



Committee: BUDGET AND PERFORMANCE PANEL

Date: TUESDAY, 23 OCTOBER 2007

Venue: LANCASTER TOWN HALL

Time: 4.30 P.M.

Councillors are reminded that as Members of Overview and Scrutiny they may not be subjected to the Party Whip, which is prohibited under the Lancaster City Council Constitution.

A G E N D A

- 1. Apologies for absence**
- 2. Declaration of Interests**
- 3. Minutes of the Meeting held on 11th September 2007 (previously circulated)**
- 4. Items of Urgent Business authorised by the Chairman**
- 5. City Council Priorities 2008/9**
Presentation by the Leader of the Council
- 6. Star Chamber Updates (Pages 1 - 6)**
Report of the Leader of the Council
- 7. Legal Fees for Leases (Pages 7 - 12)**
Report of Head of Legal and Human Resources
- 8. Efficiency Strategy Review (Pages 13 - 26)**
Report of Corporate Director (Finance and Performance)
- 9. Corporate Plan Monitoring - Update (Pages 27 - 48)**
Report of the Corporate Director (Finance & Performance)
- 10. Local Environmental Quality Pilot Study (Pages 49 - 54)**
Report of Head of City Contract (Direct) Services and Head of Corporate Strategy

11. Work Programme Report (Pages 55 - 58)

Report of Head of Democratic Services

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Jim Blakely (Chairman), Tina Clifford, Jean Dent, Keran Farrow, Sarah Fishwick, Mike Greenall, Tony Johnson, Ian McCulloch and John Whitelegg

(ii) Substitute Membership

Councillors Chris Coates, Roger Dennison, Rebekah Gerrard, Karen Leytham, Roger Plumb, Keith Sowden and Peter Williamson

(iii) Queries regarding this Agenda

Please contact Jon Stark, Democratic Services - telephone (01524) 582132 or email jstark@lancaster.gov.uk.

(iv) Changes to Membership, substitutions or apologies

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

MARK CULLINAN,
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Published on Monday, 15th October 2007

BUDGET AND PERFORMANCE PANEL

Star Chamber

23rd October 2007

Report of the Leader of the Council

PURPOSE OF REPORT			
To receive an update on the Star Chamber meetings held since the last report to Cabinet of 4 September 2007.			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Cabinet Member	<input checked="" type="checkbox"/>
Date Included in Forward Plan	N/A		
This report is public.			

(1) That the report be noted.

1.0 Introduction

- 1.1 Star Chamber is an informal meeting of Cabinet Members supported by senior officers. Its purpose is to provide a continuing process that examines current and future spending plans with the aims of ensuring value for money, identifying efficiencies and diverting resources into Council priorities and away from non-priorities, as well as alternative methods of delivery. It also provides the framework and focus for achieving the financial savings targets included in the Medium Term Financial Strategy and those efficiencies required under Gershon. Consequently, it will look at financial, physical, and human resource matters.
- 1.2 The group meets regularly and reports for information are made on a regular basis into Cabinet and also into the Budget and Performance Panel.
- 1.3 Star Chamber works to revised Terms of Reference as agreed at the Cabinet meeting held on 5 June 2007.
- 1.4 Since the last report to Cabinet, Star Chamber met on 12 September and 19 September. Action notes are attached as an **Appendix**.

RELATIONSHIP TO POLICY FRAMEWORK

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

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

CONCLUSION OF IMPACT ASSESSMENT

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

None arising directly as a result of this report.

FINANCIAL IMPLICATIONS

None arising directly as a result of this report.

SECTION 151 OFFICER’S COMMENTS

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

LEGAL IMPLICATIONS

None arising directly as a result of this report.

MONITORING OFFICER’S COMMENTS

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

BACKGROUND PAPERS

Corporate Plan 2006/07
Revenue Budget and Capital Programme
Medium Term Financial Strategy 2006

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**ACTION NOTES FROM STAR CHAMBER
HELD ON 12 SEPTEMBER 2007**

PRESENT: Councillors R Mace (Chair), J Barry, A Bryning, J Gilbert and D Kerr
(substituting for Councillor E Archer)

M Cullinan, P Loker, N Muschamp and S Lucas (Notes)

1. **APOLOGIES**

Apologies received from Roger Muckle and John Donnellon

2. **NOTES OF MEETING HELD 29 AUGUST 2007**

No matters arising

BASE BUDGET REVIEW AND VALUE FOR MONEY ASSESSMENT

3. **COUNCIL HOUSING**

It was noted that the HRA is a ring fenced budget, but does have some impact on General Fund, mainly through the services it contracts, e.g. grounds maintenance and its contribution to overheads.

Policy and Management

It was proposed to look at options for reduction in future management capacity. Options to be produced and considered.

Repairs and Maintenance

No options taken forward. Proposals for efficiency savings noted.

Special Services

No options taken forward

Welfare Services

No savings as activity 100% recharged

4. **ENVIRONMENTAL HEALTH**

Environmental Protection

Report to be brought back to Star Chamber on costs of ECOS, including advantages/disadvantages of ceasing the service and defined criteria for use of ECOS.

Reports on future pressures, i.e. possible transfer of stray dogs from Police to Local Authorities and outcome of Rogers report will be brought back to future Star Chamber when more detail is available.

Food Safety/Health and Safety

Report back to Star Chamber on detailed costs for Health and Safety function and possibility of reducing to a minimum service. Report to include benchmarking on “direct” costs.

Cemeteries

Savings offered were mainly Gershon efficiencies and would impact on CC(D)S overheads. Report requested for Star Chamber on the aggregate position to see if effective savings can be made.

Civil Contingencies

Report back to Star Chamber on opportunity to share Service/expertise with Wyre Borough Council.

5. **STRATEGIC HOUSING**

Housing Standards

Correction on page 5 under Key Drivers section – number of HMOs is 500+ not 5000+.

Agreed that the suitability of a Regional Accredited Property Scheme be explored and reported to Service PRT.

Report back to Star Chamber on cost comparison with private sector for HMO inspection work.

Investigate if we can publicise the extent of enforcement activities by naming landlords subject to enforcement actions.

Enabling (Home Improvement Team)

Request for more information on the potential increase in demand due to release of backlog of Paediatric referrals and how we can manage that demand.

Councillor J Barry left the meeting (12.10)

Homelessness

Detailed report requested on possible savings on medical advice costs and potential funding/contributions from other agencies.

Further work requested on benchmarking to include Preston and West Lancashire as more representative than Wyre and Fylde.

6. **CITY COUNCIL (DIRECT) SERVICES**

This item was deferred until the next Star Chamber meeting

ACTION NOTES FROM STAR CHAMBER HELD ON 19 SEPTEMBER 2007

PRESENT: Councillors R Mace (Chair), J Barry, A Bryning, J Gilbert,
J Donnellon, P Loker, N Muschamp, J Barlow (Notes)

1 APOLOGIES

Apologies were received from Mark Cullinan and Roger Muckle.

2 NOTES OF THE LAST MEETING

The notes were accepted as a correct record.

**3 BASE BUDGET REVIEW AND VALUE FOR MONEY ASSESSMENT
COMMUNITY SERVICES DIRECTORATE CONT'D**

City Council (Direct) Services (CC(D)S)

Waste Collection

It was noted that that cost-sharing with County should generate more income than originally budgeted and this should be quantified within the revised budget exercise (December).

Any savings once phase 5 and 6 were complete were not quantifiable at this stage.

Grounds Maintenance

Carry out full review of maintenance standards, map onto GIS, compare through APSE performance network. Invest to save but within existing budget initially.

One potential area for increased income was trade contracts.

Finance and Admin.

Savings already made, nothing further to offer.

Vehicle Maintenance

Efficiency savings had been achieved through improved fleet management. The Corporate Director to provide the cost/savings comparative figures at revised budget time.

A further report was requested on informal discussions with adjacent Districts for shared services.

Building Cleaning

This service was a straightforward fulfilment of a contract with Property Services. Savings would only be achieved when the number of Council buildings was reduced as part of the Access To Services Review.

Highways Maintenance

This operated as a contracted service and made a surplus.

**4 BASE BUDGET REVIEW AND VALUE FOR MONEY ASSESSMENT
REGENERATION DIRECTORATE**

Economic Development and Tourism

Four options were considered.

Option 1 – Decide not to support the implementation of Lancaster and Morecambe Vision. This option was not considered to be viable.

Option 2 – Cease to operate one or both TICs. This option was not supported. Corporate Director to find out who owned the lease of the Morecambe building.

Option 3 – Further cutbacks to Marketing budgets. Corporate Director to provide a breakdown of the budgets for marketing and tourism detailing what mechanisms were in use.

Option 4 – Cease to provide grant aid under the Business Development Grant Scheme. A report was requested, after liaising with the University, to show alternative options.

5 AIR QUALITY ACTION PLAN

The report was noted.

5 DATE OF NEXT MEETING

Cllr Mace was not available for the next scheduled meeting on 3 October and it was agreed to cancel this and move items to 10 October. Cllr Barry could not attend on 10 October and would send his substitute, Cllr M Whitelegg.

JEB/20 September 2007

BUDGET AND PERFORMANCE PANEL**LEGAL FEES FOR LEASES
23rd October 2007****Report of Head of Legal and Human Resources****PURPOSE OF REPORT**

To inform the Panel of the legal fees that are charged in property transactions, and in particular for leases, and of the outcome of a recent review of the fees.

This report is public

RECOMMENDATIONS

(1) **That the report be noted**

1.0 Introduction

1.1 It is the practice of the Council to recover a contribution towards its legal costs from the other party to a property transaction. This is common practice among local authorities. Accordingly, fees are charged on the sale of land, on the grant and renewal of leases and for various other legal agreements. The Council's current schedule of charges, which took effect on the 1st April 2007, is at Appendix A. The fees are set by officers, and from time to time are compared with those fees charged by other local authorities in the north west to ensure comparability.

1.2 In particular, with regard to leases, the Council's legal fees are based on the rent payable under the lease. This is a standard means of setting a scale of fees. Legal fees are generally included in the negotiations undertaken by Property Services with the prospective tenant, and are then included as a term of the lease.

1.3 The Council leases a wide variety of commercial premises, for example shops on Council housing estates, and various industrial units. St Leonard's House contains a wide range of commercial lettings, with tenants including public bodies such as the County Council, Police Authority, NHS Trusts, charitable organisations, established companies, and individuals starting up in business.

1.4 During the summer, Legal Services received a number of complaints, some from elected Members, about legal fees being charged to tenants at St Leonard's House, and this has led to a review of the practices and procedures of Legal Services and Property Services in dealing with leases at that property.

2.0 Review

- 2.1 The complaints received related specifically to individuals setting up new businesses in St Leonard's House. As a result of undertaking the review, it became apparent that in some cases, rather than being given a formal lease on entering into possession, some of these individuals, were simply being asked to sign Heads of Terms, with a formal lease being offered after the initial year. Some confusion was arising in that the tenants perceived such a formal lease as a renewal, whereas for Legal Services the document was in fact the first grant of a lease. Confusion also arose with regard to legal fees, as these were not always charged in the first year.
- 2.2 As a result of the review, officers in Legal Services and Property Services have concluded that all new tenants should now be granted an initial lease for a period of three years, but that such a lease should include a "break clause" to enable the tenant to terminate at the end of the first or the second year. This will protect the tenant in the event that the business does not succeed, or equally if the business succeeds to such an extent that the premises are no longer suitable. For tenants who are individuals establishing a new business, the standard legal fee for a commercial lease will be reduced to £150 on the initial grant, with a fee on renewal of £50.
- 2.3 Whilst it is acknowledged that in many cases a lease document and a renewal will be in a standard form, and will require little amendment, many individual tenants, perhaps because they are dealing with the Council rather than with a commercial landlord, choose not to appoint their own solicitor to deal with the transaction on their behalf, and for that reason frequently ask officers in Legal Services questions that would normally be expected to be dealt with by their own solicitor. Further, because Legal staff are aware that tenants do not have their own solicitor, the Legal staff frequently assist the tenant with the completion of the forms required to deal with stamp duty, and respond to inquiries about stamp duty. Accordingly, the transaction is more time consuming for Legal staff than simply printing and sending out a standard document. This may not have been appreciated by those making the complaints. However, officers have accepted that for individuals starting up in business, the £350 fee on grant and renewal may be perceived as too high, and for this reason the lower charge of £150 on grant and £50 on renewal has been introduced. This will, however, apply only to new individual traders at St Leonard's House. It is not considered unreasonable to continue to charge the existing rates to established commercial undertakings.

3.0 Details of Consultation

- 3.1 The review has been undertaken by officers in Legal Services and Property Services in the light of complaints received from elected Members. There has been no formal consultation, although officers have earlier this year undertaken a survey of the legal fees charged by other local authorities in the north west.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 The report is for noting, as the determination of legal fees is a matter for officers.

5.0 Conclusion

- 5.1 The Panel is asked to note the report.

CONCLUSION OF IMPACT ASSESSMENT

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

None arising from this report.

FINANCIAL IMPLICATIONS

Generally, Legal Services would seek to maximise their income by ensuring that, wherever possible, legal fees are recharged to the other party to a property transaction. This is recognised as standard practice, and accords with good financial management of the Service. However, it is recognised that this may conflict with the Council's regeneration objectives, if a legal fee is prohibitive for a new business. It is estimated that the proposed reduction in legal fees charged to new businesses at St Leonard's House will reduce the Service's income by around £600 each year. However, this can be recovered through adjusting the other legal charges from the 1st April 2008.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments.

LEGAL IMPLICATIONS

Legal Services have been involved in the preparation of the report.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

None

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**LANCASTER CITY COUNCIL
LEGAL SERVICES CHARGES FOR SERVICES
WITH EFFECT FROM 1 APRIL 2007**

This list is not meant to be exhaustive as to matters that can be charged for

TRANSACTIONS	CONTRIBUTION TOWARDS LEGAL COSTS AS FROM 1 APRIL 2007
1. Sale of land	1% (min £300)
2. S106 agreements	min. £300 (depends on complexity)
3. transfers of public open space under a s106 agreement	400.00 + disbursements
4. S38 agreements	£315 (fixed)
5. S142 licences	£44 (fixed)
6. Footpath diversion orders	min. £1,250 (depends on complexity) + advertisement costs
7. commercial leases/licences (if not already negotiated)(stated to be a contribution towards our legal costs):-	
rent under £1,000 pa	£250.00
rent under £5,000 pa	£350.00
rent over £5,000 pa	£500.00
8. licence of change of use/licence to assign/surrenders	£150.00
9. easements and release of covenants (if not already negotiated)	£200.00 minimum
10. notices of assignment on commercial leases (if not fixed in lease)	£50.00
11. copy conveyances/documents	£35.00
if large documents with large plans	£50.00
12. registering notices of mortgages/assignments (ex Council Houses)	£40.00
13. deed of postponement /letter of postponement requested after sale (ex Council Houses)	£50.00
14. Retrospective consents on former council houses/flats	£50.00
15. Release of various c(iv)(i) Land Charges Entries (ex Council Houses) if work needs to be done	£25.00
16. Release of discount charges by DS1	£50.00

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BUDGET & PERFORMANCE PANEL**EFFICIENCY / VALUE FOR MONEY STRATEGY****23rd October 2007****Report of Corporate Director (Finance & Performance)****PURPOSE OF REPORT**

To seek comments from the Panel on the draft updated strategy prior to consideration by Cabinet

This report is public

RECOMMENDATIONS

- (1) That the Panel consider the draft, updated strategy and pass on any comments to Cabinet for their consideration

1.0 Introduction

- 1.1 In November 2005, Cabinet approved the existing Efficiency/VFM strategy to ensure that there was a clear framework in place to deliver both the financial targets included in the Medium Term Financial Strategy and those required under the Government's Gershon programme. It was recognised at that time that the council had a range of plans and strategies in place to generate savings and efficiencies but it was not always clear how these all contributed to the wider picture. The development of this strategy set out the overall framework of the council's arrangements to deliver efficient, cost effective services that provided value for money.

2.0 Details

- 2.1 Over the last 2 years, the strategy has served the council well and all the annual targets of the MTFs have been met, though clearly these include other savings in addition to efficiency measures. More specifically, the 3 year Gershon efficiency target of £1.752m has not only been achieved in only 2 years but also exceeded with over £2m of efficiencies being generated.
- 2.2 However, the local government change agenda has meant that the existing strategy is now in need of a refresh to ensure that it is consistent with current government

initiatives and changes that have occurred within the council. In particular, the government has recently announced under the Chancellor's Comprehensive Spending Review 2007 (CSR07) that all councils will need to achieve further savings over the 3 year period commencing April 2008 equivalent to 3% of their revenue spending.

- 2.3 As a consequence, this initial draft, updated strategy (attached as **Appendix A**) has been produced for the Panel's consideration prior to its presentation to Cabinet for approval. Due to the success of the existing strategy in identifying savings and efficiencies, it is not proposed to make radical changes, however the strategy has been refreshed to update its component parts where they themselves have changed since the original strategy was approved.
- 2.4 Once more details of the Government's new requirements are known, together with the outcome of the latest Use of Resources Assessment by the Audit Commission, any actions arising will also be incorporated into the Strategy as appropriate. (The Panel will be advised should any such issues arise.)
- 3.1 The Panel are therefore asked to consider the updated, draft strategy and to pass on any comments to Cabinet for their subsequent consideration.

CONCLUSION OF IMPACT ASSESSMENT

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

None direct but the component parts of the strategy do impact on all these issues to some degree.

FINANCIAL IMPLICATIONS

None directly from this report although each component part of the strategy will either have financial implications that have previously been approved, or the implications will be considered when the component parts themselves are updated and reviewed.

It is expected that the key components will continue to support the achievement of Government efficiency targets, as well as contribute to the Council's own MTFs targets..

SECTION 151 OFFICER'S COMMENTS

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

LEGAL IMPLICATIONS

None 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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LANCASTER CITY COUNCIL
Promoting City, Coast & Countryside

EFFICIENCY / VALUE FOR MONEY STRATEGY

2007-2011

Updated September 2007

EFFICIENCY/VALUE FOR MONEY STRATEGY

1 Introduction and Overview

Lancaster City Council has a proven track record in making efficiency savings each year. However, how the Council achieves these savings may not at times appear clear as a whole range of strategies and initiatives contribute to the overall outcome. This updated framework strategy sets out how all these differing strands contribute to the identification of those savings/efficiencies that have enabled the various financial and Gershon targets included in the Medium Term Financial Strategy to be met to date, and how future targets will continue to be met.

In undertaking the existing processes referred to above, Value for Money (VfM) initiatives are crucial in order to challenge existing practices with a view to improving the efficient use of its resources. In this way, savings and efficiencies can be identified and redirected into key priorities, and enables the Council to demonstrate that the services it delivers are provided in the most cost effective manner within the context of continuous improvement.

In the Corporate Plan, the Council has committed itself to a number of medium term objectives and associated priority outcomes related to improving efficiency and effectiveness through ensuring that VfM is a key principle in all of the Council's business. In particular :-

To Deliver Value for Money, Customer Focused Services that will :-

- ***Keep the annual council tax increase to a minimum whilst achieving the other policy objective and priority outcomes***
- ***Refocus services around the needs of our citizens and other customers and improve customer satisfaction with both the council and the services it provides***

Furthermore the Council has a number of core values and principles that contribute to effective decision-making and VfM in service delivery. In particular:

Putting the Needs of the Public First
 Sound Financial Management
 Good Employment Practices
 Sustainable Development
 Continuous Service Improvement
 Accountable and Sound decision-making

VfM is assuming an ever-increasing importance in the performance assessment of a Local Authority. It is itself one of 5 components judged in the annual Use of Resources assessment and also forms an important part of the CPA inspection regime.

The Audit Code of Practice requires external auditors to give a positive conclusion as to whether an organisation has put in place proper arrangements to secure VfM. It is vital therefore, that the Council has an integrated and coherent Efficiency/VfM Strategy in place.

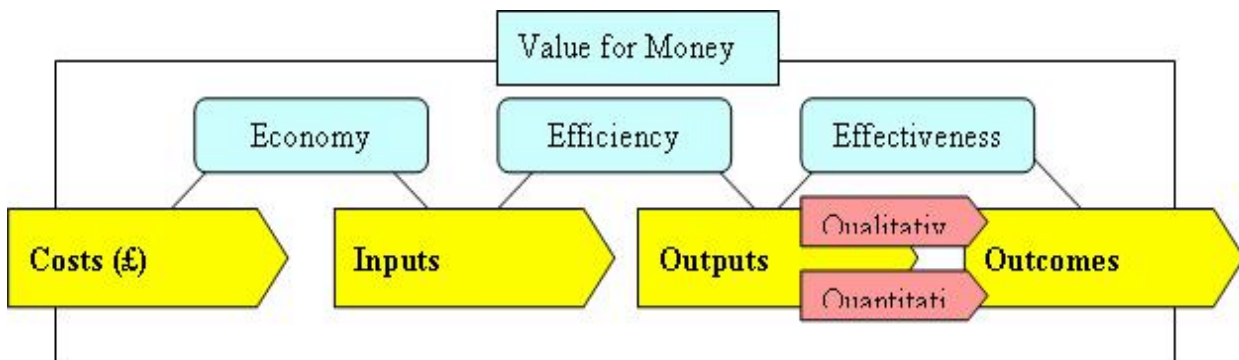
2 Contents of the Strategy

This document covers the following areas:

- What is meant by VfM
- What are the objectives of the VfM Strategy
- The mechanisms by which VfM is achieved
- Other practices and procedures
- Conclusion

3 What is meant by Value for Money

Efficiency and Value for Money are inextricably linked and the diagram below sets out the relationship between the two and other related concepts.



VfM therefore, can be defined as the relationship between economy, efficiency and effectiveness where:

- **economy** is the price paid for what goes into providing a service
- **efficiency** is a measure of productivity
- **effectiveness** is a measure of the impact achieved in either quantitative or qualitative ways

VfM is high when the Council can achieve the best balance between these three components – relatively low costs, high productivity and successful outcomes.

Lancaster City Council has an annual revenue budget of approximately £114.2 million and capital programme of approximately £42.5m. Demand for the services that are provided is constantly increasing yet resources are limited. In keeping Council Tax increases down to an acceptable level, the Council tries to ensure that each £1 is spent as carefully, as wisely, and as efficiently as possible in line with the views and needs of its local communities.

Like all authorities, the Council has a duty to deliver Value for Money and the continuous improvement in the provision of its services.

In this context, VfM means that the services which the council provides:

Are delivered **ECONOMICALLY**
Are delivered **EFFICIENTLY**
Are delivered **EFFECTIVELY**
Are of the right **QUALITY**
Meet the **NEEDS** of local people

4 Objectives of the Strategy

This strategy seeks to support the delivery of a range of Council key objectives and initiatives that underpin the achievement of the Corporate Plan priorities and MTFS targets, namely:

- The provision of quality, cost effective services that meet the needs of local communities
- To help identify efficiencies/savings that can be redirected into corporate priorities
- To help identify efficiencies/savings to contribute to the Gershon/CSR07 savings targets included in the Medium Term Financial Strategy.
- The integration of best value principles to bring about continuous improvement in service delivery
- The structured review of services on a targeted basis which challenges existing practices
- The benchmarking of performance against comparable organisations and against standard service benchmarks
- The development of the workforce so that they can achieve VfM as an integral part of their work

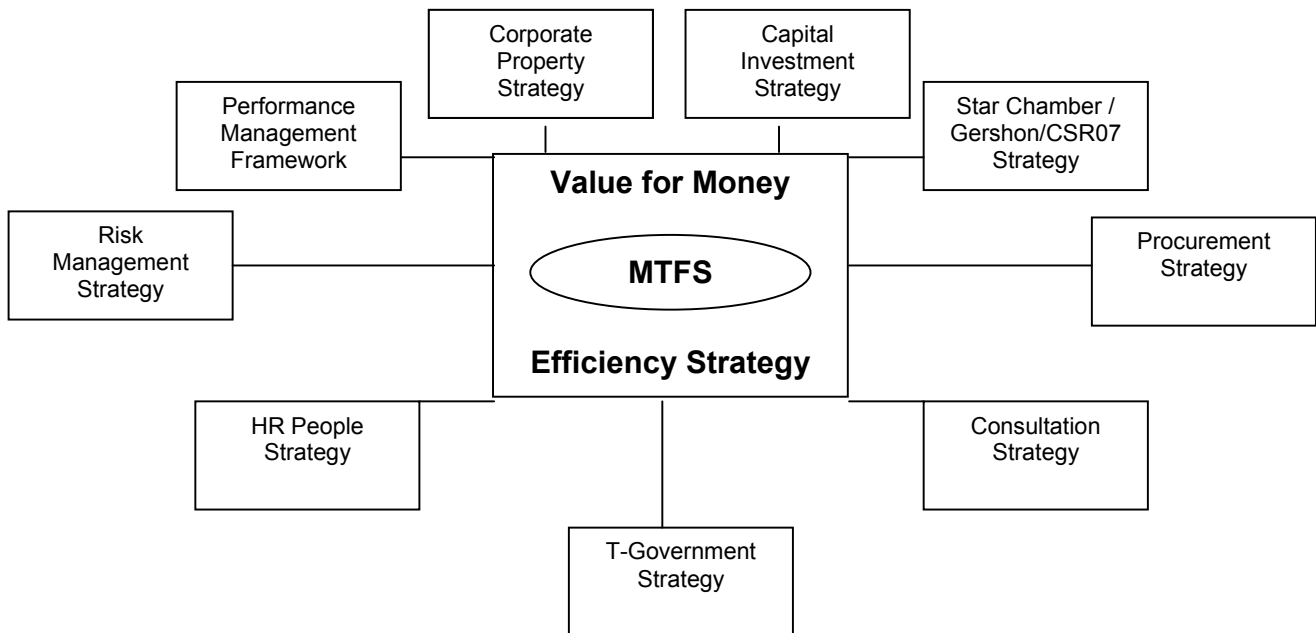
5 The mechanisms by which efficiency/VfM are achieved

Following the Gershon Review in July 2004 (Releasing Resources for the Frontline), there has been a more structured national approach to the delivery of efficiency savings in the public sector. This has more recently been developed further within the CSR07 statement which requires councils to meet a 3% cashable saving over the 3 year period 2008/2011. How this relates to the VfM strategy is addressed later in this strategy but this Council has itself already developed its own structured approach in recent years for identifying efficiencies to meet the targets within its Medium Term Financial Strategy (MTFS) and more recently, those set under Gershon, and it is wholly appropriate to continue this approach to meet those targets in the CSR07.

The approach that has been developed within the Council is set out in the Diagram below and includes procedures/protocols that are well established with a proven track record but also includes recent innovations designed to meet the change agenda in local government. Indeed, the Council is currently refining its Performance Management arrangements to strengthen its approach for ensuring it gets the best use from its limited resources whilst seeking to achieve continuous improvement and targeting areas of identified poor performance.

The existing initiatives/strategies that all contribute to improving Value for Money and increased efficiencies and are integral to this framework strategy are discussed briefly below. In many cases they overlap and inform each other. The strategy can be demonstrated by setting out their relationship diagrammatically.

Value for Money Efficiency Strategy



Corporate Property Strategy

The Council's Corporate Property Strategy seeks to make the most efficient use of its building portfolio in the delivery of its corporate priorities. The strategy specifically includes the following statement:

“Challenge and review of the use, provision, and performance of property is seen as a positive approach to ensuring that assets are fit for purpose, and that retention, investment and utilisation are focused on the needs of the customer, and the achievement of the Council's corporate objectives. ”

The Strategy incorporates Asset Management Plan (AMP) information, which analyses for what use the assets are held, how much they cost, what they contribute to the corporate plan, and how cost effective each is. The requirement to seek out and identify external funding sources is also of paramount importance particularly in financing large-scale capital developments. Inextricably linked to this therefore, is the Capital Investment Strategy (CIS) which ensures that capital resources are maximized, are affordable, and wholly directed to finance the priorities in the Corporate Plan. The Corporate Property Strategy and CIS are all monitored by the officer asset management working group. In particular, this group undertakes project appraisals of new capital bids, performance monitoring, and post project appraisals as the Project Board for those schemes project managed under LAMP to ensure that the intended outcomes have been achieved. The Corporate Property Officer as property champion, chairs the group. Recent developments have seen the approval of a non-housing Energy strategy, the introduction of individual service asset management plans, and an agreed strategy to rationalise the use of all the Council's office accommodation.

The Cabinet member with responsibility for Property is the member asset management champion who reviews performance at the quarterly Performance Review Team meetings. The asset management champion reports direct into Cabinet when appropriate and the performance of the asset portfolio is also open to scrutiny through the non-executive Budget and Performance Panel.

Capital Investment Strategy (CIS)

This strategy effectively ensures that the council's limited capital resources are maximised and used solely to deliver the priorities identified in the Corporate Plan. It sets out the criteria on an annual basis that is used to assess the relevance and appropriateness of both existing and new capital schemes/proposals to deliver the corporate priorities.

In particular, it lists and sets out the Council's capital investment priorities, the process by which schemes will be prioritised, and how resources will be allocated. Together with the Corporate Property Strategy, the CIS ensures that the 5 year capital investment programme is balanced and focused to deliver the corporate priorities.

Agreed by Cabinet each year, it is an integral part of the Medium Term Financial Strategy and ensures that capital resources are effectively managed and provide value for money.

Procurement Strategy

The Council has had in place a Corporate Procurement Strategy since June 2003. This strategy has been built on the targets and priorities of the National Procurement and E Government Strategies with a view to ensure that the Council's procurement of goods and services are undertaken in a targeted manner to achieve service priorities in the most cost effective and environmentally sustainable manner. Strategic Procurement has an important role to play in enabling the Council to achieve its ambition of achieving VfM from the way in which it procures and delivers services and uses its resources in an economic, efficient and effective way. Indeed, the Strategy's vision is to obtain VfM through the planned and skilful management of procurement and supply chains whilst wherever possible, meeting environmentally sustainable criteria.

The Corporate Procurement Strategy and its related Improvement and Development Plan plays a fundamental part in examining how the Council will deliver innovative and smarter ways of procurement and, how it can work in partnership with others in order to improve service delivery. In order to ensure that the objectives of the Corporate Procurement Strategy are met, the Council has appointed a Procurement Officer Team and the Corporate Director (Central Services) is the nominated officer procurement champion. The officer champion chairs an officer procurement group.

On the member side, the Cabinet member with responsibility for Finance is the Member Procurement Champion. Regular updates from the officer group on the progress being made in achieving the targets set out in the procurement strategy are reported quarterly into the Performance Review Team meeting. Scrutiny of the procurement function is undertaken by the Overview and Scrutiny's Budget and Performance Panel.

T- Government (formerly E Govt) Strategy

Lancaster City Council has a structured framework to implement new technical initiatives to ensure the maximum benefits are achieved from its IT infrastructure. The Council's Transformational Government strategy (formerly E Govt) is closely aligned to national strategies which seek to bring about service business re-engineering efficiencies by implementing IT system improvements designed to improve both service delivery and accessibility.

The Council has made substantial investment in its IT infrastructure in recent years bringing efficiencies through on-line transactions and reductions in duplication resulting in improvements in VfM. In particular, the development of a Customer Service Centre framework is now fundamental to

achieving further improvements and efficiencies in service delivery and accessibility, and is the focal point of the Council's T-Government programme.

Until recently, the Council's T Government strategy and vision has been continually updated by, and monitored through, the joint officer/member T Government Cabinet Liaison Group chaired by the Cabinet T Champion. The work of the liaison group has now been subsumed into the quarterly Performance Review Team meetings. Implementation of the strategy is still the responsibility of the T Government Member and Officer Champions. The identification and achievement of savings and efficiencies through implementing this strategy are reported through the PRTs and when appropriate, into Cabinet. Scrutiny is undertaken by the Budget and Performance Panel.

Risk Management Strategy

The Council's Risk Management Strategy and Policy Statement effectively sets out how the Council has embedded risk assessment into its strategic and operational decision making. It seeks to ensure that the council is always informed what are the risks in any course of action it is considering and how they can be mitigated. The introduction of a computerised risk management system and the continued updating of strategic and service specific risk registers have brought about major improvements in the identification of potential risks and how they can be mitigated, thus ensuring the delivery of service objectives in a cost effective manner. Each risk is allocated a responsible officer and Risk Treatment Actions agreed to mitigate risks to an acceptable level. Progress made in achieving these RTAs is reported into the quarterly Performance Review Team meetings. In addition, the strategy itself is monitored by the officer Risk Management Group and progress on implementing the Risk Management Action Plan is reported to the Audit Committee on a quarterly basis with scrutiny provided by the Budget and Performance Panel.

HR People Strategy & Workforce Development Plan

The Council employs approximately 1,000 staff and pursues a programme of actions that are set out in the HR People and Workforce Development Plan. The HR priorities and initiatives within the plan seek to obtain maximum efficiency from the Council's workforce. Specifically, these are targeted on:

Workforce Reform

-includes workforce planning as well as change management issues.

Pay Modernisation

-includes the completion of Fair Pay Single Status and Job Evaluation exercises.

Learning and Development

- includes staff and workforce training and development programmes and building capacity.

Leadership and Management Development

-includes the "Success through People" training initiative, which in turn contributes to the more effective management and performance of the organisation in all aspects.

Absence Management

- includes promotion of existing policy to improve attendance levels and hence productivity.

Recruitment and Retention

- introduction of Job Centre Plus and web-based systems have reduced costs of recruitment.

Flexible Working / Homeworking

- modernization of HR policies, such as flexible and home working are being developed to bring about better productivity and reduced transport/accommodation costs.

Equality & Diversity

- Provision of services that recognise the different needs within our community and own workforce to reduce inequalities

The People Strategy & Workforce Development Plan collates all these HR components and associated strategies/plans into one document for easy reference.

Corporate Consultation Strategy

The Council recognises the increasing value that active consultation plays in service delivery and how important it is to deliver services that reflect local needs and concerns. Recent public consultation exercises in respect of the Access To Services Review and revised Corporate Plan Priorities continually enable the Council to reappraise its service priorities and delivery options. Recent investments in consultation have seen the council appoint its own dedicated Consultation Officer, develop a computerised on line consultation system and toolkit, and establish a local residents focus group.

Customer feedback plays an important role in identifying services standards and areas for improvement and the introduction of the Customer First Strategy has enabled an online complaints and compliments system to be developed.

Performance Management Framework

The Corporate Plan sets out six medium term objectives, the delivery of which are supported through a series of corporate priorities linked to key performance indicators delivered through Service Business Plans. These plans contain both strategic (from the Corporate Plan) and service based local performance measures and targets which are cascaded within services into individual work programmes and appraisals targets. The achievement against Corporate Plan targets is monitored on an exception level basis through the quarterly Performance Review Team meetings and operationally through officer line management and supervision arrangements. These reports highlight where performance is not on track and where issues are not progressing as planned. Actions to address these areas are agreed thus ensuring that targets are brought back on line. Quarterly performance reports are also presented to the Budget and Performance Panel for scrutiny purposes. The whole framework is underpinned by the EDPA process (Employee Development & Appraisal System) under which each employee's annual performance objectives are agreed and are appraised on a 6 monthly basis. In this way the council ensures that all staff have the capacity and skills to deliver their priorities. The officer performance management group oversees the Performance Management Framework.

Benchmarking is a very important component of performance management and assists in demonstrating VfM in service delivery. The council continues to develop the effective use of benchmarking using a variety of financial data that includes the audit commission's vfm service profiles and these are now playing a more prominent role in PRT meetings and the annual review of services through Star Chamber.

The recent implementation of the Council's own project management and appraisal system, LAMP (Lancaster's Approach to Managing Projects) is now providing an effective system to ensure projects are delivered on time, on budget , and achieve their intended outcomes.

The reporting structure of the Performance Management Framework is currently being improved by the implementation of the Escendency PM system. This computerised system provides an online, real time snap shot of performance at various management levels tailor-made for its recipient and is available 24/7 to managers.

Externally, the Council is guided by the work of a number of inspection bodies, namely the IDeA Peer reviews and Audit Commission/CPA inspections. The recommended outcomes for improvement from these are included in the Council's Corporate and Service Plans and this is supplemented by any other recommendations from Service Reviews, audit judgements and reports, and the annual Audit Management Letter. In this way, the Council can demonstrate that it is proactively seeking to deliver both service improvements and effective VfM.

The Government has recently announcement that the current Best Value statutory indicators will be abolished from April 2008 and replaced by a reduced set of indicators that will be progressed through Local Area Agreements. The Council will ensure that this process is considered within its corporate planning and budget cycle each year when all the relevant information is available.

Gershon/CSR07 Efficiencies

With effect from 2005/06 the City Council, in common with other local authorities, has had to produce an Annual Efficiency Statement (AES). This statement shows how successful the Council has been in delivering its 3 year efficiency targets set by the Government. The identification and successful delivery of these targets has been developed through the ongoing Star Chamber/VfM service self assessment programme which has seen the council's target of £1.752m successfully delivered in only 2 years.

The process of identifying efficiencies and savings for Gershon is inextricably linked to the council's own Medium Term Financial Strategy which includes efficiency and savings targets in excess of those required under Gershon. These targets are set each year by Council to ensure that Council Tax annual increases are kept to an acceptable level.

By achieving the MTFS targets each year (and consequently its Gershon targets as well), the Star Chamber process has proved its effectiveness in identifying efficiencies and savings. As a consequence, it will continue to be used as a key mechanism for challenging service delivery and for providing an effective review of value for money, and as a conduit for achieving the new 3 year savings required from April 2008 under the CSR07 review.

Star Chamber Process

The City Council follows a three year financial strategy for its revenue budget and a 5 year rolling programme for its capital investment projects, both of which are updated on an annual basis. This process results in a structured approach to budget formulation in which members and officers assess existing service delivery mechanisms against the requirements of the Corporate Plan. Running throughout this strategy is the theme of long term efficiency savings and through the Star Chamber process, the Cabinet is able to challenge and review service activity to identify savings and efficiencies in order to achieve the Gershon efficiency targets and those also included within the Medium Term Financial Strategy.

Star Chamber is an informal panel of Cabinet members and senior officers provides an effective challenge to existing service delivery standards to ensure that they reflect corporate priorities, local needs, and are cost effective. It meets regularly throughout the year and reports into both Cabinet and the Budget and Performance Panel on progress.

Each year Star Chamber reviews each council service in the manner outlined above and this process has a proven track record of achieving the level of savings that have allowed annual council tax increases to be maintained within acceptable levels. VfM challenges are now integrated into the Star Chamber process through the service self assessment process. In addition, procedures have been strengthened to ensure business plans include specific VfM PIs and financial accounting systems are being developed to provide comparative service activity costing information. Services are encouraged to use the VfM profile information that is available on the Audit Commission's website and other comparative VfM information from benchmarking groups in their performance management reports to members.

The outcome of the Star Chamber process is a set of Cabinet budget and policy proposals which recommend to Council a balanced revenue and capital budget set within the limitations outlined in the Medium Term Financial Strategy and in line with Corporate Plan aspirations. This process also ensures that the Council provides an annual VfM challenge as part of its annual budget setting processes and that external savings targets such as Gershon and CSR07 are met.

6 Other Practices and Procedures

Overview and Scrutiny

To supplement the above, the Council's Overview and Scrutiny arrangements ensure that there are robust procedures in place to challenge and scrutinize the performance and cost effectiveness of the City Council. In particular, Overview & Scrutiny Committee monitor the effectiveness of Council policy and the Budget and Performance Panel have responsibility for performance management and reviewing VfM in service delivery.

The Role of Internal Audit

In its day to day work, Internal Audit makes a key contribution to the efficiency/VfM strategy in that it examines, evaluates and reports on the extent to which the Council's control environment contributes to the proper, economic, effective and efficient use of resources. Areas of waste and inefficiency are highlighted and remedial action proposed in reports to service managers. The implementation of these recommendations is reported to, and monitored by, the Audit Committee on a quarterly basis.

7 Conclusion

To date, the council has been effective in delivering the efficiency and savings targets that have been required to satisfy national targets and also those to maintain council tax at acceptable levels to local residents. This has been achieved by constantly reviewing the above framework to ensure that the various strands outlined above are consistent with each other to deliver the intended outcome of providing cost effective services that reflect local needs.

BUDGET & PERFORMANCE PANEL**Corporate Plan Progress Monitoring
6 Monthly Review****23 October 2007****Report of Corporate Director (Finance & Performance)****PURPOSE OF REPORT**

To advise the Panel of progress to date in implementing the Council's Corporate Plan priorities and of agreed action to address any underperformance

Recommendation :-

- 1. That the Panel note the progress made in delivering the Corporate Plan priorities as at 30th September and also the corrective action that has been agreed.**
- 2. That the Panel consider if any further recommendations are appropriate**

1.0 Background

- 1.1 This report sets out the latest progress in delivering the priorities within the Corporate Plan as at 30th September 2007.
- 1.2 Within the Plan there are 6 medium term objectives, 22 priority outcomes, and 58 associated KPIs.
- 1.3 The KPI under priority outcome 20, in relation to delivering the targets in the Corporate Improvement Plan (CIP), is now obsolete following Cabinet's decision to subsume the CIP into the Corporate Plan to avoid duplication of targets. This is reflected in the figures reported in the table below that show the number of KPIs as being 57.
- 1.4 The table shows that good progress is being made in the vast majority of priorities. 3 have been completed ahead of schedule, 17 completed on schedule, a further 33 on target, but 4 are in need of corrective action.

- 1.5 The Performance Management Group (PMG) met on 12th October to consider progress and the report is also to be tabled to the appropriate Performance Review Team meetings.
- 1.6 Arising from their consideration of the report, the PMG agreed corrective action in respect of the 4 indicators that were red at the half year stage. These are set out in the attached Appendix.

PRIORITY OUTCOMES	KPI ACHIEVED AHEAD OF TARGET (BLUE)	KPI NOT ON TARGET (RED)	KPI ON TARGET TO BE ACHIEVED (AMBER)	KPI ACHIEVED IN LINE WITH TARGET (GREEN)
To Deliver vfm, customer focused services	1	1	4	1
To make our district a cleaner, healthier place	-	-	5	1
To reduce crime and the fear of crime	-	-	4	2
To lead the regeneration of our district	2	1	5	7
To support sustainable communities	-	1	9	4
To continue to improve the Council	-	1	6	2
TOTAL	3 (5%)	4 (7%)	33 (58%)	17 (30%)

MEDIUM TERM OBJECTIVE

To deliver value-for-money customer-focused services

The Council is committed to keeping Council tax rises to a maximum of 4.5% in 2008/9 and 4.0% in 2009/10 in order to meet the targets set out in its Medium Term Financial Strategy (MTFS). At the same time we must ensure that the capital programme remains affordable. Unsupported borrowing must be kept to a minimum. Key to this is ensuring that the money we have is spent on our corporate priorities set out in this Plan and that value for money is achieved.

The most severe threat to the financial stability of the Council is the cost of repairing and maintaining our buildings. We need to reduce these long term costs as part of the ongoing accommodation review within the Access to Services Action Plan.

Council has decided that all of its telephone and face to face services, wherever possible, will be delivered through modern, accessible customer friendly, Customer Service Centres in Lancaster and Morecambe. The existing Customer Service Centre is popular with our customers and the roll-out of this successful approach will continue.

Link to the Community Strategy: Meeting Essential Needs; Taking Part; Positive Planning and Development

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
1. To keep the annual council tax increase to a minimum whilst achieving the other policy objectives and priority outcomes	Keep annual council tax increases to no more than 4.5% in 2008/9 and 4.0% in 2009/10	1.1 2008/9 council tax increase below 4.5% and 4.0% in 2009/10	Amber - Medium Term target Is being progressed through agreed budget and policy framework timetable
Achieve the savings targets set out in our Medium Term Financial Strategy	Achieve the savings targets set out in our Medium Term Financial Strategy	1.2 £802,000 of MTFS target savings by March '09, and £1.468M cumulative savings by March '10	Amber- Medium term target Savings for 2008/9 budget reduced to £514k as part of the MTFS review

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
	Achieve our annual Gershon efficiency targets	1.3 £1.752M cumulative Gershon efficiency savings by March '08.	Blue -Over achieved a year early. Savings of £ 2.069 secured
	Achieve asset sales sufficient to fund the Capital Programme	1.4 3.488M of General Fund capital receipts confirmed or received by Sept '07, & a further £1.823M confirmed by March '08.	RED - Report to Cabinet in October to review position and to consider amending capital receipts schedule.
2. Refocus services around the needs of our citizens and other customers and improve customer satisfaction with both the Council and the services it provides	Continue to integrate council services into our customer service centres	2.1 Phase 2 services integrated into our Customer Service Centres by Mar 2008 Phase 3 services integrated by Mar 2009	Amber -Progress in achieving these targets are continually monitored and reviewed through 1:2:1s and PRTs.
	Open face to face customer service centres in Lancaster and Morecambe Town Halls	2.2 Face to face customer service centres in LTH and MTH by September 2007	Green - Completed. Both opened to the public on 1 st October
	Improve customer satisfaction levels	2.3 Customer satisfaction ratings in top quartile for district councils by March 2010	Amber -Medium Term target- an annual satisfaction tracking process is being developed

MEDIUM TERM OBJECTIVE
To make our District a cleaner, healthier place

Residents' satisfaction with street cleanliness has increased to 72% (allowing for deprivation indices adjustment) in a recent survey. Residents satisfaction with our waste collection service is 81% Our residents still want to see higher standards and we want to improve further

71% of residents are satisfied with recycling facilities, and we have met statutory government targets. The ongoing roll-out of the 3 stream waste collection will be completed by 2008/9, and from this year, we will be collecting plastic bottles as a recyclable item. But we know our residents want us to do still more. We understand that this is a high priority for them, so it must also be a high priority for the Council.

Improving the cleanliness of our streets and open spaces continues to be an over-riding priority for this Council.

Link to the Community Strategy: Using Resources Wisely; Meeting Essential Needs; Fun, Leisure and Creativity

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
3 Cleaner streets and public open spaces	Improving street cleanliness	3.1 Reduce the amount of relevant land with deposits of litter/detritus at an acceptable level from 18% to 15% by March 2008	Amber - On track to hit target
	Use enforcement and education as a means of altering people's behaviour	3.2 Increase Number of Fixed Penalty Notices issued in 2007/8 & Reduce number of Fly tipping incidents by 25% in 2007/8	Amber - On track to hit target
4 Reduce waste in the district by recycling and re-use	Complete planned phases of the introduction of wheeled bins and kerbside recycling. Phase 5 by Sept 2007 and Phase 6 by Sept 2008	4.1 Increase % of household waste recycled and composted from 25% in 2006/07 to 28% in 2007/08 (BV82a&b)	Amber - Phase 5 implemented on schedule. Phase 6 on track

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
		4.2 Maintain performance for collecting Kg of household waste (per head) within the top national quartile	Amber - On track to hit target
	Introduce plastics recycling	4.3 Phased Plastics Recycling implemented by Sept 2007	Green - Introduced on schedule
	Special collection service delivered through Bulky Matters Partnership	4.4 Continue to reuse/recycle at least 40% of all bulky waste collected	Amber - On track to hit target

MEDIUM TERM OBJECTIVE To reduce crime and the fear of crime

Tackling crime, the fear of crime and anti-social behaviour are of paramount importance to the public and are identified within the Community Strategy as key priorities. 59% of our residents believe that a low level of crime is the most important thing in making our district a good place to live.

The Council will continue to play a leading role in the Community Safety Partnership in tackling criminal damage and alcohol related violence in the district.

The Council is doing even more to mainstream community safety effectively within Council Service Business Plans. We will focus more strongly on enforcement in the coming year.

Link to the Community Strategy: Meeting Essential Needs

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
5 To reduce Crime and the Fear of Crime and to help residents feel safer in their communities.	Work with our partners to reduce the fear of crime, and the number of crime and disorder incidents within the district	5.1 Reduce all crime in District by between 16% -19% by 2008 (PSA1) from the baseline figures established in 2005	Amber - On track to hit target
	Be a key partner in the newly established Multi Agency Problem Solving (MAPS) team	Same as 5.1 above	Green - Effective working established. New MAP offices opened and staff relocated.
6 Reduce alcohol related violence and harm; reduce alcohol related anti-social behaviour.	Work with the Police, Primary Care Trust and other agencies within the Community safety partnership to address issues around alcohol related violence and harm in line with the Alcohol Related Harm Strategy	6.1 Develop and implement Alcohol Related Harm Strategy	Green - Approved by LSP in Sept 2007 Amber - Implementation underway

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
	Work with other agencies to ensure that Licensing Act 2003 licensable activities are properly licensed and that licence conditions are complied with.	6.2 'Best Bar None' scheme rolled out across the district over the year.	Amber - Police led initiative with licensing support. The scheme is voluntary for licensed premises. 14 have applied to be accredited to date, and some of these have failed. Perhaps more significantly, the Multi Agency Licensing Team (MALT) proactively deals with problem premises in a robust way.
7 Reduce domestic violence	Work in partnership in line with the Domestic Abuse Strategy	7.1 Number of positive responses to the BVPI225 Checklist (Target score 8 by April 2008)	Amber - DV Co-ordinator in post to take the work forward

MEDIUM TERM OBJECTIVE To lead the regeneration of our District

We are now delivering major regeneration programmes in Lancaster, Morecambe, and Carnforth. During this coming year, the future shape of the Canal Corridor development will be decided.

The Vision Board has now produced its economic vision for the district and we and our partners will take that vision into account in our planning for the future.

We recognise that Tourism continues to play an important role in the economy of the district and we will continue to support that activity.

Link to the Community Strategy: Economy and Work; Positive Planning and Development; Fun, Leisure and Creativity

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
8 To make best use of European ERDF and other funding within the Economic Development Zone to provide new and refurbished individual and commercial space	Transfer Luneside East to our private sector partner and oversee remediation of the contaminated site	8.1 Land transfer completed by July 2007	Amber -Transfer date slipped due to prolonged legal process relating to the transfer of Network rail land. Licence agreement in place to allow developer access to the site in advance of legal transfer so enabling works can take place
Storey Institute	Storey Institute	8.2 Start on commercial space by December 2007	Blue - Contractors on site in October 2007

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
	Lancaster Science Park	8.3 Contract agreed with preferred partner and work starts on site by September 2007	Amber - Developer recruitment underway but not yet concluded. Planning application needs to be in place and this has been delayed in order to deal with highways issues. Application now due to be considered in Nov 07
		8.4 Funding approval from NWDA in place and site acquired by August 2007	Amber - Funding confirmed in NWDA investment plan and individual project approvals now being confirmed and discussion ongoing about Lancaster taking up underspend from other areas
	Regeneration programme aligned to the work of the Vision Board	8.5 NWDA funds for Vision Board work agreed for 2007/08 by May 2007	Green - Funding agreed
		8.6 Full Strategic Investment Plan costs included in the sub regional economic strategy by January 2008	Blue -Agreed at LEP board in September 2007
9 To regenerate the West End of Morecambe	Progress implementation of the West End Masterplan	9.1 Promenade Gardens Scheme completed by May 2007	Green - Gardens formally opened September 2007
10 A varied programme of festivals and events throughout the district	Implement our tourism strategy	10.1 Increase tourist spend by an average of 5% annually across all categories of visitors	RED - STEAM data shows that visitor spend declined by 1% from 2005 to 2006

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
	To continue to work with both the private sector and other organisations to develop a successful programme.	10.2 Increase the number of staying visitors by 3% annually	Green – Number of staying visitors increased by 4% from 2005 to 2006 (Source : STEAM data)
		10.3 Achieve 80% good or excellent on quality of service TIC customer satisfaction forms	Green – 80% achieved good or excellent July 2007
	Review the Festivals Innovation Fund	10.4 Fund operation reviewed and new guidelines for bids to be developed by July 2007	Green – Fund operation reviewed and new guidance for bids for 2008/09 issued July 2007
	Green Flag status for Happy Mount Park	10.5 Green Flag bid submitted and determined by July 2007	Green - Green Flag status acquired July 2007
11 To improve the retail, leisure and residential offering in Lancaster city centre	Take forward development plans for the Canal Corridor in Lancaster	11.1 To work with partners to ensure an outline planning application is submitted by April 2007	Green - Outline application submitted
		11.2 To ensure planning committee consider the outline application by September 2007	Amber – application delayed to allow for further technical work on retail impact and highways. Application expected to be at committee by January 2008

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
12 To regenerate Carnforth and its rural hinterland	Implement the Carnforth Market Towns Initiative Action Plan	12.1 Increase overall satisfaction with the effectiveness of Carnforth Area Regeneration partnership from current baseline	Amber – baseline satisfaction survey completed, baseline update required towards the end of the programme to demonstrate change

MEDIUM TERM OBJECTIVE To support sustainable communities

<p>In Morecambe we are using Neighbourhood Management to deliver both social and physical regeneration. There are opportunities to work more closely with neighbourhoods, rolling out this approach across the district so that decisions can be made at a local level. This is an over-riding priority for the Council.</p> <p>Levels of homelessness (and increasingly, homeless young people) are of concern and as the Council Housing stock continues to reduce, it is essential to work with partners to develop sustainable solutions.</p> <p>Improving housing throughout the district by providing affordable housing for young people and families is a high priority.</p> <p>The Council is considering how to best respond and adapt to the challenges of climate change and this issue will increasingly impact upon our future plans and policies.</p>	
<p>Link to the Community Strategy: Meeting Essential Needs; Using Resources Wisely</p>	

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
13 To reduce the amount of energy used by both the Council and households across the district	Undertake all works in the Council's Energy Management Action Plan (in 05/06 our energy policy resulted in total savings of 29.83 tonnes of CO2)	13.1 Reduce overall energy use in Council buildings from 6,563,842kwh (05/06) to 5,328,114kwh in 08/09	RED Incorrect baseline figures established therefore targets need revising
	Energy efficiency measures at Salt Ayre Sports Centre.	13.2 Reduce CO2 emissions from Council buildings from 0.0666 (05/06) to 0.057 in 08/09)	Amber - Medium Term Target.

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
	Implement national / EU sustainability policies through planning decisions and implementation of Building Regulations	13.3 Increase the % of energy the Council uses from sustainable sources from 9.90% in 05/06 to 60% in 08/09	Amber – Medium term target. Energy contracts are due for renewal in 2008 and will give the opportunity to meet the 60% target subject to member approval
14. Reduce impact of Climate Change within the District	Establish a comprehensive Council wide Climate Change 5 year Strategy through the Cabinet Liaison Group	14.1 Implement Year 1 actions from the strategy	Green - Cabinet liaison Group has agreed and revised Year 1 programme .
15 Reduce the risk of flooding from the sea.	Complete Phase 6/7 of the Morecambe Coastal Sea Defences	15.1 Complete Phase 6/7 by July 2007	Amber - Strategy being developed to feed in medium term financial planning process Amber - Construction work ongoing and on track for costs.
16 Continue to Develop Neighbourhood Management within the district	Introduce in the West End of Morecambe	16.1 Developer partner appointed for the exemplar housing scheme jointly with English Partnerships by August 2007 16.2 Roll out of the first phase of 3 stream waste collection to the West End by October 2007	Amber - preferred developer identified. Progress waiting on outcome from treasury panel review of EP board decision to approve gap funding. Green - completed

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
17 Increase the provision of more affordable housing.	Increase the number of affordable units provided in both the rural and urban areas particularly by using planning powers to ensure that significant developments include a proportion of affordable homes	17.1 A minimum of 20% of all dwelling completions to be affordable	Amber – completions currently running below 20% due to negotiations with developers producing commuted sums as preferred outcome that will then fund affordable housing across the wider market. Consideration needs to be given to changing the target to reflect current practice.
18 Reduce levels of homelessness with a particular emphasis on young people, domestic violence and emergency accommodation	Reduce both the numbers presenting themselves as homeless and those accepted	18.1 Increase the number of homelessness cases successfully resolved from 1.75 % in 06/07 to 2% in 07/08 (BV 213)	Amber – on target (but measure should be cases/thousand)
		18.2 Maintain the level of repeat homelessness cases at 0 in 2007/08 (BV214)	Green – maintained at 0 at present
	Implement the HMO Licensing Scheme and the Housing Renewal programmes operating in the Poulton and the West End of Morecambe	18.3 10 % reduction in numbers of HMOs achieved by March 2010	Amber Medium Term Target – On track to hit target
19 Develop a comprehensive corporate approach to children and young peoples issues	Develop & Implement a C&YP's strategy	19.1 Child Protection Policy revised and actioned by July 2007	Green Approved by Cabinet July 07

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
	Introduce C&YP Panels	19.2 Implement Action Plan responding to "Working in Partnership to Deliver Improved Outcomes for Children and Young People" assessment; by June 2007	Amber - Action Plan being implemented. Not all actions completed.

MEDIUM TERM OBJECTIVE To continue to improve the Council

The Council's Improvement Plan provides a clear direction for the Council to go forward. The Plan is constantly under review as circumstances change but much has already been achieved. We recognise there is still much more we can be doing to improve our organisation.

We have a professional, committed work-force. When staff know what is expected of them, feel listened to, and appropriately skilled they will be more satisfied with their job. Further, there is a demonstrable link between staff satisfaction and improvement in service and Council performance. As one of the largest employers in the district it is right that we maximise our most valuable resource, our staff, for the benefit of the District.

Link to the Community Strategy: Taking Part

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
20 Council continues to improve; external assessment validates that improvement.	Deliver the targets included in the Council's Improvement Plan	20.1 % of Imp Plan targets achieved (Target 100%) in accordance with Action Plan deadlines	Corporate Plan has now replaced the Corporate Improvement Plan
	To reduce the average days lost to sickness	20.2 To reduce the average days lost to sickness to 10 days per employee by Mar 2008	Amber On target to date . The figure per employee as at the end of July 2007 was 3.41 days, and this is on target.
	Undertake a pay and grading review of the workforce	20.3 Completion of the review and implement new pay system by April 2008	Amber On track to complete interviews by end of October 2007 . Implementation of new pay scheme will depend on the impact of moderation and agreement with TUs which are not yet known.

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
	Aspire to reach top quartile service delivery in key services	20.4 Services to achieve top quartile performance ratings in all corporate KPIs by March 2010	Amber - Medium Term target Service Improvement Plan agreed at Cabinet in July 2007
21 To improve the council's performance monitoring, management and reporting arrangements	Implement the <i>Escendency</i> performance management system across all Council Services.	21.1 Services reporting performance through <i>Escendency</i> by July 2007.	Green - All scheduled services now able to report performance through <i>Escendency</i> .
	Implement the data quality strategy.	21.2 To achieve the highest score of 4 (as judged by the Audit Commission) for the quality of our published data (by April 2008)	Amber - Medium Term target On track. Action plan being implemented. Awaiting 2006/7 judgement.
	Implement the Lancaster Approach to Project Management (LAMP)	21.3 100% of new projects using methodology by Sept 2007	Green. Implemented on time
	Implement the 'Civica Financials' management system throughout the Council	21.3 All modules implemented by November 2007	Amber - On track to hit target
22 To increase the awareness of equal opportunities and diversity issues.	Progressing the Equality Standard for local government Action Plan	22.1 Achieve level 2 of the Equality Standard for local government by November 2007	RED Lack of capacity to take forward within agreed timescales in order to focus on Fair Pay Project The end of November is unrealistic given the other pressures on HR. The achievement is audited at the end of March, which is perhaps more realistic.

Priority Outcomes	What we will do this year	Key Performance Indicators	Progress
	Develop a Gypsy & Traveller Strategy & Action Plan	22.2 Strategy developed and Action Plan implemented within agreed timescales	Amber- On track to hit target

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CORPORATE PLAN MONITORING – 30th SEPT 2007ACTIONS AGREED AT PERFORMANCE MANAGEMENT GROUP
12th OCT 2007RED INDICATORS

Ref No.	What we will do this year	Key Performance Indicators	Progress To Date	Agreed Action
1.4	Achieve asset sales sufficient to fund the Capital Programme	£3.488M of General Fund capital receipts confirmed or received by Sept '07, & a further £1.823M confirmed by March '08.	Report to Cabinet in October to review position and to consider amending capital receipts schedule -	Noted that Cabinet had agreed to sell land at Mossgate and market additional land at Scotforth. Further work in respect of land at Nightingale Hall Farm would also be progressed. Schemes included in the capital programme would also be reviewed to match available funding.
10.1	Implement our tourism strategy	Increase tourist spend by an average of 5% annually across all categories of visitors	STEAM data shows that visitor spend declined by 1% from 2005 to 2006	Target not controllable by Council. Request alternative KPI that is SMART
13.1	Undertake all works in the Council's Energy Mgt Action Plan (in 05/06 our energy policy made total savings of 29.83 tonnes of CO2)	Reduce overall energy use in Council buildings from 6,563,842kwh (05/06) to 5,328,114kwh in 08/09	Incorrect baseline figures established therefore targets need revising	Request amended target based on correct baseline data. Also request gateway targets for each financial year to allow effective performance monitoring.

Ref No.	What we will do this year	Key Performance Indicators	Progress To Date	Agreed Action
22.1	Progressing the Equality Standard for local government Action Plan	Achieve level 2 of the Equality Standard for local government by November 2007	Lack of capacity to take forward within agreed timescales in order to focus on Fair Pay Project The end of November is unrealistic given the other pressures on HR. The achievement is audited at the end of March, which is perhaps more realistic.	Noted priority for HR is to complete Fair Pay project. Agreed to recommend revised target date of March 2008

ADDITIONAL ACTION AGREED

Ref No.	What we will do this year	Key Performance Indicators	Progress To Date	Agreed Action
17.1	Increase the number of affordable units provided in both the rural and urban areas particularly by using planning powers to ensure that significant developments include a proportion of affordable homes	A minimum of 20% of all dwelling completions to be affordable	Amber – completions currently running below 20% due to negotiations with developers producing commuted sums as preferred outcome that will then fund affordable housing across the wider market. Consideration needs to be given to changing the target to reflect current practice.	Basis for Target has changed. Service requested to consider how the target should be amended to reflect current practice.

BUDGET & PERFORMANCE PANEL**LOCAL ENVIRONMENTAL QUALITY PILOT STUDY****23 October 2007****Report of Head of City Council (Direct) Services and
Head of Corporate Strategy.****PURPOSE OF REPORT**

To advise members of the City Councils involvement in a national pilot study aimed at responding to residents perceptions about their local environmental quality

This report is public

RECOMMENDATIONS

- (1) That members note the intention to take part in this study
- (2) That members consider, at a future date, consider the outcomes of the study and make recommendations as to how they may best be incorporated into the future working of the Council

1.0 Introduction

One of the Council's over-riding priorities, as set out in its current Corporate Plan, is to improve the cleanliness of our streets and public places. There have been significant improvements in a range of performance indicators, however, it is recognised that the our residents do want to see higher standards.

The City Council has been invited to take part in a national pilot study to try and establish much stronger linkages between residents' perceptions of local environmental quality, what the authority does to meet those perceptions and how those things are measured.

2. Report

Lancaster City Council invests a significant amount of resources to make our district a cleaner and healthier place. (£7.78M net revenue and £12.45M capital in the 2006/07 financial year). This is one of the Council's current Corporate Plan Medium Term objectives; improving the cleanliness of our streets is one of the Councils current over-riding priorities.

Whilst the most recent survey of customer satisfaction showed an increase in satisfaction with street cleansing, many of the measures used to track environmental quality do not directly correlate with residents' perceptions of local environmental quality (i.e. at neighbourhood level).

Lancaster City Council is one of four authorities (the others being Southwark, Sheffield and Allerdale) that have been invited to take part in an LGA sponsored pilot study, the outcomes of which will be rolled out nationally. Full details of the pilot study are set out in Appendix A but in summary, it will involve the authority working

with the Association of Public Service Excellence (APSE), LGA (Local Government Association), ENCAMS (Environmental Campaigns – ‘Keep Britain Tidy’) to:

1. measure the local residents perception of local environmental quality in a variety of local situations
2. relate those perceptions to local standards of service delivery
3. test the extent to which ways of measuring customer perceptions, standards of service delivery and service efficiency can be related at neighbourhood level.

Poulton has been identified as the local area whose characteristics best match with the intentions of the pilot study. It is anticipated that the groundwork will be completed by December '07 with a final completion date of the pilot phase by 31 March 2008. After this discussions will be held involving all partners to discuss how the findings might be progressed.

The first planning meeting for the project is scheduled for Thursday 11th October and the outcomes of that meeting will be reported at this meeting of the BPP.

Summary

The invitation to take part in this pilot study is recognition of the Council's ongoing corporate commitment to improve the environmental quality of the district.

The study will provide a methodology for best determining how to meet the needs of local people and in particular address their perceptions about their local environmental quality.

The outcomes of the study will complement the Council's commitment to the roll out of neighbourhood management across the district and will, it is hoped, prove to be of benefit to authorities all across the country.

CONCLUSION OF IMPACT ASSESSMENT

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

Outcomes from the pilot study will have a positive impact upon residents' perceptions of local environmental quality

FINANCIAL IMPLICATIONS

Staff time has been re-allocated in order to support this valuable pilot but this will not have any direct bearing on service delivery. The cost of carrying out the preliminary survey is still being evaluated and will be reported at the meeting but it is not expected to be significant. The support of the Poulton Neighbourhood Management Environment Sub-Group is being sought.

The outcome of the study should give the Council an informed judgement on the achievement of value for money and efficiency in services such as street cleansing and this in turn may raise issues for consideration as part of future years budget setting.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has nothing further to add.

LEGAL IMPLICATIONS

There are no legal implications arising from involvement in this pilot project.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has nothing further to add.

BACKGROUND PAPERS

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rtulej@lancaster.gov.uk

Appendix A

A PROPOSAL

for a Pilot Study that will test the feasibility of a Voluntary Local Performance Management Framework (VLPMF) covering aspects of Local Environmental Quality that contribute to the Quality of Life.

1.0 Introduction and Background to This Project

- 1.1 This proposal has been prepared at the request of the Local Government Association. The proposal is based on discussions involving the Local Government Association (LGA), representatives of the NEON (National Environmental Officers Network) group of local authorities, Environmental Campaigns (ENCAMS- the environmental charity which runs the Keep Britain Tidy campaign) and the Association of Public Service Excellence (APSE.)
- 1.2 Among other activities, ENCAMS is an adviser on Local Environmental Quality and Management to the Government and to approximately 150 local councils and other land managers in the UK and Europe.

2.0 Background

- 2.1 The LGA's Greening Communities work programme for Streetscene and Public Space has the following key objective:

'To improve perception and measurable achievement of councils' performance on streetscene and public space, with an established framework for celebrating and promoting positive action with a) a community focus and b) an objective of achieving accreditation for inward investment.'

- 2.2 At the January 2007 NEON meeting, LGA officers invited a range of organisations involved with the design, management and improvement of the local environment to discuss a proposal to encourage all Councils to improve their performance in streetscene and public space management.
- 2.3 Amongst the range of issues identified was the need for:
- increased community and customer focus and accountability by public bodies;
 - local choice of benchmarked indicators at district and sub-district levels;
 - the need to build on existing, proven and adopted protocols and networks; and
 - the ability for indicators to cover customer perceptions, service outputs, standards and process management.

3.0 Aims and Objectives of the Project

- 3.1 The aim of this project is to produce a voluntary, LGA-recommended, Local Performance Management Framework (VLPMF), based on existing, proven methodologies and support networks, which allows local choice to be made from a library of customer-focused indicators.
- 3.2 The VLPMF will contain a library of Local Indicators related to Local Environmental Quality (LEQ) which is designed to offer greater choice and flexibility for local authorities to respond to local priorities. Importantly, it aims to:
- link to the many other useful tools that have been developed by a range of organisations and to create a framework to enable more effective benchmarking

between authorities; and

- accommodate the intention within the Local Government White Paper for a reduced set of national indicators.

3.3 The objectives of the study are:

- to measure customer **perceptions** of Local Environmental Quality (LEQ) and related Quality of Life issues in a variety of local situations;
- to relate those customer perceptions to local standards of service delivery (**product**) in relation to LEQ;
- to relate local standards of LEQ service delivery to **process** measures of service efficiency; and, to test the extent to which measurement protocols for customer perceptions, standards of service delivery and service efficiency can be related at neighbourhood level.

4.0 Methodology

4.1 Customer perceptions will be measured using a self-completion questionnaire developed by ENCAMS, covering the range of issues outlined in Appendix 1. This will be administered by partner authorities, who will select which elements of the questionnaire they wish to use, and the area(s) in which they wish to use it.

4.2 Local standards of LEQ service delivery will be measured using proprietary 'Local Environmental Quality Survey' techniques that are employed in the national Local Environmental Quality Survey of England (LEQSE).

4.3 Service efficiency will be measured using a mixture of:

- existing protocols developed by APSE, wherever applicable; and
- protocols developed in consultation between partner authorities, APSE and ENCAMS during the course of the study.

4.4 Particular attention will be paid to the feasibility of measuring service efficiency, and of developing tools for data collection, at neighbourhood level.

5 Timetable

5.1 Following the agreement of Project Plans between individual Partner authorities and ENCAMS/APSE, partners will aim to complete the work content by December 31st 2007. It is anticipated that work will continue beyond that date in order to ensure project completion, with a final completion date of this pilot phase being 31 March 2008. After this, discussions will be held involving all partners to discuss how the findings might best be progressed.

BUDGET AND PERFORMANCE PANEL**Work Programme Report
23rd October 2007****Report of Head of Democratic Services****PURPOSE OF REPORT**

To update Members with regard to the work programme.

This report is public

RECOMMENDATIONS

- (1) That Members consider the referral from the Overview and Scrutiny Committee with regard to recharging and whether a briefing note or report would be appropriate.
- (2) That Members consider the request from Overview and Scrutiny Committee with regard to Parking Strategy and whether this should be added to the work programme.
- (3) That Members note that a report on Procedure and Performance in the Council's Collection of Vehicular fines will be available for consideration at the next Budget and Performance Panel meeting.

1.0 Introduction**1.1 Referral from Overview and Scrutiny Committee – Recharging- Inhouse costs**

At the Overview and Scrutiny Committee meeting on 5th September 2007 Members resolved to request the Budget and Performance Panel to consider the issue of Recharging within the Council with particular regard to City Council (Direct) Services and Information Services.

This request stemmed from a presentation from the Cemeteries team illustrating the improvements to maintenance within the Council's cemeteries since Health & Strategic Housing had assumed responsibility for the service, including responsibility for gravediggers and maintenance. It was reported that the maintenance budget

could be used more effectively without the recharging costs that CC(D)S had previously imposed.

Similarly it was noted that enquiries regarding coloured photocopies revealed that it was less expensive to use a local stationer than order copies in-house. For example an A4 sheet of coloured paper was priced by IS at 64p for up to 10 copies (55p for between 10 and 50 copies and 40p per sheet for over 50 copies) whereas a local printer quoted 30p a copy for up to 100 copies, reducing to 20p a copy for over 500 copies.

Members are asked to consider whether it would be useful to request a briefing note or report on this.

1.2 **Referral from Overview and Scrutiny Committee – Parking Strategy**

At its meeting on 5th September 2007, in response to a referral from Cabinet with regard to the Parking Strategy, the Overview and Scrutiny Committee agreed to review the Parking Strategy in six months. However it was noted that there were one of two issues which warranted more immediate consideration, one of which has been referred to the Panel. This relates to the issue of pricing of car parks and the possibility of installing barriers.

Overview and Scrutiny Committee recommended that the Panel consider the issue of pricing of car parks and the possibility of installing barriers and question the cost of charges against the cost of enforcement.

The Panel are requested to consider whether to add this to their work programme.

1.3 **Procedure and Performance in the Council's Collection of Vehicular fines**

At the last Budget and Performance Panel meeting Members requested further information with regard to this issue. This is currently being produced and it should be available for the next meeting.

BACKGROUND PAPERS	Contact Officer: Liz Bateson Telephone: 01524 582047 E-mail: ebateson@lancaster.gov.uk Ref:

ISSUE	JUNE 12 TH	JULY 17 TH	JULY 31 ST	SEPTEMBER 11 TH	OCTOBER 23 RD	NOVEMBER 27 TH	JANUARY 29 TH	FEBRUARY 26 TH
STAR CHAMBER								
B&P FRAMEWORK								
PERFORMANCE MANAGEMENT MONITORING	Leader's 4 th Quarterly Corporate Performance Monitoring report			Leader's 1 st Quarterly Corporate Performance Monitoring report		Leader's 2 nd Quarterly Corporate Performance Monitoring report		Leader's 4 th Quarterly Corporate Performance Monitoring report
PERFORMANCE MANAGEMENT AND DATA QUALITY TRAINING/AUDIT COMMISSION								
PARTNERSHIP MONITORING				Funding to non-Housing voluntary organisations and SLAs				
EXETER BENCHMARKING								
HOME WORKING PILOT SCHEME – INTERIM REPORT			John Donnellon to present					
BEST VALUE AND PERFORMANCE PLAN (ANNUAL REPORT)				Double Glum KPIs report				

ISSUE	JUNE 12 TH	JULY 17 TH	JULY 31 ST	SEPTEMBER 11 TH	OCTOBER 23 RD	NOVEMBER 27 TH	JANUARY 29 TH	FEBRUARY 26 TH
VALUE FOR MONEY/EFFICIENCY STRATEGY	Forward Annual Efficiency Statement		Review of Efficiency Strategy					
HOUSING SLA's								
ACCESS TO SERVICES – MONITORING OF OUTCOMES (TO BE AGREED)								
DISCUSSIONS WITH SERVICE HEADS (ONGOING)			Head of Property Services	Head of Democratic Services				
HOMELESSNESS MONITORING FORM REVIEW								
SCRUTINY OF FUNDING TO EXTERNAL BODIES								
LEGAL FEES FOR LEASES								
COLLECTION OF VEHICULAR FINES								

Please Note:
 Performance Management - Following consideration of performance management information the Panel may be minded to timetable meetings with Service Heads and Cabinet Members as a need is identified.