



LATE REPORTS, URGENT BUSINESS and SUPPLEMENTARY INFORMATION

Cabinet

Tuesday, 23rd June 2009

The following reports were received too late to be included on the main agenda for this meeting and were marked 'to follow'. They are now enclosed, as follows:

Agenda Item Number	Page	Title	Reason for Late Report	Officer Responsible For Late Report
7	1 - 18	PERFORMANCE MANAGEMENT FRAMEWORK	Report not available at the time of Agenda publication.	Corporate Director (Finance and Performance)
		(Cabinet Member with Special Responsibility Councillor Langhorn)		
8	19 - 24	REVENUE BUDGET STRATEGY 2010/11	Report not available at the time of Agenda publication.	Corporate Director (Finance and Performance)
		(Cabinet Member with Special Responsibility Councillor Thomas)		
12	25 - 31	LAND AT AALBORG SQUARE, LANCASTER	Report not available at the time of Agenda publication.	Corporate Director (Regeneration)
		(Cabinet Member with Special		

		Responsibility Thomas)	Councillor		
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CABINET

Performance Management Framework 23 June 2009

Report of Corporate Director (Finance & Performance)

PURPOSE OF REPORT			
To present for Cabinet's approval a refresh of the Performance Management arrangements for 2009/10 that reflects the new cabinet portfolios.			
Key Decision	<input type="checkbox"/>	Non-Key Decision	Referral from Corporate Director
	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Date Included in Forward Plan	N/A		
This report is public.			

RECOMMENDATIONS OF COUNCILLOR LANGHORN

- (1) That Cabinet notes the continuing work that is on-going in respect of finalising Corporate Plan targets and the need to acquaint themselves with all Corporate Plan priorities and associated targets.
- (2) That Cabinet endorses the revised arrangements for Performance Review Team meetings set out in the report and also the need to arrange other meetings to monitor the non-strategic aspects of service business plans.

1.0 Background

- 1.1 The Council's current Performance Management Framework is now well established but needs refreshing to reflect to the changes recently made to Cabinet portfolios. This report provides the latest information in finalising the outstanding targets for Corporate Plan priorities and includes a revised schedule of Performance Review Team (PRT) meetings for individual cabinet members.

2.0 Performance Management Principles

- 2.1 Over recent years, the Council has made significant progress in establishing effective performance management arrangements that are now recognised and acknowledged by external assessors as fit for purpose.
- 2.2 The current system focuses on individual cabinet member meetings with senior managers on a quarterly basis to receive exception reports where the strategic corporate priority targets and outcomes for their portfolios are not being achieved. The meetings also provide on an exception basis, financial monitoring information

linked to service delivery. Together they provide each Cabinet member with the management information they need to monitor performance and to draw to their attention any failing priority service areas or spending variances that might need to be addressed.

- 2.3 It is important to re-emphasise that PRTs are not designed to discuss operational non strategic performance issues. Cabinet members therefore, need to ensure that they have additional arrangements in place to meet with services to understand and monitor service business plan aspects that are not strategic priorities.

3.0 Corporate Priority Targets and Outcomes

- 3.1 In order for the PRTs to be effective, it is important that all corporate plan priorities are allocated to portfolios and that each cabinet member is clear which priorities they have responsibility for delivering.

- 3.2 To date, it has been possible to allocate those priorities that have been agreed and included in the 2009/10 Corporate Plan, and highlight those that contribute to the wider Lancaster District Local Strategic Partnership (LDLSP) and Lancashire Local Area Agreement (LAA) agendas. For reference, these are attached to this report as Appendix A. Cabinet members will need to familiarise themselves with these priorities.

- 3.3 Cabinet members will also note that in some cases, their portfolios are linked to contributing to the delivery of the LDLSP thematic group action plans. Not all these have been fully developed as yet and the LDLSP management group is in the process of receiving them and signing them off as fit for purpose. Cabinet members will therefore have to have a good understanding of thematic group action plans as they develop which fall within their area of responsibility and ensure that each action that the council will contribute to, has a SMART target or outcome attached. Again, as these are finalised, they will be included and monitored within the quarterly PRT reports.

- 3.4 In addition, there are still some corporate priorities, other than those in respect of the LDLSP thematic groups, that still need SMART targets and outcomes to be finalised. At present, officers are still working to finalise these so that they can be signed off and included in the Corporate Plan. Cabinet members therefore will need to ensure that they understand their portfolio targets and what progress is being made to finalise those that are still outstanding.

4.0 PRT Schedule

- 4.1 In order to allow Cabinet members to plan and organise their performance management meetings, a revised schedule of PRT meetings has been prepared for 2009/10 and this is attached as Appendix B.

- 4.2 No changes are proposed to the process itself and PRTs will continue to be service based. The outcomes and issues from each individual PRT meeting will continue to be summarised in a corporate report that will be considered by the Leader and reported into Cabinet and Budget and Performance Panel.

- 4.3 Cabinet members are asked to note the schedule and liaise with Directors to arrange meeting dates within the period allowed for each quarter's monitoring.

5.0 Options and Options Analysis (including risk assessment)

5.1 Option 1

To agree the revised arrangements to the Performance Management framework and PRTs as set out in the report, focusing on the strategic aspects of performance managing corporate priorities.

5.2 Option 2

To agree alternative arrangements to option 1 to ensure the effective performance management of corporate priorities.

6.0 Officer Preferred Option (and comments)

6.1 The officer preferred option is Option 1 as it would deliver effective arrangements for performance managing the delivery of the council's corporate priorities.

<p>RELATIONSHIP TO POLICY FRAMEWORK</p> <p>Having effective performance management arrangements in place is essential for delivering the council's corporate priorities.</p>	
<p>CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</p> <p>None directly arising from this report.</p>	
<p>FINANCIAL IMPLICATIONS</p> <p>None directly arising from this report.</p>	
<p>SECTION 151 OFFICER'S COMMENTS</p> <p>The Section 151 Officer has been consulted and has no additional comments.</p>	
<p>LEGAL IMPLICATIONS</p> <p>There are no legal implications directly arising from this report.</p>	
<p>MONITORING OFFICER'S COMMENTS</p> <p>The Deputy Monitoring Officer has been consulted and has no comments.</p>	
<p>BACKGROUND PAPERS</p> <p>None.</p>	<p>Contact Officer: Roger Muckle Telephone: 01524 582022 E-mail: rmuckle@lancaster.gov.uk Ref: CD(F&P)/JEB/Pmgt</p>

APPENDIX A

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
<p>1. Children and Young People Councillor June Ashworth</p>	<p><i>Cultural Services</i></p>
<p><i>Priority 1</i> <i>To increase the number of parents that received guidance and support in the district</i></p> <p>1. To develop a strategic and joined-up approach to the design and delivery of parenting support services</p>	
<p><i>Priority 2</i></p> <p><i>Increase the life chances, opportunities and outcomes for children and young people, allowing them to play a full and active part in the life of the Lancaster District.</i></p> <p>1. To address negative outcomes for 'children – looked after' and increase their achievement.</p> <p>2. To increase the number of cultural and leisure opportunities for children and young people in order to increase their participation in positive activities.</p> <p>3. To assist the Safety Thematic Group in meeting the target at reducing re-offending rates of young repeat offenders by providing targeted diversionary activities to young offenders.</p>	<p><i>Corporate Plan Key Actions:</i></p> <p>4.3 Implement Sports and Arts Project (works with targeted young people to divert them away from crime through free access to sports and arts facilities).</p> <p>5.2 Maintain children and young people participation in sports and physical activities.</p> <p>5.5 Implement Sports and Physical Activities Alliance (SPAA) projects.</p> <p>7.3 Deliver the Council's actions in the LDLSP's Children & Young People Thematic Group Action Plan – Implement Lancaster City Council's own C&YP action plan and maintain the range of opportunities for children and young people to take part in positive activities.</p>

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
<p>2. The Economy Councillor Evelyn Archer</p>	<p><i>Economic Development & Tourism</i></p>
<p><i>Priority</i></p> <p><i>Increase the economic opportunity in the whole district, facilitate access to our natural and built up environment and implement an integrated transport solution to bring the major urban centres in the district together</i></p> <ol style="list-style-type: none"> 1. To develop detailed Investment Strategies for each of the Vision themes. 2. To establish and maintain management and delivery arrangements to ensure economic priorities for the District are achieved. 3. Maximise employment and economic activity in the Knowledge Economy. 4. Develop an M6 Heysham Employment Corridor where accessible economic opportunities will bring our communities together 5. Regenerating and reinventing Morecambe as an attractive choice to live, work and visit by: 6. Place shape Lancaster City and Riverside as a regionally significant visitor and shopping destination, a competitive employment destination with an outstanding waterfront. 7. Develop Carnforth as a Northern Gateway to increase economic activity in rural areas and facilitate access to the natural environment. 	<p><i>Corporate Plan Key Actions:</i></p> <ol style="list-style-type: none"> 1.1 Develop and implement with partner organisations a sustainable economic regeneration programme for the District based upon the LDLSP Economy Thematic Group Economy Action Plan and our own Tourism Strategy. 1.2 Complete Economic Investment Strategy by developing projects around each of the following 5 Vision Themes and apply for funding support for each. <ul style="list-style-type: none"> ▪ Knowledge Economy ▪ Heysham to M6 Employment Corridor ▪ Re-inventing Morecambe ▪ Lancaster City and Riverside ▪ Carnforth Northern Gateway

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
<p>3. Education, Skills and Opportunities Councillor Abbott Bryning</p>	
<p><i>Priority 1</i></p> <p><i>Increase the provision and opportunities for all people to self develop</i></p> <ol style="list-style-type: none"> 1. Increase family learning opportunities through engaging schools and community. 2. Increase the numbers of people returning the learning 3. Increase provision and innovatory opportunities for older people as learners and as resources for intergenerational learning. 4. Improve the employability and work-related skills of the whole community to improve life chances. 5. Increase the working age population qualified to at least Level 2 (equivalent to at least 5 GCSEs at grades A*-C) or higher. 6. Increase the working age population qualified to at least Level 4 (Higher National Certificate, Higher National Diploma, University Degree) or higher. 	<p><i>Corporate Plan Key Actions:</i></p> <p>1.3 Deliver the council's actions in the LDLSP's Education, Skills, and Opportunities Thematic Group Action plan</p> <ul style="list-style-type: none"> ▪ Prepare Local Employment Skills Plan ▪ Develop Employer Engagement Action Plan ▪ Prepare (workless groups and individuals) Outreach and Engagement Action Plans
<p><i>Priority 2</i></p> <p><i>Engage NEETS young people and those who are workless on a long term basis in developing work related skills.</i></p> <ol style="list-style-type: none"> 1. Reduce the number of working age people claiming out of work benefits. 2. Reduce number of 16-18 year olds who are not in education, training or employment (NEET). 	

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
<p>4. Health & Wellbeing Councillor David Kerr</p>	<p><i>Council Housing</i> <i>Health & Strategic Housing</i></p>
<p><i>Priority 1</i></p> <p><i>Reduce health and wellbeing inequalities.</i></p> <p>1. Reduce the difference in life expectancy between the best and worst areas in the Lancaster District.</p>	<p>5.1 Deliver the Council's actions in the LDLSP's Health and Well Being Thematic Group Action Plan.</p>
<p><i>Priority 2</i></p> <p><i>Reduce premature deaths attributed to lifestyle choices</i></p> <p>1. Reduce the number of people dying below the age of 75 from circulatory disease and cancer.</p>	
<p><i>Priority 3</i></p> <p><i>Reduce alcohol related harm</i></p> <p>1. Increase alcohol awareness within the District.</p> <p>2. Reduce the rate of alcohol related crime, disorder and antisocial behaviour.</p> <p>3. Reduce the level of alcohol related health problems, injuries and accidents.</p> <p>4. Work with local organisations and the business community to reduce economic and financial costs caused by alcohol misuse.</p>	

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
<p>4. Health & Wellbeing cont....</p>	<p><i>Council Housing Health & Strategic Housing</i></p>
<p><i>Priority 4</i></p> <p><i>Increase the proportion of people who have a decent, affordable, warm, safe home.</i></p> <ol style="list-style-type: none"> 1. To balance the housing market to meet customer needs focusing on the supply of good quality affordable housing and improving the condition of accommodation across the District. 2. Reduce the number of households living in fuel poverty. 3. Prevent homelessness, repeat homelessness and the need to use temporary and emergency accommodation by improving access to advice and support. 	<p><i>Corporate Plan Key Actions:</i></p> <p>3.5 Improve the energy efficiency of our council housing stock.</p> <p>6.1 Deliver the council's actions in the LDLSP's Health & Well Being Thematic Group action plan - Provide affordable housing in accordance with the Housing Strategy and Local Development Framework.</p> <p>6.2 Reduce the number of households living in temporary accommodation.</p> <p>6.3 Refresh Housing Strategy 2009-2012.</p> <p>6.4 Implement Homeless Strategy Action Plan - Reduce the levels of homelessness within the district.</p> <p>6.5 Deliver 2009/10 council housing Capital programme.</p>
<p><i>Priority 5</i></p> <p><i>Increase the proportion of people who can access appropriate finances, resources and advice in order to meet their essential needs</i></p> <ol style="list-style-type: none"> 1. Increase awareness of advice and support services which provide access to finances and resources. 	

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
<p>5. The Environment Councillor Jon Barry</p>	<p><i>City Council (Direct) Services</i></p>
<p><i>Priority 1</i></p> <p><i>To reduce our impact on and adapt to the consequences of climate change.</i></p> <ol style="list-style-type: none"> 1. Make us less vulnerable to the consequences of climate change, (including flooding) and ensure that we can respond to major incidents. We will do this by making sure that our LDLSP partners' strategies for emergency response and the way we manage our services and our flood defences are in line with current and emerging best practice. 2. Reduce the greenhouse gas emissions we emit, the energy we use and the waste we produce by ensuring that all LDLSP partners have effective and comprehensive strategies in place to reduce the harmful impact of their carbon emissions. 3. Achieve new development which is more sustainable and which minimises environmental harm. 	<p><i>Corporate Plan Key Actions:</i></p> <ol style="list-style-type: none"> 3.1 Deliver the Council's actions in the LDLSP's Environment Thematic Group Action Plan. 3.2 Implement the Council's In House Climate Strategy. 3.3 Promote energy efficiency initiatives for local homeowners (specifically Strategic Housing initiatives). 3.4 Improve the energy efficiency of our public buildings.
<p><i>Priority 2</i></p> <p><i>Protect and improve air, water and land quality and use resources sustainably with due regard to the interests of the wider community and the environment.</i></p> <ol style="list-style-type: none"> 1. Improve the way in which we manage our rural landscapes by caring for our rural landscapes in a more sustainable way. 2. Improve air quality and reduce air pollution by ensuring that air quality management strategies are in place in the district where needed. 	<ol style="list-style-type: none"> 3.6 Develop Management Plans for the district's AONB's. 5.4 Prepare effective air quality solutions through implementation of the LSP Environment thematic group Stage 2 action plans for air quality.

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
<p>5. The Environment cont.....</p>	<p><i>City Council (Direct) Services</i></p>
<p>3. Reduce the impact of waste on the environment by promoting waste reduction, re-using waste, recycling and composting.</p>	<p>2.1 Deliver the Council's actions in the LDLSP's Environment Thematic Group Action plan.</p> <p>2.2. Maintain the cleanliness of our streets and public spaces through a combination of education, enforcement and service delivery.</p> <p>2.3 Work with other organisations / stakeholders to deliver joint projects - Clean Sweep and Street Pride initiatives.</p> <p>2.4 Implement Lancashire Waste Strategy by :-</p> <ul style="list-style-type: none"> • Introducing food waste recycling in 20010/11 • offering commercial waste recycling • using education and enforcement to increase domestic waste recycling <p>increasing the amount of cleansing waster recycled.</p>
<p><i>Priority 3</i></p> <p><i>Promote and enhance sustainable forms of transport and reduce private car use in urban areas throughout the District.</i></p> <p>1. Reduce vehicle traffic and deliver better public transport and cycling and walking routes.</p> <p>2. Increase the number of people cycling in the District by implementing the Cycling Demonstration Town project.</p> <p>3. Reduce commuting and business travel by car by ensuring that a significant number of major employers have effective travel plans in place.</p>	<p>5.3 Implement Cycling Demonstration Town programme.</p>

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
<p>6. Safety Councillor Eileen Blamire</p>	<p><i>Corporate Strategy</i> <i>Planning Policy</i></p>
<p><i>Priority 1</i></p> <p><i>Reduce crime, disorder and antisocial behaviour.</i></p> <ol style="list-style-type: none"> 1. Reduce criminal damage. 2. Reduce incidences of violent crime. 3. Reduce the 'assault with less serious injury' crime rate. 4. Reduce incidences of house burglaries, personal and business robberies and vehicle theft. 5. Improve Lancaster District as a place with low levels of antisocial behaviour. 6. Improve Lancaster District as a place with low levels of drunk or rowdy behaviour as a problem. 7. Reduce re-offending rates of persistent young and adult offenders. 	<p><i>Corporate Plan Key Actions:</i></p> <p>4.1 Deliver the Council's actions in the LDLSP's Community Safety Thematic Group Action Plan.</p> <p>4.2 Deliver the Council's actions in the LDLSP's Valuing People Thematic Group (part).</p>
<p><i>Priority 2</i></p> <p><i>Improve Lancaster District as a safe place to live, work and travel</i></p> <ol style="list-style-type: none"> 1. To reduce all accidents in the District. 2. To reduce the number of fires which involve property or human injury. 3. Reduce the number of people killed or seriously injured in road traffic accidents. 4. Improve levels of satisfaction with the way the Police and local Council deal with antisocial behaviour. 	

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
<p>6. Safety cont.....</p>	<p><i>Corporate Strategy</i></p>
<p><i>Priority 3</i></p> <p><i>Reduce the harm caused by drug misuse.</i></p> <p>1. Increase the number of drug users in effective treatment.</p> <p>2. Reduce the number of people who believe that drug use or dealing is a problem in our District.</p>	
<p><i>Priority 4</i></p> <p><i>Reduce the harm caused by domestic abuse.</i></p> <p>1. Increase the number of cases (brought against perpetrators) achieving successful outcomes at court.</p>	

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
<p>7. Valuing People Councillor Jane Fletcher</p>	
<p><i>Priority 1</i></p> <p><i>Improve community cohesion, a sense of belonging and taking part by promoting positive relationships between the diverse and emerging communities and groups in the Lancaster District.</i></p> <p>1. Improve Lancaster District as a place that celebrates diversity, welcomes newcomers and promotes positive relationships between the district's diverse communities and groups.</p> <p>2. Reduce the harm caused by prejudice and discrimination.</p>	<p><i>Corporate Plan Key Actions:</i></p> <p>7.1 Deliver the Council's actions in the LDLSP's Valuing People Thematic Group Action Plan – develop and implement a Community Cohesion Strategy.</p> <p><i>Corporate Plan – Corporate Health Performance Indicator</i></p> <p>CH9. Level of Equality Standard for Local Government.</p>
<p><i>Priority 2</i></p> <p><i>Increase the resources available to the voluntary, community and faith sector in order to strengthen community engagement and enable the sector to act as advocates for and service providers to our local communities.</i></p> <p>1. To ensure that resources are focused on areas of the voluntary, community and faith sector that need the support.</p>	

LDLSP PRIORITY	COUNCIL SERVICE OVERSIGHT
7. Valuing People cont.....	
<p><i>Priority 3</i></p> <p><i>Enable older people within the Lancaster District to contribute to all aspects of life, both economic and social and to receive support when needed.</i></p>	
<ol style="list-style-type: none"> 1. Reduce feelings of social isolation and increase older people's engagement in community life. 2. Increase the financial security of older and vulnerable people. 3. Increase the number of older and vulnerable people remaining in paid employment. 4. Promote a culture of prevention and early intervention during the strategic planning of services for older and vulnerable people. 5. Reduce the number of older and vulnerable people moving into long term residential care by ensuring that those people who plan services for them ensure that help and advice is provided early. 	
<p><i>Priority 4</i></p> <p><i>Increase effective support and guidance for all carers.</i></p> <ol style="list-style-type: none"> 1. Increase the number of carers receiving guidance and support in the District. 	

	COUNCIL SERVICE OVERSIGHT
8. Finance Councillor Malcolm Thomas	<i>Financial Services</i> <i>Property Services</i>
Revenue Budget Capital Programme Capital Assets Efficiency Targets	<p><i>Corporate Plan – Corporate Health Performance Indicators</i></p> <p>CH1. Keep the city Council element of Council Tax increases to acceptable levels being 4% or less in 2009/10 and in 2010/11 and 2011/12.</p> <p>CH2. NI179 – Value for money – total net value of ongoing cash releasing value for money gains (Efficiency/MTFS targets).</p> <p>CH3. % of property marketed to achieve asset sales to generate agreed capital receipts.</p> <p>CH10. Use of Resources judgements. Assess targets following 2008/09 judgement.</p>

	COUNCIL SERVICE OVERSIGHT																								
9. Internal Councillor Roger Mace	<i>Information & Customer Services Legal & HR Revenue Services Democratic Services</i>																								
Information technology and customer services	<i>Corporate Plan – Corporate Health Performance Indicators</i>																								
Revenues and Benefits	CH4. % of services where initial access via Customer Service Centres can be either face to face, telephone or web - 2009/10 40%.																								
Democratic, Legal, Licensing and HR Services	CH5. NI14 – Avoidable contact – reduce from 52% (2008/09) to 40% (2009/10). CH8. Reduce the number of days lost to sickness absence from 9.98 (2007/08) to 9.50 (2009/10). Income collection CH12. - % of in year Council Tax collected <table data-bbox="906 1106 1187 1205"> <tr> <td>2009/10</td> <td>96.6%</td> </tr> <tr> <td>2010/11</td> <td>96.8%</td> </tr> <tr> <td>2011/12</td> <td>97.0%</td> </tr> </table> CH13. - % of NNDR collected <table data-bbox="906 1308 1187 1406"> <tr> <td>2009/10</td> <td>98.0%</td> </tr> <tr> <td>2010/11</td> <td>98.4%</td> </tr> <tr> <td>2011/12</td> <td>98.5%</td> </tr> </table> CH14. NI180 – Changes to Housing Benefit/Council Tax Benefit entitlements within the year: <table data-bbox="906 1576 1187 1675"> <tr> <td>2009/10</td> <td>12,500</td> </tr> <tr> <td>2010/11</td> <td>12,600</td> </tr> <tr> <td>2011/12</td> <td>12,700</td> </tr> </table> CH15. NI181 – Time taken to process Housing Benefit/Council Tax Benefit new claims and change events: <table data-bbox="906 1845 1187 1944"> <tr> <td>2009/10</td> <td>14 days</td> </tr> <tr> <td>2010/11</td> <td>14 days</td> </tr> <tr> <td>2011/12</td> <td>14 days</td> </tr> </table>	2009/10	96.6%	2010/11	96.8%	2011/12	97.0%	2009/10	98.0%	2010/11	98.4%	2011/12	98.5%	2009/10	12,500	2010/11	12,600	2011/12	12,700	2009/10	14 days	2010/11	14 days	2011/12	14 days
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<p>10. Leader Councillor Stuart Langhorn</p>	
<p>Relationships with other Councils</p> <p>Community Planning (Lancaster District LSP)</p> <p>Community engagement and consultation</p> <p>Neighbourhood Management/Community Leadership</p> <p>Performance Management</p>	<p><i>Corporate Plan – Corporate Health Performance Indicators</i></p> <p>CH6. % of residents rate their local area as a very good or fairly good place to live – baseline and target to be established from Place Survey.</p> <p>CH7. % of residents agree that the City Council provides value for money (Place Survey).</p> <p>Maintain Level 1 of the Member Development Charter.</p> <p><i>Corporate Plan Key Actions:</i></p> <p>7.2 Support the LDLSP’s development of a Community Engagement Framework for the district where this is a priority for the Council.</p> <p>7.4 Continue to work with Lancashire County Council and the district’s parish and town councils to ensure the three tiers of local government work more effectively (includes development of a district Parish Charter).</p>

APPENDIX B

SERVICE	CABINET MEMBER
Council Housing Environmental Health & Strategic Housing	Cllr Kerr
Legal and HR Democratic Services Information & Customer Services Revenues	Cllr Mace
City Council (Direct) Services	Cllr Barry
Finance Property	Cllr Thomas
Planning	Cllr Blamire
Cultural	Cllr Ashworth
Economic Development & Tourism	Cllr Archer Cllr Bryning
Corporate Strategy:	
Children & Young People	Cllr Ashworth
Sustainability	Cllr Barry
Community Safety	Cllr Blamire
Communications	Cllr Langhorn
Valuing People	Cllr Fletcher

TIMETABLE FOR PRT MEETINGS

Quarter 1	27 July to 7 August
Quarter 2	19 October to 30 October
Quarter 3	25 January to 5 February
Quarter 4	26 April to 7 May

CABINET

**Revenue Budget Strategy 2010/11
23rd June 2009**

Report of Corporate Director (Finance & Performance)

PURPOSE OF REPORT			
To present for Cabinet an issues paper of financial matters that will need to be addressed in delivering the 2010/11 revenue budget targets set out in the Medium Term Financial Strategy.			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Corporate Director	X
Date Included in Forward Plan	N/a		
This report is public			

RECOMMENDATIONS OF COUNCILLORS LANGHORN & THOMAS

- (1) That Cabinet agree the approach outlined in the report and undertake the actions set out in Section 3 with immediate effect.

1 Background

1.1 The financial targets included in the current Medium Term Financial Strategy (MTFS) provide the direction for the forthcoming 2010/11 budget exercise. In particular it commits the Council to :-

- delivering a balanced budget that limits the annual council tax increase to no more than 4% for both 2010/11 and 2011/12;
- achieving significant on-going revenue savings. The targets are currently estimated at £1.3M for 2010/11 with a further £0.250M on-going savings for 2011/12.

These savings/efficiencies targets will be reviewed and updated over the summer, for reconsideration by Cabinet and Council in October/November. This review will take account of 2008/09 outturn and the most recent monitoring information for 2009/10, as well as updated prospects for public spending and the economy generally. It should be noted also that the current targets make no allowance for any new growth that the Council may wish to consider. Given these points, it is felt prudent that the 2010/11 budget exercise should target savings /efficiencies of around £2m over the

period of the existing MTFS, which would meet the current financial targets and provide some limited opportunity for new growth items.

2 Budget Principles

- 2.1 Over recent years the Council has faced increasing challenges to manage its revenue budget within available resources in line with the targets set out in its MTFS. Last year's budget exercise in particular, caused the Cabinet/Council unprecedented problems which were only resolved at the last minute. Early conversations with the new Leader and Finance portfolio holder have stressed that this should not, under any circumstances, occur again and have requested this early budget report that seeks to highlight the problems that need to be addressed.
- 2.2 The crux of the Council's financial position is that it can no longer undertake everything that it might wish to do. Whilst in recent years' outturns there has been a pattern of net underspending overall, this has been influenced by various windfalls and different factors, including the sort of risks that are inherent in making any forecasts. Furthermore, in turn such underspendings have allowed the Council to support its plans in other areas of activity where perhaps it had insufficient funding allocated, or where new financial risks have arisen (Access to Services and Luneside being such examples).
- 2.3 Recent budget exercises have stressed the need for the Council's limited resources to be directed into its corporate priorities first and foremost and to meet any statutory requirements. Significant progress has been made in achieving this with the refresh of the Council's own Corporate Plan clearly now linked to delivering the council's responsibilities/duties within the Lancaster District Local Strategic Partnership (LDLSP) and the wider Lancashire Local Area Agreement. But much more can still be done to understand what we do, why we do it, and how much it costs.

3 Proposal Details

At this stage, it is unclear if the Star Chamber process will continue. It is clear, however, that if Cabinet decide that it doesn't, then there must be an alternative, effective process for identifying the savings and efficiencies targets set out in the MTFS and how each Cabinet Member will contribute and engage with this process. However, until Star Chamber's future is decided, there are a number of things that Cabinet Members can undertake immediately and these are considered below.

3.1 Know your Portfolio/Budget

Now that the Cabinet portfolios have been allocated, it is imperative that each Cabinet Member :-

- gains a good and early understanding of which council priorities/service activities they have responsibility for,
- is clear about how those service activities contribute to delivering the council's approved corporate priorities,
- understands which of those service activities are statutory or discretionary
- and most importantly, how much is spent on each.

Cabinet members should have by now, met with their Corporate Directors and Service Heads to discuss the matters highlighted above.

3.2 Deliver the Savings /Efficiencies Targets agreed at Budget Time

To meet the current savings/efficiencies targets included in the MTFS , its important that the agreed projects/exercises to achieve savings to balance the current year's budget are progressed quickly and effectively. These also have ongoing savings assumed for future years and the main areas are :-

- Senior Management Restructuring
- Corporate Strategy Restructure (remaining target for 2010/11 onwards)
- Communications and Marketing Review
- IT Desk Top, Telephony, Multi-Functional Devices Review
- Council Tax/Housing Benefits Staffing Review
- Reduction in Building Cleaning services
- Public Toilets (some current year savings, but also reviewing future provision)
- Salt Ayre Operational savings
- Reduction in support for Festival innovation Fund events
- Arts and Leisure Development reductions
- The Dome (current year operations, but also determining the site's future)
- Break Even for Building Control Service
- Community Transport Flat Fee introduction
- Concessionary Travel Re-negotiation

Arrangements are already in hand to provide a summary update in each quarter's corporate financial monitoring report, but relevant Cabinet Members should take responsibility for each of the above, to oversee their delivery and successful completion.

3.3 Pursue Opportunities for Savings/Efficiencies Previously identified

In addition to those savings and efficiencies identified in 3.2 above, a number of other opportunities were discussed at budget time which should be pursued, in particular :-

- A review of Support Services following the reductions in service activities in balancing the 2009/10 budget
- Progressing the Access to Services Project to a successful conclusion
- Delivering the actions included in the Council's Customer First Strategy
- A review of the museum partnership fee
- Community Pools and their charging policy
- Review of the council's Asset Facilities Management (including energy options)
- Review of the implications for planning arising from the Pitt Review
- Options for the future of Lancaster Market
- Further review of grants to organisations and existing Service Level Agreements.

Again, responsibility for researching the feasibility of each of these to generate savings and efficiencies should be clearly designated to Cabinet Members.

3.4 Pursue New Opportunities for savings/efficiencies through value for money challenges

Although the Council no longer has a statutory responsibility to have in place a programme for best value reviews, the need to justify and demonstrate value for money in its service delivery activities is gaining in importance with increasing scrutiny being undertaken by external assessors through the annual Use of Resources judgement. In particular, there is much scope to strengthen the Council's focus and prioritisation when considering, comparing and challenging individual budget proposals and their impact. As a consequence, Cabinet Members should in their discussions with Directors and Service Heads examine the following issues :-

- Identify service activity that no longer supports the delivery of the council priorities
- Consider the last public satisfaction data and any consultation details of what services the community consider important and essential
- Identify any service statutory responsibilities and check if its exceeds minimum requirements
- Opportunities for increased collaborative/partnership working in particular those available through the LDLSP, Team Lancashire, and the Lancashire Procurement Hub
- New ways of delivering existing services through business process re-engineering and increased use of technological improvements
- Invest to Save opportunities
- Use of Performance Management Benchmarking Data to identify high cost service activities
- Opportunities for new sources of external funding/income generation
- Issues/activities that could be referred to Overview and Scrutiny for review

3.5 Review of the 2008/9 Revenue Outturn

The recent quarter 4 Corporate Performance Review Team report identified that the outturn for 2008/9 could be significantly underspent. Although these were only provisional figures and likely to alter before the final outturn is agreed, Cabinet members should acquaint themselves with each potential outturn variance to understand if it has any on-going impact on the base budget for 2009/10 onwards. The outturn is due to be considered formally by Cabinet at its July meeting and as mentioned earlier, any impact for future years will be fed into updating the MTFS budget projections.

3.6 Potential Risks/Unknowns to the Budget

In addition to everything mentioned above, the Section 151 Officer in her budget report to council highlighted a number of issues that could impact on future council revenue budgets, in particular :-

- Conclusion of the Fair Pay Project
- The outcome of future Pay Award negotiations
- Icelandic banks settlement
- The Luneside project
- The Winter Gardens future
- Outcome of the Review of Parish Expenditure
- Completion of LDLSP Thematic Group action plans
- Central Govt funding for Local Government.

All the above will need to be researched further to assess any budgetary impact for the MTFS and next year's budget in particular. Cabinet members should be identified to oversee each.

3.7 Targets for Cabinet Members

Whilst all the above may contribute in some way to delivering a balanced budget in line with the MTFS targets for 2010/11 and beyond, it may well be opportune to focus each Cabinet Member's attention to the task at hand at this early stage by setting each Cabinet Member a savings/efficiency target to achieve based on the assumption that a sum of £2M must be identified and achieved over the period of the current MFTS. Whilst it is recognised that some Cabinet Members will have larger budgets than others, the setting of individual targets would provide a clear focus for leading the discussions between Cabinet Members, Directors and Service Heads. That said, ideally the targets for each portfolio should also be informed by corporate priorities, statutory service provisions and other major risk considerations. (i.e., given these points, different portfolios may have significantly different targets). In order to ensure that early consideration can be given to any options, Cabinet Members would need to ensure that a provisional set of options, for ranking in priority order, would be available for September following the summer recess. Progress against this could then be included within the formal MTFS review report to Cabinet in October.

4.0 Options and Options Analysis (including risk assessment)

4.1 Option 1

Is for Cabinet members to progress the issues set out above by arranging regular meetings between themselves, Directors and Service Heads to identify and bring forward options for achieving savings and efficiencies by early September.

4.2 Option 2

As Option 1 but with each Cabinet member set a savings/efficiency target to meet.

5.0 Officer Preferred Option (and comments)

- 5.1 The officer preferred option is Option 2 as it would enable a set of provisional budget savings/efficiencies options to be prepared in good time and provide the focus for each Cabinet Member to contribute to the process. There would need to be some agreement by Cabinet regarding how the targets should be set, however.

RELATIONSHIP TO POLICY FRAMEWORK

Delivery of the Medium Term Financial Strategy targets is key to the 2010/11 Budget Strategy, Corporate Plan and LSP/LAA priorities.

CONCLUSION OF IMPACT ASSESSMENT

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

None directly arising from this report.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising at this stage – though clearly any actions taken to strengthen the Council's financial management will also inform and influence its future financial prospects.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and her comments reflected in the report.

LEGAL IMPLICATIONS

There are no legal implications directly arising from this report.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

None.

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CABINET

**Land at Aalborg Square, Lancaster
23rd June 2009**

Report of Corporate Director (Regeneration)

PURPOSE OF REPORT			
To consider the potential disposal of land at Aalborg Square, Lancaster, to facilitate an extension of the courts building.			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date Included in Forward Plan		June 2009	
This report is public			

RECOMMENDATIONS OF COUNCILLOR THOMAS

- (1) That the Council approves the principle of the disposal of land at Aalborg Square, Lancaster, subject to a further report on value as indicated in the report.
- (2) That the District Valuer be appointed to determine the valuation of the site in accordance with the Council's Disposal Strategy, and the General Disposal Consent.

1.0 Introduction

- 1.1 The Council are the owners of Aalborg Square, Lancaster, created as a result of the development of the magistrates courts building. The land owned by the Council amounts to 0.28 acres (0.11 hectares) and is shown edged black on the attached plan.
- 1.2 The Council has been approached by agents acting on behalf of Her Majesty's Courts Service who wish to acquire Aalborg Square for the purpose of extending the existing court building to facilitate housing the Crown Court that is currently housed in part of Lancaster Castle and the County Court that is currently based in leased accommodation in Mitre House.

2.0 Proposal Details

- 2.1 It is proposed that the Council dispose of the area of land shown edged black on the plan for the building construction and associated external works.
- 2.2 Initial discussions have been held with the Head of Planning & Building Control Service who has indicated that development of Aalborg Square would be a departure from normal policy and that development would not normally be accepted there. However, if the existing Court building is to be extended, Aalborg Square would be the preferred location for an extension of the building (as opposed to the rear of the building). Design would be particularly important in view of the proximity of Listed Buildings. This is a matter that would be dealt with by the Council as Planning Authority.
- 2.3 In view of the planning designation, it is considered that it is unlikely that any alternative form of development could take place. The Courts Service has indicated that because of this, together with their ability to vacate accommodation at Lancaster Castle to make the space available for tourism (see below), then they should have “special purchaser” status.
- 2.4 The space occupied by the courts at the Castle forms part of a current visitor attraction, also incorporating the Shire Hall and dungeons, and managed by Lancashire County Council Museums service. This attracts around 35,000 visitors a year, of whom high proportions are from overseas. However, the presence of the courts presents a significant practical constraint of the operation of the Castle “museum” as it can only be operated as a guided tour, and these tours cannot be conducted when the courts are in session. Tours also often have to be suspended at short notice. This significantly restricts the number of tourists that can visit the Castle. Removal of the courts could allow the Shire Hall and Court areas of the Castle to be developed to form a permanent museum and heritage attraction capable of accommodating significantly increased numbers of visitors. Lancashire County Council has recently commissioned a study to look at the feasibility and cost of this. The potential impact on visitor numbers has not been quantified at this stage, but it has the potential to become a highly significant visitor attraction that could raise Lancaster’s profile as major heritage destination.
- 2.5 The Lancaster and Morecambe Regeneration Vision identifies Lancaster’s heritage, in particular Lancaster Castle, as a transformational project and acknowledges that agreeing for the Courts to locate would be a great boost enabling the Castle to improve visitor facilities and to promote Lancaster much more effectively.
- 2.6 The Council, should it wish to proceed with the disposal, could proceed in accordance with the recently approved Disposal Strategy by utilising the powers available under the ODPM Circular 06/03, Local Government Act 1972: General Disposal Consent (England) 2003 (The Consent). It is considered that the relevant provision of that Consent would be related to the economic wellbeing of the area based on the tourism benefits from bringing the Castle back into greater use.
- 2.7 This process would require the amount of the “undervalue” to be identified by an independent valuer and it is suggested the District Valuer could be appointed to undertake this assessment on behalf of the Council.
- 2.8 The Council’s recently approved Disposal Strategy also sets out the ways in which a request to be a special purchaser should be dealt with. Because no marketing has taken place for the land it suggests that “to demonstrate that the agreed terms

represent best consideration, and therefore protect the Council from challenge, it is good audit practice for the District Valuer to be asked, where practicable, to supply a “franking” report for transactions of a significant/strategic nature”.

- 2.9 In view of the link regarding valuations between the General Disposal Consent arrangements and the Special Purchaser arrangements in the Disposal Strategy, should the Council approve the disposal of the land, then the District Valuer should identify the valuation of the site and indicate the level of undervalue if appropriate.
- 2.10 On offer has been made by the Courts Service (see the exempt appendix) and the potential exists for the District Valuer to set a valuation at the same level as offered by the Courts Service. Alternatively, the figure could be higher therefore triggering the General Disposal Consent. If Cabinet approves the principle of disposal of the land, then depending on the level of value, final approval would be as set out in the Financial Regulations and Constitution. Such a report will need to make it clear that, in order to proceed at less than best consideration, the decision maker must be satisfied that the sale will improve or promote social, economic or environmental well-being, and will need to be able to demonstrate that there is evidence for forming this view.

3.0 Details of Consultation

- 3.1 Discussions have been held with the Courts Service as part of the negotiations.
- 3.2 Initial discussions have also been held with the Council’s planning officers as indicated above.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 Option 1 is to approve the principle of disposal of the land at Aalborg Square to the Courts Service for the extension of the courts building that would facilitate the vacation of that part of Lancaster Castle currently occupied by the court. This would allow the potential to expand the tourism opportunities afforded by the Castle. In this option the powers granted under the General Disposal Consent could be utilised which may not result in the full value of the site being received by the Council but the economic benefits of the Courts Service vacating the Castle are considered to balance this lost. The opportunity exists for the District Valuer to undertake a valuation that would accord with the requirements of the General Disposal Consent and the requirements of the special purchaser provisions in the Council’s Disposal Strategy. In disposing of the land there would be a loss of an open space in the Lancaster along with a minimal reduction of maintenance responsibilities.
- 4.2 Option 2 is to consider the disposal of land at Aalborg Square but only at market value. This carries the risk that the Courts Service would take the view that it would not proceed with the development – a point that has been made during negotiations. In such circumstances, the opportunity to obtain the benefits of possession of Lancaster Castle for tourism may be lost. In disposing of the land there would be a loss of an open space in the Lancaster along with a minimal reduction of maintenance responsibilities.
- 4.3 Option 3 is not to consider the disposal of the land at Aalborg Square. This would result in the Council retaining the land which is an open space. However, the

opportunity to obtain the benefits of possession of Lancaster Castle for tourism would be lost.

5.0 Officer Preferred Option (and comments)

5.1 The preferred option is option 1 because this allows the retention of the Courts facilities in Lancaster along with releasing the tourism potential of that part of the Castle currently occupied by the Courts.

RELATIONSHIP TO POLICY FRAMEWORK

Objective 1 of the Council's Corporate Plan identifies a need to work in partnership to ensure a strategic approach to economic development and regeneration. The disposal of the land at Aalborg square for an extension of the Courts would help to meet this objective. Lancaster and Morecambe Regeneration Vision-transformational projects-Lancaster Castle identifies the relocation of the courts as a priority.

CONCLUSION OF IMPACT ASSESSMENT

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

There is no initial impact arising from this report, but should development ultimately take place, there would be a reduction in green space within the city. Any development that does take place would need to be in accordance with current regulations regarding sustainability issues.

FINANCIAL IMPLICATIONS

The Council's capital receipts schedule does not include for the disposal of the land at Aalborg Square – the sale would be an opportunity disposal and the capital receipt would be an addition to the Council's budget. The appointment of the District Valuer would enable a determination of the amount of undervalue to be known in accordance with the General Disposal Consent and in accordance with the Council's approved Disposal Strategy, with a further report made for final approval once the valuation is confirmed. Any minor implications for the revenue budget regarding maintenance would also be confirmed then, as appropriate.

In terms of the use of any additional capital receipt arising, it should be noted that under the Council's Capital Investment Strategy, such monies cannot be used to support new spending or take on new commitments. This is to help manage the capital risks that the Council currently faces (Luneside, Icelandic Investments, achieving planned land sales, etc). During the next budget and planning round there will be the opportunity to revisit the Strategy, however, to take account of unexpected developments such as this and their potential impact on investment priorities – as well as any changes in the Council's financial outlook.

SECTION 151 OFFICER'S COMMENTS

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

LEGAL IMPLICATIONS

The Consent referred to in the body of the report means that specific consent is not required for the disposal of any interest in land at less than best consideration which the Council considers will help it to secure the promotion or improvement of the economic, social or environmental well being of its area. Specific consent is only required if the undervalue exceeds £2,000,000 (two millions pounds).

In determining whether or not to dispose of land for less than the best consideration reasonably obtainable, and whether or not any specific proposal to take such action falls within the terms of the Consent, the Council should ensure that it complies with normal and prudent commercial practices, including the obtaining the view of a professionally qualified valuer as to the likely amount of the undervalue.

The preferred option complies with such requirements if the Council is satisfied that the "well being" criteria have been satisfied.

There are no legal implications in respect of the other 2 options.

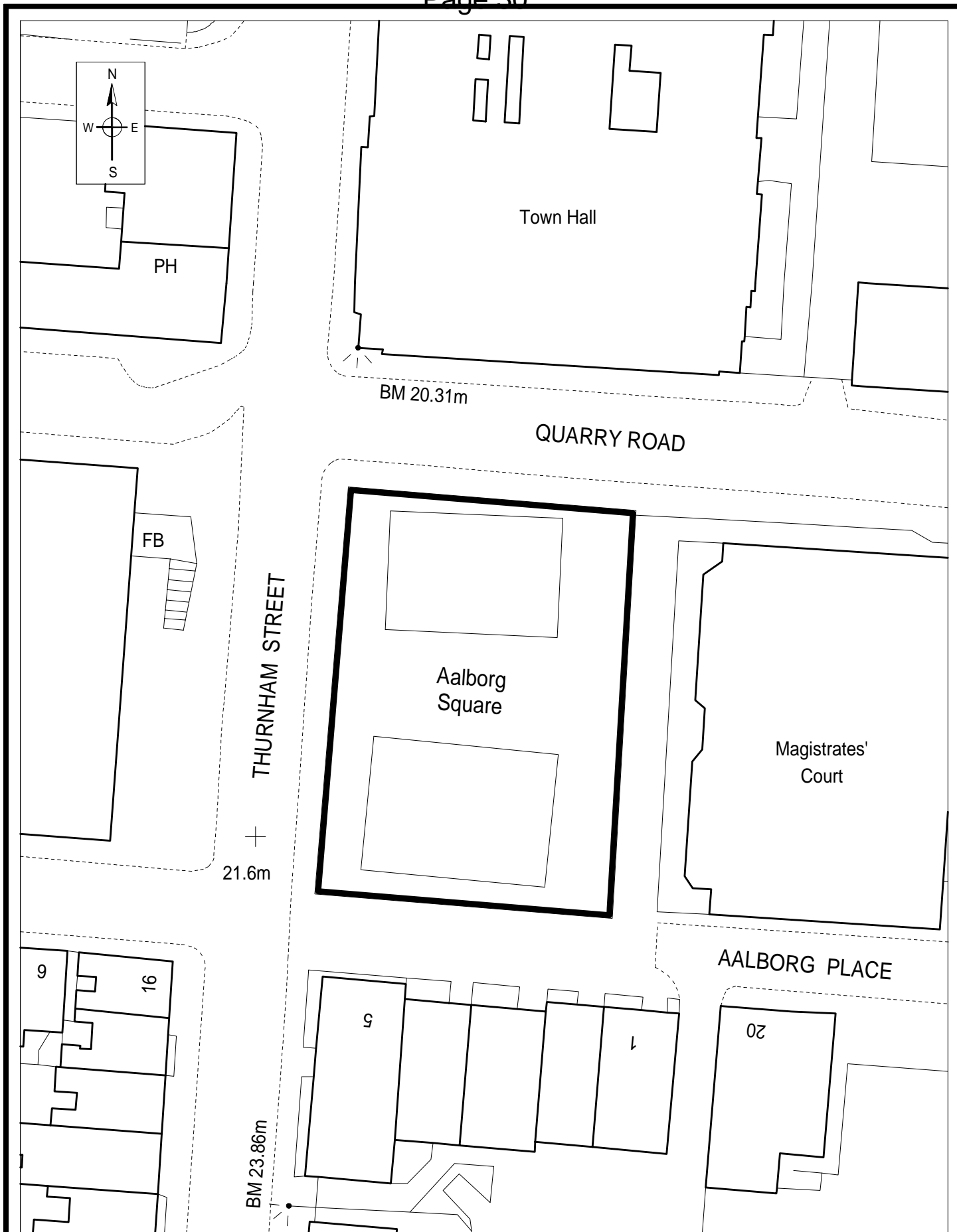
MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

Exempt.

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Title: Aalborg Square, Lancaster.

Scale : 1:500

Date : 9/6/2009

LANCASTER
 CITY COUNCIL

Promoting City, Coast & Countryside

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

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