



**Committee: CABINET**

**Date: TUESDAY, 10 NOVEMBER 2009**

**Venue: MORECAMBE TOWN HALL**

**Time: 10.00 A.M.**

## **A G E N D A**

**1. Apologies**

**2. Minutes**

To receive as a correct record the minutes of Cabinet held on Tuesday, 6 October 2009 (previously circulated).

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

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

**4. Declarations of Interest**

To consider any such declarations.

**5. Public Speaking**

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

**Reports from Overview and Scrutiny**

None

**Reports**

**6. Senior Management Restructuring (Pages 1 - 3)**

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

Report of the Chief Executive.

**Note:** Whilst the report for this item is a public report, if during the course of the information presented, or during Members' discussions, it is likely that reference will need to be made to information relating to, or likely to reveal the identity of, any individual, Cabinet is recommended to pass the following recommendation:-

"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 they could involve the possible disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act.”

- 7. Medium Term Strategy: Finance and Resources** (Pages 4 - 20)  
**(Cabinet Member with Special Responsibility Councillor Thomas)**  
Joint report of the Corporate Directors (Finance and Performance, and Regeneration) and the Head of Financial Services (Appendix D to follow)
- 8. 2010/11 Budget Update** (Pages 21 - 28)  
**(Cabinet Member with Special Responsibility Councillor Thomas)**  
Joint report of the Corporate Director (Finance and Performance) and the Head of Financial Services
- 9. Benefits - Additional Administration Subsidy** (Pages 29 - 32)  
**(Cabinet Member with Special Responsibility Councillor Mace)**  
Report of Corporate Director (Finance & Performance)
- 10. Climate Change Strategy Update** (Pages 33 - 81)  
**(Cabinet Member with Special Responsibility Councillor Barry)**  
Report of Corporate Director (Finance and Performance)
- 11. Carnforth Air Quality Action Plan** (Pages 82 - 87)  
**(Cabinet Member with Special Responsibility Councillor Barry)**  
Report of the Head of Health and Strategic Housing
- 12. Options for Public Toilet Provision in the District from 2010/2011** (Pages 88 - 97)  
**(Cabinet Member with Special Responsibility Councillor Barry)**  
Report of Head of City Council (Direct) Services
- 13. Pilot - Alternative Parks Management Model Pilot - Highfield Recreation Ground**  
(Pages 98 - 103)  
**(Cabinet Member with Special Responsibility Councillor Ashworth)**  
Report of the Corporate Director (Regeneration)
- 14. Allocation of Affordable Housing S106 Contributions** (Pages 104 - 113)  
**(Cabinet Member with Special Responsibility Councillor Kerr)**  
Report of the Head of Planning Services

**15. Prosecution under the Regulatory Reform (Fire Safety) Order 2005** (Pages 114 - 117)

Report of the Monitoring Officer.

**16. Lancaster District Community Safety Spending Plan 2009-2011** (Pages 118 - 120)

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

Report of the Community Safety Partnership/LDLSP Safety Theme Group

**ADMINISTRATIVE ARRANGEMENTS**

**(i) Membership**

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

**(ii) Queries regarding this Agenda**

Please contact Debbie Chambers, Democratic Services, telephone 01524 582057 or email [dchambers@lancaster.gov.uk](mailto:dchambers@lancaster.gov.uk).

**(iii) Apologies**

Please contact Members' Secretary, telephone 582170, or alternatively email [memberservices@lancaster.gov.uk](mailto:memberservices@lancaster.gov.uk).

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<b>CABINET</b>
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## Senior Management Restructuring

10 November 2009

### Report of the Chief Executive

PURPOSE OF REPORT				
Cabinet is asked to consider a presentation from the North West Employers Organisation on the consultancy work undertaken so far on the Council's senior management restructuring and the resulting proposals.				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input checked="" type="checkbox"/>	Officer Referral
				<input checked="" type="checkbox"/>
Date Included in Forward Plan				
This report is public				

#### RECOMMENDATIONS OF COUNCILLORS MACE AND THOMAS

- (1) That Cabinet consider the information presented by the North West Employers Organisation about the consultancy work undertaken on restructuring the Council's senior management so far and approve, or otherwise, the resulting proposals.

#### 1.0 Introduction

- 1.1 The budget for 2009/10 requires savings of £1.3 m of which up to £400k is related to savings on employees, including a target of saving £50k in respect of senior management.
- 1.2 At its meeting on 30 July 2009, the Personnel Committee considered a project brief from the North West Employers Organisation (NWEO) to provide advice and support with proposals for restructuring the senior management of the Council. The Personnel Committee resolved that the project brief be agreed and asked Cabinet to authorise funding of the consultancy work from the restructuring reserve. Members will recall that Cabinet duly approved the necessary funding at its meeting on 1 September 2009.

**2.0 Proposal Details**

2.1 NWEO have been invited to the meeting today to provide information to Cabinet on the consultancy work it has undertaken so far on the Council's senior management restructure and to present the resulting proposals.

**3.0 Details of Consultation**

3.1 There has been no formal consultation at this stage. Formal consultation would commence if proposals for a restructure are approved by Cabinet.

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

4.1 The options open to Cabinet are

Option 1: to approve the proposals put forward by the NWEO regarding senior management restructuring.

Option 2: not to approve the proposals put forward by the NWEO regarding senior management restructuring.

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

5.1 The NWEO was engaged by the Council as an external consultant to provide advice on the senior management restructure, as any proposals might potentially affect all the Chief Officers of the Council.

5.2 The officer preferred option is, therefore, option 1, to approve the proposals put forward by the external consultant regarding the senior management restructure.

**6.0 Conclusion**

6.1 Cabinet is asked to consider the proposals put forward by the NWEO in the context of making the required savings on employee costs.

**RELATIONSHIP TO POLICY FRAMEWORK**

The corporate plan sets out the need for the council to find more than £1m of savings in each of the next two years to safeguard local services and keep council tax down. A target saving of £50K in respect of senior management has been identified for the 2009/10 budget.

**CONCLUSION OF IMPACT ASSESSMENT**

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

**FINANCIAL IMPLICATIONS**

Cabinet authorised funding from the restructuring reserve of up to £13,500 plus expenses to cover the NWEO external consultancy work on senior management restructuring.

**SECTION 151 OFFICER'S COMMENTS**

In view of the scope of the proposed senior management review, it is not appropriate for the Section 151 Officer to comment.

Details of the NWEO's proposals were not available at the time of writing. The Deputy Section 151 Officer will be attending the meeting and will comment/advise as appropriate.

**LEGAL IMPLICATIONS**

There are no legal implications arising from this report.

**MONITORING OFFICER'S COMMENTS**

As both the Monitoring Officer and the Deputy Monitoring Officer are within the scope of the proposed senior management review, it is not appropriate for them to comment.

**BACKGROUND PAPERS**

Personnel Committee agenda and minutes  
30 July 2009.

Cabinet agenda and minutes 1 September  
2009.

**Contact Officer:** Debbie Chambers  
**Telephone:** 01524 582057  
**E-mail:** dchambers@lancaster.gov.uk  
**Ref:**

**CABINET**

**Medium Term Strategy: Finances and Resources  
10 November 2009**

**Report of the Corporate Directors (Finance & Performance,  
and Regeneration) and the Head of Financial Services**

<b>PURPOSE OF REPORT</b>				
<p>To update Members on proposed changes to the Council’s strategic planning framework, to promote greater understanding of the linkages and co-ordination needed between the different elements, in order to deliver improvements in the Council’s management of resources.</p> <p>In line with these aims, the report also seeks:</p> <ul style="list-style-type: none"> <li>- approval of an updated Corporate Property Strategy</li> <li>- approval of Cabinet’s future aims for Council Tax, for referral on to Council</li> <li>- approval of draft capital investment criteria and initial financing assumptions.</li> </ul>				
Key Decision	<b>X</b>	Non-Key Decision		Referral
Date Included in Forward Plan		November 2009		
This report is public.				

**OFFICER RECOMMENDATIONS:**

1. That Cabinet considers whether to retain the existing Council Tax target increase of 4% for future years, for referral on to Council.
2. That the draft capital funding principles and priorities as set out in Appendix C be approved, and that they form the initial basis on which Cabinet develops its Capital Programme proposals for the five year period from 2010/11 onwards.
3. That it be noted that the Head of Financial Services is to submit a capitalisation bid in connection with Icelandic investments, pending confirmation of the Council’s creditor status.

4. That Cabinet supports the outline proposals to improve the Council's strategic planning framework for the future.
5. That Cabinet approves the Medium Term Corporate Property Strategy as set out at Appendix D.

1 **Background**

- 1.1 The Council's existing policy framework for the management and planning of its finances includes both the Capital Investment Strategy (CIS) and the Medium Term Financial Strategy (MTFS), with the latter dealing predominantly with revenue budget planning, in particular for General Fund.
- 1.2 Other key strategies cover the various different elements of the Council's resources but it is acknowledged that some of these are less developed than the financial framework currently in place. That said, the effectiveness of the Council's financial management and planning is influenced heavily by the management of other resources – and vice versa.
- 1.3 These key links are reflected in the latest Use of Resources assessment criteria set by the Audit Commission. The assessment is designed to consider "how well organisations manage and use their resources to deliver value for money and better and sustainable outcomes for local people". For 2008/09 financial year the Council scored '2' overall, i.e. performing adequately, and notwithstanding that the assessment criteria have changed and are now more wide-ranging, this result is worse than that for the previous year. The individual scores are set out below.

Key Line of Enquiry (KLOE)	Score
1: Managing Finances	2
2: Governing the Business	2
3: Managing Resources	1

- 1.4 The score of '1' for Managing Resources relates solely to workforce planning, and this is a particular area in which the Council is aiming to improve, once the Fairpay process has been implemented. In future though, this Key Line of Enquiry (KLOE) will assess different areas of resource management and currently it is expected that for 2009/10 district councils will have their use of natural resources assessed, i.e. energy, water, air etc. The third strand to this KLOE covers strategic asset management and at present it seems reasonable to assume that this will be assessed in 2010/11.
- 1.5 The detailed report on the Use of Resources' assessment was considered at the last meeting of Audit Committee. A number of recommendations are being taken forward and Officers are having further discussions with External Auditors regarding the scores. Irrespective of this, on the basis that the Council has scope to improve its management of resources to deliver better services and outcomes for its district, a number of actions are proposed regarding the different facets of financial and resource management, and these are set out later in this report.
- 1.6 Notwithstanding the proposals for the shape of future strategy documents though, there is a need now for Cabinet to review its aims for the 2010/11 budget and these are set out overleaf.



## 2 Current Financial Issues for Consideration

### 2.1 Council Tax

- 2.1.1 The Council's existing Medium Term Financial Strategy (MTFS) sets out projections for future years' net revenue spending as compared with the Council's targets for Council Tax. It therefore provides a financial basis on which Members can consider and review what changes need to be made to the level and scope of services provided, if the Council's aims with regard to restricting Council Tax increases in future years are to be met.
- 2.1.2 A report elsewhere on the agenda provides an outline update on the budget position for current and future years. The position is influenced by factors that are within the Council's control – as well as factors that are not.
- 2.1.3 In addition, **Appendix A** sets out some of the major financial issues and risks facing the Council, which need to be considered in deciding future strategy. **Appendix B** provides a table showing what additional savings would be needed for various scenarios, if the current assumptions regarding Council Tax and Government support levels were changed. It can be seen from this that potentially, there is real scope for the Council's starting position to be far worse than assumed back in March. Prospects are very bleak for public finances generally and real terms cuts can reasonably be expected – but there is much uncertainty as to the extent and also the timing, not least because of the next General Election. It should be noted that the scenarios on the Appendix make no assumptions regarding any specific initiatives that different political parties may put forward.
- 2.1.4 Cabinet is requested to consider the information in this report and in the separate budget report and indicate whether, for the time being:
- target increases for future years' Council Tax should remain at no more than 4% for future years.
- 2.2 Recommendations would then be referred on to Council and form the initial basis for the budget and planning exercise. **There will still be the opportunity to update the projections and make changes to Council Tax targets later in the exercise, however. This is a key point, as there is still much uncertainty regarding the financial outlook.**
- 2.3 In considering any proposals, Cabinet is asked to note that at present any supporting budget information only covers the period up to 2011/12 but the detailed budget preparation will move them forward another year, i.e. covering 2012/13 also.
- 2.4 Finally and as mentioned at the start of this report, the MTFS review forms the initial financial basis for progressing the 2010/11 budget and policy framework, and at previous meetings Cabinet has considered the way forward regarding priority setting and the associated consultation exercise. Whilst clearly there is much pressure on authorities generally to save money and restrict Council Tax increases, Members will have aims and aspirations regarding service delivery and potential improvements or reductions etc. It is important that the MTFS is considered in this context; the two processes (i.e. financial planning and priority setting) should inform each other and this is reflected in the timetable approved at the Cabinet meeting back in July.

2.5 **Capital Investment Funding Assumptions and Priorities**

2.6 The current Capital Investment Strategy (CIS) was approved back in March and as in every year, it is necessary to review the funding principles and investment priorities underlying it to ensure they still meet the Council's requirements.

2.7 The budget report elsewhere on the agenda also includes an outline update on the overall capital funding position. In summary, because of the delays in progressing the sale of land at South Lancaster and expected increased costs associated with municipal building works and other schemes, there is expected to be a gap in funding. Non-essential works have already been put on hold and provisionally some slippage has already been moved into 2010/11.

2.8 In view of the above, the flexibility to allow an interim increase in underlying borrowing need (known as the Capital Financing Requirement: CFR) may well be needed. This is already provided for within the existing CIS and Prudential Indicators, through it would have implications for the revenue budget. For exemplification, a £1M increase in CFR could cost around £80K per year but the biggest risk is that the land sales at South Lancaster cannot be completed, and compensating sales cannot be achieved either – resulting in permanent increases in the Council's financing costs. This could add around £600K per year to the revenue budget and this is clearly unaffordable. The Town Green inquiry was scheduled to begin in late October and if possible an update will be provided at the meeting.

2.9 Taking account of the Council's current financial standing, the latest projections and progress in achieving approved savings, the extent of change underway and the other key financial risks facing the Council, the financial position is still precarious at present and Council is advised to act accordingly - it is hoped that during the budget, some greater clarity will be gained. In the interim, much progress can still be achieved resolving or taking forward existing issues and approved budget savings.

2.10 With these points in mind, Cabinet is requested to determine the basis for developing the Capital Programme for the next five year period (i.e. 2010/11 to 2014/15). Proposals are set out at **Appendix C**; in the main these are based on the existing strategy and it is recommended that this forms the starting point for Cabinet's consideration. The priorities can be updated later in any event to reflect financial needs, or to respond to issues arising through consideration of the Place Survey or the public consultation on the Budget. For now though, there are a number of points to highlight:

- i. One key element that has been missing from the approved Programme so far relates to Access to Services developments. This has stalled of late, partly because of the funding difficulties facing the Council but also because of the extent of change underway – clearly aspects such as accommodation need to fit with the shape of Council services and any key partnering arrangements. Members may also remember that the wider accommodations changes were put on hold during last year's budget, because of the financial position. As the shape of and future direction for council services is clarified, as well as the financial outlook, work can recommence on developing the Access to Services Programme.
- ii. Reports elsewhere on this agenda set out investment proposals for toilets and climate change actions; at previous meetings Cabinet has also considered other

potential investment for allotments. Whilst Climate Change is covered explicitly in the existing investment priorities, the other items are not. Any proposed widening of the draft investment priorities would need to be considered in context of affordability and the ability of the Council to meet stakeholder expectations.

- iii. Cabinet will see that the Appendix includes provision for financing any losses on Icelandic investments, should they be capitalised in due course. At present, it is still the case that in one form or another, sufficient resources should be available to cover these without relying on capitalisation, but this is dependent upon the revenue position generally, progress on Luneside compensation claims and, not least, retaining preferential creditor status for two of the three investment claims. With regard to this latter point, it is anticipated that this will be covered in court proceedings expected to begin in January 2010. The deadline for submitting capitalisation bids is in December 2009 though, and therefore the Head of Financial Services is planning to submit a bid to cover all eventualities. Further consideration of any financing issues will be considered in future budget reports.
- iv. The Council is also expecting some general capital and revenue grant in the form of Performance Reward Grant from the Lancashire Area Agreement but this has not been quantified as yet. In due course a report will be submitted to Cabinet, seeking approval for the framework for allocation via the Lancaster District Local Strategic Partnership (LDLSP).
- v. No general increase in borrowing need is provided for over the period at present. This is to avoid further pressure on the revenue budget. This will be a key aspect to review as the budget develops in view of emerging investment needs and priorities and the principles of the Prudential Code for capital investment borrowing – these being affordability, prudence, and sustainability.

### **3 Future Financial Management and Planning**

3.1 As is clear from the above, at present the Council's strategic financial planning is set out in two separate documents for revenue and capital, although they do highlight the main linkages, in particular the revenue consequences of capital investment. To streamline the framework, strengthen further co-ordination and understanding and to avoid some duplication, in future it is proposed to have one Medium Term Financial Strategy, covering both revenue and capital. This change is planned for 2010/11 and would be presented to Budget Council in March of next year.

3.2 In future it is also planned that the MTFs should cover council housing finance, in line with future housing strategy, although it likely that this change may take some years to complete fully. Members may be aware that consultation is underway regarding the future funding arrangements for council housing to support a move away from the current subsidy system, although this may not be implemented until 2012/13 or so. In any event, the Council needs to ensure that future housing provision is considered in context of its strategic objectives and that the full implications are appraised as this is likely to have bearing on General Fund as well as the Housing Revenue Account. Specific proposals such as the senior management structure are also expected to affect both Funds. One area that has come under some criticism in the past is that of future housing rent increases. Assuming that the Council continues to be a housing provider and future finance systems allow it, aims and aspirations for rent levels could be modelled and

considered in much the same way as for Council Tax and this would be catered for in medium term financial planning.

- 3.3 In support of its financial planning, the Council also needs to improve on its arrangements for delivering and demonstrating value for money. Some limited work is being done to review this framework but in truth, there is very little capacity to take the delivery of this work forward. The recent Place Survey indicated that the public's view on whether the Council gives value for money was very mixed, with only 2 in 5 residents satisfied with the way Lancaster City Council runs things and 3 in 10 residents believing that the Council provides value for money – this is below the average for all Lancashire authorities and underlines the need to take action to demonstrate (and communicate) what is provided with taxpayers' money. It is proposed that capacity for this be addressed through future service restructures and the centralising of the marketing function of the Council. There are three strands to the capacity conundrum. Firstly, the Council has some good practice in place and this is marketed to a degree through initiatives such as Every Penny Counts, but evidencing these achievements and pulling the information together takes time. Secondly, there will be some areas in which the Council really needs to improve on value for money. Thirdly, and as demonstrated in recent Government returns, the Council is struggling to identify sufficient efficiency savings to meet its National Indicator targets. Improving the position will require cultural and process change, improved skills and strong leadership and support; again, this takes time and requires capacity.

#### 4 Strategic Asset Management

- 4.1 The Council's property strategy arrangements are currently covered by the Corporate Property Strategy, which was initially approved in October 2005 and amended in October 2006. It was intended that the Strategy would cover a three year period and it is therefore now due for review. The revised Strategy, which will follow as **Appendix D**, is referred to as the Medium Term Corporate Property Strategy (CPS) to bring it in line with the Medium Term Financial Strategy. This is in support of the Council having a more joined-up approach to the management of its resources, as mentioned earlier.
- 4.2 Whilst the existing strategy has been adequate to help move forward the management of the property portfolio, the revised proposal has been updated to reflect both current thinking in asset management and the current position of the council's property stock. During the period since 2006, various publications have been produced which advise on aspects of asset management. These include:
- The Quirk Review of Community Ownership and Management of Public Assets (2007)
  - The Energy Performance of Buildings Directive (2007)
  - The Royal Institution of Chartered Surveyors' best practice guidelines, produced together with Communities and Local Government (June 2009)
  - An Audit Commission report entitled "Room for Improvement" (June 2009)
- 4.3 These publications have informed the proposed CPS, as has the Key Lines of Enquiry (KLOE) in respect of the Use of Resource' assessment. Crucially through, the CPS must support the achievement of the Council's Corporate Plan, as well as other regulatory and statutory requirements. This is reflected in the following 6 main objectives on which the proposed Strategy is based:

- Fit for purpose and compliance with statutory regulations/codes:  
This reflects the concerns that exist with regard to the current poor condition of the Council's portfolio.
- Value for money:  
This is to ensure that the assets deliver value for money, minimise costs in use whilst maximising returns on investment.
- Improved corporate management:  
To reflect optimisation of office space, cross service and partnership working as promoted by the access to services review.
- Sustainability:  
To ensure that all assets are managed efficiently, reflecting in particular the Council's work under the climate change strategy, elsewhere on the agenda.
- To serve the council's key aims and objectives:  
Assets should contribute to the work of the Council, particularly in areas of regeneration or the need to produce capital receipts to fund capital investment.
- Enabling  
Assets can also be used to achieve strategic development and regeneration opportunities within the district.

4.4 The CPS as included on the attached Appendix includes a number of actions with identified outcomes that relate to each objective. In future, these are intended to be reviewed annually to reflect changes in the Council's priorities and the requirements of the property portfolio. With these points in mind, Cabinet is now requested to approve the Strategy as set out.

## 5 **People Management and Workforce Planning**

5.1 A number of plans are currently being developed to shape services, so that there is an efficient and effective service delivery structure augmented by support services that are fit for purpose. In times of change, planning and management of the Council's workforce become even more important if the Council is to achieve its objectives, and therefore it is felt essential that this agenda moves forward. Linked to this, the Council's approach to equality and diversity is not well developed. The Council is the only authority in Lancashire yet to adopt and act upon the new Equality Framework for Local Government.

5.2 As part of the development of the proposals for shaping services, key consideration will be given to their viability and in particular how we attract, recruit, retain and develop a talented workforce. The key to this is a robust, yet flexible structure for workforce planning. The aim is to ensure that workforce planning is embedded in the Council's approach to corporate development. The characteristics of the approach to be adopted by the City Council are that it will enable us to:

- Explore the future and assess the City Council's options and define its objectives

- Fully understand the Human Resources needs, ensuring that we have a workforce that is fit for purpose and flexible enough to meet these objectives now and in the future.

5.3 In essence the City Council's approach to workforce planning is an integral part of its wider organisational development activities, which is informed by the wider workforce planning issues affecting the region. The approach should use practical steps to ensure we have the right people, in the right jobs, with the right skills, at the right time, in order to deliver the City Council's vision. Proposals in line with these aims will be presented for Members' consideration in due course. As a wider issue, proposals for taking forward equality and diversity will also need to be considered.

## 6 Management and Use of Natural Resources

6.1 An item elsewhere on the agenda sets out proposed updates to the Council's strategy for tackling Climate Change. This, together with supporting documents such as the Sustainable Procurement policy, provide a framework for managing the Council's natural resources.

6.2 In this regard, it should be noted that under the Use of Resources assessment, focus is very much on the Council's own impact on the environment from the resources it consumes in the delivery of its services. It is not about the Council acting to reduce the consumption of resources by others, such as businesses or the wider community - the area assessment under the Comprehensive Area Assessment (CAA) is expected to cover such environmental issues in the wider area. That said, clearly the Council has a leadership and enabling role in tackling climate change and other environmental factors, and that is also reflected in the proposed Strategy (as well as other measures such as air quality).

## 7 Using the Proposed Framework to Deliver Better Outcomes

7.1 Whilst updating the strategic framework may be relatively straight forward, actually using it to deliver improvements, rather than it just being a paper exercise, is a much more involved and harder task. Its success is dependent on strong management and monitoring, and coordination of activity. In particular, the Council is facing enormous change in the coming years and maintaining (or establishing) capacity to manage that change is key, if the changes are to be successful.

7.2 Nonetheless, it seems clear that better use of resources can be gained by appreciating the linkages between key strategies – likewise with key partners. An important role for Management Team is to manage and develop these linkages, to achieve better value for money in Council services.

7.3 With these points in mind, a number of actions are outlined below:

- Impact assessments (people, property, sustainability, as well as £s) are to be undertaken for key budget proposals. For some, the assessment will need to be very light touch, so focus will be very much on major issues.
- The draft framework will be kept under review as this budget process develops, to respond to any changes in emerging priorities as a result of consultation, the Place Survey, financial pressures or legislation etc. Similarly, the Council's

strategic risks are also being updated and this will be fed into the budget process. In determining the strategic direction of the Council, it is clearly essential that there is a common understanding of the strategic risks being faced.

## 8 Details of Consultation

The consultation on Cabinet's proposed priorities and budget 2010/11 onwards is currently being developed, a key part of which will be Cabinet's targets for Council Tax. In turn, the outcome of the consultation will feed into future budget and MTFS considerations.

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

### 9.1 Council Tax Targets:

The options regarding targets are basically to:

- Retain the existing Council Tax target of no more than 4% for future years  
Previous approved forecasts indicate that this would require net savings of around £1,053K and £1,302K to be identified for 2010/11 and 2011/12 respectively, although these will change as the budget develops.
- Recommend an alternative Council Tax target increase for future years.  
The level of any net savings requirement (and the associated risks) would depend on the tax level proposed.

The main risks attached to either option follow on from the information in this report and the ability of the Council to take decisions on matching service levels with the money available to fund them. In addition, the reputation and public perception of the Council may be affected. The key risks can be summarised as follows:

- Actual savings targets prove to be substantially different from shown above, due to changes in financial projections.
- Required savings targets can't be met, without having an unacceptable impact on service delivery – either from the Council's own viewpoint or from public perception.
- Government / the public perceive the increase to be too high, resulting in capping action being taken against the Council and/or a negative impact on public relations and the Council's reputation
- Council tax targets are too low, resulting in them being unsustainable in the longer term, without having adverse effects on future service delivery and/or the Council's financial standing and reputation.

The report highlights that there is significant scope for budget projections to change, as a result of both internal and external factors. To counter this, there will be further opportunities to review target increases during the forthcoming budget as more definite information becomes available on forecast spending.

With regard to capping, Government has demonstrated a firm commitment to using its capping powers – although this could be affected in future by the General Election. Should Cabinet wish to support spending levels that result in a Council Tax increase much higher than the current MTFS target, then there are strong indications

that the current Government is likely to challenge this course of action. This may well result in the Council's budget being capped – in such a situation it would be forced to cut spending / services in an unplanned way and it would incur rebilling costs. Alternatively, if Cabinet wish to support a much lower increase, then future sustainability will become a major issue. On balance it is felt that financial prospects will get worse, rather than better.

In terms of options, the impact on Council Tax payers is key. Members should consider the balance between providing services that the local community needs and wants, against how much it is prepared to pay. There will be reputational, operational and financial risks, opportunities and trade-offs attached to whichever option Cabinet chooses.

## 9.2 **Capital Investment**

With regard to future years' investment principles and funding assumptions, options are basically:

- to approve retention of existing capital investment criteria, as set out in Appendix C, or
- to determine alternative proposals.

In considering any alternative proposals, Cabinet would need to have regard to their proposed corporate priorities and the principles of the Prudential Code, namely prudence, affordability and sustainability. Risks would depend very much on the nature of any alternatives put forward.

## 9.3 **Strategic Planning Framework**

In this regard, options are basically:

- to support the framework proposals for the future, as outlined in the report, in particular in sections 3 to 5, and 7, or
- to reject the proposed changes, and/or put forward alternatives or request further work to be done on specific aspects.

The rationale behind the proposals is outlined in the background of this report. Members could choose simply not to change, but it is felt that this would not help corporate development of the Council, and could undermine attempts to improve the Council's Use of Resources. Other risks and implications would depend very much on the issues that Cabinet raise or any amendments put forward.

## 9.4 **Corporate Property Strategy**

With regard to the Corporate Property Strategy, options are basically:

- to approve the Strategy as set out in Appendix D, or
- to put forward amendments to the proposal and/or request further work to be done on specific aspects.

Again, risks and implications would depend very much on the issues that Cabinet raise or any amendments put forward. Ultimately though, the Council needs to have



a Strategy fit for purpose, which gives direction to help ensure that property management supports delivery of the Council's objectives and helps achieve value for money.

**10 Officer Preferred Option and Comments**

There is no specific officer preferred option with regard to Council Tax levels. That said, both the Chief Executive and the s151 Officer would advise against planning for a Council Tax increase much lower than 4% at this time, at least for 2010/11, if Members aim to continue to provide a wide range of services to the public and wish to avoid more potential for major service cuts in future years. Conversely, they would advise against aiming for an increase of around 5% or above at this time as it would be subject to capping under existing criteria.

Whatever Council Tax targets are in place, Members need to have supporting plans in place to achieve a balanced budget.

With regard to the other matters contained within this report, the Officer preferred option is to approve the various proposals as set out. It is felt that these present good starting points for developing capital proposals, and for improving the Council's strategic resource management planning for the future.

**11 Conclusion**

The economic outlook has deteriorated significantly since February and there is still considerable uncertainty in the Council's financial prospects, which is likely to result in further pressures. There is now a strong need to respond positively to this challenge, in ensuring greater focus on key service areas and in delivering the necessary savings, including service reductions, to achieve Council Tax targets. This is a scenario facing many councils up and down the country.

<p><b>RELATIONSHIP TO POLICY FRAMEWORK</b> The Medium Term Financial Strategy and Capital Investment Strategies are part of the current policy framework, but this would need updating in future should the proposals to amend the strategic framework go forward.</p>
<p><b>CONCLUSION OF IMPACT ASSESSMENT</b> (including Diversity, Human Rights, Community Safety, Sustainability etc) There is no direct, quantifiable impact arising at this stage, although the MTFS sets out the level of funding expected for the delivery of council services. As such, it will have a direct bearing on the level and impact of services provided in future. Other proposals contained within this report seek to strengthen impact assessments of key budget proposals.</p>
<p><b>FINANCIAL IMPLICATIONS</b> As referred to in the report – there are no direct quantifiable financial implications at this stage.</p>

**DEPUTY SECTION 151 OFFICER'S COMMENTS**

The s151 officer has produced this report.

**LEGAL IMPLICATIONS**

Legal Services have been consulted has have no comments on the report.

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

Medium Term Financial Strategy  
Capital Investment Strategy

Contact Officer: Nadine Muschamp

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**Medium Term Financial Strategy Update  
Key Financial Risks  
For Consideration by Cabinet 10 November 2009**

***This provides an outline of key recognised risks together with points on managing (or mitigating) them. This will be updated as the budget develops.***

***Luneside East***

Keys risks relate to the outcome of the lands tribunal and associated legal costs, and potential clawback of funding should the project not progress to deliver its economic outputs. Should the project progress, however, there is the opportunity to receive a developer contribution on site transfer. *(Mitigation: defence at tribunal, seeking funding to advance project, use of earmarked reserve)*

***Other Regeneration (including support etc)***

Other regeneration projects have been affected by economic factors. Those still in various stages of development (such as the Winter Gardens, Chatsworth Road, etc.) may have financial risks attached to their contractual position to date. As a wider issue, there are clear affordability risks attached to the Council's regeneration strategy, in particular for projects such as the Winter Gardens. There are also risks attached to project and programme support, including those associated with abortive works and plans. *(Mitigation: covered through specific project & programme management arrangements regarding feasibility, seeking funding, establishing core staffing support, etc)*

***Municipal Buildings***

Essential works are being progressed to protect the Council's interests, but this may lead to additional financing costs. Price increases are being experienced on the municipal building works programme and there will be a need to increase the budgets over the coming years to reflect these. At present, the broad assumption is that most works will fall as capital but this has not been fully tested as yet. There is therefore the risk that budgets are inappropriate. *(Mitigation: through future report to Cabinet and budget process; incorporating appraisal of revenue v capital)*

***Funding of Capital Programme***

Should the current capital receipts schedule not be achievable, this would prevent some capital investment from happening, but ensuring that funding is in place for essential works would add more pressure on revenue and cause affordability and financial sustainability risks. *(Mitigation: ongoing review and monitoring, options appraisal through budget process).*

***Achievement of Approved Revenue Budget Savings for 2009/10***

Failure to achieve budgeted savings in 2009/10 may result in funding transfers from earmarked reserves which would have been used for other purposes, or as a last resort, by reducing revenue balances. This would have an adverse effect on the Council's standing and could affect the delivery of corporate and service objectives. *(Mitigation: through performance management framework and budget process)*

***Decision-making***

Linked to the above, there is the risk that the Council fails to reach agreement in order to deliver a balanced, robust and deliverable budget for 2010/11 and beyond. *(Mitigation: through budget process, learning from previous years, not being over-ambitious in terms of balancing service provision against Council Tax levels, and delivering change)*

***Icelandic Investments (and investment losses generally)***

The prospects for successful recovery action and affordability risks are still dependent upon maintaining preferential creditor status for two of the investments made. Risks remain throughout the banking sector generally. *(Mitigation: ongoing work through LGA, capitalisation bid, updated investment strategy & future review)*

***Government Support (2010/11 and future years)***

Whilst it is still possible that Government could alter the provisional Settlement for 2010/11, there is much higher risk that level of support for future years will be worse than currently assumed. *(Mitigation: through budget process)*

***Other Economic Factors and Prospects generally***

As well as affecting future levels of government support, economic factors will affect the Council's finances through other funding streams, inflation, interest rates and pay settlements, as well as demand for services. *(Mitigation through budget process)*

## **Council Tax Capping**

In recent times the Government has demonstrated a firm commitment to capping, and whilst the forthcoming General Election makes future arrangements less certain, pressure to keep tax increases low is expected to remain. *(Mitigation: keep any future increases at less than 5%)*

## **Concessionary Travel**

Costs for current scheme are uncertain, as reimbursement rates to bus operators are not yet agreed with bus operators, and usage of scheme can fluctuate. Responsibilities for the scheme from 2011/12 onwards are not yet decided; any transfer away from the Council could create new financial pressures (or could improve position, but this did not feature in modelling undertaken). *(Mitigation: countywide approach with consultancy support regarding reimbursement rates, pooling arrangements in place, countywide liaison and review regarding future arrangements)*

## **Fairpay & Equal pay**

The financial implications of the proposed pay and grading structure have been recognised as unsustainable in the medium and longer term. Furthermore, the extent of elements such as market supplements is uncertain. *(Mitigation: supporting HR policies, use of earmarked reserves and provision, commitment to review and amend the grading structure within 2 years of implementation)*

## **Pensions Costs**

The current triennial review period comes to an end on 31 March 2011; thereafter at present it has been assumed that pension rates will increase by 2%. However, the impact of demographics and the current recession on pension fund investments is unknown at this stage. Also, it is expected that further national proposals regarding the Pension Scheme will come through at some point. *(Mitigation: liaison with Pensions authority, ongoing review through budget process)*

## **Change Management & Investing to Save (e.g. Restructuring Reserves)**

There are a number of major restructures currently being worked on which will incur one-off termination costs. As these restructures affect senior officer posts these costs may be significant and it is expected in broad terms that they will be more than is available in the Restructuring Reserve. As a result some costs may need to be met from the savings generated by the restructures or the implementation managed in order to achieve this. There is the risk that the Council could have insufficient funds available to enable future change or to invest to save. There are also financial risks attached to the process of change, and maintaining sound financial management standards. *(Mitigation: through budget process, and change management arrangements)*

## **HRA review (for General Fund)**

The Government has recently consulted on plans to abolish the housing subsidy mechanism and replace it with a form of redistributed housing debt. Whilst the Housing Revenue Account would still remain, it is unclear how these proposals will impact on the General Fund, in particular in relation to Treasury Management and other cost allocations. The outcome of the consultation process is expected in the new year. *(Mitigation: consultation response, monitoring and review of future developments)*

## **VAT**

The VAT recovery claim (estimated in the region of £600K) is still to be settled by HMRC. *(Mitigation: monitoring and review.)*

## **Changes in Accounting Requirements**

Adoption of International Financial Reporting Standards (IFRS) could give rise to changes in accounting treatment of certain transactions, such as leases, and creates additional workload requirements on some services, which may add pressure to the revenue budget. The extent of risk is dependent on the dispensations applicable to local authorities, influenced by professional bodies and Government etc. *(Mitigation: project management arrangements and monitoring and review, linked to budget process)*

## **Other Risk Areas**

As well as the above points, there are many other issues that may present financial risks or opportunities to the Council, that have been reported to Members and are under further consideration. Where significant these will be highlighted in future budget reports.

## Potential Additional Savings Needed for Various Council Tax & Government Support Scenarios

### For Consideration by Cabinet 10 November 2009

Note : The Additional Savings Requirements shown below are over and above those included in the current MTFS which are £1.053M for 2010/11 and £1.302M for 2011/12 (giving a total of £2.3M over the two year period).

	<b>2010/11</b>				
	£'000	£'000	£'000	£'000	£'000
<b>Council Tax Increase for 2010/11 ⇨</b>	<b>0%</b>	<b>+1%</b>	<b>+2%</b>	<b>+3%</b>	<b>+4%</b>
<b>Additional Savings Requirement</b>	<b>321</b>	<b>240</b>	<b>160</b>	<b>80</b>	<b>0</b>
<b>Change in Government Support</b>	<b>-5%</b>	<b>-2%</b>	<b>0%</b>	<b>+1%</b>	<b>+2.4%</b>
<b>Additional Savings Requirement</b>	<b>1,183</b>	<b>703</b>	<b>383</b>	<b>223</b>	<b>0</b>
<i>Current projections based on provisional increase of 2.4%</i>					

		<b>2011/12</b>				
		£'000	£'000	£'000	£'000	£'000
<b>Council Tax Increase for 2011/12 ⇨</b>		<b>0%</b>	<b>+1%</b>	<b>+2%</b>	<b>+3%</b>	<b>+4%</b>
	<b>2010/11 Increase ↓</b>					
<b>Additional Savings Requirement</b>	<b>0%</b>	<b>655</b>	<b>574</b>	<b>494</b>	<b>414</b>	<b>334</b>
<i>For example, a 0% increase for 2010/11 and a 2% increase for 2011/12 will require additional savings of £494K to be made.</i>						
	<b>1%</b>	<b>574</b>	<b>493</b>	<b>412</b>	<b>331</b>	<b>250</b>
	<b>2%</b>	<b>494</b>	<b>412</b>	<b>330</b>	<b>249</b>	<b>167</b>
	<b>3%</b>	<b>414</b>	<b>331</b>	<b>249</b>	<b>166</b>	<b>83</b>
	<b>4%</b>	<b>334</b>	<b>250</b>	<b>167</b>	<b>83</b>	<b>0</b>
<b>Change in Government Support</b>		<b>-5%</b>	<b>-2%</b>	<b>0%</b>	<b>+1%</b>	<b>+2%</b>
<b>Additional Savings Requirement</b>		<b>1,147</b>	<b>656</b>	<b>328</b>	<b>164</b>	<b>0</b>
<i>Current projections based on an increase of 2%</i>						

		<b>2012/13</b>				
		£'000	£'000	£'000	£'000	£'000
<b>Council Tax Increase for 2011/12 &amp; 2012/13 ⇨</b>		<b>0%</b>	<b>+1%</b>	<b>+2%</b>	<b>+3%</b>	<b>+4%</b>
	<b>2010/11 Increase ↓</b>					
<b>Additional Savings Requirement</b>	<b>0%</b>	<b>1,003</b>	<b>841</b>	<b>678</b>	<b>514</b>	<b>347</b>
<i>For example, a 0% increase for 2010/11 and a 2% increase for 2011/12 and 2012/13 will require additional savings of £678K to be made.</i>						
	<b>1%</b>	<b>923</b>	<b>760</b>	<b>595</b>	<b>428</b>	<b>261</b>
	<b>2%</b>	<b>842</b>	<b>678</b>	<b>511</b>	<b>343</b>	<b>174</b>
	<b>3%</b>	<b>762</b>	<b>596</b>	<b>428</b>	<b>258</b>	<b>87</b>
	<b>4%</b>	<b>682</b>	<b>514</b>	<b>344</b>	<b>173</b>	<b>0</b>
<b>Change in Government Support</b>		<b>-5%</b>	<b>-2%</b>	<b>0%</b>	<b>+1%</b>	<b>+2%</b>
<b>Additional Savings Requirement</b>		<b>1,169</b>	<b>668</b>	<b>334</b>	<b>167</b>	<b>0</b>
<i>Current projections based on an increase of 2%</i>						

**Best case scenario from above:**

Council Tax increase of 4% per annum and Government Support is circa 2% per annum resulting in **NIL** additional savings requirement over the 3 year period (over & above existing approved projections).

**Worst case scenario from above:**

0% increase in Council Tax per annum and Government Support is reduced broadly by 5% per annum resulting in **£5.5M** additional savings requirement over the 3 year period (cumulative total value, not each year).

## Draft Capital Investment and Funding Assumptions For Consideration by Cabinet 10 November 2009

### 1 Initial Funding Forecasts and Assumptions

#### 1.1 Underlying Borrowing Requirement (known as the Capital Financing Requirement)

There is no **supported** underlying borrowing requirement forecast for the five-year period at present, but in due course this may change, particularly for the Housing Revenue Account.

Assumptions underpinning the Council's **unsupported** underlying borrowing requirement are outlined below:

- i. The General Fund capital programme will provide for a £1.4M reduction in the underlying requirement for unsupported borrowing from 2010/11 onwards.
- ii. The practice will continue by which the Head of Finance will, under delegated authority, assess the most appropriate means of financing for the purchase of new vehicles and equipment. Unsupported borrowing will be selected if this offers a more cost effective solution than leasing.
- iii. Further unsupported borrowing need may be considered in developing the Capital Programme, but only in context of either:
  - providing cover to meet any additional costs arising in connection with the Luneside East scheme. Cabinet approval would be required before this facility could be called on;
  - providing cover for any losses associated with Icelandic investments, should a capitalisation directive be required (and granted) by Government;
  - providing interim funding for any essential building works, prior to other sources of funding (e.g. capital receipts) becoming available;
  - robust, achievable revenue savings being identified or income being generated to at least offset the ongoing (whole life) costs associated with individual schemes, and / or borrowing being required to support the cashflow position of major schemes spanning financial years.
- iv. No underlying borrowing requirement is assumed for council housing investment, but this will need to be reviewed in light of the outcome of the housing funding review.

#### 1.2 Revenue Financing Of Capital Schemes

Substantial general budgetary provision for direct revenue financing will be made within the Housing Revenue Account (HRA) for council housing purposes, in line with existing budget forecasts. No such general provision will be built into the General Fund revenue budget, though revenue financing related to specific schemes may be considered in appropriate circumstances, e.g. invest to save schemes.

Revenue financing from reserves will be based on existing earmarked reserve levels (or projections), as long as capital investment proposals match with the approved use of those reserves.

#### 1.3 Capital Receipts Forecasts

Over the next five years, from 01 April 2011, general capital receipts totalling £11M (provisional estimate) are anticipated, of which approximately £10.2M relates to General Fund property disposals with the remainder relating to Council housing. The assumptions regarding their use are set out below:

- Any council housing capital receipts will be used to support capital investment in council housing stock and supporting assets, and related environmental improvements.
- For General Fund, capital receipts of up to £8.8M will be used over the period to support capital investment generally, with the balance being set aside to provide for contingencies and/or the repayment of debt. Capital receipts will not normally be ring-fenced into reinvestment into particular areas, as this can undermine the prioritisation of investment needs, but there are exceptions to this:
  - o Capital receipts arising from the West End Masterplan implementation will be ring-fenced to the further development of projects identified in the Masterplan itself, subject to appropriate Cabinet approval.
- The application of any additional General Fund capital receipts arising (i.e. apparently exceeding the target referred to above and not covered by the specific ring-fencing arrangements outlined) will be considered in context of the likelihood of meeting the overall target. They will not be used to support new spending or commitments. For Council Housing, any additional capital receipts may be used to support the 30-year business plan.

## 2 CAPITAL INVESTMENT PRIORITIES

In line with the Council's core values, priorities and associated targets, capital investment for the period to 2015 will be focused into delivering the Council's medium term priorities and objectives. In determining priorities where funding is limited, then preference will be given to those schemes that contribute to delivering the agreed high priorities for capital investment, as set out below:

- Delivering the Council's Economic Vision as set out in the Economic Regeneration Strategy
- Delivering improvements for Cleaner Streets and the Public Realm
- Completion of the phased implementation of the Recycling and Waste Management Strategy
- Delivering schemes that support the Council's Climate Change Strategy
- Developing further the district's Cycling Infrastructure
- Delivering the City Council's obligations in the Sustainable Community Strategy, Community Safety Partnership, and the Lancashire Local Area Agreement
- Progressing the priorities within the Council's agreed Housing Strategy and in particular, in meeting the 'Lancaster' Standard in the provision of Council Housing, in line with the 30-Year Business Plan
- Refurbishment/ replacement of existing property or facilities required to deliver existing service levels, or to achieve key performance targets as set out in the Corporate Plan or Corporate Property Strategy, or to meet other legislative requirements
- New (or the expansion of existing) facilities, where they link clearly with the Corporate Plan or new proposed priorities, and they are either:
  - at least self financing (both in revenue and capital terms) or
  - invest to save proposals that require some up front capital investment but would generate cashable (and where possible, non-cashable) ongoing revenue savings. As a general guide, payback should be achievable in the medium term, up to 5 years, but longer payback periods may be considered should circumstances warrant it.

**CABINET**

**2010/11 Budget Update  
10 November 2009**

**Report of Corporate Director (Finance & Performance) and  
Head of Financial Services**

PURPOSE OF REPORT			
To note progress so far on the current year's budget position and in identifying options for savings and efficiencies for inclusion in the 2010/11 draft budget proposals. To note the latest position on the council's 5 year capital programme.			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
Referral from Officers			<input checked="" type="checkbox"/>
Date Included in Forward Plan	N/A		
This report is public			

**OFFICER RECOMMENDATIONS:**

- 1 That Cabinet notes the revenue budget position to date regarding the current year and its potential implications.
- 2 That Cabinet notes the progress made by individual Cabinet Members to identify savings and efficiency options from within their portfolios included as Appendix A, and determines those that should be supported or developed further.
- 3 That Cabinet notes the latest position in respect of the Council's Capital Programme.

**REPORT**1 **Introduction**

Since the last Cabinet meeting, individual cabinet members have continued to meet with officers to develop savings and efficiency options in line with the programme agreed on 01 September 2009 (minute 44(1) refers). Work has continued to review the variances arising from the 2008/9 closure of accounts and also those highlighted as part of the second quarter's Performance Review Team exercise, which is still ongoing.



## 2 Current Year Revenue Position

With regard to the current year, the Appendix highlights that from the information available so far, there is potentially a sizeable net overspending in the current year. This is after providing for estimated losses in connection with Icelandic investments. As at Quarter 1, the monitoring indicated that it may be possible to cover these through VAT windfalls and other unbudgeted net savings. From the information available so far for Quarter 2, however, it would appear that the position has deteriorated quite significantly. One reason for this is that not all of the savings approved as part of the current year's budget have been achieved actually in this year.

This position has implications for the Council's Use of Resources, both practically and through future assessment:

- Once the Revised Budget exercise has been completed fully, any remaining deficit in this year will have to be financed, either by transferring funds earmarked for other purposes (with those purposes being put on hold or cancelled), or as a last resort, by reducing revenue balances. This would have an adverse effect on the Council's standing. In turn, this would simply increase the budget pressures for 2010/11, as there is no indication that the minimum level of balances will reduce (if anything, it is more likely to increase). Another report on this agenda makes reference to seeking a capitalisation directive regarding Icelandic investment losses, which could help spread these costs over a number of years. The outcome is by no means certain though and if unsuccessful, the Council will have to make full up-front revenue provision for estimated losses at some point.
- The failure to meet any approved savings should change behaviour for the future to ensure that as far as possible this situation does not recur. The lessons learnt could be relatively simple measures and the Council's response will influence the s151 Officer's views on minimum balances and on affordability of spending plans / robustness of estimates.

## 3 Future Years' Revenue Position

For 2010/11 onwards, budget options that have been identified since the last meeting, up to the time when this report was produced, have now been included in the schedule attached at **Appendix A**. Cabinet is asked to identify those options that they wish to support at this stage, for inclusion in the list to be used for the budget consultation exercise, and those that they would wish to be developed further.

This agenda also includes a number of reports that have financial implications for future years and these have been included in Appendix A on the basis of the reports' recommendations.

Elsewhere on this agenda is an update covering the Council Tax targets included within the Council's Medium Term Financial Strategy, as well as other related strategies. These will be used to inform and guide the Council through this year's budget process and Cabinet should note that the first draft of the revised 3 year revenue budget will be presented to the Cabinet in December. In view of the work ongoing, and the amount of information still uncertain or outstanding, it has not proved possible to provide a more comprehensive update at this stage. Nonetheless, consideration of draft budgets for both General Fund and Housing Revenue Account (HRA) before Christmas should give Members more time for developing budget

proposals and form a reasonable basis for consultation. There is one caveat regarding the HRA however, in that the timing of subsidy announcements is crucial. This is because at present, following the changes in rent increases for the current year, expectations for future subsidy are even less clear than usual.

With regard to corporate planning, Cabinet have continued to meet informally to review the latest information on how the existing revenue and capital budgets are allocated across the Council's current corporate priorities, support services, and non priorities. Cabinet are also to meet on 03 November to review the headline messages reported by Ipsos/Mori at their recent presentation. This information will be used by Cabinet in their review of the current policy framework documents, including the Corporate Plan priorities, and a revised version of the Corporate Plan will be presented to Cabinet in December.

#### 4 **Capital Programme Update**

In terms of capital, there is little to add at this stage to the comments included elsewhere on the agenda. The key points are as follows:

- In light of the current inquiry into the Town Green application, the sale of receipts from land at South Lancaster has been delayed until 2010/11; these assumptions will be updated in light of information on how the inquiry is progressing.
- Price increases are being experienced on the municipal building works programme, most notably on roofing. Action has been taken to progress these and other essential ceiling and electrical works and whilst at present, these can be contained within existing budget allocations, there will be a need to increase the budgets over the coming years. Clarity is being sought regarding whether the cost pressures will fall as capital or revenue. A separate report on this issue is now scheduled for December Cabinet.
- The outcome of the preliminary lands tribunal hearing regarding Luneside is expected in early December. An update on this and the legal costs position is also scheduled for December Cabinet.
- In addition, an update on the West End Exemplar Scheme and Chatsworth Road proposals will also be presented to Members during the budget process.
- Some relatively minor slippage on other schemes has been identified in the current year. Overall though, a gap in funding can be reasonably expected in 2009/10, which would need to be covered through an increase in borrowing need (known as the Capital Financing Requirement). This should be only on an interim basis, but this is dependent upon the sale of land at South Lancaster ultimately going ahead.
- In relation to potential new capital pressures, at the last Cabinet meeting Members resolved that for allotments, the Parish Council Funding Task Group be requested to include in its report consideration of how non-parished allotments might be funded by special expenses. It is important to note that special expenses is not a mechanism for raising funds as such – it is a mechanism for adjusting Council Tax bills to reflect who should pay for providing such funding. Any costs of providing investment must first be financed either out of the Council's capital resources if appropriate, or through the revenue budget. Clearly

these are constrained by the Prudential Code or capping etc – and these constraints ignore any subsequent application of special expenses. Based on current pressures, it is difficult to see that in the short term, the Council will be in a position to invest in allotments. Nonetheless, in light of Cabinet's full resolutions for this function, consultation around "who should pay?" will be developed by officers for inclusion in the budget process, taking account of any allocation policies used by allotment associations. The outcome can then be fed into any future proposals or arrangements.

A more comprehensive capital update is scheduled for December Cabinet, to be considered alongside the revenue position. Any changes to the financing of the Capital Programme are likely to add to the pressures on the Revenue Budget for future years.

5 **Options Analysis**

The following options are available to the Cabinet.

**Revenue Budget Update:**

- i. Consider the savings and efficiency options included at **Appendix A** for inclusion in the Cabinet's draft list of recommendations, highlighting those that can be supported and those that may need further work.
- ii. Consider the savings and efficiency options included at **Appendix A** but offer no view at this stage on those for inclusion in the Cabinet's draft list of recommendations.

Preferred Option

The preferred option is option 1. This will ensure that officers are clear which options are to be considered further and those that require further work, including any impact and risk assessments. This will also provide an on-going position summary of the savings and efficiencies position.

No other options are presented for the other matters covered in this report as they are for information only.

**RELATIONSHIP TO POLICY FRAMEWORK**

The report provides an update of how Cabinet are progressing in meeting the targets and timescales in respect of this year's budget process included in the Council's Budget and Policy Framework.

**CONCLUSION OF IMPACT ASSESSMENT**

**(including Diversity, Human Rights, Community Safety, Sustainability etc)**

None directly arising from this report at this stage.

**FINANCIAL IMPLICATIONS**

In the main, these are referred to within the report.

Options for savings and efficiencies identified in Appendix A are estimates at this stage and

if supported will be worked up further as the proposals are developed and reported back to Cabinet.

**DEPUTY SECTION 151 OFFICER'S COMMENTS**

The Deputy S151 Officer has been consulted and has no comments to add at this stage.

**LEGAL IMPLICATIONS**

Legal Services have been consulted and have no comments to add.

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

None.

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## STATEMENT OF GENERAL FUND SAVINGS POSITION

For consideration by Cabinet 10 November 2009

### APPROVED SAVINGS INCLUDED IN 3 YEAR REVENUE BUDGET

The tables in this Appendix provide the following information :

**TABLE 1** - This shows the latest position on the overall savings approved at Budget Council on 04 March 2009. These are savings already incorporated into the budget, however a number were subject to confirmation or Member approval.

**TABLE 2** - This shows the latest budget position against the projected MTFS savings targets, taking account of quantified base budget savings or proposals. The MTFS targets assume a 4% increase in Council Tax year on year, and that Government support will increase by 2.4% in 2010/11 and 2% in 2011/12.

**TABLE 3** - This identifies potential budget changes and options that still need to be quantified.

The budget position is constantly changing and in order to track these changes against previous Cabinet reports, "Updated" or "New" items are highlighted at the right hand side.

<b>TABLE 1</b>	<b>2009/10</b> £000	<b>2010/11</b> £000	<b>2011/12</b> £000	
<b>TOTAL APPROVED SAVINGS (Budget Council 04 March 2009)</b>	<b>-1,387.3</b>	<b>-1,108.6</b>	<b>-1,444.8</b>	
<b>SAVINGS EFFECTED IN BASE BUDGET</b>	-1,007.0	-688.0	-1,022.8	Updated
<b>SAVINGS APPROVED BY MEMBERS TO DATE</b>				
PERSONNEL COMMITTEE 26 MARCH 09 : Corporate Strategy Restructure	-30.0	-22.2	-23.0	
<b>Sub-Total</b>	<b>-1,037.0</b>	<b>-710.2</b>	<b>-1,045.8</b>	
<b>SAVINGS STILL TO BE ACHIEVED</b>	<b>-350.3</b>	<b>-398.4</b>	<b>-399.0</b>	
<b>SAVINGS STILL TO BE CONFIRMED / SUBJECT TO FURTHER MEMBER APPROVAL</b>				
<b>Senior Management Restructure</b>	-50.0	-50.0	-50.0	*
<b>Corporate Strategy</b>				
Service Restructure (Balance of saving to achieve)		-8.4	-8.2	*
Communications & Marketing Review	-41.0	-61.0	-61.0	*
<b>Revenues</b>				
Council Tax & Hsg. Benefit : (Balance of combined savings to achieve)	-21.9	-25.3	-26.6	
<b>Cultural Services</b>				
Reduction in support for Festivals Innovation Fund Events	-30.0	-50.0	-50.0	*
Arts & Leisure Development	-54.0	-55.0	-56.0	*
<b>Planning Services</b>				
Achievement of Break-even for Building Control (reduction in staffing / increase in fees)	-143.4	-138.7	-137.2	*
<b>Property Services</b>				
Venue Hire to break even	-10.0	-10.0	-10.0	
<b>Sub-Total</b>	<b>-350.3</b>	<b>-398.4</b>	<b>-399.0</b>	
CABINET 06 OCTOBER 09 : Community Engagement and Regen. & Policy Services		-290.0	-293.0	*
<b>SAVINGS APPROVED 04 MARCH 2009, STILL TO BE ACHIEVED</b>	<b>-350.3</b>	<b>-108.4</b>	<b>-106.0</b>	

\* Note that the savings figures shown above for Community Engagement and Regeneration and Policy Services are only indicative at this stage - there is much work to finalise them. That said, it is anticipated that the proposals for these services will cover many of the other approved savings items, highlighted in grey.

There will be other approved budget savings that have been achieved to date, or are on line to be so, but are still dependent on further progress in the remainder of the year.

**IMPACT (SO FAR) OF OTHER APPROVALS, AND QUANTIFIED BUDGET  
CHANGES OR PROPOSALS**

<b>TABLE 2</b>	<b>2009/10</b> <i>£000</i>	<b>2010/11</b> <i>£000</i>	<b>2011/12</b> <i>£000</i>	
<b>MTFS PROJECTED SAVINGS TARGETS</b>	<b>-</b>	<b>-1,053.0</b>	<b>-1,302.0</b>	
<b>BUDGET CHANGES APPROVED AFTER BUDGET COUNCIL</b>				
<b>PERSONNEL COMMITTEE 30 JULY 09</b> : Management Team PA Support	-25.0	-30.8	-31.4	
<b>CABINET URGENT BUSINESS 13 JULY 09</b> : Civil Parking Enforcement	-8.0	-8.0	-8.0	
Additional CPE savings identified	-19.0	-38.7	-39.5	
<b>ITEMS SUBJECT TO FURTHER APPROVAL</b>				
<b>COUNCIL 29 APRIL 09</b> : Winter Gardens (Growth)		+150.0	+150.0	
<b>CABINET 06 OCTOBER 09</b> :				
Youth Games (Growth)	0	+7.0	+15.0	New
Allotments (Growth)	0	+8.0	+8.0	New
Shared Services - Revenue Services	0	-80.0	-80.0	New
<b>Sub-Total</b>	<b>-52.0</b>	<b>+7.5</b>	<b>+14.1</b>	
<b>QTR 1 CORPORATE FINANCIAL MONITORING</b>				
Salary Savings	-195.0			
Main Service Variances	-93.0			
VAT Reimbursement	-600.0			
Provision for Icelandic Investment losses	+1,201.0			
Pay Award Savings	-200.0	-204.0	-208.0	
<b>QTR 2 CORPORATE FINANCIAL MONITORING</b>				
Service Restructure savings not achieved or identified (see previous table)	+350.3	+108.4	+106.0	Updated
Building Regulation Fees	+174.0			New
Planning Application Fees	+100.0			New
Car Parking Permits	+43.0			New
Vehicle Maintenance (very provisional and subject to clarification)	-100.0	-100.0	-100.0	New
Main service variances (very provisional and subject to clarification)	+50.0			New
Food Waste : Delayed implementation date		-70.0		New
<b>Sub-Total</b>	<b>+730.3</b>	<b>-265.6</b>	<b>-202.0</b>	
<b>* 2008/09 OUTTURN VARIANCES PROJECTED TO CONTINUE</b>				
<b>CC(D)S</b>				
Public Conveniences (Operational savings on current provision)		-6.3	-6.3	New
<b>Democratic Services</b>				
Democratic Representation Expenses - Overview & Scrutiny Expenses	-2.0	-2.0	-2.0	
<b>Information &amp; Customer Services</b>				
Information Services	-24.0	-24.0	-34.0	
Customer Services	-7.0	-7.0	-7.0	
<b>Financial Services</b>				
Software / Banking Savings (provisional estimate)		-20.0	-20.0	
<b>Sub-Total</b>	<b>-33.0</b>	<b>-59.3</b>	<b>-69.3</b>	
<b>OTHER SAVINGS AND EFFICIENCY OPTIONS</b>				
<b>Corporate</b>				
Climate Change Initiatives (Growth : Elsewhere on this agenda)			+20.0	New
<b>Cultural Services</b>				
Highfield Rec Ground : Loss of rent (Elsewhere on this agenda)		+0.4	+0.4	New
<b>CC(D)S</b>				
Future Provision of Public Toilets (Elsewhere on this agenda)		-60.0	-66.0	New
<b>Corporate Strategy</b>				
Children & Young People	-6.0	-6.0	-6.0	New
<b>Financial Services</b>				
Provisional Staffing Savings from minor restructuring	-5.0	-15.0	-15.0	
More efficient use of BACS		-9.0	-9.0	New
<b>Revenue Services</b>				
Recovery of Legal Costs		-100.0	-100.0	New
Review of Printing & Despatch Procedures		-5.0	-5.0	New
<b>Sub-Total</b>	<b>-11.0</b>	<b>-194.6</b>	<b>-180.6</b>	
<b>SAVINGS STILL TO BE IDENTIFIED (AGAINST CURRENT MTFS)</b>	<b>-634.3</b>	<b>-541.0</b>	<b>-864.2</b>	

\* NOTE : This will be completed in producing the detailed draft budget.

## OTHER UNQUANTIFIED POTENTIAL BUDGET CHANGES OR PROPOSALS

<b>TABLE 3</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
<b>2008/09 OUTTURN VARIANCES PROJECTED TO CONTINUE</b>			
<b>Health &amp; Strategic Housing</b>			
Radiation Monitoring	-	?	?
<b>Legal &amp; HR Services</b>			
Law Library	-	?	?
Search Administration	-	?	?
<b>CC(D)S</b>			
Trade Waste	?	?	?
<b>Property Services</b>			
Concessionary Travel (potentially, but also linked to current negotiations)	?	?	?
<b>Financial Services</b>			
Procurement Savings - Printing & Stationery	?	?	?
Procurement Savings - Agency staff	?	?	?
<b>Sub-Total</b>	<b>+0.0</b>	<b>+0.0</b>	<b>+0.0</b>
<b>OTHER SAVINGS AND EFFICIENCY OPTIONS</b>			
<b>CC(D)S</b>			
Introduction of co-mingled collection for recyclates (phased)	-	?	?
Bulky Matters - sharing overheads with Blackpool Council	-	?	?
<b>Health &amp; Strategic Housing</b>			
Further Review of Housing SLA ( 3 year agreement in place)	-	?	?
Potential Commissioning / Procurement Opportunities	-	?	?
<b>Information &amp; Customer Services</b>			
Information Services Restructuring	-	?	?
<b>Financial Services</b>			
Audit Fees	?	?	?
Reduced Payroll Administration following Fair Pay	-	?	?
Review of Car Allowances	-	-	?
Payroll/HR System Replacement Project	-	-	?
<b>Sub-Total</b>	<b>+0.0</b>	<b>+0.0</b>	<b>+0.0</b>
<b>TOTAL</b>	<b>+0.0</b>	<b>+0.0</b>	<b>+0.0</b>

<b>CABINET</b>
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## Benefits – Additional Administration Subsidy

**10 November 2009**

### Report of Corporate Director (Finance & Performance)

<b>PURPOSE OF REPORT</b>			
This report informs Cabinet of the release of further administration subsidy for 2009/10 from the Department for Work & Pensions and seeks authority for this income and future additional income earmarked for benefit purposes to be used solely for that purpose in the current or future years.			
<b>Key Decision</b>	<b>X</b>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>
<b>Date Included in Forward Plan</b>	<b>September 2009</b>		
<b>This report is public</b>			

#### RECOMMENDATIONS OF COUNCILLOR ROGER MACE:

- (1) The additional unbudgeted administration subsidy totalling £66,947 notified to the Council under HB/CTB Circular S2 & S4/2009 be utilised in full to meet additional unbudgeted costs of benefits administration in the current and future years.
- (2) That Cabinet reaffirm their decision that future additional specific subsidies earmarked for meeting administrative costs in benefits be utilised in full solely for those purposes.
- (3) That the Head of Financial Services be given delegated authority to update the Revenue Budget accordingly.
- (4) That in principle any underspend of these additional specific subsidies in the financial year in which they are received be held in an earmarked reserve, subject to the outturn on benefits and its performance overall for that particular year, and this be built into the Council's Provisions and Reserves Policy for subsequent approval by Council.

#### 1.0 Introduction

1.1 Housing Benefit/Council Tax Benefit administration is partly funded by a specific administration grant with the remainder falling to be met from Council Tax as part of the Council's revenue budget.



1.2 In 2009/10 it is estimated that administration costs of almost £2.2m will be incurred of which £1.17m will be met by specific administration grant.

1.3 In 2003 following the release of additional administration funding from the Department for Work & Pensions (DWP) to meet the costs of implementing the Housing Benefit/Council Tax Benefit implications of the new system of Tax Credits, Cabinet considered a report that sought authority that future additional income earmarked for benefit purposes should be used solely for that purpose.

1.4 Whilst it was clear and conditional that the DWP funding should be used for these purposes alone it was felt necessary to obtain Cabinet's formal approval to ring-fence this income for the purposes of benefits administration. Cabinet resolved to do so and Minute 302 of 2003 refers.

1.5 This year, the DWP in acknowledging the increased administrative burden on Housing benefit/Council Tax Benefit teams arising from the economic downturn, have released £75m to local authorities to solely assist them in meeting their statutory duties. Lancaster's share of this sum is £152,818. A further small award of £5,712 has also been received.

1.6 However, £91,583 of this sum has already been included as income during the 2009/10 budget setting exercise to offset the costs of benefits administration leaving a total of £66,947 to meet other additional administration costs.

1.7 The Council has seen an increase in caseload of over 10% since April 2008 and the coming 12 months may see this figure rise. Meeting the administrative burden of the recession is likely to last in to the next financial year and beyond.

1.8 During July and August it was necessary for benefits staff to work 163 hours overtime at a cost to date of £2,300 to meet extra demand and to maintain satisfactory levels of performance against Business Plan targets. Further action may need to be taken as the impact of the recession is felt. The position is being regularly monitored as part of the PRT process

## **2.0 Proposal Details**

2.1 The basic administration grant for 2009/10 was £1,078,356 which is the baseline that will be used for next year's grant award.

2.2 Additional specific benefits administration grants as referred to above have been received in 2009/10 that are earmarked for use solely for benefits administration purposes and it is proposed to seek affirmation from Cabinet that these funds, and any future similarly earmarked awards of additional grant, be used solely for these purposes.

2.3 Where such funds are not used in the financial year in which they were received it is further proposed that an earmarked reserve be set up from which future expenditure on Housing Benefit administration that is not part of the normal revenue budget can be financed.

2.4 In the normal way, an estimate of the anticipated expenditure against this income has been prepared so that the revenue budget can accurately record the expenditure against it in accordance with normal accounting principles.

**3.0 Details of Consultation**

3.1 There has been no consultation on this proposal as it follows existing policy

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

4.1 Option 1 is to agree to the recommendations in the report which are in line with the Governments intentions for the use of the additional subsidy. In effect, this would allow the additional subsidy to be used to fund additional expenditure on the benefits service (over and above that already budgeted). For the current year, as an example, this would allow the service greater resources to help deal with the increasing caseload, to help maintain service standards.

4.2 Option 2 is to use the additional subsidy simply to fund existing budgeted expenditure on the benefits service. For the current year, as an example, this would mean that service standards would deteriorate, in order to make some budget savings. This would go against the purpose for which the subsidy was awarded, and may attract adverse comment from the DWP.

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

5.1 Option 1 is the officer preferred choice for the reasons stated above

**6.0 Conclusion**

6.1 To ensure that monies received to meet the costs of benefits administration arising from the economic downturn are used for the purposes for which they were given the recommendations in the report should be followed.

**RELATIONSHIP TO POLICY FRAMEWORK**

Providing improved responses to the public is consistent with the commitment under Corporate Plan Priority 4:- Supporting Our Local Communities objective 7 “to work in partnerships with others to meet the differing needs of communities within our district.”

**CONCLUSION OF IMPACT ASSESSMENT**

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

There is no adverse effect on equality, human rights, community safety, sustainability or rural proofing arising from this report

**FINANCIAL IMPLICATIONS**

The current budget for Benefits Administration Grant income for 2009/10 is £1,176,000 which includes the additional £91,583 announced last year in HB/CTB circular S2 and utilised to fund current costs (almost £2.2 million in 2009/10). Due to the timing of the

announcement of Circular S4, the further £61,235 is not included in the budget. There is also a separate grant of £5,712 which has been received as part of the "in and out of work project" The budget will be updated for the additional income and how the budget will need to be spent to cope with the increased administration burden will be identified and ringfenced specifically for benefits administration. However, if the increase in expenditure is more than £66,947 it will result in an overall increase in the Benefits Administration budget and this will need to be considered separately, as part of the budget process.

**SECTION 151 OFFICER'S COMMENTS**

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

**LEGAL IMPLICATIONS**

Legal Services have been consulted and have no comments to add.

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

Minute 302 Cabinet 29 April 2003  
HB/CTB Circulars S2 & S4 2009

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<b>CABINET</b>
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## Climate Change Strategy Update 10<sup>th</sup> November 2009

### Report of Corporate Director (Finance & Performance)

<b>PURPOSE OF REPORT</b>			
To seek Cabinet's approval of an updated version of the Council's 2008-13 Climate Change Strategy.			
<b>Key Decision</b>	<b>X</b>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>
<b>Date Included in Forward Plan</b>		November 2009	
<b>This report is public</b>			

#### RECOMMENDATIONS OF COUNCILLOR JON BARRY

- (1) That the updated 2008-13 Climate Change Strategy attached as Appendix A be approved
- (2) That Cabinet notes the progress made in delivering the actions for 2008/9 as set out in Appendix 1 of the Climate Change Strategy
- (3) That the resource implications for delivering the Strategy and its related action plans as set out in Appendix 3 of the Strategy, be considered as part of this year's budget exercise.
- (4) That the Council's Corporate Plan and Service Business Plans be updated and amended accordingly to ensure that the council is clear about how it will deliver the strategy's actions and targets within the agreed timescales.
- (5) To note that the Council's community enabling and leadership role on climate change will also be delivered through its contribution to the Lancaster District Local Strategic Partnership
- (6) To note that the Strategy is a working document and that members and officers will continue to pursue opportunities for further improvements and for attracting external funding.

## **1.0 Introduction**

- 1.1 At its meeting in February 2008, Cabinet approved a five year Climate Change Strategy, minute 121 refers. Since then, Climate Change has steadily increased in importance world wide, nationally, regionally, and not least, locally. This updated version of the council's strategy reflects this changing picture and specifically outlines the targets, actions, and resource requirements that the council will pursue in the immediate future to meet the challenges presented by climate change.
- 1.2 The strategy also highlights the benefits to be achieved from the proposed actions and endorses the council's approach to work with our partners, in particularly, the Lancaster District Local Strategic Partnership, to promote and champion climate change initiatives throughout the district.
- 1.3 It is important to note that as things are changing and developing all the time, this strategy is not encased in stone and will need to be flexible enough to reflect this changing position. Indeed, at the time of writing this refresh, the council are currently working in partnership with the Energy Savings Trust (EST). This piece of work is a 2 year, One-to-One, Support programme and the results from the EST's initial review are currently awaited. The outcome from the review will be a set of recommendations that will allow the council to further develop its preferred approach to tackling climate change and may well result in the need to further update this strategy. Working closely with the EST will also open up for the council opportunities to draw in external funding from a range of sources. Officers will pursue these opportunities as and when they arise.

## **2.0 Proposal**

- 2.1 The Strategy, attached as Appendix A, is structured as follows :-

### **Glossary**

This provides information on various terms and abbreviations used in the strategy

### **Policy Statement**

This sets out what the City Council will do to tackle climate change

### **Introduction**

This section provides key information about climate change generally, International and National Policy, further detail about the role of the council and the statutory targets it has to meet for reducing carbon emissions, and lastly a summary of the resources currently approved to deliver the strategy.

### **Cutting Carbon Emissions**

This section specifically identifies the carbon reduction targets for the City Council for 2009/10

### **Action Plans**

This section is split into 8 specific climate change categories and sets out the key issues surrounding each and the proposed actions for the City Council over the period of the strategy. the 8 categories are :-

- Energy
- Transport
- Waste

- Planning
- Sustainable Procurement
- Council & Strategic Housing
- Adaption (Planning to Adapt to Climate Change)
- Raising Education & Awareness

### Appendices

There are 4 appendices to the strategy that provide information on:-

- Progress on achieving the actions set for 2008/9 (Appendix 1)
- How the strategy meets corporate priorities (Appendix 2)
- The resources required and savings to be achieved by delivering the strategy (Appendix 3)
- The estimated City Council carbon reduction targets for 2010/11 (Appendix 4)

- 2.2 This strategy is primarily about what this Council will do to meet the challenges of climate change. In addition to committing to deliver this strategy, the Council will also work closely with partners and other organisations to assist in the delivery of the aspirations set out within the LDLSP's Sustainable Community Strategy for tackling the impact of climate change across the Lancaster district.
- 2.3 At present the council has limited resources to deliver the actions included in the proposed Strategy. Many of the actions rely on services committing officer time to deliver specific service related targets and actions. It is therefore important that the council not only ensures that service business plans adequately reflect this commitment, but also that there is the capacity and skills available in services to meet the council aspirations for tackling the challenges of climate change highlighted in this strategy.

Secondly the council only has limited general fund financial resources currently allocated to deliver this strategy. The table below illustrates this.

<b>BUDGET</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Revenue:-</b>				
- Climate Change Implementation	20,000	20,000	Nil	Nil
- Energy Conservation	<u>8,800</u>	<u>8,800</u>	<u>8,800</u>	<u>8,800</u>
<b>Total Revenue</b>	<b><u>28,800</u></b>	<b><u>28,800</u></b>	<b><u>8,800</u></b>	<b><u>8,800</u></b>
<b>Capital :-</b>				
- Energy Efficiency Schemes	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
<b>Total Capital</b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>

The revenue funding stream for implementing this 5 year strategy runs out in 2010/11 (apart from the limited monies included for energy conservation initiatives). If this strategy is approved, the council only has the financial resource to deliver its agreed actions for the 2 years up to 31<sup>st</sup> March 2011. Consequently, Cabinet are being asked as part of the budget exercise to support additional monies for the delivery of the proposed actions for the remainder of this strategy. This would initially mean a further revenue contribution of £20,000 in both 2011/12 and 2012/13. Future budget exercises would also need to consider on a rolling basis how the council were to continue to meet the challenges from climate change, and this will

also include future consideration of extending the capital provision for invest to save initiatives beyond 2012/13.

In addition to the above, the current 5 year Council Housing capital programme has provision to deliver the projects in respect of the council's housing stock.

Whilst the 2 year work programme with the Energy Savings Trust may bring opportunities for generating external resources, it is likely that this will only be in support of implementing the recommendations resulting from their review and not this strategy.

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

#### **Option 1**

**To approve the updated Climate Change Strategy for 2008-13 and to consider the resource implications of delivering the proposed action plans as part of the council's budget process**

#### **Option 2**

**To approve an amended version of the proposed strategy and to consider the resource implications of delivering the amended action plans as part of the council's budget process**

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

4.1 Option 1 is the preferred option as it will allow the council to have a clear strategy in place that meets its statutory responsibilities for climate change and ensures that the resource implications are fully considered as part of the budget exercise.

### **5.0 Conclusion**

5.1 The proposed updated strategy outlines how the council will meet its statutory and corporate plan obligations in respect of tackling the challenges of climate change. The Council is committed to developing local responses to climate change as set out in the Corporate Plan ( Clean & Green Places – Objective 3) and more specifically in key action 3.2 :- “to implement the council's in-house climate change strategy.” This strategy provides a clear commitment on how the council will meet its own climate change obligations and how it will contribute through the LDLSP to the wider district agenda.

#### **RELATIONSHIP TO POLICY FRAMEWORK**

The council's Corporate Plan includes the following key reference to climate change :-

Priority 2 – Clean and Green Places Objective 3 is :- to develop local responses to climate change

Key action 3.2 under this objective is :- to implement the council's in-house climate change strategy

Also within this Corporate Plan objective are :-

3.1 to deliver the council's actions in the LDLSP's environment thematic group [ in respect of climate change].

Priority 1 is:- to reduce our impact on and adapt to the consequences of climate change

Priority 3 is:- to promote & enhance sustainable forms of transport & reduce private car use in urban areas across the district.

3.3 Promote energy efficiency initiatives for local homeowners

3.4 Improve the energy efficiency of our public buildings

3.5 Improve the energy efficiency of our council housing stock

#### **CONCLUSION OF IMPACT ASSESSMENT**

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

This strategy contributes to delivering improved Sustainability in respect of reducing the council's carbon footprint and the wider climate change challenges facing the Lancaster district.

#### **FINANCIAL IMPLICATIONS**

The financial implications where they are known are highlighted throughout the strategy and in particular in Appendix 3. the table in section 2.3 of the report also highlights the current budget position. The financial implications, both costs and savings, of implementing the actions proposed for the current year and 2010/11 are already provided for in the current 3 year revenue budget and 5 year capital programme. However, to deliver the proposed actions as set out in the strategy will require additional budget growth of approximately £20,000pa for both 2011/12 and 2012/13.

Whilst the work programme with the Energy Savings Trust (EST) may offer opportunities for new sources of external funding, it is likely that these will be ringfenced to delivering the recommendations from the EST's review.

The Strategy's action plans have clear staffing implications for a number of services and it will be necessary to ensure that there is sufficient capacity and the skills available in those services to deliver those actions. Where there is a gap, this will need to be identified and any financial implications considered as part of the budget exercise.

There will be financial and resource implications of some of the actions included for future years in the strategy that are at this stage unknown. It is proposed that these will be developed over time and reported back for consideration and approval as part of the annual budget exercise.

Funding in respect of the projects and actions proposed for the council housing stock are currently included in the HRA 5 year capital programme.

#### **SECTION 151 OFFICER'S COMMENTS**

The proposals would allow the financial implications to be considered alongside other growth bids, and in context of the council's priorities and its financial prospects.



**LEGAL IMPLICATIONS**

Legal Services have been consulted and have no comments to add

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

None

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**Ref: RCM/CCS/version 4.4**

**Climate Change Strategy**  
**2008-2013**



Lancaster City Council

V 4.5  
2009/10 Refresh

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## Glossary

**Adaptation:** In the context of this Strategy adaptation refers to the need to adapt to the effects of climate change which are already evident or are due to occur in the future.

**Carbon footprint:** A "measure of the impact human activities have on the environment in terms of the amount of green house gases produced, measured in units of CO<sub>2</sub>." Using the term 'carbon footprint' means that individuals and organisations can conceptualise their own impact in contributing to climate change.

**CO<sub>2</sub> or Carbon Dioxide:** A green house gas which, it is estimated, accounts for 63% of all emissions from human activity and which the Kyoto Protocol identifies as the major contributor to human induced global warming. It is the reduction of CO<sub>2</sub> emissions that is considered paramount in reducing climate change.

**CO<sub>2</sub>(e) or Carbon Dioxide Equivalent:** The contribution of other greenhouse gases such as methane and hydrofluorocarbons is minimal in comparison to CO<sub>2</sub>, therefore, these remaining greenhouse gases are measured in their carbon dioxide equivalent.

**Energy:** Refers to both electricity and gas unless otherwise stated.

**Microgeneration:** Alternatively called micropower, microgeneration is the production of power on a small scale with technologies often situated close to where the energy is required. Microgeneration produces heat and/or electricity but emits only low levels of carbon dioxide, if any at all.

**Mitigation:** In the context of this Strategy mitigation refers to taking long-term action to reduce or prevent climate change.

**Sustainability:** Living sustainably means living within and balancing the economic, social and environmental needs of the community. Sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs.

**tCO<sub>2</sub> or Tonnes of Carbon Dioxide:** The term used to quantify a measurement of CO<sub>2</sub> – may also refer to kgCO<sub>2</sub> or Kilograms of Carbon Dioxide (there are 1,000kg to a tonne)

### Abbreviations

LTH – Lancaster Town Hall  
MTH – Morecambe Town Hall  
OFS – Old Fire Station  
SASC – Salt Ayre Sports Centre  
EST – Energy Saving Trust  
CT – Carbon Trust

**Climate Change Policy Statement**

Lancaster City Council acknowledges that climate change is occurring and will be a critical factor to Lancaster district's development throughout the 21<sup>st</sup> Century. We recognise the social, economic and environmental risks and opportunities of climate change and welcome government targets to reduce greenhouse gas emissions.

To tackle climate change in Lancaster district Lancaster City Council will...

- 🌱 Continue to make a public commitment to develop local responses to climate change
- 🌱 Reduce our energy use and minimise our waste to landfill
- 🌱 Increase our staff awareness of climate change and sustainability issues
- 🌱 Reduce carbon emissions from our buildings and transport by 34% by 2020, leading to 80% by 2050 (equating to 3.4% per year for the remaining life of this Strategy)
- 🌱 Work with our partners, including the Energy Saving Trust and the Lancaster District Local Strategic Partnership, to develop and assist in the implementation of local climate change action plans
- 🌱 Encourage and enable where possible, all sectors of our community to reduce their impact on, and adapt to the consequences of, climate change

## Introduction

### Climate Change

Climate change is caused when the earth's temperature rises due to the increase of greenhouse gases, such as CO<sub>2</sub>, methane and hydrofluorocarbons, in the atmosphere. Greenhouse gases occur naturally in the earth's atmosphere. However, it has been scientifically documented that the temperature of the earth has significantly increased in the last 150 years since humans began to extract and burn fossil fuels at a much faster rate.

There is no longer any scientific debate over the fact that climate change is happening. The International Panel on Climate Change (IPCC) has advised that the only doubt which remains regarding climate change is the extent of its impacts.

In 2009, the Met Office released the results of a comprehensive study which aims to predict changes in future weather. In the North West of England it is estimated that by 2050 we will have an average of 18% less annual rainfall (with a maximum reduction of 36%) – this could manifest as droughts in summer and floods in winter – and an average temperature increase of 2°C (with a maximum increase of 3.1°C). Some climate models suggest the weather in Europe by 2040 will be akin to that of the UK heat wave of summer 2003.

If Governments, both local and national, address climate change now by using less energy, minimising waste and adapting to the effects of climate change, we can halt any further degradation of the earth and its atmosphere. The *Economics of Climate Change* (2006), a review by Sir Nicholas Stern, advises us that costs to tackle climate change will be far less onerous the sooner action is taken.

### International & National Policy

A *Climate of Change* (2007) from the Local Government Commission places an emphasis on the role of local government as community leaders in policy and action stating that “tackling climate change must be at the centre of local government’s vision for their communities...it is the single priority which overrides all others, now and for the foreseeable future.”<sup>1</sup>

The *Kyoto Protocol*, adopted in 1997, is the current international agreement on reducing greenhouse gases and places caps on the emissions of industrialised economies. The UK are on track to surpass their Kyoto commitment to reduce greenhouse gas emissions by 12.5% below 1990 levels over the 2008 to 2012 commitment period. The *Climate Change Act*, granted Royal Assent in Parliament in November 2008, places a duty on the Government to assess the risk to the UK from the impacts of climate change and commits the UK to meeting a reduction in greenhouse gases of 80% by 2050 based on 1990 levels, a greater target than that outlined for CO<sub>2</sub> in the 2006 white paper *Strong and Prosperous Communities*.

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<sup>1</sup> Local Government Association, *A Climate of Change* (2007)



## **Climate Change Strategy V 4.5 2009/10 Refresh**

The *Climate Change Act 2008* also provides an interim target of a 30% reduction in CO<sub>2</sub> by 2020, which the Lancashire Climate Change Partnership has adopted County-wide through the *Lancashire Climate Change Strategy 2009-2020*. The 2009 Order which followed the *Climate Change Act* increases this reduction target to 34% by 2020 (based on 1990 levels) and will be calculated by reference to all targeted greenhouse gases, rather than just carbon dioxide.<sup>2</sup>

*Climate Change: The UK Programme 2006* identifies that the public sector is in a key position to lead on CO<sub>2</sub> emissions reduction by setting a behavioural and strategic example to the private sector. Further, it identifies that action by local authorities is “likely to be critical to the achievement of government’s climate change objectives” identifying that local authorities can have significant influence over emissions in their districts.

### **The Role of Lancaster City Council**

Lancaster City Council’s role is to help wherever possible, Lancaster district address the major issues it faces. It will use this strategy to focus its own efforts in tackling climate change and will contribute to the wider climate change agenda through its links with the Lancaster District Local Strategic Partnership.

Of the 198 National Indicators in *The New Performance Framework for Local Authorities (2008)* seven relating to the environment have been adopted by the Lancashire Local Area Agreement (LAA) and therefore become mandatory indicators for all agencies charged with its delivery. Four of these National Indicators are particularly relevant to the Climate Change Strategy and shall be referenced throughout;

- NI 185 – CO<sub>2</sub> reduction from local authority operations
- NI 186 – Per capita reduction in CO<sub>2</sub> emissions in the local authority area
- NI 187 – Tackling fuel poverty; % of people receiving income based benefits living in homes with a low and high energy efficiency rating
- NI 188 – Planning to adapt to climate change

We are a partner of the Lancaster District Local Strategic Partnership (LDLSP) and we are committed to assisting in the delivery of the Sustainable Community Strategy. One of the three priorities on the theme of Environment in the Sustainable Community Strategy is especially relevant to the Climate Change Strategy; “To reduce our impact on, and adapt to the consequences of, climate change”.

Lancaster City Council has already taken up the challenge to reduce carbon emissions by signing the Northwest Climate Change Charter, a voluntary pledge to the community to address climate change. Furthermore, climate change remains a high priority in the Council’s Corporate Plan through which we are committed to “Develop local responses to Climate Change” in 2009/12.

Please refer to Appendix 2 for further information on the above points.

We are also working closely with our partners at the Energy Saving Trust as a member of their One-to-One Support Programme, a two year support programme which began in February 2009. The Energy Saving Trust One-to-One Support Programme provides free, tailored support to develop and

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<sup>2</sup> The target is currently 34% reduction in all Green House Gases – if Kyoto make a new global deal in the coming years this may increase to 43%. Lancashire County Council hope to adopt new target as and when future legislation dictates.



### **Climate Change Strategy V 4.5 2009/10 Refresh**

implement a Climate Change Action Plan to ensure a strategic approach to sustainable energy across both the Council and Lancaster district. The Action Plan will be available in winter 2009 and will be reflected more fully in the 2010/11 refresh.

We recognise that as the technologies to tackle climate change advance this Strategy will need to be developed and adapted. It should, therefore, be noted that the actions in this Strategy are not exhaustive but will provide inspiration and guidance for actions in future revisions. In addition, a district-wide Climate Change Strategy that will build on this document and will address climate change throughout the community will be beneficial in the future and something that the LDLSP is keen to develop and promote.

### **Resources**

The Climate Change Strategy is based on a 5 year action plan which began in April 2008. Now in its second year, this Strategy has the following resources available to support its delivery:

For 2009/10, Lancaster City Council has financial resources of £20,000 dedicated to the delivery of the Climate Change Strategy plus an additional £20,000 capital provision (£100,000 over 5 years from 2008/09 onwards) to spend on energy reduction initiatives developed through the Climate Change Cabinet Liaison Group. A further £8,800 annual revenue provision for energy conservation initiatives is also available. This equates to approximately £48,800 in 2009/10.

For 2009/10, Lancaster City Council has limited staff resources focused on climate change in the areas of energy, waste, fleet, procurement, planning and housing. One full time post, that of the Sustainability Coordinator, is committed to developing and co-ordinating City Council local responses to climate change, including delivering the Energy Saving Trust One-to-One Support Programme.

In addition, the LDLSP has funded the part-time post of Climate Change Action Coordinator. The Coordinator is employed by the Sustainability Partnership of Lancaster District and is hosted by LESS (Local & Effective Sustainable Solutions). Their role is to coordinate the approach to NI 186 within the LAA partners of the LDLSP. Once projects to reduce carbon emissions in the Lancaster district have been identified, the Climate Change Action Coordinator will advise the partners on further projects they could undertake to ensure the achievement of the NI 186 target. The Sustainability Coordinator is working closely with the Climate Change Action Coordinator to determine how Lancaster City Council can meet its responsibilities under NI 186.

Please refer to Appendix 3 for details of the resources required by the actions in this Strategy.

**Cutting Carbon Emissions**

Lancaster City Council recognises the importance of setting and achieving challenging targets to reduce our carbon emissions. The actions within this Strategy will help to meet these targets. Through Lancaster City Council's commitment to NI 185 (CO<sub>2</sub> reduction from local authority operations) within the Local Area Agreement, we are now able to collate information to accurately calculate our carbon emissions.<sup>3</sup> We are, however, as yet unable to calculate all targeted greenhouse gas emissions in line with the most up to date national policies.

In Year 1 of this Strategy, Lancaster City Council highlighted 2008/9 as its baseline year for measuring carbon emissions and setting realistic targets for future reductions in carbon. With this in mind and using guidance provided by Defra, our targets reflect national reduction targets but will relate only to carbon as detailed below. In addition, further detailed CO<sub>2</sub> reduction targets for each corporate building and transport sector will be built into the 2010/11 refresh of this Strategy, for details please see Appendix 4.

**Carbon Reduction Targets by Percentage**

2020 CO <sub>2</sub> Reduction Target	2050 CO <sub>2</sub> Reduction Target	Annual CO <sub>2</sub> Reduction Target
34%	80 %	3.4% until 2019/20 then 1.53% until 2049/50

**Carbon Emission Monitoring and Potential Reduction in tCO<sub>2</sub>**

	CO <sub>2</sub> from buildings (tCO <sub>2</sub> )	CO <sub>2</sub> from transport – incl. staff travel (tCO <sub>2</sub> )	Total CO <sub>2</sub> emissions (tCO <sub>2</sub> )	Target total CO <sub>2</sub> emissions (tCO <sub>2</sub> )	Target reduction in CO <sub>2</sub> emissions (tCO <sub>2</sub> )
<b>2009/10</b>	-	-	-	4408.16	155.15
<b>2008/09</b>	3034.34	1528.97	4563.31		

<sup>3</sup> Prior to this our carbon emissions were estimated with a simple toolkit and did not include all corporate buildings or staff travel (as measured for NI 185). Past years emissions are as follows; 2007/08 at approx. 3905.49 tCO<sub>2</sub>; 2006/07 at approx. 4041.33 tCO<sub>2</sub>; 2005/06 at approx. 3748.21 tCO<sub>2</sub>.

### Energy Use in Corporate Buildings

#### Introduction



In 2008/09 carbon emissions from Lancaster City Council's buildings totalled 3034.34 tCO<sub>2</sub>, this equates to 66.5% of our total carbon emissions. Reducing the energy use in our buildings will help to reduce our carbon footprint and fulfil our responsibilities under NI 185 – CO<sub>2</sub> reduction from local authority operations. Energy consumption is a contentious issue at present due to concerns surrounding energy security, the continued rise in energy costs, and the need to balance the use of traditional fossil fuels with renewable energy sources.

At the inception of this Strategy, Lancaster City Council's Access to Services Review anticipated that four Corporate buildings would be retained once the roll out of its recommendations was complete. As of October 2009, the basic principal of the Access to Services Review remains that the Council will ultimately reduce its main office bases to Lancaster and Morecambe Town Halls, however, the current economic climate, amongst other factors, means that Lancaster City Council may retain the remainder of their Corporate buildings for longer than originally expected. The majority of building sales resulting from the above cannot now be guaranteed to take place within the life of this Strategy.

In August 2008 we instructed the Carbon Trust to deliver a free Energy Audit of Lancaster and Morecambe Town Halls, Salt Ayre Sports Centre (SASC) and the Old Fire Station, as well as employee commuting, as a result of actions laid out in Year 1 of the Strategy. In October 2008 we received the results of this Audit which provided the Council with a list of recommendations to improve our energy use and a basic indication of costs for any improvements. Through the Energy Audit, SASC was identified as our key energy user, producing approximately 1,472.1 tCO<sub>2</sub>e a year at an energy cost of £237,162 equating to approximately half of Lancaster City Council's energy spend. As a result of these findings, the Climate Change Cabinet Liaison Group is working closely with the staff at SASC to develop and fund a programme of energy efficiency measures. The staff at SASC continue to show their commitment to reducing their energy use, which is greatly appreciated in enhancing the delivery of this Strategy.

An energy optimisation system was installed at Lancaster Town Hall in January 2009 as a result of the Climate Change Strategy. This system, *powerPerfector*, ensures the most efficient use of energy by regulating the voltage in line with demand. The installers of *powerPerfector* predict annual savings of approximately 17.75 tCO<sub>2</sub> (£3,559) which will assist in meeting our carbon reduction targets.

In addition, we believe that the Energy Saving Trust One-to-One Support Programme will assist us in managing our energy use more efficiently through implementing the Climate Change Action Plan.

Energy Actions Table

Year	Action	Further Information & Targets	Service Responsible	Resources Required	Potential savings
2008/09		<i>Year now complete, please see Appendix 1.</i>			
2009/10	Roll out energy reduction programme at SASC	A programme of 16 energy saving projects has been determined by SASC	Cultural Services & Property Services	Estimated £29,163	£241,240 over 5 years CO <sub>2</sub> savings not yet calculated
2010/11	Explore introducing energy optimisation software across all IT – roll out if suitable	Such software makes it easy to monitor and enforce a power saving policy ensuring a full switch-off of all non-essential IT equipment outside office hours	Information & Custom Services	Finance and staff time dependent on software chosen	CO <sub>2</sub> and financial savings dependent on software chosen
2010/11	Develop Energy Reduction Plans for each Corporate Building	Use IHCC, EST Action Plan and CT Energy Audit as basis for these Plans	Property Services	Staff time	N/A
2010/11	Roll out Energy Reduction Plans at two of the above buildings	Dependent on targets in the Plan	Property Services (partnership from Services in relevant buildings)	Financial resources and staff time dependent on projects	CO <sub>2</sub> and financial savings dependent on projects
2011/12	Roll out Energy Reduction Plans at the remainder of the above buildings	Dependent on targets in the Plan	Property Services (partnership from Services in relevant buildings)	Financial resources and staff time dependent on projects	CO <sub>2</sub> and financial savings dependent on projects
2012/13	Review effectiveness of Energy Reduction Plans	Will result in continual monitoring of actions <b>and/or</b> development and implementation of alternatives to ineffective projects	Property Services, Corporate Strategy	Staff time	N/A

## Transport

### Introduction

NI 185 allows us to collect accurate CO<sub>2</sub> emissions data so an inventory of emissions from key corporate operations can be determined. Collecting such data has shown that transport from both fleet and staff travel produced emissions of 1528.97 tCO<sub>2</sub> in 2008/09.

Lancaster City Council has established a number of initiatives to encourage more sustainable travel in recent years. As a Cycling Demonstration Town (CDT), Lancaster with Morecambe has demonstrated success in promoting sustainable forms of transport, including providing a number of pool bikes for staff use at several corporate buildings. City Council (Direct) Services (CC(D)S) provides fleet drivers with training on accident prevention which contains information on economical driving techniques, they have also fitted speed limiters to the larger vehicles and continue to run all diesel vehicles on a 5% bio-diesel mix.



As a result of the Climate Change Strategy, we initiated a Green Fleet Review with the Energy Saving Trust in 2008. To develop the Green Fleet Review the Energy Saving Trust uses data supplied by Lancaster City Council to build up a set of sustainable transport recommendations. These recommendations, which will be available later in 2009, will advise on practical ways to make fleet vehicles and staff travel (the grey fleet) more sustainable.

Lancaster City Council's Fleet Manager is keen to apply the recommendations of the Green Fleet Review to influence the future developments of the Council fleet, whilst our Principal Accountant who manages PUMA, a system which records all staff travel, is eager to build the recommendations into the new electronic mileage system which should be rolled out in late 2009. Support for the delivery of the Green Fleet Review recommendations will be assured through continued commitment from Council services to the Climate Change Strategy and actions delivered through the One-to-One Support Programme.

Transport Actions Table

Year	Action	Further Information & Targets	Service Responsible	Resources Required	Potential savings
2008/09		<i>Year now complete, please see Appendix 1.</i>			
2009/10	Gather information for, and input into, EST Green Fleet Review recommendations report	Gather and send off information by end of June 2009 Feed into recommendations report in mid-July 2009	Financial Services, CC(D)S, Corporate Strategy	Staff time	N/A
2009/10	Roll out Green Fleet Review recommendations	Full report received by end of August 2009 Begin roll out in September 2009	Financial Services, CC(D)S	Financial resources and staff time dependent on projects	CO <sub>2</sub> savings total 99 tCO <sub>2</sub> Financial savings not yet calculated
2010/11	Roll out Green Fleet Review recommendations	Continue roll out throughout 2010/11	Financial Services, CC(D)S	As above	As above
2011/12	Roll out Green Fleet Review recommendations	Continue roll out throughout 2011/12	Financial Services, CC(D)S	As above	As above
2012/13	Review effectiveness of Green Fleet Review actions	Will result in continual monitoring of actions <b>and/or</b> development and implementation of further projects	Financial Services, CC(D)S	Staff time	N/A

## Waste

### Introduction

In May 2007 Government set out its vision for sustainable waste management in its *Waste Strategy for England 2007*. One of its key objectives is to “put more emphasis on waste prevention and reuse”. The importance of waste management is further reflected in the *Lancashire Municipal Waste Management Strategy 2001-2020* which outlines a strategy for the management of waste Countywide.<sup>4</sup>

As a waste collection authority Lancaster City Council has an important part to play in providing an infrastructure to support the aims of the *Waste Strategy* and in setting a good example of waste minimisation to local businesses and organisations, encouraging their involvement in the Council run trade waste recycling scheme.

Lancaster City Council does not currently operate office recycling facilities within its buildings. Developing a culture of ‘zero waste’ in corporate buildings will allow the Council to take productive and positive steps to mitigate climate change. In practical terms, this means greatly reducing the amount of waste produced by the Council’s own activities through re-use and recycling. A Corporate recycling and waste minimisation initiative would work hand-in-hand with an Internal Climate Change Communications Plan (pp.24-25) to ensure the changing of attitudes towards waste within the context of climate change.

In addition, an events recycling and waste minimisation initiative would strengthen Lancaster City Council’s position as community leaders by encouraging those who use Corporate buildings for public and private functions to manage their waste reduction effectively.

In April 2008, Council agreed that, once the current supply ends, services should stop providing plastic carrier bags for use by the public in its outlets or promotions and would encourage local businesses to do the same. The Council also pledged to actively support PASS on Plastics, a campaign to reduce plastic pollution in Lancaster district by encouraging residents, businesses and visitors to reduce their plastic consumption. This will be reflected in both the corporate and events recycling and waste minimisation initiatives.



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<sup>4</sup> Lancashire County Council, *A Greener Future: Lancashire’s Municipal Waste Management Strategy 2001-2020* (2001)

Waste Actions Table

Year	Action	Further Information & Targets	Service Responsible	Resources Required	Potential savings
2008/09		<i>Year now complete, please see Appendix 1.</i>			
2009/10	Develop corporate recycling initiative	Utilising large outside bins at each site with mixed recycling bags in offices	CC(D)S, Property Services, Corporate Strategy	Staff time	N/A
2009/10	Roll out corporate recycling initiative	Unable to roll out at 38 Cable Street due to limited outside space	CC(D)S, Property Services	CC(D)S Trade Waste Collection	Financial savings from waste reduction
2010/11	Develop events recycling initiative	In response to concerns raised regarding disposable tableware and lack of recycling facilities for public events – to be considered in line with a review of room hire conditions	CC(D)S, Property Services, Corporate Strategy	Staff time	N/A
2010/11	Roll out events recycling initiative	Roll out throughout 2010/11	CC(D)S, Property Services, Corporate Strategy	Financial resources and staff time dependent on projects	Financial savings from Corporate waste reduction
2011/12	Plan and roll out enhancements to the above initiatives	Based on best practice NORMA (New Office Recycling and waste Minimisation Action) at Stockport Metropolitan Borough Council	CC(D)S, Property Services, Corporate Strategy	As above	As above
2012/13	Review effectiveness of both above initiatives	Will result in continual monitoring of actions <b>and/or</b> development and implementation of further projects	CC(D)S, Property Services	Staff time	N/A



## Planning

### Introduction

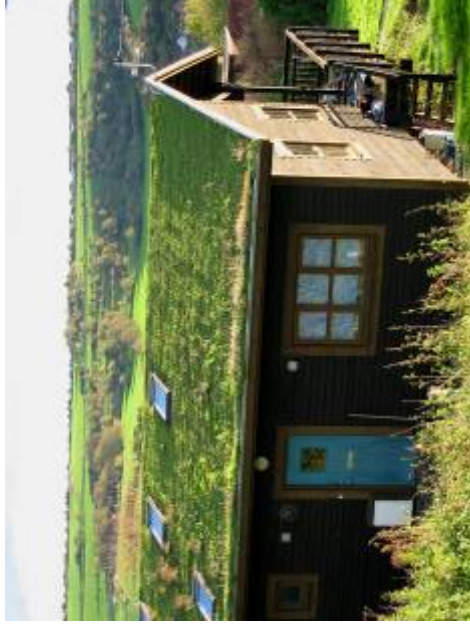
Planning guidance can have a great effect on NI 186 (per capita reduction in CO<sub>2</sub> emissions in the local authority area) through the promotion of sustainable development, renewable energy generation in homes and businesses and regulating land and building matters. Lancaster City Council already has in place its Local Development framework Core strategy which places sustainability at the heart of spatial planning for the district.

Lancaster City Council's Planning Services has actively encouraged engagement with the actions laid out in Year 1 of this Strategy. A 'Merton' type policy was adopted by the Regional Spatial Strategy in October 2008, which states that in developments over a set size, at least 10% of their predicted energy requirements should be obtained from decentralised and renewable or low-carbon sources. Such a policy is based on the 'Merton Rule'; a planning policy supported by central government. The extent and success of this will be reviewed as the council develops its LDF Development Management Policies.

Planning Services also continue to promote the principles of sustainable development to their staff and have advised on the potential for wind turbine installation at sites throughout Lancaster district, with the guidance of the Climate Change Cabinet Liaison Group.

The council employs a positive approach to delivering emission reductions, in particular in respect of proposals for renewable energy development at both micro and macro levels. Urban concentration policies direct new developments to sustainable locations with the maximum potential for sustainable modes of transport and shortest travel distances. Cycle and pedestrian infrastructures have been developed and work continues to develop further improvements.

Through their One-to-One-Support Programme, the Energy Saving Trust aim to provide recommendations on additional aspects of local planning we can engage with in relation to climate change. Lancaster City Council will assess and incorporate suitable recommendations into future practice through the Climate Change Action Plan.



Planning Actions Table

Date	Action	Further Information & Targets	Service Responsible	Resources Required	Potential savings
2008/09		<i>Year now complete, please see Appendix 1.</i>			
2009/10	Increase the percentage of renewable energy required in new developments	Can be achieved through increasing the percentage outlined in the Merton Rule – suggest 15%	Planning Services	Staff time	CO <sub>2</sub> savings dependent on number of developments
2010/11	Advise on the potential for wind turbine installation at sites throughout the district	Sites to be suggested by the Climate Change Cabinet Liaison Group	Planning Services, Corporate Strategy	Staff time	N/A
2010/11	Conduct feasibility study to develop renewable technologies in suitable corporate buildings	Possible technologies include solar, wind and bio-mass	Planning Services, Property Services	Staff time	N/A
2011/12	Roll out renewable technologies in Corporate buildings identified	Suggest a site by site approach	Planning Services, Property Services	Financial resources and staff time dependent on technologies	CO <sub>2</sub> and financial savings dependent on technologies
2012/13	Roll out renewable technologies in Corporate buildings identified	Continue roll out throughout 2012/13	Planning Services, Property Services	As above	As above

## Introduction



## Sustainable Procurement

Local Government in England spends in excess of £40 billion on capital projects and procurement each year. To ensure such money is spent responsibly and to the benefit of the country there is a strong business case to make procurement more sustainable in all branches of government.

Sustainable procurement, in short, means “using procurement to support wider social, economic and environmental objectives, in ways that offer real long-term benefits”.

The *Local Government Sustainable Procurement Strategy* published in November 2007 in response to *Procuring the Future*, a 2006 report by the UK Government’s Sustainable Procurement Task Force, and to the *UK Government Sustainable Procurement Action Plan*, outlined the benefits of sustainable procurement to local government. These benefits include financial savings, a reduction in CO<sub>2</sub> emissions, a strengthened local economy, joined-up working with the wider public sector and inspiring innovation from small businesses (SMEs) and third sector organisations (TSOs).

In *Procuring the Future* a Flexible Framework was published “to guide public sector leaders in the actions required to make sustainable procurement happen”. The Framework has 5 Levels enabling local authorities and other public sector organisations to assess the quality of their procurement activity and includes guidelines for when such Levels should be achieved. This will help shape procurement policy at Lancaster City Council.

Lancaster City Council is currently revising its Procurement Strategy which already includes sections on Sustainable Procurement and E-Procurement. An emphasis on sustainability will be promoted throughout the revised document which will highlight procurement issues such as Fairtrade and whole life costing as well as the social, environmental and economic benefits of sustainable procurement.

Procurement also forms an aspect of reporting under NI 185. Guidance for this National Indicator states that organisations who deliver an operation for the Council will now be required to provide figures relating to their mileage, so that relevant carbon emissions can be calculated. Future contracts should reflect this commitment, encouraging the procurement of services from organisations who are working to lower their own carbon emissions.

Sustainable Procurement Actions Table

Date	Action	Further Information & Targets	Service Responsible	Resources Required	Potential savings
2008/09		<i>Year now complete, please see Appendix 1.</i>			
2009/10	Publish and promote Procurement Strategy encompassing sustainable procurement	Initially a target for Year 1, this has been delayed	Financial Services	Staff time	N/A
2009/10	Amend supplier and service delivery contracts to reflect NI 185 requirements	NI 185 requires service providers to supply information on CO <sub>2</sub> emissions from carrying out local authority operations	Financial Services with partnership from relevant Services	Staff time	May lead to lower CO <sub>2</sub> emissions input into NI 185 spreadsheet
2010/11	Develop and circulate sustainability criteria to be included in specifications to suppliers	Criteria to include encouraging waste and resource minimisation, procuring local services, lowering CO <sub>2</sub> emissions etc.	Financial Services	Staff time	N/A
2010/11	Roll out training on sustainable procurement to staff responsible for purchasing in each Services	To compliment Procurement Strategy	Financial Services, Human Resources	Cost of training depends on provider	N/A
2011/12	Continue to roll out training	To compliment Procurement Strategy	Financial Services, Human Resources	As above	As above
2012/13	Review effectiveness of Procurement Strategy in relation to the environmental impact of purchasing since publishing the Strategy	Will result in continual monitoring of actions <b>and/or</b> development and implementation of further projects	Financial Services	Staff time	N/A

## Council & Strategic Housing

### Introduction

Lancaster City Council's council housing already has a 'high' Standard Assessment Procedure (SAP) rating which means that the council housing stock is in the top quarter of Authorities. The SAP rating of 70 is targeted to increase year to 72 by March 2010 and then to 73 March 2013.

In the last 15 years Council Housing Services have made major improvements to the energy efficiency of the housing stock. In 1991 the Council approved an *Energy Strategy for Council Housing* resulting in a number of energy efficiency initiatives such as gas condensing boilers, boiler and pipe insulation, roof and cavity wall insulation and the provision of over 8,000 energy efficient light bulbs to tenants. Furthermore, approximately 80% of council housing in Lancaster district now benefits from double glazing.

Through National Indicator 187 (Tackling fuel poverty) both Strategic and Council Housing Services will continue to work hard to reduce fuel poverty. In addition, the EST One-to-One Support Programme will provide advice on how to tackle fuel poverty as well as energy efficiency in housing and local businesses through the Climate Change Action Plan.

In addition, consultation between Lancaster City Council and local council housing tenants has resulted in *The Lancaster Standard*, a document which advises tenants of the Decent Homes Standard and a 5 year and 30 year plan of when improvements will be made to their home.

Specific actions in respect of the council's housing stock to be completed over the life time of this strategy are :-

- Increase loft insulation in all council houses from 150mm to 270mm by March 2012
- Install double glazing in 88.5% of council housing by March 2013 ( 77% currently for 2009/10)
- Increase % of council houses with "A" rated boilers to 72% by March 2010 and then to 95% by March 2013

It is anticipated that these actions will see the council's overall SAP ratings increase from the current level of 70 to 73 by March 2013.

Council Housing Services have no control over their tenants' personal use of energy but they can offer guidance where relevant. In order to work with tenants to reduce their energy usage relevant Council Officers are trained in City & Guilds Energy Awareness. By the end of 2008, the training of six Estate Managers and two Maintenance Inspectors had successfully been completed. Furthermore, a bi-annual newsletter, entitled *Housing News*, is distributed to tenants which contains energy saving and sustainable living articles. Ways to expand on these programmes will be included in the One-to-One Support recommendations.



**Council & Strategic Housing Actions Table**

Date	Action	Further Information & Targets	Service Responsible	Resources Required	Potential savings
2008/09		<i>Year now complete, please see Appendix 1.</i>			
2009/10	Carry out Thermal Imaging Survey of buildings in areas of Lancaster district in conjunction with other Lancashire councils	Aim is to identify those buildings with the most ineffective insulation  Survey of the urban cores of Morecambe, Lancaster and Carnforth in winter 2009	Corporate Strategy, Council Housing, Strategic Housing	£2,100 per district council Funding provided by Services responsible	N/A
2009/10	Support NI 187 (Tackling Fuel Poverty) Survey	A survey is to be undertaken by Lancashire County Council – all districts to contribute	Corporate Strategy, Strategic Housing	£1,000-£1,500 estimate for survey	CO <sub>2</sub> savings rely on improving SAP ratings
2009/10	Investigate opportunities for CERT (Carbon Emissions Reduction Target) in Lancaster district	CERT – funding from energy suppliers for CO <sub>2</sub> reduction measures in housing stock and private housing improvement (until March 2011)	Corporate Strategy	Staff time	N/A
2009/10	Continue programme to improve council housing stock	Loft insulation increased in all stock from 150mm to 270mm in 2 years  Double glazing in 80% of council homes  72% of all council homes to be fitted with “A” rated boilers	Council Housing	Capital Programme	CO <sub>2</sub> savings dependent on properties and installation rate
2010/11	Roll out CERT across district, if suitable	Dependent on suitability of using CERT	Corporate Strategy	Staff time	CO <sub>2</sub> and financial savings dependent on CERT
2010/11	Develop and promote webpage to host results of Thermal Imaging Survey	Invite residents involved to view results and access funding/energy efficiency advice online – with partnership of EST	Corporate Strategy, Information & Customer Services	Staff time	N/A
2010/11	Proactively provide energy efficiency information to buildings with highest heat loss	Hard copy and email information sent to relevant households/businesses	Corporate Strategy, Council Housing, Strategic Housing, Economic Dev.	Staff time Minimal cost of postage	CO <sub>2</sub> savings rely on buildings, which take up efficiency measures

Council & Strategic Housing Actions Table (continued)

Date	Action	Further Information & Targets	Service Responsible	Resources Required	Potential savings
2010/11	Continue programme to improve council housing stock	Loft insulation increased in all stock from 150mm to 270mm in 2 years Double glazing in 82.5 % of council homes 80% of all council homes to be fitted with "A" rated boilers	Council Housing	Capital Programme	CO <sub>2</sub> savings dependent on properties and installation rate
2011/12	Continue to provide information to buildings with highest heat loss	Hard copy and email information sent to relevant households/businesses	As above	As above	As above
2011/12	Continue programme to improve council housing stock	Double glazing in 86.5 % of council homes 87% of all council homes to be fitted with "A" rated boilers	Council Housing	Capital Programme	CO <sub>2</sub> savings dependent on properties and installation rate
2012/13	Survey households and businesses for take up of year 3 energy efficiency measures	Hard copy and email surveys sent to relevant households/businesses	Council Housing, Strategic Housing	Staff time	N/A
2012/13	Continue programme to improve council housing stock	Double glazing in 88.5 % of council homes 95% of all council homes to be fitted with "A" rated boilers	Council Housing	Capital Programme	CO <sub>2</sub> savings dependent on properties and installation rate

## Adaptation

### Introduction



Lancaster City Council's work on climate change adaptation is influenced by NI 188 (Planning to adapt to Climate Change) and the guidelines laid out by Defra.

NI 188 aims to ensure that the management of climate change risks and opportunities are embedded across decision making, services and planning. Progress is gauged against the following areas:

- Assessing the risks and opportunities comprehensively across the local authority area
- Taking action in any identified priority areas
- Developing an adaptation strategy and action plan setting out a risk assessment for priority areas
  - in consultation with partners where necessary – and outlining action to address these risks, including how they will be continually assessed and monitored
- Implementing, assessing and monitoring the actions on an ongoing basis.

This indicator has 5 levels (0-4), it is expected that local authorities will achieve each new level in a year. Lancaster City Council is working closely with national organisations, local partners and authorities throughout Lancashire to ensure we reach our target to achieve Level 1 by the end of 2009/10. For more details, please see the Adaptation Action Table overleaf.

In addition the Council requires SUDS in all new development proposals and promotes the attenuation of water measures. Development in areas at risk of flooding are minimised and flood risks robustly managed. The council works very closely with the Environment Agency to deliver secure flood and coastal defences. The council is also responsible for the Environmental Appraisals on all major development projects and the sustainability & Strategic Environmental Appraisal of plans and policies.

As Spatial Planning and Infrastructure Planning develop, the council will develop a more co-ordinating role working with delivery partners such as Government Agencies, Infrastructure Partners, and Developers to ensure that new developments and infrastructure are as sustainable as possible.



**Adaptation Actions Table**

Date	Action	Further Information & Targets	Service Responsible	Resources Required	Potential savings
2008/09		<i>Year now complete, please see Appendix 1.</i>			
2009/10	Achieve NI 188 Level 1	<ul style="list-style-type: none"> <li>• Make public commitment to address climate change</li> <li>• Undertake risk assessment of vulnerabilities/opportunities</li> <li>• Demonstrate understanding of gaps in existing strategies</li> <li>• Share potential vulnerabilities/opportunities in-house/with LDLSP</li> <li>• Outline steps to address vulnerabilities/opportunities</li> </ul>	Corporate Strategy with partnership from relevant Services	Staff time	N/A
2010/11	Achieve NI 188 Level 2	<ul style="list-style-type: none"> <li>• Identify priority risks for Services</li> <li>• Identify adaptive responses - start incorporating in strategies etc.</li> <li>• Begin implementing adaptive responses in some priority areas</li> <li>• Work with LDLSP encouraging identification of vulnerabilities/opportunities that affect SCS</li> </ul>	Corporate Strategy with partnership from relevant Services	Financial resources and staff time dependent on adaptive responses	CO <sub>2</sub> and financial savings dependent on adaptive responses
2011/12	Achieve NI 188 Level 3	<ul style="list-style-type: none"> <li>• Embed climate impacts/risks across council decision making</li> <li>• Develop action plan to achieve council objectives in light of risks</li> <li>• Implement adaptive responses in all priority areas</li> <li>• Support LDLSP to manage wider district vulnerabilities/opportunities</li> </ul>	Corporate Strategy with partnership from relevant Services	As above	As above
2012/13	Achieve NI 188 Level 4	<ul style="list-style-type: none"> <li>• Council &amp; LDLSP implement action plans across district</li> <li>• Develop process for regular progress monitoring/review</li> </ul>	Corporate Strategy with partnership from relevant Services	As above	As above

## Education & Awareness Raising

### Introduction

Raising awareness of climate change amongst Lancaster City Council Officers and Members is key to encouraging positive action and the successful delivery of this Strategy.

The Carbon Trust Energy Audit suggested that raising awareness of climate change and providing staff with the tools to work and live more sustainably can save 80.1 tCO<sub>2</sub> and £13,008 at Lancaster City Council.

The Energy Saving Trust One-to-One Support Programme also focuses on staff awareness raising and will assist us in transforming the status of climate change from a perceived global issue over which we have limited control, to one which individuals can have a vast and positive effect on.

It is crucial that Members and Officers feel personally involved in the implementation of the Climate Change Strategy, working together to achieve its aims. Only with their support will the Council be able to provide leadership in addressing climate change issues. Funding of £20,000 has been allocated for both 2009/10 and 2010/11 to enact this Strategy, this will ensure that resources can be allocated to developing a variety of education and awareness raising initiatives.

It is important that encouragement is given to staff to ensure continued commitment to tackling climate change. In addition, a programme of educational rewards should be given to individuals or Services when targets are achieved and projects are successful. Such a programme will be developed in line with the Internal Climate Change Communications Plan referred to in the table overleaf.

Working with the Communications Team will be key to the success of this section of the Council's Climate Change Strategy.



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Education & Awareness Actions Table

Date	Action	Further Information & Targets	Service Responsible	Resources Required	Potential savings
2008/09		<i>Year now complete, please see Appendix 1.</i>			
2009/10	Develop Internal Climate Change Communications Plan	Will make use of an action plan which may include Sustainability Champions, films/events, energy competitions, staff rewards, annual action for community leadership	Corporate Strategy	Staff time	N/A
2009/10	Roll out Internal Climate Change Communications Plan	Promote and begin rolling out the action plan	Corporate Strategy	Staff time Financed from the £20,000 pa budget 'Climate Change Implementation'	Carbon Trust Energy Audit suggested annual savings of 80.1 tCO <sub>2</sub> and £13,008
2010/11	Roll out Internal Climate Change Communications Plan	Continue roll out throughout 2011/12	Corporate Strategy	As above	As above
2011/12	Review effectiveness of Internal Climate Change Communications Plan	Will result in continual monitoring of actions <b>and/or</b> development and implementation of further projects	Corporate Strategy	Staff time	N/A
2011/12	Explore potential for decentralising responsibility of climate change targets to individual Services	Review Middlesbrough Council's Carbon Reduction and Climate Adaptation (CRACA) Plan – best practice	Corporate Strategy	Staff time	N/A
2012/13	Roll out above initiatives, if relevant	Seek guidance from Middlesbrough Council and other Beacon Authorities	Corporate Strategy	Financial resources and staff time dependent on actions	CO <sub>2</sub> and financial savings dependent on actions

Appendices

Appendix 1: 2008/09 Actions Update

This appendix serves to recap on the activity undertaken in Year 1 of this Strategy; 2008/09.

Section Title	Action	Progress/Comments	Service/ Group Responsible	Action Complete?
Energy	Relevant Services meet with Climate Change Cabinet Liaison Group to discuss implementation of current actions and investigate future goals and resource requirements	Property Services identified - meetings with Premises Manager undertaken but formal meeting with Head of Property Services and other staff not yet organised.	Corporate Strategy	On-going
	Establish a Sustainability Champion in each Service	Delayed due to Capacity issues in Corporate Strategy	Corporate Strategy	Move to Yr 2/3
	Undertake Energy Audit in Corporate buildings	An energy / carbon audit has now been completed for Lancaster and Morecambe Town Halls, the Old Fire Station and Salt Ayre Sports Centre. The Audit includes the calculation of basic carbon footprint for the year 1/7/07 to 30/6/08 including water, gas and electricity usage and staff travel (to and from work and business travel). Full report received.	Property Services	✓
	Continue to consider installation of powerPerfector in a corporate building(s)	Device fitted in LTH Saturday, 17th January 2009	Property Services with lead from CCLG	✓
	Energy efficiency gains from emergency repairs to buildings	No progress - the current repair and maintenance budget is spent on servicing, emergency and reactive repairs	Property Services	Outstanding
	Establish baseline year for CO2 reduction benchmark. Set annual and 5 year period CO2 emission (or energy reduction) targets for corporate buildings.	Baseline year of 2008/9 agreed with Property Services (option 'a' in the IHCCS). Target setting requires completion of Energy Audit and release of targets by County. The Carbon Trust informs that the formula for the calculation of CO2 emissions has now changed. This will have a negative affect on setting targets for the future.	Property Services	✓

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Section Title	Action	Progress/Comments	Service/ Group Responsible	Action Complete?
	Undertake feasibility study in to energy efficiency and renewable energies at Williamson Park	Three organisations (WOOSH Energy, Wind Direct & Partnership for Renewables) have been approached to find out if a large, commercial wind turbine is suitable for the Park. All have said no. Due to changing circumstances at Williamson Park it has been deemed unsuitable to look into other renewable technologies at present.	Corporate Strategy	<b>X</b> Not going ahead
	Communication campaign throughout the Council targeted at all staff to ensure personal energy saving procedures	Sustainability Coordinator and Communications Team undertaking internal communications campaign. Initial meeting took place in Dec 2008, project group to start meeting in April 2009. Need to incorporate recommendations of the Energy Audit.	Corporate Strategy inc. Comms	On-going
	Home working scheme encouraged in all Services	Ongoing through Access to Services but little progress to date	Property Services	Ongoing
	Services to share responsibility for energy reduction in properties. Encouraged through EDPA.	CO2 baseline target required so could not carry out in Yr1	Property Services	Move to Yr 2/3
<b>Transport</b>	Relevant Services meet with Climate Change Cabinet Liaison Group to discuss implementation of current actions and investigate future goals and resource requirements	CC(D)S, Planning (CDT) identified - JW to organise	Corporate Strategy	Ongoing
	Promote Lancaster City Council's Business Travel Plan	Business Travel Plan actions now included in other strategies- no specific capacity to support Business Travel planning at present	Corporate Strategy	<b>X</b>
	Continue promotion of cycling to staff as part of CDT status	Ongoing through CDT	Planning - CDT	Ongoing
	Continued training of fleet drivers on sustainable driving methods	Ongoing programme of driver assessment – Fleet Manager is in the process of introducing an NVQ qualification for all the Councils LGV drivers, a major part of which will concern safe and fuel efficient driving. Ongoing route planning / rescheduled routes but no intention to	CC(D)S	Ongoing

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Section Title	Action	Progress/Comments	Service/ Group Responsible	Action Complete?
		purchase vehicle route planning software.		
	Investigate acquiring new low carbon vehicles for gradual inclusion in the fleet	Ongoing research of vehicles / new technology. All new / replacement vehicles are specified with latest technology engines (Euro iv but ideally Euro v).	CC(D)S	Ongoing
	Consult Energy Saving Trust to arrange free audit of fleet and advice on devising a 'Green Fleet Plan' (for business vehicle and CC(D)S fleet)	EST Green Fleet Review arranged. Information gathering is ongoing. The EST hope to develop the report in August 2009 which will provide recommendations for a more efficient fleet.	CC(D)S	✓
<b>Waste</b>	Relevant Services meet with Climate Change Cabinet Liaison Group to discuss implementation of current actions and investigate future goals and resource requirements	CC(D)S identified – Sustainability Coordinator to organise	Corporate Strategy	Ongoing
	Staff communication campaign to encourage change attitudes to office waste (W2 action refers)	Sustainability Coordinator and Communications Team undertaking internal communications campaign. Initial meeting took place in Dec 2008, project group to start meeting in April 2009. Programme would initially promote existing recycling facilities (cardboard from some buildings, paper, newspapers & magazines in all, plastic bottles at White Lund depot, batteries in some buildings, CC(D)S also recycles products from services (timber, metal, vegetable oil, green waste, highways waste)	Corporate Strategy inc. Comms	Ongoing
	Implement comprehensive Reuse/Recycling Scheme in corporate buildings in conjunction with W2 action	The Council already recycles, reuses and recovers materials used in many of its operations. These include paper, newspapers and magazines, batteries, ink cartridges, plastic bottles, cans, light tubes, computers, mobile phones, wood from felled trees, tyres, vehicle oil, green waste, furniture and white goods, timber, scrap metal, and waste from highways	Corporate Strategy	Deferred to year 2/3

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Section Title	Action	Progress/Comments	Service/ Group Responsible	Action Complete?
		<p>jobs. CC(D)S will have more capacity to progress office and kitchen waste recycling in Autumn (Oct/Nov) once roll out of phase 6 has been completed. Also requires support of Property Services and possibly additional resource (containers, additional collections). Explore resources with CC(D)S &amp; Property Services when they visit CCLG</p>		
	<p>District communication campaign to raise awareness of Council's work to address climate change</p>	<p>Use YDCM when communicating to the district - article appeared in February 2009 issue</p>	<p>Corporate Strategy inc. Comms</p>	<p>Ongoing</p>
	<p>Intranet Database/Swapshop</p>	<p>Not a Yr 1 priority</p>	<p>Corporate Strategy</p>	<p>Move to Yr 2/3</p>
<p><b>Planning</b></p>	<p>Relevant Services meet with Climate Change Cabinet Liaison Group to discuss implementation of current actions and investigate future goals and resource requirements</p>	<p>Planning identified - met with CCLG September 2008.</p>	<p>Corporate Strategy</p>	<p>✓</p>
	<p>Investigate implementation of the Merton Rule across all relevant planning applications</p>	<p>Merton type policy adopted through the Regional Spatial Strategy in Oct 2008 - it states that in developments over a certain size, at least 10% of their predicted energy requirements should be obtained from decentralised and renewable or low-carbon sources.</p>	<p>Planning</p>	<p>✓</p>
	<p>Continued promotion of sustainable development principles internally</p>	<p>Ongoing</p>	<p>Planning</p>	<p>Ongoing</p>
	<p>Advise on the potential for wind turbines installation at sites within the district</p>	<p>Sites previously suggested by CCLG (Williamson park, Stone Jetty, Battery Breakwater) all considered unsuitable by PfR but Middleton Woods site identified as suitable but other options currently being considered (contact Paul Rogers, Econ Dev) - PfR report received</p>	<p>Planning with lead from CCLG</p>	<p>✓ plus potential for further opportunities</p>
	<p>Relevant Services meet with Climate Change Cabinet Liaison Group to discuss implementation of current actions and investigate future goals and resource requirements</p>	<p>Financial Services identified – Sustainability Coordinator to organise</p>	<p>Corporate Strategy</p>	<p>On-going</p>

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Section Title	Action	Progress/Comments	Service/ Group Responsible	Action Complete?
	Develop revised Procurement Strategy (2008-2011) encompassing sustainable procurement	Revised Strategy is ongoing and meeting with Corporate Director (Finance & Performance) to review document due in February 2009 - target date for publication not yet set	Financial Services	Ongoing
	Staff communication campaign to encourage a market for recycled products and promote sustainable goods i.e. Fairtrade	Sustainability Coordinator and Communications Team undertaking internal communications campaign. Initial meeting took place in Dec 2008, project group to start meeting in April 2009.	Corporate Strategy inc. Comms	Ongoing
	District communication campaign to raise awareness of Council's work to address climate change	Use YDCM when communicating to the district - article appeared in February 2009 issue	Corporate Strategy inc. Comms	Ongoing
	Promote sustainable products and services and encourage a market for the same	Sustainable procurement policy launched and promoted (including sustainable training) in Summer 2007. Also, information on sustainable products to relevant Services continues to be provided by Financial Services	Financial Services	Ongoing
<b>Council Housing</b>	Relevant Services meet with Climate Change Cabinet Liaison Group to discuss implementation of current actions and investigate future goals and resource requirements	Council Housing identified – Sustainability Coordinator to organise	Corporate Strategy	Ongoing
	Carry out a Thermal Imaging Survey of homes in the district to identify those with the most ineffective insulation	County Council co-ordinating a joint approach to this across Lancashire.	Council Housing	Deferred to 2009/10
	Ensure Housing News contains articles on sustainable living in each issue	On target. Ongoing liaison between Council Housing and Corporate Strategy to monitor and ensure each issue contains sustainable living articles. Generally one page on sustainability issues. Articles include promoting energy efficiency e.g. low energy light bulbs and tips to save energy and money, recycling e.g. Wheelie bins and recycling boxes, Bulky Matters and Furniture Matters, smart shopping, sustainable transport, Green Partnership Awards, Recycling Directory and allotments.	Council Housing	Ongoing



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Section Title	Action	Progress/Comments	Service/ Group Responsible	Action Complete?
	Training of all staff in City & Guilds Energy Awareness or equivalent	On target for completion by end of 2008 (training for six Estate Managers and two Maintenance Inspectors)	Council Housing	Ongoing
	Regular monitoring of staff to ensure energy usage and waste reduction advice is shared with all tenants	Energy efficiency and waste recycling information is given to all new tenants as part of induction / sign up of new tenancies. Existing tenants receive information in Housing News etc. See CC Action plan ref no. H3.	Council Housing	Ongoing
	Relevant Services meet with Climate Change Cabinet Liaison Group to discuss implementation of current actions and investigate future goals and resource requirements	Ongoing - CC(D)S, Council Housing, Cultural Services, Ec Dev & Tourism, Health & Strategic Housing, Planning, Property Services identified – Sustainability Coordinator to organise (Planning already met with CCLG)	Corporate Strategy	Ongoing
<b>Adaptation</b>	Continue to maintain and upgrade, where necessary, flooding and coastal defences as set out in Flood and Coastal Defence Policy (2004)	With the conclusion of Phase 7 the 2004 flood and coastal defence programme has now been completed, although continued sea level rise will result in need for further works. 'Strategic Flood Risk Assessment' commissioned - Provides guidance for developers on flood risk assessment	Planning	✓ plus potential for further opportunities
	Formation of a Climate Change Adaptation Team	This action has been replaced by NI 188 guidance - work to achieve NI 188 Level 1 is ongoing	Corporate Strategy	Ongoing
	Investigate effects to Council buildings and Services due to potential changes in climatic conditions	As above - an LCLIP (part of NI 118 Level 1) is currently being developed and will require discussions with Services	Corporate Strategy	Ongoing
<b>Education &amp; Awareness Raising</b>	Relevant Services meet with Climate Change Cabinet Liaison Group to discuss implementation of current actions and investigate future goals and resource requirements	Services detailed above under Action 1 in each section	Corporate Strategy	Ongoing
	Press releases and articles in Council publications relating to the Council's work on climate change	Use YDCM when communicating to the district - article appeared in February 2009 issue. Press release to be developed regarding <i>powerPerforator</i>	Corporate Strategy inc. Comms	Ongoing
	Train a Sustainability Champion in each Service	Capacity issues in 2008/9. Delayed till 2009/10	Corporate Strategy	Move to Yr 2/3

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Section Title	Action	Progress/Comments	Service/ Group Responsible	Action Complete?
	Decentralised responsibility to Services	Not at suitable stage to carry out	Corporate Strategy	Move to Yr 2/3
	An internet awareness and education campaign	Sustainability Coordinator and Communications Team undertaking internal communications campaign. Initial meeting took place in Dec 2008, project group to start meeting in April 2009. Awaiting meeting of project group and launch of new LCC website before developing action further	Corporate Strategy inc. Comms	On-going
	A programme of consultation with staff and district residents	Not at suitable stage to carry out - await report on the potential of a district-wide strategy before carrying out	Corporate Strategy	Move to Yr 2/3
	Undertake symbolic actions to signal Lancaster City Council's work to mitigate and adapt to climate change	Lead to be taken by CCLG. Need to identify potential projects as the next step.	Climate Change Cabinet Liaison Group	On-going

**Appendix 2: How the Climate Change Strategy Meets the Priorities of Lancaster District**

This appendix outlines the priorities of the Lancaster District Local Strategic Partnership, Lancaster City Council and the Local Area Agreement to demonstrate how the actions of the Council's Climate Change Strategy assist the delivery of these priorities.

<b>LDLSP Sustainable Community Strategy Priority</b>	<b>Lancaster City Council Corporate Plan Priority &amp; Objective</b>	<b>Climate Change Strategy Action</b>	<b>National Indicator</b>
<p>Health &amp; Wellbeing: Increase the proportion of people who have a decent, affordable, warm, safe home</p>	<p>Clean and Green Places Objective 3: Develop local responses to climate change  - Relates to Key Actions 3.1, 3.3, 3.5 -</p>	<p>Carry out Thermal Imaging Survey of buildings in areas of Lancaster district</p> <p>Support NI 187 (Tackling Fuel Poverty) Survey</p> <p>Investigate opportunities for CERT (Carbon Emissions Reduction Target) in Lancaster district</p> <p>Continue Programme to improve council housing stock</p> <p>Roll out CERT across district, if suitable</p>	<p>NI 186 – Per capita reduction in CO2 emissions in the local authority area</p> <p>NI 187 – Tackling fuel poverty; % of people receiving income based benefits living in homes with a low and high energy efficiency rating</p> <p>NI 187 – Tackling fuel poverty; % of people receiving income based benefits living in homes with a low and high energy efficiency rating</p> <p>NI 186 – Per capita reduction in CO2 emissions in the local authority area</p> <p>NI 187 – Tackling fuel poverty; % of people receiving income based benefits living in homes with a low and high energy efficiency rating</p> <p>NI 186 – Per capita reduction in CO2 emissions in the local authority area</p> <p>NI 187 – Tackling fuel poverty; % of people receiving income based benefits living in homes with a low and high energy efficiency rating</p>

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<p>Environment: To reduce our impact on and adapt to the consequences of climate change</p>	<p>Clean and Green Places  Objective 3: Develop local responses to climate change  - Relates to Key Actions 3.1, 3.2, 3.4 -</p>	<p>Develop and promote webpage to host results of Thermal Imaging Survey</p> <p>Proactively provide energy efficiency information to buildings with highest heat loss</p> <p>Survey households and businesses for take up of year 3 energy efficiency measures</p> <p>Roll out energy reduction programme at SASC</p> <p>Explore introducing energy optimisation software across all IT – roll out if suitable</p> <p>Develop Energy Reduction Plans for each Corporate Building</p> <p>Roll out Energy Reduction Plans at two of the above buildings</p> <p>Roll out Energy Reduction Plans at the remainder of the above buildings</p> <p>Review effectiveness of Energy Reduction Plans</p> <p>Increase the percentage of renewable energy required in new developments</p> <p>Advise on the potential for wind turbine installation at sites throughout the district</p> <p>Conduct feasibility study to develop renewable technologies in suitable corporate buildings</p> <p>Roll out renewable technologies in Corporate buildings identified</p>	<p>NI 186 – Per capita reduction in CO2 emissions in the local authority area NI 187 – Tackling fuel poverty; % of people receiving income based benefits living in homes with a low and high energy efficiency rating</p> <p>NI 186 – Per capita reduction in CO2 emissions in the local authority area NI 187 – Tackling fuel poverty; % of people receiving income based benefits living in homes with a low and high energy efficiency rating</p> <p>NI 186 – Per capita reduction in CO2 emissions in the local authority area</p> <p>NI 187 – Tackling fuel poverty; % of people receiving income based benefits living in homes with a low and high energy efficiency rating</p> <p>NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations</p> <p>NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations</p> <p>NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations</p> <p>NI 186 – Per capita reduction in CO2 emissions in the local authority area NI 186 – Per capita reduction in CO2 emissions in the local authority area NI 185 – CO2 reduction from local authority operations</p> <p>NI 185 – CO2 reduction from local authority operations</p>
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<p>Environment: Protect and improve air, water and land quality and use resources sustainably with due regard to the interests of the wider community and the environment</p>	<p>Clean and Green Places Objective 2: Maintain the cleanliness of our streets and public spaces - Relates to Key Action</p>	<p>Publish and promote Procurement Strategy encompassing sustainable procurement Amend supplier and service delivery contracts to reflect NI 185 requirements Develop and circulate sustainability criteria to be included in specifications to suppliers Roll out training on sustainable procurement to staff responsible for purchasing in each Services Review effectiveness of Procurement Strategy in relation to the environmental impact of purchasing since publishing the Strategy Achieve NI 188 Level 1 Achieve NI 188 Level 2 Achieve NI 188 Level 3 Achieve NI 188 Level 4 Develop Internal Climate Change Communications Plan Roll out Internal Climate Change Communications Plan Review effectiveness of Internal Climate Change Communications Plan Explore potential for decentralising responsibility of climate change targets to individual Services Roll out above initiatives, if relevant</p>	<p>NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations</p>	
		<p>Clean and Green Places Objective 2: Maintain the cleanliness of our streets and public spaces - Relates to Key Action</p>	<p>Develop corporate recycling initiative Roll out corporate recycling initiative Develop events recycling initiative Roll out events recycling initiative Plan and roll out enhancements to the above initiatives Review effectiveness of both above</p>	<p>NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations NI 185 – CO2 reduction from local authority operations</p>

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	<p>2.1, 2.4 - Safe and Healthy Communities</p> <p>Objective 5: To contribute towards health improvement and reduce health inequalities through both the delivery of our own services and our work with partners</p> <p>- Relates to Key Action 5.1, 5.4 -</p>	<p>initiatives</p> <p>Roll out Green Fleet Review recommendations</p>	<p>NI 185 – CO2 reduction from local authority operations</p>
<p>Environment: Promote and enhance sustainable forms of transport and reduce private car use in urban areas throughout the district</p>	<p>Safe and Healthy Communities</p> <p>Objective 5: To contribute towards health improvement and reduce health inequalities through both the delivery of our own services and our work with partners</p> <p>- Relative to Key Action 5.1, 5.4 -</p>	<p>Gather information for, and input into, EST Green Fleet Review recommendations report</p> <p>Roll out Green Fleet Review recommendations</p> <p>Review effectiveness of Green Fleet Review actions</p>	<p>NI 185 – CO2 reduction from local authority operations</p> <p>NI 185 – CO2 reduction from local authority operations</p> <p>NI 185 – CO2 reduction from local authority operations</p>

**Appendix 3: Climate Change Strategy Actions Resources and Savings**

This appendix lays out the actions of the In-House Climate Change Strategy by year, from the date of this refresh, in relation to the resources required and the potential savings to be made.

<b><u>2009/2010</u></b>		
<b>Action</b>	<b>Resources Required</b>	<b>Potential Savings</b>
<b>Energy</b> - Roll out energy reduction programme at SASC	Estimated £29,163	£241,240 over 5 years CO <sub>2</sub> savings not yet calculated
<b>Transport</b> – Gather information for, and input into, EST Green Fleet review recommendations report	Staff time	N/A
<b>Transport</b> – Roll out Green Fleet review recommendations	Financial resources and staff time dependent on projects	CO <sub>2</sub> savings total 99 tCO <sub>2</sub> Financial savings not yet calculated
<b>Waste</b> – Develop corporate recycling initiative	Staff time	N/A
<b>Waste</b> – Roll out corporate recycling initiative	CC(D)S Trade Waste Collection	Financial savings from waste reduction
<b>Planning</b> – Increase the percentage of renewable energy required in new developments	Staff time	CO <sub>2</sub> savings dependent on number of developments
<b>Sustainable Procurement</b> - Publish and promote Procurement Strategy encompassing sustainable procurement	Staff time	N/A
<b>Sustainable Procurement</b> – Amend supplier and service delivery contracts to reflect NI185 requirements	Staff time	May lead to lower CO <sub>2</sub> emissions input into NI185 spreadsheet
<b>Council &amp; Strategic Housing</b> – Carry out Thermal Imaging Survey of buildings in areas of Lancaster district in conjunction with county council	£2,100 Funding provided by Services responsible	N/A
<b>Council &amp; Strategic Housing</b> – Support NI187 (Tackling Fuel Poverty) Survey	£1000-£1,500 Estimate for survey	CO <sub>2</sub> dependent on improving SAP ratings

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<b>Council &amp; Strategic Housing</b> – Investigate opportunities for CERT (Carbon Emissions Reduction Target) in Lancaster district	Staff time	N/A
<b>Council &amp; Strategic Housing</b> – Continue programme to improve housing stock	Capital programme	CO <sub>2</sub> savings dependent on properties and installation rate
<b>Adaptation</b> – Achieve NI188 Level 1	Staff time	N/A
<b>Education &amp; Awareness</b> – Develop Internal Climate Change Communications Plan	Staff time	N/A
<b>Education &amp; Awareness</b> – Roll out internal Climate Change Communications Plan	Staff time plus financing from the agreed £20,000 pa budget 'Climate Change Implementation'	Carbon Trust Energy Audit suggested annual savings of 80.1 tCO <sub>2</sub> and £13,008
<b>2010/2011</b>		
<b>Action</b>	<b>Resources Required</b>	<b>Potential Savings</b>
<b>Energy</b> – Explore introducing energy optimisation software across all IT – roll out if suitable	Finance and staff time dependent on software chosen	CO <sub>2</sub> and financial savings dependent on software chosen
<b>Energy</b> – Develop Energy Reduction Plans for each Corporate Building	Staff time	N/A
<b>Energy</b> – Roll out Energy Reduction Plans at two of the above buildings	Financial resources and staff time dependent on projects using £20,000 agreed budget	CO <sub>2</sub> and financial savings dependent on projects
<b>Transport</b> – Roll out Green Fleet Review recommendations	Financial resources and staff time dependent on projects using £20,000 agreed budget	CO <sub>2</sub> savings total 99 tCO <sub>2</sub> Financial savings not yet calculated
<b>Waste</b> – Develop events recycling initiatives	Staff time	N/A
<b>Waste</b> – Roll our events recycling initiative	Financial resources and staff time dependent on projects using £20,000 agreed budget	Financial savings from Corporate waste reduction
<b>Planning</b> – Advise on the potential for wind turbine installation at sites throughout the district	Staff time	N/A
<b>Planning</b> – Conduct feasibility study to develop renewable technologies in suitable corporate	Staff time	N/A



Climate Change Strategy V 4.5 2009/10 Refresh			
buildings			
<b>Sustainable Procurement</b> - Develop and circulate sustainability criteria to be included in specifications to suppliers	Staff time	N/A	
<b>Sustainable Procurement</b> – Roll out training on sustainable procurement to staff responsible for purchasing in each Services	Cost of training depends on provider	N/A	
<b>Council &amp; Strategic Housing</b> – Roll out CERT across district, if suitable	Staff time	CO <sub>2</sub> and financial savings dependent on CERT	
<b>Council &amp; Strategic Housing</b> – Develop and promote webpage to host results of Thermal Imaging Survey	Staff time	N/A	
<b>Council &amp; Strategic Housing</b> – Proactively provide energy efficiency information to buildings with highest heat loss	Staff time Minimal cost of postage	CO <sub>2</sub> savings dependent on buildings, which take up efficiency measures	
<b>Council &amp; Strategic Housing</b> – Continue programme to improve housing stock	Capital programme	CO <sub>2</sub> savings dependent on properties and installation rate	
<b>Adaptation</b> – Achieve NI188 Level 2	Financial resources and staff time dependent on adaptive responses using £20,000 agreed budget	CO <sub>2</sub> and financial savings dependent on adaptive responses	
<b>Education &amp; Awareness</b> – Roll out Internal Climate Change Communications Plan	Financial resources and staff time dependent on projects using £20,000 agreed budget	Carbon Trust Energy Audit suggested annual savings of 80.1 tCO <sub>2</sub> and £13,008	
<b><u>2011/12</u></b>			
<b>Action</b>	<b>Resources Required</b>	<b>Potential Savings</b>	
<b>Energy</b> - Roll out energy Reduction Plans at the remainder of the above buildings	Financial resources and staff time dependent on projects	CO <sub>2</sub> and financial savings dependent on projects	
<b>Transport</b> – Roll out Green Fleet Review recommendations	Financial resources and staff time dependent on projects Staff time	CO <sub>2</sub> savings total 99 tCO <sub>2</sub> Financial savings, not yet calculated	
<b>Waste</b> – Plan and roll out enhancements to the	Financial resources and staff time	Financial savings from Corporate waste reduction	

Climate Change Strategy V 4.5 2009/10 Refresh	above initiatives	dependent on projects	
<b>Planning</b> – Roll out renewable technologies in Corporate buildings identified	Financial resources and staff time dependent on technologies	CO <sub>2</sub> and financial savings dependent on technologies	
<b>Sustainable Procurement</b> - Continue to roll out training	Cost of training depends on provider	N/A	
<b>Council &amp; Strategic Housing</b> – Continue to provide information to buildings with highest heat loss	Staff time Minimal cost of postage	CO <sub>2</sub> savings dependent on buildings, which take up efficiency measures	
<b>Council &amp; Strategic Housing</b> – Continue programme to improve housing stock	Capital programme	CO <sub>2</sub> savings dependent on properties and installation rate	
<b>Adaptation</b> – Achieve NI188 Level 3	Financial resources and staff time dependent on adaptive responses	CO <sub>2</sub> and financial savings dependent on adaptive resources	
<b>Education &amp; Awareness</b> – Review effectiveness of Internal Climate Change Communications Plan	Staff time	N/A	
<b>Education &amp; Awareness</b> – Explore potential for decentralising responsibility of climate change targets to individual Services	Staff time	N/A	
<b><u>2012/13</u></b>			
<b>Action</b>	<b>Resources Required</b>	<b>Potential Savings</b>	
<b>Energy</b> – Review effectiveness of Energy Reduction Plans	Staff time	N/A	
<b>Transport</b> – Review effectiveness of Green Fleet Review actions	Staff time	N/A	
<b>Waste</b> – Review effectiveness of both initiatives	Staff time	N/A	
<b>Planning</b> – Roll out renewable technologies in Corporate buildings identified	Financial resources and staff time dependent on technologies	CO <sub>2</sub> and financial savings dependent on technologies	
<b>Sustainable Procurement</b> - Review effectiveness of Procurement Strategy in relation to the	Staff time	N/A	

<p><b>Climate Change Strategy V 4.5 2009/10 Refresh</b></p>	<p>environmental impact of purchasing since publishing the Strategy</p>		
<p><b>Council &amp; Strategic Housing</b> – Survey households and businesses for take up of year 3 energy efficiency measures</p>	<p>Staff time</p>	<p>N/A</p>	<p>CO<sub>2</sub> savings dependent on properties and installation rate</p>
<p><b>Council &amp; Strategic Housing</b> – Continue programme to improve housing stock</p>	<p>Capital programme</p>		<p>CO<sub>2</sub> and financial savings dependent on adaptive resources</p>
<p><b>Adaptation</b> – Achieve NI188 Level 4</p>	<p>Financial resources and staff time dependent on adaptive responses</p>		<p>CO<sub>2</sub> and financial savings dependent on adaptive resources</p>
<p><b>Education &amp; Awareness</b> – Roll out potential for decentralising responsibility of climate change targets to individual Services</p>	<p>Financial resources and staff time dependent on actions</p>		<p>CO<sub>2</sub> and financial savings dependent on actions</p>

**Appendix 4: Estimated Carbon Reduction Targets for 2010/11**

In order to reduce carbon emissions from our buildings and transport by 34% by 2020, leading to 80% by 2050, it is anticipated that detailed CO<sub>2</sub> reduction targets for each corporate building and internal transport sector will be built into the 2010/11 refresh of this Strategy. Such targets will result in greater responsibility for Services to work together in their locations to reduce their energy use.

In order to prepare Services for this, an estimation of CO<sub>2</sub> savings required for 2010/11 is given below based on a saving of 3.4% (approximately 156 tCO<sub>2</sub>). Such figures will be checked and formalised during the future refresh of this Strategy.

<b>Corporate Area</b>	<b>Details</b>	<b>Estimated target reduction in CO<sub>2</sub> emissions per year (tCO<sub>2</sub>)</b>
<b>Buildings</b>	Salt Ayre Sports Centre	55
	Lancaster Town Hall	13
	Low Staff/Unstaffed Locations (incl. The Platform, TICs, public toilets, bus station etc.)	9
	Morecambe Town Hall	5
	White Lund Depot	5
	Old Fire Station	5
	Palatine Hall	4
	Cable Street	2
	Ryelands House	2
	Council Fleet	52
<b>Transport</b>	Grey Fleet (Staff Travel)	4



**Carnforth Air Quality Action Plan**

**10 November 2009**

**Report of Head of Health & Strategic Housing**

<b>PURPOSE OF REPORT</b>				
To seek approval of a draft Carnforth Air Quality Action Plan prepared under statutory duty (Environment Act 1995).				
<b>Key Decision</b>	<b>X</b>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>	
<b>Date Included in Forward Plan</b>		September 2009		
<b>This report is public.</b>				

**RECOMMENDATION OF COUNCILLOR BARRY**

**That the draft Carnforth Air Quality Action Plan be approved for statutory and public consultation.**

**1.0 Introduction**

1.1 The council has declared an Air Quality Management Area in Carnforth under the Environment Act 1995 Part 4 because one of the national air quality objectives (nitrogen dioxide annual average concentrations at residential locations) was likely to be exceeded. Further technical assessment in 2008 confirmed this and demonstrated that the declared Air Quality Management Area did not require amendment. The council's air pollution measurements in Carnforth confirm that the air quality objective is exceeded along Market Street (West) and the A6 between Market Street and Haws Hill road junctions.

1.2 Road traffic exhaust emissions provide the key source of local nitrogen dioxide emissions. Industrial sources do not contribute any significant local impact. The solution lies in managing road traffic emissions. Without significant action as contained in the draft air quality action plan air quality in the Carnforth air quality management area is unlikely to achieve the nitrogen dioxide air quality objective.

**2.0 Proposal Details**

2.1 Having declared an air quality management area and confirmed that the annual air quality objective for nitrogen dioxide is being exceeded at relevant locations, the

council is under a statutory duty to prepare an Air Quality Action Plan (Environment Act 1995 Part 4). The air quality action plan must comply with government guidance and a copy must be submitted to Defra which operates a verification process. Officers have worked in consultation with partner agencies, in particular Lancashire County Council, North Lancashire Primary Care Trust and the Environment Agency, to prepare an air quality action plan complying with such requirements.

2.2 When it declared the Carnforth air quality management area the council consulted the local community, ward members, Carnforth Town Council and statutory consultees. Households within the air quality management area were individually contacted by letter. Suggestions were sought for actions that might be included within an air quality action plan. 22 suggestions were received and a shortlist was prepared. Following consultation with partner agencies a finalised list of measures suitable for inclusion in the air quality action plan was identified.

2.2 Attached at **Appendix 1** is a summary of the actions proposed in the Carnforth Air Quality Action Plan. A copy of the draft plan has been posted on the Council's intranet, together with background information. A copy of the draft plan has also been placed in the members' room at Lancaster Town Hall. The draft air quality action plan contains six measures aimed at reducing local emissions of nitrogen dioxide within the Carnforth air quality management area. The key measures are:

- Implementation of the M6 Heysham link road which it is estimated (by Lancashire County Council highways) will relieve the A6 in Carnforth of approximately 25% of through traffic
- Relocation of heavy goods vehicle depots located on Warton Road and accessed via Market Street (West), vehicles from which are responsible for a substantial proportion of nitrogen dioxide emissions in Market Street (West) according to the council's Further Assessment report (2008)

Further measures include a review of highway traffic flows and obstacles and a review of parking provision, both aimed at minimising obstructions to the flow of traffic which cause extra exhaust emissions to be generated. The implementation of school and business travel plans and modernisation of the local bus fleet to minimise their emissions are also included. Many of the public suggestions have been accommodated within these measures. Other suggested measures were excluded if they were not relevant to air quality or were not feasible.

2.4 It is anticipated that the combined effect of measures included in the draft action plan would be sufficient to achieve the air quality objective for nitrogen dioxide annual average concentrations. It is encouraging that work on the M6 Heysham link road looks set to start soon. Progress on other measures, however, will require substantial preparatory work and future external funding that is not in place. Nationally it is accepted that this will often be the position when an air quality action plan is being prepared. The council is obliged to prepare an action plan and work towards achievement of air quality objectives. However there are no statutory penalties for failing to deliver planned measures.

### **3.0 Details of Consultation**

3.1 The declaration of Carnforth Air Quality Management Area was the starting point of a process of assessment and refinement of knowledge prior to the production of the Air Quality Action Plan. As noted at 2.2 above, formal public consultation was required as part of that process.

3.2 Details of the proposed Carnforth air quality action plan have been discussed and agreed with Lancashire County Council, North Lancashire PCT and the Environment Agency through an officer level steering group. These organisations are amongst a number that will be further consulted once the draft action plan is approved for consultation as a statutory requirement. The local community will also be consulted. This report seeks the approval of members to proceed to that stage.

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

4.1 The council has a statutory duty to prepare the Carnforth air quality action plan.

4.2 Option 1 is to approve the draft Carnforth air quality action plan for statutory and public consultation. This will result in lead partners being assigned responsibility for coordinating each of the six actions. The council would lead on actions numbered 1 (relocate heavy goods vehicle depots) and 4 (review car parking provision in Carnforth). It is envisaged that these actions would be implemented through the research and policy measures built into the Local Development Framework process. Lancashire County Council would lead on the other four actions. No capital costs or adverse implications have been identified. Members would have further opportunities to influence the content of the draft action plan during the consultation process. Cabinet would be asked to consider and approve a finalised action plan in the near future.

4.3 Option 2 is to require any revisions or further work that members might require at this stage to be undertaken before a draft Carnforth air quality action plan is approved for public consultation. This would be likely to incur a delay before a revised action plan was presented to a future Cabinet meeting.

4.4 Option 3 is not to approve the Carnforth air quality action plan for public consultation. This would soon lead to an unlawful position (Environment Act 1995) because it is a statutory duty for the council to prepare an air quality action plan where an air quality management area has been declared and confirmed to be necessary through further assessment.

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

5.1 The officer preferred option is Option 1.

#### **6.0 Conclusion**

6.1 Either Option 1 or 2 would maintain statutory compliance through continued preparation of the Carnforth air quality action plan. Option 1 would be most expedient given that the contents of the draft air quality action plan are not expected to be particularly contentious, and that there will be further opportunities to influence its final form and content through formal consultation.

#### **RELATIONSHIP TO POLICY FRAMEWORK**

This decision forms part of a mandatory statutory requirement. Local air quality management is a corporate priority and a key focus of the Lancaster District Local Strategic Partnership (stage two action plan ENV2.2B).

#### **CONCLUSION OF IMPACT ASSESSMENT**

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

This decision is in the interests of protecting human health from unacceptable air pollution. No adverse impacts have been identified.

**FINANCIAL IMPLICATIONS**

The officer preferred option does not result in unbudgeted expenditure by the council as a result from approving the draft air quality action plan. All expenditure to facilitate public consultation will be met from within existing Air Quality Management budget.

**SECTION 151 OFFICER'S COMMENTS**

The S151 Officer has been consulted and has no further comments.

**LEGAL IMPLICATIONS**

Legal Service has been consulted and advises that the legal implications are contained in the report.

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

1. Environment Act 1995.
2. Further Assessment of Local Air Quality in Carnforth (2008).
3. Local Air Quality Management: Technical Guidance LAQM.TG(09).

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## Summary of actions proposed in the Carnforth air quality action plan

The draft Carnforth air quality action plan has been posted on the council's intranet together with background information. A copy has been placed in the members room at Lancaster Town Hall and members room at Morecambe Town Hall.

The draft Carnforth air quality action plan identifies and assesses potential air quality options for improving local air quality within the Carnforth air quality management area. It proposes for implementation the shortlisted options that are (a) relevant to Local Air Quality Management and either (b) capable of bringing about improvements or (c) enabling further actions to be brought forward that might do so. Rudimentary impact assessments and cost-benefit assessments (as documented within the action plan) have been carried out for each shortlisted measure with regard to Defra guidance.

Six proposed actions are contained in the draft Carnforth AQAP and summarised in the table below. Actions 1 and 2 are the key measures with estimates provided of their air quality benefits, whilst actions 3 to 6 are supporting measures that are relevant to air quality and feasible to implement, accommodating many of the public suggestions received during previous consultation.

Short List	Long List	Action	Lead Partner /Department	Completion date
1	1	Relocate the heavy goods vehicle depot accessed via Market Street (West) to a location where it will not have to travel through the AQMA	Lancaster City Council - Planning Services	2012
2	2,3	Implement M6 Heysham link road and re-route through traffic avoiding AQMA	Lancashire County Council	2014
3	2,3,4,6,9,11,12,18	Review highway traffic flow in/through Carnforth to identify opportunities for reducing total NOx emissions in AQMA	Lancashire County Council - Transport and Development Team	2015
4	7,10,15,17	Review car parking permission in Carnforth to identify opportunities for reducing total NOx emissions in AQMA	Lancaster City Council - Planning and Property Services	End 2010
5	14	Implement school and business travel plans to minimise travel by car	Lancashire County Council - School Travel Planning Team and Business Travel Planner	On-going
6	19	Modernise local bus fleet to low emission technology minimising NOx emissions in AQMA	Lancashire County Council - Public Transport Policy Group Manager	(TBC)

The combined effect of all six measures, if successfully completed, should be sufficient to achieve the air quality objective for nitrogen dioxide annual average concentrations. Fuller commentary on prospects for success is provided at section 8 of the draft action plan.

Following approval by members and before finalising the draft action plan, the council has a duty to carry out public and stakeholder consultation. There will be further opportunities during the

consultation to influence the final form and content of the Carnforth AQAP. The finalised version will also be submitted for member approval.

**CABINET**

**Options for Public Toilet Provision in the District from 2010/11**

**10 November 2009**

**Report of Head of City Council (Direct) Services**

<b>PURPOSE OF REPORT</b>			
To outline proposals for the toilet provision in the District.			
<b>Key Decision</b>	<b>X</b>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>
<b>Date Included in Forward Plan</b>		5 <sup>th</sup> October 2009	
<b>This report is public</b>			

**OFFICER RECOMMENDATIONS**

- (1) That Cabinet approves the plan for future provision of toilets as outlined in appendix B.
- (2) That the elements of the plan that do not require capital funding are implemented from April 2010.
- (3) That the capital growth required is considered as part of the budget process. Subject to value for money considerations and availability of capital funding, the elements of the plan that require capital funding are implemented as soon as capital funding is available and the plan is subsequently updated accordingly.
- (4) That authority to negotiate with Parish and Town Councils on possible transfer of toilets and management of toilets is delegated to the Head of City Council (Direct) Services in consultation with the Cabinet Member with special responsibility for CCDS.
- (5) That revenue and capital budgets are updated accordingly

**1.0 Introduction**

1.1 Cabinet (3 March 2009) resolved the following in relation to existing toilet provision in the District-

- (1) That the toilets remain open with the exception of Regent Road and those adjacent to the Dome, Morecambe and that savings be made from the following budgets:

£12,000 savings from the mothballing of the 2 public toilets located at Regent Road and those adjacent to the Dome, Morecambe.

(2) That the Parish and Town Councils be consulted as to whether they would be prepared to take over the toilets in the long term.

(3) That with regard to the Community Toilet Scheme the Council continues to discuss proposals for the use of toilets with local businesses.

- 1.2 The Public Health Act 1936 (Section 87) gives local authorities a 'power' to install 'public sanitary conveniences', but there is no 'duty' to do so. Provision of public conveniences does not directly feature as a priority within the Corporate Plan or Community Strategy.
- 1.3 The 2009/2010 revenue budget for this service area is £374,500. Following a previous review in 2005 over £300,000 of capital has been spent on improving toilet provision.
- 1.4 The capital investment in toilets has greatly improved facilities at key locations within the District. It has also highlighted both the poor state of the remaining toilets and the high relative costs of these toilets in terms of ongoing maintenance, vandalism and necessary services.
- 1.5 Current public toilet provision within the district is set out in appendix A.

## **2.0 Proposal Details**

- 2.1 Whilst owned and maintained by the City Council the majority of public toilets within the district are located within rural areas. The feedback from Parish and Town Councils in these areas is that they are well used and valued amenities. Many Parish Councils point to the use of toilets by day-trippers, cyclists and walkers. Annual estimated visitor figures to the District as a whole are 4.78million of which 919,000 are estimated to be visitors to the rural areas.
- 2.2 At this stage, and perhaps inevitably, no Parish Council has expressed a desire to take over the running of public toilets. The majority of Parish Councils do not think that the introduction of a community toilet scheme would work and in most cases have not been able to identify any businesses in their locality that want to take part. However, in Councils throughout the country there are numerous examples of Parish Councils successfully taking over the running of public toilets and community toilet schemes that work. In most of these cases it seems the Council has set out a clear strategy for the future of toilets before negotiating with Parish / Town Councils and businesses.
- 2.3 The toilets located in urban areas are well used and are often relied upon by both local people and visitors. Many due to health problems, plan their journeys out around proximity to public toilets.
- 2.4 Over the last few years a general direction of toilet provision has emerged, with provision being sited either at key locations for tourism or in the retail centres, for the benefit of the district and its visitors as a whole. This direction can be summarised as-
  - **Lancaster-** provide toilets in partnership with other providers- eg Marketgate, Bus station, Bulk St car park. Also allow others to provide toilets as part of planning process- St Nicholas arcade. This approach has led to adequate provision within Lancaster.

- **Morecambe-** determine best locations for toilets and invest in improving provision in those toilets. Close down surplus toilets (eg Bare prom, Dome, West End). There is adequate provision within Morecambe but there are still some issues that need to be resolved. Specifically-

Removal of surplus toilets- capital is required to demolish and reinstate.

The Festival market toilet is well located and used. It is very expensive to run. Conversion into a purpose built unit as per the Clock Tower and Library car park would require up front capital investment but would reduce ongoing running costs from £31K per annum to £11K per annum.

The Stone Jetty toilets are contained within the café (apart from the disabled unit). They are maintained by the Council. This arrangement causes ongoing problems. It would be better if negotiations took place with the café owner with a view to transferring management of these toilets to the café.

- **Rural areas-** In the other areas of the District we have a number of issues that need to be addressed-

All the facilities are in need of upgrade and considerable investment. Besides structural and cosmetic problems the buildings are compared to our new facilities inefficient in terms of use of water, energy and design.

At least one facility (Red Bank Shore) is currently closed because it is structurally unsafe and will require expenditure of £5-10K before it can reopen.

Some of the toilets are poorly located (Hest Bank).

Some of the toilets are an eyesore (Bolton Le Sands, Heysham Village) and detract from the surroundings.

Bull Beck and Glasson Dock toilets both located adjacent to established cycling and walking paths are very well used but in need of upgrading .

The toilets at Carnforth are well used but relative to some of the recently refurbished toilets expensive to maintain.

- **Williamson Park / Happy Mount Park-** both of these parks are well used and have an ongoing visitor programme. Happy Mount Park toilets have been recently refurbished and converted to pay as you go facilities. Williamson Park has three sets of toilets one of which is only open during the summer months. Toilet provision is currently being reviewed along with many other issues.

2.5 In order to address the issues outlined above a clear direction for the future of the District's toilets needs to be developed and agreed. What is clear is that status quo is not sustainable as the Council retaining the current toilet stock is not affordable. Therefore a clear plan is required that would-

- Build on the good practice already in place in Lancaster and Morecambe.
- Consider invest to save options to improve toilets in key locations.
- Reduce the Council's toilet stock in non key locations. Reduction could either be through closure / demolition or if requested transfer to the relevant Parish / Town Council with an appropriate annual grant and initial support in arranging the transfer.
- Consider the appropriateness of a community toilet scheme.

- Address any outstanding issues- eg surplus toilets.

2.6 Based on the issues raised above a plan has been included in Appendix B which sets out a timescale and indicative costs / savings of addressing these.

### 3.0 Details of Consultation

3.1 Parish and Town Councils have recently been consulted as to their views on the future of toilet provision these views have been fed into the report.

3.2 The views of individual members of the public have been considered and fed into the report.

3.3 The outcome of the report will be used to help inform the work of the Overview and Scrutiny Committee's Parish Council funding Task Group.

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

4.1

Option	Pros	Cons
1- Status quo	In the short term maintains existing levels of toilet provision.	<p>The condition of some of our toilets is already poor. Without investment they will further deteriorate to the point where they have to be closed for safety reasons (eg Red Bank Shore).</p> <p>Those toilets that have had capital investment show considerable savings in terms of ongoing maintenance, cost of electricity / water, reduced vandalism etc, compared with some of our older toilets.</p> <p>Maintaining status quo would, in the short term, satisfy some stakeholders. However, it doesn't create a position from which to take a planned look at toilet provision.</p>
2- Mothball a number of toilets in 2010/11	<p>It is estimated that revenue savings of approximately £100K could be made by mothballing toilets outside of the main visitor areas of Lancaster and Morecambe.</p> <p>£20K of this saving could allocated to a community</p>	<p>Would be seen as a kneejerk reaction to the current financial situation as opposed to a strategic decision.</p> <p>Even with £20K allocated to the community toilet scheme there is no guarantee that</p>

Option	Pros	Cons
	toilet scheme. If toilets were already mothballed it would make implementation of the scheme much easier.	businesses would sign up. There is even less guarantee that businesses in the areas most affected by the mothballing would sign up.  Mothballed toilets would further deteriorate and create further maintenance issues for future years.
3- Adopt the plan in Appendix B for the District's toilet provision.	A planned approach to toilet provision would allow the Council to plan future investment and service provision.  The plan proposes toilets in key locations that should be improved (Carnforth, Glasson, Bull Beck). However, it also identifies toilets in non key locations that should be closed or at the request of the Parish Council be considered for transfer (with an appropriate grant).	Could result in less toilet provision within the District.  Requires capital investment to realise full savings.

## 5.0 Officer Preferred Option (and comments)

5.1 The officer preferred option is option 3.

## 6.0 Conclusion

6.1 The report sets out a plan to sustainably manage toilet provision within the District.

### RELATIONSHIP TO POLICY FRAMEWORK

Toilet provision is not referred to directly within the Corporate Plan. However the proposals within the report do support the key actions-

- Improving the energy efficiency of our public buildings
- Implement Cycling Demonstration Town programme

Under the existing Capital Investment Strategy, investment in toilet provision would be allowable only where it is self-financing or investing to save, generally over a 5 year period, although longer periods may be allowable if appropriate. A report elsewhere on the agenda seeks Cabinet's initial views on reviewing these criteria.

**CONCLUSION OF IMPACT ASSESSMENT**

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

In preparing the report consideration has been given to relevant issues such as diversity, human rights, sustainability and rural proofing.

**FINANCIAL IMPLICATIONS**

The 2009/10 approved revenue budget includes £374,500 for the provision of public toilets within the District. Currently 3 full time direct staff are employed on this function of cleansing

The latest Capital Programme, as approved by Cabinet on 28<sup>th</sup> July 2009, includes the sum of £100,000 within 2010/11 for toilet improvements. However, it should be noted that the capital programme is reliant on a projected level of capital receipts which may or may not be received.

Option 1 (status-quo) would see no change to the budget requirement and therefore generate no savings but may lead to closure of some toilets for safety reasons.

Option 2 would see the mothballing of toilets outside of the urban core which would generate savings of approximately £100,000 of which a proportion would be re-invested in the community toilet scheme.

Option 3 (as detailed in Appendix B) provides a phased plan of closure and conversion of existing toilets. The plan is largely reliant on capital investment to realise potential savings and should this not be available then the actions of the plan that do not require capital will be implemented and the plan will be amended accordingly. A financial appraisal over 7 years has been formulated and is summarised as follows.

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Savings							
- Independent of Capital	-60	-45	-45	-45	-45	-45	-45
- Dependent on Capital	-5	-21	-26	-37	-38	-44	-44
Capital Required	100	90	90	60	90	100	0

If all revenue savings were to be re-invested then the project would be self-financing within seven years and after that period only revenue savings would occur. That said, the capital investment criteria would need to be considered and met, not least to ensure that value for money was being achieved. This would be done as part of the budget exercise. As an example, the plan includes for the refurbishment of particular toilets such as Festival Market, Carnforth, Bull Beck and Glasson Dock, but the provisional costings would indicate that for some of these, the payback periods would be very lengthy – well outside of existing capital investment criteria. Members can change such criteria to include investment in toilets if they feel it would be appropriate to do so, but affordability is still a major issue and also the Council still has a duty to achieve value for money.

Options 2 and 3 would see a reduction in staffing to 1 full time direct member of staff. It is anticipated that there would be no redeployment/redundancy issues as the staff will be



redirected within the cleansing function through natural wastage or a direct reduction to the contracted services budget.

**SECTION 151 OFFICER'S COMMENTS**

The proposals would achieve revenue savings to help with the 2010/11 budget, and would allow the capital investment plans to be considered alongside other growth bids, and in context of the Council's priorities and its financial prospects.

**LEGAL IMPLICATIONS**

Any transfer of property will be completed by the Council's legal services

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

[Click here and type list of background papers

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**APPENDIX A- Current Toilet Provision****Appendix 1- Current Provision of Public Toilets**

<b>Location</b>	<b>Notes</b>
St Nicholas Arcade- Lancaster	Operated by St Nicholas Arcade- <b>No cost to the Council</b>
Bulk St car park- Lancaster	Operated by Adshel- <b>No cost to the Council</b>
Marketgate- Lancaster	Operated by Marketgate as part of original planning agreement- Council pays an amount for cleaning and maintenance. Also liable for half of any capital improvements. Refurbishment completed this year.
Bus Station- Lancaster	Council pays an amount cleaning and maintenance. Part of original agreement when bus station built.
Williamson Park- Lancaster	3 sets of toilets within the park. Currently the costs of operating these toilets are not included within the £374.5K annual revenue budget for public conveniences. The actual costs of operating these toilets are being established.
<ul style="list-style-type: none"> <li>• Happy Mount Park – Morecambe</li> <li>• Clock Tower- Morecambe</li> <li>• Library Car Park- Morecambe</li> </ul>	Newly refurbished 'pay as you go' toilets operated by Danfo. Council pays annual amount of for cleaning, maintenance etc. All income retained by Council
West End Gardens- Morecambe	New facility open to public maintained by Council open daily.
Stone Jetty- Morecambe	Located within Stone Jetty café but maintained by Council as a public toilet- available all year round.
Dome- Morecambe	CLOSED
West End toilets- Morecambe	CLOSED
Festival Market- Morecambe	Public toilets attached to Festival Market open daily. Due for minor refurbishment this year.
Bus Station- Morecambe	CLOSED
Heysham Village	Maintained by Council
Sunderland point	Maintained by Council
Glasson Dock	Maintained by Council
Cockerham	Maintained by Council
Silverdale	Maintained by Council
Warton	Maintained by Council
Red bank shore	CURRENTLY CLOSED AS STRUCTURAL REPAIRS ARE REQUIRED
Carnforth	Maintained by Council
Bolton Le Sands	Maintained by Council
Hest Bank	Maintained by Council
Bull Beck	Maintained by Council
Victoria Institute- Caton	Toilets owned by Caton Parish and cleaned by Council
Conder Green	Provided by Lancashire County Council
Crook O'Lune	Provided by Lancashire County Council

## APPENDIX B

## Toilet Provision 2010/11 onwards- Plan

Year	Actions	Revenue Imps £ (From implementation)	Capital Imps £
2010/11	Refurbish Festival Market Toilets to pay as you go facility	1- (5,000) 2- (20,000) 3- (20,000) 4- (20,000) 5- (20,000)	100,000
	<b>Retain</b> – Marketgate, Lancaster Bus Station, Happy Mount Park, Clock Tower, Morecambe Library, Glasson Dock, Carnforth, Bull Beck, West End Gardens	neutral	
	<b>Close</b> - Sunderland point, Cockerham, Silverdale, Warton, B-L-S, Hest Bank (canal), Hest Bank (shore), Red Bank, Heysham Village  Or  Transfer toilets to requesting Parish Councils. Provide annual grant at an appropriate level	1- (60,000) 2- (65,000) 3- (65,000) 4- (65,000) 5- (65,000)  Saving reduced based on level of grant provided	
	Negotiate with Caton Parish Council and Stone Jetty owners on provision of toilets in those buildings	Subject to outcome of negotiations	
	Consider reduction of toilet provision in Williamson Park as part of overall reviews	Subject to review	
2011/12	Refurbish Carnforth Toilets to pay as you go facility	1- (1,000) 2- (5,000) 3- (5,000) 4- (5,000) 5- (5,000)	90,000
	Implement community toilet scheme in areas where there is now a shortfall	1- 20,000 2- 20,000 3- 20,000 4- 20,000 5- 20,000	
2012/13	Refurbish Bull Beck to pay as you go facility	1- (1,000) 2- (5,000) 3- (5,000) 4- (5,000) 5- (5,000)	90,000

Year	Actions	Revenue Imps £ (From implementation)	Capital Imps £
2013/14	Demolish / reinstate surplus toilets in Morecambe	Ongoing revenue saving of – (7,400)	60,000
2014/15	Refurbish Glasson Dock to pay as you go facility	1- (1,000) 2- (2,000) 3- (2,000) 4- (2,000) 5- (2,000)	90,000
2015/16	Demolish / reinstate surplus toilets in District	Ongoing revenue saving dependent on transfers but up to (5000)	100,000

Note the plan assumes availability of capital to realise some revenue savings. If capital is not available the actions of the plan that do not require capital will be implemented and the plan will be amended accordingly.

**CABINET**

**Pilot – Alternative Parks Management Model  
Highfield Recreation Ground**

**10 November 2009**

**Report of Corporate Director (Regeneration)**

<b>PURPOSE OF REPORT</b>			
To seek Cabinet’s approval for a “Community Partnership Management Model” between Lancaster City Council and the Gregson Community Association in respect of Highfield Recreation Ground.			
<b>Key Decision</b>	<b>X</b>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>
<b>Date Included in Forward Plan</b>		<b>October 2009</b>	
<b>This report is public</b>			

**RECOMMENDATIONS OF COUNCILLOR JUNE ASHWORTH**

- (1) To approve the granting of a lease of Highfield Recreation Ground to the Gregson Community Association on terms to be agreed by the Head of Property Services, the Head of Financial Services, and the Head of Cultural Services.
- (2) To authorise the Head of Cultural Services to enter into a Service Level Agreement (SLA) with the Gregson Community Association to deliver services at Highfield Recreation Ground for the benefit of the local and wider community, subject to the approval of the terms by the Head of Legal and HR and Head of Financial Services.
- (3) That if Option 2 is agreed the General Fund Revenue Budget is updated during the current budget process.

**1.0 Introduction**

1.1 Following adoption of the Parks and Open Spaces Strategy in 2004 [Minute 137 (04/05) refers], Cabinet on the 11<sup>th</sup> December 2007 received a Parks and Open Spaces Strategy - Update [Minute 80 (07/08) refers]. At that time Cultural Services was given approval to progress the “partnership” proposals in respect of Highfield Recreation Ground (community) and Happy Mount Park (commercial), with a view to bringing either or both proposals forward to a future meeting of Cabinet for final consideration and approval. This report brings forward proposals specifically in respect of a possible “community” partnership management model for Highfield Recreation Ground. Existing working arrangements in respect of the “commercial”

partnership management model (in respect of Happy Mount Park) have been in place for some years, and discussions about possible further development proposals are ongoing. Any outcome proposals will be forwarded to a future meeting of Cabinet for final consideration and approval.

## **2.0 Proposal**

- 2.1 Following from the above Cultural Services has been in dialogue with Highfield Regeneration Partnership (HRP), a friends group established by local users and residents whose aim is to regenerate the park at Highfield in Lancaster and increase usage by accessing external funding to improve the existing facilities and to deliver a new programme of activities for the whole community.
- 2.2 Initially, HRP was not a constituted group and had little or no experience of writing and submitting funding bids or managing large scale capital projects of this nature. However, as current users and residents they do have a vested interest in improving the park and are keen to be involved in this process.
- 2.3 Highfield Recreation Ground is currently managed by Cultural Services and maintained by CC(D)S, but it has been in decline for some years. The tennis courts are unusable, the pavilion is in serious need of repair and the park is generally in very poor condition and therefore under used. The report makes clear that the current level of maintenance is provided through CC(D)S, and would continue. All parties are aware that should the maintenance position change as a result of external capital funding, then any associated revenue costs would need to be considered as part of any external funding bids/agreements and fed into the annual review of the SLA, on the basis that no additional costs fall upon the Council.
- 2.4 There is a bowling club that use the park on a regular basis. However membership is also declining because of the poor condition of the park and problems with anti-social behaviour and juvenile nuisance issues in the general vicinity and this is having a negative impact on the Council's existing annual £400 income budget.
- 2.5 A couple of years ago Cultural Services assisted by project managing the provision of a small games area (half-court basketball and mini-football goal) and Teen Meet/Youth Shelter near to this park wholly funded by Community Safety Partnership grant, which has proved popular with children and young people. However, this on its own is not enough to address the issue of bored young people who complain of nothing to do.
- 2.5 HRP, Lancaster City Council's Cultural Services and Lancashire County Council have worked closely together to undertake consultation with the local and wider community with a view to establishing what it is people would like to see provided. This information has helped shape a plan for the park, produced for HRP by the County Council.
- 2.7 The plan sets out what improvements are required to bring the park back into use. This includes re-instating the tennis courts as Multi Use Games Areas where people can play tennis, basketball, netball and five-a-side football, improving the fencing/security of the park, improving disabled access/access in general (paths), installing a drainage system in the grass area next to the park so that football and other games can be played all year round and bringing back into full use the pavilion.

- 2.8 HRP also wants to encourage more groups/clubs and schools to use the new facilities and they want to develop new activities for the local community to take part in.
- 2.9 In order to achieve these aims it was important to recognise that external funding would need to be secured and that many funding opportunities are not always open to the local authority. With this in mind Cultural Services has encouraged the HRP to become a constituted group and have developed this group so that they have the potential to take a leading role in the future management and development of the park (HRP would be able to submit funding bids with Cultural Services support).
- 2.10 Working with Cultural Services and other City Council services, including CC(D)S and Property Services, issues around lease agreements, maintenance, public liability insurance, project management, writing funding bids, programming, booking systems, risk management etc. have been discussed in great detail. HRP are very keen to see the project develop but are also concerned about the scale of the project and the potential level of responsibility that they would be taking on.
- 2.11 With this in mind HRP entered into discussions with the Gregson Community Association (an existing, long-established, and successful Community Association) with a view to them taking on the lead responsibility for this project. After several meetings which included discussions with Cultural Services, HRP became a sub-group within the Gregson Community Association.
- 2.12 From that point, all further discussions have included representatives for the Board of Trustees of the Gregson Community Association and HRP. Cultural Services has developed a draft Service Level Agreement that clearly sets out what the Council expects of the Gregson Community Association in terms of managing Highfield Recreation Ground and what ongoing support the City Council would provide e.g. maintaining the park within existing budget levels. Property Services has developed proposed terms and conditions for a 20 year lease for the park at a peppercorn rent, as this is something that potential external funders would expect to see in place before they would consider any funding bid. Under the Council's Constitution the Head of Property Services has no delegated powers to grant a lease for land and property under the control of another Service Head.

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

The following options have been considered

Options	Approach	Advantages	Disadvantages	Risks
<b>Option 1</b>	Do not enter into a lease agreement or Service Level Agreement with the Gregson Community Association.	No additional work required.	<p>Park remains in very poor condition and continues to decline.</p> <p>Council on its own are unable to access external funding to improve the park.</p> <p>Park is under utilised by the local and wider community and the area continues to suffer from issues around anti social</p>	

			behaviour and vandalism.  Still requires staff time to manage the existing park and to maintain it.	
<b>Option 2</b>	Enter into a lease agreement and service level agreement with the Gregson Community Association.	Potential funding opportunities accesses to improve the park.  Use of the park increase at no additional cost to the Council.  More opportunity for young people to participate in positive activities resulting in a potential reduction in anti social behaviour and vandalism.	Some additional work required to manage the lease agreement and service level agreements, although partly offset by reduced operational management of grounds itself.	External funding can not be secured to improve the park.  Gregson Community Association terminate the agreement which might result in an issue of claw back for themselves in terms of external funding if any funding is secured and the potential for additional maintenance costs falling upon the Council.

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

4.1 Option 2 is preferred as it will allow much needed improvements to the park to be achieved, subject to successful funding applications and will lead to an increase in the use of the park by local residents and the wider community. In turn this should contribute to addressing issues around anti-social behaviour and vandalism.

**5.0 Conclusion**

5.1 This project provides a first model of a park managed via a Community Partnership Model, as set out in the Parks & Open Spaces Strategy. If successful, subject to monitoring of the SLA, this may be a prelude to further similar projects that have benefits to the local community and the City Council.

**RELATIONSHIP TO POLICY FRAMEWORK**

This project supports the Council's priority "Support our local Communities" objective - To work in partnership with others to meet the differing needs of communities within our district.

**CONCLUSION OF IMPACT ASSESSMENT**

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

This project contributes to Community Safety, by addressing issues of anti-social behaviour and juvenile nuisance as well as Sustainability via partnership working.



## **FINANCIAL IMPLICATIONS**

If Members support option 2 and the 'Gregson' are successful in securing improvements to the park, then this could have funding implications in terms of an increase in future maintenance and renewal costs. The Service Level Agreement will clearly need to state that the Council must be able to pre-approve all funding applications in accordance with our own corporate internal appraisal arrangements and issues such as increased maintenance must be agreed at this stage by both parties. At this time although it is expected that the Council will continue to provide maintenance support within existing budget levels (approximately £8,500 per annum), any additional costs will need to fall upon the 'Gregson' and / or external funders. The annual review of the SLA will include the potential for the Council to reduce its maintenance liability in the future subject to the success of the 'Gregson'.

The income currently taken from the bowling club (approximately £400 per year) would be lost as all income taken at the park would be retained by the Gregson Community Association and re-invested back into the park. Again this would need to be monitored as part of the annual review of the Service Level Agreement. The General Fund Revenue Budget will also need to be updated accordingly as part of the current budget process. It should be noted however that the Council risks losing this income source in any case as the grounds continue to deteriorate.

On the basis that the Council will lease the Highfield Recreational Ground to the 'Gregson' at a peppercorn rent there will be VAT implications for the Council arising from subsequent capital works carried out by the 'Gregson'. Although a VAT registered charitable organisation, the 'Gregson' will need to obtain their own independent VAT advice prior to entering into any contractual agreement so that it is clear whether they are able to recover all related capital VAT expenditure or whether it needs to form part of the overall capital funding bids. Cultural Services have discussed this element with the 'Gregson' and they are aware of their responsibility to do so and indeed have experience of this issue with previous community type projects they've undertaken.

In relation to the proposed lease arrangements there are several factors to consider, particularly in the light of the change to International Financial Reporting Standards (IFRS) from 2010-11 onwards. This requires that the land and building elements of any lease are split and considered separately. The land element would form an operating lease which poses no additional accounting issues for the Council. The building element may be treated as a finance lease. This would have the consequence that it would come off the Council's balance sheet to be replaced by a long term debtor. This would influence the ability to use the lease income relating to the buildings, which would be classified as part interest payment and part capital receipt. However, this classification will depend on the value of the lease payments and where the balance of risks and rewards relating to the buildings sits, all considered in the context of the building's useful economic life. Property services would need to give a fair valuation of the land and buildings on the site, as well as an indication of the remaining life of the buildings at the inception of the lease, in order to perform this classification.

It is also recommended that the content of the Lease and SLA agreements are agreed with the Head of Legal and HR and Head of Financial Services prior to contractual commitment being entered into to ensure that the Council is protected regarding relevant legal and accounting transactions and that there is appropriate consultation with both Services in relation to annual review of the SLA thereafter.

**SECTION 151 OFFICER'S COMMENTS**

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

**LEGAL IMPLICATIONS**

The comments made in the final sentence of the Financial Implications of this report concur with the views of Legal Services in respect of the preferred option.

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and her comments incorporated in the report.

**BACKGROUND PAPERS**

None

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**CABINET**

**Allocation of Affordable Housing S106 contributions  
10 November 2009**

**Report of Head of Planning Services**

<b>PURPOSE OF REPORT</b>				
To agree the policy for allocating funding from Section 106 commuted sums for the delivery of additional affordable housing in the district and to consider the process for determining applications for funding by approved housing providers.				
<b>Key Decision</b>	<b>X</b>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>	
<b>Date Included in Forward Plan</b>		October 2009		
<b>This report is public</b>				

**RECOMMENDATIONS OF COUNCILLOR KERR**

- (1) To adopt the policy as a framework to define how any spending of Section 106 monies designated for affordable housing would be evaluated and managed.
- (2) Having adopted the policy as a framework, to note that the determination of allocations of the monies will be made by Individual Cabinet Member Decision by the portfolio holder for Health and Wellbeing.
- (3) To authorise the Head of Financial Services to update the Capital Programme to reflect any decisions taken under (2) above, subject to there being a nil impact on the Council’s resources outside the allocated commuted sums.

**1.0 Introduction**

- 1.1 To help secure complements or contributions towards affordable housing the council negotiates with developers and their planning agents. Generally complements of affordable housing are secured, through legal agreements, on the same site as market housing; less frequently the council accepts payments from developers in lieu of affordable housing on site, these monies are known as commuted sums. The negotiations are formalised through a legal agreement – known as a Section 106 Agreement.
- 1.2 The Section 106 Agreement will state at which point in the development the cash sum will be handed over to the city council. The council holds and manages these

commuted sums until they can be distributed in the form of grants to affordable housing providers. The council is now in receipt of such monies from two developments and a process must be established on how to use this money to provide additional affordable housing. A draft policy and procedure is attached in Appendix A for approval.

- 1.3 Various conditions can be attached to the spending of the contributions including in what part of the district the money must be spent and/or a timescale as to when it should be used. One of the contributions already received by the city council has both of the above conditions attached, and the other is time limited. If the council fails to satisfy the conditions the money will have to be returned to the developer.

## **2.0 Proposal Details**

- 2.1 The council must establish a process in allocating the monies to approved housing providers; generally these would be Registered Social Landlords (RSLs) including Housing Associations in order that additional affordable housing is delivered in the district.
- 2.2 Some potential development opportunities need to be agreed quickly. It is with this in mind that a proposal is being made that following negotiations by the Head of Planning Services, decisions about giving grants to affordable housing providers, will be made by Individual Cabinet Member Decision by the portfolio holder for Health and Wellbeing.
- 2.3 The process for granting the Section 106 commuted sums would be with reference to the Council's corporate appraisal arrangements. Discussions to ensure that the proposed process addresses identified corporate targets and is subject to regular corporate reporting arrangements have been had with the Programmes & Funding Manager.
- 2.4 The Head of Financial Services is requested to update the Capital Programme to include the Section 106 commuted sum funding programme, which will be revised further as specific allocations are made. This is subject to there being a nil impact on the Council's resources outside the allocated commuted sums. Financial management of the funding programme will supported via regular reporting by the Head of Planning Services and in liaison with the Programmes & Funding Manager.

## **3.0 Details of Consultation**

- 3.1 Forward planning officers, Cllr Kerr, Cllr Blamire, legal and finance officers were consulted.

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

- 4.1 Option 1 – Agree the policy and procedure and note that once this framework has been approved, allocations will be made by way of Individual Cabinet Member Decision. The risk associated to this is that in some instances there may be a conflict of interest, but this can be addressed by the decision being referred to Cabinet.
- 4.2 Option 2 – Agree the policy and procedure and reserve decisions about allocations to Cabinet. The risk with this process is that there may be occasions when a decision is needed before the next available Cabinet meeting. In the event that Option 2 is preferred, the draft procedure would require minor amendment.

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

- 5.1 Officers preferred option is 1. This will allow a response to be given to applications in a timely manner.
- 5.2 Where there is a conflict of interest for the Member involved or if the Member would prefer the decision to be referred to Cabinet, there is provision in the Constitution for this.
- 5.3 An open book approach by RSLs must be taken to ensure there is transparency in the allocation of the funds.
- 5.4 In order that sustainable communities are developed in some instances it may be necessary for the approved housing provider to produce a local lettings plan. These can be used in areas where there are known problems and the council and partner agencies are working to address the issues. The plans can be used to ensure that there is no overcrowding in a property, there are no persons allocated the properties that are known to have caused anti social behaviour in the past and to balance the allocations to people who are economically active and to those unable to work. These are only examples and local lettings plan must address the individual issues of an area.
- 5.5 All developments that have received funding from the commuted sum will provide 100% nominations from the council's housing register (waiting list). If there is a local lettings plan in place the nominees must meet the criteria set out in the plan.

**6.0 Conclusion**

- 6.1 A process must be agreed to spend the commuted sums on additional affordable housing and it is requested that cabinet members approve the draft Policy and determine the process for the making of allocations.

**RELATIONSHIP TO POLICY FRAMEWORK**

**Corporate Plan 2009-2012** Objective 6 of is to improve the standard, availability and affordability of housing in the district to meet local needs. This is measured by Key Target NI155 - Number of affordable homes delivered (gross) and is addressed by Key Action 6.1 in the Lancaster District Local Strategic Partnership's Health & Well Being Thematic Group action plan – "Provide affordable housing in accordance with the Housing Strategy and Local Development Framework".

**Housing Strategy** priority 2 target is to produce a protocol for spending commuted sums and deliver affordable homes in partnership with the Housing Corporation (now the Homes and Communities Agency).

**Core Strategy** Meeting the affordable housing requirements of the district is set out in Policy SC4 and informed by the housing needs study endorsed by the planning policy cabinet liaison group on 14 February 2008.

**CONCLUSION OF IMPACT ASSESSMENT**

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

Equality, Diversity and sustainability implications have been taken into consideration in the production of the housing needs study which will be used to inform the type and tenure of housing to be funded.

All RSLs are committed to ensuring that the allocations of affordable housing are in accordance with their equality and diversity policies.

**FINANCIAL IMPLICATIONS**

Financial Services have been consulted. If the commuted sums are not allocated in accordance with the conditions set out in the Section 106 agreement the monies will have to be returned to developers.

Officers of the Forward Planning Team will be responsible for monitoring the budget of the monies and ensuring that Financial Services are provided with the information to keep the capital programme up to date.

**SECTION 151 OFFICER'S COMMENTS**

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

**LEGAL IMPLICATIONS**

Legal Services are content with the content of the report and policy

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and her comments are incorporated in the report.

<b>BACKGROUND PAPERS</b>  None	<b>Contact Officer:</b> Maurice Brophy <b>Telephone:</b> 01524 582330 <b>E-mail:</b> mbrophy@lancaster.gov.uk <b>Ref:</b>
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*Promoting City, Coast & Countryside*

## LANCASTER CITY COUNCIL

### POLICY TO DEFINE HOW SPENDING OF SECTION 106 MONIES DESIGNATED FOR AFFORDABLE HOUSING ARE EVALUATED AND MANAGED



## CONTENTS

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## **1. Introduction:**

Lancaster City Council holds Section 106 funding in an account ring-fenced for the purposes of supporting the development of Affordable Housing<sup>1</sup>.

To help secure complements or contributions towards affordable housing the council negotiates with developers and their planning agents. Generally complements of affordable housing are secured on the same site as market housing; less frequently the council accepts payments from developers in lieu of affordable housing on site, these monies are known as commuted sums. The negotiations are formalised through a legal agreement – know as a Section 106 Agreement. The Section 106 Agreement will state at which point in the development the cash sum will be handed over to the city council. Some funds have restrictions placed upon how and where the monies can be spent. For example, sometimes Section 106 contributions are restricted to be spent on Affordable Housing in the same area as the market development.

This document sets out a clear policy and process to identify how the capital funds are evaluated and managed and thereby ensures a consistent and transparent approach to allocating and spending the designated funds.

## **2. Aim:**

To evaluate requests for funding against the criteria set by Lancaster City Council to make best use of the funds to meet the need for Affordable Housing.

Objective 6 of the city council's corporate plan aims to improve the standard, availability and affordability of housing in the district to meet local needs. The city council's adopted Core Strategy of 2008 sets annual targets for the development of additional affordable housing.

## **3. Criteria:**

In order to be considered for the allocation of Affordable Housing, capital funds, proposals submitted to the Forward Planning Team for consideration, should consist of one of the following criteria.

1. Enabling the delivery of Affordable Housing on Lancaster City Council owned land.
2. Enabling the delivery of Affordable Housing in rural areas, where costs per unit are often higher than in urban areas (for example sewerage may require septic tanks).
3. Unlocking the delivery of Affordable Housing on sites which provide units to meet a proven housing need that have stalled due to the financial climate or, where there is a gap between the funding available to a Registered Social Landlord's (RSL) and funding available from the Homes and Communities Agency (HCA), to make a development viable.

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<sup>1</sup> Affordable Housing is defined in Planning Policy Statement 3 "Housing", (PPS3) published in November 2006 by the CLG (Department for Communities and Local Government). This definition may, over time, be subject to revision.

4. Creating a partnership with the Council to provide additional Affordable Housing in the District.
5. Contributing towards bringing empty properties back into use for temporary accommodation or providing additional Affordable Housing.

**4. Sites that do not qualify for the Affordable Housing funds:**

1. Sites providing Affordable Housing which do not appropriately meet housing needs identified by Lancaster City Council's Housing department.
2. Sites not providing Affordable Housing.
3. Sites where the Affordable Housing does not meet HCA standards at that time.

**5. How requests for funding will be made:**

1. An RSL, developer or the Local Authority Officer identify a potential site requiring funding and notify the Local Authority's Forward Planning Team by telephone, email or letter.
2. The RSL, developer or Local Authority Officer will provide information about any other sources of funding they have received, hope to receive or will be making an application for funding and perceived likely outcomes of these.
3. Where site viability is an issue, developers and/or RSLs will provide information for the site to be evaluated on an open book basis and in agreement with planners..

**6. How requests for funding will be considered:**

1. The Housing Strategy Officer will assess the request for funding against the agreed criteria listed in Section 3 of this policy.
2. The RSL/developer must demonstrate that they have pursued other forms of funding before requesting that Council funds be invested and that the investment of those funds will not reduce the proportion or availability to access other public subsidy available.
3. All of the information detailing the site, number and type of units to be provided, including Affordable Housing units, other sources of funding approached and outcomes or predicted likely outcomes of this will be provided to the Strategy and Development Officer.
4. All of the information listed in no's 2 and 3 above will be assimilated into an Individual Cabinet Member report.
5. The Housing Strategy Officer will make a recommendation whether to agree to release the funding or not, taking account of internal appraisal requirements. The portfolio member will make the decision, but in the event of a conflict of interest, or if the Cabinet member otherwise so requests, a report will be put to Full Cabinet for decision.

**7. Other considerations:**

1. An open book approach must be taken by all parties.
2. Should there be a number of applications meeting the criteria in section 3, priority will be given to the application providing best value and bringing the highest benefit to the district.
3. Where justified the RSL will create a local lettings plan for the development.
4. All units will be Affordable Housing in perpetuity and 100% will be allocated from Lancaster City Council's housing register.
5. Applications by RSLs offering 100% nominations through the emerging Choice Based Letting Scheme will be given priority.

**8. How requests for funding will be confirmed:**

1. The Housing Strategy Officer will inform the applicants of the final decision by email or letter.

**9. Monitoring and Evaluation**

1. The Head of Financial Services will be requested to update the Capital Programme to include the Section 106 funding programme. This is subject to there being a nil impact on the Council's resources outside the allocated commuted sums. This will need to be updated as and when specific allocations are made. Financial management of the funding programme will be supported via regular reporting by the Head of Planning Services and in liaison with the Programmes & Funding Manager.
2. The process for granting the Section 106 commuted sums will be conducted with reference to the Council's corporate appraisal arrangements and will address identified corporate targets and be subject to regular corporate reporting arrangements in liaison the city council's Programmes & Funding Manager.
3. The process will be monitored regularly for effectiveness and will be reviewed annually.

**CABINET**

**Prosecution under the Regulatory Reform (Fire Safety) Order 2005**

**10th November 2009**

**Report of the Monitoring Officer**

<b>PURPOSE OF REPORT</b>			
This report is submitted to Cabinet in accordance with the Monitoring Officer's duties under section 5A of the Local Government and Housing Act 1989 to inform the Cabinet of a contravention of the Regulatory Reform (Fire Safety) Order 2005 in the course of the discharge of the Council's functions on behalf of the executive.			
<b>Key Decision</b>	<input type="checkbox"/>	<b>Non-Key Decision</b>	<input type="checkbox"/>
		<b>Referral from Statutory Officer</b>	<b>X</b>
<b>Date Included in Forward Plan</b>	N/A		
<b>This report is public</b>			

**OFFICER RECOMMENDATIONS**

- (1) That Cabinet consider the Monitoring Officer's report, and, in accordance with Section 5A(8) of the Local Government and Housing Act 1989, prepare a report specifying what action, if any, Cabinet has taken or proposes to take in response to the report, and its reasons.

**1.0 Introduction**

- 1.1 Section 5A of the Local Government and Housing Act 1989 provides that it shall be the duty of the Monitoring Officer, if at any time it appears that any proposal, decision or omission in the course of the discharge of functions by or on behalf of the authority's executive has given rise to a contravention of any enactment or rule of law, to prepare a report to the executive of the authority with respect to that proposal, decision or omission. Having prepared such a report, the Monitoring Officer is required to arrange for a copy to be sent to each member of the authority.
- 1.2 This report is submitted to Cabinet under Section 5A of the 1989 Act, following the Council's conviction at Lancaster Magistrates' Court on the 9th October 2009 in respect of three breaches of the Regulatory Reform (Fire Safety) Order 2005. These related to a fire at 56 Chatsworth Road, Morecambe, a property held by the Council in the exercise of its executive functions.

- 1.3 A copy of this report has been sent to all members of the Council. Following consideration of the report, Cabinet is required by Section 5A(7) of the 1989 Act to prepare a report specifying what action (if any) it has taken or proposes to take in response to the report, and its reasons for taking such action or, as the case may be, for taking no action. A copy of that report must be sent to the Monitoring Officer and all members of the Council.

## **2.0 Background**

- 2.1 On the 18th February 2005, the Council entered into a Management Agreement with Adactus Housing Group in respect of a number of properties owned by the Council, some occupied and some vacant. Under the agreement, the Council appointed Adactus "to be its agent and to perform Management Services" There was a duty on Adactus to carry out day to day planned and responsive repairs to the value of £250 per repair. Other planned works such as replacement of windows, doors, central heating and boiler remained the responsibility of the Council.
- 2.2 By a letter of the 24th May 2007, the Council asked Adactus to add 56 Chatsworth Road to the Management Agreement. There was no written acknowledgement of the request, but Adactus was collecting rent (one of its responsibilities as management agent) in respect of Flats 1 and 2 from July 2007 and in respect of Flat 3 from February 2007.
- 2.3 On the 1st March 2008, there was a fire at 56 Chatsworth Road. No one was injured, but during the subsequent investigations, it emerged that there was no fire risk assessment for the property, the fire alarm was not in working order, nor was the self-closing device on the first floor staircase, and the lock on the entrance door to upper floors could not be opened easily in an emergency. Prosecution proceedings were subsequently brought against the Council by the Lancashire Fire and Rescue Service in respect of these breaches of the Regulatory Reform (Fire Safety) Order 2005, and also for failure to co-operate with Adactus in order to enable compliance. Similar proceedings were brought against Adactus.
- 2.4 On receipt of the summons in August 2009, Counsel's advice was obtained, and this was that it would appear to be all but impossible to successfully defend the prosecution, and that it would be in the best interests of the Council to enter guilty pleas to some or all of the five charges at the earliest opportunity.
- 2.5 At the hearing before Lancaster Magistrates' Court on the 9th October 2009, the Council entered guilty pleas to three of the charges, and Adactus to two. The Council was fined £3000, and ordered to pay prosecution costs of £2728, and victim surcharge of £15.
- 2.6 In the light of the fire and the subsequent proceedings, officers have been concerned to ensure that a similar situation does not arise in the future. Under the Management Agreement with Adactus, there was only one tenanted property still being managed by Adactus. That property is at 67 Clarendon Rd and following the fire at 56 Chatsworth Road a risk assessment was carried at 67 Clarendon Road so as to comply with the Regulatory Reform (Fire Safety) Order 2005. The property will shortly be empty and will then fall outside the scope of the Order.
- 2.7 Arrangements are also being made for the following clause to be included in all relevant contracts and agreements:

"The Management Company shall ensure that its staff or contracted workers comply with all legal requirements concerning health and safety legislation and regulations in connection with the Project and shall make available to Lancaster City Council copies of any relevant Health and Safety Certificates, records or documents. Furthermore, the Management Company shall ensure that it complies with all legal requirements and regulations as set out in the Regulatory Reform (Fire Safety) Order 2005 and any other fire safety regulations and statutory duties in force or that do come into force in connection with the Project Building and the Site. For the avoidance of doubt the Management Company shall be the 'responsible person' for the purpose of the Regulatory Reform (Fire Safety) Order 2005 for the duration of the Building Contract."

2.8 It is hoped that these arrangements will prevent any similar problems arising, and to that extent the Council will have learned important lessons from this prosecution. Clearly fire safety should be of paramount importance in all properties for which the Council has responsibilities.

**3.0 Details of Consultation**

3.1 In preparing this report, the Monitoring Officer has, in accordance with Section 5A (5)(a) consulted with the Chief Executive as head of the paid service, and with the Section 151 Officer.

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

4.1 The Cabinet has a statutory duty to consider the report and to report to the Monitoring Officer and all members of Council on the action (if any) it has taken or proposes to take, and its reasons. This is a matter for Cabinet, but Cabinet may wish to consider noting and endorsing the action taken by officers as set out in paragraphs 2. 6 and 2.7.

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

5.1 There is no preferred officer option, as the relevant legislation requires Cabinet to prepare its own report following consideration of the Monitoring Officer's report.

**6.0 Conclusion**

6.1 Cabinet is requested to consider the Monitoring Officer's report.

**RELATIONSHIP TO POLICY FRAMEWORK**

None

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

None

**FINANCIAL IMPLICATIONS**

The fine has been paid from the Winning Back the West End Property Account budget and will be incorporated into the 2009/10 budget as part of the 2010/11 budget process. Work is ongoing to identify where funds can be vired from, in order to meet the cost.

**SECTION 151 OFFICER'S COMMENTS**

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

**LEGAL IMPLICATIONS**

Legal Services dealt with the prosecution, and instructed Counsel to advise and represent the Council.

**MONITORING OFFICER'S COMMENTS**

The report is submitted in accordance with the Monitoring Officer's duties under Section 5A of the Local Government and Housing Act 1989.

**BACKGROUND PAPERS**

None

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**Ref:**



**CABINET**

**Lancaster District Community Safety Spending Plan 2009-2011  
10 November 2009**

**Report of Community Safety Partnership/LDLSP Safety Theme Group**

<b>PURPOSE OF REPORT</b>				
To consider whether Lancaster City Council continues to act as Accountable Body for the Community Safety Partnership for the length of the Community Safety Plan.				
<b>Key Decision</b>	<b>X</b>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>	
<b>Date Included in Forward Plan</b>		<b>21<sup>st</sup> October 2009</b>		
<b>This report is public</b>				

**RECOMMENDATION OF COUNCILLOR THOMAS**

(1) That Council continues to act as accountable body for the Community Safety Partnership for the length of the Community Safety Plan and the 2009/10 and 2010/11 Revenue budget is updated accordingly to reflect the spending plans. In agreeing to remain as the Accountable Body, it is noted that the Programme Team currently in Economic Development will have an increased monitoring role to play in the delivery of the actions of the CSP.

**1.0 Introduction**

1.1 The attached Spending Plan 2009/10 has been agreed by the Community Safety Partnership. The Council has, for a number of years, acted as accountable body for the Community Safety Partnership budget and this report requests that Council continue to do so. In agreeing to remain as the Accountable Body, it should be noted that the Programme Team currently in Economic Development will have an increased monitoring role to play in the delivery of the actions of the CSP.

**2.0 Proposal Details**

2.1 It is proposed that Cabinet agrees to continue to act as accountable body for the Community Safety Partnership in relation to the attached spending plan.

**3.0 Details of Consultation**

3.1 The Spending Plan has been agreed by the Community Safety Partnership in consultation with all its statutory agencies.

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

- 4.1 Option 1 - Agree to act as accountable body for the Community Safety Plan and update the 2009/10 and 2010/11 budget accordingly.
- 4.2 Option 2 – Do not agree to act as accountable body and don't update the 2009/10 and 2010/11 budget.

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

- 5.1 Option 1 This Spending Plan has been agreed by the Community Safety Partnership statutory agencies.

**6.0 Conclusion**

- 6.1 The Community Safety Partnership Spending plan is set before Cabinet for agreement that the Council will continue to act as accountable body.

<b>RELATIONSHIP TO POLICY FRAMEWORK</b>	
This links to the Corporate Plan objective to contribute to Community Safety.	
<b>CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</b>	
This plan will direct Community Safety within the district for the time period 2009/2010.	
<b>FINANCIAL IMPLICATIONS</b>	
Lancaster City Council currently acts as accountable body for the Community Safety Partnership and it is recommended that this continues and the 2009/10 and 2010/11 Revenue budget be updated accordingly – a copy of the 2009/10 spending plan as agreed by the CSP is attached. The 2010/11 budget will be updated to include the 2010/11 spending plan as part of the budget process once it has been agreed by the CSP.	
<b>SECTION 151 OFFICER'S COMMENTS</b>	
The Section 151 Officer has been consulted and has no further comments to add.	
<b>LEGAL IMPLICATIONS</b>	
There are no legal implications arising from this report.	
<b>MONITORING OFFICER'S COMMENTS</b>	
The Monitoring Officer has been consulted and has no further comments to add.	
<b>BACKGROUND PAPERS</b>	<b>Contact Officer:</b> Michelle Emery <b>Telephone:</b> 01524 582590 <b>E-mail:</b> memery@lancaster.gov.uk

Spending Plan 2009/10

Funding Pot	PCSOs	Analyst	Admin	IDVA	DV	Outreach	Vehicle	Quick Res	ARS	Lanpac	Made	Sports & Arts	Maps	Total	Balance
ABG (ex SSCF Revenue)	91643	91643												91643	0
Police Authority	3000		3000											3000	0
Police Constabulary	3000		3000											3000	0
Lancaster City Council	11800			2000					6993	600	2200			11800	0
Lancaster City Council Capacity	13700		13700											13700	0
Fire and Rescue Second Homes	9500			9500										9500	0
Police Second Homes	38000	18357	11000	3458	2685						2500			38000	0
Carry Forward from 08-09	5815			5815										5815	0
LSP	33000											33000		33000	0
LSP	15000					15000								15000	0
LSP	60000						60000							60000	0
	<b>284458</b>	<b>110000</b>	<b>17000</b>	<b>17165</b>	<b>20000</b>	<b>15000</b>	<b>60000</b>	<b>6993</b>	<b>600</b>	<b>2200</b>	<b>33000</b>	<b>2500</b>	<b>284458</b>	<b>0</b>	<b>0</b>