

# CABINET

## Priorities Review 06 September 2011

### Report of Chief Executive

PURPOSE OF REPORT			
To provide Cabinet Members with more information on the priorities review, to enable them to decide how they wish to proceed in terms of the Corporate Plan and Budget for 2012-15			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Officer	<input checked="" type="checkbox"/>
Date Included in Forward Plan	N/A		
This report is public			

#### RECOMMENDATIONS OF COUNCILLOR EILEEN BLAMIRE

- (1) That Cabinet's views on reviewing each of the areas of activity identified are sought

##### 1.0 Introduction

- 1.1 As part of the Budget and policy framework 2012/13 process, Cabinet Members have provided officers with a number of areas of activity which they wish to consider in more detail.
- 1.2 Set out in paragraph 2 below are each of the areas of activity, with brief details on how to review each of the activities identified and the timescale and process for reporting to Members.

##### 2.0 Areas of activity

- 2.1 Increased provision for social housing (including the possibility of council housing new build)

The principles of the future direction of strategic housing and housing regeneration will be reported to Cabinet in October. Once housing priorities are set, further more detailed reports will be required. In relation to any potential council housing new build, under the new self financing system, the council will need to know what our debt settlement position is and assess the impact on the housing revenue account before making any decisions on investment. The earliest the council is likely to know the settlement figure is October this year, but a more realistic timescale would be December. The implementation date for self financing is April 2012. Further

reports will be presented to Members following the assessment of the impacts of self financing.

## 2.2 More allotments because of the current very long waiting lists

A Cabinet report re: Scotforth Allotments is currently being prepared and is likely to be ready for Cabinet this autumn. Work is underway to clarify the position of the Scotforth Allotments Association and establish all information in relation to the land itself, boundaries, planning requirements and possible need for burial ground. The report will also consider the wider issues around allotment provision in the district

The council's agreed approach is to support self management via Allotments Associations. However, an overall increase in the number of allotments and potentially new sites has implications for officer time. Opportunities are explored as and when they arise (eg new food growing project on the Ridge)

A call for sites was made a little while ago though, at that time, few resources were available to examine suggested sites in any detail. This piece of work could be revisited.

The council has statutory responsibilities for provision of allotments where there is no town /parish council. Potential to work with parish councils in the district to support them to create and manage allotments is being investigated and this may help to increase provision overall.

Discussions could also take place with Lancashire County Council around potential opportunities.

## 2.3 A programme for renewable energy on council houses – to increase energy production to reduce bills for tenants and as a potential financial investment for the council

This is being explored as part of the council's invest to save programme for climate change/energy efficiency initiatives. An options appraisal/feasibility study for feed in tariffs for council buildings (including council houses) will be commissioned as soon as possible. It is intended to report progress on all the invest to save initiatives to Cabinet this autumn.

## 2.4 Protection of heritage on the Canal Corridor site.

Cabinet as the council body responsible for land and property assets can influence the overall direction of the scheme.

## 2.5 Support for the arts in the district

The council is developing a new joint approach to tourism that has three strands: strategy, product and marketing. Ongoing support for the arts in the district will form a strand of this work if Members continue to identify this as a priority.

The city council should stress the economic importance the arts and culture sector to the district with the County Council, with a view to this being taken into account in their budget processes in the coming years.

The city council is currently leading on the development of a joint tourism marketing plan to attract visitors to the district. Partners include the Lancaster Arts Partnership, the Lancashire and Blackpool Tourist Board and Lancaster University.

Lancaster University have already expressed their desire to open up their arts offer to the wider public. Discussions between the university and the city council are ongoing.

The Storey Gallery and the Dukes Theatre both house exhibition/gallery spaces. The current review of the Museums Partnership may lead to this being considered further as part of the development of our culture and heritage visitor economy priority.

## 2.6 Continued funding for PCSOs

A number of the district's PCSOs are currently part funded by the Local Strategic Partnership/Community Safety Partnership. The amount required to continue to fund these PCSOs in 2012/13 will be reported to Cabinet in October. From this Cabinet will be able to consider what options there are for funding them in 2012/13.

## 2.7 Look at levels of street cleansing and improvement of open spaces

A report 'Maintaining the Public Realm' will be available for Cabinet this autumn.

Amongst other things, the report will allow Cabinet to consider - use of Section 106 in future as a means of funding improvement; Square Routes, options for three-year programme to improve grounds maintenance on Morecambe promenade; how we best use other partners (eg Community Payback, friends of), options to extend Street Pride to cover open spaces; can we further benefit from economies of scale by undertaking some of the maintenance of Williamson Park differently; further development of public realm arrangements with the county council; how we can make best use of workforce; street signs.

The report will be in outline but will, where available, provide indicative costs.

## 2.8 Diversionsary activities for young people

The reframing of council priorities and the restructure of services have led to current resources being redirected so that positive activities for children and young people throughout the district can take place all year round.

Partnership work with organisations has enabled external funding to be utilised on schemes such as the sports and arts diversionary activities programme.

Work with the Community Safety Partnership continues (reporting to MAPS) to ensure activities for children and young people are delivered in areas and at times which has maximum impact.

Sportivate projects (short courses for young people) have been approved by the Sports and Physical Activity Alliance (SPAA) and Lancashire Sport resulting in programmes delivered by Marsh Community Centre, Lancaster and Morecambe College and Vale of Lune Rugby.

Continued access to external funding is key, as is delivery by appropriate partners through their mainstream funding. The city council is resourced to play an enabling role but does not (currently) have the resources to increase its range of services – our strategy is to work with partners to take advantages of any opportunities that may arise.

## 2.9 Housing Regeneration

The council's approach to housing regeneration has, over the past few years, centred around working with registered social landlords, proving support for schemes through Section 106 contributions, and remodelling the 'West End' of Morecambe through several projects. A full report will be submitted to members in October which will identify all current commitments, and seek member approval to the future direction the council wishes to take with regard to housing regeneration.

## 2.10 Council housing opportunities – new regulations

The self financing system for council housing will give the council more direct control of its housing revenue account and more flexibility on investment decisions although the HRA will remain a ring fenced account and therefore still subject to certain financial rules. Officers are exploring what opportunities the new regime presents to contribute to the wider housing issues in the district. Again, further more detailed reports will be presented to Members once we know the impact of our debt settlement figure and following further guidance from government.

## 2.11 Council Tax Benefits localisation and grant reduction

As part of the 2010 Spending Review, government announced that the existing national system of council tax benefit would be withdrawn from 2013/14, with the expectation that such benefit costs would reduce

by 10%. In its place, under the Welfare Reform Bill a framework is to be introduced that will require councils to determine their own local schemes for providing support for council tax, subject to various conditions to ensure protection for pensioners and others most vulnerable in society. A consultation document has just been received and the closing date is 14 October; arrangements are in hand to develop the council's response in association with Preston City Council (and others potentially) where appropriate. The proposals represent a major challenge for all local authorities with potentially serious implications for many households. To give context, at present the city council awards around £10M of council tax benefit each year - so a 10% reduction amounts to £1M. Overview and Scrutiny Committee received an overview of all welfare reforms in July, and have retained this topic on their work programme. At some point Members will need to take decisions on the future arrangements, but timescales are not yet clear; the proposals are still in their infancy.

#### 2.12 Implications of business rates changes as far as can be forecast.

The government is undertaking a review of the current local government finance system to enable councils to retain a share of the growth in business rates in their areas, amongst other things. The outcome is due to be implemented from 2013/14 onwards. The first consultation document has now been published as a result of that Resource Review and the deadline for responding is 24 October. Various other technical consultation papers are expected over the summer and again, arrangements are in hand to develop the council's response in conjunction with other Lancashire authorities as appropriate. Under the proposals, whilst it is expected that actual business rate setting will remain with government, changes are expected in how the resulting income is distributed between authorities, incorporating incentives for councils to promote "appropriately-sited and well-planned local business growth". That said, if an authority's business rates base falls in future, it could see reductions in its share of income. Reports on any specific aspects will be presented to Members for consideration in due course. Should it be possible, any indicative corporate financial implications will be included in the next financial strategy update for Cabinet.

#### 2.13 Apprenticeships

Officers have identified where the creation of apprenticeships will aid both the city council's workforce and succession planning. This has highlighted key areas where we can not only establish good quality apprenticeships programmes, but also where there is a high prospect of permanent employment during the apprenticeships programme or on completion of the apprenticeship.

Officers are in discussion with colleges and training providers on how best to deliver the apprenticeships and will also discuss how the city council might link into schemes already in place within partner organisations, including the county council.

The core areas where officers see the initial apprenticeships being created are:

Vehicle Maintenance Unit x 1  
Ground Maintenance x 1  
Repairs and Maintenance x 1  
Planning/Accounting/Legal - to be confirmed

Should the council adopt an approach to develop an apprenticeship scheme that develops skills for the district's workforce without linking the apprenticeship to a job with the council, then there is the potential to increase the number of apprenticeships, although there would be additional costs to the council in the region of £5000 per apprenticeship.

2.14 Working with the voluntary sector to reduce the amount of rough sleeping in the district.

The 3 year homeless prevention contract currently awarded to YMCA/Signposts comes to an end in March 2012. An evaluation of the success of this contract is being undertaken alongside a review of current best practice and other successful models of homeless prevention. It is intended to present a report on options for the future delivery of homeless prevention work to November Cabinet. In addition, having identified a gap in provision for single persons over 25s (often rough sleepers), the council has submitted a bid to the government's homelessness change programme for crisis and supported move on accommodation for this group. If successful this would significantly help to address the needs of rough sleepers.

**3.0 Conclusion**

3.1 The report highlights areas of service for review which could, in turn, affect the council's future priorities. The report needs to be seen in the current financial context which required savings to outweigh growth.

**RELATIONSHIP TO POLICY FRAMEWORK**

The annual review of the council's budget and priorities.

**CONCLUSION OF IMPACT ASSESSMENT**

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

None arising from this report

**LEGAL IMPLICATIONS**

There are none directly arising from this report.

**FINANCIAL IMPLICATIONS**

There are no specific financial implications at this stage, but attention is drawn to the s151 Officer comments below.

## **OTHER RESOURCE IMPLICATIONS**

### **Human Resources:**

N/a

### **Information Services:**

N/a

### **Property:**

N/a

### **Open Spaces:**

N/a

## **SECTION 151 OFFICER'S COMMENTS**

Members are reminded that based on current forecasts, the council cannot afford to provide all the services it currently does, without making significant savings. Back in March the General Fund savings needed were estimated at around £1M for next year and a further £600K on top of that for the year after (to give total savings of £1.6M for 2013/14). Whilst these are estimates and the recent corporate monitoring report included elsewhere on the agenda indicates that some savings should be identifiable to help achieve these targets, there is still a considerable way to go in balancing future years' budgets. These figures also assume the council will retain a 2% year on year increase in Council Tax. They make no general provision for any growth.

At this stage, therefore, the s151 Officer is concerned that on the whole, if taken forward the activities commented on above would in all likelihood add more pressure onto the council's General Fund finances, rather than actually making savings. She advises most strongly that attention be given to identifying those areas and activities in which savings may be made. As well as balancing existing budget projections, this will be needed in order to determine whether there is any scope financially to support the redirection of resources into higher priority areas such as those listed.

To help make progress with this, further to cabinet's consideration of this report arrangements are being put in place to take forward development of the budget process, including identification of savings and potential growth options in line with the framework set out in the approved Medium Term Financial Strategy. This will be reported to Members in due course.

Different issues will affect the Housing Revenue Account and rent levels for council housing services, but these will also be covered in the budget development arrangements.

## **MONITORING OFFICER'S COMMENTS**

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

## **BACKGROUND PAPERS**

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