties to reflect in the Charges an appropriate level of costs in respect of regular maintenance costs to keep the car parks in a good state of repair, insurance costs and further, the installation, maintenance, repair and replacement of any new equipment required at the Car Parks – this is also to include any increase in staffing costs by City Council
Interruption to Car Parking services:	Parties to agree upon process in the event of interruption to car parking services ie. machine malfunction/ faulty tickets, closure of car park, utility service failure and any other sources of disruption to services. In event of circumstances not within a party's reasonable control eg. Natural disasters, flood, pandemic (force majeure) will not be a breach of the agreement
Enforcement	Parties to agree procedure and apportionment of costs in respect of

	the provision by City Council of car parking enforcement.
Other matters for consideration	Data Protection/ Sharing – the parties will enter into a separate agreement (if necessary) regarding how is data to be handled between the parties. As our car parks do not have specific terms and conditions and are instead subject to a Road Traffic Order –Eden will be provided with details of this order and they will be responsible for bringing this to the attention of the visitor when buying a ticket.
Further agreement – Parking Strategy:	The Parking Strategy identified in the Main Obligations is to address the following: <ul style="list-style-type: none"> - Development of a ‘Dynamic Management System’ intended to provide 24 hour advance notice to City Council of the number of spaces required - Ticketing details showing how ticket holders can only park in designated car parks to enable entry to Eden North and how avoid visits from stated train/bike users from arriving by car. - Convening a ‘taskforce’ to prepare signage/wayfinding Strategy for Morecambe - Process to identify/ reserve spaces for use by Eden only (dependent upon equipment in situ at each car park) - Ticket prices and review dates - The hours of availability for tickets - Car parking enforcement - Insurance claim procedure - The responsibility in respect of the costs for the provision of the above <p>The Parking Strategy and the agreement will be drafted on the basis that there shall be no negative impact upon the Council’s financial position.</p>
Monitoring	The Parties are to agree a monitoring regime on an ongoing basis after opening to test the efficacy of the parking arrangements and to make the necessary changes to either increase or reduce or re-locate parking space provision.
Dispute Resolution	An agreed form of dispute resolution clause to be included.
Termination provisions:	By agreement and/or on default Terms regarding notice period and events of default to be agreed upon between the parties

Nothing in this agreement in principle is intended to create legal relations between the parties.

Signed by.....	Signed by.....
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Name.....	Name.....
On behalf of Lancaster City Council	On behalf of Eden Projects International Limited
Date.....	Date.....

DRAFT

Lancaster City Council

Parking Services

04/01/22

Lancaster City Council owned & operated off street car parks within 650 metres of the Eden demise.

As at 4/1/2022.

Morecambe	Spaces	Blue badge	Total	Notes
Bay Arena	74	7	81	Within the demise of Eden itself and will be lost to the scheme entirely.
Billy Hill	40	3	43	Discussed as being possibly being made available to Eden staff only.
Central Drive	40	4	44	Discussed as being possibly made available to Eden customers.
Festival Market/Old Station	359	20	379	Not included in any Eden discussions.
Goods Yard	66	3	69	Internal discussions around extra Blue badge capacity and improved public realm.
Library	118	10	128	Not included in any Eden discussions.
Marine Road No 1	44	3	47	Not included in any Eden discussions.
Marine Road No 3	44	2	46	Not included in any Eden discussions.
Marine Road No 4	38	6	44	Not included in any Eden discussions.
Marine Road No 5	28	2	30	Not included in any Eden discussions.
Marine Road No 6	35	2	37	Not included in any Eden discussions.
Morecambe Bus Station	22	4	26	Not included in any Eden discussions.
Pedder Street	63	3	66	Not included in any Eden discussions.
Railway Station *	22	2	24	Not included in any Eden discussions.
Telephone Exchange	163	3	166	Discussed as being possibly made available to Eden customers.
West View Road	78	4	82	Not included in any Eden discussions.
Total	<u>1234</u>	<u>78</u>	<u>1312</u>	

* - Railway station is owned by Network Rail but operated under a Franchise agreement to Northern Rail whom then employ the City Council to operate the car park on

a daily basis.

Note:

Morecambe Town Hall	100	0	100	This car park is within Eden's transport assessment but is 859 metres away.
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Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	Date	18 January 2022		
Title	Lancaster City Council Corporate Rebranding				
Report of	Chief Executive				
Purpose of Report:					
<p>To seek Cabinet approval for the newly designed version of the Lancaster City Council logo as part of a wider corporate rebranding development project.</p> <p>To seek Cabinet approval to develop a brand implementation programme that will build a consistent identity across council services and incorporate the principles of the new logo design.</p>					
Key Decision (Y/N)	Y	Date of Notice	13 December 2021	Exempt(Y/N)	Y - Appendix 1 and 2

Report Summary

The council has, over time, evolved and changed dramatically, both in terms of the services it delivers and how it engages with its communities. The existing logo does not represent the inclusive, forward-thinking and innovative council that we now are, and so the council wants to change its brand image to reflect its new focus.

As part of this brand redevelopment work, a change in the current council logo would help transform public perception of the council, allowing it to be seen as friendly and outward-focused, while also inspiring staff internally as they recognise the council as an employer of opportunity and innovation.

Based on research and consultation, the images chosen in the proposed new logo are designed to help unite the district, incorporating city, coast, and countryside. The new design symbolises community and captures the true characteristics of our brand.

This proposal is to decommission the existing Lancaster City Council logo and replace it with a new version, alongside a brand implementation programme.

Implementation costs for the new logo will be kept to a minimum through a phased rollout programme, utilising existing budgets.

The development of a brand implementation programme will incur design and marketing costs. These are currently estimated to be up to £20,000 and would be incurred over a period of time. It would be funded from within the existing service marketing budgets.

Recommendations of

It is recommended that:

1) Cabinet approves the decommissioning of the current Lancaster City Council logo and the implementation of the newly designed logo.

2) Cabinet approves the development of a brand implementation programme that will build a consistent brand identity across the council and its services.

Relationship to Policy Framework

The proposal is entirely consistent with and supports Lancaster City Council's policy framework by increasing public awareness of the council and its overall brand characteristics as highlighted in the research.

Conclusion of Impact Assessment(s) where applicable**Climate****Wellbeing & Social Value****Digital****Health & Safety****Equality****Community Safety**

The new logo and brand implementation programme has no direct impact in relation to the above assessments but will directly raise awareness of the council and its operations.

Details of Consultation

The new logo design project has been developed following research and ongoing engagement with external partners, the senior management team, heads of service, Leaders from different political groups, Cabinet, and selected councillors.

Legal Implications

Legal Service can advise on any Intellectual Property issues. Projects and activities within the corporate rebrand will be subject to the council's normal governance and decision-making processes where any direct legal implications will be considered.

Financial Implications

Current estimated design and marketing costs for the above programme are £20K to be funded from within existing service marketing budgets.

Projects and activities developed in the brand implementation programme will be subject to the council's normal governance and decision-making processes where any direct financial implications will be considered

Other Resource or Risk Implications

Resource implications and risks will be considered as the new logo and brand implementation programme phased rollout are developed.

Section 151 Officer's Comments

The future costs of rebranding could be significant as the new brand would be expected to be delivered across the whole Council including its property estate, vehicle fleet, public realm assets as well as other areas such as uniforms and clothing.

As has been documented on several occasions the Council is facing significant short-, medium-, and long-term financial challenges and so consideration of the recommendations of this report should be made against that backdrop. If not be approved consideration should be given to repurposing the funding identified to assist in addressing those challenges

Monitoring Officer's Comments

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

Contact Officer	Damian Woolfe
Tel	01524 582753
Email	dwoolfe@lancaster.gov.uk
Links to Background Papers	
N/A	

1.0 Introduction

- 1.1 The council has evolved dramatically in recent years, with a renewed focus on climate awareness and community engagement. The existing logo and brand essence are no longer representative of the whole district or of the approachable and innovative council that we are. While the updated Council Plan sets out the council's priorities and objectives, we need a modern and welcoming logo and identity to help portray that.
- 1.2 A dramatic change to the council's logo and broader identity will help to transform the perception of the council and its work, both internally and to the wider public. We need to embrace the varied communities across our district – city, coast and countryside – and show off the transformation the city council has undergone. It is also vital to bring together the individual services of the council, in recognition of our work as one organisation.
- 1.3 This will be achieved through the eventual decommissioning of the existing Lancaster City Council logo and replacing it with a bold new version.
- 1.4 To ensure that our new logo and message is properly relayed to internal and external stakeholders, it must be accompanied by the development of a brand implementation programme, incorporating design and marketing elements such as brand guidelines, toolkit and design assets. This strategy will ensure that the new branding can be implemented both internally and externally and achieve consistency across the organisation.

2.0 Background

- 2.1 The current logo appears outdated and is not largely representative of current council operations and the local community it represents. Alongside this, some services within the council have established their own identity and are no longer easily recognised as part of the council. This can be damaging to the council, as it may be overlooked for the important work it is doing in the community. This strategy will help align those individual aspects to reflect the parent brand.
- 2.2 As the council's proactive recovery work from the pandemic continues and the council develops improved services – including business support, mobile customer services and hubs, climate action measures and community engagement initiatives – the timing is now right for a fresh and exciting new corporate image to realign the council's brand and how it is characterised within the local community.
- 2.3 Using in-house skills and resources, high-level research was conducted involving external partners, senior management team, heads of service, leaders from different political groups, Cabinet and selected councillors to explore the characteristics of the existing logo and how the council brand may be developed to reflect our forward-thinking approach. **(See research summary - Appendix 1)**

2.4 Using the results of this research, a member and senior officer-led group were consulted. It concluded that a change to the existing logo and brand image was necessary. It was decided the council needed a look that was more modern, brighter, more welcoming and a reflection of the united district it serves. A number of design options were considered for the replacement of the current logo. The final option for consideration was strongly supported and felt it symbolised and captured the true characteristics of the council. **(See Design & Visual Concepts - Appendix 2)**

3.0 Proposal

3.1 The proposal is very deliverable and implementation costs can be kept to a minimum using the existing service budgets, which will avoid many of the costs usually associated with a full rebranding exercise.

3.2 For the vast majority of council assets, costs will be covered within existing service budgets as replacement branding will happen gradually as-and-when assets are updated – either as part of scheduled works or when they are replaced due to reaching the end of their functional life. While some applications of the logo are yet to be identified, this will be further explored when developing the brand implementation programme.

3.3 The brand rollout will be project-managed in-house using the existing skills and professional services of the corporate communications and marketing team, supported by an external design agency. Estimated unavoidable costs associated with the design and marketing elements of the programme will be up to £20,000, incurred over a period of time, which is within the existing service marketing budgets.

3.4 Sub brand development for services (using certain elements of the main brand) will involve Heads of Service consultation and engagement. This will be part of the brand implementation programme and look to re-establish brand consistency throughout the organisation.

3.5 Although not developed yet, the brand implementation programme will consist of elements including full brand audit; decommissioning the existing logo; design work; phased implementation; and a multimedia campaign. The campaign will be implemented both internally and externally to raise awareness of the changes.

4.0 Options and Options Analysis (including risk assessment)

Option 1: Approve the newly designed version of the Lancaster City Council logo and develop a brand implementation programme

Advantages:

- Opportunity to refresh the city council logo and re-establish its brand, reflecting the current community focus and engagement work
- A logo that is more representative of the district
- The change addresses key research results from members and senior stakeholder groups
- Opportunity to realign services to the parent brand and establish brand consistency
- Raise awareness of the city council and its renewed focus
- Improve current perceptions of the city council to both staff and external audiences
- Strengthen partnership working across the district and the subregion

<ul style="list-style-type: none"> • Provide an engaged approach that takes account of business needs • Potential to drive commercial revenues • Opportunity for national and local PR
<p>Disadvantages: None</p>
<p>Risks: Brand imagery is subjective and can illicit different responses. For this reason, the brand development work was researched and consulted with key stakeholders and senior staff with a high level of support – therefore mitigating risk.</p>
<p>Option 2: Do not approve the newly designed version of the Lancaster City Council logo nor develop a brand implementation programme</p>
<p>Advantages: None</p>
<p>Disadvantages:</p> <ul style="list-style-type: none"> • Current logo and brand of the city council may remain outdated in the eyes of key stakeholders • Council and services will remain fragmented and lack brand consistency • Public perception of the council could remain detached from the progressive and positive changes the council is implementing • Opportunities to build on the current very high levels of public and business engagement will be undermined • Limiting commercial opportunities • Lack of unity across district
<p>Risks: Potential to attract staff could have consequences on service delivery</p>

5. Officer Preferred Option (and comments)

5.1 The Officer preferred option is Option 1, which is to approve the newly designed version of the Lancaster City Council logo and develop a brand implementation programme. This will improve current perceptions of the city council to its multiple stakeholders, while firmly positioning the council as an innovative and forward-thinking organisation which is open to change.

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

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