



**LANCASTER**  
**CITY COUNCIL**

*Promoting City, Coast & Countryside*

# **COUNCIL MEETING**

**Wednesday, 16 September 2009 -  
2.00 p.m.  
Morecambe Town Hall**

Mark Cullinan  
Chief Executive  
Town Hall  
Dalton Square  
LANCASTER





# LANCASTER CITY COUNCIL

*Promoting City, Coast & Countryside*

Sir/Madam,

You are hereby summoned to attend a meeting of the Lancaster City Council to be held in the Town Hall, Morecambe on Wednesday, 16 September 2009 commencing at 2.00 p.m. for the following purposes:

1. **APOLOGIES FOR ABSENCE**

2. **MINUTES**

To receive as a correct record the Minutes of the Meetings of the City Council held on 22 July 2009 (previously published).

3. **DECLARATIONS OF INTEREST**

4. **ITEMS OF URGENT BUSINESS**

5. **ANNOUNCEMENTS**

To receive any announcements which may be submitted by the Mayor or Chief Executive.

6. **QUESTIONS FROM THE PUBLIC UNDER COUNCIL PROCEDURE RULE 11**

To receive questions in accordance with the provisions of Council Procedure Rules 11.1 and 11.3 which require members of the public to give at least 3 days' notice in writing of questions to a Member of Cabinet or Committee Chairman.

7. **LEADER'S REPORT** (Pages 1 - 6)

To receive the Cabinet Leader's report on proceedings since the last meeting of Council.

**REPORTS REFERRED FROM CABINET, COMMITTEES OR OVERVIEW AND SCRUTINY**

8. **REVENUE OUTTURN 2008/09 - CARRY FORWARD OF BUDGETS** (Pages 7 - 10)

To consider the recommendations of Cabinet at its meeting on 28 July 2009.

9. **ANNUAL TREASURY MANAGEMENT REPORT 2008/09** (Pages 11 - 19)

To consider the recommendations of Cabinet at its meeting on 28 July 2009.

10. **LANCASTER DISTRICT LOCAL STRATEGIC PARTNERSHIP - COMMUNITY ENGAGEMENT FRAMEWORK** (Pages 20 - 47)

To consider the recommendations of the Council Business Committee at its meeting on 3 September 2009.

11. **NOTICE OF MOTION - WAR MEMORIALS** (Page 48)

To consider the following motion proposed by Councillor Sheila Denwood and seconded by Councillor Abbott Bryning:

'That the City Council express its concern that the two carved Gillow Memorials naming the war dead of two world wars and others who fought who were members of the Co-operative Society in the Lancaster District are not currently on display and may be in danger of neglect; and

That arrangements be made with the owners who have indicated a willingness to donate them to the City Council for suitable public display in order that they are properly honoured and preserved with the dignity they deserve.'

A report of the Corporate Director (Regeneration) on this matter is included in the Agenda.

**OTHER BUSINESS**

12. **APPOINTMENTS TO OUTSIDE BODIES - VISION BOARD WORKING GROUPS** (Pages 49 - 54)

To consider the report of the Corporate Director (Regeneration).

13. **QUESTIONS UNDER COUNCIL PROCEDURE RULE 12.2**

To receive questions in accordance with the provisions of Council Procedure Rules 12.2 and 12.4 which require a Member to give at least 3 working days notice, in writing, of the question to the Chief Executive.

14. **MINUTES OF CABINET** (Pages 55 - 86)

To receive the Minutes of Meeting of Cabinet held on 28 July and 1 September 2009.



.....  
Chief Executive

Town Hall,  
Dalton Square,  
LANCASTER,  
LA1 1PJ.

Published on Tuesday 8 September 2009.



## Leader's Report

16 September 2009

### Report of the Leader of the Council

#### PURPOSE OF REPORT

To present the Leader's report to Council.

This report is public.

#### RECOMMENDATIONS

To receive the report of the Leader of Council.

#### REPORT

##### 1.0 Cabinet

Information on Cabinet matters is provided in the minutes from the Cabinet meetings held on 28 July 2009 and 1 September 2009, later in this agenda.

##### 2.0 Decisions required to be taken urgently

As required by Access to Information Procedure Rule 17.03 and Part 3 Schedule 2 of the Constitution, set out below are decisions which were taken under Urgent Business Procedures. In respect of the decisions in 2.2 and 2.3 below, call-in was waived in accordance with Overview and Scrutiny Procedure Rule 17.

At its meeting on 3<sup>rd</sup> September 2009 Cabinet endorsed urgent business decisions in respect of the following matters:-

##### 2.1 Civil Parking Enforcement

- (1) That the County Council be selected for the provision of off-street parking enforcement and back office services including Cash in Transit from September 2009 subject to County wide consultation and there being no significant changes in agreeing the final level of charges.
- (2) That the Corporate Director (Regeneration) in consultation with the Head of Legal and Human Resources, Head of Property Services and Head of Financial Services be authorised to enter into the necessary contracts to ensure the delivery of the above services from September 2009.

- (3) That the County Council provides appropriate levels of enforcement in residents parking zones and liaises with the City Council's parking team over this requirement.

The background to the urgent business report was provided to Members of Cabinet and Overview and Scrutiny Committee in a Cabinet Briefing Note on the arrangements for Civil Parking Enforcement (CPE), due to change in September. The note outlined the current position with the procurement options for the provision of various off-street parking services.

A decision needed to be made on which option was to be chosen for the provision of off-street car park enforcement, back office notice processing services and cash in transit (CIT) arrangements to coincide with the current contractual arrangements terminating in September. This is when the County Council assumes responsibility for the on-street element of parking enforcement in the Lancaster district.

An urgent business decision was required to enable the contractor and service providers to introduce their arrangements by September. Any delays in implementing the urgent business decision would have made it extremely difficult to guarantee that the necessary arrangements would in place by the required deadline.

Additionally the Chief Executive (in consultation with the Chairman of the Overview and Scrutiny Committee) was asked to waive call-in in accordance with Overview and Scrutiny Committee Procedure Rule 17(a). The Chairman of the Overview and Scrutiny Committee was not in agreement with the decision to waive call-in and the Chief Executive decided that the decision was subject to call-in in accordance with Overview and Scrutiny Procedure Rule 17(a).

### **2.2 Morecambe Townscape Heritage Initiative (THI) 2: A View for Eric**

- (1) That the Corporate Director (Regeneration) is authorised to contract with the Heritage Lottery Fund for the Townscape Heritage Initiative.
- (2) Subsequent to this that subject to the required amount of match funding being secured the Head of Planning Services is authorised to apply to the Heritage Lottery Fund for Permission to Start.
- (3) That the Head of Financial Services make the necessary revisions to the Council's Capital and General Revenue Fund to accommodate for delivery of the Townscape Heritage Initiative.

A Townscape Heritage Initiative (THI) is part of the Heritage Lottery Fund's (HLF) grant giving programme to help communities regenerate conservation areas displaying particular social and economic need throughout the United Kingdom. The Council delivered a highly successful first THI for Morecambe in the period 2003 to 2008. Through this the Council grant aided the restoration of some seventy properties within the Morecambe Conservation Area, drove up repair standards and most notably helped achieve the restoration of the grade II listed Midland Hotel.

The HLF offered the Council a contract for a second in Morecambe – "A View for Eric". The HLF contract offer was for £923,000 in funding over five years from contract commencement. The offer was conditional, including that the

Council must evidence 50% match funding before the HLF would authorise a start.

The urgency for this decision was the timescale. The HLF required that the Contract be signed by 17 July 2009. This meant that a decision on whether the Council should contract must be made before the scheduled cabinet meeting in July and hence the need to use the Urgent Business Procedure.

### **2.3 Artificial Ice Rink**

- (1) That Cultural Services, in partnership with Morecambe Town Council, take on the responsibility for organising an artificial Ice Rink in the Dome, as set out in the report.
- (2) If approved, that the legal documentation be completed in advance of the event.
- (3) That the Overview & Scrutiny Chairman be consulted with a view to waiving call in, in accordance with Overview & Scrutiny Procedure Rule 17, to enable the Chief Executive's decision to be implemented immediately.

Over the past two years, around the Christmas period, the former Poulton Neighbourhood Management has organised an Artificial Ice Rink in the general area of the West End of Morecambe, Cultural Services had been approached by the promoter, "Get Ya Skates On" (GYSO), who provided the facility over the last two years with a view to similar arrangement in 2009, but specifically using the Dome as an indoor venue. The proposals presented to Cultural Services were over two periods, namely 30th July to 26th August (inclusive), and the 14th to the 24<sup>th</sup> December 2009 (inclusive).

The proposal was that Lancaster City Council hire the rink for a rental charge of £16k with Lancaster City Council keeping 100% of the admissions income. This was the chosen option because it minimised any projected shortfall and provided an activity in the Dome over the Summer and Christmas periods.

The newly established Morecambe Town Council (MTC) was also aware of the approach made to Lancaster City Council, and following its meeting held on Thursday 16th July 2009, wrote to Lancaster City Council offering a "Guarantee Against Loss" of up to £8k. The Morecambe Town Council stated that it would be keen to work in partnership with Lancaster City Council in the organisation and promotion of events.

On the basis of the above intervention and involvement of Morecambe Town Council, Cultural Services proposed that the event go ahead in the Dome. However, as the event was not included in the original Dome programme of events, Cabinet was requested to support its inclusion. However, in light of timescales, and Cabinet's ultimate decision in respect of the request, Cultural Services would negotiate a variation with GYSO over the proposed summer dates. For the same reason, subject to approval of the proposals, it is requested that call-in be waived.

The item was considered as a matter of urgency in order to make the necessary arrangements to enable the opening of the Artificial Ice Rink for the summer period as soon as possible.

The relevant Cabinet member for this matter having declared an interest, the Chief Executive took this decision in consultation with the Leader of Cabinet.

Additionally the Chief Executive (in consultation with the Chairman of the Overview and Scrutiny Committee) was asked to waive call-in in accordance with Overview and Scrutiny Committee Procedure Rule 17(a). The Chairman of the Overview and Scrutiny Committee was in agreement with the Chief Executive's decision to waive call-in.

### **3.0 Leader's Comments**

This is traditionally a time when Councillors take a break and there are less meetings. However, this authority has remained busy throughout the Summer break.

#### **Budget Process**

Work has continued on the budget process for this year. Cabinet members have been using the 2008/9 outturn figures to look for potential ongoing revenue savings. Meetings with Cabinet members have taken place to discuss potential future growth areas and opportunities for savings. These have initially led to further investigation of suggestions made during last year's Cabinet – for example public toilet provision and swimming pool charges. No decisions have been taken on these areas – but the aim is to provide Cabinet with as much information as possible so that they can make strategic proposals.

Cabinet have also been looking at our spend against our agreed priority areas. It is clear that there is a significant amount of money being spent on areas which are not the priorities set out in the Corporate Plan, although some of these are statutory roles which the council must deliver – so we will not be able to just stop doing them. – but we may wish to question how much we are spending on them. This work has also revealed that some priority areas do not appear to have much being spent on them. This too is being questioned. However what is clear from this piece of work is that if this district is to do what it says it wants to our budget must follow what we have said are our agreed priorities. (Please see appendix to this report for details).

Meetings have taken place with neighbouring authorities to look at opportunities for shared working and efficiency savings. It is hoped that firm proposals will come forward from these meetings on how we can work more closely together in some service areas.

The aim of all of this is to produce a range of efficiency/savings options by December. It is hoped that, in line with the Medium Term Financial Strategy that we shall have a better idea of how the council will look in three years time and know how we want to get there. Cabinet have also decided, for the first time ever, to hold a series of consultation events in the district in order to inform our budget setting process.

#### **Mid-Lancashire Multi Area Agreement.**

I brought this to the attention of members in my last report. The MAA will involve authorities along the M6 corridor in Lancashire and consist of Lancashire County Council, West Lancashire, Chorley, South Ribble, Preston and Lancaster City. It represents an opportunity for the authorities to work closely together in a range of areas where we have common interests, primarily, but not exclusively, in the economy. The group are looking to submit its bid during the first week of



September. Lancaster City Council is committed to the principle of working as part of this MAA as long as this does not prevent us from also working with Councils in South Cumbria and Cabinet members informally discussed the importance of it at a briefing in August.

#### **4.0 Other Matters**

The Cabinet minutes are attached at the end of this agenda.

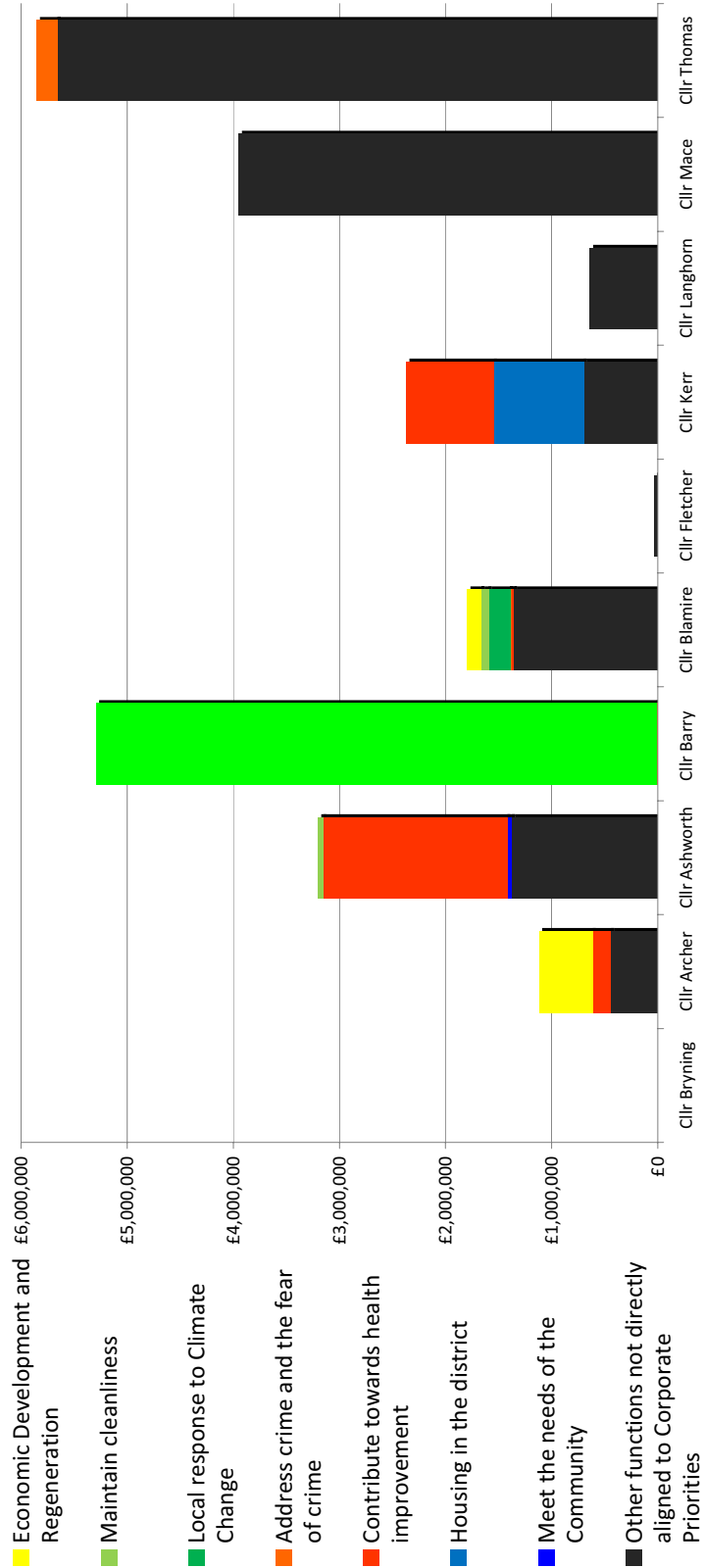
#### **BACKGROUND PAPERS**

Cabinet agenda and minutes of the meeting on 28 July 2009 and 1 September 2009.

APPENDIX C

2009/10 GENERAL FUND REVENUE BUDGET ANALYSED BY PORTFOLIO HOLDER

	Cllr Bryning	Cllr Archer	Cllr Ashworth	Cllr Barry	Cllr Blamire	Cllr Fletcher	Cllr Kerr	Cllr Langhorn	Cllr Mace	Cllr Thomas	TOTAL
	£	£	£	£	£	£	£	£	£	£	£
Economic Development and Regeneration		507,100			133,100						640,200
Maintain cleanliness			50,200	5,279,500	65,600					-43,000	5,352,300
Local response to Climate Change					202,200						202,200
Address crime and the fear of crime				12,000	11,800					195,300	219,100
Contribute towards health improvement		171,700	1,733,500		28,100		827,400				2,760,700
Housing in the district							843,200				843,200
Meet the needs of the Community			42,800								42,800
Other functions not directly aligned to Corporate Priorities		439,800	1,374,300	-198,600	1,352,800	30,800	699,500	637,000	3,947,200	5,655,700	13,938,500
	0	1,118,600	3,200,800	5,092,900	1,793,600	30,800	2,370,100	637,000	3,947,200	5,808,000	23,999,000



**COUNCIL****Revenue Outturn 2008/09 – Carry Forward of Budgets  
16 September 2009****Report of Cabinet****PURPOSE OF REPORT**

This report seeks Council approval for the carry forward of various underspent budgets from last year, into the current financial year.

**This report is public.**

**RECOMMENDATIONS**

**That the requests for carry forward of underspent budgets as set out at Appendix A be approved.**

**1 Introduction**

1.1 At the Cabinet meeting held on 28 July, Members approved numerous recommendations regarding the revenue and capital outturn for last year and this included a schedule of carry forward requests. These requests had been made by Service Managers where, for a variety reasons, they did not spend the full budget allocations in last year and now wished to carry the funding forward, to support spending in this year.

1.1 Under current Financial Regulations, the aims of the Carry Forward Scheme are to:

- provide some flexibility in delivering the Council's stated objectives
- remove the incentive to spend up budgets unnecessarily by year end, and
- promote good financial management.

Any such requests that involve amounts greater than £10,000 must all receive full Council approval and therefore several items been referred on from Cabinet, for consideration at this meeting.

**2 Proposal Details**

2.1 **Appendix A** sets out the requests requiring Council approval and in total, these amount to £137,400 for General Fund and £45,000 for Housing Revenue Account (HRA). The carry forward requests as attached are all linked to achieving specific objectives or service targets and they would have adverse implications for service delivery if not approved, therefore they have been supported by Cabinet. Should Members require further information on particular requests, they may find it useful to

refer back to Cabinet agenda of 28 July; however, where possible, additional updated information is included on the appendix to this report.

- 2.2 Assuming that all requests are approved as set out, this would have the following effect on revenue balances at the end of the current year:

Fund	Estimated Balances as at 31 March 2010:			Basic Minimum Balances Level £'000
	Per 2009/10 Budget	Assuming all requests approved	Variance (Surplus Balances)	
	£'000	£'000	£'000	
Housing Revenue Account (HRA)	350	442	(92)	350
General Fund	1,000	1,048	(48)	1,000

- 2.3 It can be seen that even after allowing for the carry forward requests, as a result of the outturn there would still be some small surplus resources available to both the HRA and General Fund. These balances will be taken into account in the forthcoming review of the Council's Medium Term Financial Strategy and the budget process generally.

### 3 Details of Consultation

- 3.1 No other specific consultation has been undertaken.

### 4 Options and Options Analysis (including risk assessment)

The basic options available to Council are either:

- To approve any number of the items / requests, in full or part; or
- To refuse any number of the requests and if commitments have already been incurred, require alternative funding options to be identified. Council should note, however, that in all likelihood this would impact adversely on other areas of service delivery. Whilst this risk would need acknowledging, clearly it is not possible to assess the full potential impact at this stage.

No other options are put forward given timescales and it being well into the current financial year.

### 5.0 Conclusion

- 5.1 As a result of underspending in last year it is felt appropriate to support the carry forward requests attached, to support service delivery, but this still ensures that some comparatively small surplus balances will be available to help fund future years' budgets, including other known liabilities.

**CONCLUSION OF IMPACT ASSESSMENT**

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

Any specific key issues arising are reflected in the individual carry forward requests.

**FINANCIAL IMPLICATIONS**

As set out in the report.

**SECTION 151 OFFICER'S COMMENTS**

The s151 Officer has no further comments to add.

**LEGAL IMPLICATIONS**

There are no legal implications 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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**Telephone: 01524 582117**

**E-mail: nmuschamp@lancaster.gov.uk**

**Ref:**

# Requests to Carry Forward 2008/09 Revenue Budgets

## For consideration by Council 18 September 2009

### General Fund

Service	Budget	Carry Forward Request £
City Council (Direct) Services	<p>Three Stream Waste Collection:</p> <p>This is to allow progress on a phased implementation to provide three-stream collection facilities for flats and caravan parks. Based on information available at the time of Cabinet, it was estimated that the total cost of provision would be around £76K and therefore this request would go half way towards meeting this service commitment (under the Cost Sharing agreement). The remaining balance will need to be considered as part of this year's monitoring &amp; the 2010/11 budget.</p>	38,000
Corporate Strategy	<p>Statutory Place Survey:</p> <p>As reported to July Cabinet, this was to meet the costs of the statutory place survey. Since, then, however, savings of £8K have been identified and therefore not all of the request is required for its original purpose. Further to a report considered at Cabinet in September, it was resolved (subject to call-in) that approximately £5,200 of the potential £8K saving be used to fund a consultation exercise on the 2010/11 budget. The carry forward request may therefore be reduced from £17,300 to 14,500 (assuming no call-in).</p>	17,300
Cultural Services	<p>Heysham Mossgate:</p> <p>This is to fund a payment to the County Council in respect of professional fees etc. for earlier feasibility work. The City Council received grant funding in previous years to cover these costs, but there was uncertainty as to what would need funding, linked to the previous uncertainties regarding the future of any scheme. This has now been resolved and since the July Cabinet meeting, the payment has actually been processed.</p>	10,000
Financial Services	<p>Software:"Icon" Managed Service (to take electronic payments):</p> <p>This is to meet existing contractual liabilities for the service; implementation was delayed into 2009/10 whilst contracts were finalised. The new arrangements will allow the Council to comply with national data security standards for taking credit and debit card payments.</p>	37,100
Revenue Services	<p>Local Housing Allowance Funding : "Proprint" package and software:</p> <p>This is to meet existing existing contractual liabilities for purchasing software and hardware to improve the printing of bills, notifications and other documentation to assist with collection performance, etc. and help manage the impact of recession. These acquisitions will be capitalised, but funded from revenue.</p>	35,000
		<b>137,400</b>

### Housing Revenue Account

Council Housing	<p>Electrical Inspections:</p> <p>This is to fund the completion of electric testing on properties; work started later in 2008/09 and therefore the testing has continued into 2009/10.</p>	25,000
Council Housing	<p>Electricity - Photo Electric Cells:</p> <p>This is to change over from time clocks to photo electric cells in order to reduce energy consumption and costs, for communal areas. This was delayed in 2008/09, due to work on other projects.</p>	20,000
		<b>45,000</b>

**COUNCIL**

## Annual Treasury Management Report 2008/09 16 September 2009

### Report of Cabinet

#### PURPOSE OF REPORT

This report sets out the performance of the Council in respect of Treasury Management for 2008/09 and seeks Council's approval for various Prudential Indicators following on from last year's outturn position.

**This report is public.**

#### RECOMMENDATIONS

**That the report be noted and that the Prudential Indicators as set out at Appendix B be approved.**

#### 1 Introduction

- 1.1 At the Cabinet meeting held on 28 July 2009, Members considered an annual report on the performance of the treasury function, which covers borrowing and investment activities. Cabinet also considered various associated Prudential Indicators tied in with the provisional revenue and capital outturn for the year (minute 32 refers).
- 1.2 Under the Code of Practice on Treasury Management in Local Authorities, it is a requirement that an information report on these matters be presented to Council as well as Cabinet; furthermore the Prudential Indicators must be approved ultimately by Council. This report is in accordance with those requirements.
- 1.3 As all the information has already been included on the Cabinet agenda and therefore circulated to all Members, this report highlights only the main issues arising. The glossary of terms has been included at **Appendix A**, and a full schedule of Prudential Indicators is included at **Appendix B**.

#### 2 Icelandic Investments

The Council has £6M of investments at risk, tied up with the collapse of the Icelandic banking sector. To assist with the closure of the 2008/09 accounts, standard accounting guidance was issued to all local authorities, giving details of possible rates of return. This guidance is summarised overleaf:

<b>Bank</b>	<b>Return</b>	<b>Timing of payment</b>
KSF (£2M)	At least 50% of principal and interest accrued up to 7/10/08.	10% expected July 2009, further payments spread evenly up to October 2012.
Glitnir (£3M)	100% of principal and interest up to 14/11/08 for priority creditors.	All payable March 2010
Landsbanki (£1M)	Between 95% of principal and interest payable up to 14/11/08 for priority creditors.	Payable in instalments up to December 2012.

These have been used as the basis for the year end entries in the 2008/9 draft accounts. Using these figures, the Council has "impaired" its Icelandic assets by £1.6M (i.e. this is the total estimated loss in value). This, however, takes into account the interest accrued on these investments, as well as the timing of repayments. On a simple cash basis, using the above assumptions, the Council would expect to get back at least £4.95M of the £6M originally invested – i.e. an estimated principal loss of around £1M.

It is important to note though that definitive statements from the Administrators are still awaited. Furthermore, at the time of writing this report, more up to date accounting guidance regarding the estimation of such investment losses was expected, and this will need to be considered in finalising last years' accounts. Any implications will be reported to Audit Committee on 23 September.

### 3 **Borrowing**

#### 3.1 **Longer Term Borrowing and Funding of Capital.**

Long term borrowing is an important part of the Council's capital financing. Under the Prudential Code a key indicator is the Capital Financing Requirement (CFR). Borrowing should not exceed the CFR on a long term basis, as this could indicate that loans are being used to fund expenditure other than capital. For 2008/09 the figures were as follows:

	<b>£000</b>
Opening CFR	45,595
Closing CFR	45,857
<b>Average CFR</b>	<b>45,726</b>
Weighted average borrowings	44,752
Weighted average investments	20,565
<b>Net borrowings</b>	<b>24,187</b>

From this it is clear that net borrowings are well below the Council's CFR, and average gross borrowings are in line with it. This supports the reported position, i.e. that long term borrowing has not been used to fund revenue activities.



In addition, other indicators are set to control the absolute amount of debt (the Authorised limit) and expected gross debt but allowing for day to day cash management (Operational Boundary). The Council has operated well within the set boundaries. Below is the year end position:

	<b>Actual Debt 31/3/2009</b>	<b>Operational Boundary</b>	<b>Authorised Limit</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Deferred Liabilities	223	-	310
PWLB Debt	39,215	-	) 56,290
Temporary borrowings	8,500	-	)
<b>Total</b>	<b>47,938</b>	<b>49,100</b>	<b>56,600</b>

The year end was also the point at which the Council was most indebted during 2008/09, due to the scheduled reduction of local tax income receipts in February and March (instalments are due over the period from April to January, and so income tails off in the last two months of the year).

### 3.2 Debt Maturity (or Repayment) Profile

One Prudential Indicator which is used to manage liquidity risk is the maturity structure of borrowing. This indicator introduces limits to help reduce the Council's exposure to large fixed rate sums falling due for repayment (and potentially re-financing) all at once. The table below shows these profiles at the beginning, middle and end of the year against the indicator.

The movement in profile is due to the repayment of £5.6M of PWLB debt in January 2009. This was done to save interest costs but this cash had to be replaced by temporary loans, at least for a time. These temporary loans will be repaid as fixed term investments mature, with the net position being an overall reduction in both debt and investment balances.

	<b>Prudential Indicator</b>	<b>Actual 31/3/08</b>	<b>Actual 31/9/08</b>	<b>Actual 31/3/09</b>
Under 12 months	0-35 %	0%	0%	18%
12 – 24 Months	0 - 5%	0%	0%	0%
24 – 5 years	0 – 10%	0%	0%	0%
5 – 10 years	0 – 20%	0%	0%	0%
10 years above	60 – 100%	100%	100%	82%

### 3.3 Interest Payable on Longer Term Borrowing

The average rate of interest payable on PWLB debt in 2008/09 was 5.56%, which was identical to 2007/08. However, the cost of long term borrowing showed a favourable variance against the revised budget:

	<b>£'000</b>
2008/09 Estimate	2,478
2008/09 Actual	2,436 (of which £837K was charged to the HRA)
Variance	42 (favourable)

The variance is due to the repayment of loans in January, saving 4.5% on £5.6M of loans for 2 months, with an ongoing annual saving estimated at £251K per annum.

All the interest payable was in relation to fixed interest loans. Prudential Indicators also provide exposure limits that identify the maximum limit for variable / fixed interest rate exposure, based upon the debt position. The table below shows that the outturn position was within the limits set by Members at the beginning of the year.

	<b>Prudential Indicator</b>	<b>Actual</b>
	<b>%</b>	<b>%</b>
Fixed Rate	100	100
Variable Rate	30	0

As yet there is no information available for last year with which to compare performance with other local authorities.

**4 Shorter Term Borrowing (to support cash flow)**

During 2008/09 some short term borrowing was required to support the Council's cash position toward the end of the year. As mentioned earlier, this need was influenced by the decision to repay PWLB loans early, and to cover £3M of Icelandic bank deposits that were due back in January. The interest cost of the loans (£5K) was more than offset by the savings on PWLB loans.

**5 Investment Activities**

**5.1 Performance against Prudential Indicators**

In 2008/09 all investments were placed in accordance with the approved Investment Strategy. There was one minor breach of investment limits in the year as reported in the Qtr 3 treasury monitoring report. This was as a result of a bank returning an investment to an old account by mistake; no loss resulted from this.

From the start of 2008/09, the Council had only 1 investment due to mature 365 days or more from any point in the year. This was the £1M investment with Landsbanki, which was taken out in May 2007 for a 2 year period. Although this was well within the approved Performance Indicator limit of £6M, ultimately the bank involved defaulted. For the last half of 2008/09, the Council shortened its investment periods significantly, in light of current economic conditions.

**5.2 Performance against budget and external benchmarks.**

Interest earned in the year can be summarised as follows:

Interest earned	£803K (£203K of which was credited to the HRA)
Revised budget	£1,003K.
Variance	£200K adverse

This figure is lower than that reported for the end of Quarter 4, as in effect all Icelandic bank interest has been stripped out. This is in line with the accounting guidance as mentioned in section 2.

In terms of performance against external benchmarks, our investment returns can be summarised as follows:

Base Rate	3.61%
3 Month LIBID	4.59%
Lancaster CC investments*	3.91%
Lancaster CC investment 0708	5.82%

\*This rate includes £6M frozen in Icelandic banks, but assumes they are not generating any interest.

Overall, the investment returns were within the range limited by the base rate and LIBID (London Inter-bank Bid) rate. In comparison to the prior year, there is a marked drop in the returns, which reflects the changes in the global economic conditions. It is anticipated that the returns for 2009/10 will be lower still, as the full impact of investment rate reductions is felt.

Following the Icelandic banking crisis, the approach to investing changed markedly. No new fixed term investments were placed after 08 October 2008 and Officers chose to repay £5.6M of debt towards the end of the year, rather than invest cash. This reduced counterparty risk and saved interest charges. The Investment Strategy for 2009/10 approved in February formalised a much more conservative approach to managing surplus cash.

Similar to the borrowing comparators, there is currently no information available regarding other Local Authorities' investment performance during 2008/09.

## 6 Other Risk Management Issues

Many of the risks in relation to treasury management are managed through the setting and monitoring performance against the relevant Prudential Indicators, as discussed above. There is also liquidity risk associated with accessing cash when it is needed, on a day to day basis, but for a local authority this is not judged as significant.

At a higher level though, the main focus and perception of risk within treasury management has changed over the year. The position has changed from a relatively stable economy with investment returns that were higher than the cost of much of the Council's debt, to one where investment returns have slumped and the credit worthiness of counterparties is paramount. The Council's Investment Strategy is designed to engineer risk management into investment activity largely by reference to credit ratings and length of deposit, together with supporting advice. This strategy is required under the CIPFA Treasury Management Code, the adoption of which is another Prudential Indicator.

From the various national reviews undertaken so far, it is clear that there will be many changes to the treasury management framework in future, for all concerned – Officers, Members, Auditors, Consultants, and bodies such as CIPFA.

## 7 Other Prudential Indicators

As required under the Prudential Code, certain other year end Prudential Indicators must be calculated and reported. A full list of indicators is provided at **Appendix B**; those requiring specific Council approval are highlighted.

**8 Conclusion**

It is clear, given the Icelandic position, that the overall aim of treasury management policy, i.e. “to secure the most favourable overall position for the Council”, has not been achieved in 2008/09. Work will continue to secure the best returns possible from Icelandic investments, and to help ensure that the policy aims can be achieved once again, in 2009/10 and beyond. This includes meeting any new requirements as may be implemented over the coming months.

<p><b>RELATIONSHIP TO POLICY FRAMEWORK</b>                  This report is in accordance with the Council’s Treasury Management Policy Statement.</p>	
<p><b>CONCLUSION OF IMPACT ASSESSMENT</b>                  (including Diversity, Human Rights, Community Safety, Sustainability, etc)                  No direct implications.</p>	
<p><b>FINANCIAL IMPLICATIONS</b>                  As set out in the report. These have also been incorporated into the outturn for 2008/09.</p>	
<p><b>SECTION 151 OFFICER’S COMMENTS</b>                  The Section 151 Officer has been consulted and has no comments to add.</p>	
<p><b>LEGAL IMPLICATIONS</b>                  Legal Services have been consulted and have no comments to add.</p>	
<p><b>MONITORING OFFICER’S COMMENTS</b>                  The Monitoring Officer has been consulted and has no comments to add.</p>	
<p><b>BACKGROUND PAPERS</b>                  Treasury Management Strategy and Policy documents 2008/09.</p>	<p><b>Contact Officer: Nadine Muschamp</b>                  Telephone: 01524 582567                  E-mail: pnotley@lancaster.gov.uk</p>

## APPENDIX A

**Treasury Management Glossary of Terms**

- **Annuity** – method of repaying a loan where the payment amount remains uniform throughout the life of the loan, therefore the split varies such that the proportion of the payment relating to the principal increases as the amount of interest decreases.
- **CIPFA** – the Chartered Institute of Public Finance and Accountancy, is the professional body for accountants working in Local Government and other public sector organisations, also the standard setting organisation for Local Government Finance.
- **Counterparty** – an institution (e.g. a bank) with whom a borrowing or investment transaction is made.
- **Credit Rating** – is an opinion on the credit-worthiness of an institution, based on judgements about the future status of that institution. It is based on any information available regarding the institution: published results, Shareholders' reports, reports from trading partners, and also an analysis of the environment in which the institution operates (e.g. its home economy, and its market sector). The main rating agencies are Fitch, Standard and Poor's, and Moody's. They analyse credit worthiness under four headings:
  - **Short Term Rating** – the perceived ability of the organisation to meet its obligations in the short term, this will be based on measures of liquidity.
  - **Long Term Rating** – the ability of the organisation to repay its debts in the long term, based on opinions regarding future stability, e.g. its exposure to 'risky' markets.
  - **Individual/Financial Strength Rating** – a measure of an institution's soundness on a stand-alone basis based on its structure, past performance and credit profile.
  - **Legal Support Rating** – a view of the likelihood, in the case of a financial institution failing, that its obligations would be met, in whole or part, by its shareholders, central bank, or national government.

The rating agencies constantly monitor information received regarding financial institutions, and will amend the credit ratings assigned as necessary.
- **EIP** – Equal Instalments of Principal, a type of loan where each payment includes an equal amount in respect of loan principal, therefore the interest due with each payment reduces as the principal is eroded, and so the total amount reduces with each instalment.
- **Gilts** – the name given to bonds issued by the U K Government. Gilts are issued bearing interest at a specified rate, however they are then traded on the markets like shares and their value rises or falls accordingly. The Yield on a gilt is the interest paid divided by the Market Value of that gilt.  
Eg a 30 year gilt is issued in 1994 at £1, bearing interest of 8%. In 1999 the market value of the gilt is £1.45. The yield on that gilt is calculated as  $8\%/1.45 = 5.5\%$ .  
See also PWLB.
- **LIBID** – The London Inter-Bank Bid Rate, the rate which banks would have to bid to borrow funds from other banks for a given period. The official rate is published by the Bank of England at 11am each day based on trades up to that time.

- **LIBOR** – The London Inter-Bank Offer Rate, the rate at which banks with surplus funds are offering to lend them to other banks, again published at 11am each day.
- **Liquidity** – Relates to the amount of readily available or short term investment money which can be used for either day to day or unforeseen expenses. For example Call Accounts allow instant daily access to invested funds.
- **Maturity** – Type of loan where only payments of interest are made during the life of the loan, with the total amount of principal falling due at the end of the loan period.
- **Policy and Strategy Documents** – documents required by the CIPFA Code of Practice on Treasury Management in Local Authorities. These set out the framework for treasury management operations during the year.
- **Public Works Loans Board (PWLB)** – a central government agency providing long and short term loans to Local Authorities. Rates are set daily at a margin over the Gilt yield (see Gilts above). Loans may be taken at fixed or variable rates and as Annuity, Maturity, or EIP loans (see separate definitions) over periods of up to fifty years. Financing is also available from the money markets, however because of its nature the PWLB is generally able to offer better terms.
- **Butlers** – Butlers Treasury Services are the City Council's Treasury Management advisors. They provide information and advice on borrowing strategy, investment strategy, etc and guidance on the vetting of investment counterparties, in addition to ad hoc support throughout the year.
- **Yield** – see Gilts

Members may also wish to make reference to *The Councillor's Guide to Local Government Finance*.

**PRUDENTIAL INDICATORS FOR THE YEAR ENDED 31 MARCH 2009**  
For Consideration by Council 16 September 2009

**Note that the figures and comments highlighted below relate specifically to the 2008/09 outturn; all others have been approved at previous meetings of Council.**

**AFFORDABILITY**

		2007/08	2008/09	
<b>PI 1:</b> Estimates of ratio of financing costs to net revenue stream (as per Council 27 Feb 2008)	Non - HRA	14.2%	13.4%	
	HRA	9.8%	9.4%	
	Overall	12.8%	12.1%	
<b>PI 2:</b> Actual ratio of financing cost to net revenue stream	Non - HRA	12.1	10.3%	
	HRA	9.4%	9.1%	
	Overall	11.3	9.9%	
<b>PI 3:</b> Estimates of impact of Capital Investment decisions on the Council Tax Method of calculation changed from 2008/09 onwards therefore previously published 0708 figure is not comparable.		N/A	£0.28	
		N/A	0.16%	
<b>PI 3A:</b> Illustrative Impact of Additional Borrowing £1 million		<b>Repayment Period</b>		
		<b>5 Years</b>	<b>10 Years</b>	<b>25 Years</b>
	Increase in Council Tax (£)	£5.29	£2.95	£1.62
	Increase in Council Tax (%)	3.00%	1.67%	0.92%
<b>PI 4:</b> Estimates of impact of Capital Investment on Housing Rents		Nil	Nil	

**PRUDENCE**

		£000	£000
<b>PI 6:</b> Estimates of capital expenditure	Non - HRA	18,455	31,133
	HRA	3,542	3,280
	Total	21,997	34,413
<b>PI 7:</b> Actual capital expenditure	Non - HRA	12,751	10,517
	HRA	2,880	3,034
	Total	15,631	13,551
<b>PI 8:</b> Estimates of Capital Financing Requirement	Non - HRA	30,439	30,642
	HRA	15,303	15,303
	Total	45,742	45,945
<b>PI 9:</b> Actual Capital Financing Requirement	Non - HRA	30,292	30,554
	HRA	15,303	15,303
	Total	45,595	45,857
<b>PI 10:</b> Authorised Limit	Authorised Limit for Borrowing	55,990	56,290
	Authorised Limit for Other Long Term Liabilities	310	310
	Authorised Limit for External Debt	56,300	56,600
<b>PI 11:</b> External Debt: Operational Boundary		48,800	49,100
<b>PI 12:</b> Actual external debt		45,023	47,938

**TREASURY MANAGEMENT**

<b>PI 13:</b> Treasury Management: adoption of CIPFA code of Practice	The Council adopted the CIPFA code of Practice for Treasury Management at its meeting on 13 March 2002.			
<b>PI 14:</b> Fixed Interest Rate Exposure The Authority will limit its exposure to fixed interest rate costs to the amounts payable on the following proportion of its outstanding debt.	As at 31 March 2009, the Authority had not breached this limit. All outstanding debt was at fixed interest rates (vs approved indicator of 100%)			
<b>PI 15:</b> Variable Rate Interest Rate Exposure The Authority will limit its exposure to variable interest rate costs to the amounts payable on the following proportion of its outstanding debt.	As at 31 March 2009, the Authority had not breached this limit with 100% of external debt being at fixed interest rates (vs approved limit of 30%)			
<b>PI 16:</b> Maturity Structure of Borrowing  Maturity Profile of Current Outstanding Debt		<b>Approved limits</b>	<b>2007/8 Actual</b>	<b>2008/9 Actual</b>
	Under 12 months	0% to 35%	0%	18%
	12 months and within 24 months	0% to 5%	0%	0%
	24 months and within 5 years	0% to 10%	0%	0%
	5 years and within 10 years	0% to 20%	0%	0%
	10 years and above	60% to 100%	100%	82%
<b>PI 17:</b> Investments for periods longer than 364 days	As at 31 March 2009, the Authority had no sums invested that were due to mature after more than 365 days of that date.			

**COUNCIL****Lancaster District Local Strategic Partnership  
Community Engagement Framework  
16 September 2009****Report of the Council Business Committee****PURPOSE OF REPORT**

To consider the recommendation of the Council's Business Committee to adopt the LDLSP Community Engagement Framework

**RECOMMENDATION**

1. That the Council adopt the Lancaster District Local Strategic Partnership's Community Engagement Framework in accordance with the recommendations of the Council's Business Committee and that all future engagement work undertaken by the Council follows the principles of engagement set out in the document and the guidance given in carrying out this work.
2. That the Lancaster District Local Strategic Partnership be asked to develop a reference list of contact details to complement the framework documents as soon as practicable.

**1.0 Introduction**

- 1.1 Council Business Committee, at its meeting on the 3<sup>rd</sup> September, considered an urgent business report, attached as Appendix A, regarding a consultation being carried out by the Lancaster District Local Strategic Partnership. Responses to the consultation were requested by the 7<sup>th</sup> Sept.
- 1.2 Following consideration of the report, the Committee agreed the following :-
  - (1) That the draft response, attached at Appendix A to the report, be agreed subject to adding that the Council would like the reference list of contacts (referred to in paragraph 7) to be done as soon as possible.
  - (2) That the Committee recommends that the Community Engagement Framework be adopted by Council, subject to the outcome of the consultation exercise not significantly changing the draft documents, and that all future engagement work undertaken by the Council follows the principles of engagement set out in the document.
- 1.3 The agreed response, as amended by the committee is attached at Appendix B and this was duly returned to the LDLSP for their consideration. The deadline for responses to the consultation was the 7<sup>th</sup> Sept and at the time of writing this report, the outcome was not known. Once the LDLSP has finalised the exercise, a copy of any amendments will be circulated to Council prior to the meeting.



## **2.0 Proposal Details as Considered by the Business Committee**

- 2.1 The attached report and CEF framework summary (Appendix A) informed the Business Committee of a new statutory 'duty to involve' local people in the decision making process so that they feel able to influence decisions affecting their local area.
- 2.2 The LDLSP has, on behalf of all its partners, developed a Community Engagement Framework (CEF) setting out the principles of effective engagement and best practice in this area of activity. It recognises the value to be gained by working together rather than individually to put community engagement at the heart of service planning and delivery.
- 2.3 All partners are being asked to 'sign up' to the Framework and ensure that all future engagement work undertaken by the Council and its partners follows the principles of engagement set out in the framework documents.
- 2.4 The Committee heard that the council is committed to improving its community engagement and includes in its Corporate Plan - **Priority 7 Support Our Local Communities** ( Priority 7.2 refers) ***“To support the LDLSP’s development of a Community Engagement Strategy”***
- 2.5 The CEF documents include a summary, checklist, and guidance note and the Committee’s response made a number of suggestions for improvements but in particular stressed the need for the documents to be complemented by the further production of a list of reference contacts which would assist users to engage quickly and directly with organisations and groups.
- 2.6 The amended response agreed by the Committee is attached as **Appendix B**. The framework summary is also attached as an appendix to the original report but as the checklist and guidance are lengthy documents they have not been attached but will be available at the meeting.

## **3.0 Details of Consultation**

- 3.1 The CEF has been the subject of extensive consultation across a wide range of community groups. The Council Business Committee agreed a response to the consultation exercise on behalf of the council at its last meeting. Details of that consultation are set out in the attached report and the council’s agreed response attached as Appendix B.

## **4.0 Options and Options Analysis (including risk assessment)**

- 4.1 The options for Council to consider are :-

### **Option 1**

To adopt the Community Engagement Framework as amended following the consultation exercise and for all future engagement work undertaken by the Council to follow the principles of engagement set out in the document and the guidance given in carrying out this work. To further request the LDLSP to develop as soon as practicable a complementary reference list of contact details.

### **Option 2**

Not to adopt the framework at this stage until the further work has been carried out.

**5.0 Officer Preferred Option (and comments)**

Option1 is the preferred option. The adoption of the framework will meet the council's Corporate Plan objective in respect of Community Engagement. The Council's own Consultation Policy and procedures will be reviewed to ensure they are aligned with the engagement framework. To delay further will prevent other partners in the LDLSP from working with the council on joint engagement exercises.

**6.0 Conclusion**

The implementation of the Community Engagement Framework will deliver tangible benefits both for local communities and for the LDLSP and its partners, and by working together rather than individually, place community engagement at the heart of service determination, planning and delivery for all partners in the LDLSP.

<p><b>RELATIONSHIP TO POLICY FRAMEWORK</b></p> <p>The Sustainable Community Strategy forms a part of the Council's Policy Framework. The Community Engagement Framework forms a part of the LDLSP's policy framework. The council's Corporate Plan includes at Priority 7 – Support for Our Local Communities and at 7.2 "Support the LDLSP's development of a Community Engagement Strategy</p>	
<p><b>CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</b></p> <p>The adoption of the Community Engagement Framework will have positive benefits in support of all aspects of equality impact assessment.</p>	
<p><b>FINANCIAL IMPLICATIONS</b></p> <p>The cost of any future engagement will be dependent upon Services' choice of methods. Any costs incurred in implementing the CEF would be covered by individual Services' current budgets.</p>	
<p><b>SECTION 151 OFFICER'S COMMENTS</b></p> <p>The Section 151 officer has been consulted and has nothing further to add.</p>	
<p><b>LEGAL IMPLICATIONS</b></p> <p>The Local Government and Public Involvement in Health Act places a statutory duty on members of Local Strategic Partnerships to ensure that community engagement informs decision making at all levels.</p>	
<p><b>MONITORING OFFICER'S COMMENTS</b></p> <p>The Monitoring Officer has been consulted and has nothing further to add.</p>	
<p><b>BACKGROUND PAPERS</b> The Local Government and Public Involvement in Health Act 2009</p>	<p><b>Contact Officer:</b> Richard Tulej <b>Telephone:</b> 01524 582079 <b>E-mail:</b> rtulej@lancaster.gov.uk</p>

**Appendix A**

**COUNCIL BUSINESS COMMITTEE**

**Lancaster District Local Strategic Partnership  
Community Engagement Framework - Consultation  
3 September 2009**

**Report of the Corporate Director (Finance and  
Performance)**

**PURPOSE OF REPORT**

To seek the Committee's response to the Lancaster District Local Strategic Partnership's (LDLSP) Community Engagement Framework consultation.

**RECOMMENDATION**

- (1) That the Committee consider the LDLSP's Community Engagement Framework consultation documents and agree the draft response attached as Appendix A on behalf of the city council for submission prior to the deadline of 7th September.**
- (2) Recommend that the Community Engagement Framework be adopted by Council, subject to the outcome of the consultation exercise not significantly changing the draft documents, and that all future engagement work undertaken by the Council follows the principles of engagement set out in the document.**

**1.0 Introduction**

Community Engagement can be defined as 'the involvement of citizens, through locally based representative bodies and individually, in influencing and shaping those decisions which directly impact on their local environment and the quality of their daily life'.

- 1.1 A new ‘duty to involve’ came into force on the 1 April 2009. It is set out in Section 138 of the Local Government and Public Involvement in Health Act. The ‘duty’ requires authorities to “ *take those steps they consider appropriate to involve representatives of local persons in the exercise of any of their functions.*” It specifies three ways of involving that need to be covered in this consideration:
  - Providing information
  - Consulting
  - Involving in another way
- 1.2 Statutory Guidance states “ .....we would also encourage authorities to work with partners through their Local Strategic Partnership to co-ordinate information provision, consultation and involvement and to share relevant knowledge...” (1)
- 1.3 The recent (statutory) Place Survey identified that only a quarter of residents (25%) in Lancaster district agree that they can influence decisions affecting their local area. This figure is below the Lancashire average (28%). The government has established a new National Indicator (NI 4) to track performance in this area.
- 1.4 The Lancaster District Local Strategic Partnership (LDLSP) includes as part of its Policy Framework the development of a Community Engagement Framework (CEF) which will enable partner engagement with communities within the Lancaster district so that improvements in social, economic and environmental well being can be achieved. This exercise has now been completed and the LDLSP wish to consult with its partners on the draft CEF so that it can be formally adopted by partners.
- 1.5 The partner consultation exercise finishes on 7<sup>th</sup> Sept and full council will be formally asked to adopt the CEF, as amended following the conclusion of the consultation exercise, at its meeting on 16<sup>th</sup> September. A draft suggested response is attached as **Appendix A**

## 2.0 Proposal Details

- 2.1 The Community Engagement Framework (CEF) document is attached as **Appendix B** to this report and has been designed from the start in partnership and builds upon the experience of the work of partners within the LDLSP, individual community members, small groups and organisations.
- 2.2 The CEF comprises a charter setting out the principles of community engagement. It sets out the strategic vision and guiding principles for community engagement within the Lancaster district. This framework will be used as the starting point for the delivery of all community engagement by the LDLSP and its constituent organisations and is designed to supplement and support our statutory responsibilities in this area.
- 2.3 Advice and guidance notes have been developed which build on research, experience, and best practice and will help members of the LDLSP to use methods of engagement that are consistent with the principles of this framework and will provide partners with a ‘menu of opportunities’ which will enable them to tailor their engagement around the needs of particular individuals/communities. It will also enable the LDLSP and its partners to develop an annual consultation and engagement strategies and plans.

- 2.4 Adoption of the CEF will demonstrate commitment to community engagement across the LDLSP partners in the following ways;
- A co-ordinated and consistent approach to community engagement is utilised that will help reduce the impact of “*consultation overkill and fatigue*”;
  - Community engagement is carried out in a way that is transparent, honest, and accessible to all;
  - Sufficient information is provided to the community to enable them to participate meaningfully in the community engagement process;
  - Community engagement is inclusive by providing opportunities for members of the Lancaster district community to express their views and to have their views listened to with respect;
  - Communities of interest, place, and identity are able to participate in decisions that affect or impact on them;
  - The outcomes of community engagement shape decision-making and service delivery;
  - Commitment from all partners to listen and act upon outcomes of community engagement to effect change
  - Feedback is provided to the community about the way their participation shaped the decisions made.
- 2.5 Through the development and implementation of a Community Engagement Framework, the LDLSP (and its partners) recognise the value to be gained by seeking to engage beyond the statutory requirements by working together rather than individually placing community engagement at the heart of service determination, planning and delivery.
- 2.6 By taking a community engagement approach to policy and service planning and delivery, decisions can be shaped by community needs. By providing feedback to the community about the way we use their participation to shape our decisions, we will create confidence in the community that the services we deliver meet local needs and will create positive public perception of the services provided to the Lancaster district.
- 2.7 A number of outline business benefits will arise through the adoption of community engagement principles:
- Community engagement can improve working relationships between partners, and the relationship between partners and their service users;
  - LSP partners and the voluntary and community sector can strengthen their role in community leadership;
  - Potential issues arising from proposed changes to services can be identified and addressed;
  - Take-up of services can be improved, making unit costs lower, especially where there is a charge for services;

- User satisfaction with services can be monitored over time, providing a useful performance indicator on improvements to the quality of services;
- The commissioning of services can be targeted more closely on providing what people want, and avoiding what people do not want; and we can make better use of the resources and expertise in the voluntary and community sector.
- Better community intelligence on the needs and aspirations of our communities will also enable the commissioning and delivery of services to be targeted more closely to addressing the needs of these communities;
- Communities can be empowered to define their aims for their community and can support the development of locally based solutions to neighbourhood issues;
- Local people can be involved more in decision making and rejuvenating the local democratic process;
- Community Engagement can increase civic pride and pride of place;
- People will be able to transfer the skills and experience they gain from participating in community engagement activities to other aspects of their life;
- Participating in Community Engagement activities can help improve the health and wellbeing, particularly mental wellbeing of individuals and the community; and providing information to communities helps the community to be better informed on how local services are delivered

2.8 Two strands of work have been carried out to provide the base information for the production of the framework – research and consultation.

### **3.0 Research**

3.1 Research on current engagement activity in the district and on best practice has been carried out. The research set out to determine what engagement methods are currently in use and what research into engagement is currently being undertaken by other agencies and partnerships within the district.

Specifically, this research involved statutory agencies the voluntary sector and members of the business community. The findings will help to avoid duplication of work between agencies and partnerships.

### **4.0 Details of Consultation**

4.1 Consultation work has focused upon the following groups/communities

Young People 11-17 years  
Young Adults 17-25 years  
Older people 50 years +  
Communities from Poland and elsewhere in Eastern Europe  
Communities from South East Asia  
Muslim and Hindu communities  
Lesbian, Gay, Bi-sexual and Transgender community  
People with disabilities

Housebound people  
Super-output communities [each relevant geographical area separately]  
Carers  
Students  
Business owners and managers  
Parish and Town Councils.

The consultations have tried to determine how different groups are generally engaging at the moment, how they are using their current engagement methods, whether current engagement methods are working and to ask them how they would like to be engaged with in the future.

## **5.0 Options and Options Analysis (including risk assessment)**

### **Option 1**

To agree the council's response to the consultation exercise and recommend to Council adoption of the LDLSP's Community Engagement Framework subject to the outcome of the consultation exercise not significantly changing the draft documents, and that all future engagement work undertaken by the Council follows the principles of engagement set out in the document.

### **Option 2**

As option 1 but to agree an amended response

### **Officer Preferred Option (and comments)**

Either option would satisfy the council's Corporate Plan priority to adopt the LDLSP Community Engagement Strategy. The Councils own Consultation Policy and procedures will be reviewed to ensure that they are aligned with the engagement framework.

## **6.0 Conclusion**

Formally adopting the framework will demonstrate the community leadership role required of the Council in leading its communities. It will enable the full range of business benefits set out the report to be fully realised and improve working relationships between partners and the relationship between partners and their service users.

The implementation of the Community Engagement Framework will deliver tangible business benefits to the LDLSP and its partners and by working together rather than individually place community engagement at the heart of service determination, planning and delivery.

**RELATIONSHIP TO POLICY FRAMEWORK**

The Sustainable Community Strategy forms a part of the Council's Policy Framework. The Community Engagement Framework forms a part of the LDLSP's policy framework.

**CONCLUSION OF IMPACT ASSESSMENT**

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

The adoption of the Community Engagement Framework will have positive benefits in support of all aspects of equality impact assessment.

**FINANCIAL IMPLICATIONS**

There are no new budget implications arising from the adoption of the CEF. The costs of implementing the CEF will be met from individual services consultation budgets. Ultimately, the commissioning (or de-commissioning) of services should be influenced by community engagement, and this supports achieving better value for money in service delivery.

**SECTION 151 OFFICER'S COMMENTS**

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

**LEGAL IMPLICATIONS**

The Local Government and Public Involvement in Health Act places a statutory duty on members of Local Strategic Partnerships to ensure that community engagement informs decision making at all levels.

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

The Local Government and Public Involvement in Health Act 2009

**Contact Officer:** Richard Tulej  
**Telephone:** 01524 582079  
**E-mail:** rtulej@lancaster.gov.uk  
**Ref:**



Picture

Jacqui Thompson, Chair of Lancaster District Local Strategic Partnership.

## Foreword

The Lancaster District Local Strategic Partnership (LDLSP) believes that local people have the best idea of what needs to be done to improve their quality of life. As a partnership we believe that engagement and decision making with local communities is at the heart of our existence. It enables those who live, work, study, visit and play in the Lancaster district to tell us what needs improving and therefore influence LDLSP decisions, the Sustainable Community Strategy, and ultimately the way our services are delivered.

Following the launch of the Lancaster District Sustainable Community Strategy in 2008, we promised that we would look at engagement across the district and see how we can improve as a partnership to ensure that the way we engage and involve our communities is not a token gesture or a single activity, but an integral part of all our working practices and the fundamental basis of everything we do. We also said that we would look at how we could be more co-ordinated and efficient in our engagement with you, and reduce the need for you to constantly engage and consult with separate organisations on similar issues. We also recognise that there are times when you want to have different levels of engagement, and that this is dependent on whether you are most likely to be affected by our services, policies and decisions. This Community Engagement Strategy is about how the Partnership can support you in becoming more involved in decisions to help improve our local communities. We understand the importance of engaging with those people who are most likely to be affected by services, policies and decision. We will especially consider the involvement of people whose voices may not be heard or who may be invisible from decision making processes.

This Community Engagement Strategy recognises the diversity of our district, the importance of community capacity building, and the need to provide appropriate opportunities for communities to participate at whatever level they wish to influence service delivery, decision making and policy development. It recognises that barriers to engagement exist for some communities and this strategy has provided useful tools that can overcome these barriers to allow effective and meaningful engagement to take place.

Through feedback and consultation in developing this strategy, you have told us that there is some good work already ongoing in the district. However we recognise that we have still much more work to do to ensure that community engagement in the Lancaster district strengthens our links with the Voluntary, Community and Faith Sector (VCFS). With this information we are closer to identifying the sector's vision for community engagement and to putting the right tools in place to make that vision a reality. The Partnership recognises the significant role that VCFS organisations have to play in making sure that we use the right approaches to engaging local residents and communities of interest.

This Community Engagement Strategy sets out what we mean by engagement, why we are committed to engaging our local communities, and how we plan to engage

now and in the future. It has been designed to ensure that engagement opportunities are provided in the most appropriate way for all stakeholders to be involved and give feedback. Our promise to you is that we will listen to you, consider your ideas, and keep you informed about what input we receive and how it will shape our future decisions.

This will never be a final document and neither can we finish the job within the lifetime of this strategy. We will look to build on this toolkit and keep seeking your views as to the best use of resources to make sure that engagement is seen as a policy priority across the District, rather than the activity of a few in one organisation. I am excited about this partnership approach to engagement and what it can deliver for all of us, and I look forward to reporting our successes through this strategy

## Acknowledgements

The Lancaster District Local Strategic Partnership would like to thank North East Lincolnshire District Council for allowing the partnership to use their framework as a template.

The partnership would also like to thank Andrew Woods from CN Research, and Jez Hall for carrying out the research stages of the project (stage 1a and 1b).

Most of all, the partnership would like to thank everyone who has taken part in the research including partners, individual members of community, various community groups, parish councils, businesses etc.

The **Lancaster District Local Strategic Partnership (LDLSP)** co-ordinates activities to promote the social, economic and environmental well-being of the District and its communities. It improves the way services are planned, bringing people together to work on ideas which help to achieve the aims of the Sustainable Community Strategy.

## **Our Current Partners:**

**Age Concern**

**Arnside and Silverdale Area of Outstanding Natural Beauty Partnership**

**Forest of Bowland Area of Outstanding Natural Beauty**

**Eden**

**Environment Agency**

**Furniture Matters**

**Help Direct**

**Job Centre Plus**

**Lancashire Association of Local Councils**

**Lancashire Constabulary**

**Lancashire County Council**

**Lancashire Fire and Rescue Service**

**Lancaster District Community Safety Partnership**

**Lancaster City Council**

**Lancaster District Children's Trust Partnership**

**Lancaster District Community Leaders Group**

**Lancaster District Council for Voluntary Services**

**Lancaster District Older Persons Partnership**

**Lancaster District Sustainability Partnership**

**Lancaster & District YMCA**

**Lancaster & Morecambe Citizens Advice Bureaux**

**Lancaster & Morecambe College**

**Lancaster University**

**Lonsdale Carers**

**National Coalition Building Institute**

**NHS North Lancashire**

**North West Learning & Skills Council**

**One Voice Disability Services**

**Signposts**

**University of Cumbria**

**Vision Board**

# Lancaster District Local Strategic Partnership's (LDLSP) Community Engagement Strategy

## Introduction

**Our Sustainable Community Strategy is the aspirational shared vision of how the area could look in 2022.**

*It states:*

***[By] Working together we will improve the quality of life for everyone in the Lancaster District.***

To achieve this vision, we need to make sure that we engage with the communities within the Lancaster district so that the improvements we make and the services we deliver, reflect the needs and desires of Lancaster district residents and are agreed and jointly owned by them.

Only by genuinely engaging with our communities can we improve and develop services which truly meet local need and aspiration, and ultimately contribute to the realisation of our shared vision.

This community engagement strategy sets out what we mean by effective and meaningful engagement, why we are committed to engaging, what barriers we need to overcome to engage effectively, and how we plan to engage now and in the future.

## Background

The Local Government and Public Involvement in Health Act 2007 introduced a statutory duty on members of the LDLSP to ensure that community engagement informs decision making at all levels. The introduction of the "Communities and Local Government (2008) *Creating Strong, Safe and Prosperous Communities Statutory Guidance*, also places a duty for Local Strategic Partnerships and individual partners to consult, inform and involve local people in key decisions to ensure that people have greater opportunities to influence decision-making and get involved. More recently, the "Duty to Involve" came into force in April 2009, side by side with the new Comprehensive Area Assessment. The core aim of Duty to Involve is to make it standard practice for a local authority and their partners to empower and engage local people through their delivery of local services, and local decision making.

Research and evidence, both locally and nationally, demonstrate that there will be benefits to both communities and public services when meaningful engagement is undertaken. Community Empowerment is equally as important for national government and the current drive on "Strengthening local democracy by giving citizens a much bigger role in shaping the places in which they live and the public services they use" is at the heart of the LDLSP Engagement Strategy and toolkit.

The LDLSP agreed that as part of its' Policy Strategy within its governance structures the partnership wanted to develop a Community Engagement Strategy. This would enable and improve engagement with communities within the Lancaster district, so

that improvements in social, economic and environmental well-being can be achieved.

The partnership felt it was important to localise national guidance and to do this by carrying out research with local communities. There is good work going on in our district but we still have much more to do. We consulted, listened to and took account of people's views from all aspects of community engagement and we will continue to work with these people and act upon their suggestions as part of ongoing community engagement in our area. We believe that this inclusive approach will help us to make a significant contribution to achieving our shared goals and ambitions across the whole of the Lancaster district.

### **Lancaster District Local Strategic Partnership Community Engagement Project**

Although there are a number of Community Engagement Strategies/strategy documents already in place, the LDLSP wanted to ensure that our Community Engagement Strategy and Toolkit was bespoke for the Lancaster district. The LDLSP project team were set three project objectives.

- To undertake information gathering from the Lancaster district 'community' which will inform the LDLSP as to how people wish to engage with partners in future to ensure we have accessible and well publicised opportunities for engagement to take place.
- To research locally with partners, nationally and internationally for best practice.
- To produce a draft Community Engagement Strategy for the LDLSP and other partners to use including a charter contain principles of community engagement and a toolkit.

Consultation and best practice research has informed the strategy. Consultation took place within the Lancaster district using the below listed local communities, and the consultation methods that were utilised included telephone interviews, face to face questionnaires, surveys, internet sites and focus groups. It is appreciated that there are a large number of communities in the district, and although we have endeavoured to capture a significant number of our known communities, this list is not exhaustive. However, this will never be a final document and neither can we ever finish the job in the lifetime of this strategy. We see this toolkit as an ongoing document and we will keep seeking your views as to the best use of resources to make sure that engagement is seen as a policy priority across the District.

- Partners
- Stakeholders
- Older people 50+ (50)
- Children and young people
- Students: Lancaster University (50)
- Businesses (50)
- Carers (50)
- People with disabilities (25)
- Urban communities including: West end, Poulton, Ridge and Newton, Skerton, Marsh, Ryelands, Vale and Heysham Central (140)

- Rural communities including: Carnforth, Lower Lune Valley, North and South, Silverdale and Bolton Le Sands (125)
- Polish Community (group of 10)
- Traveller Community (group of 9)
- Chinese Community (group of 12)
- Hindu Community (group of .....)
- Muslim Community (group of 6)
- Lesbian, Gay, Bi-sexual and Transgender Community (group of 10)

Our research with partners demonstrated a real willingness to improve and recognise that community engagement makes a difference. However, we did find that Partners' views on current community engagement didn't necessarily tally with stakeholder views. The partnership recognises it has work to do and is committed to working together to improve community engagement and make this work.

LDLSP partners were consulted on and signed up to implementing the LDLSP Community Engagement Strategy (Strategy and toolkit) in August/September 2009.

Through the development and implementation of this Community Engagement Strategy, the LDLSP recognises the value to be gained by seeking to engage beyond the statutory requirements and that we can achieve added value by working together rather than individually. Working in partnership will help to create efficiencies, reduce duplication and reduce consultation fatigue. Community Engagement will be placed at the heart of service determination, planning and delivery.

By taking a community engagement approach to policy and service planning, commissioning services and delivery, we will be able to ensure that we base our decisions on community needs. By providing feedback to the community about the way we used their participation to shape our decisions, we will create confidence in the community that the services we deliver meet local needs and will create positive public perception of the services provided to the community.

This Strategy has been developed to be the key reference for community engagement by the LDLSP. It sets out the strategic vision and guiding principles for community engagement within the Lancaster district. This strategy should be used as the starting point for the delivery of all community engagement by the LDLSP and it is designed to supplement and support our statutory responsibilities.

We have also developed a Community Engagement Toolkit to provide advice and guidance around engagement mechanisms, methods and processes.

This Toolkit (and the Strategy) has been tailored to Lancaster district needs and is built on a wealth of local and extended research, experience, and best practice and will help members of the LDLSP to use methods of engagement that are consistent with the principles of this strategy. The Toolkit is a living document and can be updated to reflect new methods of engagement as they emerge.

The Community Engagement Strategy compliments existing guidelines and policies held by local authorities including in the Police, Primary Care Trust, Fire and Rescue Services, City and County Council and Local Voluntary, Community and Faith Sector Organisations.

The Community Engagement Strategy and Toolkit have been written in line with Lancaster City Council's Corporate Equalities Strategy, which seeks to value diversity and promote equality through practice and procedures. They are also written in accordance with Section 17 of the Crime and Disorder Act 1998, which places a duty on local authorities to work in partnership to tackle crime, disorder and anti-social behaviour.



## Context

### Why should we engage the community?

**Because we want to!** Lancaster district is unique and high quality local knowledge about our communities will help the development of joint service delivery based on issues and priorities that are agreed and owned by partners and communities in the Lancaster district. We need to make sure that we are doing things that people need and want.

- The community has the right to influence and participate in the planning and delivery of services and decisions that affect them;
- Community engagement can improve working relationships between partners, and the relationship between partners and their service users;
- LSP partners and the voluntary and community sector can strengthen their role in community leadership;
- Potential issues arising from proposed changes to services can be identified and addressed;
- User satisfaction with services can be monitored over time, providing a useful performance indicator on improvements to the quality of services;
- Services can be targeted more closely on providing what people want, and avoiding what people do not want which will lead to an increase in take up of services;
- Improve compliance with the Comprehensive Area Assessment.
- Services can be prioritised in response to community needs: and
- We can make better use of the resources and expertise in the voluntary and community sector.

### And then,

- Better community intelligence on the needs and aspirations of our communities will enable services to be targeted more closely to addressing the needs of these communities;
- We can use our understanding to ensure information, consultation and involvement opportunities are provided on the right issues, targeted at the right people, and accessible to those we are trying to reach; and in turn achieve higher levels of customer satisfaction
- Communities can be empowered to define their aims for their community and can support the development of locality-based solutions to neighbourhood issues;
- Local people can influence and be involved more in decision-making, rejuvenating the local democratic process;

- Community engagement can increase civic pride, pride of place and community cohesion;
- People will be able to transfer the skills and experience they gain from participating in community engagement activities to other aspects of their life;
- Participating in community engagement activities can help improve the health and well-being, particularly mental well-being, of individuals and the community;
- Local people will feel that LDLSP partners provide relevant and accessible engagement opportunities and will know how to get involved, either directly or through their elected representatives; and
- Providing information to communities helps the community to be better informed on how local services are delivered which can lead to an increase in satisfaction.

## Aim of Community Engagement Strategy

The aim of this Strategy is to set out clear principles for community engagement in the Lancaster district to provide guidance for LDLSP partners to engage with all of its communities, to use the results of this engagement to develop more locally responsive policies and to deliver improvements in service delivery that are shaped by the communities that will be affected.

## Objectives

To enable the planning and delivery of services, strategies and policies that reflect the needs of communities in the Lancaster district, the objectives of this strategy are to ensure that:

- There is a clear understanding of and commitment to community engagement across the LSP partners
- Communities have opportunities to shape and influence the development and delivery of quality services, and policies that reflect local needs and priorities.
- The tools in this Strategy are used as the basis of future activities to ensure they are properly conducted and provided flexibility and choice.
- Community engagement is carried out in a way that is timely, transparent, honest, and accessible to all, and is carried out in a co-ordinated and consistent approach.
- Our approaches to engagement and resources are proportionate to issues and likely benefits;
- We provide sufficient information to the community to enable them to participate meaningfully in the community engagement process;
- Community engagement is fully inclusive by providing opportunities for members of the community to express their views; to have these listened to with respect, and to receive feedback on the impact of their participation.
- The outcome of community engagement shapes decision-making and service delivery; and
- Feedback is provided to the community about the way their participation shaped the decisions we made.

### **How will we measure how successful we are?**

This Strategy has nine Objectives and each of these will be measured against the most relevant indicators, as well as being checked for progress against individual partners' delivery plans. However, the following Local Area Agreement targets will be used as key measures.

Lancashire's Local Area Agreement (LAA) is a three-year agreement between the Lancaster district (via our Local Strategic Partnership) and central government. The LAA describes how local priorities will be met by delivering local solutions.

- Percentage of people who feel that they belong to their neighbourhood (National Indicator number 2 Public Service Agreement (PSA) 21)
- Civic participation in the local area (National Indicator number 3 - PSA 15)
- Percentage of people who feel they can influence local decision making (National Indicator 4)
- Overall satisfaction with the local area as a place to live (National Indicator number 5)
- Percentage of people who believe that people from different backgrounds get on well together in their local area (National Indicator number 1)

## What is community engagement?

*Community engagement can mean different things to different people, different communities and different services. There are many definitions of community engagement, but the one we have agreed to use in the Lancaster district is:*

**‘The involvement of citizens, through locally based representative bodies and individually, in influencing and shaping those decisions which directly impact on their local environment and the quality of their daily life’.**

***We have designed this strategy to ensure we can provide the most appropriate means for all our communities to get involved and influence decisions that affect them.***

This definition supports a broad range of activities that encourage an active two-way communication process between LDLSP partners and communities in the Lancaster district. Community engagement is an ongoing activity and it is important that community engagement is linked to decision-making. By taking account of community views, we will be able to make services more effective and responsive and we will be able to tailor them to meet the needs of users. Community engagement will help to give us a better understanding of the needs of different communities in the Lancaster district and how well we are meeting their requirements.

## Types of community engagement

There are many different words used to describe community engagement – ‘participation’, ‘involvement’, ‘consultation’ and ‘research’ are just a few and they are often used interchangeably.

In the Lancaster district we have agreed to use five terms to describe different types of community engagement<sup>1</sup>.

It is important that we use the appropriate terminology to identify the type of engagement we are doing. This will help stop confusion and will clarify the purpose of the activity. These types of engagement often overlap in practice and it may be necessary to use several types at once when planning and delivering community engagement activities.

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<sup>1</sup> The ladder of empowerment (Every Voice Counts, 2008)  
The Duty to Involve Making It Work (Community Development Foundation)

When we plan and carry out engagement activities in the Lancaster district, we will include one or more of following types of engagement from our ladder of participation and provide necessary support to enable engagement.

## Informing

To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions

Our promise to the public: We will keep you informed

## Consulting

To obtain public feedback on analysis, alternatives and/or decisions,

Our promise to the public: We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.

## Involving

To work directly with the community throughout the process to ensure that concerns and aspirations are consistently understood and considered.

Our promise to the public: We will work with you to ensure that your concerns and aspiration are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision

## Collaborating

To work in partnership with the community on each aspect of the decision, including the development of alternatives and the identification of the preferred solution.

Our promise to the public: We will come to you for direct advice and innovation in formulating solutions and incorporate your advice and recommendation into decision to the maximum extent possible

## Empowering

To place final decision-making and/or devolved budgets in the hands of the community.

Our promise to the public: We will support you in making decisions and deliver to you what you decided

[www.peopleandparticipation.net](http://www.peopleandparticipation.net), 2009

When we use the word 'participation', we mean that the community is actively taking part in one of the five engagement activities described above.

Research on the 'ladder of participation' suggest that engagement is a development process and that we should enable progression up the ladder so that isolated and disempowered individuals become empowered through the process of participation and those without social power can acquire it.

This development process will not suit everyone and it will be possible to disengage or re-engage at any stage.

There are important differences between these terms. It is therefore important that we use the correct terminology to identify the type of engagement we are doing. This will help stop confusion and will clarify the purpose of the activity.

Research with partners and stakeholders shows support to work together on the higher levels of the ladder.

## What do we mean by communities?

Communities can be best defined as groups of people with something in common. These can be:

### Community of place

People living in a neighbourhood and localities such as housing estates or villages. These locations will usually have defined physical boundaries.

### Community of interest

A group of people with a shared interest or experience, which might cut across other communities. A community of interest includes service users (for example, people interested in climate change, members of a disability support group, patients registered with a particular GP, library users, pupils of a school).

### Community of identity

A group of people with something in common - how people identify themselves or how they are identified by society, usually by demographic characteristics (for example, young people, religious groups, retirees).

A person will usually see themselves as belonging to a number of communities. This means that communities can be very diverse and we must give due consideration to this when we approach different communities. Some people may feel that they are not part of a community regardless of sharing some of the above characteristics. A lack of identity with a particular community should not result in exclusion from the decision making process affecting that community.



## Lancaster District Local Strategic Partnership Community Engagement Principles

We are committed to making sure all community engagement and consultation activity follows good practice guidance. To make sure this happens we have developed the community engagement commitments. These commitments should be followed when conducting all consultation or community engagement work.

<b>Clarity of Purpose</b>	Before beginning any engagement activity, <b>we will be clear</b> about why it is happening, what we want to achieve, who we are involving, what the community can and cannot influence, and how we will use the information gathered through the engagement activity.
<b>Evidence Base</b>	<b>We will use all available research</b> , knowledge and community intelligence to help us plan engagement activities. We will not carry out engagement activities if the information we need is already available.
<b>Proportionate</b>	<b>We will make sure that our approach to engagement and resources is proportionate</b> to the issue and likely benefits
<b>Communication</b>	<b>We will target and tailor our communication</b> by using a variety of accessible and inclusive ways to promote and provide information on engagement opportunities to our communities. We will also communicate internally to create joined-up engagement activities and avoid duplication of effort.
<b>Timing</b>	<b>We will allow sufficient time</b> to design and carry out engagement activities that are inclusive and encourage participation from all affected communities. We will also allow sufficient time to ensure that the results of engagement activities can shape our policies, plans and services to meet the needs and aspirations of our communities.
<b>Partnership</b>	<b>We will adopt a co-ordinated approach</b> to information provision, consultation and involvement and share relevant information and intelligence. This will allow us to appropriately target engagement activities and to create efficiencies, avoid duplication of effort and reduce consultation fatigue.
<b>Integrity</b>	<b>We will always be open, honest, and accountable</b> when explaining why we are engaging, sharing information and responding to contributions from all participants to avoid raising expectations.

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<b>Inclusive</b>	<b>We will support a variety of engagement activities</b> to reflect the diverse needs of our communities; take account of local circumstances and will be responsive to the ways that the community wants to engage with us.
<b>Action</b>	<b>We will listen to and take action on community views</b> to ensure that local people influence our decision making and improve our service provision. We won't just pay 'lip service.'
<b>Feedback</b>	<b>We will provide inclusive and accessible feedback to the community</b> about the engagement activities we carry out and will explain how the community's input contributed to the decision-making process. We will explain how and when we will provide feedback to the community at the same time as we carry out the community engagement exercise.
<b>Monitoring &amp; Review</b>	<b>We will monitor and review</b> the engagement activities we carry out to ensure that we take a partnership approach and use activities that are accessible to the target community and promote access to groups that are considered harder to reach, or who are seldom heard.

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## **LANCASTER CITY COUNCIL RESPONSE TO LDLSP CONSULTATION**

### **COMMUNITY ENGAGEMENT FRAMEWORK**

The Council welcomes the opportunity to comment on the production of the LDLSP's Community Engagement Framework (CEF).

The Council views the creation of the CEF as a significant step forward in ensuring that the views of the communities in the Lancaster District can be heard and help shape local policy decision making. The council has included in its Corporate Plan support for developing this framework and has contributed fully to the project team who prepared the framework. It is clear that the adoption of a common approach for community engagement throughout the LDLSP partners will have undoubted benefits and these are outlined in the documents.

The adoption of the framework will help the council and other partners to demonstrate that it takes community engagement seriously and will help improve key performance indicators linked to statutory and Local Area Agreement targets for engaging with the public and local communities.

The council is all too aware that on occasions it is very difficult to secure a response from all those with a view or opinion on any issue when consulting, especially individual members of the public who are not members of an organisation or group. The adoption of this framework therefore should help partners ensure that there is an opportunity for all community views to be expressed and recorded to help inform decision making.

More specifically, there is nothing in the framework that the council would disagree with. The principles of the framework are consistent with the council's own consultation strategy and toolkit and those views expressed by the council at the recent stakeholders' event on community engagement.

The draft framework is a very comprehensive and lengthy reference document. If it is to be adopted and used by partners, it needs to be user friendly and easily accessible. Partners need to be able to find their way around the documents quickly and easily. However, as it is a long and wordy document, and in some places repetitive, we would hope that when considering responses to the consultation, the project group take the opportunity to review the structure and format of the documents to sharpen the focus of the framework. In particular, the framework could be improved and made more user friendly for partners accessing the documents, by the use of more pictures, charts and diagrams and better indexing.

The Council believes that the framework should include a reference list of contacts for local groups and organisations. This would assist partners to engage effectively with communities by speeding things up, ensuring that the right people are contacted, and providing some consistency in the consultations. In particular, this would help partners ensure that local communities across the whole Lancaster District were included and the theme of City, Coast and Countryside championed. The development of such a reference list should be prepared as soon as possible but should not delay partners adopting the framework.

To conclude, this is a good piece of work and a good starting point to improve community engagement. However, the council recognises that the preparation and adoption of the framework is the easy part. The next stage of how partners implement and use the framework will be critical to determining the success of the framework and the LDLSP should have a clear idea of how this should be promoted and delivered within the partnership.

## **BRIEFING NOTE TO COUNCIL - 16 September 2009**

### **NOTICE OF MOTION – WAR MEMORIALS**

Motion to Council:

'That the City Council express its concern that the two carved Gillow Memorials naming the war dead of two world wars and others who fought who were members of the Co-operative Society in the Lancaster District are not currently on display and may be in danger of neglect; and

That arrangements be made with the owners who have indicated a willingness to donate them to the City Council for suitable public display in order that they are properly honoured and preserved with the dignity they deserve.'

#### **1.0 Introduction**

- 1.1 The Co-operative funeral parlour on George Street has been the location of two war memorials that identify those staff of the Co-operative who served in each world war and identifies those that died in each war. The carved wood memorials were initially on display in the funeral parlour but following the recent refurbishment of the building, it is no longer possible to display the memorials. Both memorials are currently stored in the funeral parlour building.
- 1.2 Whilst inspecting the memorials to determine whether they could be moved to the Town Hall, Co-op staff indicated that they were thinking of approaching their museum, which is part of the Beamish attraction in the north-east, to see if they could house the memorials. There is no positive view as to whether such a relocation could happen and whether it would be appropriate for a Lancaster Memorial to be located in Beamish.

#### **2.0 Proposal Details**

- 2.1 The memorials are substantial carvings and there is limited space in public areas of Lancaster Town Hall that would be suitable. Initial inspections have indicated that there is a potential location in the Ashton Hall.
- 2.2 The cost of relocating the memorials is estimated at £100 and could be met from existing budgets.

<b>SECTION 151 OFFICER'S COMMENTS</b>
The Section 151 Officer has been consulted and has no further comments.
<b>MONITORING OFFICER'S COMMENTS</b>
The Monitoring Officer has been consulted and has no further comments.



## **Appointments to Outside Bodies – Vision Board Working Groups**

**16 September 2009**

### **Report of Corporate Director (Regeneration)**

#### **PURPOSE OF REPORT**

To seek Council approval to appoint relevant members to Lancaster and Morecambe Vision Board Working Groups.

**This report is public**

#### **RECOMMENDATIONS**

- (1) **That additional representation to the three steering groups of the Vision Board be added to the Council's list of appointments to outside bodies.**
- (2) **That Cabinet be requested to agree appropriate Portfolio Holder representation on the three steering groups of:**
  - **Place, Culture and Identity**
  - **Business and Knowledge Innovation**
  - **Connectivity**

#### **1.0 Introduction**

- 1.1 Lancaster and Morecambe Vision Board have recently revisited the structure of the organisation.
- 1.2 The Vision Board was created as an informal public, private and independent sector partnership in 2005.
- 1.3 The purpose of the Vision Board has been to devise an economic vision and strategy for Lancaster district. This has been adopted by Lancaster City Council. At present it forms the basis of the strategy document of the Economy Thematic Group of the Lancaster District Local Strategic Partnership (LDLSP).
- 1.4 Board membership consists of representatives from Lancaster City Council, Lancashire County Council, North West Development Agency (NWDA) and local private and independent sector members.
- 1.5 The Vision Board has been supported by a manager (freelance but contracted to City Council and funded by the NWDA), a democratic services officer (Board meeting

administration) and a retired City Council officer (steering group meeting administration: funded by the NWDA).

- 1.6 Since its inception, the Vision Board has supported, enabled and, on occasion, led several feasibility studies. This has provided the City Council with valuable support on driving forward realisation of The Vision, for example in the case of The Faber Maunsell Transport Report.
- 1.7 The Vision Strategy document has now been adopted by the City Council and the LDLSP who are responsible for its delivery. This allows the Vision Board to focus on future projects which are outside the regeneration programme.
- 1.8 In order to facilitate this “visionary” work, the Vision Board have created three steering groups which are:
  - Place, Culture and Identity Steering Group
  - Business and Knowledge Innovation Steering Group
  - Connectivity Steering Group
- 1.9 Terms of reference for these groups are attached at Appendix a for information.

## **2.0 Proposal Details**

- 2.1 The Vision Board work needs to be considered by the appropriate bodies upon its completion and it is anticipated that this formal communication link will be through the LDLSP.
- 2.2 Any work carried out on feasibility of future projects will clearly benefit from some member involvement to ensure that any proposals do not fly in the face of the district’s 20-year programme, and, to this effect, it is considered appropriate that the City Council has appropriate representation on all of these steering groups.
- 2.3 Having considered the matter further, it would seem that the relevant Portfolio Holder of the City Council, which concerns itself with the work of the proposed steering groups, would be the most appropriate representation.

## **3.0 Details of Consultation**

- 3.1 This matter was raised with the Vision Board at its last meeting of 20 July 2009 by the leader of the City Council. The Vision Board advised that it would leave the matter to the City Council to decide on the relevant representation.

## **4.0 Options and Options Analysis (including risk assessment)**

- 4.1 Option 1  
That Council agree it appropriate for Cabinet to appoint suitable PH representation.
- 4.2 Option 2  
That no City Council representation is made to the steering groups.

## **5.0 Officer Preferred Option (and comments)**

- 5.1 The officer preferred option is Option 1.

## **6.0 Conclusion**

- 6.1 The past 12 months have seen significant change in the strategic direction for the economic strategy within this district. The Vision Board provided an essential

document which has now been adopted and re-configured by the City Council. This document has now been amended to produce a regeneration programme for the district, the delivery of which will be through the LDLSP. The Vision Board have identified that they do not wish to be involved in any of the delivery and, as such, have reassessed their terms of reference. They have advised that they only wish to carry out “visionary” work outside of the programme, and to facilitate this, have established three steering groups. This report identifies whether the City Council wishes to make appropriate representation of these steering groups.

**RELATIONSHIP TO POLICY FRAMEWORK**

Work produced by the Vision Board will, in time, be channelled through the LDLSP, and the decision as to whether this will amend the existing regeneration programme will be made at the appropriate time.

**CONCLUSION OF IMPACT ASSESSMENT**

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

There are no direct implications as a result of this report.

**FINANCIAL IMPLICATIONS**

The only financial implications are costs associated with members attending meetings, for example, their transport. This can be absorbed within existing budgets for Member Services.

**SECTION 151 OFFICER’S COMMENTS**

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

**LEGAL IMPLICATIONS**

There are no legal implications.

**MONITORING OFFICER’S COMMENTS**

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

**BACKGROUND PAPERS**

None

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**E-mail:** hmcmanus@lancaster.gov.uk  
**Ref:** CD(Reg)/DP/CAR/13

## Place, Culture and Identity Steering Group

### Terms of Reference

#### **Roles and Responsibilities**

To refresh, embrace and steer the fulfilment of those elements of the Vision concerned with making the most of our urban areas and natural landscape for tourists and residents alike and for developing the overall image, branding and profile of the district. To explore and assess the feasibility of new ideas, to engage relevant partners and to develop timelines in order to progress projects to help generate wealth in the district. The ultimate purpose of the group is the development of an image and reality of a “happening, contemporary and beautiful place” in which to live, work, operate successful businesses and to visit.

#### **Maximising wealth generating capacity by:**

- The development of the quality of the visitor experience
- Maximising the district's arts and cultural events
- Capitalising on the district's built heritage
- The development of a new positioning and brand image for the district

#### **Membership**

Vision Board representatives:

Jim Birkett	Joe Sumsion
Janthea Chuck	Ian Steel
John Walden	Lois Willis

To include representatives from:

Tourism teams	Lancaster City Council Regeneration
Museums service	Lancashire County Council Regeneration
Lancaster University	Heritage
University of Cumbria	

#### **Linkages with other local groups:**

The Storey  
More Music 4 Morecambe  
Morecambe Bay and Duddon Regional Park

**Meeting frequency:** Every 6 weeks





## Business and Knowledge Innovation Steering Group

### Draft Terms of Reference

#### Roles and Responsibilities

To refresh, embrace and steer the fulfilment of those elements of the Vision concerned with:

- The support and financing of existing growth businesses
- The retention of existing businesses and the stimulation of new businesses
- The development and support of the specific sectors of creative industries, environmental technologies, alternative energy economy and professional and business services
- The development of a healthy knowledge economy
- The support and further development of environment technology
- The retention of skilled people and graduates

To explore and assess the feasibility of new ideas and to engage relevant partners in order to progress projects.

#### Maximising the wealth generating capacity of the local business and knowledge environment by:

- Increasing the attractiveness of the district for businesses to start-up, grow up and stay
- Addressing the skills needs of existing and future employers

#### Membership

Vision Board representatives

Trevor Bargh	Sarah Fishwick
Martyn Butlin	Alison Page
Helen Child	Tony Whiteway

To include representatives from:

Lancaster University	Lancaster Chamber of Commerce
University of Cumbria	Lancashire County Developments Ltd
Business Link	Lancaster City Council

#### Linkages with other local groups

Chamber of Commerce  
Business Link  
Major employers

**Frequency of meetings:** Every 6 weeks

AH 07/09

## Connectivity Steering Group

### Draft Terms of Reference

#### Roles and Responsibilities

To embrace and steer the fulfilment of those elements of the Vision concerned with connecting people and places, whether this be by a form of transport or by technological means. The ultimate purpose is to ensure that the conditions and infrastructure are in place to enable the district to function efficiently and competitively in order to attract wealth to the district and stimulate the economy.

- To explore and assess the feasibility of new ideas and to engage relevant partners in order to progress projects.
- To maintain a watchful eye on the LSP progression of the Faber Maunsell Transport Study as undertaken by the Vision Board in 2008.
- To lobby for an improvement in local transport solutions.
- To identify and recommend to the Vision Board any other projects and initiatives relating to the transport infrastructure which will benefit the lives of the people of the district and improve the local economy.
- To explore the IT connectivity in the district and make recommendations for improvements which will attract new businesses and jobs to the district, in addition to retaining and supporting current business by making them competitively efficient in their communications.

#### Specific area of focus:

- The Faber Maunsell Report – Action plan arising from this for delivery by the LSP
- The Broadband Project

#### Membership

Vision Board representatives:

Nick Gillibrand                      David Taylor  
Roger Mace                          Stuart Forrest

To include representatives from:

Lancashire County Highways  
Lancaster City Forward Planners  
Representatives from the IT industry  
Representatives from the transport industry (e.g. Port, railways, buses)

**Frequency of Meetings:** Every 6 weeks

AH/07/09

**CABINET****10.00 A.M.****28TH JULY 2009**

**PRESENT:-** Councillors Stuart Langhorn (Chairman), Evelyn Archer, Jon Barry, Eileen Blamire, Abbott Bryning, Jane Fletcher, David Kerr, Roger Mace and Malcolm Thomas

Apologies for Absence:-

Councillor June Ashworth

Officers in attendance:-

Mark Cullinan	Chief Executive
Peter Loker	Corporate Director (Community Services)
Roger Muckle	Corporate Director (Finance and Performance)
Nadine Muschamp	Head of Financial Services and Section 151 Officer
Graham Cox	Head of Property Services
David Lawson	Forward Planning Manager
Debbie Chambers	Principal Democratic Services Officer

**26 MINUTES**

The minutes of the meeting held on Tuesday 23<sup>rd</sup> June, 2009 were approved as a correct record.

**27 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER**

The Chairman advised that there was one item of urgent business regarding the Private Sector Housing Capital Programme 2009/10 (Minute 30 refers).

**28 DECLARATIONS OF INTEREST**

No declarations were made at this point.

**29 PUBLIC SPEAKING**

Members were advised that there had been no requests to speak at the meeting in accordance with the Cabinet's agreed procedure.

**30 ITEM OF URGENT BUSINESS - PRIVATE SECTOR HOUSING CAPITAL PROGRAMME 2009/10****(Cabinet Member with Special Responsibility Councillor Kerr)**

In accordance with Section 100B(4) of the Local Government Act 1972, the Chairman agreed to consider the report as an item of urgent business to inform the 2009/10

Capital Programme at an early stage.

The Corporate Director (Regeneration) submitted a report seeking approval for the allocation of the Regional Housing Pot (RHP) funding between the West End Master Plan, Poulton Renewal Area and Disabled Facilities Grants.

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

The Private Sector Housing Capital Programme is a key delivery agent for the Council's Housing Strategy. This in turn reflects the Council's strategic priorities set out in the LDF and Sustainable Community Strategy, both of which are consistent with regional priorities. It is of increasing importance that implementation and funding reflects and is consistent with strategy. This in turn will increase the chances of attracting external funding and development partners in the future. Furthermore, high level risk considerations have already been reflected in the development of such strategy.

This essentially limits the options available to those shown below. In essence, these centre around whether remaining funds should be used to help fund West End priorities, or to provide a greater level of resources towards Disabled Facilities Grants (DFGs).

Members should note that DFGs are mandatory and are made available to all qualifying residents throughout the district. They provide facilities for access to dwellings, whilst making them safe, and also include the provision of suitable kitchen, bathroom and bedroom facilities. Demand always outstrips supply and the Council is called upon to manage the budget accordingly.

Assuming allocations in the next two years are similar to this year's, the following funding proposals are to be considered:

Option 1

	<b>2009/10 £</b>	<b>2010/11 £</b>	<b>2011/12 £</b>
<b>Total for Allocation</b>	1,294,000	1,294,000	1,294,000
<b>West end public realm</b>	130,000	----	----
<b>Poulton public realm</b>	40,000	---	----
<b>Marlborough Road scheme</b>	95,000	130,000	----
<b>DFG (LCC contribution)</b>	1,029,000	1,164,000	1,294,000
<b>Resulting Total DFG Budget (with Government Office funding)</b>	1,682,000	1,817,000	1,947,000

Option 2

	<b>2009/10 £</b>	<b>2010/11 £</b>	<b>2011/12 £</b>
<b>Total for Allocation</b>	1,294,000	1,294,000	1,294,000
<b>West end public realm</b>	130,000	----	----
<b>Poulton public realm</b>	40,000	----	----
<b>Marlborough Road</b>	95,000	130,000	----
<b>100% remainder contribution to West End/Bold Street</b> <ul style="list-style-type: none"> <li>• Bold street acquisition, disposal and remodelling (even numbers)</li> <li>• Bold Street Masterplan</li> </ul>	593,000	728,000	858,000
<b>DFG (LCC contribution at 40% statutory requirement match to government grant)</b>	436,000	436,000	436,000
<b>Resulting Total DFG Budget (with Government Office funding)</b>	1,089,000	1,089,000	1,089,000

The Officer preferred option is Option 2. This is consistent with the Council's strategies and priorities and provides a rational way for determining priorities for investment. It also reflects the June Cabinet decision. It continues to support the West End Master Plan, Disabled Facilities Grants (DFGs) and the successful completion of the Poulton Renewal Area.

It was moved by Councillor Kerr and seconded by Councillor Archer:-

"That the recommendations, as set out in the report, be approved."

By way of amendment, Councillor Barry proposed and Councillor Fletcher seconded:-

"That a report on whether DFG expenditure is adequate for 2010/11 and 2011/12 be requested, and whether further money from the Private Sector Housing Capital Programme might be allocated for this purpose in future years."

3 Members (Councillors Barry, Bryning and Fletcher) voted in favour of the amendment and 6 Members (Councillors Archer, Blamire, Kerr, Langhorn, Mace and Thomas) voted against. The Chairman declared the amendment lost.

Members then voted on the original proposition:-

**Resolved:**

***(7 Members (Councillors Archer, Blamire, Fletcher, Kerr, Langhorn, Mace and Thomas) voted in favour, 1 Member (Councillor Barry) voted against and 1 Member (Councillor Bryning) abstained)***

- (1) That Cabinet approve Option 2 regarding the allocation of Private Sector Housing Capital Programme
- (2) The Capital Programme to be updated to include:
  - £436,000 to finance Disabled Facilities Grants (DFGs)
  - £130,000 to be set aside for West End Public Realm
  - £40,000 to be allocated to complete Poulton Public Realm
  - £95,000 to be allocated to Marlborough Road
  - £593,000 for remodelling, acquisition, disposal and masterplan for Bold Street, West End

**Officers responsible for effecting the decision:**

Corporate Director (Regeneration)  
 Head of Planning Services  
 Head of Financial Services

**Reasons for making the decision:**

The allocation of capital funding from the Regional Housing Pot will support the Council's statutory responsibility for Disabled Facilities Grants and its corporate priorities to support the West End Masterplan and complete its work in the Poulton Renewal Area.

**31 SALE OF MORECAMBE TOWN HALL COTTAGE, MARINE ROAD EAST, MORECAMBE**

**(Cabinet Member with Special Responsibility Councillor Thomas)**

The Corporate Director (Regeneration) submitted a report informing Members about the implications of selling Morecambe Town Hall Cottage by auction and to obtain approval to sell the property as detailed in the report.

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

Option 1 - To declare Morecambe Town Hall Cottage surplus to requirements and sell the property by auction. In addition to authorise the Head of Property Services to set the auction reserve in conjunction with the Auctioneer, to agree to the payment of his fees and to obtain the necessary authority required under the Constitution to enable the relevant officers to proceed with this sale by way of auction. This would be in accordance with the Council's approval to dispose of surplus properties.

Option 2 - Sell the property by alternative methods e.g. private treaty. As similar sales have fallen through in the past, this could not guarantee a disposal.

Option 3 - Not to sell the property. This would not be accordance with the Council's approval to dispose of premises which are no longer required for operational purposes and the City Council would be left with recurring management and repair liabilities and costs, including remedial works to eliminate the dry rot from the property.

Option 1 is the Officer preferred option for the reasons outlined above and that the property is declared surplus and approval is given for the disposal of the property by auction and to authorise the relevant officers to complete the sale.

It was moved by Councillor Thomas and seconded by Councillor Archer:-

"That the recommendations, as set out in the report, be approved."

By way of amendment, which was accepted as a friendly amendment by Councillor Thomas, Councillor Archer proposed and Councillor Kerr seconded:

"That a covenant be added, stating that the property must only be used for the purposes of a single private dwelling or office."

Members then voted:-

**Resolved:**

***(8 Members (Councillors Archer, Barry, Blamire, Bryning, Fletcher, Kerr, Langhorn and Thomas) voted in favour and 1 Member (Councillor Mace) abstained)***

- (1) That the Council's interest in Morecambe Town Hall Cottage be declared surplus to requirements.
- (2) That Morecambe Town Hall Cottage be sold at auction.
- (3) That a covenant be added, stating that the property must be used only for the purposes of a single private dwelling or office.
- (4) That the Head of Property Services be authorised to fix the auction reserve in conjunction with the Auctioneer, to agree to the payment of the auctioneers fees and to authorise the relevant officers to complete the sale.

**Officers responsible for effecting the decision:**

Corporate Director (Regeneration)  
Head of Property Services

**Reasons for making the decision:**

The decision is in accordance with the Council's Disposal Strategy, approved by Cabinet on 17<sup>th</sup> March 2009.

**32 PROVISIONAL REVENUE AND CAPITAL OUTTURN 2008/09****(Cabinet Member with Special Responsibility Councillor Thomas)**

The Head of Financial Services submitted a report providing Members with summary information regarding the provisional outturn for 2008/09 and the timetable for completion of the closure of accounts process. The report also set out information regarding the carry forward of underspent/overspent revenue budgets and capital slippage for Members' consideration, and sought approval of various Prudential Indicators for last year for referral on to Council.

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

The City Council has a legal requirement to ensure that its expenditure is fully funded and to produce a Statement of Accounts in accordance with proper accounting practice. In addition, the Prudential Indicators are a statutory requirement linked to the budgetary framework. For these aspects, therefore, there are no alternative options for Cabinet to consider. Members are being asked to endorse certain actions taken by the Head of Financial Services, however. Cabinet should consider whether it has sufficient information to do so or whether it requires any further justification.

The report requests Cabinet to consider a number of revenue budget carry forward matters and capital slippage. The framework for considering these is set out in the report but basically Cabinet may:

- Approve any number of the items / requests, in full or part.
- Refuse any number of the requests and if commitments have already been incurred, require alternative funding options to be identified. Cabinet should note, however, that this may impact on other areas of service delivery.
- Request further information regarding them, if appropriate. Cabinet is asked to bear in mind any work required against the value of the individual bids.

The Officer preferred Options were set out in the recommendations of the report.

The Head of Financial Services informed Cabinet of an amendment to the Capital Slippage figures, the amount requested for Lancaster Hub Tourist Information Centre (TIC) refurbishment being £10,000, not £4,000, as shown in Appendix J to the report.

It was moved by Councillor Bryning and seconded by Councillor Langhorn:-

“(1) That the provisional outturn, funding and variance analysis for 2008/09 be noted.”

It was moved by Councillor Langhorn and seconded by Councillor Archer:-

“(2) That Cabinet notes the transfers to provisions and reserves actioned by the Head of Financial Services as set out in section 2 of the report.”

It was moved by Councillor Langhorn and seconded by Councillor Thomas:-



- “(3) That Cabinet notes the carry forward of overspends on controllable budgets, as set out in Appendix F of the report, and asks Portfolio Holders to investigate the reasons and feed back into the budget process.”

It was moved by Councillor Langhorn and seconded by Councillor Archer:-

- “(4) That Cabinet approves the requests for carry forward of underspent revenue budgets as set out in Appendix G of the report.”

It was moved by Councillor Thomas and seconded by Councillor Langhorn:-

- “(5) That Cabinet approves the requests for capital slippage, as amended, as set out at Appendix J to the report, as amended under TIC refurbishment.”

It was moved by Councillor Thomas and seconded by Councillor Langhorn:-

- “(6) That the timetable for completion and reporting of the closure of accounts be noted, as set out in section 7 of the report.”

It was moved by Councillor Thomas and seconded by Councillor Archer:-

- “(7) That the Prudential Indicators as at 31 March 2009, as set out at Appendix K of the report, be approved for referral on to Council, as part of the Annual Treasury Management Report for 2008/09.”

It was moved by Councillor Langhorn and seconded by Councillor Thomas:-

- “(8) That subsequent reporting of performance against delivery should include specific information on the Council's property portfolio.”

Members then voted:-

***Resolved unanimously:***

- (1) That the provisional outturn, funding and variance analysis for 2008/09 be noted.
- (2) That Cabinet notes the transfers to provisions and reserves actioned by the Head of Financial Services as set out in section 2 of the report.
- (3) That Cabinet notes the carry forward of overspends on controllable budgets as set out in Appendix F of the report and asks Portfolio Holders to investigate the reasons and feed back into the budget process.
- (4) That Cabinet approves the requests for carry forward of underspent revenue budgets as set out in Appendix G of the report.
- (5) That Cabinet approves the requests for capital slippage, as amended, as set out at Appendix J to the report, as amended under TIC refurbishment.
- (6) That the timetable for completion and reporting of the closure of accounts be noted, as set out in section 7 of the report.

- (7) That the Prudential Indicators as at 31 March 2009, as set out at Appendix K of the report, be approved for referral on to Council, as part of the Annual Treasury Management Report for 2008/09.
- (8) That subsequent reporting of performance against delivery should include specific information on the Council's property portfolio.

**Note:** Councillor Barry was not present when the vote was taken on resolution (8).

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Performance)  
Head of Financial Services

**Reasons for making the decision:**

The City Council has a legal requirement to ensure that its expenditure is fully funded and to produce a Statement of Accounts in accordance with proper accounting practice. In addition, the Prudential Indicators are a statutory requirement linked to the budgetary framework.

**33 BUDGET AND POLICY FRAMEWORK PROCESS 2010/11**

**(Cabinet Members with Special Responsibility Councillors Langhorn and Thomas)**

***(Councillor Archer declared a personal interest regarding Sea Change funding, in view of her involvement with the Friends of the Winter Gardens, and the Chief Executive declared an interest regarding the restructure of senior management. Both matters were referred to during the following item.)***

The Corporate Director (Finance and Performance) and the Head of Financial Services submitted a joint report to agree a process for reviewing the Council's Budget and Policy Framework.

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

- i. approve the proposals and timetable set out in the report for reviewing and revising the Council's Budget and Policy Framework and for bringing forward options for savings/efficiencies.
- ii. approve an amended version of the proposals

The Officer preferred option is option i. as it sets out a structured approach for Cabinet to review the existing Budget and Policy Framework, identify savings/efficiency options, and for it to bring forward its budget and policy framework proposals for 2010/11 and beyond within the statutory timescales.

The report referred to an Appendix B, being an update on checklists identifying options for savings and efficiencies, from Cabinet Members. In fact, Members provided this information verbally at the meeting with each Cabinet Member present talking about

their own portfolio area.

The Chairman noted the work done so far by portfolio holders, the budget allocations relative to priorities and the savings opportunities for the future.

It was moved by Councillor Thomas and seconded by Councillor Langhorn:-

- “(1) That the process outlined in the report and timetabled in Appendix A of the report for reviewing the Corporate Plan, Budget/Medium Term Financial Strategy and preparing the 2010/11 Budget, be approved.
- (2) That Cabinet notes the procedures as set out in Section 3 already in place for reviewing and updating the other Policy Framework documents.
- (3) That Cabinet notes the progress reports from individual Cabinet members as presented and continue to determine service activities and other initiatives that should be developed to bring forward to Cabinet savings and efficiencies options.”

It was moved by Councillor Langhorn and seconded by Councillor Thomas:-

- “(4) That Cabinet notes that officers will be undertaking an exercise to analyse the current year’s budget against service activity and corporate priorities over the summer for each Cabinet Member to further assist them in bringing forward options for savings/efficiencies.”

It was moved by Councillor Langhorn and seconded by Councillor Fletcher:-

- “(5) That a public engagement exercise be undertaken, in respect of the Council’s budget proposals to deliver its corporate priorities, and that officers be instructed to work on a format for the consultation.”

Members then voted:-

***Resolved unanimously:***

- (1) That the process outlined in the report and timetabled in Appendix A of the report for reviewing the Corporate Plan, Budget/Medium Term Financial Strategy and preparing the 2010/11 Budget, be approved.
- (2) That Cabinet notes the procedures as set out in Section 3 already in place for reviewing and updating the other Policy Framework documents.
- (3) That Cabinet notes the progress reports from individual Cabinet members as presented and continue to determine service activities and other initiatives that should be developed to bring forward to Cabinet savings and efficiencies options.
- (4) That Cabinet notes that officers will be undertaking an exercise to analyse the current year’s budget against service activity and corporate priorities over the summer for each Cabinet Member to further assist them in bringing forward options for savings/efficiencies.

**Note:** Councillor Barry was not present for the votes on resolutions (1) and (2).

**Resolved:**

**(8 Members (Councillors Archer, Barry, Blamire, Bryning, Fletcher, Kerr, Langhorn and Thomas ) voted in favour and 1 Member (Councillor Mace) abstained)**

- (5) That a public engagement exercise be undertaken, in respect of the Council's budget proposals to deliver its corporate priorities, and that officers be instructed to work on a format for the consultation.

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Performance)  
Head of Financial Services

**Reasons for making the decision:**

The decision provides a structured approach for Cabinet to review the existing Budget and Policy Framework, identify savings/efficiency options, and for it to bring forward its budget and policy framework proposals for 2010/11 and beyond within the statutory timescales.

**34 ANNUAL TREASURY MANAGEMENT REPORT 2008/09**

**(Cabinet Member with Special Responsibility Councillor Thomas)**

The Head of Financial Services submitted a report setting out the performance of the Council in respect of Treasury Management for 2008/9 and giving details of the activities undertaken during the year.

There were no options set out in the report, which was for noting and referring on to Council for information.

It was moved by Councillor Thomas and seconded by Councillor Langhorn:-

"That the report be noted and referred on to Council for information."

Members then voted:-

**Resolved unanimously:**

- (1) That the report be noted and referred on to Council for information.

**Note:** Councillors Archer and Blamire were not present when the vote was taken.

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Performance)  
Head of Financial Services

**Reasons for making the decision:**

Reporting of treasury management activities to both Cabinet and Council is required under the Treasury Management Code of Practice and reflected in the Council's Strategy.

(The meeting adjourned at 12.20pm and re-convened at 12.30pm.)

**35 AUCTION MART CAR PARK, THURNHAM STREET, LANCASTER****(Cabinet Member with Special Responsibility Councillor Thomas)**

The Corporate Director (Regeneration) submitted a report updating Members on the current position with the Auction Mart car park and seeking direction on how to proceed with the site.

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

Option 1 – Remarket the Auction Mart car park on the same basis as the previous brief, i.e. as a development opportunity and new car park. The previous marketing of the site included using public consultation to determine the schemes submitted. Should Cabinet resolve that option 1 be implemented then Members are asked to consider whether public consultation will be required as part of the assessment of scheme or whether an assessment such as scoring the feasibility of the schemes is carried out by officers. Remarketing the site may bring forward new proposals and new options for the site.

Option 2 – Reconsider the previous bids and schemes and reopen negotiations with the parties involved to ascertain whether the site and the development opportunity is still of interest to them and try to secure a scheme which would produce a development and maximise the number of car parking spaces on site. Previous interested parties have put a lot of work into their proposals including schematics and have shown interest in the site since. However this option may limit the Council's ability to achieve best value for the site, by excluding new developers who may be interested in the site at the current time.

Option 3 – Revisit an option put forward in the previous report which is for the Council to enter into discussions with North Lancashire Teaching Primary Care Trust (PCT) to identify a developer who could provide a health care facility which would meet the needs of both the PCT and the City Council. This would promote the use of partnership working to provide facilities for the community as well as maximising the number of car parking spaces for the City council in the future and possibly producing best value for both parties. The PCT have expressed concerns that whilst they are interested in a development in this location, an open bidding process by the Council allows developers to propose healthcare solutions that may not provide value for money for the PCT. The PCT have queried whether the Council can therefore work with them to overcome this situation.

Option 4 – The City Council to look at building a multi storey car park to provide a southern interceptor car park for the City. There are many disadvantages of this option

including the large capital input required. An estimated build cost of £15,000 per car parking space has been obtained which would require capital input of around £11,250,000 on a 750 space car park, if no external funding was forthcoming then the City Council would have to borrow money to finance such a scheme. In addition it is uncertain whether planning permission could be obtained for a sizeable building which would be required to accommodate the 750 spaces. There would be increased revenue income with this scheme, however this would be greatly reduced due to the cost of borrowing to fund the project.

Option 5 – Not market the site for development and leave the car park as it is, but re-surface it to provide much needed improvements for customers. It should be noted however, that formal demarcation of the car park may cause a reduction in income as it is probable that there would be fewer spaces on the car park than are currently available with the informal parking layout that takes place.

Option 1 is the Officer preferred option for the reasons outlined above. Remarketing the site with an updated brief, this may bring forward new proposals and new options for the site including, maximising the number of car parking spaces on site, but will still allow previously interested parties to submit revised development proposals for the land. In addition Members are asked to consider whether public consultation will be required as part of the assessment of scheme.

The Financial Implications within the report provided more detail on the consequence of Option 4.

It was moved by Councillor Thomas and seconded by Councillor Archer:-

- “(1) That the report, as it currently stands, be withdrawn.
- (2) That Officers ask the County Council what its position is.”

By way of addenda, all of which were accepted as friendly addenda by the mover and seconder of the original motion, Councillor Mace proposed adding to (2) “and consult with the Economy Thematic Group of the Lancaster District Local Strategic Partnership”; Councillor Bryning proposed a further addition to (2) “and the North Lancashire Teaching Primary Care Trust” and Councillor Langhorn proposed adding “(3) That a report be brought back to Cabinet in late Autumn.”

Members then voted:-

**Resolved:**

**(6 Members (Councillors Archer, Bryning, Kerr, Langhorn, Mace and Thomas) voted in favour and 3 Members (Councillors Barry, Blamire and Fletcher) abstained)**

- (1) That the report, as it currently stands, be withdrawn.
- (2) That Officers ask the County Council what its position is and consult with the Economy Thematic Group of the Lancaster District Local Strategic Partnership and the North Lancashire Teaching Primary Care Trust.

- (3) That a report be brought back to Cabinet in late Autumn.

**Officers responsible for effecting the decision:**

Corporate Director (Regeneration)  
Head of Property Services

**Reasons for making the decision:**

The decision reflects Cabinet members' wish to obtain views before considering the matter further later in the year.

**36 EXCLUSION OF THE PRESS AND PUBLIC**

The Chairman asked for any further declarations of interest from Cabinet Members regarding the exempt report.

The Chief Executive declared an interest as a local resident.

It was moved by Councillor Langhorn and seconded by Councillor Archer:-

"That, in accordance with Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business, on the grounds that it could involve the possible disclosure of exempt information as defined in paragraphs 3 and 5 of Schedule 12A of that Act."

Members then voted as follows:-

***Resolved unanimously:***

- (1) That, in accordance with Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business, on the grounds that it could involve the possible disclosure of exempt information as defined in paragraphs 3 and 5 of Schedule 12A of that Act.

**37 LUNESIDE EAST REGENERATION PROJECT**

**(Cabinet Member with Special Responsibility Councillor Archer)**

The Head of Planning Services submitted a report, which was exempt from publication by virtue of paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972.

The options, options analysis, including risk assessment and officer preferred option, were set out in the exempt report.

It was moved by Councillor Archer and seconded by Councillor Langhorn:-

“That the recommendations, as set out in the exempt report, be approved.”

Members then voted:-

***Resolved unanimously:***

- (1) The resolution is set out in a minute exempt from publication by virtue of paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972.

**Officers responsible for effecting the decision:**

Corporate Director (Regeneration)  
Head of Planning Services  
Head of Financial Services

**Reasons for making the decision:**

The reasons for making the decision are set out in a minute exempt from publication by virtue of paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972.

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Chairman

(The meeting ended at 1.30 p.m.)

**Any queries regarding these Minutes, please contact  
Debbie Chambers, Democratic Services, telephone 01524 582057 or email  
dchambers@lancaster.gov.uk**

**MINUTES PUBLISHED ON FRIDAY, 31<sup>ST</sup> JULY 2009.**

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:  
MONDAY, 10<sup>TH</sup> AUGUST 2009.**



**CABINET**

**10.00 A.M.**

**1ST SEPTEMBER 2009**

**PRESENT:-** Councillors Stuart Langhorn (Chairman), Evelyn Archer, June Ashworth, Jon Barry, Eileen Blamire, Abbott Bryning, Jane Fletcher, David Kerr, Roger Mace and Malcolm Thomas.

Officers in attendance:-

Mark Cullinan	Chief Executive
Heather McManus	Corporate Director (Regeneration)
Roger Muckle	Corporate Director (Finance and Performance)
Nadine Muschamp	Head of Financial Services and Section 151 Officer
Steven Milce	Head of Council Housing Services
Debbie Chambers	Principal Democratic Services Officer

**38 MINUTES**

The minutes of the meeting held on Tuesday 28 July 2009 were approved as a correct record.

**39 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER**

The Chairman advised that there were no items of urgent business.

**40 DECLARATIONS OF INTEREST**

Councillors Archer, Ashworth and Kerr declared a personal interest with regard to the Urgent Business report on the Artificial Ice Rink, as members of the Morecambe Town Council. (Minute 49 refers).

**41 PUBLIC SPEAKING**

Members were advised that there had been no requests to speak at the meeting in accordance with the Cabinet's agreed procedure.

**42 THE INTRODUCTION OF CHOICE BASED LETTINGS**

**(Cabinet Member with Special Responsibility Councillor Kerr)**

The Corporate Director (Community Services) submitted a report seeking approval for officers to submit a bid for resources via the final round of the Fund for the Development of Regional and Sub Regional Choice Based Lettings (CBL) Schemes. If successful, the funding would assist the council in meeting a government target for all authorities to have introduced Choice Based Lettings by 2010.

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

OPTION	ADVANTAGES	DISADVANTAGES	RISKS
<p><b>Option 1</b> Bid for resources via CBL Fund</p>	<ul style="list-style-type: none"> <li>• The Government would potentially fund up to 60% of development and implementation costs</li> <li>• Applicants would be actively engaged in exercising choice</li> <li>• CBL's would provide a vehicle for promoting other affordable housing options</li> <li>• The housing needs of individual applicants would be better met</li> <li>• The council would meet a defined government target</li> <li>• Advertising vacancies would create increased demand for potentially hard to let properties</li> </ul>	<ul style="list-style-type: none"> <li>• The council would need to identify at least 40% of development/ implementation costs plus any ongoing additional operational costs (if any)</li> <li>• Some applicants may have difficulties in engaging in the bidding process</li> </ul>	<ul style="list-style-type: none"> <li>• The bid may be unsuccessful and, having raised expectations, implementation would be costly</li> <li>• At this stage, ongoing operational costs have not been quantified</li> </ul>
<p><b>Option 2</b> Determine not to make a bid for resources</p>	<ul style="list-style-type: none"> <li>• There would be no additional costs to the council</li> <li>• The existing Allocation Scheme, which is familiar to applicants would be retained</li> <li>• Once registered, applicants would not need to proactively bid for offers</li> </ul>	<ul style="list-style-type: none"> <li>• The Government's 2010 target would not be met</li> <li>• The Audit Commission KLOE targets for Allocation Schemes would not be met.</li> <li>• A decision to introduce CBL's at a later date would be more costly</li> <li>• Applicants would not benefit from having a</li> </ul>	<ul style="list-style-type: none"> <li>• The council could potentially be penalised for not achieving a government target</li> <li>• Some properties may become difficult to let if existing arrangements remain in place.</li> </ul>

		greater choice • The opportunity to promote other housing options would be lost	
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Option 1 is the preferred option as this will ensure that the council meets the Government's 2010 target and will hopefully secure finance assistance towards the development and implementation of a local CBL Scheme. Having a single mechanism for bringing together and promoting all options for affordable housing will bring clear benefits to residents in housing need. Under existing arrangements, only a relatively small percentage of applicants registered for council housing actually receive an offer of accommodation. For those in need, a CBL Scheme will provide a real opportunity to secure suitable affordable housing. The development of a Housing Options Service would also provide an opportunity to deliver a comprehensive advice and assistance service from a single point of access.

Option 2 would result in the council failing to meet a specific Government target. It would also mean the continuation of a fragmented service to residents who are in housing need.

It was moved by Councillor Kerr and seconded by Councillor Ashworth:-

"That the recommendations, as set out in the report, be approved."

Members then voted:-

***Resolved unanimously:***

- (1) That officers be authorised to submit a bid for resources via the Fund for the Development of Regional and Sub Regional Choice Based Lettings Schemes.
- (2) That the bid for resources be on the basis of Lancaster District being a distinct housing market
- (3) That officers investigate the possible introduction of a Housing Options Service to run alongside a Choice Based Lettings Scheme.
- (4) That, once the outcome of the bid for funding is known, officers prepare a detailed report to Cabinet outlining the full financial implications of introducing Choice Based Lettings, together with the recommended scheme details.

**Officers responsible for effecting the decision:**

Corporate Director (Community Services)  
 Head of Council Housing Services

**Reasons for making the decision:**

The decision will ensure that the Council will meet the Government's 2010 target and will hopefully secure finance assistance towards the development and implementation of a

local CBL Scheme.

#### 43 FUTURE JOBS FUND

##### (Cabinet Member with Special Responsibility Councillor Bryning)

The Corporate Director (Regeneration) submitted a report informing Members about the Future Jobs Fund, a government initiative which aimed to create new, short term jobs for people approaching 12 months unemployment. The report outlined the background to the submission of a joint bid into the Fund by Mid-Lancashire local authorities, sought Cabinet endorsement of the bid and approval for the Council to support the scheme by identifying suitable job opportunities. The report also sought Cabinet approval to develop proposals regarding apprenticeships and work placements.

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

Option	Advantages	Disadvantages	Risk
1. Do not support the bid and take no further action		Job opportunities for a vulnerable group in Lancaster District remain limited; Partnership based on Mid-Lancs grouping undermined	No financial risk  Possible impact on fledgling Mid-Lancashire partnership
2. Support the bid and seek job creation proposals from local third sector organisations (eg social enterprises)	City Council seen as supporter of employment initiative; New job opportunities identified for (mainly) young disadvantaged jobseekers; Demonstrates support for cost-effective Mid-Lancashire partnership working	Economic Development staff time (estimated at 5% fte, mainly through Principal Economic Development Officer) required in programme development and implementation	No financial risk  Risk of limited job opportunities being identified – current level of interest indicates this risk is low
3. Support the bid and: i) encourage participation in the programme by City Council Services ii) underpin work	As above plus: Identification of additional public sector job opportunities; City Council seen as active supporter of	As above plus: additional staff time in those Services creating additional jobs through proposal development and management of	See Financial Implications, as set out in the report, for details

with Jobcentre Plus through a Local Employment Partnership agreement iii) identify apprenticeship/work experience opportunities within City Council Services and develop joint proposals with Lancashire County Council	employment initiatives which complement its role in the LDLSP ESO Thematic Group and its LDLSP-funded worklessness project	the participants in the programme (value indeterminate at this stage but it should be noted that this 'cost' would be offset by the benefits arising from the additional jobs funded through the Future Jobs Fund).	
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Option 3 is the officer preferred option since this provides benefits by:

1. maintaining City Council support for the bid already submitted, enabling the earliest possible start in job availability
2. enhancing the number of job opportunities within the programme
3. enabling direct City Council involvement in the Scheme through the creation of additional jobs meeting the Scheme criteria
4. enabling, through centralised administration, the cost effective implementation of the Scheme
5. demonstrating the value of partnership working within the emergent Mid-Lancashire grouping

It was moved by Councillor Bryning and seconded by Councillor Ashworth:-

“That the recommendations, as set out in the report, be approved.”

Members then voted:-

***Resolved unanimously:***

- (1) That Cabinet notes the report.
- (2) That Cabinet endorses the Mid-Lancashire Future Jobs Fund bid, under which Lancashire County Council will act as Accountable Body, and the actions taken by officers to ensure the bid could meet the earliest deadline of 30<sup>th</sup> June 2009.
- (3) That Cabinet supports and encourages the active involvement of City Council Services in the Future Jobs Fund through identification of new job opportunities which meet Future Jobs Fund criteria on the basis that there is no net additional cost to the Council and authorise the Head of Financial Services to update the General Fund Revenue Budget as and when applicable.
- (4) That Cabinet supports and authorises officers:

- i) to develop and, if appropriate, finalise a Local Employment Partnership agreement with Jobcentre Plus
- ii) to develop joint proposals with Lancashire County Council regarding apprenticeships and work placements for consideration at a future Cabinet meeting.

**Officers responsible for effecting the decision:**

Corporate Director (Regeneration)  
 Head of Economic Development and Tourism  
 Head of Financial Services

**Reasons for making the decision:**

The decision allows Lancaster City Council to maintain its support for the bid already submitted, enabling the earliest possible start in job availability plus the other benefits outlined in option 3, above.

**44 2010/11 REVENUE BUDGET UPDATE**

**(Cabinet Members with Special Responsibility Councillors Langhorn and Thomas)**

The Corporate Director (Finance and Performance) and the Head of Financial Services submitted a joint report to note progress so far in identifying options for savings and efficiencies and to approve areas of service activity that should be pursued further. It also sought Cabinet's views on its preferred option for the agreed consultation exercise.

The options, options analysis, including risk assessments and officer preferred options, were set out in the report as follows:

**Savings and Efficiency Strategy**

- i. approve the draft Savings and Efficiency Strategy included at Appendix A
- ii. approve an amended Savings and Efficiency Strategy
- iii. that no strategy is approved at this stage and officers be asked to undertake further work on developing the strategy

Preferred Option

The preferred option is either 1 or 2 above. This will ensure that the council has an agreed framework in place to guide members bringing forward savings and efficiencies options.

Review of 2008/9 Outturn Variances

- i note the progress made to date and agree the on-going savings implications identified in Appendix B are built into the 2009/10 base revenue budget, when confirmed.
- ii note the progress made to date but agree an alternative course of action for any on-going budget implications.

Preferred Option

The preferred option is option 1. This will ensure that any identified on-going budget implications are correctly reflected in the base budget for future years.

Savings and Efficiency Options

- i consider the options included in Appendix B and determine which should be further developed for inclusion in Cabinet's preferred list of savings and efficiency options.
- ii consider the options but don't offer a view as to those that should be pursued at this stage.

Preferred Option

The preferred option is option 1. This will ensure that those service activities that Cabinet are minded to include in their preferred list of savings and efficiency options can be further developed.

Corporate Plan Priorities Spend Analysis

- i consider the information included in Appendix C and agree actions to refine and improve this information, to support future decision-making.
- ii consider the information without offering a view at this stage.

Preferred Option

The preferred option is option 1. This will ensure that any anomalies in current spend allocations are considered and addressed in the budget process and the appropriate recommendations made.

Consultation Exercise

- i consider the information included in Appendix D of the report (Appended to these minutes) and determine Cabinet's preference for undertaking a consultation exercise on the 2010/11 budget proposals
- ii consider the information but request further alternatives

Preferred Option

The preferred option is option 1. This will ensure that officers can prepare for the consultation exercise in good time.

It was moved by Councillor Langhorn and seconded by Councillor Thomas:-

- "(1) That the Savings and Efficiency Programme attached as Appendix A to the report be approved as the basis for identifying savings and efficiency options.
- (2) That Cabinet notes the outcomes to date in respect of the work undertaken by

Cabinet Members in reviewing the 2008/9 revenue outturn variances and in identifying savings and efficiencies options as set out in Appendix B to the report and further notes that Cabinet Members will continue to meet with senior officers to review these further.

- (3) That Cabinet meet informally with senior officers to consider further the information included in Appendix C of the report in respect of spending aligned to corporate priorities.”

By way of amendments to (1) and (2), which were accepted as friendly amendments by the proposer and seconder of the original proposition, Councillor Mace proposed:-

- “(1) That the Savings and Efficiency Programme attached as Appendix A to the report, be approved as the basis for identifying savings and efficiency options and that Cabinet authorises officers to continue to progress options for developing shared services with other councils.
- (2) That Cabinet notes the outcomes to date in respect of the work undertaken by Cabinet Members in reviewing the 2008/9 revenue outturn variances and in identifying options as set out in Appendix B to the report and further notes that Cabinet Members will continue to meet with senior officers to review these further.”

Regarding the budget public engagement exercise, with options set out in Appendix D to the report (also appended to these minutes) Councillor Langhorn then proposed, and Councillor Fletcher seconded:-

- “(4) That Cabinet approve option 4a in the report as the basis for undertaking the 2010/2011 budget public engagement exercise.”

By way of amendment to (4) Councillor Barry proposed, and Councillor Mace seconded:-

- “(4) That Cabinet approve option 2 as the basis for undertaking the 2010/2011 budget public engagement exercise.”

2 Members (Councillors Barry and Mace) voted in favour of the amendment to (4), 7 Members (Councillors Archer, Ashworth, Blamire, Fletcher, Kerr, Langhorn and Thomas) voted against and 1 Member (Councillor Bryning) abstained from voting, whereupon the Chairman declared the amendment to be lost.

Members then voted as follows:-

**Resolved:**

***(8 Members (Councillors Ashworth, Barry, Blamire, Bryning, Fletcher, Langhorn, Mace and Thomas) voted in favour and 2 Members (Councillors Archer and Kerr) abstained)***

- (1) That the Savings and Efficiency Programme attached as Appendix A to the report, be approved as the basis for identifying savings and efficiency options and that Cabinet authorises officers to continue to progress options for



developing shared services with other councils.

- (2) That Cabinet notes the outcomes to date in respect of the work undertaken by Cabinet Members in reviewing the 2008/9 revenue outturn variances and in identifying options as set out in Appendix B to the report and further notes that Cabinet Members will continue to meet with senior officers to review these further.
- (3) That Cabinet meet informally with senior officers to consider further the information included in Appendix C of the report in respect of spending aligned to corporate priorities.

**Resolved:**

***(8 Members (Councillors Archer, Ashworth, Blamire, Bryning, Fletcher, Kerr, Langhorn, and Thomas) voted in favour and 2 Members (Councillors Barry and Mace) voted against)***

- (4) That Cabinet approve option 4a in the report as the basis for undertaking the 2010/2011 budget public engagement exercise.

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Performance)  
Head of Financial Services

**Reasons for making the decision:**

The decision ensures that the council has an agreed framework in place to guide members bringing forward savings and efficiencies options; that any identified on-going budget implications are correctly reflected in the base budget for future years; that those service activities that Cabinet are minded to include in their preferred list of savings and efficiency options can be further developed; that any anomalies in current spend allocations are considered and addressed in the budget process and the appropriate recommendations made. The decision determining Cabinet's preference for undertaking a consultation exercise on the 2010/11 budget proposals allows officers time to prepare for the consultation exercise.

**45 2009/10 1ST QUARTER CORPORATE PERFORMANCE REVIEW**

**(Cabinet Member with Special Responsibility Councillor Langhorn)**

The Corporate Director (Finance and Performance) submitted a report on the first quarter of Performance Review Team meetings for 2009/10. The report was for noting.

It was moved by Councillor Langhorn and seconded by Councillor Thomas:-

“That the report be noted.”

Members then voted:-

***Resolved unanimously:***

- (1) That the report be noted.

**Officer responsible for effecting the decision:**

Corporate Director (Finance and Performance)

**Reasons for making the decision:**

The Council's Performance Management Framework requires the regular reporting of performance to Cabinet as part of the Performance Review Team cycle of meetings.

**46 SHARED SERVICES PROGRAMME**

The Corporate Director (Finance and Performance) submitted a report seeking Cabinet's approval to progress the development of a Shared Services Programme with other local authorities and authorise officers to research further opportunities for shared service options across the full range of council services. Cabinet was asked to note that resources of £50,000 from Team Lancashire have been made available to assist in the development of the Programme.

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

1. To authorise officers to continue to work on developing opportunities for shared services as outlined in the report and to specifically develop options for a Revenues and Benefits shared service in partnership with Preston City Council co-ordinated by a project manager recruited from the monies allocated from Team Lancashire
2. Not to progress with the research to develop a programme of shared services

**Preferred Option**

The preferred option is option 1. This will ensure that the council has an agreed framework in place to research and bring forward potential options to generate savings and efficiencies through shared services with other local authorities. The recruitment of a dedicated project manager to co-ordinate the process, financed by Team Lancashire, would provide the resources and expertise to complete the project.

At this stage, the proposal is only to pursue an opportunity, although this will require input from other council services and as yet, the resource implications have not been identified. These will be identified in the development of the business case. Other risk considerations attached to actually implementing shared service would form a key part of any project work.

It was moved by Councillor Langhorn and seconded by Councillor Thomas:-

"That the recommendations, as set out in the report, be approved."

Members then voted:-

***Resolved unanimously:***

- (1) That Cabinet approves the development of a Shared Service Programme as outlined in the report and authorises officers to continue to research opportunities across the full range of council services, noting that initial work will concentrate on a shared service for the Revenues and Benefits service.
- (2) That Cabinet notes that the £50,000 of funding allocated from Team Lancashire will be used to recruit a project manager to co-ordinate the research and development of the options for inclusion in the Programme, and authorises the Head of Financial Services to update the budget accordingly.

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Performance)  
Head of Financial Services

**Reasons for making the decision:**

The decision will ensure that the Council has an agreed framework in place to research and bring forward potential options to generate savings and efficiencies through shared services with other local authorities.

**47 GYPSY AND TRAVELLER CABINET LIAISON GROUP**

**(Cabinet Member with Special Responsibility Councillor Kerr)**

The Corporate Director (Community Services) submitted a report proposing an amendment to the Terms of Reference of this Cabinet Liaison Group.

It was moved by Councillor Kerr and seconded by Councillor Ashworth:-

“That the recommendations, as set out in the report, be approved.”

Members then voted:-

***Resolved unanimously:***

- (1) That Cabinet agree to extend paragraph 3 of the Gypsy and Traveller Cabinet Liaison Group Terms of Reference as follows:-
  - (3) To act as a forum to discuss the issues affecting caravan sites and Gypsy and Traveller issues with the District.

**Officer responsible for effecting the decision:**

Corporate Director (Community Services)

**Reasons for making the decision:**

The decision to widen the Group's terms of reference allows the wider issues associated with caravan sites to be considered.

**48 LANCASTER AND MORECAMBE CABINET LIAISON GROUPS - LIAISON ARRANGEMENTS****(Cabinet Member with Special Responsibility Councillor Archer)**

The Head of Democratic Services submitted a report, prepared at the request of the Cabinet Member for the Economy, setting out options for Cabinet to consider for liaison arrangements between two Cabinet Liaison Groups, the Lancaster and District Chamber Liaison Group and the Morecambe Retail, Commercial and Tourism Liaison Group.

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

Option 1: Do nothing to change the present arrangements.

Option 2: To place the minutes of the last meeting of each group as a standing item on the agenda of the other group, to allow any issues to be raised and the Cabinet Member to feed back from one group to another.

This option would not encourage any direct dialogue between the two groups but would allow the members to keep up to date with the discussions at each group, with the Cabinet Member acting as a 'link' between the two.

Option 3: To merge the two groups to create one Cabinet Liaison Group with a larger membership, with representation from the Lancaster District Chamber of Commerce, Trade and Industry, the Morecambe Chamber of Trade and Commerce and the Morecambe Hotel and Tourism Association.

This option is likely to result in fewer meetings overall although each meeting is likely to last longer, as there could potentially be agenda items from several parties. It must also be recognised that the Lancaster and District Chamber considers that they already cover Morecambe issues.

Option 4: That the Morecambe Liaison Group is amended so that it becomes an officer group dealing with operational issues.

This option would mirror the current arrangements in Lancaster and Cabinet Members would still meet with the Lancaster and District Liaison Group on strategic matters.

It was moved by Councillor Archer and seconded by Councillor Kerr:-

"(1) That Cabinet supports the option to merge the Lancaster and District Chamber Liaison Group and the Morecambe Retail, Commercial and Tourism Liaison Group to create one Cabinet Liaison Group with a larger membership, with representation from the Lancaster District Chamber of Commerce, Trade and Industry, the Morecambe Chamber of Trade and Commerce and the Morecambe Hotel and Tourism Association.

- (2) That the Head of Democratic Services be asked to carry out consultation with external members of the Groups and report the findings back to Cabinet at a future meeting.”

Members then voted:-

***Resolved unanimously:***

- (1) That Cabinet supports the option to merge the Lancaster and District Chamber Liaison Group and the Morecambe Retail, Commercial and Tourism Liaison Group to create one Cabinet Liaison Group with a larger membership, with representation from the Lancaster District Chamber of Commerce, Trade and Industry, the Morecambe Chamber of Trade and Commerce and the Morecambe Hotel and Tourism Association.
- (2) That the Head of Democratic Services be asked to carry out consultation with external members of the Groups and report the findings back to Cabinet at a future meeting.

**Officer responsible for effecting the decision:**

Head of Democratic Services

**Reasons for making the decision:**

The decision to support the option to merge the two Cabinet Liaison Groups is likely to result in fewer meetings overall and will bring the two groups together to share information and consult with the Cabinet Member for the Economy.

**49 URGENT BUSINESS REPORT**

***(It was noted that Councillors Archer, Ashworth and Kerr had previously declared a personal interest in this item as far as it related to the Artificial Ice Rink).***

The Head of Democratic Services submitted a report informing Members of actions taken by the Chief Executive, in consultation with the relevant Cabinet Members and the Chairman of the Overview and Scrutiny Committee in accordance with the scheme of delegation.

It was moved by Councillor Langhorn and seconded by Councillor Archer:-

“That the recommendation, as set out in the report, be approved.”

Members then voted:-

***Resolved unanimously:***

- (1) That the actions taken by the Chief Executive, in consultation with the relevant Cabinet Members and the Chairman of the Overview and Scrutiny Committee in accordance with the Scheme of Delegation, in respect of the following, be noted:-

- (a) Civil Parking Enforcement
- (b) Morecambe Townscape Heritage Initiative (THI) 2: A View for Eric
- (c) Artificial Ice Rink

**Note:** Councillor Kerr was not present for the vote.

**Officer responsible for effecting the decision:**

Chief Executive

**Reasons for making the decision:**

The decision fulfils the requirements of the City Council's Constitution in advising Cabinet of urgent decisions taken by the Chief Executive in accordance with the City Council's Scheme of Delegation.

## 50 EXTERNAL FUNDING AND PROGRAMME MANAGEMENT

**(Cabinet Members with Special Responsibility Councillors Archer, Langhorn and Thomas)**

The Corporate Director (Regeneration) submitted a report to update members on current arrangements for the two core teams managing the Council's external funding and programmes and delivering the economic regeneration agenda. The report recommended a way forward to secure these teams for the future to ensure that the Council could deliver against its key priorities, meet the accountable body obligations that accompany external funding and support internal investment decision making.

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

Option	Advantages	Disadvantages	Key Risks
<p><b>Option 1</b></p> <p>Secure the core Programmes, Funding and Delivery structures by underwriting costs of externally funded posts but accessing maximum levels of external funds to offset these on an ongoing basis.</p>	<ul style="list-style-type: none"> <li>• Enables the council to meet its Accountable Body requirements.</li> <li>• Enables the council to manage and deliver its existing projects.</li> <li>• Increases the opportunities to access to future funding.</li> <li>• Increases the likelihood of retaining skilled,</li> </ul>	<ul style="list-style-type: none"> <li>• Costs need to be underwritten until external funding is confirmed.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk of some council cost incurred if external funding is not confirmed.</li> </ul> <p><b>Mitigation</b></p> <ul style="list-style-type: none"> <li>• Annual review of workload and expected income to limit risk of incurring council costs.</li> </ul>

	<p>experienced staff.</p> <ul style="list-style-type: none"> <li>• Saves the immediate cost of redundancies and potential future recruitment costs.</li> <li>• Allows the council to build upon its current best practice standards.</li> </ul>		
<p><b>Option 2</b></p> <p>Remove all current posts where external funding is required but not yet confirmed.</p>	<ul style="list-style-type: none"> <li>• No requirement for the council to risk costs associated with the key posts.</li> </ul>	<ul style="list-style-type: none"> <li>• Redundancy costs incurred.</li> <li>• Potential loss of significant external funding in the future, to support district priorities.</li> <li>• Loss of confidence of funders that the council can meet management and delivery standards required.</li> <li>• Loss of skills and experience in an area where recruitment is difficult.</li> <li>• Very reduced opportunity to build on the council's current and developing best practice.</li> </ul>	<ul style="list-style-type: none"> <li>• Significant risk to the council's ability to meet accountable body requirements for existing funds.</li> </ul> <p><b>Mitigation</b></p> <ul style="list-style-type: none"> <li>• Not clear without staff resources.</li> <li>• Potential loss of external funding opportunities likely to lead to reduced opportunity to improve the district and its economy.</li> </ul> <p><b>Mitigation</b></p> <ul style="list-style-type: none"> <li>• Reduce local aspirations or delay progress.</li> <li>• Pass on development and delivery responsibilities to other organisations.</li> </ul>

The officer preferred option is option 1.

It was moved by Councillor Archer and seconded by Councillor Blamire:-

"That the recommendations, as set out in the report, be approved."

Members then voted:-

***Resolved unanimously:***

- (1) That the council provides provisional allowance from existing council budgets to secure current management and delivery structures for the future, with the proviso that external funds are sought on an ongoing basis to offset the council's costs.

- (2) That the Head of Financial Services updates the revenue budget to reflect (1) above.

**Officers responsible for effecting the decision:**

Corporate Director (Regeneration)  
Head of Planning Services  
Head of Financial Services

**Reasons for making the decision:**

The decision enables the council to meet its Accountable Body requirements and manage and deliver its existing projects.

**51 EXCLUSION OF THE PRESS AND PUBLIC**

The Chairman asked for any further declarations of interest from Cabinet Members regarding the exempt reports.

It was moved by Councillor Langhorn and seconded by Councillor Archer:-

“That, in accordance with Section 100A(4) of the Local Government, 1972, the press and public be excluded from the meeting for the following items of business, on the grounds that they could involve the possible disclosure of exempt information as defined in paragraphs 3 and 5 of Schedule 12A of that Act.”

Members then voted as follows:-

***Resolved unanimously:***

- (1) That, in accordance with Section 100A(4) of the Local Government, 1972, the press and public be excluded from the meeting for the following items of business, on the grounds that they could involve the possible disclosure of exempt information as defined in paragraphs 3 and 5 of Schedule 12A of that Act.

**52 EXPENDITURE FROM THE RESTRUCTURING RESERVE**

**(Cabinet Member with Special Responsibility Councillor Thomas)**

The Head of Democratic Services submitted a report requesting a change of the use of the restructuring reserve in order to be able to authorise funding from the reserve to meet consultancy costs which would arise as part of the senior management restructure.

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

Option 1: to authorise funding of the expenditure from the restructuring reserve to allow work on the senior management restructure to continue in accordance with North West Employers Organisation (NWEO) project brief as agreed by the Personnel Committee on 30 July 2009. This would allow the project to be progressed in line with the aims set



out in 1.1 of the report, which include a target saving of £50k in respect of senior management.

Option 2: not to authorise funding of the expenditure from the restructuring reserve. No alternative funding has been identified. Choosing option 2 would effectively halt the proposed restructure.

The officer preferred option is option 1, to progress the NWEO's project brief as agreed by the Personnel Committee.

It was moved by Councillor Mace and seconded by Councillor Thomas:-

- “(1) That Cabinet agree to change the use of the restructuring reserve in order that funding can be authorised from the reserve to cover the costs (estimated to be between £8,250 and £13,500 plus VAT, plus expenses) of consultancy work on the council's senior management restructure, to be undertaken by the North West Employers Organisation as soon as possible and to see what time they can make up by reference to the draft timetable.
- (2) That the 2009/10 revenue budget be updated accordingly.”

Members then voted:-

**Resolved:**

***(9 Members (Councillors Archer, Ashworth, Barry, Blamire, Bryning, Kerr, Langhorn, Mace and Thomas) voted in favour and 1 Member (Councillor Fletcher) abstained)***

- (1) That Cabinet agree to change the use of the restructuring reserve in order that funding can be authorised from the reserve to cover the costs (estimated to be between £8,250 and £13,500 plus VAT, plus expenses) of consultancy work on the council's senior management restructure, to be undertaken by the North West Employers Organisation as soon as possible and to see what time they can make up by reference to the draft timetable.
- (2) That the 2009/10 revenue budget be updated accordingly.

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Performance)  
Head of Legal and Human Resources  
Head of Financial Services

**Reasons for making the decision:**

The decision allows the NWEO's project brief to be progressed, as agreed by the Personnel Committee.

**53 LAND AT SCOTFORTH ROAD, LANCASTER****(Cabinet Member with Special Responsibility Councillor Thomas)**

The Corporate Director (Regeneration) submitted an exempt report regarding Land at Scotforth Road, Lancaster.

The options, options analysis, including risk assessment and officer preferred option, were set out in the exempt report.

It was moved by Councillor Thomas and seconded by Councillor Archer:-

“That the recommendations, as set out in the exempt report, be approved.”

Members then voted:-

**Resolved:**

***(7 Members (Councillors Archer, Ashworth, Bryning, Kerr, Langhorn, Mace and Thomas) voted in favour and 3 Members (Councillors Barry, Blamire and Fletcher) abstained)***

- (1) The resolutions are set out in a minute exempt from publication by virtue of paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972.

**Officers responsible for effecting the decision:**

Corporate Director (Regeneration)  
Head of Property Services

**Reasons for making the decision:**

The reasons for making the decision are set out in a minute exempt from publication by virtue of paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972.

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Chairman

(The meeting ended at 12.10 p.m.)

**Any queries regarding these Minutes, please contact  
Debbie Chambers, Democratic Services, telephone 01524 582057 or email  
dchambers@lancaster.gov.uk**

**MINUTE PUBLISHED ON THURSDAY 3 SEPTEMBER 2009.**

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:  
FRIDAY 11 SEPTEMBER 2009.**