



**LANCASTER
CITY COUNCIL**

Promoting City, Coast & Countryside

PRESENTATION PROVIDED AT THE MEETING

Budget and Performance Panel

Thursday, 28th July 2022

The attached presentation was provided at the meeting:

| | | |
|---|--------|---|
| 5 | 2 - 15 | FINANCIAL OVERVIEW AND STRATEGIC DIRECTION - ECONOMIC GROWTH AND REGENERATION DIRECTORATE |
|---|--------|---|

Economic Growth & Regeneration

What do we do?

- Strategic arm of the Councils services
- Planning & Place
- Economic Development
- Property Investment & Regeneration
- Delivering financial resilience via strategic interventions
 - Area Regeneration
 - Leverage external funding Govt/Agency/ County Council/ Private Sector
 - Facilitate economic resilience through planning policy
 - Supporting local Communities & businesses

Economic Growth & Regeneration

Adding Value is What do we do?

- Regeneration & New Development

= New Homes & New Businesses = Increased Council Tax & Increased
Business rates = Increase in Council revenues

but also =

Outcomes directly linked to Council Priorities on Climate Change

Transport improvements access to local services & more sustainable
neighbourhoods

Economic Growth & Regeneration

How We Do it?

- Planning & Place
 - We shape, plan, facilitate & enable development
 - Planning Policy
 - Local Plan
 - Area Action Plans
 - SPDs
 - Conservation Plans & Policy
 - Pre-App Planning Service
 - Development Management (Planning Applications)
 - Building Control/Enforcement
 - The strength & quality of these Plans & policies and customer focused service delivery underpin the future economic resilience of the Lancaster district.

Economic Growth & Regeneration

How do we Do It?

- Economic Development

- Business Support & Economic Prosperity

- Supporting local business

- Place & Visitor Economy

- Supporting the district to grow its visitor economy which represents 11% of all visits to Lancashire or 7.7 M visitors supporting 7000 FTE jobs

- Visitor Information Centre Marketing & Partner Support

- 100k pa enquiries support 200 businesses generate £125k/pa via platform box office
 - Generate £120k/pa retail & online sales

- Culture & Heritage (AoNB & Museum Teams)

- Support Festivals & events which generate 100k visitors and £2M economic impact
 - Museums over 100k items have 120K active social media engagements 10k followers

Economic Growth & Regeneration

How do we do it?

- Economic Development

- Arnside & Silverdale AoNB Team

- Conserve & Enhance 75Km² natural environment supported partners in conserving 259ha of land, assessed 175 planning application, restored 11 meadows within the AoNB Area secured £263k external funding, 5k followers Twitter 1500 e-newsletter subscribers, 260k website views The Team has won several nationally recognised awards for their Neighbourhood Plans which are considered exemplars of best practice.

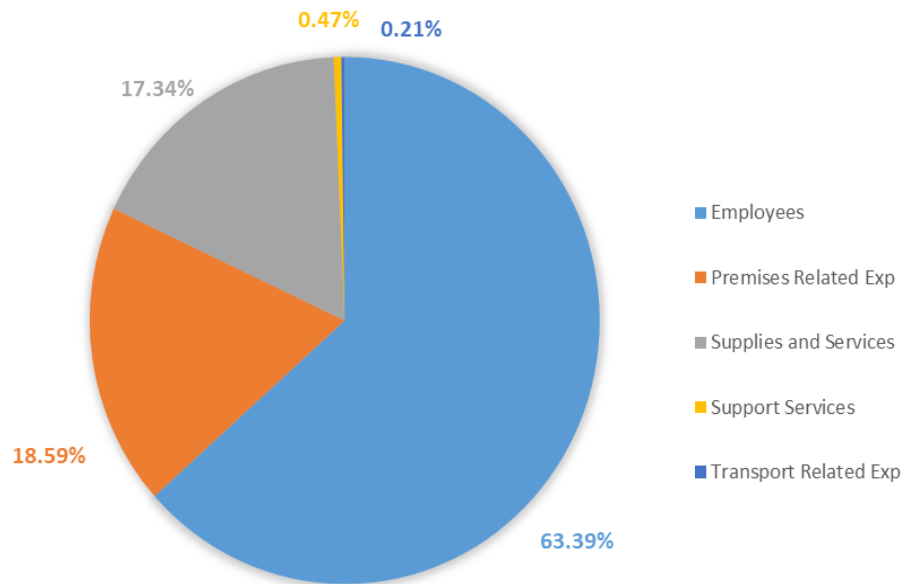
Economic Growth & Regeneration

How we do we do it?

- Property Investment & Regeneration
 - Strategic Land & Property Acquisitions/disposals
 - Project Management
 - Asset Management
 - Facilities management Council Assets
 - Estate Management, lease renewals, rent reviews, repairs, maintenance
 - Regeneration Strategies
 - Feasibility/Viability
 - Consultant/Procurement Briefs/ Development briefs

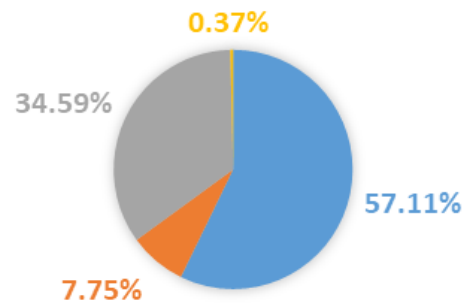
2022/2023 Expenditure Budget

ECONOMIC GROWTH & REGEN TOTAL EXPENDITURE £10.127M

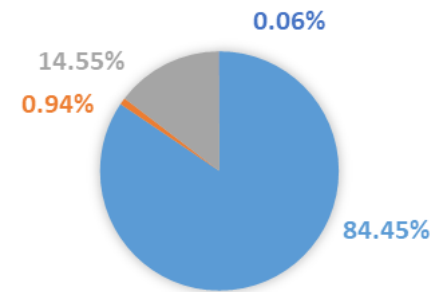


| Sum of 2022/23 Budget | Column Labels | | | |
|-----------------------|----------------------|------------------------|--------------------------|------------------|
| Row Labels | Economic Development | Planning & Place Regen | Property, Investment and | Grand Total |
| Capital Financing Inc | | | 0 | 0 |
| Employees | 1,801,800 | 2,484,300 | 2,133,000 | 6,419,100 |
| Income | -927,300 | -1,058,900 | -3,536,700 | -5,522,900 |
| Premises Related Exp | 244,600 | 27,600 | 1,610,500 | 1,882,700 |
| Supplies and Services | 1,091,100 | 428,000 | 236,500 | 1,755,600 |
| Support Services | 11,700 | | 36,300 | 48,000 |
| Transport Related Exp | 5,600 | 1,800 | 14,000 | 21,400 |
| Grand Total | 2,227,500 | 1,882,800 | 493,600 | 4,603,900 |

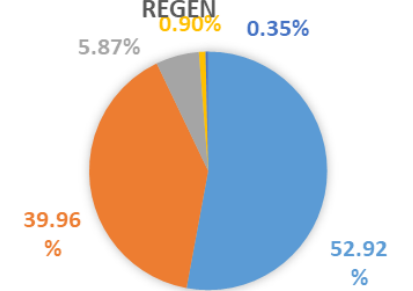
ECONOMIC DEVELOPMENT



PLANNING & PLACE

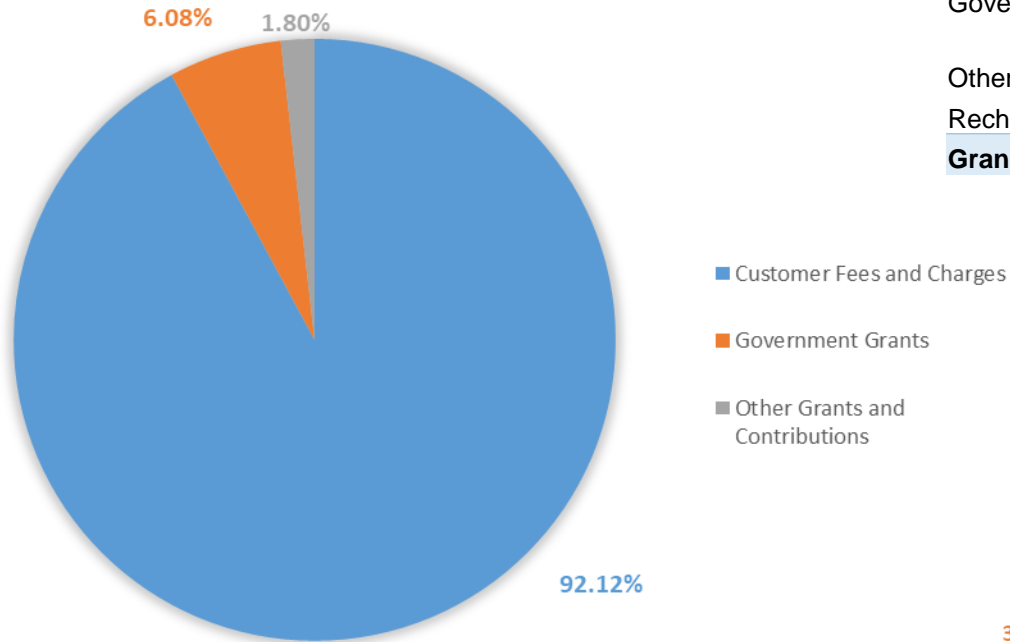


PROPERTY INVESTMENT & REGEN



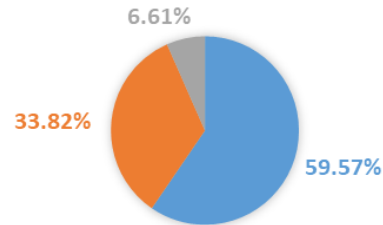
2022/2023 Income Forecast

ECONOMIC GROWTH & REGEN TOTAL INCOME £5.090M

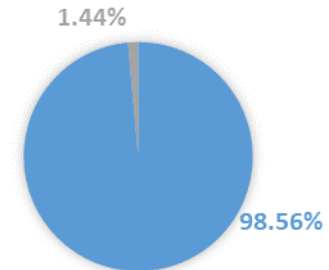


| Sum of 2022/23 Budget | Column Labels | | | |
|--------------------------------|----------------------|-------------------|--------------------------------|-------------------|
| Row Labels | Economic Development | Planning & Place | Property, Investment and Regen | Grand Total |
| Customer Fees and Charges | -545,400 | -1,032,600 | -3,110,200 | -4,688,200 |
| Government Grants | -309,700 | | 0 | -309,700 |
| Other Grants and Contributions | -60,500 | -15,100 | -16,200 | -91,800 |
| Recharges | -11,700 | -11,200 | -410,300 | -433,200 |
| Grand Total | -927,300 | -1,058,900 | -3,536,700 | -5,522,900 |

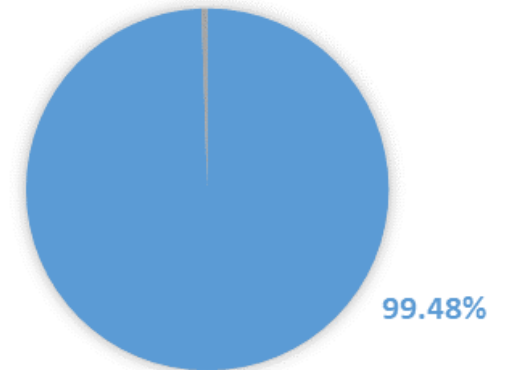
ECONOMIC DEVELOPMENT



PLANNING & PLACE

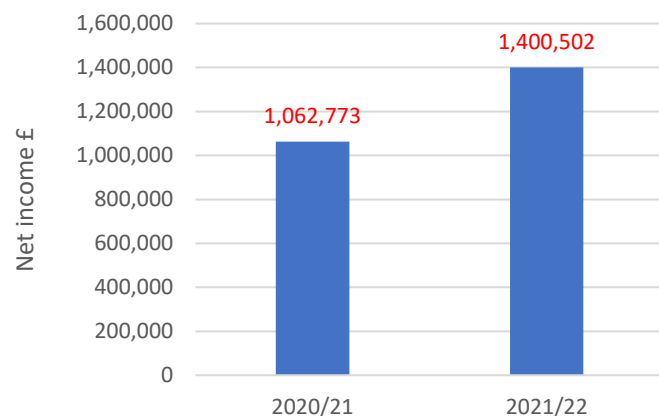


PROPERTY INVESTMENT & REGEN 0.52%



Commercial Properties

Income and Expenditure 2021 /22



| | | 2020/21 Net Income | 21/22 Income | 21/22 Expenditure | 21/22 Net Income | 2020/21 to 2021/22 Variance |
|--|-------------------------------|-----------------------|-----------------|----------------------|---------------------|-----------------------------------|
| | | £ | £ | £ | £ | £ |
| Commercial Properties / Industrial Units / Other | | | | | | |
| P2104 | White Lund Trading Estate | 183 | 0 | 795 | 795 | (612) |
| P2107 | Alfred Street Workshops | (3,134) | (15,750) | 2,017 | (13,733) | 10,599 |
| P2111 | Commercial Properties | 790 | 0 | 1,077 | 1,077 | (287) |
| P2112 | 5 Cheapside | (36,688) | (38,262) | 526 | (37,736) | 1,048 |
| P2113 | 7 Cheapside | (45,065) | (45,965) | 1,986 | (43,979) | (1,086) |
| P2114 | 9 Cheapside | (27,357) | (27,890) | 337 | (27,552) | 195 |
| P2117 | 1 King Street | (9,131) | (10,136) | 126 | (10,010) | 879 |
| P2118 | 3 King Street | (9,482) | (9,787) | 101 | (9,687) | 205 |
| P2119 | 5 King Street | 6,173 | 0 | 9,242 | 9,242 | (3,069) |
| P2120 | 5a King Street | 398 | (5,526) | 2,990 | (2,535) | 2,933 |
| P2121 | 5b King Street | (4,880) | (6,955) | 4,565 | (2,390) | (2,490) |
| P2123 | 9a-11 King Street | (13,093) | (17,893) | 2,857 | (15,037) | 1,944 |
| P2124 | 10-12 King Street | 0 | 0 | 374 | 374 | (374) |
| P2126 | 67-71 Market Street | (27,707) | (32,981) | 584 | (32,397) | 4,690 |
| P2127 | 4 Queen Street | (22,059) | (23,000) | 1,345 | (21,655) | (404) |
| P2134 | Edward St Garage | 3,022 | 0 | 487 | 487 | 2,535 |
| P2136 | 26a St Georges Quay | 5,771 | (22,234) | 21,336 | (898) | 6,669 |
| P2138 | Ex Methodist Church, Moor La | (8,022) | (8,422) | 361 | (8,061) | 39 |
| P2140 | Moor Lane Mills - Reebok U.K. | (266,570) | (310,486) | 18,424 | (292,062) | 25,492 |
| P2141 | Assembly Rooms | (10,836) | 0 | 2,275 | 2,275 | (13,111) |
| P2142 | Land, St Leonardgate | (2,860) | (2,860) | 0 | (2,860) | 0 |
| P2152 | Dukes Playhouse | (7,486) | (19,470) | 7,660 | (11,809) | 4,324 |
| P2153 | 1, Lodge Street | 800 | 0 | 1,177 | 1,177 | (377) |
| P2154 | 87 King Street | (10,415) | (6,491) | 5,369 | (1,122) | (9,293) |
| P2155 | Cultural & Recreational - Gen | (580) | (580) | 913 | 333 | (913) |
| P2160 | City Lab,4-6 Dalton Square | (110,970) | (205,830) | 127,109 | (78,720) | (32,250) |
| P2161 | 55 St Leonards Gate | 1,451 | 0 | 3,621 | 3,621 | (2,170) |
| P2174 | Storey Institute | 137,656 | (369,280) | 490,027 | 120,747 | 16,909 |
| P2179 | 26 Castle Park | (11,500) | (11,500) | 0 | (11,500) | 0 |
| P2180 | LTH Bar & Catering | 1,000 | 0 | 0 | 0 | 1,000 |
| P2181 | 17-21 Penny Street | (348,942) | (355,646) | 2,816 | (352,830) | 3,889 |
| P2182 | Hilmore Way Units 1, 2 & 2A | (48,599) | (50,094) | 51,355 | 1,260 | (49,859) |
| P2183 | Gateway, Morecambe | (209,796) | (713,406) | 148,090 | (565,316) | 355,520 |
| | | (1,062,773) | (2,310,445) | 909,943 | (1,400,502) | 322,574 |

District Challenges

Location

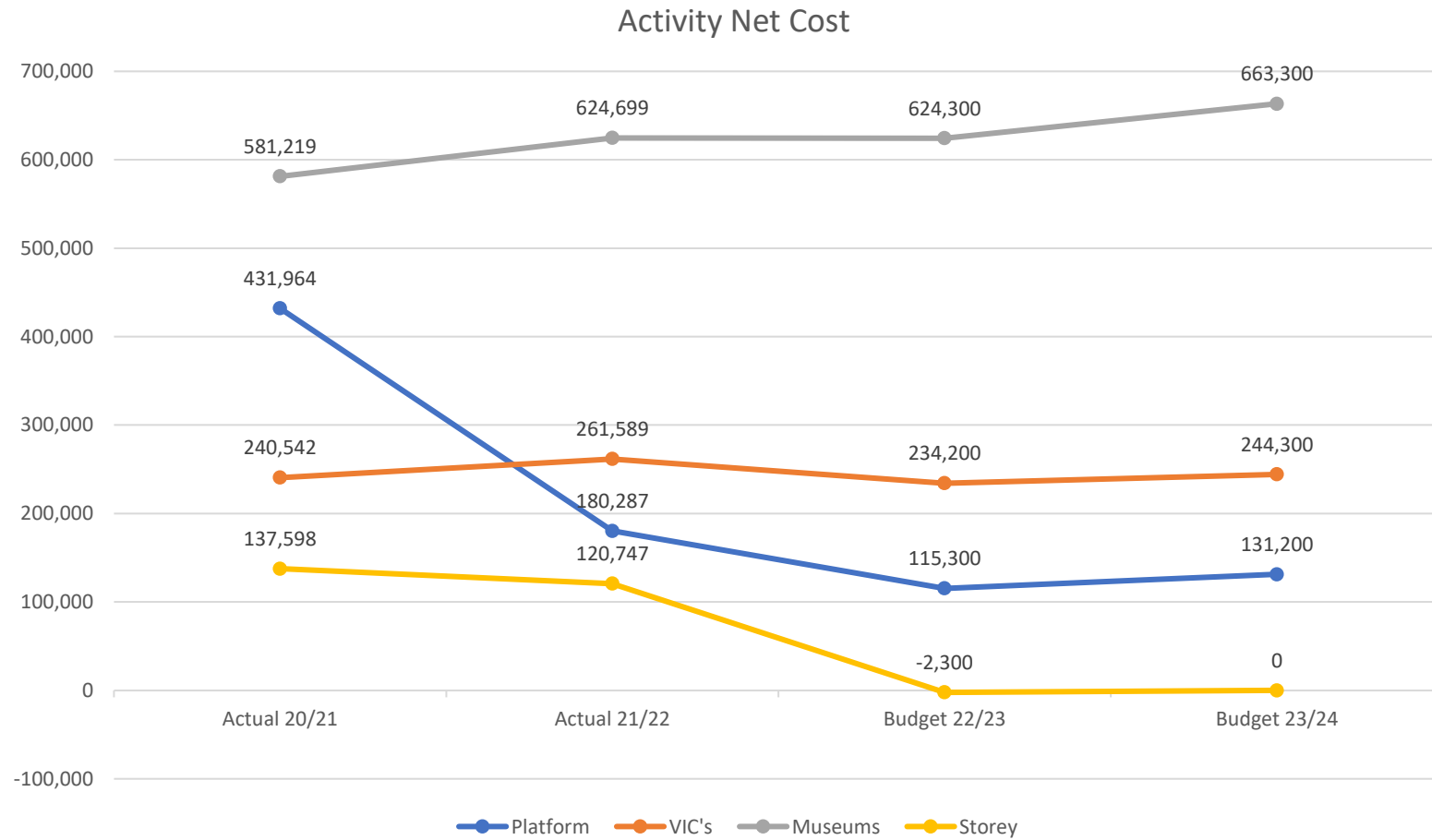
- District is diverse – Urban, Rural, Industrial
- Generally disadvantaged by Govt funding evaluation
- Constrained by geographic barriers and Infrastructure limiting location, scale and volume of new development this has shaped the direction of the Local Plan policies.

Economic Growth & Regeneration

Managing Economic Turbulence & Risk

- External factors – CoL/ Brexit
 - Direct impact on Capital Projects delivery/materials/labour/project & programme delay/ funding challenges
 - Indirect – impact of local businesses – impact on wider district economy
 - **Energy Crisis** – significant impact on running Councils Estate looking at a range of options some of which can be implemented immediately & others over time – simple measures turning off lights turning off equipment when not in use & more planned but substantive measures on rationalising and maximising existing space within Councils buildings – mothballing or closing building that are no longer needed
- **Asset Management Strategy** –
 - A new strategy that will introduce active management around the daily, cyclical and Civic estate.
 - Optimise services and building uses & rationalising Assets to minimise maintenance liabilities without compromising local service delivery
 - Maximise Opportunities for rental income from surplus space

Cultural Venues



EGR Reserves Breakdown

| Reserve | Slippage from 21/22 (tbc) | 22/23 Budget | 22/23 Working (inc. Slippage) | 23/24 | 24/25 | 25/26 | Total | Notes |
|---|---------------------------|--------------|-------------------------------|-----------|-----------|-----------|------------|--|
| Corporate Priorities | £0 | £8,400 | £8,400 | £8,400 | £0 | £0 | £16,800 | Museums Culture Strategy - Arts & Events Exp |
| Invest to Save | £0 | £100,000 | £100,000 | £0 | £0 | £0 | £100,000 | Regeneration Feasibility - Local Plan |
| Museums Acquisitions | £0 | -£1,500 | -£1,500 | £0 | £0 | £0 | -£1,500 | Museums Donations |
| Corporate Priorities | £0 | £3,000 | £3,000 | £3,000 | £3,000 | £3,000 | £12,000 | Museums Culture Strategy |
| Corporate Priorities | £0 | £51,900 | £51,900 | £24,200 | £23,200 | £23,200 | £122,500 | Economic Development - Business exhibitions/ sponsorship, promotions & engagement |
| Corporate Priorities | £0 | £82,900 | £82,900 | £59,100 | £0 | £0 | £142,000 | Business Engagement (Covid Recovery) Staffing |
| Economic Growth | £0 | £96,500 | £96,500 | £96,500 | £0 | £0 | £193,000 | Economic Development - Monitoring software, Place Marketing, Business & Skills, Support for local Wealthbuilding |
| Covid £1M Business Support | £804,300 | £0 | £804,300 | £0 | £0 | £0 | £804,300 | Covid £1M business support |
| Econ Dev Total | £804,300 | £341,200 | £1,145,500 | £191,200 | £26,200 | £26,200 | £1,389,100 | |
| Corporate Priorities | £190,200 | £300,100 | £490,300 | £228,000 | £208,000 | £208,000 | £1,134,300 | Project development/due diligence £152K asset advice, £166K Morecambe town regen, £166K Lancaster City Regen, £60K Lancaster South Growth Catalyst, £414K Capital Asset Mgt, |
| Corporate Priorities | £0 | £135,000 | £135,000 | £239,000 | £0 | £0 | £374,000 | Planning Policy & Local Plan: Commissioning Advice |
| Invest to Save | £109,500 | £0 | £109,500 | £0 | £0 | £0 | £109,500 | Canal Quarter Masterplanning stage work |
| Invest to Save | £163,200 | £0 | £163,200 | £239,000 | £0 | £0 | £402,200 | Bailrigg Garden Village |
| S106 Highways | £0 | -£200,000 | -£200,000 | -£200,000 | -£200,000 | -£200,000 | -£800,000 | Estimated s106 income |
| Rev Grants Unapplied (Com Hsg/Brownfield) | £0 | £9,100 | £9,100 | £0 | £0 | £0 | £9,100 | Brownfield staffing |
| Rev Grants Unapplied (Com Hsg/Brownfield) | £0 | £22,100 | £22,100 | £15,300 | £0 | £0 | £37,400 | Comm Housing Temp post |
| Plan & Place Total | £462,900 | £266,300 | £729,200 | £521,300 | £8,000 | £8,000 | £1,266,500 | |
| Corporate Priorities | £19,600 | £0 | £19,600 | £0 | £0 | £0 | £19,600 | S215 Amenity Improvement work |
| Invest to Save | £0 | £100,000 | £100,000 | £0 | £0 | £0 | £100,000 | Regeneration Feasibility - Bailrigg GV |
| PIR Total | £19,600 | £100,000 | £119,600 | £0 | £0 | £0 | £119,600 | |
| Total | £1,286,800 | £707,500 | £1,994,300 | £712,500 | £34,200 | £34,200 | £2,775,200 | |

Economic Growth & Regeneration

Managing Economic Turbulence & Risk

- Existing Capacity/Operational Risk
- Capital Projects Govt funding clawback future funding risk & risks to wider programme delivery eg Lancaster HAZ
- Recruitment & retention – Planning/Regen/Property/Econ Dev
- Budget reductions will have a direct impact on capacity of flat management structures across all parts of the directorate
- Services would need to be reshaped around a reduced designated number of priorities
- Reductions in reduced priorities would impact in the wider district economy
- Example. Every £1 invested generates upto £20 in benefit.