



Committee: CABINET

Date: TUESDAY, 11 NOVEMBER 2008

Venue: LANCASTER TOWN HALL

Time: 10.00 A.M.

Please note that the meeting will adjourn shortly before 11am to allow those present to join the Mayor to observe a two minute silence in the Garden of Remembrance.

A G E N D A

1. **Apologies**

2. **Minutes**

To receive as a correct record the minutes of Cabinet held on Tuesday, 7th October, 2008 (previously circulated).

3. **Items of Urgent Business Authorised by the Leader**

To consider any such items authorised by the Leader and to consider where in the agenda the item(s) are to be considered.

4. **Declarations of Interest**

To consider any such declarations.

5. **Public Speaking**

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

Reports from Overview and Scrutiny

6. **Referral from the Allotments Task Group (Pages 1 - 67)**

Report of Overview and Scrutiny.

Reports

7. **Sport & Physical Activity Alliance (SPAA) Project Development Updates (Pages 68 - 74)**

(Cabinet Member with Special Responsibility Councillor Fletcher)

Report of Corporate Director (Regeneration).

8. **Star Chamber (Pages 75 - 77)**
(Cabinet Member with Special Responsibility Councillor Mace)
Report of Corporate Director (Finance and Performance).
9. **2009/10 Corporate Plan Refresh - Update (Pages 78 - 80)**
(Cabinet Member with Special Responsibility Councillor Roger Mace)
Report of Corporate Director (Finance and Performance).
Appendix to follow.
10. **YPO Gas Contract (Pages 81 - 97)**
(Cabinet Member with Special Responsibility Councillor Archer)
Report of the Head of Property Services.
11. **Medium Term Financial Strategy Update**
(Cabinet Member with Special Responsibility Councillor Roger Mace)
Report of the Head of Financial Services (to follow).
12. **Williamson Park - Update (Pages 98 - 101)**
(Cabinet Member with Special Responsibility Councillor Jane Fletcher)
Report of the Corporate Director (Regeneration).
13. **Proposals to form a Morecambe Bay and Duddon Regional Park (Pages 102 - 107)**
(Cabinet Member with Special Responsibility Councillor Archer)
Report of the Head of Planning Services.
14. **Chatsworth Gardens, Morecambe Regeneration Project - Site Assembly**
(Cabinet Members with Special Responsibility Councillors Evelyn Archer and David Kerr)
Report of Corporate Director (Regeneration) to follow.
15. **Pay and Grading Structure (Pages 108 - 112)**
(Cabinet Member with Special Responsibility Councillor Kerr)
Report of the Chief Executive.

16. **Community Cohesion** (Pages 113 - 138)
(Cabinet Member with Special Responsibility Councillor Roger Mace)

Report of the Chief Executive.

17. **Funding of the Employee Establishment** (Pages 139 - 145)
(Cabinet Member with Special Responsibility Councillor Roger Mace)

Report of the Chief Executive.

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Roger Mace (Chairman), Evelyn Archer, Jon Barry, Eileen Blamire, Abbott Bryning, Shirley Burns, Susie Charles, Jane Fletcher, John Gilbert and David Kerr

(ii) Queries regarding this Agenda

Please contact Debbie Chambers, Democratic Services, telephone 01524 582057 or email dchambers@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
CHIEF EXECUTIVE
TOWN HALL,
LANCASTER LA1 1PJ

Published on Thursday, 30th October 2008

CABINET

**Referral from Allotments Task Group
11 November 2008**

Report of Overview & Scrutiny

PURPOSE OF REPORT			
To seek Cabinet support to a recommendation of the Allotments Task Group recommendation regarding future allotment management arrangements			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Overview & Scrutiny	X
Date Included in Forward Plan			
This report is public			

**RECOMMENDATIONS OF COUNCILLOR HEATH
(Chair of the Allotments Task Group)**

- 1.1 That Cabinet considers the work of the Overview and Scrutiny Committee and adopts the recommendations as set out in this report.
- 1.2 That Cabinet recognises that the proposals set out in this report have manpower and financial implications and that these are brought forward in terms of the budget and policy framework proposals for 2009/10.
- 1.3 That Cabinet recognises that the proposals set out in this report would require a change to Council policy that would allow the letting of a property asset at less than market value and authorises officers to take the necessary action that would allow this to happen. The details of such a variation will need to be the subject of a further report to members for consideration.
- 1.4 That should these proposals be supported as part of the budget and policy framework for 2009/10 then the renewal of allotment leases scheduled for April 2009 take into account both the findings of the study commissioned by the Association of Lancaster and Morecambe Allotments Association (ALMA) and the recommendation of the Allotments Task Group.

1.5 That Cabinet provides a written response to the report to the Overview and Scrutiny Committee within a reasonable timescale.

1.0 Introduction

- 1.1 On the 18 January 2005 Cabinet considered a report from the Overview and Scrutiny Committee which set out a series of recommendations based on the Committee's investigation into the provision and management of allotments in the district.
- 1.2 Cabinet adopted the recommendations set out in the report (with one revision - see Appendix 1) and they were brought forward as part of the budget and policy framework proposals for 2005/06. (Min. No. 125 refers)
- 1.3 Recommendation 4 of the Task Group committed the Council to instigate a review of allotment leases prior to their expiry in April 2009. It further recommended that a full consultation with all stakeholders including Allotment Associations and tenants on any emerging proposals should be part of that process.
- 1.4 In July 2007, an independent study commissioned by ALMA was published. The intention of the study "Allotment Management in the Lancaster District" was to inform the intended review of allotment leases.
- 1.5 On the 9 July 2008 the Overview and Scrutiny Committee resolved that the Allotments Task Group be re-established to consider the ALMA study and consider its findings in considering future allotment management prior to the scheduled lease renewals in April 2009. (Min. No. 16 refers). These renewals have now been put on hold pending future decisions on this matter by cabinet and Council.
- 1.6 The Task Group met on the 10 September 2008 and the outcome of that meeting is set out in this report.

2.0 Proposal Details

- 2.1 The ALMA study is attached as Appendix 2 and provides a needs assessment of the 12 allotment sites owned by Lancaster City Council, an analysis of the current arrangements and options for suitable management arrangements for the future.
- 2.2 The study was intended to build upon the work of the original task group with a particular focus on the Council's change in policy arising from Recommendation 3 of the task group "That the Council views allotments as essential community resources, not simply as property assets"
- 2.3 The report provides a comprehensive analysis of the needs of each of the Council's allotments in respect of the current management arrangements and possible alternative arrangements. It examines best practice across the country and it provides a series of options for consideration regarding the future management of allotments.

- 2.4 This report was considered in detail at the Task Group's meeting on the 10 September 2008. All of the individual allotment associations were invited and most attended the meeting and their views were taken into account by the Task Group prior to it identifying its preferred option. That option is set out below in Section 5.
- 2.5 In considering the report, due recognition must be made of the Council's existing policies relating to the management of its property assets. Whilst it is recognised that the Council has expressed a wish that the allotments should not be treated purely as a property asset, the Council cannot escape the fact that the allotments are a property asset and are subject to the existing policy that all assets should be let at market value.
- 2.6 This policy was most recently reaffirmed by the Grants Committee in December 2003 when it was resolved:
- (1) That the policy of all property being let at market value and that where the occupier is a charitable organisation that any financial assistance that the Council wishes to give to such organisations be through the system of grant aid be reaffirmed.

In addition the minute indicated that:

"This resolution confirms the original policy made in the early 1990's that the occupation of property by charitable organisations should be dealt with by way of grant aid. This enabled the Council to be in a position where it knew how much money was being given to charitable organisations rather than some part of the funding being via a separate route i.e. via a rent reduction. This policy enables the Council to have a greater choice in where its funding is to be directed rather than being fettered by property arrangements. The policy is one that is promoted as good practice by the Audit Commission, Government Office etc."

- 2.7 In considering the recommendations, the Council could of course decide to change its policy despite the fact that this would not be considered good practice. To do so, the Council could utilise its powers under the ODPM Circular 06/2003 Local Government Act 1972: General Disposal Consent (England) 2003 the Secretary of State has given consent generally to a disposal for a consideration less than the best that can reasonably be obtained in certain circumstances known as the "well-being provisions".
- 2.8 In entering into this process, the Council would require an independent valuation of the allotments in a "before and after" situation so that the amount of rent being forgone can be assessed.
- 3.0 Details of Consultation**
- 3.1 All allotment associations were consulted during the preparation of the ALMA report and there was considerable representation by individual allotment Associations at the meeting of the Task Group held on the 10 September.

4.0 Options and Options Analysis (including risk assessment)

1. Option 1- Status quo

	Pro	Con
Allotment associations	<ul style="list-style-type: none"> No change from current arrangements 	<ul style="list-style-type: none"> Unsustainable (see study)
Council	<ul style="list-style-type: none"> No change from current arrangements 	<ul style="list-style-type: none"> Unsustainable (see study)

2. Option 2- Responsibility for management of allotments returns to the Council

	Pro	Con
Allotment associations	<ul style="list-style-type: none"> Relieves allotment associations of a long list of duties 	<ul style="list-style-type: none"> Allotment associations have been used to self management Could result in increased costs for plots
Council		<ul style="list-style-type: none"> Using example of Preston would require additional revenue of around £30,000 to fund an allotments officer post Best practice is to devolve management of allotments

Option 3a - Partnership with Council (Peppercorn rent)

Partnership

Council

- Capital to improve basic infrastructure at allotment sites (initially 5 year programme is recommended).
- Strategic oversight of allotments
- Agreement with allotment associations as to priorities for officer time allocated to allotments
- Allotment sites provided at peppercorn rent to allotment associations
- Provides support in practical ways (e.g., insurance, access to compost, grass cutting, waste management etc)

- Review infrastructure needs on an annual basis and feed into capital programme

Allotment associations

- Self manage allotment sites on a day to day basis
- Seek external funding opportunities for their allotment sites
- Continue to contribute to Council priorities

ALMA

- Represent allotment associations when dealing with Council
- Seek external funding for allotment development

	Pro	Con
Allotment associations	<ul style="list-style-type: none"> • Continue to self manage allotments • Will continue to charge same level of rent to plot holders but will have a far greater amount to spend on day to day management and admin of the allotment site • Site infrastructure will be improved at the sites that need it which will encourage demand • Increased investment will raise morale of allotment association volunteers • Officer time utilised in way that meets agreed needs • Capital investment by Council may help attract some external funding 	<ul style="list-style-type: none"> • No guarantee that this model would encourage the participation of plot holders in wider site management issues
Council	<ul style="list-style-type: none"> • Management and administration of allotments is devolved to associations • Officer time utilised in way that meets agreed needs • Increased capital and revenue requirement is 	<ul style="list-style-type: none"> • Need for capital investment in region of £80,000 over next 5 years • Reduction in revenue income • Existing Council policy would require amending to reflect the

	<p>still an invest to save option when compared with costs of directly managing allotments</p> <ul style="list-style-type: none"> • Capital funding by Council may help attract external capital funding 	<p>letting of the land at an amount which is less than market value</p>
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3. Option 3b - Partnership with Council (market rent)

Partnership

Council

- Capital to improve basic infrastructure at allotment sites (initially a 5 year programme is recommended).
- Agreement with allotment associations as to priorities for officer time allocated to allotments
- Strategic oversight of allotments
- Allotment sites provided at market rent to allotment associations
- Provides support in practical ways (e.g., insurance, access to compost, grass cutting, waste management etc)
- Review infrastructure needs on an annual basis and feed into capital programme

Allotment associations

- Self manage allotment sites on a day to day basis
- Seek external funding opportunities for their allotment sites
- Continue to contribute to Council priorities

ALMA

- Represent allotment associations when dealing with Council
- Gain registration as an environmental body
- Seek external funding for allotment development

	Pro	Con
Allotment associations	<ul style="list-style-type: none"> • Continue to self manage allotments • Site infrastructure will be improved at the sites that need it which will encourage demand • Increased investment will raise morale of allotment association volunteers • Officer time utilised in way that meets agreed 	<ul style="list-style-type: none"> • No guarantee that this model would encourage the participation of plot holders in wider site management issues. • Will still only have same amount to spend on day to day maintenance and admin.

	<p>needs</p> <ul style="list-style-type: none"> • Capital investment by Council may help attract some external funding 	
Council	<ul style="list-style-type: none"> • Management and administration of allotments is devolved to associations • Officer time utilised in way that meets agreed needs • Increased capital and revenue requirement still represent an invest to save option when compared with costs of directly managing allotments • No loss of income from allotments • Capital funding by Council may help attract external capital funding • This would be in line with existing Council policy on the letting of assets at market value 	<ul style="list-style-type: none"> • Need for capital investment in region of £80,000 over next 5 years • Revenue investment insufficient to meet need • Some allotment associations are struggling with resources for day to day maintenance and this proposal will not encourage self management.

5.0 Task Group Preferred Option (and comments)

5.1 The Task Group recommends to Cabinet that Option 3A is adopted by the Cabinet as the Council's future approach to the management of allotments. (Task group 10 September Min No. 5 refers). In doing so it recognises that the provision and use of allotments by local people supports many of the Council's Corporate Plan objectives and that the proposed change in these arrangements would support the Councils position to view allotments as essential community resources, not simply as property assets. In addition, it recognises that the Council policy on lettings at less than market value will require amendment

There is existing staffing capacity both to manage the capital programme and continue ongoing liaison with both ALMA and the allotment associations.

6.0 Conclusion

It is the Council's duty to provide allotments, and by definition to ensure they are properly managed. Under current arrangements allotment associations are effectively managing the vast majority of allotment management functions to the benefit of the Council.

Under current arrangements the value (and efficiencies generated) that allotment associations add to the Council is not recognised in a way that benefits the allotment associations.

The expiry of the current lease arrangements in April 2009 provides the Council with an opportunity to consider future management of allotments in line with Council policy which views allotments as essential community resources and not simply as property assets. However, it is also recognised that the Council would need to amend its current policy on the letting of property assets at less than market value.

RELATIONSHIP TO POLICY FRAMEWORK

Supports Councils Corporate Plan objectives:

- To provide value for money customer focused services.
- To make the district a cleaner and healthier place.
- To support sustainable communities.
- To ensure local communities have more influence and involvement in the way services are delivered and decision that affect them are made.

CONCLUSION OF IMPACT ASSESSMENT

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

The growing of local good and the promotion of allotments as community resources impacts upon, sustainability, health and community cohesion.

FINANCIAL IMPLICATIONS

The preferred recommendation, if adopted, would potentially add an additional £80,000 over 5 years to the Council's capital programme and if approved a bid would need to be submitted as part of the process for the 2009/10 Capital Programme.

There is currently a forecasted amount of £10,500 for rental income for Allotments in 2009/10. If the recommendations are approved and only a peppercorn rent charged in the future this reduction in income will need to be built into the estimates as part of the 2009/10 budget process.

SECTION 151 OFFICER'S COMMENTS

Any potential growth should be considered in context of Cabinet's proposed priorities/non-priorities and alongside other competing demands, as part of the 2009/10 budget.

LEGAL IMPLICATIONS

Legal Services would be required to develop new lease arrangement for allotments should the recommendations be adopted

MONITORING OFFICER'S COMMENTS

Section 10 of the Allotments Act 1950 provides that land let by a Council for use as an allotment shall be let at such rent as a tenant may reasonably be expected to pay for the land if let for such use on the terms (other than terms as to rent) on which it is in fact let. The section further provides that land may be let by a Council to a person at a less rent if the Council is satisfied that there exist special circumstances affecting that person which render it proper for it to let the land to him at a less rate. This suggests that a judgement should be made in respect of each tenant, and it is arguable that a blanket policy for the Council to let all allotments at a peppercorn rent, even to allotment associations, would not be lawful. However, the Act does not appear to recognise the possibility of a Council letting to an association rather than direct to an allotment plot holder, and this may account for the wording of the legislation.

The Monitoring Officer would reiterate that any proposals must be consistent with the Council's Budget and Policy Framework for 2009/10

BACKGROUND PAPERS

ALMA report – Allotment Management in Lancaster District

Allotments Act 1950

Contact Officer: Richard Tulej

Telephone: 01524 582079

E-mail: rtulej@lancaster.gov.uk

APPENDIX 1

Recommendations from the Overview and Scrutiny Committee considered by Cabinet on 18th January 2005.

Recommendation 1

- That the Council recognises the vital role that allotments can play in promoting health, well-being and biodiversity and as contributory elements towards the objectives of the Corporate Plan, Community Strategy and Sustainable Development (LA21) strategy
- That the Council seeks to secure more support for allotments and local food initiatives, both from within the Council and through local partnerships in accordance with this recommendation.
- That where possible, and in partnership with Allotment Associations, the Council helps to seek funding from grants, section 106 money and Landfill tax credits to support the development of allotments.

Officer Comment

Role recognised and support for allotments offered both through the Council and through local partnerships. Assistance with potential grant funding currently offered.

Recommendation 2

- That the Council confirms and ensures that all allotment sites within the district are afforded protection under the Local Development Framework.

Officer Comment

Allotment sites are protected green space under the current Local Plan. Council is now moving toward consideration of land allocations stage of the Local Development Framework

Recommendation 3

- That the Council views allotments as essential community resources, not simply as property assets, and that the Council's Environmental Coordinator (now designated Sustainability Officer) helps to promote allotments, and create or strengthen links with corporate policies, the Wildlife forum, Food Forum and Recycling Forum.

Officer Comment

Help to promote allotments and create/strengthen links with corporate policies and partnership structures is now offered

Recommendation 4

- That the Council instigates a review of allotment leases in two years in partnership with ALMA in order to consider issues including-
- Leisure Garden
- Sale of surplus goods
- Community gardens
- Placing allotments in trust

And that this should include full consultation with all stakeholders including Allotment Associations and tenants on any emerging proposals.

Officer Comment

Lease review is subject of cabinet report under consideration 11 November 2008. Under current arrangements allotment associations are effectively managing the vast majority of allotment management functions to the benefit of the Council.

The change in policy to view allotments as essential community resources and not simply as property assets is inconsistent with the current arrangements of charging market rent and then devolving all responsibility for the management of allotment sites to the individual association.”

Recommendation 5

- That the Council designates a lead officer for allotment enquiries, advice and support to community groups who wish to establish new or enlarged allotment sites within the Lancaster District and that in the absence of expertise or capacity to provide such support directly, the Council refers groups to alternative sources of support (e.g. Council for Voluntary Services)
- That the Council encourages and supports officers in obtaining funding for the ‘Local Growth’ project as a contributory element towards objectives 1. (m) of the Community Strategy.

Officer Comment

Lead officer designated. Development of a Local Growth project is being supported.

Recommendation 6

- That the Council consider using section 106 money to provide allotment facilities in areas of high demand and secure a sum of money to assist with the ongoing running and maintenance costs of such sites.

Officer Comment

Section 106 funding opportunities linked to specific development proposed. Has been used to date for provision of play areas and green space but no specific opportunities for

allotment provision. If a future demand for additional plot spaces could be evidenced in specific parts of the district then could attract 106 funding.

Recommendation 7

- That the Council in conjunction with ALMA organises a district wide allotments forum (including rural and privately owned allotments) twice per year to enable information and ideas to be shared, and issues of concern to be discussed and addressed.

Officer Comment

No capacity to establish and maintain such forums though an event is being planned for November 2008 to consider Cabinet's decision.

Recommendation 8

That ALMA be asked to assist the Council through providing Allotment Association contact details for the Council" website, and liaising with the Council on behalf of Allotment Associations.

Officer Comment

Council's website is being used to promote allotments and provide information
Recommendation 9

- That ALMA be recommended to become a properly constituted organisation and investigate becoming an environmental organisation for the purposes of receiving and distributing funding from land fill tax.

Officer Comment

No progress to date

Recommendation 10

- That the Council reduces lease fees from the financial year 2005/6 onwards to a breakeven level, reappportioning the surplus by acreage, to Allotment Associations to enable them to spend more of their income from plot rental on site maintenance and running costs.

Officer Comment

See below. The recommendation is not in line with Council policy which identifies that all property should be let at market value. This policy was most recently reaffirmed by the Grants Committee in December 2003.

The proposed recommendation set out in the Cabinet report being considered 11 November regarding the allotment leases is therefore not in line with Council policy."

Recommendation 11

- That the Council's Environmental Co-ordinator be asked to help ALMA to take advantage of internal and external funding opportunities – e.g. by passing on information about available grants.

Officer Comment

Support and advice regarding funding opportunities is offered.

Cabinet adopted the recommendations as set out above subject to recommendation (10) being deleted and replaced with: -

That surpluses on the allotments account be set aside in a revenue reserve for improvements on the allotments.

APPENDIX 2

**Allotment Management in the
Lancaster District**

A report to the Association of Lancaster and Morecambe Allotments

COMMISSIONED BY-

Association of Lancaster and Morecambe Allotments

FUNDED BY-

Lancaster City Council / LSP

WRITTEN BY-

Mark Davies

DATE

July 2007

The report has been written to provide an independent and objective view of the current status of allotment provision within the District and to make recommendations as to how allotments could be managed in the future. As such the opinions in this report do not necessarily represent the views of the Association of Lancaster and Morecambe Allotments, individual allotment associations or Lancaster City Council.

ACKNOWLEDGEMENTS

To all the representatives of the District's allotment associations (especially John Lambert, Linda Secker, Linda and Tom Jones), officers from Lancaster City Council (especially Joy Grayson, Richard Tulej), officers from other Councils and representatives from other allotment associations. Thanks for your time, knowledge, information and constructive challenge.

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 - Current Situation
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- Appendix 2- Sample self management agreement

- Appendix 3- Development action plan

EXECUTIVE SUMMARY

4. This report has been commissioned by the Association of Lancaster and Morecambe Allotments (ALMA) and Lancaster City Council and has been funded by the LSP and Lancaster City Council. The purpose of the report is to provide a needs assessment of the 12 allotment sites owned by Lancaster City Council, an analysis of the current arrangements and options for suitable management arrangements for the future.
5. Authorities are duty bound to provide allotments for residents in their areas (section 23 of the 1908 allotment act) if they consider that there is a demand for them. If there is a demand for them the local authority, by definition, has a responsibility to ensure they are properly managed.
6. The Council recognises that allotments are an important community resource. The Council does not have in place a strategy for allotments but has adopted a range of recommendations made by the Council's overview and scrutiny committee in 2005, although progress in implementing these recommendations has been difficult due to lack of resources.
7. Under current arrangements allotment associations lease their site from the Council, at market rates, and are then solely responsible for the management and administration of their site. Plot holders rent their plots directly from the allotment association.
8. The Council's Sustainability Officer and Environmental Officer are responsible for promoting and supporting allotments within the District. However, the allotment associations are responsible for all aspects of management of their site. In managing their sites the value (and efficiencies generated) that allotment associations add to the Council is not recognised in any way that directly benefits the allotment associations and their plot holders. Effectively, the Council's responsibility to manage their allotments has been discharged to the allotment associations without any consideration being given to the sustainability of such an arrangement.
9. In visiting the District's allotment sites and talking to committee members and plot holders it is clear that there whilst self management is accepted in principle, and in practice, there is a need for the Council to recognise the need to support self management. Allotment associations need support to resolve basic infrastructure problems, fencing and water supply at a number of sites. The resources required to resolve these infrastructure problems cannot practically be raised from increasing plot holder rents and external funding for allotments is extremely hard to come by. In addition many allotment associations are struggling to tackle day to day maintenance issues on their allotment sites due to lack of resources.
10. Maintaining the status quo would appear to be unsustainable. Returning to a position whereby allotment associations become dependent on the Council would be a backward step and very expensive.
11. Best practice indicates that Councils should encourage devolution of allotment management but that for it to be successful devolution needs to occur within a

strategic framework. The vision for allotments needs to be defined, as do the ongoing responsibilities of the stakeholders. The strategy should also identify what resources are needed to get allotments to a condition from which allotment associations could reasonably be expected to manage them and ensures that the ongoing management and administration of allotments can be sustained. As a starting point best practice for self management suggests that the basic infrastructure of the site should be sound. In addition Councils should consider the administration savings generated by self management and assess what level of lease would be appropriate to charge an allotment association that is in return effectively improving the Council's asset and generating efficiencies for the Council.

12. An examination of best practice identifies that whilst the Council has devolved management of allotments no account has been taken of the needs of individual allotment sites and their plot holders. In addition the medium and long-term impact of the current management arrangements on the allotment sites and their plot holders has not been considered.
13. It is apparent that demand for allotments far exceeds supply within the District. Consideration should be given by the Council as to whether additional sites are required or what assistance should be provided to extend existing sites.
14. The upcoming lease review of allotments provides the ideal opportunity for discussion amongst all stakeholders as to the most appropriate way of managing allotments in the future. The purpose of the report is to provide the lease review with an appraisal of current arrangements, analysis of best practice and recommendations for the future
15. After considering the current situation of the Districts allotments and examples of best practice the report identifies that an effective model of management for this District could be one where a partnership exists between the Council, allotment associations and plot holders to develop allotments as a community resource.
16. For this model to work partners would need to contribute the following-

Council

- Capital to improve basic infrastructure at allotment sites (programme over several years).
- Ensure that the two days per week officer time allocated to allotments is utilised in a way that meets the agreed aims and objectives of the Council and allotment associations.
- Strategic oversight of allotments
- Allotment sites provided at peppercorn rent to allotment associations
- Provides support in practical ways (eg, insurance, access to compost, grass cutting, waste management etc)
- Review infrastructure needs on an annual basis and feed into capital programme

Allotment associations

- Self manage allotment sites on a day to day basis

- Seek external funding opportunities for their allotment sites
- Continue to contribute to Council priorities

ALMA

- Represent allotment associations when dealing with Council
- Seek external funding for allotment development

Plotolders

- Meet management and administration costs of their allotment site
- Contribute to the aims and objectives of the allotment partnership.

This model for allotment management should be clearly defined within an agreed allotment strategy that sets out how allotments will be sustained in the short, medium and long terms.

17. Other potential options are also considered and appraised within the report.

BACKGROUND

18. In 2004, the Association of Lancaster and Morecambe Allotments (ALMA) and the North West Counties Association of Allotments and Leisure Gardeners (NWCAA) initiated a review of the management of allotments. Prior to this, local allotments in the Lancaster District were simply treated as property assets of Lancaster City Council. Allotment Associations would pay an annual rent to the City Council and then took responsibility for all site maintenance and associated costs.
19. Recommendations were put forward to the Council for developing the allotments as community resources. Some of these recommendations have now been acted upon, but with minimal resources, progress has been slow or non-existent in several areas. An officer of the council (Sustainability Officer) is now responsible for general signposting to grants etc and promotion of the allotments as community resources. Allotment Associations are still paying the annual rent and are still responsible for site maintenance. All Allotment Associations are voluntary associations with very limited resources.
20. At a recent progress meeting ALMA highlighted two areas that would lead to a significant improvement in allotment management.
 - Undertaking of a needs assessment of all 12 Lancaster City Council owned allotment sites
 - Assessment of the current management model with a view to updating and improving it in line with best practice.
21. As a result ALMA commissioned this report

SCOPE

22. The scope of the report is as follows-

Needs assessment of all 12 Lancaster City Council owned allotment sites

Identify local needs / issues not being addressed due to lack of resources.

Identify infrastructure problems that Allotment Associations are currently facing, and are unable to do anything about themselves.

Develop a strategy for completion of essential improvements. Including development action plans for improvement to the 12 sites for existing users, as well as potential community involvement.

Prepare cost estimates for this work and identify funding options.

Assess the current management model with a view to updating and improving it in line with best practice

Assess the current management model and identify its strengths and weaknesses

Examine best practice management models for allotments in other regions / authorities

Assess the options in terms of what would be the most appropriate model for allotments in the Lancaster District.

Feed information into lease reviews of the allotments and council policy on allotment management and support

CURRENT SITUATION

2004 Review

23. In 2004, Lancaster City Council's Overview and Scrutiny committee produced a report entitled 'Allotments'.

The recommendations of the report were as follows-

Recommendation 1

- That the Council recognises the vital role that allotments can play in promoting health, well-being and biodiversity and as contributory elements towards the objectives of the Corporate Plan, Community Strategy and Sustainable Development (LA21) strategy
- That the Council seeks to secure more support for allotments and local food initiatives, both from within the Council and through local partnerships in accordance with this recommendation.
- That where possible, and in partnership with Allotment Associations, the Council helps to seek funding from grants, section 106 money and Landfill tax credits to support the development of allotments.

Recommendation 2

- That the Council confirms and ensures that all allotment sites within the district are afforded protection under the Local Development Framework.

Recommendation 3

- That the Council views allotments as essential community resources, not simply as property assets, and that the Council's Environmental Coordinator (now designated Sustainability Officer) helps to promote allotments, and create or strengthen links with corporate policies, the Wildlife forum, Food Forum and Recycling Forum.

Recommendation 4

- That the Council instigates a review of allotment leases in two years in partnership with ALMA in order to consider issues including-
- Leisure Garden
- Sale of surplus goods
- Community gardens
- Placing allotments in trust

And that this should include full consultation with all stakeholders including Allotment Associations and tenants on any emerging proposals.

Recommendation 5

- That the Council designates a lead officer for allotment enquiries, advice and support to community groups who wish to establish new or enlarged allotment sites within the Lancaster District and that in the absence of expertise or capacity to provide such support directly, the Council refers groups to alternative sources of support (eg Council for Voluntary Services)
- That the Council encourages and supports officers in obtaining funding for the 'Local Growth' project as a contributory element towards objectives 1. (m) of the Community Strategy.

Recommendation 6

- That the Council consider using section 106 money to provide allotment facilities in areas of high demand and secure a sum of money to assist with the ongoing running and maintenance costs of such sites.

Recommendation 7

- That the Council in conjunction with ALMA organises a districtwide allotments forum (including rural and privately owned allotments) twice per year to enable information and ideas to be shared, and issues of concern to be discussed and addressed.

Recommendation 8

- That ALMA be asked to assist the Council through providing Allotment Association contact details for the Council" website, and liaising with the Council on behalf of Allotment Associations.

Recommendation 9

- That ALMA be recommended to become a properly constituted organisation and investigate becoming an environmental organisation for the purposes of receiving and distributing funding from land fill tax.

Recommendation 10

- That the Council reduces lease fees from the financial year 2005/6 onwards to a breakeven level, reappportioning the surplus by acreage, to Allotment Associations to enable them to spend more of their income from plot rental on site maintenance and running costs.

Recommendation 11

- That the Council's Environmental Co-ordinator be asked to help ALMA to take advantage of internal and external funding opportunities – eg by passing on information about available grants.

The report of the Overview and Scrutiny committee was considered by the City Council's Cabinet on 18th January 2005

As a result the City Council's Cabinet made the following recommendations-

24. Cabinet 18th January 2005 -

- 1) That Cabinet adopts the recommendations, as set out in the report, subject to recommendation (10) being deleted and replaced with: -

That surpluses on the allotments account be set aside in a revenue reserve for improvements on the allotments.

(2) That Cabinet recognise that the proposals, as set out in the report, have manpower and financial implications and that these are brought forward in terms of the budget and policy framework proposals for 2005/06 and that the Chief Executive be requested to report upon the manpower and financial implications and how these will be prioritised in the 2005/06 Business Plans.

(3) That Cabinet provides a written response to the report to the Overview and Scrutiny Committee within a reasonable timescale.

25. Cabinet 22nd Feb 2005

To address recommendation (2) above Cabinet 22nd Feb 2005 made the following recommendation-

That the City Council's Environmental Co-ordinator becomes the Officer lead contact for allotments, for up to half a day per week and any scope over and above the half day be used for the purposes of promotion of allotments, but that it is recognised that her current workload is such that the issues identified by the City Council's Overview and Scrutiny Committee cannot be fully addressed without additional resources and ,therefore, only those activities which can be absorbed without adding significant additional work, e.g. website development, general signposting, creating links with the Sustainability Forums, will be taken forward. For this to happen the Environmental Co-ordinator will still have to offer less administrative support to the Sustainability Partnership and its Forums.

Progress

26. The report 'Allotments' served as a starting point in that it acknowledged the importance of allotments as a community resources as opposed to a property asset. In addition it served a starting point for this report.

The table below shows what progress has been made with the recommendations to date-

Recommendation	Progress
1	Linkage of allotments with key Council strategies has been established (eg the Core Strategy) but not developed. The immediate priority for most allotments is improved infrastructure, however, sourcing grants to fund infrastructure is very difficult and time consuming. In many cases the criteria for grant application specifically excludes allotments (eg Lottery Funding, landfill tax credit funding).
2	Established as open space within the Local Development Framework.
3	The shift to viewing allotments as essential community resources is significant but needs to be fully developed. The Council's Sustainability Officer is promoting allotments and establishing some links with corporate policies and forums.
4	ALMA has taken the initiative on reviewing allotment management through this report. This work has been supported by funding from the City Council and Local Strategic Partnership (LSP).
5	The Sustainability Officer has been designated the lead officer for allotments, although capacity in this regard is extremely limited. Capacity has recently been increased from half a day a week to two days a week due to the recent appointment of an Environmental Assistant (new post from 27 th June 2007).
6	No additional allotment sites have been established using section 106 money.
7	Basic issues such as who leads on the organisation of this forum and what the purpose of such a forum would be have yet to be resolved so no further progress has been made.
8	Ongoing
9	ALMA's capacity is strictly limited. Investigation of the use of landfill tax shows that it cannot be used to fund the projects that allotments require as a priority. At this stage there appears to be no practical advantage to becoming an environmental organisation.
10	A sum of £3,200 per annum has been set aside for allotment associations to utilise. However, the criteria for use of the funding does not include ongoing repairs and maintenance. There is a lack of clarity as to how the lease fees collected from allotments are

	allocated and how the figure of £3,200 was arrived at, as the leases fees collected are considerably greater than that.
11	Ongoing

Since the allotments report progress has been slow. Some of the recommendations have proved to be difficult or impractical to implement and although the report served as a starting point to raising awareness of allotments many of the real issues faced by allotments were not fully explored at this stage.

Lease Review

27. The current lease arrangements come to an end in April 2009. The current lease agreement is described by a legal consultant as 'a ponderous document' and several areas that have been highlighted as being outdated and in need of review. The upcoming lease review provides the ideal opportunity for discussion and agreement between all stakeholders as to the most appropriate way of managing allotments in the future. The purpose of this report is to provide the lease review with an appraisal of current arrangements, analysis of best practice and recommendations for the future.

The District's Allotments

28. Lancaster City Council currently owns 12 allotment sites in the District. Of these ten are in Lancaster, while Morecambe and Carnforth each have one allotment site.

The actual location of the allotments is as follows-

Allotment	Location	Ward
Dorrington Road	Lancaster	Scotforth West
Barley Cop Lane	Lancaster	Skerton East
Torrisholme	Lancaster	Skerton West
Highfield	Lancaster	Bulk
Devonshire Road	Morecambe	Heysham North
Highfield	Carnforth	Carnforth
Cork Rd	Lancaster	John O'Gaunt
Shrewsbury Drive	Lancaster	John O'Gaunt
Scotforth Cemetery	Lancaster	Scotforth West
Bridge Road	Lancaster	Scotforth West
John O'Gaunt	Lancaster	John O'Gaunt
Fairfield	Lancaster	Castle

29. The 12 allotments contain 536 full sized plots. There has been more emphasis in recent years to provide smaller plots for those who wish them. The number of full sized plots equates to four plots per thousand of population. This compares with-

Ipswich-	18 plots per thousand
Carlisle-	8 plots per thousand
Exeter-	11 plots per thousand

Preston-	4 plots per thousand
Chorley-	1 plot per thousand

In addition there are several private allotments within the District that are outside the scope of this report.

The Stakeholders

30. The main stakeholders involved in the management of allotments in Lancaster are as follows-

Lancaster City Council

- Leases each of its 12 allotment sites to the respective allotment association at a market rate value for a period of 10 years per lease. The lease sets out specific conditions that the allotment association must adhere to and places responsibility on the allotment association for management and administration of the allotment site. Under the conditions of the lease the allotment association are solely responsible for infrastructure, including provision of fencing, maintenance of water systems, fencing, gates, pathways, removal of rubbish etc. In addition the allotment association are responsible for the administration of their site and all that entails.

Allotment Associations

- Each allotment association leases the site from the Council, arranges tenancy agreements and reinvests any available revenue (which it manages) on maintenance, repair and capital items. The allotment association are solely responsible for the management and administration of their site.

Individual Plot holders

- Each individual plot holder rents their plot directly from the allotment association. Plot holders sign a plot agreement and agree to abide by the rules of the allotment association. Plot holders pay an annual plot fee which generally covers lease from Council, water, insurance, sundry items. In most cases prospective plot holders either contact individual associations directly (some contact details are available on the Council waiting list) or they contact the Council's sustainability team who will then provide information on how to go about obtaining an allotment.

ALMA

- ALMA was set up in response to individual allotment associations frustration at an apparent neglect of allotments by the Council. ALMA consists of representatives from individual allotment associations. As an entirely representative body ALMA has no resources and relies on volunteers who are already volunteering at their own allotment associations.

A more detailed description of the stakeholders responsibilities is outlined later within the report.

The Individual Allotment Sites

31. In order to understand the needs of each allotment site and to assess current management arrangements each of the allotment sites were visited.

Shrewsbury Drive, Lancaster

32. Shrewsbury Drive site is approximately 3.59 acres and has 43 full sized plots. The site is mainly bordered by the surrounding properties so has very little fence line to maintain. The small amount of fenceline and gates that exist are in good condition having been recently funded through a green partnership award grant. There are some half plots on the site and there is currently a waiting list of around 5 people.
33. At the time of my visit United Utilities were carrying out work on the site to solve a long standing problem with sewage in the area. The effect of this work would be that at least one and a half plots would be lost to the site. The allotment association had, however, managed to persuade United Utilities to carry out some work on the site to try to resolve drainage problems on one of the plots. If this work failed to solve the issue the association would consider using the plots as a wildlife area.
34. The secretary of the site had fulfilled the role for around four years now. When she took over the role she was given very little support on what was expected of the role and what the duties of the role were. The site also has a treasurer and other committee members. The committee meets as and when and also holds an annual general meeting.
35. The secretary was aware of the role of the Council's Sustainability Officer in relation to allotments, and has received emailed information on various issues, but considered the time allocated to the role as insufficient. She considered that better advice could be provided by the Council on issues like asbestos, waste management and fly tipping. Besides providing better advice she also considered that practical assistance could be given through the provision of skips or waste collection by the Council. Particularly as the site is thoroughfare the Council should consider maintaining the track and provided bins and litter removal.
36. This site had experienced problems with at least one neighbour extending boundaries onto the allotment site. The secretary felt that a periodic inspection regime from the Council would help to prevent this. She was concerned that in the event of a full blown boundary dispute the allotment association would get little support from the Council and had heard of other disputes at other sites.
37. Vandalism and fly tipping had been a problem in the past but seemed to be less of a problem at the moment. The secretary attributes the low level of theft and vandalism to the linkage with the local community and takes the view that bigger and better fences create a bigger and better challenge for would be vandals.

38. The secretary considered that the role of ALMA was to facilitate networking between the local allotment associations and to act as a representative body for the Council's allotments. The secretary was very conscious of the community impact of allotments and their contribution to issues like sustainability and climate change and felt this was an area that could be further developed.
39. It was considered that the current lease was outdated and needed to be reviewed. An example cited was an outdated prohibition on growing anything other than annuals on the site.

Highfield Road, Lancaster

40. Highfield allotments cover 3.81 acres and contain 52 plots. The site is on a fairly steep slope and offers superb views of the District.
41. The site has a committee that meets on the first Sunday of every month and in addition holds an annual general meeting. The committee carry out the majority of maintenance work required on the site including rebuilding of stone walls, maintenance of the ditch and dyke, preparation of an area for storing waste, demolition of unsafe sheds and so forth.
42. The allotment association hires its own skip at least once a year and expressed a view that this was something that really the Council should make provision for. In the past the Council had dropped off swept leaves for mulching and these were welcome.
43. Plot holders rental includes plot fees, water and sundry expenses but not insurance. Long standing plot holders were very price sensitive, however, new members often expressed surprise as to how cheap the rent was. Currently there is a waiting list of around 15 people.
44. The fact that the site is on a slope means that especially in winter the pathways can get very slippery. The fence line to the left of the site (bordering the school) consists of asbestos sheets staked against the hedgeline. In the past the Council had sent out a letter to allotment associations telling them of their responsibilities in relation to asbestos but not offering any support or advice beyond that.
45. The secretary was clear that for an allotment site to function properly somebody on the site had to take responsibility for it and although the work involved in running the site was very onerous if they didn't do it nobody else would.
46. The secretary was aware of the Council's Sustainability Officer's role in allotments but communication was an issue as he didn't regularly use his email. He was aware that grants of different kinds were available for allotments but the application process was long winded and time consuming and committee members already had enough to do.

John O' Gaunt, Primrose

47. John O'Gaunt allotments cover 2.31 acres and contain 53 full sized plots. The waiting list for the allotments consists of twenty five people.

48. Boundary fencing is a big issue for this site. The allotment association secured £5,000 of lottery, match funded by St Martin's College and £1000 of Council funding (allotment reserve fund) which helped replace the fencing on the St Martin's college border of the allotments. There is still a length of fencing on this side that needs replacing and the fencing on the Scotch Quarry side is in urgent need of replacement.
49. Fly tipping is an issue on this site and people regularly deposit rubbish at the entrance of the site which the allotment association then has to remove.
50. Many of the plots are separated by hedging, which helps separate the plots but is time consuming to maintain. Some have accumulated lots of rubbish over the years which can be off putting to prospective tenants. The allotment association arranges for a skip at least once a year and also arranges work days.
51. There is a shortage of people willing to volunteer for the site committee so the secretary carries out the majority of administration and management duties. Site maintenance issues like grass mowing, repair of the water supply and arranging of skips are especially time consuming and difficult and are issues that the secretary feels that the allotment association should be able to seek support from the Council on.
52. As has been mentioned the allotment association was successful at obtaining external funding for replacement fencing. Obtaining the funding was one thing but then there was also a requirement for someone to actively manage the project, eg choose contractors, check work, manage budgets etc. This again was something that allotment association members do without any support, but requires considerable time, commitment and effort.
53. The secretary is aware of the support offered by the Council's Sustainability Officer and has found the support useful.

Dorrington Road, Lancaster

54. Dorrington Road allotments cover 3.73 acres and contain 53 full sized plots. The waiting list for the allotments is at least 15. The allotment site is long and quite narrow, bordered one side by the railway and the other by a wood which contains a public right of way.
55. The entrance gate is in need of renewal and widening and needs to be usable by all. The wood that borders one side of the allotments has a public right of way going through it and a very long fence line which the allotment association is responsible for and currently has in place a programme to renew sections of the chestnut pailing fence. The association considers that the fence should be replaced with more secure boundary fencing to prevent vandalism, theft and fly tipping as well as giving reassurance to the more vulnerable members of the association. The allotment association purchases the fencing and the members then carry out the work.

56. Several plots on the site have problems with drainage and shading which again the allotment association are seeking to remedy. In common with many allotments that water system has been cobbled together over the years and suffers from frequent leaks. There is a path that goes right through the site that can be accessed by vehicles but which is in need of some maintenance.
57. The committee meets every two months. Plot holders on the site pay a fee which covers the lease to the Council, water, insurance, sundry items and skip hire. The committee arranges a yearly skip and work party days. Getting volunteers to contribute towards communal activities can prove difficult.
58. The allotment association have accessed grants to fund various environmental improvements, however, the application process is time consuming. The allotment association has also considered the possibility of using voluntary organisations to undertake some works on the site and advice was being sought on what insurance the allotment association would require for this.
59. The allotment association were keen to provide accessible plots for disabled members but some infrastructure work would need to take place eg ensuring that the gates that could be opened by all are fitted, improving access tracks. The site had suffered problems with neighbour encroachment.
60. The secretary was of the opinion that certainly older plot holders are very price sensitive.

Barley Cop Lane, Skerton

61. Barley Cop Lane allotments cover 3.37 acres and contain 44 full plots. There is currently a waiting list of nine people.
62. One side of the site is bordered by a playing field and the Council has recently replaced the fencing on that side. Another side of the site is bordered by Council Housing property and that fencing has recently been renewed. In addition the allotment association has received green partnership funding to replace other fencing. The only parts of the fence line that are incomplete are where the County Council owned day centre borders onto the site. This used to be a residential centre but since becoming a day centre vandals have been able to gain access to the site through the grounds of the day centre. There are also some very small lengths of fencing required at two other points to ensure the site is secure. Historically vandalism has been a very significant problem on this site.
63. In the past the allotment association has provided skips for its plot holders but these attracted non plot holders who quickly filled them up with various other items of rubbish.
64. The site has several plots available for pigeon fanciers.
65. The secretary made the point that looking after the administration and management of the allotments was a full time job. She had taken on the job because there didn't

seem to be anybody else who wanted to do it and had had to pick it up as she went along.

66. Plotolders on this site were thought to be very price sensitive and many were pensioners.

Highfield, Carnforth

67. Carnforth's allotments cover 1.06 acres and contain 12 full plots split by a public pathway. There is always a waiting list for allotments on this site. The site itself is surrounded by a housing estate and the plots are fenced but the fence is in need of renewal. The site has a new gate which was funded via a green partnership award.
68. There is no direct water supply to the site so the plotholders rely on collecting rainwater for their plots. Plotholders consider that obtaining a proper water supply is the utmost priority for the allotments.
69. Plotholders fees consist of rent for the plot, insurance and sundry items.

Fairfield, Lancaster

70. Fairfield allotment site covers 4.39 acres and contains 56.5 plots. There is currently a waiting list of 64 people.
71. The boundaries of the site are either on good condition or not the responsibility of the allotment association. However, some of the boundaries are not well maintained by their owners, and the allotment association have been forced to repair them to maintain the security of the site. The allotment association has completely refurbished the water supply system at the site, however, there is now a need to replace the water containers. Vandalism does occur at the site usually in the form of arson or aluminium thefts and the association regularly liaises with the Police..
72. In common with the majority of sites some of the plots have been split into half plots and the association is also trialling the use of quarter plots for new starters.
73. The allotment committee meets every two months and holds an annual general meeting. The committee consists of eight members. The majority of committee members have served for a long time and recruiting new members is not easy. The allotment association has held competitions and fund raising days. The use of voluntary organisations to carry out works on site has been considered although the practicalities and usefulness of such a step is a cause of concern to the allotment association. Such a move may well generate more work than it produces.
74. The association is currently planning to increase capacity by extending the allotments and plans have been developed which would provide extra plots. There is clearly a need for increased capacity at the site, however, the implications of expansion are likely to result in the need for new boundary fencing, extended water supplies, improved trackways, establishment of new plots, new windbreaks and hedging as well as placing an additional management burden on the allotment association and its committee.

75. The allotment association offers a seed scheme, a newsletter, and an annual externally judged competition. In addition the association provides skips and pest control as well as holding a fundraising day to contribute to the Fairfield association.

Scotforth Cemetery, Lancaster

76. Scotforth allotments cover 1.35 acres and provide 19 full sized plots. There is a waiting list of about twenty for this site. The allotments adjoin the cemetery and would be used by the Council to provide additional capacity for the cemetery should it ever be required.
77. The fencing alongside the main road is in need of refurbishment and continues from the cemetery fenceline. The fencing around the actual plots is in need of renewal. Several of the plots suffer shading problems from the large surrounding trees.
78. Plotholders pay an annual fee based on lease cost, water and sundry expenses.
79. The allotment committee were aware of the role of the Council's Sustainability Officer and had seen information on grants but taking into account all the other responsibilities entailed in managing the allotments considered that filling in grant forms was an additional responsibility that they did not have time for. The type of support that would be more welcomed from the Council was practical eg provision of skips and renewal of fencing.

Torrisholme

80. Torrisholme allotments cover 3.22 acres and provide 44 full sized plots. There is currently a waiting list of 25 people.
81. A few of the plots require considerable work on them which is off putting to prospective plotholders. In the past the allotment association had developed a partnership with a local school which had mutual benefits, however, circumstances have now changed and unfortunately this partnership is no longer in operation.
82. The site has historically suffered from neighbours encroaching on the boundaries, fly tipping and vandalism. The fenceline along the main road is in urgent need of renewal.
83. Plotholders rent consists of lease cost, water, insurance and sundry items. The management and administration of the allotment site is dependent on the efforts of a committee of three. The view of the committee is that the problems with infrastructure are in urgent need of addressing. If plotholders were confident that their plots wouldn't be vandalised that would be a good starting point.

Cork Road, Lancaster

84. Cork Road allotments cover 6.59 acres and provide 84 full size plots. A number of the plots are allocated to people wishing to keep livestock. There is currently a waiting list of about five people for plots on this site.

85. The boundaries are in reasonable condition although there is a considerable section that has in the past been a dumping ground, become overgrown and is now in need of clearance.
86. The price of a plot is £26.00 for a year.
87. The committee generally manages but would welcome more technical support on a range of issues from dealing with problems with ploholders to developing a proper constitution and set of rules for the site.

Devonshire Road, Morecambe

88. Devonshire Road allotments cover 4.06 acres and provide 63 full sized plots. A few of the plots are allocated to people wishing to keep livestock. There is currently a waiting list of over forty at the site.
89. The site has been regenerated over the past few years. Boundary fencing is in good condition. Car parking is available. A water harvesting project is underway and a site hut is being built. There are several plots that have been made accessible for disabled people and the pathways around the site are in good order.
90. The committee have been very active in applying for external funding which has been made much easier by the availability of regeneration funding in the Morecambe area.

Bridge Road, Lancaster

91. Bridge Road allotments cover 0.50 acre and provide 12 plots. There is currently a waiting list of 2 people. There is strong local support for the allotments and 10 out of 12 plot holders live within 50 metres of the actual site. The site is popular with families and considered a safe place for families because of its excellent visibility.
92. There is a trend towards letting half plots. Local demand may be greater if there were more communal and shared facilities and easier access to the site for removal of rubbish and delivery of compost.
93. The allotment association does not currently hold meetings but communication is effective and site initiatives (eg clean up weekends) attract nearly all plot holders.
94. There are issues with costs of purchasing, servicing and risk assessment of communal items like strimmers, which rely on the resources, knowledge and skills of plot holders to deal with.
95. The small size of the site makes it difficult to provide communal space for facilities like a communal shed or water recycling facility. The major issue is the sloping nature of the site, as it lies in a disused quarry. This could be overcome by levelling out the banks which would provide additional space and make for easier maintenance. However, the costs of this are currently prohibitive.
96. The allotment association is currently planning to apply to the Council for funds for extra maintenance equipment and would like to see better publicity of the site. The

perception is that vacancies are rare whereas in fact the average waiting list is less than one year.

General issues

97. In visiting each of the allotment sites and talking to plot holders and committee members there were a number of common issues that emerged-
98. The view of the allotment associations is that the current lease arrangements are very much along the lines of landlord / tenant and that this seems at odds with the status of allotments as a community resource. Allotment associations point to a situation whereby they are expected to provide a Council service to members of the local community, that if they weren't providing the Council would have to. In return for this they are still charged the going rate for lease of the land and expected to be responsible for all aspects of management of that land. The opportunity to have a far greater input into the process leading to developing the terms of the next lease (due 2009) is one that is welcomed by all. This would provide the opportunity to define the relative roles of the Council and allotment associations in the development of allotments as a community resource. The general feeling from all allotment associations is that their allotments are an invaluable community resource and that by working with the Council this resource could be developed further and for the benefit of all.
99. As will be seen later in the report self management of allotments is seen as best practice. Whilst the District's allotments are self managed this has arisen as a reactive response from individual allotment associations to historical Council policy on allotments rather than as a carefully planned strategy. The allotments sites are by default 'self managed.' The allotment association leases the land from the Council and is then left to its own devices. Visiting the sites there is a feeling of survival of the fittest. On every site there are plot holders who because they want to ensure that their allotments prosper are prepared to put in additional effort to managing and administering the site. These people form the backbone of each of the allotment associations. Some sites appear to be more successful in some respects than others, and this seems to be due to a combination of the location of the allotments and the willingness of people to carry out the range of management and administrative duties needed at each site. What all the allotment associations are extremely successful at is managing the very limited resources they have. Looking at the range of duties fulfilled by the allotment associations at each site it is clear that the dedication and commitment of these volunteers is saving the Council a large resource.
100. The main reasons why people take an allotment is because they enjoy growing vegetables, have limited garden space, want to have a more healthy and sustainable lifestyle and enjoy being outside. There is a social element and there are also elements of exercise. The conditions of the current lease make it clear that the people who use the allotments are responsible for the management and administration of the allotments. Self managing allotments means that not every plot holder can just go to the allotment to grow vegetables. As will be seen later in the report the management and administration of allotments is very involved. In theory every plot holder is a member of the allotment association and should contribute equally to the management and administration of the allotment. In practice this does

not and never will happen. To divide tasks equally between all members would be unworkable. Not everybody has the necessary energy, skills or time. At each site only a few are able to actually commit themselves to the necessary management and administration of the site. These plot holders become the foundation of the allotment association and its committee. Once committed it becomes extremely difficult to relinquish the role and the role tends to grow and grow.

101. For the committee members it appears to be quite frustrating. Because committee members have an overview of the site they can see the issues that need to be resolved which can vary from a problem tenant to a falling down fence. They know what the problems are and in most cases they know what the solutions are. However, in many cases they don't have the resources to be able to implement the solution.
102. 'Self management' of allotments is generally accepted as a good thing. However, in most cases plot holders have never experienced anything other than what happens currently. Self management creates a sense of ownership and it is clear that each individual allotment association has a huge sense of pride in its site.
103. Because of the way allotments have been left to their own devices 'self management' means different things at different sites. Some allotment sites have well attended committees and are very inclusive, some sites because of a lack of willing people have to operate self management on fairly autocratic lines. Both models appear to work to the overall benefit of the association and the individual plot holders. With a clearer sense of direction for allotments and more support from the Council more people would be likely to volunteer to help manage their allotments.
104. The concept of allotments as a community resource requires development. Allotments are regarded as open space. Any member of public can apply to have an allotment. However, there is only a limited supply of allotments so not everybody can have access to an allotment. Most sites that have experimented with leaving gates open or are naturally open, or have fencing that can be easily breached experience problems with fly tipping, vandalism and theft of their own equipment and produce. Shrewsbury Drive was an interesting case in that being an open site created very little theft and vandalism which the Secretary put down to community ownership of the site. The idea of widening the use of allotments by the community is one that allotments are interested in but requires thought on how it can work in practice.
105. The extent to which allotment associations can effectively self manage is determined by factors such as length of waiting lists, enthusiasm of plot holders, skills and experience of committee members, availability of funding, potential for vandalism, surrounding population, size of allotments, condition of existing boundaries. When new committee members are 'appointed' very little information on to how to fulfil their role is provided. Tasks like setting the fees for plots are not straightforward and will result in problems if areas of expenditure are overlooked or if emergencies occur. Definitive information on matters like insurance and grant applications is very hard to come by.
106. There are twelve Council run allotment sites in the District yet they appear to operate in isolation. There seems to be very little communication with other allotments. Every allotment site visited contained examples of how the association

had encountered and resolved problems in often ingenious ways. As examples some sites have in place clearly defined development plans and have been very successful at attracting funding. There is a wealth of knowledge, experience and practical wisdom available at each allotment site which when resources are already scarce it makes sense to share with others, which in turn could benefit the Districts allotments as a whole.

107. ALMA exists as a way to allow allotment associations to share best practice. All the District's allotment associations are by definition members of ALMA. ALMA meets on a periodic basis although attendance is not always high. With all the other commitments of allotment associations it is not always possible to find somebody who can attend the meetings. The acting chair and secretary of ALMA also send out regular information to other associations. Most associations have an email contact address, however, for various reasons not everybody regularly reviews their emails, so useful information isn't always communicated.
108. All allotment associations are aware of the work of the Sustainability Officer. The current position is affirmed via the Council's Cabinet decision following 'Allotments report'. Half a day per week is assigned to 'allotment officer'. Most allotment associations feel that this amount of time is insufficient and that some of the information that is received, whilst being relevant and valuable, is information that they have already obtained by other means. From the end of June 2007 this has been increased to 2 days per week following the recruitment of an Environmental Assistant. It is clear that allotment associations will welcome this increase in capacity. However, it will be important that the time is focussed on achieving objectives agreed between the Council and allotment associations.
109. Most allotment associations are aware that a new lease will need to be signed before 2009. Naturally they want to continue gardening at the allotments. The assumption from some allotments is that in order to ensure that they continue at the allotments they sign up to the lease even though they are not necessarily happy with it.
110. Due to the current popularity for allotments waiting lists at all sites are lengthening. In the past people from the area immediately surrounding the allotment have been the plot holders. This is no longer the case and there are people on several waiting lists prepared to travel considerable distance to the allotments. Some associations wonder if the number and the distribution of allotments right.
111. The priority of the committee at each site has to be the administration and management of the allotment. Some allotment associations have organised fund raising and social events which obviously help the scarce resources of the allotments. However, the effort required in organising these events on top of doing all the other things makes the idea good in theory but not so good in practice.
112. Most allotment associations are aware of the Allotment Reserve that has been set aside for allotment associations to apply to the Sustainability Officer for. However the application process is generally perceived as being restrictive in that it will fund items that many allotment associations would consider to be non essential when they are faced with very real issues like falling over fences or leaky water systems.

Lancaster City Council

113. Prior to the Allotment report referred to earlier allotment sites had been included within the portfolio of the Council's Property Services. Under current arrangements they fall within the remit of the Corporate Strategy service and specifically within the role of the Council's Sustainability Officer. Property Services no longer have any specific allotment duties but do provide the Sustainability Officer with advice on relevant technical queries. Across Councils generally the responsibility for allotments tends to lie with services responsible for the management of open space. Approximately half a day per week was originally allocated to allotments by the environmental coordinator. Tasks carried out in this time include-

- creation of and maintenance of allotment information on the Council website
- dissemination of relevant information to allotment associations
- management and administration of the allotments reserve
- provision of advice
- dealing with general allotment related queries
- dealing with general allotment related queries (about 10 a week)
- help with developing this current allotment study (e.g. the grant application, the project officer brief, the interviews, the report)
- negotiating reduced rates for pest control
- assisting with boundary fence issues and grant applications (eg Barley Cop Lane)
- provision of 500 water butts to Allotment Associations free of charge
- linking the allotments to the priorities of the Lancaster District Sustainability Partnership
- exploring the provision of extra sites, e.g. Tan Hill re-development
- identifying additional land that could be used for food growing
- working to get a full time food growing co-ordinator for the district (the Local Growth project. Allotment Associations were involved in the development of this project at an event at the Friends Meeting House. A Lottery Grant is currently being assessed)
- raising food growing issues strategically in the Local Strategic Partnership (LSP) by developing an 'Eat Local Action Plan' with targets for local food growing projects,
- writing to all Parish Councils to identify other allotment sites in the district
- responding to 'complaints' from neighbours such as fires and overgrown plots. The time capacity allocated to Allotment development has recently been increased to two days a week.
- Working on specific projects to improve allotments (eg communal metal sheds and battery operated drills are being supplied via the Rainwater Harvest Project to a minimum of 6 sites.

The time allocated to allotment development has recently been increased to two days a week

114. Stakeholders within the Council do genuinely recognise the importance of allotments as a community resource and would welcome the opportunity to work with allotment associations to develop this resource for the benefit of all.

Stakeholder Responsibilities

115. The range of general responsibilities of the stakeholders is set out below-

Item	IAA	ALMA	LCC
INFRASTRUCTURE			
Provision of boundary fencing	x		X- only on specific boundaries at Barley Cop and Fairfield
Provision of mains water supply	x		
Provision of accessible plots	x		
Provision of paths , roads	x		
Provision of communal facilities	x		
Provision of gates	x		
Providing communal equipment	x		
Provision of parking areas	x		
MAINTAINING INFRASTRUCTURE			
Reclamation of overgrown plots	x		
Maintenance of boundary fencing	x		X- only on specific boundaries at Barley Cop and Fairfield
Maintenance of mains water supply	x		
Mowing of grassed areas	x		
Maintenance of paths, roads	x		
Management of waterlogged, shaded plots	x		
Maintenance of communal facilities	x		
Maintenance of gates	x		
Maintaining hedges, pruning trees	x		
Improving biodiversity of site	x		x
Maintenance of communal equipment	x		
Providing labour	x		
Removing fly tipping from allotments	x		
Managing allotment waste	x		
Repairing vandalism	x		
Maintenance of parking areas	x		
Providing pest control	x		x

Item	IAA	ALMA	LCC
Ensuring security of site	x		
Demolition / removal of old structures (greenhouses, sheds etc)	x		
INDIVIDUAL ALLOTMENT ADMIN			
Management of waiting lists	x		
Managing membership list	x		
Collection of rents from plot holders	x		
Communication with ploholders	x		
Resolving disputes with neighbours / ploholders	x		x
Providing keys to ploholders	x		
Inducting new ploholders	x		
Providing information to new ploholders	x		
Dealing with ploholders concerns, queries etc	x		
Inspecting plots	x		
Informing ploholders of result of inspection	x		
Setting, managing budgets	x		
Setting of fees for plot holders	x		
Development of association constitution	x		
Development of association rules	x		
Carrying out fund raising activities	x		
Training new committee members	x		
Providing sundry items for allotments	x		
Arranging meetings facilities for AGMs etc	x		
Administering meetings- preparing agendas, sending out, taking minutes, sending out minutes etc	x		
Serving notice on ploholders	x		
ALLOTMENT WIDE ADMIN			
Setting of annual overall lease cost			x
Provision of legal advice	x		x
Provision of insurance to cover allotment holders / public liability	x	x	
Provision of insurance to cover volunteers	x		x
Provision of technical advice	x	x	x
Provision of grant information	x	x	x
Support for grant application	x	x	x
Making grant applications	x	x	x
Marketing of allotments as a whole			x
Marketing of individual sites	x		x
Communication with IAA		x	x
Negotiation of lease with LCC	x	x	

Item	IAA	ALMA	LCC
Addressing demand for allotments	x	x	x
Planning development / extension of allotments	x		x
Developing community ownership / use	x		x
Providing seed schemes	x		x
Development plans of allotment sites	x		x
Managing projects	x		x
Setting criteria for waiting lists	x		
Looking at best practice elsewhere	x	x	x
Sharing best practice	x	x	x
Ensuring health and safety of site (asbestos etc)	x		x
Managing volunteers	x		
Being point of contact with public	x		x
Arranging fund raising events	x		
Arranging competitions	x		
Maintaining information on Council website	x	x	x
Administration of allotments reserve fund			x

Relative Perception of Stakeholders

116. The perception of the stakeholders as to their and other stakeholders responsibilities provides good context-

	ALMA	IAA	LCC
ALMA		<ul style="list-style-type: none"> • Wide variances in practice from allotment site to allotment site and best practice could be shared more • Difficult to build any capacity for ALMA from IAA • Difficult to communicate with IAAs • Difficult to represent IAAs 	<ul style="list-style-type: none"> • Allotments not high on agenda • Take rent for allotments • Forward via email best practice, grant information etc • Meet with ALMA which is more convenient than meeting with all 12 IAAs • ALMA only came into existence because the Council has neglected allotments • Council wants

	ALMA	IAA	LCC
			<p>ALMA to develop so as to avoid accepting its own responsibilities</p> <ul style="list-style-type: none"> • Out of frustration ALMA is taking positive action eg Allotments report and now this one. But what's being done as a result? • Council uses ALMA, and refers to allotments being self managed in order to tick boxes.
IAA	<ul style="list-style-type: none"> • Uncertainty as role of ALMA and what it's role is • Confusion between ALMA and other representative organisations (eg NSALG) • Managing our own allotment and allotment site is time consuming enough. 		<ul style="list-style-type: none"> • Split here between- <ol style="list-style-type: none"> a) We pay the Council the rent and they leave us to it which is good b) We pay the Council the rent and they leave us to it which is good but advice on technical issues, support for grants would be welcome c) (which is a minority) we'd really like to be left to it but we are struggling due to lack of capacity.

	ALMA	IAA	LCC
			<p>d) Infrastructure issues need addressing but the Council has no resources to do anything.</p> <ul style="list-style-type: none"> • Current self management model helps Council tick boxes. • LCC takes rents and play a passive role • LCC provides some technical advice • Forward via email best practice, grant information etc
LCC	<ul style="list-style-type: none"> • Prefer to deal with representative body rather than IAAs • ALMA could develop it's role more • LCC has affirmed it's position via 'Allotments report' and via allotments reserve 	<ul style="list-style-type: none"> • Provides technical advice to IAAs • Lease and terms therein have been agreed with IAAs • Forward via email best practice, grant information etc- don't get much response • Send information by post for displaying on the allotment notice boards – local projects and events • Help Allotment Associations with accessing and applying for grants 	

	ALMA	IAA	LCC
		<ul style="list-style-type: none"> • Has a reserve in place which IAAs can claim from but don't always • IAAs are allowed to just get on with it and manage their allotments within the loose framework provided by the Council • If a statutory allotment couldn't cope under current arrangements that would cause the Council a resource problem which would have to be resolved 	

BEST PRACTICE

The Law

Recreation

117. At present allotment gardening is not recognised in law as a 'recreational activity' although it is widely promoted as such and it is noteworthy that Lancaster City Council views allotments as 'essential community resources.'

Provision

118. Authorities are duty bound to provide allotments for residents in their areas (section 23 of the 1908 allotment act) if they consider that there is a demand for them. In their assessment of demand an authority must take into consideration any representations made to them by six parliamentary electors or council tax payers resident in the area. They must also provide a sufficient number of plots.

Statutory / Temporary

119. Statutory sites are those that have been acquired by the authority for the purpose of being allotment gardens whilst temporary sites have been acquired for other purposes and are used as allotments in the interim. Statutory sites are directly protected by the allotments legislation but temporary ones are not.
120. If statutory allotment land is considered to be surplus to requirements it may be sold with the consent of the Secretary of State (section 8 of the 1925 Act). If ploholders are displaced by the action then adequate provision must be made for them unless he is satisfied that such provision is unnecessary or not reasonably practicable.

Fixing of rents

121. There is no requirement on the authority to exact a 'full fair rent'.
122. Section 10 of the 1950 Act provides that land let by a council for use as allotment land shall be let at such rent 'as a tenant may reasonably be expected to pay for the land if let for such use on the terms (other than terms as to rent) on which it is in fact let.' In other words the allotment rent should be what one could reasonably expect an allotment rent to be.
123. There is also provision in section 10 of the 1950 Act for payment of reduced rent in special circumstances which might include retired, elderly, unemployed, or disabled tenants or tenants of long standing, or any other circumstance which the authority thinks fit.

Management

124. The Good Practice Guide for the management of allotments states-

Devolved management schemes can benefit both local authorities and ploholders. A reduced burden of administration and maintenance responsibilities not only results in savings for the authority, but can also be a route to engaging with local communities in the management and regeneration of important environmental assets, as part of Agenda 21 and community planning strategies. This can then kick start the process of turning under-utilised sites around, and provide best value to service users.

For ploholders, devolution can bring more responsive management on a day to day basis, a sense of pride in any improvements to the site, and opportunities for volunteers to bring their skills and expertise to a new challenge.

125. The involvement of allotment ploholders in management of allotments can be broadly categorised as follows-

Dependence- neither ploholders nor associations play any practical part in site management, beyond exchange of information, perhaps through a site representative.

Participation- ploholders informally accept responsibility for minor maintenance works, and some mechanism may exist (such as an allotments forum) for the views of ploholders or site reps to be canvassed on capital expenditure or repairs.

Delegation- a properly constituted allotment association accepts formal responsibility for a range of duties under licence from the local authority, under financial arrangements which release a proportion of rental income for this purpose. For example, the association may arrange tenancies, collect rents and carry out regular maintenance duties, but leave the local authority to carry out repairs, pay for overheads such as water, and undertake all legal formalities.

Semi- autonomy- the allotment association leases the site from the council, arranges tenancy agreements and reinvests revenue (which it manages) on maintenance, repair and capital items. The council retains the right to review the lease at periodic intervals and has defined oversight and strategic functions.

126. The greater the degree of self – management the greater the saving to the council and the greater the degree of responsibility assumed by allotment ploholders.

127. Richard Wiltshire's 'Devolved Management for Allotments: models and processes makes the following relevant points-

No scheme for devolved management will work unless there is sustained commitment to it on the part of the local authority, the allotment society and individual ploholders.

The capacity of an allotment society to make a success of devolved management will depend in part on the extent of the duties to be devolved, but also on a wide range of other variables which may or may not be within its control- the size of the site, the tenancy rate, the quality of the infrastructure, the level of rental income, the leadership abilities of present and future tenants, the character of the local community, and so on.

Accountability is central to the task of maintaining support for devolved management amongst plot holders – and local authorities. Without transparent procedures and audit mechanisms, there is always the risk that failures in the performance of devolved duties will go undetected (or unreported), and conversely, that societies will become too zealous in implementing their powers.

128. The Select Committee on Environment, Transport and Regional Affairs (Future of Allotments, 1998). Made a number of observations in relation to best practice for allotment management these were-

Designation of Allotments Officers- an allotments officer should be designated to maintain an authority's active allotments policy.

Providing of facilities- The availability of water on site is noted as being critical in encouraging ploholders. Allotment sites are unique amongst leisure facilities in rarely having toilets available.

Prevention of theft and vandalism- Theft and vandalism are serious problems on many allotment sites. Various possible solutions include- improved security fencing and locks, using hedges effectively, setting up Plot- Watch scheme and ensuring that the site plays a role in the local community.

Encouraging, maintaining and broadening demand- Local authorities should give consideration as to how they might further broaden the appeal of allotments to attract more women and young people with families. Wherever possible, a site should be made more child-friendly: for instance, by converting the occasional vacant plot into a play area for the children of the allotment holders.

Development of community role- the best allotment societies often play an active role in the wider community. This may be through involvement in Local Agenda 21 initiatives, community composting or annual events. Allotment gardening can be very educational for school children learning about growing vegetables and fruit. The therapeutic role of allotments should be exploited and put to the benefit of people with a variety of different problems and needs.

Plot size and sharing- the traditional plot size can be too large for many people. Offering smaller plots can be a way of stimulating and sustaining greater demand. Perhaps a more imaginative way round this problem is to encourage people to share plots, particularly where this involves a younger, novice gardener with a more experienced but less physically able gardener.

Self management- There is little doubt that, when successfully implemented, self management schemes ensure greater control of a site by allotment holders and

tend to work to the benefit of the site. Self management fulfils the twin aims of ensuring greater control of a site by allotment holders and also reducing a local authority's administrative responsibilities. Local authorities should examine the potential for self management of their allotment sites.

129. Allotments a plot-holders guide' produced by the Department for Communities and Local Government sets out the responsibilities of stakeholders-

Local authorities

Allotments are usually provided by the local authority which is sometimes known as 'an allotment authority'. This can be the local district, borough or parish council. The allotment authority will usually provide the plot holder with a renewable one-year lease and is responsible for the collection of rent, management, and maintenance of the site. Where there is no available land within a parish, district or borough, the allotment authority may provide land outside of these areas.

Each allotment authority decides for itself how much of its resources to devote to allotments. However, if an authority believes there is a demand, it has a statutory duty to provide a sufficient quantity of plots and to lease them to people living in its area. If local people feel there is a need for allotments which is not being met, they can get together a group of any six residents who are registered on the electoral roll and put their case to the local authority.

Allotment authorities usually have arrangements for consulting plot holders and many even employ dedicated allotment managers who liaise over the day to day management of sites. Some authorities also have consultative panels for communicating and resolving disputes between the authority, the plot holders and their associations.

Allotment societies and devolved management

Instead of letting and managing allotment sites themselves, some authorities will lease sites to local allotment societies or associations under devolved management agreements. The local society or association is then responsible for letting the plots, collecting the rent, maintaining the site and running it on a day to day basis.

The Government believes that people should be more involved in decisions affecting their local community and sees many benefits in devolving management to allotment societies. It can bring more responsive management and give plot holders a greater sense of ownership and pride in improvements made to the site. Of course, it is up to each individual to decide how involved they wish to become.

A society wanting to take on site management must first have a proper constitution. It will also need public liability insurance to protect itself, its volunteers and its members. The NSALG can advise on both and has also published general guidance on devolved management and possible lease arrangements.

Department for Communities and Local Government (DCLG)

The DCLG has responsibility for policy and legislation on allotments and also has a key role to play in their protection and promotion as valuable green spaces in our communities. In addition to this, the Department monitors disposals of allotments, which are handled by the Government Offices for the Regions.

Plot holders

A plot holder's responsibilities, including those for maintenance and security, will be set out in the tenancy agreement. An allotment requires commitment to maintain it to a reasonable standard.

The success of an allotment site depends on co-operation between plot holders and those responsible for the management of the site as a whole. Site contacts and site representatives can provide an effective line of communication. Again, individuals must decide how much or little they wish to participate.

130. With regard to the question as to what can reasonably be expected to be provided the same guide states?-

Facilities will vary, but there are some basic things that you should normally expect on any site.

Access to allotment sites should be safe and secure and not in itself a barrier to any group of users, such as people with disabilities. Main paths should be kept clear and plot holders themselves are responsible for minor paths.

An accessible **water supply** is essential. The allotment authority should ensure every plot holder has access to a mains water supply and that it is easy for elderly and disabled gardeners to use it. The cost of water is often incorporated into the rent for each plot.

Allotment authorities may provide **toilet facilities**. Many sites also provide site huts such as clubhouses although this is not compulsory. **Site huts** serve as a meeting place for the plot holders, for the storage of bulk materials and as a centre for the sale or distribution of seeds and equipment.

Some councils also provide **sheds** for plot holders and charge rent for them. If this is the case, the authority should ensure that they are in a good condition at the start of the tenancy.

Vandalism can be a problem on some sites. The allotment authority should ensure that **adequate security measures**, such as good fences and hedges, are in place and that tenants know what is provided and how to use them. Informal schemes known as Plot Watch can be effective particularly on smaller sites. This means local residents keeping an informal watch on a site and calling the police if they see any damage or trespass. Tenants themselves should always report instances of vandalism to the police and obtain an incident number.

Allotment rents and funding

131. The good practice guide for the management of allotments states-

In most cases rent will be the income derived from an allotment site. This will not only include site maintenance and repair but also administrative costs and promotion. These cannot be sustained without adequate finance. The level of rent should be set so that, together with other available funds and incomes, there is sufficient funding to meet both present and projected needs of the site. Otherwise the quality of sites and facilities will inevitably suffer.

Many ploholders are unaware of the true costs of providing allotment sites and maintaining facilities. When fixing the allotment rent the following factors need to be considered-

Long term financial sustainability

The nature, quality and cost of facilities provided (and desired)

Expenditure on promotion and administration

The present level of rent and its historic tradition

The likely effect of rent on plot take up

In addition, if the strategy is for self-financing of allotments there is a need for accrual of funds for future capital expenditure or maintenance programmes relating to the allotment sites. This assumes that the allotment site is in a fully maintained condition and does not require any immediate expenditure, and that the accrual of funds is for maintenance or replacement work that would be carried out in the normal course of events, such as the eventual renewal of gates or fencing.

Sustaining devolved management involves strategies to cope at times when enthusiasm and commitment subside. Where the problem is serious there may need to be reduction of the responsibilities associated with devolved management by switching to a scheme involving greater input from the Council, if only temporarily.

Allotment Strategy

132. A good practice guide for the management of allotments (LGA 2001) recommends the need for stakeholders to work together to achieve a better future for allotments. To achieve this there is a need for clear strategic direction. A good allotments strategy should include-

An opening statement of commitment to allotment gardening

A vision of what the service aspires to achieve, including standards and targets for provision and an acknowledgement of the wider agendas (eg sustainable development)

The vision should spell out the level of provision of allotment plots and standard of facilities, which Lancaster City Council, hopes to achieve. It also links to other wider agendas (eg Corporate Plan, LA 21 etc)

Clear plans for achieving the vision with a particular emphasis on promotion and resourcing.

The promotional strategy should be inclusive of all groups in society. Needs to emphasise the distinctive contribution that allotments can make to the achievement of 'social inclusion' at the local level.

Attention should also be given to the quality of allotment plots and associated facilities to ensure that there are no qualitative barriers which deter potential ploholders from exercising their right to garden.

The strategy should also address the issue of how upgrading and management of sites is to be financed on a sustainable basis

A specified role for devolved management

A strategy for enhancing the quality of day-to-day administration of allotments

A timetable for achieving the strategy and procedures for monitoring and reviewing progress

A concise summary of the contents, which can be used to promote the strategy to other stakeholders.

133. The organisation GROW recommends steps that allotment associations should take prior to agreeing to self management. The key step is ensuring that the site is at a reasonable standard and that expensive issues like fencing and water are in order prior to agreement.

134. The above sets out the theory and best practice of allotment management. It is also valuable to provide information on how other Councils manage allotments.

How are other Allotments Managed?

Preston City Council

135. Preston City Council has eight allotment sites and around 550 full sized plots. Each of the sites has a long waiting list.

136. Only one of the sites (Frenchwood) is self managed. The other sites are managed by the Council's Parks section. The Parks Development Officer is assigned the responsibility of managing allotments and spends approximately 30% of the working week managing allotments. In addition one of the sections administration assistants spends around 50% of the working week dealing with allotment enquiries. Further Council resources are devoted to pest control, grounds maintenance, skip provision, removal of fly tipping, site maintenance and other issues.

137. Full paying tenants currently pay £22 per year for a full sized plot. For this £22 per year ploholders are provided with the following-

- Free water (the cost to the Council is approximately £10,000 per annum)
- Free skips (approximately five skips are provided to each site per annum)
- Council organised competition and flower fair

- Maintenance of boundary hedges, roadways and paths
- Weed killing, clearing and cultivation of vacant plots prior to letting. The majority of plots have been cultivated within the previous year the ploholders are offered a rent free year for clearing their own plots.
- Grass cutting and maintenance of allotment paths.

138. Each Council allotment site has an elected Council site representative. The role of this person is to liaise between the Council and ploholders and also to help develop and promote the allotment association. The site representative is paid a small annual honorarium (£50.00 per year) and their voluntary duties include-

- Maintaining records of ploholders. These records are then fed to the Council who have a central database.
- Showing prospective tenants available plots and keeping a waiting list of people waiting for the plots. The majority of prospective tenants now apply online through the Council website and therefore a central waiting list is maintained.
- Informing the Parks section of any vacant plots that need weed control
- Informing the Parks section if any tenants are not maintaining their plots
- Meeting with staff from the Parks section to discuss problems / maintenance requirements
- Attending quarterly meetings with other site representatives and the Parks section
- Acting as a spokesperson for ploholders
- Liasing with the allotment association for the site

Some of the sites have their own allotment associations.

139. Frenchwood allotments have been self managed since 1921. In 1997 the association found itself in trouble. The site badly needed improvements but all of the rent was taken up by paying for the Council lease and water charges leaving very little for essential maintenance work. Following discussion with the Council and agreement was reached whereby the Council provided water free of charge, skips, pest control, maintenance of main paths and repair of some of the boundary fencing in exchange for a peppercorn rent.

140. By providing a small subsidy the council was able to aid the regeneration of the site and make it viable (hence fulfilling its legal obligation for the provision of allotment sites). This approach was more economical than assuming or retaining control of the allotment site.

141. Some of the allotment sites infrastructure is in need of improvement and the Council has been able to source funding for repairs to fencing through Lancashire Constabulary.

142. Preston's allotment service is heavily subsidised. The annual income is around £2,000. The annual expenditure is estimated to be in the region of a minimum of £40,000-

Water-	£10,000
Officer time-	£25,000

Repairs/maintenance- £5,000

143. Officers are aware that many Councils have devolved their allotments but at this stage Members have not formally considered the issue.

Carlisle City Council

144. Carlisle City Council has 66 allotment sites providing 765 plots. The largest site has 66 plots and the smallest has only one. The annual rent for a plot is around £20, depending on the size of the plot. There is a 50% reduction for those on a pension. If the site has water available, ploholders are also charged an additional £2.90 a year in water rates. There is no reduction for the water rate.

145. There are 6 self-managed sites in Carlisle, all towards the "dependency" end of self management. This represents about 30% of the plot total. The Council directly manages the other sites.

In 2005/6-

Expenditure- £39,900

Income- £13,700

Break down of 2005-6 expenditure:

£6,800 - spent on minor repairs to plumbing, fencing, gates etc. The largest expenditures were £3120 for partial fence replacement (in chestnut paling) and £1240 for replacement of damage to sections of paling security fencing. These repairs are carried out by the Council's direct in house staff or contracted out by staff in Council's the Maintenance section.

£28,500 - for grounds maintenance, fencing/plumbing works, padlocks, pest control and skip hire. In 2005-6 the biggest expenditure was £2,450 for replacement fencing chestnut paling replaced with palisade security fencing. The rest of the money was spent on grounds maintenance.

This is not usual, normally a larger proportion of the money would have been spent on new work (about £15,000) and less on grounds maintenance. The floods in January 2005 required a lot of repairs, and a new system of working with the grounds maintenance staff led to the different spending pattern.

Grounds maintenance work involves rubbish removal, some grass cutting, hedge cutting and clearing up plots for new tenants.

Self-management

146. There are four self managed sites. These sites collect the rent, let the plots, do day to day management. There is, in theory, a committee and full complement of officers but this is not always the actuality. They all have a constitution but the management agreements with the Council are still at the draft/theoretical stage.

One site does all the above except collect the rent which the Council does.

One other site collects the rent but does nothing else - the Council does it instead.

As is common with allotments, it's ad hoc and idiosyncratic - what works best for the individual sites at any particular time.

There is no city-wide organisation or management committee.

Exeter City Council

147. Exeter has in place an allotment strategy the objectives of this strategy are -

- 1 Ensuring sufficient allotments
- 2 Promoting allotment gardening
- 3 Encouraging sustainability
- 4 Cultivating good administration
- 5 Maintaining adequate resources

148. There are 26 Local Authority allotment sites across the city providing over 1,200 plots. Exeter has well above average number of plots per household. Currently only 90% of plots are occupied.

149. Allotments are managed by Contracts and Direct Services, part of the Community and Environment Directorate. The maintenance and improvements are carried out by staff and funded through the annual allotment budget. The Allotments and Play Equipment Officer (APEO) is responsible for the planning and administration of all sites.

150. There are currently 5 Area Allotment Managers (AAM's) who are all plot holders and receive payment based on a percentage of the rent collected. This is done twice a year. Their duties are:

-
- To collect and administer rents
- Let plots
- Advise on the tenancy rules and ensure they are followed
- Resolve disputes and pass on complaints and items requiring maintenance to the Council
- Liase with existing and potential plot holders and the local allotment associations.

151. There is currently one site, Trews Weir, which operates under a system of self-management. The site has a very good nucleus of highly committed plot holders and they have managed to improve security and other facilities on the site over recent years. The committee retains the majority of the rental income for maintenance of the site. Major works remain the responsibility of the council.

152. Allotment associations are made up of plot holders and the AAM's and their main purposes are:

- To promote the interests of plot holders

- Organise bulk purchase and resale of seeds, stock and other relevant materials
- Provide a forum for discussion and dissemination of information
- Offer cultivation tips and promote good practice
- Encourage initiatives to protect members from theft, damage and trespass

153. Several sites have 'trading huts' for the associations' use, provided by Exeter City Council

154. To illustrate the resources devoted to allotments by Exeter the following information is useful-

ALLOTMENT BUDGET 2002/3

Expenditure	£
Administration	8,940
Self management	710
Staff pay	12,690
AAM commission	3,270
Cleansing	700
Accommodation Costs	9,730
Reactive & Planned Work	9,970
Cyclical Grounds Maintenance Work	2,200
Total Expenditure	48,210
Income	
Rental	(17,210)
Total Income	(17,210)
NET BUDGET	31,000

Ipswich Borough Council

155. There are 18 Ipswich Borough Council owned allotment fields in Ipswich, 11 with statutory protection and 7 temporary sites providing a total of nearly 2,200 plots. Most sites have a security fence, lockable gates, roadways, adequate water supply and communal shed. The population of Ipswich is approximately 117,000. This gives a figure of 18 plots per 1,000 of population.

156. Ipswich has an allotment strategy. **The aims of the allotment strategy are:**

- to raise the awareness of others to the benefits of allotments for all leading to an increase in the number of plot holders
- to set a standard for the provision of allotments in Ipswich
- to improve the standard of service provision
- to investigate ways to improve the financial position of the service

- consider the demand for allotments both now and in the future
- review and propose changes if required to the provision and distribution of allotment land in Ipswich.

In achieving these aims Ipswich recognises that the service needs to be developed so that present and future plot holders can depend on the commitment of the Council to ensure:

- sites are secure with good pathways and water provision
- that work on reducing problems with vacant or neglected plots continues
- sustained promotion of allotments as a facility for people of all backgrounds, either individuals or communities
- encouragement to develop skills and help new allotment gardeners
- continued good partnership working with the Ipswich Allotment Holders Association to provide an efficient management service
- open and effective allotment administration to aid communication and service delivery
- fair rents, to enable continued reinvestment

Pilkington Horticultural Society, Alder Hey Road, St Helens

157. This allotment site belongs to Pilkingtons Glass and was originally part of Pilkingtons recreational facilities and made available to ex employees. The site contains about seventy-five full sized plots.
158. Over the years the site started to run down. In 2003 Pilkingtons began selling off adjoining land for housing. Apparently Pilkingtons original intention was to also sell off allotments but a school across road closed. The school was also located on land that belonged to Pilkingtons. Therefore, Pilkingtons sold off that site instead.
159. The allotment holders at the site were desperate to retain the facility and eventually managed to negotiate with Pilkingtons and secure a 25 year lease (the lease is on the form of peppercorn arrangement in the region of £100 per annum). Under the terms of lease Pilkingtons takes no responsibility for site infrastructure at all.
160. The Pilkington Horticultural Society were now faced with a situation where they had secured the future of the allotments but were left with a site that required considerable upgrading. The committee's way forward was to connect with local community. Eventually they managed to develop a partnership involving-
- Sure Start
 - Pilkington House (rest home)
 - Coalition of disabled people
 - Scouts
161. The partners were identified through frequent open days and asked-
- What do you want? (PHS have provided plots, raised beds, wheelchair accessible areas). Scouts camp at night
 - What can you offer? (PHS have obtained funding- £3,000 from SS, toilets, communal facilities). NVQs offered on site, Tutor at night, horticultural lessons to local people
162. The allotment association worked hard to raised the profile of allotments within community – (80% of ploholders live within ¼ radius)
163. The allotment site has now reached the stage where there is little end of capacity for community development.
164. Now 65 plots – 17 on waiting list which is currently closed.
165. The annual rent per plot £65, £1200 water bill per annum. Rent consists of rent insurance (EL, PL, maintenance. Contingency fund also match fund of £5,000
166. Each plot is provided with sheds / greenhouses already. New ploholders given £100 to refurbish their shed / greenhouse which covers cost of wood, glass. Plot holders have to use services of site joiner to carry out repairs which they have to pay for. The allotment association replaces glass damaged by storms / significant vandalism but not fair wear and tear

167. As the landlord a representative from Pilkington Glass visits annually to inspect the site and provides a lists of jobs that need to be done.
168. The allotment association has links with Council owned allotments through the St Helens allotment federation.

Bromley

169. Bromley has been included for the details of its lease agreement with allotment associations (See Appendix 2). The lease has two options. One option is for the allotment association to self manage the other option is based on the allotment association being dependent on the Council. In the case of the self management option the allotment association pays a peppercorn rent and in the case of the dependency option pays a full market rent.

Cheltenham Borough Council

170. Cheltenham's Council is responsible for 9 allotments sites and around 500 plots. The allotments are directly managed by the Council. The Council employs a full time allotments officer who manages waiting list, terminations, site maintenance etc. Each allotment site has a nominated site warden who will show prospective ploholders around the respective site. Total expenditure on provision of all aspects of the allotment service is £75,000 per annum. Of which £10,000 per annum is spent directly on allotment maintenance (grounds maintenance, skips etc).

CONCLUSIONS

171. It is essential that the conclusions of this report are considered within the following context -

- It is the Council's duty to provide allotments, and by definition to ensure they are properly managed.
- Under current arrangements allotment associations are effectively managing the vast majority of allotment management functions to the benefit of the Council.
- Under current arrangements the value (and efficiencies generated) that allotment associations add to the Council is not recognised in a way that benefits the allotment associations.

Current Situation

172. Although allotments are recognised as an important community resource and although they clearly contribute towards the Council's aims and objectives the terms of the current lease still make it clear that the allotment association is the tenant and the Council is the landlord. As such allotment associations are treated as any other tenant leasing Council land. Councils have a statutory duty to provide allotments. Despite central government encouraging devolution of allotments many Councils directly manage their allotments. The examples shown within the report highlight the costs of so doing.

173. In the Lancaster District management of the Council's allotments has been devolved to the allotment associations so that they are effectively semi-autonomous. However, for devolution to be sustainable the long-term implications need to be considered. To date the Council as landowner benefits from an arrangement whereby allotments operate with minimal support and no ongoing investment. In turn individual allotment associations are expected to manage their allotment site and all that entails. This arrangement is not sustainable. The infrastructure of several allotment sites is in need of significant improvement. The amount an allotment association can reasonably charge for a plot only covers the cost of lease, water, insurance (where charged), sundry items. This leads to a downward spiral where the infrastructure on some sites has deteriorated with no resources allocated or available to make improvements. In turn a deterioration in infrastructure leads to problems like vandalism which in turn place pressure on the allotment associations extremely limited resources. Fortunately allotments are undergoing a renaissance and there are waiting lists for allotments. Otherwise a situation would exist where the lack of investment ultimately leads of a lack of demand for allotments which in turn would exaggerate the downwards spiral.

Lease Review

174. The upcoming lease review of allotments provides the opportunity to ensure that the relative roles of the Council and allotment associations are clearly defined. The current tenant / landlord model is not consistent with an arrangement whereby allotment associations are expected to effectively provide a Council service for the benefit of the local community. Both the Council and allotment associations recognise the importance of allotments as a community asset. In order to develop the role of allotments in the community there is a need to harness the resources of the Council and allotment associations. The lease review should take place in such a way as to ensure that all stakeholders are

aware of their responsibilities and are provided with the resources to undertake these responsibilities.

Allotment Strategy

175. Best practice shows the need for an agreed allotment strategy that clearly articulates the vision for the District's allotments and places allotment management within a strategic framework. A sample of what an allotment strategy could look like is included within the appendix to this report.

Future Management of Allotments

176. For self-management of allotments to be strategic and sustainable requires a shift from the traditional landowner and tenant arrangement to a partnership. The partnership would involve the Council, individual allotment associations and ploholders as the main stakeholders. The main aim of the partnership would be to effectively manage allotments as a community resource. Each of the stakeholders would be expected to contribute to the partnership in the most appropriate way. The approach taken by many Councils when devolving allotment management is to charge allotment associations a peppercorn rent for the allotment. It would then be expected that the allotment association would charge ploholders the same level of rent as previously charged but utilise the element of rent that would in the past have been passed to the Council to improve the day to day maintenance and administration of allotments. An arrangement of this kind would enable allotment associations to better provide their service and thus meet the Council's aims and objectives in providing this service.

Maintenance issues

177. In addition to the capital investment required it is clear that each allotment site has specific day to day issues that are not being fully addressed due to lack of resources. These include day to day items like mowing, repair of water supply, maintenance of pathways and the like. The report has also outlined the specific management and administration duties undertaken by the allotment associations. Allotments are a valuable community resource and legally there is no lower limit on the amount of lease that should be charged to allotments. Currently a sum of £3,200 has been allocated for allotment improvements, but whilst information has been sent to allotment associations on this fund allotment associations are unclear what exactly this funding can be utilised for.

Allotment Funding

178. The report has shown that in the main plot holders are price sensitive. The cost of a plot varies from allotment association to allotment association. In comparison with other examples costs are in a middle range. Allotment associations do have the option of raising rents to cover essential repairs but this move would be extremely unpopular, and have a disproportionate impact on people on low incomes. It would undoubtedly have a significant impact on demand for allotments. The resultant backlash would do nothing to encourage self management of allotments as committee members have commented on the criticism they already receive when inflationary charges are imposed.

179. It is apparent that the District's allotment associations are more than capable of managing their allotments and have demonstrated their ability to make a little go a long way. However, a point has been reached where for allotment associations to continue to effectively self manage there is a need to invest in the infrastructure of a number of allotment sites. The estimated capital investment required is £75,000. This would fund priority works which and could reasonably be spread out over a planned programme spanning several years. As an example a 5 year programme would require £15,000 of investment per year. Whilst capital works have been identified that should as priority take place within the next few years there needs to be an ongoing programme to invest in allotments which should be linked to the allotment strategy. This will ensure that the management of allotments takes place in a sustainable way.
180. Within this District each year the Council receives income of around £9,700 from the allotments. From 2005/6 a fund has been set up which allocates £3,200 per year of this income to allotment improvements. Until recently the Council's Sustainability Officer had one half day per week allocated to allotment responsibilities. So in effect the Council receives an estimated income of £9,700 and was spending an estimated £8,000 (including officer time). From the end of June the Council's allocation of time to allotments has increased to 2 days per week which represents an increase in expenditure of around £5,500 per annum. The report highlights that for a similar number of allotments Preston receives an estimated income of £2,000 and spends around £40,000, effectively a net subsidy of £38,000. Based on Preston's model which seems consistent with other Councils this District's allotment associations are saving the Council a minimum of £26,500 in management and administration costs by self managing allotments. This represents a considerable efficiency to the Council.
181. There are a number of options for managing allotments in the future. These include maintenance of the status quo and a return to a dependency model whereby the Council would be responsible for the management and administration of allotments. As referred to earlier the model that would seem to be most effective for the District is one where allotment associations continue to self manage their allotments in partnership with the Council. The Council's role is clearly to have strategic oversight of allotments and to provide the necessary resources to allow allotment associations to manage their site. The increase in time allocated to allotments by the Council is very positive. To best utilise this time will require agreement between the Council and allotment associations as to the priorities for this role.
182. Taking into account the conclusions of this report would allow allotments to be sustainably managed in the future. It is estimated that the proposals would require the following-
- | | |
|---|---------|
| Capital Programme spanning several years - | £75,000 |
| Revenue (peppercorn rent)- reduction in annual income by £9,700 per annum | |
183. Currently the Council generates around £9,700 income from allotments of which £3,200 is allocated to the allotment improvement fund and the remainder contributes to the general fund. If allotment associations were charged a peppercorn rent in return for self managing their allotments the £9,700 of income

would no longer be received by the Council but would be reinvested by the allotment associations in what is ultimately the Council's asset so would therefore benefit all parties.

Future Needs

184. It is apparent that demand for the District's allotments exceeds supply. The Council should consider whether additional allotment sites are required or whether support could be provided to existing allotments associations to extend their sites.

185. Allotments have been recognised by the Council as an important community resource and indeed allotment associations and their ploholders already contribute to the Council's objectives in many areas. Given an improved management model could further contribute to the Council's aims and objectives in many ways. A summary of these contributions is shown in the appendix.

OPTIONS FOR THE FUTURE**186. Option 1- Status quo**

	Pros	Cons
Allotment associations	<ul style="list-style-type: none"> No change from current arrangements 	<ul style="list-style-type: none"> Unsustainable (see report)
Council	<ul style="list-style-type: none"> No change from current arrangements 	<ul style="list-style-type: none"> Unsustainable (see report)

187. Option 2- Responsibility for management of allotments returns to the Council

	Pros	Cons
Allotment associations	<ul style="list-style-type: none"> Relieves allotment associations of a long list of duties 	<ul style="list-style-type: none"> Allotment associations have been used to self management Could result in increased costs for plots
Council		<ul style="list-style-type: none"> Using example of Preston would require additional revenue of around £30,000 to fund an allotments officer post Best practice is to devolve management of allotments

188. Option 3a - Partnership with Council (Peppercorn rent)

Partnership

Council

- Capital to improve basic infrastructure at allotment sites (initially 5 year programme is recommended).
- Strategic oversight of allotments
- Agreement with allotment associations as to priorities for officer time allocated to allotments
- Allotment sites provided at peppercorn rent to allotment associations
- Provides support in practical ways (eg, insurance, access to compost, grass cutting, waste management etc)

- Review infrastructure needs on an annual basis and feed into capital programme

Allotment associations

- Self manage allotment sites on a day to day basis
- Seek external funding opportunities for their allotment sites
- Continue to contribute to Council priorities

ALMA

- Represent allotment associations when dealing with Council
- Seek external funding for allotment development

	Pros	Cons
Allotment associations	<ul style="list-style-type: none"> • Continue to self manage allotments • Will continue to charge same level of rent to ploholders but will have a far greater amount to spend on day to day management and admin of the allotment site • Site infrastructure will be improved at the sites that need it which will encourage demand • Increased investment will raise morale of allotment association volunteers • Officer time utilised in way that meets agreed needs • Capital investment by Council may help attract some external funding 	<ul style="list-style-type: none"> • No guarantee that this model would encourage the participation of ploholders in wider site management issues
Council	<ul style="list-style-type: none"> • Management and administration of allotments is devolved to associations • Officer time utilised in way that meets agreed needs • Increased capital and revenue requirement is still an invest to save option when compared 	<ul style="list-style-type: none"> • Need for capital investment • Reduced revenue income

	Pros	Cons
	with costs of directly managing allotments <ul style="list-style-type: none"> • Capital funding by Council may help attract external capital funding 	

189. Option 3b - Partnership with Council (market rent)

Partnership

Council

- Capital to improve basic infrastructure at allotment sites (initially a 5 year programme is recommended).
- Agreement with allotment associations as to priorities for officer time allocated to allotments
- Strategic oversight of allotments
- Allotment sites provided at market rent to allotment associations
- Provides support in practical ways (eg, insurance, access to compost, grass cutting, waste management etc)
- Review infrastructure needs on an annual basis and feed into capital programme

Allotment associations

- Self manage allotment sites on a day to day basis
- Seek external funding opportunities for their allotment sites
- Continue to contribute to Council priorities

ALMA

- Represent allotment associations when dealing with Council
- Gain registration as an environmental body
- Seek external funding for allotment development

	Pros	Cons
Allotment associations	<ul style="list-style-type: none"> • Continue to self manage allotments • Site infrastructure will be improved at the sites that need it which will encourage demand • Increased investment will raise morale of allotment association volunteers • Officer time utilised in way that meets agreed needs • Capital investment by 	<ul style="list-style-type: none"> • No guarantee that this model would encourage the participation of ploholders in wider site management issues. • Will still only have same amount to spend on day to day maintenance and admin.

	Pros	Cons
	Council may help attract some external funding	
Council	<ul style="list-style-type: none"> • Management and administration of allotments is devolved to associations • Officer time utilised in way that meets agreed needs • Increased capital and revenue requirement still represent an invest to save option when compared with costs of directly managing allotments • No loss of income from allotments • Capital funding by Council may help attract external capital funding 	<ul style="list-style-type: none"> • Need for capital investment • Revenue income generated insufficient to meet current demands • • Some allotment associations are struggling with resources for day to day maintenance and this proposal will not encourage self management.

CABINET

**Sport & Physical Activity Alliance (SPAA)
Project Development Updates**

11th November 2008

Report of Corporate Director (Regeneration)

PURPOSE OF REPORT			
To seek Cabinet’s approval on two further projects being jointly developed following the adoption of the Sports and Physical Activity Strategy.			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date Included in Forward Plan	November 2008		
This report is public			

RECOMMENDATIONS OF COUNCILLOR JANE FLETCHER

- (1) That approval is given for Lancaster City Council’s Cultural Services to act as the accountable body for £60,000 funding from the North Lancashire Primary Care Trust, in respect of the Cardiac Rehabilitation scheme.
- (2) That approval is given for Lancaster City Council’s Cultural Services, to enter into a Community Use Agreement with Morecambe High School for the Community Activity Programme.
- (3) That approval is given for Lancaster City Council’s Cultural Services (as part of the Sport and Physical Activity Alliance) to manage both the above schemes.
- (4) Subject to recommendations 1 to 3 above being approved, that the Head of Financial Services be authorised to update the General Fund Revenue Budget in 2008/09 to 2010/11.

1.0 Introduction

1.1 In March 2008, Cabinet approved the adoption of a Sports and Physical Activity Strategy and Action Plan which drew in a total of £547,7000 (in cash or “in-kind”) towards Lancaster’s Sports and Physical Activity Action Plan. As part of the above Cabinet also approved the City Council to act as the accountable body for Sport England’s and associated match funding of £337,500 - combined public/private

sector allocations (Minute 133 [07/08] refers). At the time of the original report in March 2008, reference was made to other potential match funding and highlighted a number of projects that would be delivered using such funding. Some of these projects are being delivered by the Council and others by our partners via Service Level Agreements with the Council, as part of the Sports and Physical Activity Alliance (SPAA)

- 1.2 In the original Cabinet report, as part of the Sport and Physical Activity Strategy and Action Plan, project briefs were highlighted, but did not include the full details of all potential projects. For example, at that time not all external funding opportunities had been confirmed e.g., via the Community Safety Partnership (CSP), or in the event that they were unsuccessful, alternative sources such as the PCT and/or schools. This report is a follow-up to the original Cabinet report as an update on further projects being jointly developed – specifically relating to the involvement of the North Lancashire PCT, and Morecambe High School.
- 1.3 The first such project is a Cardiac Rehabilitation Project, involving the North Lancashire PCT, and Cultural Services. In essence the above is an extension of an existing “Exercise Referral Scheme”, agreed between the North Lancashire PCT and Cultural Services, allowing Cardiac Rehabilitation referrals to be included in the scheme. The expansion of the scheme has been calculated and the additional costs of £60,000 over 3 years will be funded by the North Lancashire PCT. Subject to Cabinet’s recommendations, the above arrangements will be documented within a Service Level Agreement. Colleagues from Cultural Services have liaised with Financial Services regarding the proposals. A summary of the project is included in Paragraph 2 below.
- 1.4 A second project proposal, known as “Community Activity Programme” has also been developed via the SPAA between Cultural Services and Morecambe High School. There is no additional funding or budget implications to Lancaster City Council linked to the Morecambe High School Community Use Project. A summary of the project is included in Paragraph 2 below.

2.0 Proposed Details

Project 1 – Cardiac Rehabilitation (Exercise Referral)

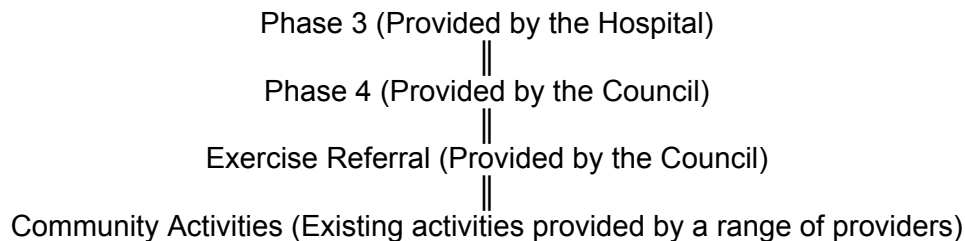
Cultural Services (utilising external financial resources secured from the North Lancashire PCT) would provide Cardiac Rehabilitation activity sessions based in local facilities for clients referred to the scheme by the local hospitals. As the name suggests clients referred to these sessions would be post cardiac patients and deemed to be suitable (by a qualified Doctor) for involvement in gentle exercise.

The “Active Health Team” (fixed term, externally funded posts within Cultural Services, as part of the overall £219,000 received from Sport England towards Lancaster’s SPA) will undertake phase 4 training over a 6-12 month period. They will then deliver the service as part of the overall Exercise Referral Scheme. Once trained weekly phase 4 sessions will be provided building up to 2-3 sessions per week. A session is for up to 2 hours per week for 10-weeks and will include gentle exercise and education elements looking at diet and nutrition etc. After 10 weeks, clients who are able can move onto the exercise referral scheme for a further 10 weeks and then onto community activities. It is anticipated that the scheme will yield an output of 34 hours per week Cardiac Rehabilitation. In discussion with the PCT clients can remain at Phase 4 or in the Exercise Referral Scheme for a further period of time before moving on, should this be necessary. The additional financing

requirement of Cardiac Rehabilitation Phase 4 project will be profiled across three years 2008/09 to 2010/11 and is provided by the PCT to the value of £60,000.

At all stages clients will be regularly monitored and assessed.

The following is a chart showing the Referral Process:



Project 2 Community Activity Programme - Morecambe High School – Community Use Project.

Cultural Services would have access to the following facilities e.g. 3 court sports hall and changing rooms, football pitch x 1, multi use games area (5 aside, netball, basketball and tennis) x 2 and a car park.

Cultural Services would be responsible for promoting and taking bookings from local clubs and groups. The sports facilities would be under the Council’s control from 6pm- 9pm Monday – Friday and from 8am – 9pm Saturday and Sunday, but only when in use.

Cultural Services would provide the staff to open and set up the facility ready for use and remain on-site whilst the activity took place, ensuring that the facility is left clean, tidy and locked, after use.

Cultural Services would also provide staffed activities/sessions in order to increase participation in sport and physical activity e.g. holiday activities for young people, diversionary/positive activities for young people and other sessions/activities for adults and families.

One of our main aims would be to establish new community clubs run by volunteers, trained by us. Where we have bookings we would look to run other sessions/activities at the same time as we would have staff on-site.

All the above would be included in a Service Level Agreement/Community Use Agreement between Cultural Services and Morecambe High School.

3.0 Consultation

A number of meetings have taken place between Cultural Services, the PCT and Morecambe High School. This report represents two agreed projects.

4.0 Options and Options Analysis (including risk assessment)

Options regarding the Cardiac Rehabilitation Project:

Option	Advantages	Disadvantages	Risks
1, Accept the responsibility to act as accountable body and deliver the Cardiac Phase 4 Project	<p>Structure and process (externally funded) to deliver this is already in place, no further resources required from the Council.</p> <p>Lead the district in developing new methods and opportunities for increasing participation in sport & physical activity by those most in need</p> <p>Contribute to the health agenda which could lead to further substantial investment by the PCT</p> <p>Contribute to LAA targets</p>	Additional work for the Active Health Team	Targets are linked to this funding, possible claw back if targets not met
2, Not accepting this funding	<p>No additional targets or responsibility for additional funding</p> <p>No additional work for the Active Health Team</p>	<p>Loss of additional funding</p> <p>Needs of the most in need not met</p> <p>Possibility that this could lead to loss of further investment from the PCT</p> <p>Loss of opportunity to contribute to the LAA targets</p>	Damage to reputation with funders, partners and the community

Options regarding the Morecambe High School Community Use Agreement:

Option	Advantages	Disadvantages	Risks
3, Enter into the agreement	Provides additional opportunities for people to participate in sport and physical activities and improve their health and wellbeing	Possible increase in insurance claims	Conflicting priorities – Council unable to allocate sufficient resources to support this work, without cutting other service areas. (this would be

	<p>Address the sport & physical activity needs of children, young people and adults in Lancaster District, specifically the community of Poulton</p> <p>Funding is in place to deliver this project</p> <p>Provides training opportunities for young people and adults</p>		<p>managed internally by Cultural Services</p> <p>Unsuccessful implementation – failure to meet objectives</p>
4, Not entering into the agreement	<p>No resources required to oversee the project</p> <p>No increase in insurance claims</p>	<p>Lose of some of the (£30,000) Sport England Community Investment Fund allocation and a further substantial amount of match funding (£30,000)</p> <p>Loss of opportunity to increase participation in sport and physical activity and improve the health and wellbeing of our community</p> <p>Loss of training opportunities for young people and adults</p>	<p>Not being able to achieve the targets set out in the agreement with Sports England, leading to possible claw back of funding</p> <p>Damage to reputation with funders, partners and the community</p>

5.0 Officer Preferred Option (and comments)

5.1 Options 1 and 3 are the preferred options.

This would allow the Council to access additional funding £60,000 from the PCT to deliver a new scheme aimed at a hard to reach group (patients involved in cardiac rehabilitation) and contribute to improving and maintaining their health. This will also contribute to meeting LAA targets around tackling obesity.

This would also allow the Council to provide much needed community facilities in an area of deprivation that will lead to improvements in people's health and contribute to a reduction in crime and the fear of crime.

6.0 Conclusion

- 6.1 Opportunities for children, young people and adults to participate in good quality, accessible and affordable sports & physical activities are essential to their health and wellbeing. They provide enriching experiences that can help with a range of issues including contributing to addressing adult and childhood obesity, tackling anti social behaviour and juvenile nuisance and developing community cohesion.
- 6.2 An opportunity has been presented to Cultural Services that will allow the service to look at new methods of supporting and developing sport and physical activities. Providing opportunities for people to participate in sport and physical activities always feature highly within communities, for children, young people and adults. These projects will enable new approaches that will lead to an increase in regular participation in sports and physical activities, in particular for hard to reach groups and individuals.

RELATIONSHIP TO POLICY FRAMEWORK

These Sports & Physical Activity projects will contribute to the following;

Corporate plan;

Priorities;

Ensuring cost effective services that give good value for money

Provide customer focused, accessible services

Make our district a cleaner and healthier place

Contribute to a safer society

Lead the regeneration of our District

Support sustainable communities and action on climate change

Give local communities more influence and involvement in the way their services are delivered and decisions that affect them are made

Community Strategy;

Vision 1 Meeting essential needs

Vision 2 Taking part

Vision 6 Fun, leisure and creativity

CONCLUSION OF IMPACT ASSESSMENT

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

The key impact areas are sustainability and personnel;

Sustainability; The funding for the sport & physical activity projects is for a set period of 3 years. Sustainability has been addressed through the development of the projects by choosing projects that involve existing local partners and providers.

Personnel; The sports and physical activity projects will require a number of members of staff to deliver the programmes. This will be funded through the Sport England allocation with match funding from the council and other partner as highlighted in both this report and the original cabinet report.

FINANCIAL IMPLICATIONS

There is no additional funding required from Lancaster City Council. The additional financing requirement of Cardiac Rehabilitation Phase 4 project will be profiled across three years 2008/09 to 2010/11 and is provided by the PCT to the value of £60,000

This will form part of a revised SLA of £240,000 which includes the existing agreed funding of £180,000 and the additional £60,000 detailed in this report.

There is no additional funding or budget implications linked to the Morecambe High School Community Use Project, other than those agreed following the original cabinet report.

SECTION 151 OFFICER'S COMMENTS

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

LEGAL IMPLICATIONS

Legal Services have been consulted and have not further comments to add to the report.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

Contact Officer: Richard Hammond
Telephone: 01524 582638
E-mail: rhammond@lancaster.gov.uk
Ref:

CABINET

Star Chamber

11 November 2008

Report of Corporate Director (Finance and Performance)

PURPOSE OF REPORT			
To receive an update on the Star Chamber meetings held since the last report to Cabinet of 2 September 2008.			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Cabinet Member	X
Date Included in Forward Plan	N/A		
This report is public.			

RECOMMENDATIONS OF COUNCILLOR ROGER MACE

(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 considers options brought forward from cabinet portfolio holders with the aim of ensuring value for money by identifying potential efficiencies, and opportunities, where appropriate, for diverting resources away from non-priorities and into Council priorities. These options may well consider alternative methods of service delivery and how increased collaboration within Team Lancashire could provide efficiencies. Options will focus on financial, physical, and human resource matters.
- 1.2 Star Chamber also provides the framework and focus for achieving the financial savings targets included in the Medium Term Financial Strategy and Corporate Plan, and also to assist Cabinet in bringing forward its annual budget proposals.
- 1.3 The group meets regularly to consider proposals brought forward by Cabinet portfolio holders and reports for information are made on a regular basis into Cabinet and also into the Budget and Performance Panel.
- 1.4 Star Chamber works to revised Terms of Reference as agreed at the Cabinet meeting held on 2 September 2008.
- 1.5 Since the last report to Cabinet, Star Chamber met on 24 September 2008. 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.

DEPUTY 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 2008/09
Revenue Budget and Capital Programme
Medium Term Financial Strategy 2008

Contact Officer: Roger Muckle

Telephone: 01524 582022

E-mail: rmuckle@lancaster.gov.uk

Ref: RCM/JEB

ACTION NOTES FROM STAR CHAMBER HELD ON 24 SEPTEMBER 2008

PRESENT: Councillors R Mace (Chair), E Archer, J Barry, E Blamire, J Gilbert, D Kerr
H McManus, P Loker, R Muckle, N Muschamp, G Haigh (Part), J Barlow (notes)

1 APOLOGIES

Apologies received from Councillor S Charles, M Cullinan.

2 “EVERY PENNY COUNTS” CAMPAIGN – PRESENTATION BY GILL HAIGH

Key messages (slide 9) 3rd bullet point should be changed to say “average council tax per household per week” and not “average cost” as this wasn’t strictly true.

As well as Council owned buildings GH was asked to explore the possibility of putting displays in the libraries, the museums, supermarkets, Arndale Centre, empty offices on Euston Road, empty shops, bus station.

It was agreed to use the display when doing public consultation on priorities. Copies would be sent to all Cabinet members for their use as appropriate. Star Chamber noted that the Campaign was to be launched in October.

3 BUDGET UPDATE AND FUTURE PROCESS

The new process for bringing forward efficiency and savings options were discussed in detail.

An updated calendar of meetings was requested. NM to update the B&PF timetable and incorporate other timetables involving meetings re budget setting, and distribute.

Councillor Mace was available to Cabinet members for discussion about priorities which could be discussed further at 7 October Cabinet.

Directors to arrange meetings with Service Heads and Cabinet Members to progress options for efficiencies, savings and growth.

Members to indicate when setting priorities what were not priorities which is helpful for officers when preparing options.

4 OUTSTANDING ITEMS

Outstanding reports would go to portfolio holders who should decide if there were efficiency/savings options that could go forward for recommendation to Star Chamber and Cabinet.

Directors to clarify to members all Services’ statutory and non-statutory functions to help them identify efficiencies and savings.

5 NEXT MEETING

The meeting on 1 October was cancelled. The next Star Chamber meeting would be 12 November.

The Leader requested an informal Cabinet meeting on 15 October at Morecambe. JEB to inform those not present and book a venue.

JEB/25 September 2008

CABINET

2009/10 CORPORATE PLAN REFRESH - UPDATE

11 November 2008

Report of Corporate Director (Finance and Performance)

PURPOSE OF REPORT			
To note progress made since the last Cabinet meeting in bringing forward options to refresh the 2009/10 Corporate Plan and to consider if any action is required.			
To note progress made in delivering the current Corporate Plan and to determine any actions that might be required.			
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

- (1) To note the latest progress made on refreshing the 2009/10 Corporate Plan.
 - (2) To agree any actions that might be required to ensure the targets and deadlines for updating the Corporate Plan set out in the Budget and Policy Framework timetable are met.
 - (3) To note progress made in delivering the 2008/09 Corporate Plan and to agree any actions that might be required.
- 1.0 **Corporate Plan Refresh**
- 1.1 At its meeting on 7 October Cabinet considered its approach for refreshing its Corporate Plan and agreed -
- (1) That, in light of the recent extensive public consultation exercise undertaken by the LDLSP in refreshing its Sustainable Community Strategy, the scheduled public consultation exercise to refresh the Council's Corporate Plan be postponed until Autumn 2009.
 - (2) That Cabinet continues to develop proposals for refreshing the Corporate Plan to enable consultation with stakeholders to take place in January 2009 in accordance with the agreed budget timetable.

- 1.2 Since the meeting, Cabinet members have been meeting informally to consider options for updating the Corporate Plan. Although details are not presently available, options for refreshing the Corporate Plan will be circulated prior to the meeting as soon as practicable.
- 1.3 Cabinet should note that the Lancaster District LSP Sustainable Community Strategy will now be presented to November's Council for endorsement.
- 2.0 Corporate Plan Monitoring
 - 2.1 To further assist Cabinet in the refresh of the Corporate Plan, attached, as **Appendix A** is the six monthly review of delivering the current Corporate Plan priorities.
 - 2.2 Cabinet are requested to note progress in delivering the Corporate Plan priorities and to determine if any actions are required.
- 3.0 **Options Analysis**
 - 3.1 Refresh of Corporate Plan
 - Option 1 to note progress made on refreshing the Corporate Plan and to agree any actions that might be required to meet the agreed deadlines as set out in the Budget and Policy framework timetable.
 - Option 2 to note progress and determine an alternative process for refreshing the Corporate Plan.
 - 3.2 Corporate Plan Monitoring
 - Option 1 To note progress to date in delivering the 2008/09 Corporate Plan priorities and to determine any action required.
 - Option 2 To note progress to date in delivering the 2008/09 Corporate Plan and review the need for action through future quarterly Performance Review Team meetings.
 - 3.3 The preferred option in both cases is option 1.

RELATIONSHIP TO POLICY FRAMEWORK

The refresh of the Corporate Plan is an integral part of the Council's Policy Framework.

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.

DEPUTY SECTION 151 OFFICER'S COMMENTS

The Deputy 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 2008/09

Contact Officer: Roger Muckle

Telephone: 01524 582022

E-mail: rmuckle@lancaster.gov.uk

Ref: RCM/JEB

CABINET

YPO Gas Contract

11th November 2008.

Report of Head of Property Services

PURPOSE OF REPORT			
To consider the procurement of a new Gas contract for a four-year period up to and including 31 st May 2013.			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date Included in Forward Plan			
This report is public			

RECOMMENDATIONS OF COUNCILLOR ARCHER

That the Cabinet accept the recommendation, to move towards a flexible method of purchasing gas energy through the Yorkshire Purchasing Organisation (YPO). The YPO will buy the Council's Gas requirements over several transactions from 1st June 2009 to 31st May 2013.

1.0 Introduction

- 1.1 The Council is a member of the Yorkshire Purchasing Organisation (YPO), a consortium of local authorities from throughout the north of England, which specialises in the procurement of energy and other consumables for local authorities.
- 1.2 The existing four-year Gas supply Contract EN48GS/096 obtained through the YPO expires on the 31st May 2009. The contract accounts for £169,100 of the Council's total gas budget of £395,500. The remaining £226,400 covers a variety of properties including St Leonard's House and Sheltered Housing units, which are currently subject to individual supply agreements. The new Gas Framework offered by the YPO will commence on the 1st June 2009 and will be for a four-year period up to and including 31st May 2013.

2.0 Proposal Details

- 2.1 The YPO recently sought a tender to establish the fixed cost elements (transportation/risk management - not the gas at this stage) from suppliers. Full details can be found on page 1 of the YPO's Confidential Report to Members, Appendix 1. The supplier E.ON Energy proved to be the most economical at the tender stage; details can be found on page 1 of the tender summary Appendix 2.

- 2.2 The tender provides two options for the future purchase gas, based on a comparison of Fixed and Flexible rates.

3.0 Details of Consultation

- 3.1 There has been no formal consultation on this matter by the Council.
- 3.2 The YPO have however consulted its Clients and provided a confidential Report to Members of the Consortium on the mini-tender under Framework 000145 – the Supply of Gas, Appendix 1.

4.0 Options and Options Analysis

- 4.1 Option 1 (Fixed Rate) – This option would result in no change, with the Council continuing to acquire gas under the same sort of contract as now. The YPO will buy the Council's total Gas requirement on one day, when the market conditions are favourable for the period 1st June 2009 to 31st May 2010. Each year thereafter, the same process would be followed to the end of the contract in 2013. The Council will shortly receive from the YPO a cost schedule showing the fixed charges for both options in both pence per kWh and per therm.

Within the recent tender for fixed cost elements it emerged that British Gas and Corona Energy impose certain restrictions. Both will impose additional costs for late payment of invoices and will adjust the contract prices in the event of a shortfall in gas usage. Corona did not quote for all Authorities.

E.ON Energy offer fixed costs with no penalties for late payment and do not require an estimate of usage for the term of the contract. Full details can be found on Page 8 of the main Confidential Report to Members Appendix 1.

Due to the volatility of the market and strong bullish trends there are risks associated with option 1. For example the Council are currently fixed until 31st May 2009 at 78 pence per therm. The wholesale market at 15th October gas was trading at 70.4 pence per unit. Conversely should North Sea production reduce further and if winter weather conditions are colder than usual the market may rise again.

- 4.2 Option 2 (Flexible Rate) - Move to a flexible purchasing option. The YPO will buy the Council's Gas requirements over several transactions. Within this option the Council will still know the Gas price for the full 12 months.

This option will allow the Council to purchase flexibly within the contract period in 5,000 therm clips. The Council can trade live market prices; settlement prices, day ahead and month-ahead index prices, with all purchases made before the 24th of Month i.e. before the month of delivery. For example for August, purchases must be made on or before the 24th of July.

E.ON Energy submitted their General Terms and Conditions of Supply and agreed to give the YPO the ability to do everything outlined in the original tender guidance documents, which were forwarded to all prospective bidders prior to the Tender, these included,

- The ability to fix all non-energy costs prior to contract start up.
- The ability to fix all volume prior to the start of this contract year.
- The ability to purchase in multiple quantities to fulfil the total volume requirement as appropriate.

An important part of the E.ON Energy offer is that they would not impose cash out (take or pay) and therefore under any Contract with E.ON Energy there is absolutely no pressure on members to accurately nominate any likely consumption values for any contract year.

Acceptances for this option should be logged with YPO by Friday 28th November 2008. Any received after that date will not have the opportunity to move to a flexible option and will have to remain on a fixed profile until the next anniversary which will be 1st June 2010.

There are risks associated with purchasing gas on a flexible basis. If for example gas prices increase further and the YPO have not locked onto a fixed rate period the council could be paying more for their gas for a period. For example on 1st June 2007 the council locked on at 63 pence per therm for a twelve month period. Wholesale prices continued to rise throughout the year. As at 1st June 2008 the Council locked on at 78 pence per therm for a twelve month period. Wholesale prices now seem to be falling. As at the 15th October 2008 gas prices were trading at 70.4 pence per therm.

- 4.3 Option 3 do nothing - The existing four-year Gas supply Contract EN48GS/096 with the (YPO) expires on the 31st May 2009. Should the Council chose not to purchase gas on a fixed or flexible basis then the rates charged by the current gas supplier (npower) will go variable until a contract is sought. We are advised by the YPO that the current fixed rate could double under the variable option. Within such a volatile market it is uncertain whether wholesale prices will increase or decrease

5.0 Officer Preferred Option

- 5.1 Option 2 is the preferred option at this stage. It would be to permit the YPO to purchase Gas on a flexible basis from June 1st 2009 to 31st May 2013 with the supplier E.ON Energy
- 5.2 The YPO are hopeful that when the heating season is over, prices should reduce which will put the Council in a position to take advantage of the rates.
- 5.3 The YPO have requested that submissions be logged with them by Friday 28th November 2008. After this date we will not have the opportunity to move to a flexible option and will remain on a fixed option until 1st June 2010.
- 5.4 The OGC Transforming Government project cites that organisations must use a Contract with the ability to fix volumes over a series of purchases in Wholesale traded Gas markets.

5.5 Management of the arrangements proposed under the option can be met from within existing staff resources.

6.0 Conclusion

6.1 Based on the information provided by the YPO the benefits of moving to a flexible option from 1st June 2009 are;

- Price certainty for the full twelve months in advance of the Contract start.
- Reduction of risk.
- Lower fixed cost element.
- Follows the OGC Transforming Government guidelines.
- E.ON Energy do not impose any reconciliation charges on Local Authorities

RELATIONSHIP TO POLICY FRAMEWORK

The Council's Corporate Plan includes action to support sustainable communities and action on climate change. This report has links to that policy

CONCLUSION OF IMPACT ASSESSMENT

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

There are no direct links identified within this report as the report relates to the consumption of natural gas. However the preferred option for the new gas purchase contract would allow for the Council to reduce its consumption of gas should the Council's buildings be heated in a more sustainable manner.

FINANCIAL IMPLICATIONS

Of the £396k currently budgeted for gas in 0809 £169k currently falls under the existing contract which will be subject to a revision during the budget process to reflect the current climate, usage and appropriate inflation rates. For comparison, outturn for gas for 0708 for areas relating to the contract was £206k. As the existing tariff is expiring in May 2009, the current costs are likely to increase substantially if no action is taken.

The energy prices have been and remain extremely volatile, and the flexible option for gas purchase appears to provide the option of least risk to the Council. As a member of the Lancashire Procurement Hub, we are currently seeking its officers' views on the proposed arrangements and market conditions and will report any outcome verbally to the meeting

As it is not possible to quantify detailed costings, it is essential that Property Services liaise with Finance to keep them updated with progress as it occurs. Whilst it is anticipated that this option will hopefully prove favourable, due to the current economic climate there are potentially significant risks for any of the options contained within this report.

DEPUTY SECTION 151 OFFICER'S COMMENTS

Given the current economic climate, it is clear that all of the contract options carry a financial risk. The proposed arrangements should provide the Council with the flexibility to manage market risks; it is essential that this is backed up by a system of robust monitoring and review.

LEGAL IMPLICATIONS

Legal services would be consulted on the detail of the contracts pursued through the YPO.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

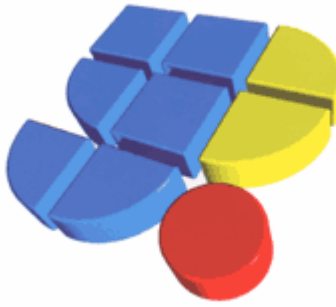
None other than included as appendices to this report.

Contact Officer: G Jackson

Telephone: 1524 582083

E-mail: gkjackson@lancaster.gov.uk

Ref:



YORKSHIRE PURCHASING ORGANISATION
41 INDUSTRIAL PARK – WAKEFIELD WF2 0XE

Confidential Report to members of the Consortium on the mini-tender under Framework 000145 – the Supply of Firm Gas

The tender was advertised in the Official Journal of the European Union and appeared under Notice 2008/S32-043906 on the 15th February 2008.

The period of contract was advertised as being four years from 1st June 2009 to 31st May 2013 inclusive. The tender sought to identify suitable shippers capable of managing the consumption offered by the aggregation of the demand for Firm Gas for those authorities and public bodies involved in the YPO mini tender.

The volume was identified as being an estimated 2,132,292,913 kilowatt-hours, which is 70,512,780 therms.

The I.T.T. sought to establish the capability of each competing Company and score award criteria other than price as follows :

Customer service – 15%, Quality – 10%, Technical assistance – 5%, Innovation and development – 5%, Environmental – 5%.

The process identified five suppliers who were awarded frameworks namely: British Gas, Corona Energy, E.On, Gaz de France and nPower and accordingly a Contract Award notice 2008/S 108-144013 was published in the OJEU on the 5th June 2008.

Each supplier had been given the consumption schedules of all the Authorities involved, which had been prepared by their incumbent via National Grid returns and they were asked to prepare their offers based on the information provided.

Two prices were sought, one for those authorities who might wish to remain on the current system of purchasing and one for those wishing to have the Gas bought on a more flexible basis.

Prices were logged electronically at 11.00 am on Wednesday 10th May 2008 to a dedicated mailbox within YPO Contract Services. At this stage, we only sought to identify the fixed costs eg: risk/management/transportation and metering and not the cost of Gas. The Gas will be bought during the period prior to the contract start, which will be subsequently selected by YPO Contracts personnel after reference to the appropriate daily Wholesale price indicators.

Suppliers had been informed that, as well as a quality service for both options, on the Flexible offering, we would also require the following.

- The ability to fix all non-energy costs prior to contract start up.
- The ability to buy all of the gas required prior to the start of the contract year.
- The ability to buy in multiple tranches (i.e. Flexibly) as appropriate.

With the total consumption at our disposal, if all Members go for the flexible proposal, buying in "clips" will permit YPO energy buyers' eighteen separate opportunities to buy the Gas, which will enable better management of the extremes of price volatility.

Under traditional flexible purchasing contract offerings, hitherto seen by YPO, Shippers normally require the buyer to nominate a minimum volume of gas prior to contract start up and would expect the buyer to pay for any gas not taken. This mechanism is called "cash out" or "take or pay", i.e. take all the gas booked or pay for any shortfall. All shippers had been informed prior to the price enquiry that if a flexible contract option was made available, that would possibly gain favour to one that insisted on cash out/take or pay. Suppliers were also informed that no "pass through charges" in metering or transportation would be permitted during the contract year. The price-weighting element had been advertised in O.J.E.U. as 60%, which when added to the original 40% for the quality, aspects would permit YPO to rank the various offers.

British Gas Trading Ltd, 1600 Parkway Court, Garsington Road, Oxford, OX4 2JY

Submitted their General Fixed price Conditions (Version 5.0 June 2008) of Supply, together with those for Monthly Purchasing (Flexible) dated July 2008.

The General Conditions in keeping with others from all suppliers are in the main written to comply with the Gas Act (1986) as amended by the Gas Act (1995) and any regulations made or amended or enacted "from time to time" thereafter.

In their Flexible Conditions Paragraph 4.1.2.3 states:

"If British Gas reasonably believes the estimated consumption forecast is not an accurate representation of the customers consumption requirements, the supplier reserves the right to amend the estimated consumption forecast." Paragraph 4.1.2.4 then qualifies that "in the event of the supplier making an amendment under Condition 4.1.2.3, the supplier may revise the gas commodity cost calculation and recover any additional costs incurred as a result of such amendment."

The Account Manager would be Stephen Shawcross:

Telephone number: 01625 599194 Mobile: 07979 566890

E-mail: stephen/shawcross@centrica.com

The following is text lifted directly from their outline offer.

Option 1 – Fixed Basket- (Fixed price as YPO buy Gas at present).

This option will allow YPO to lock out all non-gas costs, including risk, transportation and metering. YPO will then have until the 24th of the final Month-1 (i.e. 24th May 2009) to secure the gas element for the entire basket – Because all of your gas requirement will be purchased before the commencement of the contract, each Council will be billed an actual price and there will be no need for any reconciliation. You can purchase individual months, quarters or seasons as long as you purchase the entire requirement before the commencement of the contract.

Option 2 – Flexible

This option will allow you to purchase flexibly within the contract period in 5,000 therm clips. You can trade live market prices; settlement prices, day ahead and month-head index prices. All purchases must be made before the 24th of Month- before the month of delivery – i.e. for August all purchases need to be made on or before the 24th of July. Please note any volumes not purchased will be left to float on day-ahead.

Because the final delivered gas price will be unknown and monthly prices will change – this product would include reconciliation between billed reference prices and actual prices secured. I suggest that you go for seasonal reference prices, with a six monthly reconciliation.

BG management fees would be subject to review on the anniversary of each contractual year by RPI and Transportation and metering will also be amended on each anniversary of the contract in line with those published by National Grid.

All offers are made in line with our general terms and conditions.

All our management fees are based on 14-day payment terms. Please add 0.007pp/kWh for 21 and a further 0.009 for 30 payment days.

Please note – these management fees and the products are only applicable if we secure enough of the basket to make them viable. They have quantified viable as 3 million therms. Failure to acquire that level would see the imposition of a surcharge of 0.02 p/kWh which equates to 0.586 p/therm.

Corona Energy, 1 The Exchange, Brent Cross Gardens, Brent Cross, London, NW4 3RJ

Corona Energy submitted their General Conditions of Supply and Special Terms and Conditions for Large Customer Flexible Gas Procurement Framework Agreements (including daily metered sites)

Special note by YPO: By and large, the majority of meters within the Consortium are – non-daily metered (not read on a daily basis).

Contrary to YPO requirements Paragraph 5.1 in the Flexible Conditions notified their intention to “pass through” transportation and metering charges within the contract year.

Paragraph 4.2 qualifies the method to establish benchmark prices and 4.3 states that “on the reconciliation date, the commodity price (monthly weighted to the National Grid seasonal normal profile) will be reconciled against the benchmark price invoiced since the previous reconciliation date and an amount equal to the difference shall be invoiced to or credited to the customer.

NB In essence that means if you take less than you have estimated, Corona would have to sell any surplus back into the market.

If the price has increased over the original average purchase price, you are refunded the difference, but if the price has reduced, you are charged in full for any shortfall.

In their General (Fixed) Terms and Conditions, Paragraph 2.1 states the gas consumption threshold as being plus or minus 15% of the annual quantity. If sites are added or removed Corona reserve the right to reflect cost increase/decrease as appropriate, you should also take into consideration their statement under Paragraph 4.2 – Billing and Payment.

“If payment is not received by the due date (final date of any month) Corona Energy will charge interest of 4% above the base lending rate as published by Lloyds TSB Bank PLC and can also charge a late payment administration fee, increase the contract price to out of contract rates and prevent a customer transferring to another supplier by lodging an objection”.

The Account Manager would be Mary-Anne Sadler:

Telephone number: 01768 351085

E-mail: Mary-AnneSadler@coronaenergy.co.uk

Corona submitted the same price for a fixed or a flexible option and stated that due to anomalies on some of the database detail they had been given, they had not been able to make an offer for all members of the Consortium.

Note from YPO: Bids from other suppliers would indicate that, apart from the Wigan Investment, Centre (on which only E.ON made an offer) the other Shippers did not encounter any problems in retrieving post code or consumption data to enable them to table a bid.

The fixed price submission from Corona shows that out of a possible forty-seven portfolios, they only made offers on sixteen.

Their flexible offering cites six million therms as an acceptable sized clip. In total, the volume they made offers was 7,776,363 therms, which would prevent us buying any Gas from Corona on a flexible basis.

E.On Energy UK, Westwood Way, Westwood Business Park, Coventry, CV4 8LG

Submitted their General Terms and Conditions of Supply – Version Number 9 and also their Special Gas Tracker with Flexible Option Supplementary Terms Annex 1. There is no reference in the documents to charge any additional fees for late payments.

E.ON agreed to give YPO the ability to do everything outlined in the original tender guidance documents, which were forwarded to all prospective bidders prior to the Tender shot namely:

- The ability to fix all non-energy costs prior to contract start up.
- The ability to fix all volume prior to the start of this contract year.
- The ability to purchase in multiple quantities to fulfil the total volume requirement as appropriate.

The most important part of their offer is that they would not impose cash out (take or pay) and therefore under any Contract with E.ON there is absolutely no pressure on members to accurately nominate any likely consumption values for any contract year.

Joanne Buckley would be the Key Account Manager with strategic management of any contract with YPO. Joanne can be contacted by Mobile on 07879 802236 or e-mail at Joanne.Buckley@eonenergy.com, Joanne will be supported by Chris Daniel (Sales Support) and Deanne Knowles (Sales Support). Joanne works within the Public Sector Team within E.ON's groups business. The Public Sector Team specialise in supplying gas and electricity to local government, NHSPasa and Universities and Colleges.

The text on Page 5 of the report has been taken directly from the offer submitted by E.ON.

A dedicated team within the groups business based in Coventry will handle the billing of any contract awarded to E.ON. A 'family tree' of key contacts would be provided to each YPO Authority. The groups query resolution process is successful due to the interaction between the Key Account Manager, Sales Support and Portfolio Managers. The Key Account Manager is responsible for the overall strategic running of the contract and works closely with Sales Support and Portfolio Managers. If a contract is awarded the customer is assigned a named Sales Support and Portfolio Manager with whom they have direct contact. These colleagues can also attend customer review meetings if so required. Any billing queries are initially handled by the appointed Portfolio Manager, who may call for support from Sales Support or the Key Account Manager if required. Any registration queries are handled by the Sales Support Team, which ensures any proposal automatically generates the registration flows. Sales Support, Portfolio Managers and Key Account Managers work closely together and are all inter-dependant to ensure the speedy resolution to queries. **Ownership of the query remains with these key personnel until satisfactorily concluded.**

For the purpose of clarification, E.ON does not impose 'take or pay' clauses in their contracts and we are happy to include a contractual term in YPO Gas Contracts to this effect. Sites will be permitted to leave the contract without penalty and any additional sites will be priced on a fixed contract on prevailing market rates and joined onto the flexible contract on the next available anniversary.

Payment terms are 28 days BAC's/Cheque. Where payment is delayed due to disputed information or unforeseen circumstances, E.ON will work with YPO to the mutual benefit of both parties rather than impose punitive interest rates.

Added Value Services

E.ON will put an FSA approved advisor in place to interface with YPO Energy buyers. This service will help YPO with their purchasing decisions, as the service not only includes price trend advice as well as up to the minute advice on the best time and how much to buy.

Site work/ New Connections/Upgrades

The Energy Connections Team is also based at Coventry. They can provide the necessary infrastructure for energy supply and metering requirements as part of a total energy package. This means that you don't have to spend time contacting different service providers.

E.ON's team of experts have worked with a broad range of customers, from small businesses to large-scale industrial sites. So, whether yours is a new build, a conversion or an upgrade, our Business Energy Connections team provide a total energy solution for new connections, increased supply and metering solutions.

From the start you'll have one point of contact. The team will answer any questions and guide your installation project from conception to completion, providing you with a fully tailored utility solution.

Our bespoke approach helps us to move quickly, taking the hassle out of areas such as:

- new service and meter installation
- meter removal
- meter relocation
- service isolation
- establishing the infrastructure of your development site
- providing an outlet network
- creating an effective interface with your energy management system
- arranging service diversions
- increasing capacity
- carrying out upgrades
- removing redundant supplies and meters after site closure or redevelopment
- making sure that there is enough energy available when you need it

The process is very straightforward:

A Gas connection form needs to be requested from the Key Account Manager, completed and returned by e-mail. These forms can be provided electronically at the commencement of any contract to the YPO, the Council and if required their contractors.

The form will be checked and logged by a dedicated member of the E.ON Public Sector team and passed to a named contact in E.ON Energy Connections for pricing.

A quotation will then be sent to the named contact on the application form. Once the quotation is deemed to be acceptable, it must be signed and returned with the relevant payment.

A firm date to carry out the necessary work will then be given to the person who originated the enquiry.

Gaz de France, 1 City Walk, Leeds, LS11 9DX

Submitted their Fixed Term General Terms and Conditions dated 31st March 2008. Special attention should be given to Paragraphs 6.19 – Consumption Tolerance 6.19.2 – Consumption Threshold and 6.19.3 – Consumption Tolerance Forecast.

Paragraph 6.19. reads - “At the end of the supply period or, for contracts greater than 12 months, on an annual basis, we will compare invoiced consumption against the consumption tolerance forecast. If over the whole supply period, the total invoiced consumption is outside the consumption threshold, we shall be entitled to recover the additional costs of supply, calculated by reference to differences in volume and price for each month (as outlined at 6.19.1)”.

Paragraph 6.3 outlines their rights as follows. “If payment is not made by the (monthly) payment method, then we shall be entitled to charge you an administration fee in respect of each invoice (presumably for those remaining unpaid?).”

With specific regard to their flexible offering, there are serious concerns with regard to 5.1 – Addition of Supply Points and once again 6.3 – Charges and Payments.

5.1 – supply points may only be added or removed from the consortium as detailed in Clause 5 of the General Terms and Conditions.

The parties agree that new persons or bodies cannot be added to the Consortium and/or become party to the agreement without the agreement in writing of GDF.

Paragraph 6.3 imposes the General Condition within 6.19 of the General Terms and Conditions outlined above and would appear to indicate that they reserve the right to impose “take or pay/cash out” for any Gas booked but not used.

The GDF Account Manager is Leigh Brown:

Telephone: 0113 306 2113 Mobile: 07736 106 695
E-mail: leigh.brown@gazdefranceenergy.co.uk

Gaz de France offered a flexible proposal only and quoted for all sites apart from the Wigan Investment Centre and Ribble Valley District Council.

The offer is based on their best understanding of third party charges (metering and transportation). The costs details include transportation, metering and risk as at 9th September 2008. Gas de France stated they reserved the right to revise these costs in May 2009 prior to the Contract start date, which is 1st June 2009.

(Note: Effectively that means that we would not be able to establish our true first year costs until as late as May 2009, which is not satisfactory.) Due to the volatility of the market, Gaz de France respectfully reserves the right to amend or withdraw the proposals at any time prior to the receipt of any acceptance.

They included an appendix titled “Gas Day Ahead with Sellback Appendix to Gas Supply Contract: Terms of Business”.

The terms contained therein make reference to Balance of Month at Paragraphs A.1 to A.17 inclusive.

Paragraph D.1 requires YPO to set an initial consumption forecast (in therms) on a monthly basis for all its members and E.2 cites the fact that they reserve the right to amend the volume-weighted average price for any month of delivery as a result of a revision to the actual profiled consumption.

The paragraph concludes as follows. “Any such amendment shall entitle Gaz de France to perform reconciliation, following which, if performed, the amount of money from or to us shall be invoiced or credited to you (one assumes YPO) respectively, as soon as reasonably practicable.

Note from YPO: The option put forward by GDF will not permit the advanced notification of budgets, in that they can alter the standing charges up to one month before the contract year start up, plus one would possibly concur that their intention to reconcile estimated against actual consumption and apply cash out (take or pay) is a high risk strategy as far as YPO and its members would be concerned.

Following the purchase of Gas in May 2008, comparing the consumption values with those in the 2006 offers, it is apparent that our energy conservation/engineering colleagues are making concerted efforts to turn down thermostats to attempt to save gas, some sites could leave under PFI agreements, the Transforming Schools projects sees some Schools being replaced by larger Comprehensive and Sixth Form concepts, Housing Departments are being privatised and most important of all, the vast majority of our sites are non-daily metered with the majority being billed against estimated reads.

nPower Commercial Gas, Windmill Hill Business Park, Whitehill Way, Swindon, SN5 6PB

nPower are not yet in a position to offer a mature flexible contract for firm gas. They submitted the following statement to YPO via e-mail on 5 September 2008, which effectively asked to be excused from submitting any offers.

“The YPO Gas tender has come too soon for us, due to ongoing internal processes we have been undertaking, we are in the throes of revising our Flexible Terms and Conditions so effectively, we are not yet in a position to offer you what you require”.

That statement effectively means that the following will need a new shipper effective from 1st June 2009.

Batley Grammar School, Barnsley Business and Innovation Centre, Barnsley Premier Leisure, Knowsley MBC, Lancaster CC, the Magna Trust, Rotherham MBC (trying to move some sub 2500 sites anyway), City of York – sub 2500, South Yorkshire Police – sub 2500, Oakbank School, Ryedale DC, Salford College, Selby College, South Lakeland DC, University of Bradford, the City of Wakefield MDC and Wakefield Housing.

Existing Shell Gas Direct customers - City of York, Doncaster MBC and South Yorkshire Police will also need a new supplier, as Shell did not apply for the documents of tender to permit them to make an offer.

Price Consumption Comparisons

Fixed Price Contracts

A schedule showing the fixed charges for a fixed price contract is attached for your portfolio. The fixed price comparisons show the charges that the shippers will charge for the fixed parts of their price matrix (excluding the raw costs of gas). The costs are shown in both pence per kilowatt-hour and pence per therm.

The charges for risk and management is the price they need to protect them against price “swing” during the Contract year and their operating profit and administration overheads. Their transportation charges mirror the cost of delivering the gas through the grid to your meter.

In essence these costs are announced and are usually increased in June and October of each year. The transportation costs are the same for each Shipper. We have asked Suppliers to quote fixed costs for June 2009 to May 2010. As these figures have not yet been published, the prices quoted by each Shipper on the bid sheets mirror the current costs, plus percentage uplift, showing what they think the transportation rates could be in June 2009. GDF and Corona have since the offers were made already been in touch to state they would pass through an increase (circa 13%) were they to be awarded business from 1st June 2009. E.ON and BG have allowed for an increase in their price offerings.

The metering cost is the charge applied appropriate to the type of meter you have on each of your sites as published in the National Grid Scale of Charges, again usually in June of each year.

In making your decisions, please bear in mind that British Gas will expect payment in 14 days. If you cannot meet that requirement, they will apply 0.007 pence kilowatt-hour for 21 days and 0.009 pence kilowatt-hour for 30 days. In pence per therm, that equates to 0.205p/therm for 21 days and 0.26p/therm for 30 days.

Corona insist on a threshold of plus or minus 15% of the estimated annual quantity being used. If sites are added or removed, they reserve the right to increase/decrease their costs as appropriate.

If payment is not made by the final date of the month, interest of 2% above base rate as published by Lloyds TSB PLC can be charged, plus they reserve the right to charge a late payment fee, increase the contract price and lodge an objection preventing any transfer to another Shipper.

E.On require payment in 28 days by BAC's or cheque and where payment is delayed due to any disputed information, they pledge to work with YPO to the mutual benefit of both parties. Under no circumstances will punitive interest rates be applied.

Fixed Charges – Flexible Contracts

Corona, Gaz de France and British Gas would expect YPO members to nominate a consumption figure at the start of the supply period and expect that amount of gas to be taken. Due to the fact that we are using non-daily read meters and colleagues are obviously attempting to save energy it would not be prudent to enter any contract that permits a supplier to carry out any form of reconciliation. Because we do not have access to accurate actual data, to accept such an agreement would grant licence for a shipper to “pass through” additional costs, which are commonly referred to as “cash out” or “take or pay”.

E.On Energy does not impose any reconciliation charges and therefore there is no pressure on Local Authorities and Public bodies to nominate and more importantly commit to take or pay for any consumption.

If all YPO Gas Contract users agree to permit YPO to buy flexibly the Gas required to supply sites would be bought in clips prior to the contract start date and an average of the price of all purchases made. This average would then be added to the published fixed charges on the bid sheet for risk/management, transportation and metering, to provide a fully rolled up price of the gas prior to the contract year start date. This can then be shaped to suit the various profiles required by each authority re: large, small and sub 2500 (or more categories as required and as appropriate for any/all Authorities or Public undertaking).

The flexible price sheet element shows the fixed charges submitted by E.On only. As outlined already there is no obligation to take any nominated amount of gas.

Such an offer will permit YPO to buy gas without the threat of unforeseen “pass-through” or surcharge to give absolute price certainty.

Special Note

Some of our authorities embed a rebate in their gas prices to provide an income stream to fund energy conservation initiatives within their organisations.

Once you have identified your preferred supplier and price option (fixed or flex) we will ask you to confirm in writing the level of rebate you require to be included directly with your selected supplier with an indication as to the frequency and method of payment required.

At this stage, , rebate for any authority **has not** been included in any price comparison. In making the arrangements to embed rebates, with the greatest of respect, YPO cannot collect these payments on any authority's behalf and cannot be held responsible , on the grounds that it is direct transaction between the shipper and the appropriate authority/public body making the request for payment.

Next Steps

If you wish YPO to buy your gas on a flexible basis from 1st June 2009, once we have written confirmation of that fact, we will ask E.On to draw up a gas tracker proposal for you to sign. The document will bear the details that appear on gas bid document sent as an attachment to this report.

An estimated consumption value together with fixed charges in pence per kilowatt-hours and therms will also be stated.

Once signed the document gives authority to aggregate your demand with that of others in the consortium to enable YPO to procure the gas in minimum “clips” of not less than four million therms per day. In parallel with the document you are required to sign, E.On will require YPO to sign Form V1ECM Draft One, which identifies YPO as your authorised agent to buy your gas.

For any public body/local authority who do not wish to have their gas bought on a flexible basis after reference to the relevant wholesale indicators, YPO will lock the price out in a single purchase.

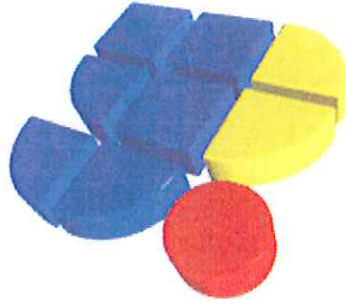
Consortium Wide Offer – Flexible Contract – E.On Energy Ltd

As well as your individual price sheet please find attached a separate bid document submitted by E.On Energy. This offer aggregates the total demand available through the consortium for firm gas and effectively would mean that every authority would have the same fixed charges. As previously outlined YPO would then buy clips of gas to fulfil the total consumption and an average price of these purchases would be added to the fixed charges and then multiplied by the estimated consumption value. Depending on each authority’s desired profile the offer could be customised to reflect large, small and sub 2500 sites as appropriate for each authority party to the agreement.

YPO Energy

19 September 2008

2



AUTHORITY **LANCASTER CITY COUNCIL**

ANNUAL CONSUMPTION VALUE

Kwh **15,439,573**

THERMS **526,820**

FIXED CHARGES – FIXED PRICE CONTRACT – IN PENCE

Company	Risk/ Management kWh	Transportation Metering kWh	Risk/ Management Therms	Transportation Metering Therms	Total Cost KWh	Total Cost Therms	Overall Percentage Score
E.On	0.087	0.486	2.550	14.243	0.573	16.793	92
BG	0.120	0.462	3.510	13.530	0.582	17.040	91
Corona	0.149	0.450	4.360	13.190	0.599	17.55	88

FIXED CHARGES – FLEXIBLE PRICE CONTRACT – IN PENCE

Company	Risk/Management kWh	Transportation Metering kWh	Risk/Management Therms	Transportation Metering Therms	Total Cost kWh	Total Cost Therms
E.On	0.072	0.486	2.110	14.243	0.558	16.353

YPO GAS MINI-TENDER REF: 000145-EON FLEX

Council	Consumption		Risk / Management		Transportation/Metering	
	Kwh	Therms	Kwh	Therms	Kwh	Therms
Barnsley MBC	60,204,147	2,054,251	0.074	2.161	0.512	15.005
Barnsley Business & Innovation Centre Ltd	990,899	33,811	0.079	2.301	0.605	17.731
Barnsley Colleges	4,935,004	168,389	0.083	2.436	0.545	15.972
Barnsley Premier Leisure	1,583,770	54,040	0.069	2.015	0.382	11.195
Batley Grammar School	4,300,876	146,752	0.091	2.681	0.543	15.914
Bolton MBC	106,057,379	3,618,829	0.074	2.161	0.509	14.917
Bradford	201,311,832	6,869,046	0.074	2.178	0.465	13.628
Bury	59,303,218	2,023,510	0.074	2.154	0.526	15.416
Calderdale	58,841,268	2,007,748	0.075	2.192	0.492	14.419
Chorley	3,371,850	115,052	0.078	2.277	0.595	17.438
City Of York Council	73,310,097	2,408,821	0.228	6.683	0.458	13.423
Craven DC	5,416,017	184,802	0.066	1.947	0.369	10.814
Doncaster Metropolitan Borough Council	158,094,236	3,614,321	0.069	2.030	0.366	10.726
East Choice Homes Oldham	43,364,342	1,479,653	0.068	1.993	0.426	12.485
Greater Manchester Fire Service	17,522,253	597,884	0.076	2.216	0.565	16.559
Humberside Police	13,939,543	475,637	0.225	6.586	0.450	13.188
Kirklees	132,400,372	4,517,689	0.077	2.250	0.494	14.478
Knowsley Metropolitan Borough Council	77,655,303	2,649,710	0.076	2.229	0.531	15.562
Lancaster City Council	15,439,573	526,820	0.072	2.110	0.486	14.243
Magna Trust	8,233,696	280,945	0.066	1.938	0.312	9.144
North East Lincs	50,346,856	1,717,906	0.073	2.153	0.511	14.976
NYPD	7,243,896	247,172	0.078	2.275	0.483	14.155
Oakbank School	4,523,238	154,339	0.073	2.146	0.379	11.107
Ribble Valley	1,129,675	38,546	0.080	2.344	0.638	18.698
Rotherham	134,519,353	4,218,604	0.073	2.149	0.483	14.155
Rotherham Borough Council	10,884,290	371,387	0.085	2.484	0.714	20.925
Ryedale District Council	2,837,271	96,812	0.035	1.027	0.421	12.338
Salford College	1,548,042	52,821	0.241	7.060	0.642	18.815
Scarborough	14,045,934	479,267	0.080	2.336	0.512	15.005
Selby College	1,397,975	47,701	0.234	6.849	0.512	15.005
Sheffield	249,268,588	8,505,399	0.072	2.116	0.509	14.917
Sheffield Hallam	9,626,996	328,487	0.071	2.090	0.483	14.155
South Lakeland District Council	11,460,329	391,043	0.070	2.066	0.490	14.360
South Yorkshire Fire	3,584,427	122,306	0.078	2.276	0.598	17.526
South Yorkshire Police Force	11,176,799	381,368	0.076	2.229	0.568	16.646
St. Helens MBC	49,430,692	1,686,646	0.076	2.231	0.526	15.416
Stoke	48,522,543	1,655,658	0.076	2.217	0.513	15.035
Trinity and All Saints	5,940,612	202,702	0.070	2.056	0.329	9.642
University Of Bradford	37,728,134	1,287,338	0.080	2.342	0.470	13.774
Wakefield College	4,763,258	162,529	0.079	2.328	0.492	14.419
Wakefield Metropolitan District Council	147,054,971	5,017,725	0.077	2.245	0.488	14.302
Walsall	100,899,211	3,442,825	0.079	2.301	0.544	15.943
Warrington BC	50,213,921	1,713,371	0.077	2.254	0.555	16.265
West Lancashire District Council	13,877,740	473,528	0.086	2.515	0.714	20.925
West Yorkshire Police	26,427,221	901,734	0.078	2.273	0.503	14.741
Wigan	84,180,184	2,872,348	0.076	2.241	0.545	15.972
Wigan Investment Centre	440,956	15,046	0.077	2.265	0.572	16.764
YPO	2,944,126	100,458	0.091	2.679	0.564	16.529
<hr/>						
2,132,292,913	70,512,780	0.081	2.373	0.493	14.434	

29.3371 Therms

CABINET

**Williamson Park Company - Update
11th November 2008**

Corporate Director (Regeneration)

PURPOSE OF REPORT			
Further to the report received in October 2008 to provide Cabinet with an update on Williamson Park.			
Key Decision		Non-Key Decision	Referral from Corporate Director
			X
Date Included in Forward Plan		N/a	
This report is public			

RECOMMENDATIONS

- (1) That Cabinet notes the update and that they receive a further report back on the long term future viability of the Company as part of the 2009/10 budget process pending the outcome of the reviews - approved by Cabinet on the 7th October 2008 (Minute 76 [08/09]) below refers.
- (2) That the Williamson Park Board be requested to support proactive action being taken to minimise the Company’s spending during this interim period, pending its long term future viability being determined.
- (3) That Cabinet notes that the involvement of various City Council Services, as outlined in the report, who are supporting the Williamson Park Board will have an impact on their abilities to deliver against each of their respective Business Plans and Performance targets.

1.0 Introduction

1.1 On the 7th October 2008, Cabinet considered a report that contained a request from the Williamson Park Board for both operational and financial assistance in order to secure the long term viability of the park. Members resolved (Minute 76 [08/09]) refers:-

- (1) Cabinet notes the request from the Williamson Park Company for further council support and agrees the following :-
 - Endorse the action taken under urgent business procedure in respect of interim management arrangements within the Park as a result of staff sickness absence.

- That Financial Services provide interim financial management support for the Company, the exact extent of the support to be determined by the Head of Financial Services, in conjunction with the Head of Cultural Services, following a review of the current arrangements.
 - That the Council provides short term cash flow support to the Company pending a full review of the financial position.
- (2) That Cabinet receives a further report back on the long term future viability of the Company as part of the 2009/10 budget process pending the outcome of the reviews detailed above and receives a report on the latest position at the next Cabinet meeting
- 1.2 Since that meeting, council officers have continued to support the Company but in particular, emphasis has been concentrated on:-
- Providing interim operational management (by Cultural Services) for the continued operation of the park on a day-to-day basis
 - Financial Services preparing a revised budget for the current financial year
- 1.3 The continued staff sickness absence of the Williamson Park General Manager has made operational management of the park very challenging and demanding for Cultural Services, in that the systems of operation and management within the park are quite different from procedures and systems that the City Council operates. The lack of access to documented operating and management procedures means that Cultural Services is having to spend significantly much more time than anticipated in addressing a range of issues, some of which have an impact in terms of Human Resources and Finance, etc. To illustrate the above, to-date Cultural Services has not been able to access definitive information relating to staffing structures. Cultural Services and HR are working to address and resolve the above. Further related to the above, payroll services is not provided by the Council and undertaken using a computer package known as "Sage" – that includes both weekly and monthly payments. Officers from Cultural Services are now operating this stand alone system until more permanent options can be considered. As stated above, the scale of the tasks are significant for a number of services within the City Council, including;- Cultural Services, Financial Services, Audit, HR and Legal Services and are, or will have an impact on their abilities to deliver against each of their respective Business Plans and Performance targets.
- 1.4 Initial work undertaken to-date by Cultural Services shows that as of the end of October 2008, the interim cash flow support that Williamson Park will need is approximately £35,000. This will increase as the year progresses and future updates on the position will be provided during the budget, but measures have been taken to limit spending to cover only essential items, and other options to limit the Company/Council's exposure will also be considered. It is recommended that the Board support such proactive action during this interim period. Prior to any actual bank transfers being made, the supporting documentation will be verified by Financial Services accordingly.
- 1.5 It is important to note that the above figure does not represent a revised budget for the current financial year. Cultural and Financial Services will continue to work along side each other to determine the Park's up to date budgetary and cash flow positions. The 2008/09 and longer term financial viability of the Park will be reported on as part of the 2009/10 budget process.

2.0 Conclusion

- 2.1 The request for additional operational and financial support from the Council provides an opportunity for the Cabinet to revisit its previous decision regarding the options for the long term viability of the Company. It is therefore recommended that Cabinet receives further reports back on the current position and the long term future viability of the Company as part of the 2009/10 budget process once officers have determined the effectiveness of the current arrangements.

RELATIONSHIP TO POLICY FRAMEWORK

Williamson Park is a major attraction for both residents and visitors alike. Its long term viability is a key priority in both the Council's Regeneration and Tourism strategies which recognise it as a place of national, regional and local importance. Its work with the Dukes Playhouse, other touring production companies, local event organisers, and local schools, is an integral part of the council's Cultural offering.

CONCLUSION OF IMPACT ASSESSMENT

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

None directly from this report.

FINANCIAL IMPLICATIONS

Officers of the council continue to provide support for the company although this is not recognised by way of formal service level agreements. In Financial Services providing more support, this will be at the expense of other work – most likely to be the Council's own budget development and financial monitoring. It is not yet clear, however, what level of service can be provided to the Company, and to what extent this will impact on the quality or timeliness of budget information.

In terms of cash flow, again it is not yet possible to place a ceiling on the maximum amounts involved, but an early indication shows that an immediate cash injection of £35,000 is required, though this figure is still to be verified by Financial Services. Per month, this would cost around £160 and so it is immaterial when compared with the Council's overall investment interest budget – though clearly the current difficulties with investments in Icelandic Institutions mean that the treasury management position overall is very uncertain. This is covered within the Medium Term Financial Strategy Update elsewhere on the agenda.

Also, until the preparation of a revised revenue budget for 2008/9 has been completed, it is impossible to say exactly what the further request for financial assistance may mean ultimately for the Council. The proposed review of the existing financial management arrangements will, in conjunction with the revised revenue budget, allow the extent of the assistance to be calculated and considered as part of the 2009/10 budget exercise.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and her comments incorporated into the report.

LEGAL IMPLICATIONS

Legal Services have been consulted and have no comments to add to those in the original report.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

None.

Contact Officer: David Owen

Telephone: 01524 582820

E-mail: dowen@lancaster.gov.uk

Ref:

CABINET

**PROPOSALS TO FORM A MORECAMBE BAY AND
DUDDON REGIONAL PARK**

11 November 2008

Report of the Head of Planning Services

PURPOSE OF REPORT				
To inform Members of the conclusions of the Scoping Study commissioned by the Morecambe Bay Partnership and to obtain approval to support the creation of the designation and take part in its implementation.				
Key Decision	X	Non-Key Decision		Referral from Cabinet Member
Date Included in Forward Plan		October 2008		
This report is public				

RECOMMENDATIONS OF COUNCILLOR EVELYN ARCHER

- (1) That Cabinet resolves to support the designation of a Morecambe Bay and Duddon Regional Park.
- (2) That a lead Cabinet Member be appointed to sit on developmental working groups or Committees in the event that adjoining authorities agree to pursue designation.
- (3) That the Chief Executive be authorised to pursue the designation in cooperation with other partner authorities.

1.0 Introduction

- 1.1 Morecambe Bay is one of 9 potential Regional Parks identified in the North West Regional Economic Strategy. Regional Parks already exist in the UK and overseas but there is no fixed model. They have common themes of sustainable communities and investment in the environment, recreation and tourism. There are already Regional Parks covering the Mersey Waterfront and Ribble Estuary.
- 1.2 There has been a scoping study commissioned by the Morecambe Bay Partnership to assess whether there are potential benefits associated with designating Morecambe Bay as a Regional Park. The study looked at two tests :

- a) Whether better collaboration between the authorities around the Bay might be a useful addition to locally focussed activity unlocking investment.
- b) Whether beneficial projects might be delivered, which may otherwise be unlikely to proceed.

1.3 Over 20 stakeholders were consulted and there was widespread support. Most saw the Regional Park as having the potential to promote sustainable development, green infrastructure and tourism alongside the environmental protection which is key to the Bay's fortunes.

1.4 Officers from the Planning Service were able to provide input on behalf of the City Council. Copies of the consultants' report, and an accompanying report prepared by students from Liverpool University are attached for Members' consideration.

2.0 Proposal Details

2.1 The study concludes that a Regional Park would satisfy both the tests and steps now need to be taken to establish whether there is a consensus to move forward. There are currently weak levels of collaboration around the Bay, although the Morecambe Bay Partnership on which this authority is well represented, brings together many of the interest groups around it. From initial Officer meetings to discuss the findings it appears clear that the case for a Regional Park designation needs to be specifically fitted to the activities and resources of the partnerships around the Bay and to be driven by tangible and affordable benefits. There will be little interest in duplicating activities so replacing existing activities or rebranding to encourage wider interest will be to most receptive message.

2.2 It is believed that those benefits for the specific stakeholders (and particularly local authorities) around the Bay could be summarised as :-

- A clear statement of spatial planning objectives reflecting the Regional Spatial Strategy objectives for sub regional partnerships and cross administrative boundary cooperation.
- A shared brand capable of complementing, but not competing against the higher profile Lake District "attack brand". This brand could be used for marketing tourism, regeneration investment, higher education and even housing delivery.
- The natural evolution of the Morecambe Bay Partnership into a Management Board to ensure continuing collaboration between statutory bodies the business and voluntary sector.
- A clear sub-regional justification for supporting key projects which can be demonstrated to provide benefits beyond current administrative boundaries.

2.3 Duplication can be avoided in a number of ways. All Councils are being asked to examine their spatial and geographical relationships with their neighbours and these have to be reflected in the work of their Local Strategic Partnerships, and their Local Development Frameworks. The designation of a Regional Park and creation of cross boundary working arrangements would create the opportunity to enter into a Multi Agency Agreement of the form advocated in the Sub National Review.

2.4 All the authorities around the Bay are involved in marketing whether it is for regeneration or tourism purposes. Re aligning this to a newer and wider brand need not involve greater cost and might even involve some savings. A good example of multi authority co-operation with a single brand would be the Forest of Bowland Tourism marketing for Bowland festival and themed visits.

- 2.5 The Genecon study identified a number of key regeneration projects around the Bay which are already in the process of design or implementation. Interlinking them with a wider regeneration strategy around the bay adds complementary weight to their justification and outputs with very little need to re-design them. In cases where proposed projects require funding or review, this new sub regional spatial linkage can only strengthen the case for such projects and not weaken it.
- 2.6 There will inevitably be the concern that the creation of a Morecambe Bay Regional Park would result in the creation of another level of bureaucracy or the specific loss of powers and influence to another body such as happens with the Lake District National Park Authority. This need not be the case. There are already models of partnership between various agencies which act in a coordinating role rather than a managing one. AONB Partnerships such as those active for Arnsdale/Silverdale and the Forest of Bowland are good examples. Clearly there would be a need to administer any Management Board to enable member organisations to decide which initiatives could be carried out independently or shared, but like an AONB management function, these could be undertaken by a lead authority, or by a jointly funded partnership office. Under the latter model the Morecambe Bay Partnership Officers could be evolved into an administrative unit for a Management Board
- 2.7 The next stage is to obtain general support and consensus from the local authorities and other partnerships and organisations around the Bay for the concept and to open discussions on how the Park might operate its terms of reference, and its geographical boundaries. A conference will be held on 16th October to place the concept in front of interested organisations with the specific purpose of trying to enlist support.

3.0 Details of Consultation

- 3.1 The Arnsdale/Silverdale AONB Executive Committee has expressed support for the designation of a Regional Park.
- 3.2 The City Council's Planning and Economic Development Services believe that such a designation would be very beneficial to the City Council and would help to define the role of the local authorities around the Bay in a joined up approach to regeneration, conservation and tourism.
- 3.3 Lancashire County Council have also expressed informal support at Member and Officer level.
- 3.4 If a decision is made by all the relevant authorities to pursue designation widespread stakeholder consultation will be carried out before formal designation took place.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 **Option 1** To support the concept of a Regional Park and to allocate Officer and Member time to working with adjoining local authorities and other partners to develop it to designation. This option has the benefit of identifying a clear spatial network of local authority areas with shared interests and challenges, and to demonstrate to Government and funding agencies a joined up approach to regeneration. It would also demonstrate to Government that the local authorities in the North Lancashire and Cumbria sub region know how to work together to achieve the greatest benefits for their communities and the economy of their area.
- 4.1 **Option 2** Not to support the concept and to take no further part in discussions with the Morecambe Bay Partnership. Whilst this option would not directly harm the existing levels of progress that the City Council is achieving with its LDF and other

regeneration strategies, it would lose the opportunity for the City Council to take a leading role in improving cross boundary cooperation in the sub region, and could reduce the potential for external funding for schemes and projects in the future. It would also remove the potential for a realistic Multi Area Agreement based on recognisable geographical links, and leave Lancaster District appearing as a lone District operating beyond other emerging partnerships in an insular manner.

5.0 Officer Preferred Option (and comments)

5.1 The Officer preferred option is Option 1. Lancaster City Council has an opportunity to take a leading role in the development of the Morecambe Bay Regional Park and to use its experience and reputation with various Government Agencies to strengthen the level of external investment in the economy around the Bay. The Park would also help to strengthen the hierarchical status of the District in the Sub Region and create opportunities to share workload and resources in tackling shared challenges such as Affordable Housing, regenerating low demand settlements, and managing sensitive conservation assets.

6.0 Conclusion

6.1 It is concluded that there are significant benefits to the communities in Lancaster District which could arise from the designation of a Morecambe Bay Regional Park, and that the City Council should support its development.

RELATIONSHIP TO POLICY FRAMEWORK

The proposal has a good strategic fit with a number of national, regional and local policies. It could provide the framework for a Multi Area Agreement in line with the Sub National Review. It recognises the spatial relationships around the Bay in line with the objectives of the Regional Spatial Strategy. Finally it fits well with the linkages with other communities identified in the Councils Adopted Local Development Framework Core Strategy. The objectives of the Corporate Strategy can also be advanced more effectively through the designation of a Regional Park.

**CONCLUSION OF IMPACT ASSESSMENT
(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

The designation can assist significantly in helping to revive communities which suffer from deprivation and under investment around the Bay. It can enhance services locally and advance the principles of sustainable procurement and tourism. It can also address issues of rural poverty and affordable housing by pooling resources and lobbying power to tackle these issues.

FINANCIAL IMPLICATIONS

Initially costs of working to designation will involve officer time and some service based resources which will be absorbed within current budgets. In addition, there will also be an element of Member time required. Further scoping and development work is likely to attract funding from the Regional Parks Exchange and Morecambe Bay Partnership are seeking to attract circ £25,000 developmental costs. Successful designation is likely to have the effect of securing external funding for projects from the North West Development Agency and English Partnerships because projects relating to cross boundary sub regional initiatives are likely to take higher priority.

In the medium term some level of annual funding may be required to contribute to the operation of a partnership board; there is scope for £3,400 currently budgeted for contribution to Morecambe Bay Partnership to be reallocated in full or part for this purpose.

In the long term joint working on issues such as a combined Local Development Framework may result in shared funding agreements emerging for each of the partner authorities and this would be the subject of a further report to Members.

DEPUTY SECTION 151 OFFICER'S COMMENTS

Initial costs associated with option 1 are capable of being absorbed within current budgets. If the Council collaborates in the successful designation of a regional park, it is likely to be expected to provide funding for the operation of a management board. Members are advised to recognise this commitment and be mindful of the need to consider any potential financial implications as future years budgets are developed

LEGAL IMPLICATIONS

If option 1 is recommended Legal Services will advise on the consideration of the opportunities for joint working and procurement of services. In addition, to formalise these arrangements, should the scheme proceed, Legal Services would advise and assist in the preparation of any documentation necessary to achieve the objectives referred to in this report.

MONITORING OFFICER'S COMMENTS

The monitoring officer has been consulted.

BACKGROUND PAPERS

Morecambe Bay and Duddon Regional Park: Developing the Concept. GENECON May 2008.
Morecambe Bay and Duddon Estuary Regional Park: University of Liverpool June 2008.

Contact Officer: Andrew Dobson. Head of Planning Services.
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CABINET

**PAY AND GRADING STRUCTURE
11th November 2008**

Report of Chief Executive

PURPOSE OF REPORT			
To advise Cabinet of the progress on the development of a Pay and Grading Structure since its last meeting on the 7th October 2008.			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date Included in Forward Plan		October 2008	
This report is public			

RECOMMENDATIONS OF COUNCILLOR KERR

(1) That progress be noted.

1.0 Introduction

- 1.1 At its meeting on the 7th October 2008, Cabinet received an update on the Fair Pay process and the development of a new pay and grading structure. It was reported that significant work had been undertaken and that a range of options had been developed which officers were rigorously checking. It was reported that it was proposed to consult with the trade unions and bring the proposed pay and grading structure to Cabinet at this meeting, although there were risks attached to this timetable in the light of the consultation exercise.
- 1.2 Three pay and grading structures were presented to the Joint Consultative Committee (JCC) at its meeting on the 8th October 2008. These are attached as Appendix 1 to this report. Each model is based on the salary scale projected forward to pay rates for 2009/10 and sets out the grades in the new structure with the spinal column points. The job evaluation points allocated for each grade are also shown.
- 1.3 The JCC also received a report on a proposed draft Market Supplement Policy. Many organisations pay market supplements when the grading determined by evaluation of a post may lead to an inability to recruit and retain employees due to a variance between the internal grading structure and the external market. Market supplements are recognised under equal pay legislation if there is a material reason to justify paying more than other posts which are graded similarly, and provided that any market supplement is reviewed regularly.

- 1.4 In addition to the salary scale, there are a number of other pay and non-pay elements which need to be agreed as part of the overall package. These include bonus payments, unsocial hours and shift allowances, standby payments, overtime payments, tied tenancies, sickness, holidays and leased cars. It was reported to the JCC that negotiations were ongoing with the trade unions on these items.

2.0 Financial Considerations

- 2.1 The costings associated with the three structure options put forward are subject to two main variables, firstly the outcome of appeals and secondly the application of the Market Supplement policy. However, the basic financial implications are based on pay protection being applied in line with the agreed policy, an assumption that annual salary turnover savings will be £100,000 greater than currently estimated, which is in line with the average outturn position for the last three years, and full application of the Job Evaluation Reserve (£718,000). The Reserve was created to help fund anticipated transitional costs associated with Fairpay, including back pay and pay protection. It does not need to be used for equal pay claims, however, as a separate provision is held specifically for that purpose.
- 2.2 Taking on board these assumptions, and looking at the overall 3 year position in line with the medium term revenue planning cycle, the initial estimated cumulative impact on the budget for each structure is currently as follows :

		2009 - 2012
		Years 1 to 3
		£
Structure.9.5.4 (Extended Grades):	Cumulative Cost	438,000
	Less Use of Reserve	(718,000)
	Less Assumed Increase in Turnover	<u>(308,000)</u>
	Cumulative Net Position	(588,000)
Structure 9.5.4 (Original Grades)	Cumulative Cost	717,000
	Less Use of Reserve	(718,000)
	Less Assumed Increase in Turnover	<u>(308,000)</u>
	Cumulative Net Position	(309,000)
Structure 9.5.4.2 (Extended Grades)	Cumulative Cost	844,000
	Less Use of Reserve	(718,000)
	Less Assumed Increase in Turnover	<u>(308,000)</u>
	Cumulative Net Position	(182,000)

- 2.3 These figures cover all Council services, i.e. General Fund and Council Housing (i.e. Housing Revenue Account).
- 2.4 As mentioned earlier though, the above figures will be adversely affected by the application of the Market Supplement Policy and the outcome of negotiations and appeals etc. Should these change the position from a net saving to a cost, then a further review of the grading structures will be undertaken in line with the planned process, to try to ensure as far as possible that a cost neutral position is achieved. Should this not be possible, then it would also be necessary to consider service restructures to ensure the overall staffing budget is not exceeded in the medium term.

- 2.5 In addition to looking at the three year position, however, each structure has also been projected over a ten year period to assess the maximum possible financial impact, i.e. worst case, with every employee at the top of their new pay scale. When compared with the maximum annual costs of the current pay bill, the results are as follows:

		Year 10
Structure 9.5.4 (Extended Grades)	Additional annual cost	£235,000
Structure 9.5.4 (Original Grades)	Additional annual cost	£762,000
Structure 9.5.4.2 (Extended Grades)	Additional annual cost	£1,019,000

- 2.6 This shows that the three structures could add between £235K to just over £1M to the maximum annual pay bill. It is highly unlikely that this position would ever be reached, as staff turnover ensures that there is always some progression through the grades, but this longer term position does need consideration and it will need addressing. In essence, it represents a further financial risk for the Council and would mean that some restructuring savings would be needed in order for the new pay and grading structure to be cost-neutral in the longer term (if not in the medium term), to ensure costs are contained within the budget framework.
- 2.7 All the financial information and projections will continue to be checked, updated and reviewed further as the pay and grading structure is developed. Furthermore there may well be other financial implications arising as a result of the negotiations on other benefits, and also more detailed analysis between the respective Funds of the Council will be provided.
- 2.8 Personnel Committee is due to meet on the 10th November 2008, and will receive the above financial information, together with an update on progress on the consultation and negotiation with the trade unions on the new pay and grading structure. A similar update will be provided to Cabinet at this meeting. Members will appreciate that because consultation and negotiations are ongoing, it is not possible to provide this information at the time of publication of this agenda. The Personnel Committee will also be asked to approve a Market Supplement Policy, taking account of any comments received as part of the consultation process.

3.0 Details of Consultation

- 3.1 Consultations and negotiations are continuing through meetings between the Human Resources Manager and those trade union representatives who have been involved throughout the job evaluation process, and through Single Status meetings. At the JCC it was agreed that the trade unions would provide the Human Resources Manager with full details of the information they were requesting to enable them to consider the proposed structures, and this is ongoing.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 At this stage, Cabinet is simply being asked to note progress.

5.0 Conclusion

5.1 This report provides Cabinet with details of the model pay and grading structures being considered, and financial information about each.

<p>RELATIONSHIP TO POLICY FRAMEWORK</p> <p>The Council is committed to good standards of employment practice and to the principles of equality. The Fair Pay project will ensure that pay and grading is fair, and that posts are remunerated based on an objective assessment of their relative value to the organisation. The Council is firmly committed to the principle of equality.</p>	
<p>CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</p> <p>Implementing a pay and grading review will ensure that remuneration arrangements and grading structures are fair, and that the Council is able to defend future equal pay claims.</p>	
<p>FINANCIAL IMPLICATIONS</p> <p>As contained within the body of the report.</p>	
<p>SECTION 151 OFFICER'S COMMENTS</p> <p>The s151 Officer has been consulted and her comments reflected in the report. At this stage, for financial planning purposes, the Fairpay exercise is assumed to be cost neutral (allowing for the assumed increase in staff turnover savings, which should be noted,) but the work undertaken so far starts to give an initial assessment of the potential financial risks facing the Council and this can be factored into the planning process. Any updated financial information will also be incorporated into the budget process and reported accordingly.</p>	
<p>LEGAL IMPLICATIONS</p> <p>There are no legal implications arising directly from this report.</p>	
<p>MONITORING OFFICER'S COMMENTS</p> <p>The Monitoring Officer has been consulted and has no further comments.</p>	
<p>BACKGROUND PAPERS</p> <p>None</p>	<p>Contact Officer: Elaine Frecknall Telephone: 01524 582052 E-mail: efrecknall@lancaster.gov.uk Ref:</p>

**EXTENDED
GRADE
STRUCTURE**
9.5.4

SCP	£	Scores
4	12,163	0 - 267
5	12,331	268 - 332
6	12,510	333 - 390
7	12,913	391 - 435
8	13,320	436 - 486
9	13,724	487 - 531
10	14,011	532 - 585
11	14,916	586 - 642
12	15,225	643 - 689
13	15,635	690 +
14	15,920	
15	16,253	
16	16,644	
17	17,038	
18	17,373	
19	18,023	
20	18,682	
21	19,363	
22	19,865	
23	20,449	
24	21,116	
25	21,785	
26	22,496	
27	23,242	
28	24,001	
29	24,952	
30	25,788	
31	26,602	
32	27,387	
33	28,194	
34	28,991	
35	29,598	
36	30,383	
37	31,233	
38	32,147	
39	33,206	
40	34,078	
41	34,976	
42	35,869	
43	36,763	
44	37,667	
45	38,512	
46	39,444	
47	40,348	
48	41,245	
49	42,132	
50	43,024	

**ORIGINAL
GRADE
STRUCTURE**
9.5.4

SCP	£	Scores
4	12,163	0 - 267
5	12,331	268 - 333
6	12,510	334 - 387
7	12,913	388 - 435
8	13,320	436 - 487
9	13,724	488 - 537
10	14,011	538 - 589
11	14,916	590 - 639
12	15,225	640 - 691
13	15,635	692+
14	15,920	
15	16,253	
16	16,644	
17	17,038	
18	17,373	
19	18,023	
20	18,682	
21	19,363	
22	19,865	
23	20,449	
24	21,116	
25	21,785	
26	22,496	
27	23,242	
28	24,001	
29	24,952	
30	25,788	
31	26,602	
32	27,387	
33	28,194	
34	28,991	
35	29,598	
36	30,383	
37	31,233	
38	32,147	
39	33,206	
40	34,078	
41	34,976	
42	35,869	
43	36,763	
44	37,667	
45	38,512	
46	39,444	
47	40,348	
48	41,245	
49	42,132	

**EXTENDED
GRADE
STRUCTURE**
9.5.4.2

SCP	£	Scores
4	12,163	0 - 267
5	12,331	268 - 333
6	12,510	334 - 391
7	12,913	392 - 435
8	13,320	436 - 487
9	13,724	488 - 549
10	14,011	550 - 602
11	14,916	603 - 645
12	15,225	646 - 694
13	15,635	695 +
14	15,920	
15	16,253	
16	16,644	
17	17,038	
18	17,373	
19	18,023	
20	18,682	
21	19,363	
22	19,865	
23	20,449	
24	21,116	
25	21,785	
26	22,496	
27	23,242	
28	24,001	
29	24,952	
30	25,788	
31	26,602	
32	27,387	
33	28,194	
34	28,991	
35	29,598	
36	30,383	
37	31,233	
38	32,147	
39	33,206	
40	34,078	
41	34,976	
42	35,869	
43	36,763	
44	37,667	
45	38,512	
46	39,444	
47	40,348	
48	41,245	
49	42,132	
50	43,024	
51	43,928	
52	44,851	
53	45,665	

CABINET

COMMUNITY COHESION

11th November 2008

Report of Chief Executive

PURPOSE OF REPORT			
To update Members on how community cohesion is being taken forward within Lancaster District in the context of the Area Based Grant allocation.			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date Included in Forward Plan		8 May 2008	
This report is public			

RECOMMENDATIONS OF COUNCILLOR MACE

To follow.

1.0 Introduction

1.1 On the 3rd June Cabinet received a report advising them of the allocation to the city council of a three year Community Cohesion Area Based Grant. The amount granted was for £26,000, £49,000 and £75,000 in years 2008/09, 2009/10 and 2010/11 respectively.

1.2 The report set out recommendations as to how the grant might be used (a copy of the report is attached as Appendix 1)

1.3 Cabinet agreed the recommendations set out in the report and resolved:

- (1) *That the Community Cohesion element of the Area Based Grant (ABG) be used to support the establishment of a new post of a Community Cohesion Officer, initially for a period of 3 years, and to commission community cohesion activities as set out in the report.*

(2) *That a detailed implementation report be produced in consultation with the LSP thematic group and forwarded for consideration by Cabinet once an officer has been appointed.*

(3) *That the Revenue Budget be updated accordingly.*

Minute 16 refers and is attached to this report as Appendix 2

- 1.4 In accordance with procedures the Chief Executive agreed to a request by Members to Call-in the decision made by Cabinet at its meeting on 3rd June 2008 with regard to Community Cohesion.
- 1.5 At the Call-in held on 25th June 2008 the Overview and Scrutiny Committee made three recommendations which were referred to Cabinet for consideration.
- 1.6 Cabinet considered those recommendations at its meeting on the 8 July 2008 and a copy of the report is attached as Appendix 3. Contained within this report were officer comments in relation to each of those recommendations.
- 1.7 Cabinet accepted the recommendations of the Overview and Scrutiny Committee and resolved

(1) *That Cabinet does not appoint a Community Cohesion officer at the present time.*

(2) *That recommendation 2 of the Overview and Scrutiny Committee:*

“That Cabinet considers alternative ways of achieving the aims of the Corporate Plan on cohesive communities, including working with the universities. Overview and Scrutiny draws the attention of Cabinet to priority outcome 16 and highlights that:

The Community Cohesion Strategy could be achieved through working with the LSP and voluntary sector. A future programme of spending on Community Cohesion should be based upon this strategy.

Area Based Grant (ABG) money could be used to implement the Children and Young People Strategic Plan.

Area Based Grant money could be used to achieve the aim of a civic programme that celebrates our heritage and benefits our communities.”

be noted.

(3) *That Cabinet reconsiders the way the ABG be spent in November 2008, by which time the Local Strategic Partnership (LSP) should have options ready for consideration.*

Minute 19 refers and is attached to this report

- 1.8 The report of the 3rd June 2008 indicated that if the ABG was not used to fund a Community Cohesion Officer to deal with all aspects of community cohesion and

equality and diversity, there would be a resourcing issue in respect of the Corporate Plan action to achieve Levels 2 and 3 of the Equality Standard. In the light of the Cabinet decision of the 8th July 2008, no work has been undertaken in this financial year in respect of the Equality Standard, as the Council does not have the necessary resources or capacity.

2.0 Proposal Details

2.1 In taking their decisions at the meeting on the 8 July, Cabinet agreed to consider, in November 2008, the way in which ABG should be spent. In taking those decisions it was anticipated by Cabinet that the Local Strategic Partnership would be in a position to put forward options to Cabinet for consideration.

2.2 In respect of each of the three recommendations of the Overview and Scrutiny Committee, progress to date is as set out below:

2.2.1 *The Community Cohesion Strategy could be achieved through working with the LSP and voluntary sector. A future programme of spending on Community Cohesion should be based upon this strategy.*

Development of a Community Cohesion strategy is being developed with partners through the LSP and in particular the newly formed Valuing People Thematic Group.

The first meeting of this group took place on the 8 July 2008. It has met twice more since then. The nominated officer to support the Cabinet Member nominated to the thematic group (Councillor Gilbert) is the Head of Corporate Strategy who is also the officer nominated to the County LSP Cohesion Thematic Group.

This group is at an early stage in its formation and development. At its meetings it has a wide ranging agenda encompassing cohesion, developing the capacity of voluntary community and faith sectors and the development of strategies around older people and carers.

The group has identified its key stakeholders and developed outline action plans addressing its high level priorities.

The group is currently developing more detailed action plans around cohesion with a view to submitting such a plan (not a strategy and spending plan) to the LSP Management Group by the end of October. One of those actions will be to develop a Cohesion Strategy for the district. It is not possible at this stage to break that down into recommendations for the allocation of ABG.

By December 2008 the group will be in a position to identify the costs associated with development of such a strategy (research, consultation etc.) but it is not anticipated that a strategy would be in place before April 2008.

The Thematic Group has identified ABG funding as a resource to both develop such a strategy and implement it in future years and will be identifying this resource in its action plan submission to the LSP Management Group.

Any such allocations of ABG funding would need to take into account potential allocations to support recommendations 2 and 3 of the Overview and Scrutiny Committee.

In addition, the Council's current Service Level Agreement with Preston Racial Equality Council terminates on the 6th November. The previous agreement had been to fund the following Core Services:

- Assisting individual complaints of racial harassment.
- Working with organisations such as the Lancaster and Morecambe CABs and Lancaster & Morecambe College to identify ethnic minority needs.
- The continued operation of the Ethnic Minority Consultative Committee, assisting with the agenda, reports and attending meetings.
- The continued operation of the Racial Harassment Multi Agency Panel.
- Continued attendance of the Ryelands Racial Harassment Working Group and following up tasks.
- Working with the City Council on information booklets and other publicity.
- Actively pursuing additional sources of funding towards the operation.

It has been recognised that this has become out of date and it was decided therefore to terminate this agreement until future decisions had been taken on community cohesion funding from the Area Based grant. Any future SLA for this activity, either with the REC or another body, would be in the amount of £2,000 (reduced from £2,300 on the recommendation of the Budget & Performance Panel in its report to Cabinet on the 22 January 2008).

Officers are still considering options in respect of this level of support and Cabinet should note that Team Lancashire are also at an early stage in developing a support/awareness programme for Members and officers which could assist the Council.

At this stage, it is not possible to make any recommendations to Cabinet for the use of ABG to support initiatives to implement the LSP community Cohesion Strategy. Proposals will emerge at a future date when the LDLSP Community Cohesion strategy has been developed.

2.2.2 *Area Based Grant (ABG) money could be used to implement the Children and Young People Strategic Plan.*

The officer comments made at the time of writing the July report identified the main priorities in implementing the plan were 'to develop a Youth Engagement Strategy' and to 'improve access and take up of positive activities, including sports, cultural and leisure activities', both of which contribute positively to community cohesion.

The development of a Youth Engagement Strategy forms part of the LSP's wider Community Engagement Strategy, scheduled for publication in April 2009. This strategy will be strongly informed by a Special Council meeting held on the 22 October 2008. The focus of this Special Council was to consider how Council

could get better at engaging with young people and ensuring that their views are taken into account in decision making and the design and delivery of Council services.

Currently Cultural Services already have funding bids in through the SPAS (Sport and Physical Activity Strategy) to enable staff work with a range of partners on delivering 'diversionary activities', expanding on a similar scheme that ran successfully for a 12 week period in 2007.

The Head of Cultural Services has identified synergies between community cohesion, via the Area Based Grant allocation, and objectives contained within the Sports and Physical Activity Strategy (SPAS). The "diversionary activities" programme that operated as 12 week pilot projects in 2007, proved highly successful, and the Sports and Physical Activity Alliance (SPAA) are actively seeking funding sources in an attempt to roll out and expand the 2007 pilot projects. Indeed there is a report elsewhere on this agenda that requests Cabinet support for 2 further projects to deliver the Sports and Physical Activity Strategy.

At this stage however, it is not possible to make any recommendations to Cabinet for the use of ABG to support initiatives to implement the Children & Young Peoples Strategy. Proposals will undoubtedly emerge at a future date.

2.2.3 Area Based Grant money could be used to achieve the aim of a civic programme that celebrates our heritage and benefits our communities."

Priority Outcome 16 in the Council's Corporate Plan is to work to maintain a cohesive community where respect for all is valued and celebrated.

As part of this aim Democratic Services have continued to update and amend the general focus of the Mayoralty and the Civic Programme following the previous review as a result of the Civic Task Group recommendations approved by Council in December 2006, to ensure that these celebrate our heritage and benefit the community. Costs relating to any changes implemented are being contained within existing budgets.

With regard to the specific focus on anniversary celebrations in 2009, work has commenced in conjunction with the Heads of Cultural Services and Property Services to develop options with the assistance of the local Heritage Promotions Group, comprising representatives of the NWDA, Museum, Williamson Park, the Dukes and Grand Theatres, the Cathedral, etc. Research has been undertaken for example into how the opening of Lancaster Town Hall was celebrated in 1909 and ideas on how any elements of this celebration can be re-enacted are being considered together with a wide range of other proposals to celebrate the District's heritage during an extended period of the year leading up to the opening date. The next meeting of this Group is scheduled for 17th November when it is hoped that proposals for delivering some of these ideas will be further firmed up and some initial costings produced for consideration by Members.

Whilst it is not possible at this stage to make any recommendations to Cabinet for the use of ABG to fund specific proposals to enhance the civic programme for 2009/10 to enable the delivery of community based celebrations, it would be helpful in the ongoing discussions with other partners to have some commitment that the Council is willing to provide some funding. Specific proposals with costings will emerge from the ongoing discussions with the Heritage Promotions Group in due course.

3.0 Details of Consultation

- 3.1 The Council's Corporate Plan was the subject of extensive consultation during its preparation and it has within it a specific priority outcome to :-
"Work to maintain a cohesive community where respect for all is valued and celebrated".

This priority outcome includes specific actions to :-

- develop and implement a Community Cohesion Strategy
- implement the Children's & Young People Plan
- deliver a civic programme which celebrates our local heritage and benefits our communities

In addition to this, included under the priority outcome to **"Provide customer focused accessible services"** is an action and target to :-

- improve our score against the Equality Standard for Local Government attaining level 2 by March 2009 and Level 3 by 2010.

4.0 Options and Options Analysis (including risk assessment)

Option 1

To make allocations from the ABG for community cohesion based on the current information available to it

Option 2

To defer making any allocations from the ABG for community cohesion at this time pending a further progress report back to Cabinet later in the year

5.0 Officer Preferred Option (and comments)

There is no officer preferred Option

6.0 Conclusion

The allocation of ABG offers a valuable resource to the district in terms of supporting activity to take forward community cohesion. Its allocation requires careful consideration bearing in mind the range of options put forward for its use and there is little risk to the Council in delaying any decision as to its use until definitive recommendations are put forward by the LSP and Heritage Promotions Group. However, Cabinet should be mindful of the targets currently in the Corporate Plan for developing the Council's own internal approach to equality and diversity in determining its wider consideration to community cohesion

RELATIONSHIP TO POLICY FRAMEWORK

The Sustainable Community Strategy (currently under development) has within it a Valuing People theme which will have within it outcomes and targets relating to Community Cohesion.

The Corporate Plan 2008/09 has relevant targets within it:

"Improve score against Equality Standard for Local Government – Level 2 March 2009 and Level 3 March 2011"

"Develop and implement a Community Cohesion Strategy"

CONCLUSION OF IMPACT ASSESSMENT

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

The use of ABG as suggested in the report would have a positive impact and support the Council's community leadership role in terms of positive action in respect of equality, celebrating diversity and working to promote safe and cohesive communities.

FINANCIAL IMPLICATIONS

The implications of the original Cabinet report are set out in the appendices attached.

If the recommendations of Overview and Scrutiny are still supported either wholly or in part, and/or Cabinet wish to take forward issues highlighted within this report, Members will need to decide how they should be funded and how and when the ABG is to be allocated. The 2008/09 and future Revenue budgets would be updated accordingly once a Cabinet decision has been made.

As Area Based Grant is not earmarked or ring-fenced for specific purposes, Cabinet is able to determine how and when this money is to be spent. If ABG funding for 2008/09 is not allocated and spent during the current financial year, any proposal to carry funding forward to 2009/10 would be subject to the normal carry forward procedures.

DEPUTY SECTION 151 OFFICER'S COMMENTS

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

LEGAL IMPLICATIONS

There are no legal implications directly arising from this report.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

None

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APPENDIX1**CABINET****COMMUNITY COHESION****3rd June 2008****Report of Chief Executive**

PURPOSE OF REPORT				
To consider how to take forward community cohesion within Lancaster District in the context of the Area Based Grant.				
Key Decision	X	Non-Key Decision	Referral from Cabinet Member	
Date Included in Forward Plan		08 May 2008		
This report is public.				

OFFICER RECOMMENDATIONS

- 1 That the Community Cohesion element of the Area Based Grant (ABG) be used to support the establishment of a new post of a Community Cohesion Officer, initially for a period of 3 years, and to commission community cohesion activities as set out in the report.
- 2 That the Revenue Budget be updated accordingly.

1 INTRODUCTION

Lancaster City Council has received an Area Based Grant for Community Cohesion for the three year period from April 2008. Cabinet, at its meeting on 18 March 2008, resolved at Minute 137:

- (1) That for April 2008 Area Based Grant be used to continue existing arrangements for Neighbourhood Management in Poulton and the West End of Morecambe and a report on future options be brought back to Cabinet in April 2008.
- (2) That work on options to develop Neighbourhood Management arrangements for the District be considered and brought back to Cabinet.
- (3) That allocation of the remaining Grant in 2008/09 be subject to a further report to Cabinet.
- (4) That the General Fund Revenue Budget be updated accordingly.

2 BACKGROUND

- 2.1 Community cohesion can mean different things to different people. Within the Lancashire sub-region we have settled on a definition (attached as **Appendix A**).
- 2.2 The City Council has been engaged on equality and diversity work programmes over a number of years, most recently through working on the Equality Standard and in partnership with other organisations on the equality and diversity “building block” of the Lancaster District Local Strategic Partnership (LSP). Lancaster City Council has achieved Equality Standard Level 1. The Corporate Plan for 2007/08 identified Level 2 as a target, but this has been deferred to 2008/09 due to capacity problems and the need to prioritise the Fair Pay programme. Nevertheless, the City Council initiated and has contributed to the development of a local forum with community leaders, has continued to work within the LSP and has been active within the Lancashire sub-region.
- 2.3 There has previously been in place an agreed allocation by way of Service Level Agreement (SLA) to the value of £2,200 per annum with Preston & West Lancs Racial Equality Council for advice and support on equality and diversity matters. However, it had been proposed by Overview & Scrutiny Committee and Resolved, amongst other things, by Cabinet, at its meeting on the 22 January 2008, Minute No 94(1):

“That Officers explore the opportunity to offer a three year SLA for £2,000 per annum with no inflation for the provision of equality and diversity assistance and advice in the district.”

This amount has been included in the 2008/09 Revenue Budget.

The proposals in this report enable the capacity of the Council to be enhanced and for services over and above £2,000 to be procured by one or more SLAs, should that be appropriate.
- 2.4 It is acknowledged that capacity needs to be provided if the Council is to provide leadership to the equalities and diversity/cohesion agenda to ensure that these issues are addressed as set out in the Corporate Plan and a consistent approach is taken in relation to all the Council's business.

3 PROPOSAL DETAILS

Funding

- 3.1 Cabinet, at its meeting on the 18 April, agreed the allocation of Area Based Grant (ABG) in respect of Neighbourhood Management and asked for a further report regarding the allocation of a new element which is paid directly to the Council in respect of Community Cohesion (see below)

Area Based Grant Allocation (£)			
	2008/09	2009/10	2010/11
Revenue - Cohesion	26,000	49,000	75,000

Attached at **Appendix B** is a note of previous arrangements.

Note. Cohesion money is a *new* ABG funding allocation not yet allocated to any specific expenditure heading within the 2008/09 Draft GF Revenue Budget.

Capacity

- 3.5 It is recommended that a new post of Community Cohesion Officer be established to become Lancaster City Council's lead officer in respect of Community Cohesion/Equality and Diversity issues. It is further recommended that the excess ABG over and above that required to cover the salary costs of this proposed new post, be retained as a working budget for the postholder to allow for appropriate commissioning of activities, meeting training needs, positive promotion etc.
- 3.6 It is anticipated that the role of the Community Cohesion officer (and the range of activities commissioned) would be wide ranging and varied in terms of developing policy, co-ordinating activities and representing the Council on District and County Officer Working Groups.

4 DETAILS OF CONSULTATION

The Council's Corporate Plan was the subject of extensive consultation during its preparation and it has within it a specific outcome - "Work to maintain a cohesive community where respect for all is valued and celebrated" and a specific action - "to develop and implement a Community Cohesion Strategy." Additional capacity will be provided by the establishment of this post to take this work forward.

5 OPTIONS AND OPTIONS ANALYSIS (including risk assessment)

Option 1 To pull together the existing employee resource allocated to equality and diversity issues within HR, combine with resources from the ABG to create a whole time equivalent officer and a commissioning budget.

The officer will be located in the most appropriate City Council Service (Corporate Strategy) or the work programme to be procured from another organisation.

Option 2 That the ABG be used in some other way to be determined by Cabinet. Should Cabinet resolve to use the ABG for different purposes, there will be a resourcing issue in respect of the Corporate Plan action to achieve Levels 2 and 3 of the Equality Standard.

The preferred option is Option 1. The allocation of ABG to the City Council offers a timely opportunity for the Council to address the issues it faces in terms of community cohesion, equality and diversity.

CONCLUSION

Community Cohesion has been moving up the agenda nationally, regionally and locally over the last year or so. The ABG enables the City Council to take further actions in relation to community cohesion and integrate those actions with existing work programmes and plans in relation to equality and diversity.

RELATIONSHIP TO POLICY FRAMEWORK

The Sustainable Community Strategy (currently under development) will have within it a Valuing People theme which will have within it outcomes and targets relating to Community Cohesion.

The Corporate Plan 2008/09 has relevant targets within it:

“Improve score against Equality Standard for Local Government – Level 2 March 2009 and Level 3 March 2011” and “Develop and implement a Community Cohesion Strategy”

CONCLUSION OF IMPACT ASSESSMENT

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

Such an approach would have a positive impact and support the Council’s community leadership role in terms of positive action in respect of equality, celebrating diversity and working to promote safe and cohesive communities.

FINANCIAL IMPLICATIONS

For Option 1 the proposed salary range for the new post is SCP 34-37 currently estimated at £27,594 -£29,728, which will be subject to the outcome of Fair Pay. Assuming a start date of no sooner than 1st September 2008, the maximum costs of £22,150 can be funded by the ABG of £26,000 together with the saving of £10,550 generated by the Senior HRO returning to work on 3 days a week. A balance of £14,400 would be remaining for commissioning work before any recruitment costs have been allowed for, estimated at in the region of £1,600. However if the start date is later then this figure would increase and the budget would need to be updated once the appointment has been made and a start date known.

The maximum staff costs of £39,250 and £40,570 in 2009/10 and 2010/11 could be funded from the indicative ABG of £49,000 and £75,000 respectively with the remainder being allocated to commissioning work, subject to annual review as part of the budget process. However, as funding has so far only been agreed for 3 years, a provision will need to be made in 2010/11 for redundancy costs.

If the work programme is procured from another organisation, the costs cannot yet be identified but would need to be contained within the budget available above.

If Option 2 is preferred Cabinet members may recommend (or decide) other uses of the allocation, but if any amounts of the ABG remained unallocated, initially these would go towards supporting the revenue budget generally, together with any staff savings from the Senior HRO. (If there was an overall underspend at the end of the year this would fall into balances). If this was the case, it may be necessary for HR to fill the remaining two days of the Senior HR Officer post and the saving of £10,550 would, therefore, not be generated.

SECTION 151 OFFICER'S COMMENTS

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

LEGAL IMPLICATIONS

There are no legal implications directly arising from this report.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

ABG Guidance

Government's response to the Commission on Integration and Cohesion

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Ref: MC/JEB/ES/Cttees/Cabinet

APPENDIX A

A definition of Community Cohesion

A cohesive community is one where:

- There is a clearly defined and widely shared sense of the contribution of different individuals and different communities to a future vision for the boroughs, cities and county of Lancashire
- There is a strong sense of an individual's rights and responsibilities when living in a particular place – people know what everyone expects of them, and what they can expect in turn
- Those from different backgrounds have similar life opportunities, access to services and treatment
- There is a strong sense of trust in institutions locally to act fairly in arbitrating between different interests and for their role and justifications to be subject to public scrutiny
- There is a strong sense that people feel they are listened to and that they influence local decisions
- There is a strong recognition of the contribution of both those who have newly arrived and those who already have deep attachments to a particular place, with a focus on what they have in common
- There is shared ownership of community problems and possible outcomes and solutions
- There are strong and positive relationships between people from different backgrounds
- There are visibly strong and positive relationships between the agencies that work in the boroughs, cities and county of Lancashire

Appendix B

An equal opportunities budget has for some time been held in Human Resources. This dates back to 2003, when the Council employed a Personnel Officer (Equalities and Improvement). Because of difficulties in recruiting to the post, the Personnel Committee on the 20th April 2004 deleted it from the Council's establishment, resulting in a saving of £12,000 in 2004/05. Of that saving, £4000 was used to regrade the then Policy Officer post in Corporate Strategy. The remaining £8000 was transferred to the equal opportunities budget which then stood at £11,000. In March 2005, the Personnel Committee approved the transfer of £10,000 from that budget to fund a restructure of Human Resources, and the balance was merged into the HR Management and Administration Sundry Expenses budget. In 2006/07 an Equality and Diversity Budget of £1000 was created, and this was increased to £4,000 in 2007/08. The 2006/07 sum was unspent and was carried forward into 2007/08. There is likely to be a further carry forward request to 2008/09, but there is nothing in this budget for any future years.

The effect of the Personnel Committee decision in 2005 was that the HR staffing budget includes £10,000 towards equality work.

The Senior Human Resources Officer is due to return from maternity leave in August 2008, and has requested that, on her return, she be permitted to work three days a week rather than full time. This would give a saving of £10,550 in 2008/09. Whilst she has indicated that this would be a permanent arrangement, under council policy she would have the option to revert to full time working, so this saving cannot be guaranteed on a permanent basis. However, the saving could be used for the time being to contribute towards the funding of a Community Cohesion Officer as proposed below. This would consolidate the staffing resource for the wider aspects of equality and diversity in that post, although clearly Human Resources would retain responsibility for equality issues relating to the Council's employees.

APPENDIX 2

CABINET MINUTE EXTRACT – COMMUNITY COHESION – MINUTE 16

The Chief Executive submitted a report that requested Cabinet to consider how to take forward community cohesion within Lancaster District in the context of the Area Based Grant.

The options, options analysis, including risk assessment were set out in the report as follows:

Option 1 To pull together the existing employee resource allocated to equality and diversity issues within HR, combine with resources from the ABG to create a whole time equivalent officer and a commissioning budget.

The officer will be located in the most appropriate City Council Service (Corporate Strategy) or the work programme to be procured from another organisation.

Option 2 That the ABG be used in some other way to be determined by Cabinet. Should Cabinet resolve to use the ABG for different purposes, there will be a resourcing issue in respect of the Corporate Plan action to achieve Levels 2 and 3 of the Equality Standard.

The Officer preferred option was Option 1. The allocation of ABG to the City Council offers a timely opportunity for the Council to address the issues it faces in terms of community cohesion, equality and diversity.

It was moved by Councillor Eileen Blamire and seconded by Councillor Jane Fletcher: -

“That a decision on the recommendations, as set out in the report, be deferred for six months to enable a detailed action plan to be produced and considered.”

By way of amendment it was then moved by Councillor Jon Barry and seconded by Councillor John Gilbert:-

“That option 1, as set out in the report, be approved, subject to the addition of:-

That a detailed implementation report be produced in consultation with the LSP thematic group and forwarded for consideration by Cabinet once an officer has been appointed.”

On considering the above, Councillor Eileen Blamire, with the agreement of her seconder and the meeting withdrew her proposition.

Members then voted as follows.

Resolved

(5 Members (Councillors Eileen Blamire, Abbott Bryning, Jon Barry, John Gilbert and Jane Fletcher) voted for the motion, 3 Members (Councillors Shirley Burns, David Kerr and Roger Mace) voted against and 1 Member (Councillor Evelyn Archer) abstained from voting).

- (3) That the Community Cohesion element of the Area Based Grant (ABG) be used to support the establishment of a new post of a Community Cohesion Officer, initially for a period of 3 years, and to commission community cohesion activities as set out in the report.
- (2) That a detailed implementation report be produced in consultation with the LSP thematic group and forwarded for consideration by Cabinet once an officer has been appointed.
- (3) That the Revenue Budget be updated accordingly.

Officers responsible for effecting the decision:

Chief Executive.
Head of Financial Services.

Reason for making the decision:

The decision for the allocation of ABG to the City Council offers a timely opportunity for the City Council to address the issues it faces in terms of community cohesion, equality and diversity.

Community Cohesion has been moving up the agenda nationally, regionally and locally over the last year or so. The ABG enables the City Council to take further actions in relation to community cohesion and integrate those actions with existing work programmes and plans in relation to equality and diversity.

APPENDIX 3



**Referral to Cabinet - Community Cohesion
8th July 2008**

Report of Head of Democratic Services

PURPOSE OF REPORT			
To request Cabinet to consider the referral from the Overview and Scrutiny Committee as a result of the Call-in of Cabinet's decision with regard to Community Cohesion – Minute 12.			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Overview & Scrutiny	X
Date Included in Forward Plan			
This report is public			

RECOMMENDATIONS OF OVERVIEW AND SCRUTINY COMMITTEE

- (1) That Cabinet do not appoint a Community Cohesion officer at the present time.
- (2) That Cabinet consider alternative ways of achieving the aims of the Corporate Plan on cohesive communities, including working with the universities. Overview and Scrutiny draws the attention of Cabinet to priority outcome 16 and highlights that:
 - ❑ The Community Cohesion Strategy could be achieved through working with the LSP and voluntary sector. A future programme of spending on Community Cohesion should be based upon this strategy.
 - ❑ Area Based Grant (ABG) money could be used to implement the Children and Young People Strategic Plan.
 - ❑ Area Based Grant money could be used to achieve the aim of a civic programme that celebrates our heritage and benefits our communities.

- (3) **That Cabinet reconsiders the issue of achieving Level 2 of the Equality Standard as an issue separate from the spending of the Community Cohesion Area Based Grant monies.**

1.0 Introduction

The Chief Executive agreed to a request by Councillor Bray, Langhorn, Towers, Brown and Rogerson to Call-in the decision made by Cabinet at its meeting on 3rd June 2008 with regard to Community Cohesion.

At the Call-in held on 25th June 2008 the Overview and Scrutiny Committee made three recommendations which have been referred to Cabinet for consideration.

2.0 Details

The recommendations agreed by the Overview and Scrutiny Committee are detailed below:

- (1) That Cabinet do not appoint a Community Cohesion officer at the present time.
- (2) That Cabinet consider alternative ways of achieving the aims of the Corporate Plan on cohesive communities, including working with the universities. Overview and Scrutiny draws the attention of Cabinet to priority outcome 16 and highlights that:
 - ❑ The Community Cohesion Strategy could be achieved through working with the LSP and voluntary sector. A future programme of spending on Community Cohesion should be based upon this strategy.
 - ❑ Area Based Grant money could be used to implement the Children and Young People Strategic Plan.
 - ❑ Area Based Grant money could be used to achieve the aim of a civic programme that celebrates our heritage and benefits our communities.
- (3) That Cabinet reconsiders the issue of achieving Level 2 of the Equality Standard as an issue separate from the spending of the Community Cohesion Area Based Grant monies.

3.0 OFFICER COMMENTS WITH REGARD TO THE RECOMMENDATIONS OF THE OVERVIEW AND SCRUTINY COMMITTEE

Recommendation 2

“That Cabinet consider alternative ways of achieving the aims of the Corporate Plan on cohesive communities, including working with the universities. Overview and Scrutiny draws the attention of Cabinet to priority outcome 16.”

- **Area Based Grant money could be used to achieve the aim of a civic programme that celebrates our heritage and benefits our communities.**

The main events contained within the current Civic Programme are set out below.

May

Annual Council.
Mayor's Sunday.

November

Remembrance Day

June

Community Festival.

January

Holocaust Memorial Day

July

Freeman's Court.
Youth Games.

March

Mayoral At Homes

September

Possible Overseas Students

The Mayor also supports a number of local charitable organisations by the granting of up to 13 free lettings in any year. These have included the support of events such as Chinese New Year and Hindu festivals and the Holocaust Memorial Day celebrations are also held with the benefit of a free letting.

With regard to the Civic Programme for the Centenary Celebrations for 2009 Cabinet is advised that a Heritage Partners meeting consisting of Officers has been formed in order to, amongst other things, consider proposals and make arrangements for the celebrations. Representatives include the NWDA, Museum, Williamson Park and the City Council. No firm proposals are available at the time of writing this report, however, proposals could include extending the duration of the Heritage Open Days concept, which is already arranged on an annual basis in the District on 1 day in the year, to a weekend event for 2009. Buildings that could be opened to the public include public buildings, such as the Town Halls, the monument at Williamson Park, the Museum, Lancaster Castle, stately homes and other buildings that could be of interest. However, negotiations would need to be undertaken with the owners of the buildings to ensure that they would be willing to participate.

ABG could be used to make arrangements for the event, pay any costs that may arise such as booking arrangements, opening and staffing costs, together with promotional literature/press releases and signage that maybe required.

Cabinet is also advised that the Williamson Park Board has created a Centenary Working Group, which has met to discuss proposals for the centenary celebrations. The following has been agreed by the Board:

- A Centenary Dinner/Reception on the 24th October 2009, with Prince Charles being invited to attend.
- Creation of an Illuminated Woodland Walk, with funding being sought.

- That the opening of the Illuminated Woodland Walk coincide with the Centenary Dinner/Reception.

The Group proposed that the Memorial be lit temporarily for the centenary celebrations by a local firm who had lit the Memorial some years ago. They additionally suggested that the Arboretum Walk be lit as a permanent feature by accent lighting under the trees, in order to create a winter woodland walk.

The lighting of the Arboretum Walk would serve several purposes, namely:

- creating a winter activity in the park, possibly with guided tours;
 - increasing security;
 - promoting Green technology with solar powered L.E.D. lighting;
 - using the scheme for match funding for any Lottery bids in future.
- ❑ **The Community Cohesion Strategy could be achieved through working with the LSP and voluntary sector. A future programme of spending on Community Cohesion should be based upon this strategy.**
 - ❑ **Area Based Grant money could be used to implement the Children and Young People Strategic Plan.**

Cabinet work with the LSP to develop a Community Cohesion Strategy

Development of a Community Cohesion strategy would need to be developed with partners through the LSP and in particular the newly formed Valuing People Thematic Group. The first meeting of this group is scheduled for the 8th July. The nominated officer to support the Cabinet Member nominated to the thematic group is the Head of Corporate Strategy who is also the Officer nominated to the relevant County LSP Thematic Group. The LSP Manager currently supports all of the thematic groups in developing their action plans and is supporting the establishment of new LSP structures following the recent peer review of the LSP.

Working with the LSP to take this work forward is the correct way but this is a very early stage in the formation of the LSP group. It has not yet at this stage identified its membership apart from a small core membership. It has yet to begin action planning as to how best to deliver its identified priorities, what targets and milestones it will set itself before it begins to consider resources required to deliver an action plan. Those resources could be both in house amongst relevant agencies and externally commissioned – both have their place but this will take time.

The allocation of Area Based Grant provides a significant opportunity to provide a resource to both support this activity both internally and with partners. It also provides an opportunity for us to begin to significantly address some the equality and diversity issues the Council itself faces. In providing leadership to our partners we are also being given the opportunity to offer a resource to co-ordinate all of this work.

The Service (and the Head of Service) does not have the current capacity to take all of this activity forward without additional resources or revising priorities in this year's Business Plan.

Use of cohesion Area Based Grant to fund Children and Young People Strategy

Lancaster City Council's Children and Young People Strategic Plan has identified priority areas of work to be developed over the next three years.

For 2008/09 the main priorities are 'to develop a Youth Engagement Strategy' and to 'improve access and take up of positive activities, including sports, cultural and leisure activities', both of which contribute positively to community cohesion.

Currently Cultural Services already have funding bids in through the SPAS (Sport and Physical Activity Strategy) to enable staff work with a range of partners on delivering 'diversionary activities', expanding on a similar scheme that ran successfully for a 12 week period in 2007.

The use of Area Based Grant funding could enable more young people to be able to access positive activities, developing both practical and social skills and help to dispel misconceived ideas about the majority of young people who want to be able to build positive relationships within their communities.

A decision to use area based grant funding for this purpose will need to be considered alongside the comments made in the first section.

Recommendation 3

"That Cabinet reconsiders the issue of achieving Level 2 of the Equality Standard as an issue separate from the spending of the Community Cohesion Area Based Grant monies."

As set out in Appendix B to the original Cabinet report, the Human Resources staffing budget includes £10,000 towards equality work. However, from August 2008 there will be a part time (two days a week) vacancy within Human Resources, equating to £10,550 in salary. The Service does not currently have the capacity to lead the work on achieving Level 2 of the Equality Standard, and, from past experience, it would be extremely difficult, if not impossible, to fill a vacancy of this nature in order to provide such capacity.

It would be possible to appoint an external body to work with the Council to achieve Level 2 of the Equality Standard. A quotation was obtained in November 2007, when this option was being considered in order to meet Level 2 in 2007/08. The quotation has recently been updated and is in the region of £22,000.

If Cabinet were to reaffirm its decision to establish a new post of Community Cohesion Officer, it is envisaged that that officer would take on the role of leading the Equality Standard work. However, if Cabinet does not reaffirm that decision, it would need to consider whether it wishes to pursue the Equality Standard. If

so, given the lack of capacity within Human Resources, Cabinet may wish to consider using the Human Resources salary saving identified above, supplemented by an amount of ABG grant, in order to buy in the work from an external provider.

4.0 Options

1. Reaffirm the decision of Cabinet on 3rd June 2008.
The original report to Cabinet on Community Cohesion with appendices and relevant minute are attached to this report.
2. Accept the recommendations either wholly or in part made by the Overview and Scrutiny Committee at the Call-in on 25th June 2008, and make resolutions in line with those recommendations.
3. Decide to spend the ABG in some other way or defer consideration to a later meeting.

RELATIONSHIP TO POLICY FRAMEWORK

The Sustainable Community Strategy (currently under development) will have within it a Valuing People theme which will have within it outcomes and targets relating to Community Cohesion.

The Corporate Plan 2008/09 has relevant targets within it:

“Improve score against Equality Standard for Local Government – Level 2 March 2009 and Level 3 March 2011” and “Develop and implement a Community Cohesion Strategy”

CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

Such an approach would have a positive impact and support the Council’s community leadership role in terms of positive action in respect of equality, celebrating diversity and working to promote safe and cohesive communities.

FINANCIAL IMPLICATIONS

The implications of the original Cabinet report are set out in the appendices attached.

If the recommendations of Overview and Scrutiny are preferred either wholly or in part, and/or Cabinet wish to take forward issues highlighted under the Officer comments, Members will need to decide how they should be funded and how the ABG is to be allocated.

In the event that Cabinet decides not to support Options 1 or 2 there will still be a need to consider how ABG for community cohesion is allocated. As this is not ring fenced it could be used to support pressures identified in the Medium Term Financial Strategy update.

SECTION 151 OFFICER'S COMMENTS

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

LEGAL IMPLICATIONS

There are no legal implications directly arising from this report.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

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APPENDIX 4

CABINET

8TH JULY 2008

19 ITEM OF URGENT BUSINESS - COMMUNITY COHESION CALL-IN - OVERVIEW AND SCRUTINY (Cabinet Members with Special Responsibility Councillors John Gilbert and Roger Mace)

In accordance with Section 100B (4) of the Local Government Act 1972, the Chairman agreed to consider the report as urgent business as there was a need for a decision prior to the next meeting of Cabinet.

The Head of Democratic Services submitted a report requesting Cabinet to consider the referral from the Overview and Scrutiny Committee as a result of the Call-in of Cabinet's decision with regard to Community Cohesion (Minute 12).

The options were set out in the report as follows:

1. Reaffirm the decision of Cabinet on 3rd June 2008. (The original report to Cabinet on Community Cohesion with appendices and relevant minute was attached to the report.)

2. Accept the recommendations either wholly or in part made by the Overview and Scrutiny Committee at the Call-in on 25th June 2008, and make resolutions in line with those recommendations.

1. Decide to spend the Area Based Grant (ABG) in some other way or defer consideration to a later meeting.

The report contained Officer comments regarding the recommendations of the Overview and Scrutiny Committee.

It was moved by Councillor Roger Mace and seconded by Councillor Evelyn Archer:-

"That recommendation 1, as set out in the report, be approved; that the items in recommendation 2 be noted and that Cabinet reconsiders the way the ABG be spent in November 2008, by which time the Local Strategic Partnership (LSP) should have options ready for consideration."

Members then voted as follows.

Resolved Unanimously:

(1) That Cabinet does not appoint a Community Cohesion officer at the present time.

(4) That recommendation 2 of the Overview and Scrutiny Committee:

"That Cabinet considers alternative ways of achieving the aims of the Corporate Plan on cohesive communities, including working with the universities. Overview and Scrutiny draws the attention of Cabinet to priority outcome 16 and highlights that:

The Community Cohesion Strategy could be achieved through working with the LSP and voluntary sector. A future programme of spending on Community Cohesion should be based upon this strategy.

Area Based Grant (ABG) money could be used to implement the Children and Young People Strategic Plan.

Area Based Grant money could be used to achieve the aim of a civic programme that celebrates our heritage and benefits our communities.”
be noted.

(3) That Cabinet reconsiders the way the ABG be spent in November 2008, by which time the Local Strategic Partnership (LSP) should have options ready for consideration.

Officers responsible for effecting the decision:

Chief Executive.

Head of Democratic Services.

Reason for making the decision:

The decision was made in line with recommendation 1 of the Overview and Scrutiny Committee and in recognition of the need to consider how ABG for community cohesion will be allocated. The ABG can be spent according to City Council priorities and each of the issues identified in recommendation 2 are included in this years Corporate Plan Priority Outcome 16 “work to maintain a cohesive community where respect for all is valued and celebrated”.

CABINET

Funding of the Employee Establishment 11 November 2008

Report of Chief Executive

PURPOSE OF REPORT			
For Cabinet to consider the funding of the employee establishment.			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date Included in Forward Plan	30 October 2008		
This report is public			

RECOMMENDATIONS OF COUNCILLOR MACE

To follow

1.0 Introduction

1.1 An informal meeting of the Leaders of the five Political Groups on the Council took place on the 24 October 2008 to consider, amongst other things, the impact of the global financial recession on the Council's finances. As a consequence, a report to Cabinet has been produced that provides options for managing the funding arrangements of the City Council's employee establishment during the remainder of this financial year.

1.2 The current process for clearing vacancies is as follows:

Like-for-like Vacancies

Service Head delegation. However Cabinet Members can discuss employee turnover issues with Service Heads in the Services they oversee.

Changes to Establishment and Conditions of Service

Before being given final authorisation by the Chief Executive, changes to the Establishment and Conditions of Services must be agreed by the relevant Service Head, HR Manager, Head of Finance and relevant Corporate Director.

2.0 Proposal Details

- 2.1 Cabinet are asked to consider whether or not they wish to amend the existing vacancy clearance protocol agreed by Cabinet at its meeting on 06 November 2007, Minute No 66.
- 2.2 A number of options are presented.

3.0 Details of Consultation

- 3.1 As this is a procedural matter, rather than a policy matter, no formal consultation has taken place. Nevertheless, as a courtesy, members of the Joint Consultative Committee (Elected Members and Trade Union representatives) have been sent a copy of this report for their information.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 Option 1 - That the status quo is maintained (as set out in paragraph 1.2 above)
- 4.2 Option 2 - That Cabinet identifies which Service areas are considered to be a lower priority for the filling of vacancies. In doing so, Cabinet should consider the Council's statutory responsibilities, Corporate Plan and Service Business Plan priorities and to what extent particular posts are externally funded. Having identified which Service areas are considered to be a lower priority, there is an expectation that only Cabinet could approve the funding required to fill any vacancies which occur within these Service areas during the remainder of this financial year. Cabinet would need to determine whether this is a decision to be taken at a Cabinet meeting or delegated to Portfolio Holders.
- 4.3 Option 3 - That all vacancies which occur in those Service areas which are discretionary rather than statutory are referred to Cabinet to consider whether the funding should be provided for those posts to be filled within these Service areas during the remainder of the financial year. A high level summary of statutory and non-statutory service activities for each Service is **attached at Appendix A**. As above, Cabinet would need to determine whether this would be a decision of full Cabinet or delegated to Portfolio Holders.
- 4.4 Option 4 - Combined with options 4.2 or 4.3 above, Cabinet could decide that all vacancies go through an internal only recruitment exercise prior to a decision on external recruitment.
- 4.5 Option 5 - Combined with any of the options above, Cabinet could require any consideration of funding agency, contractor or consultants as an alternative to direct employment to be formally considered either by individual Cabinet portfolio holders or full Cabinet.

5.0 Officer Preferred Option (and comments)

5.1 The preferred Officer option is option 2.

RELATIONSHIP TO POLICY FRAMEWORK

Priority Outcome 1 in the Corporate Plan 2008-09 is to continue to evaluate our services to ensure they are delivered in the most efficient and cost effective way.

CONCLUSION OF IMPACT ASSESSMENT

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

Options 1, 2 and 5 enable management of services to be linked to Council priorities. Options 3 and 4 are less predictable.

FINANCIAL IMPLICATIONS

The introduction of any recruitment restrictions would result in a higher level of turnover savings being generated but this cannot be quantified with any accuracy. Delays in recruitment could also have other financial implications as well as service implications, however, depending on the vacancies arising. E.g. vacancies in posts involved in income generation, collection and recovery could result in a loss in income to the Council, depending on the timescales and numbers involved. Regarding agency cover, etc., where this is needed to maintain essential service delivery, it is often more expensive than employing staff directly and therefore in these situations, it can prove more cost effective to speed up recruitment, rather than introduce longer delays.

Members need to be aware that holding some posts vacant will not have an impact on the general fund revenue budget. For example, employee expenditure in Council Housing is a cost/saving on the Housing Revenue Account.

SECTION 151 OFFICER'S COMMENTS

As yet, the impact of the global economic position on the Council is not certain but the report elsewhere on the agenda highlights the key issues and risks. Generally, and as reported before, the s151 Officer advises against a 'blanket' approach to recruitment restrictions because they do not take account of essential service delivery etc, and are not focused to deliver savings in lower priority areas. That said, the officer preferred option put forward would allow for these issues to be factored in and therefore could, potentially, assist the Council in meeting its financial targets - but this would depend on where vacancies arise. Its effectiveness would also be dependent upon the clear recognition and identification of statutory / high priority service areas, however, and this can prove difficult.

LEGAL IMPLICATIONS

Legal have been consulted and have no further comments to make

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

None

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Ref: CE/ES/Cttees/Cabinet/11.11.08

Appendix A

A high level summary of service activities for each Service

	Statutory ✓	Non-Statutory ✓
Chief Executive	✓	
Legal and HR		
Monitoring Officer	✓	
- Legal Services		✓
- Licensing	✓	
- Land Charges	✓	
- HR Absence Management		✓
- HR Pay and Grading		✓
- HR Learning and Development		✓
- HR Recruitment and Selection		✓
- HR Equality and Diversity		✓ But must comply with equality legislation
- HR Advice and Support		✓
Democratic Services		
- Elections	✓	
- Democratic and Member Support	Support is non-statutory but the decision making process is statutory	✓
- Grants to Voluntary Organisations		✓
- Civic and Ceremonial		✓
Finance and Performance Directorate		
Corporate Strategy		
- Community Strategy	✓	
- Sustainability		✓
- Partnerships (LSP)		✓
- Community Safety	✓	
- Children and Young People	✓	
- Performance [National Indicators and Annual Performance Plan] including LAA	✓	
- Projects		✓
- Communications		✓
- Consultation		✓
Information and Customer Services		
- Customer Services		✓
- IT Application Support		✓
- IT Desktop and Telephony		✓

	Statutory ✓	Non-Statutory ✓
Financial Services		
- Section 151 Officer	✓	
- Accountancy	✓	
- Exchequer	✓	
- Insurance and Risk Management	✓	
- Procurement		✓
- Audit	✓	
Revenue Services		
- Council Tax and Housing Benefit Administration	✓	
- Council Tax Administration and Collection	✓	
- Business Rate Administration and Collection	✓	
Community Services Directorate		
Environmental Health and Strategic Housing		
- EH Environmental Protection	✓	
- EH Food and Health and Safety	✓	
- EH Cemeteries		✓
- EH Civil Contingencies	✓	
- SH Housing Standards	✓	
- SH Enabling		✓
- SH Policy	✓	
- SH Homelessness	✓	
CC(D)S		
- Waste Collection	✓	
- Street Cleansing	✓	
- Grounds Maintenance		✓
- Finance / Admin / Depot / Stores		✓
- Vehicle Maintenance Unit (VMU)		✓
- Building Cleaning		✓
- Residual Highways	✓	
Council Housing		
- Policy and Management		✓
- Repair and Maintenance		✓
- Special Services		✓
- Welfare Services		✓
Regeneration Directorate		
Neighbourhood Management		✓
Planning		
- Forward Planning	✓	
- Development Control	✓	
- Building Control	✓	

	Statutory ✓	Non-Statutory ✓
- Engineering Services		✓
- Area of Outstanding Natural Beauty (AONB)	✓	
Cultural Services		
- Culture Development		
• Arts Development		✓
• Swimming Development		✓
• Community Leisure Development		✓
• Community Sports Development		✓
- Support Services		
• Management and Administration		✓
- Venues and Events		
• Festivals and Events		✓
• Salt Ayre		✓
• Community Pools		✓
• Dome		✓
• Platform		✓
• Promenade		✓
Economic Development and Tourism		
- Regeneration		✓
- Economic Development		✓
- Tourism		✓
Property Services		
- City Centre Management (CCTV)		✓
- Travel, Transport and Parking [Concessionary travel is statutory for each Travel Concession Authority (TCA) – Lancaster is a TCA .]	✓ part	
- Estate Management		✓
- Markets		✓
- Premises Facilities Management	✓	