



LANCASTER
CITY COUNCIL

Promoting City, Coast & Countryside

COUNCIL MEETING

Monday, 23 May 2011 - 6.00 p.m.
Morecambe Town Hall

Mark Cullinan,
Chief Executive,
Town Hall,
Dalton Square,
LANCASTER



LANCASTER CITY COUNCIL

Promoting City, Coast & Countryside

Sir/Madam,

You are hereby summoned to attend a meeting of the Lancaster City Council to be held in the Town Hall, Morecambe on Monday, 23 May 2011 commencing at 6.00 p.m. for the following purposes:

1. **APOLOGIES FOR ABSENCE**

2. **MINUTES**

To receive as a correct record the Minutes of the Meeting of the City Council held on 13th April, 2011 (previously circulated).

3. **DECLARATIONS OF INTEREST**

4. **ITEMS OF URGENT BUSINESS**

5. **ANNOUNCEMENTS**

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

6. **CITY COUNCIL ELECTIONS - 5TH MAY 2011** (Pages 1 - 14)

To consider the report of the Returning Officer setting out the results of the City Council Elections held on 5th May 2011.

7. **SENIORITY OF MEMBERS** (Page 15)

To consider the report of the Chief Executive setting out the seniority of Members of the City Council.

8. **CONSTITUTION OF POLITICAL GROUPS** (Page 16)

To receive the report of the Chief Executive setting out the Political Groups constituted in accordance with Regulation 8 of the Local Government (Committees and Political Groups) Regulations 1990.

9. **ALLOCATION OF SEATS TO POLITICAL GROUPS** (Pages 17 - 22)

To consider the report of the Chief Executive.

10. **ELECTION OF LEADER OF THE CABINET/LEADER OF THE COUNCIL**

To receive nominations and elect the Leader of the Cabinet/Leader of the Council in accordance with the provisions of Article 7.03 of the Council's Constitution set out below:

"The Leader will be a Councillor elected for a four year term to the position of Leader by simple majority of the Council. In the event that only one nomination is put forward a vote will still be taken."

To receive the Leader's appointments to Cabinet in accordance with the provisions of Article 7.04 of the Council's Constitution set out below:

"The Cabinet will consist of the Leader together with a minimum of two and maximum of nine other Councillors, all appointed by the Leader."

In accordance with Part 3, Schedule 2 of the Council's Constitution, the Leader will nominate one of the Cabinet Members as Deputy Leader of the Council. The Deputy Leader of the Council will act if the Leader is unable to act or the post of Leader is vacant.

11. **APPOINTMENT OF OVERVIEW AND SCRUTINY MEMBERS**

To receive nominations and appoint Members to serve on each of the following Overview and Scrutiny bodies in accordance with the political balance arrangements agreed at Item 9.

In accordance with the Council's Constitution, Part 3, Sections 12 and 13, only non-Executive Members are entitled to vote on this item.

- (a) Overview and Scrutiny Committee (9)
- (b) Budget and Performance Panel (9) - to include a minimum of one member of the Overview and Scrutiny Committee

12. **APPOINTMENT OF COMMITTEE MEMBERS**

To receive nominations and appoint Members to serve on the under-mentioned Committees and the Appraisal Panel in accordance with the political balance arrangements agreed at Item 9.

- (a) Licensing Regulatory Committee (9)
- (b) Licensing Act Committee (15)
- (c) Planning and Highways Regulatory Committee (20)
- (d) Personnel Committee (7)
- (e) Appeals Committee (7)
- (f) Audit Committee (7)
- (g) Standards Committee (7) – may not include Leader
- (h) Council Business Committee (7)

13. **APPOINTMENT OF CHAIRMEN**

To receive nominations and appoint a Chairman to each of the under-mentioned bodies noting that:-

- The Chairman of the Standards Committee is one of the independent members of the Committee and was re-appointed by Council in November 2010.
- In accordance with the Council's Constitution, Part 3, Sections 12 and 13, only non-Executive Members are entitled to vote on (a) and (b) below:
 - (a) Overview and Scrutiny Committee - shall not be a member of the largest political group represented on Cabinet
 - (b) Budget and Performance Panel - shall not be a member of the largest political group represented on Cabinet.
 - (c) Licensing Regulatory Committee
 - (d) Licensing Act Committee
 - (e) Planning and Highways Regulatory Committee
 - (f) Personnel Committee
 - (g) Appeals Committee
 - (h) Audit Committee – shall not be a member of Cabinet or Overview and Scrutiny.
 - (i) Council Business Committee

14. **APPOINTMENTS TO OUTSIDE BODIES** (Pages 23 - 29)

To consider the report of the Head of Governance.

15. **CORPORATE PLAN AND RESOURCE MANAGEMENT FRAMEWORK 2011/14**
(Pages 30 - 125)

To present to Council the draft 2011/14 Corporate Plan and Medium Term financial Strategy for approval

16. **SHARED SERVICE ARRANGEMENT WITH PRESTON CITY COUNCIL FOR THE REVENUES AND BENEFITS SERVICE** (Pages 126 - 135)

Report of the Head of Governance

17. **AMENDMENTS TO THE CABINET PROCEDURE RULES AND CONSIDERATION OF DELEGATION OF FUNCTIONS** (Pages 136 - 145)

Report of the Monitoring Officer



.....
Chief Executive

Town Hall,
Dalton Square,
LANCASTER,
LA1 1PJ

Published on Thursday 13 May 2011.

**Lancaster City Council Elections
5 May 2011**

**Mark Cullinan
Returning Officer**

Comparative Statistics

	2003	2007	2011
Wards and Members			
Wards	28	28	28
Members	60	60	60
Contested Wards	28	28	28

Candidates

	2003	2007	2011
British National Party	0	1	0
Conservative Party	35	57	43
Green Party	41	33	32
Independent	27	7	10
Labour Party	42	53	48
Liberal Democrats	15	15	21
Morecambe Bay Independents	20	21	20
Socialist Alliance	1	0	0
UK Independence Party	1	4	0
Other (no description given)	0	0	6
Total	181	191	180

Political Composition

The political composition of the Council immediately following the elections:

	2003	2007	2011
Conservative Party	10	12	16
Green Party	7	12	8
Independent	4	5	2
Labour Party	20	14	24
Liberal Democrats	8	5	0
Morecambe Bay Independents	11	12	8
Other (no description given)	0	0	2
Total	60	60	60

Turnout

	2003	2007	2011
Average Turnout	33%	35%	40%
Maximum Turnout	52%	54%	61%
Minimum Turnout	18%	13%	17%

Ward Results

Bare			
Candidate	Party	Votes	Elected
Anderson, Tony	Morecambe Bay Independents	752	Elected
Ashworth, June Irene	Morecambe Bay Independents	847	Elected
Bray, Susan Elisabeth	Conservative	621	Not Elected
Tyson, Allison Bernadette	Conservative	439	Not Elected
		2007 Turnout: 42%	2011 Turnout: 43%

Bolton-Le-Sands			
Candidate	Party	Votes	Elected
Budden, Keith William	Independent	958	Elected
Histed, Val		713	Elected
Holden, Sue	Green	300	Not Elected
		2007 Turnout:38%	2011 Turnout: 42%

Bulk			
Candidate	Party	Votes	Elected
Byers, Howard	Conservative	218	Not Elected
Clark, Bob	Labour	804	Not Elected
Clark, Sue	Labour	789	Not Elected
Dunn, Claire Paula	Conservative	219	Not Elected
Hamilton-Cox, Tim	Green	900	Elected
Jenkins-Yates, James	Conservative	203	Not Elected
Kay, Andrew	Green	875	Elected
Mumford, Ceri	Green	881	Elected
Williams, Aidan Jones	Labour	654	Not Elected
		2007 Turnout: 39%	2011 Turnout: 40%

Carnforth			
Candidate	Party	Votes	Elected
Davies, Amanda Louise		74	Not Elected
Gardner, Paul Malcolm	Labour	515	Elected
Hanna, Fran	Labour	418	Not Elected
Johnson, Tony	Conservative	543	Elected
Leadbetter, Chris	Conservative	448	Not Elected
Roe, Bob	Independent	360	Not Elected
		2007 Turnout: 30%	2011 Turnout: 37%

Castle			
Candidate	Party	Votes	Elected
Barry, Jon	Green	1492	Elected
Bramhall, Paul Hardingham	Liberal Democrat	117	Not Elected
Forrest, Melanie	Green	1204	Elected
Groves, James Stuart	Labour	589	Not Elected
Kennedy, Tracey	Green	1142	Elected
Parker, James Simon	Liberal Democrat	97	Not Elected
Parris, Rebecca Joan	Liberal Democrat	108	Not Elected
Patterson, Kyle	Conservative	366	Not Elected
Rivet, Peter Leo	Labour	585	Not Elected
Spence, Aaron		38	Not Elected
Weglarz, Natalia Karolina Anastacia	Conservative	247	Not Elected
Wright, Joe	Labour	512	Not Elected
		2007 Turnout: 42%	2011 Turnout: 44%

Dukes			
Candidate	Party	Votes	Elected
Brookes, Dave	Green	385	Elected
Gibson, Michael John	Labour	283	Not Elected
Maxwell, Stephen	Liberal Democrat	53	Not Elected
Sykes, Richard	Conservative	125	Not Elected
		2007 Turnout: 30%	2011 Turnout: 36%

Ellel			
Candidate	Party	Votes	Elected
Binnion, Jane	Labour	609	Not Elected
Charles, Susie	Conservative	1009	Elected
Helme, Helen Rebecca	Conservative	1110	Elected
Hill, David John	Labour	562	Not Elected
Hindley, Paul	Liberal Democrat	174	Not Elected
Lyons, Annabelle	Liberal Democrat	164	Not Elected
Marsden, Rebecca	Green	261	Not Elected
		2007 Turnout: 33%	2011 Turnout: 39%

Halton With Aughton			
Candidate	Party	Votes	Elected
Gillies, Cat	Green	133	Not Elected
Woodruff, Paul	Independent	795	Elected
		2007 Turnout: 51%	2011 Turnout: 50%

Harbour			
Candidate	Party	Votes	Elected
Hanson, Janice	Labour	688	Elected
Hart, Christopher John	Green	97	Not Elected
Ingle, Terry	Morecambe Bay Independent	364	Not Elected
Layfield, Elliot	Conservative	295	Not Elected
Pattison, Ian	Labour	579	Elected
Walker, Geoff	Morecambe Bay Independent	434	Not Elected
Walker, Rita Margaret	Morecambe Bay Independent	348	Not Elected
Whitaker, David	Labour	599	Elected
		2007 Turnout: 29%	2011 Turnout: 28%

Heysham Central			
Candidate	Party	Votes	Elected
Betterton, Rosemary Susan Jennifer	Green	102	Not Elected
Greenhalgh, Dilys	Labour	438	Not Elected
Hibbins, Pat		226	Not Elected
Knight, Geoff	Morecambe Bay Independent	599	Elected
Taylor, Joyce	Independent	633	Elected
		2007 Turnout: 37%	2011 Turnout: 37%

Heysham North			
Candidate	Party	Votes	Elected
Baxter, Nicholas	Morecambe Bay Independent	352	Not Elected
Pattison, Margaret	Labour	504	Elected
Robinson, Peter	Independent	202	Not Elected
Sands, Ron	Labour	464	Elected
Wilson, Geoffrey	Morecambe Bay Independent	266	Not Elected
Wilson, Matthew James	Green	70	Not Elected
		2007 Turnout: 26%	2011 Turnout: 28%

Heysham South			
Candidate	Party	Votes	Elected
Farrow, Keran	Morecambe Bay Independent	514	Not Elected
Greenall, Mike	Morecambe Bay Independent	715	Elected
Kaloudis, Charalampos	Green	154	Not Elected
Pattison, Charlotte Louise	Labour	530	Not Elected
Physick, Kyra	Morecambe Bay Independent	606	Not Elected
Rollins, Richard William	Conservative	626	Elected
Smith, Emma Louise	Conservative	740	Elected
Wheeler, Stephen Charles	Labour	525	Not Elected
		2007 Turnout: 32%	2011 Turnout: 35%

John O'Gaunt			
Candidate	Party	Votes	Elected
Baker, Gareth Allan	Liberal Democrat	202	Not Elected
Blamire, Eileen	Labour	1131	Elected
Cosgriff, Wes	Conservative	467	Not Elected
Holloway, May Elizabeth	Conservative	407	Not Elected
Jackson, Caroline	Green	731	Not Elected
Newman-Thompson, Richard John	Labour	931	Elected
Pitchford, Lyndz	Liberal Democrat	130	Not Elected
Sansom, Ashley	Liberal Democrat	98	Not Elected
Scott, Elizabeth	Labour	1085	Elected
Sharkey, Nicky	Green	522	Not Elected
Tierney, Dan	Green	419	Not Elected
Whittam, Ally	Conservative	303	Not Elected
		2007 Turnout: 32%	2011 Turnout: 40%

Kellet			
Candidate	Party	Votes	Elected
Bardwell, Lawrence James	Labour	148	Not Elected
Horton, Dave	Green	66	Not Elected
Mace, John Roger	Conservative	708	Elected
		2007 Turnout: 51%	2011 Turnout: 54%

Lower Lune Valley			
Candidate	Party	Votes	Elected
Hill, Charlotte	Labour	263	Not Elected
Hodgson, Becky	Labour	242	Not Elected
Jackson, Joan Parkinson	Conservative	929	Elected
Langhorn, Stuart	Liberal Democrat	672	Not Elected
Parkinson, Jane	Conservative	800	Elected
Pritchard, Joyce	Liberal Democrat	650	Not Elected
Westcombe, Mark Miles	Green	161	Not Elected
		2007 Turnout: 52%	2011 Turnout: 55%

Overton			
Candidate	Party	Votes	Elected
Biddulph, Alan	Labour	237	Not Elected
Sowden, Keith	Independent	485	Elected
		2007 Turnout: 37%	2011 Turnout: 38%

Poulton			
Candidate	Party	Votes	Elected
Archer, Evelyn	Independent	490	Not Elected
Bevan, Mark	Labour	538	Elected
Burns, Shirley	Morecambe Bay Independent	562	Elected
Clifford, Darren Keith	Labour	506	Not Elected
Heath, Tricia	Morecambe Bay Independent	446	Not Elected
Kutschmarski, Paul	Conservative	198	Not Elected
Lord, David	Independent	273	Not Elected
Metcalfe, Terrie	Labour	514	Elected
Page, Linda Margaret	Morecambe Bay Independent	395	Not Elected
Tyson, David	Conservative	271	Not Elected
		2007 Turnout: 28%	2011 Turnout: 29%

Scotforth East			
Candidate	Party	Votes	Elected
Dunster, Phil	Liberal Democrat	289	Not Elected
Heath, Emily	Green	185	Not Elected
Hill, Billy	Conservative	571	Elected
Kirkman, Janie	Liberal Democrat	402	Not Elected
Mills, Abi	Green	149	Not Elected
Pickles, Pam	Labour	647	Elected
Taylor, Jean	Labour	570	Not Elected
Walton, Janet	Conservative	506	Not Elected
		2007 Turnout: 44%	2011 Turnout: 51%

Scotforth West			
Candidate	Party	Votes	Elected
Allen, John William	Liberal Democrat	229	Not Elected
Bancroft, Josh	Labour	788	Elected
Calder, James	Conservative	570	Not Elected
Chard, Robert Alan	Independent	142	Not Elected
Coates, Chris	Green	794	Elected
Denwood, Sheila Elizabeth	Labour	1157	Elected
Hartley, Colin	Labour	766	Not Elected
Jones, Zoe	Green	687	Not Elected
Livesley, Arthur Henry	Liberal Democrat	139	Not Elected
Rollinson, Becca	Conservative	571	Not Elected
Sinclair, Matthew	Conservative	490	Not Elected
Yuille, Andy	Green	533	Not Elected
		2007 Turnout: 43%	2011 Turnout: 47%

Silverdale Ward			
Candidate	Party	Votes	Elected
Bingley, Amanda Faith	Green	215	Not Elected
Graham, Kathleen Valerie	Conservative	678	Elected
Warren, Ruth	Labour	181	Not Elected
		2007 Turnout: 54%	2011 Turnout: 61%

Skerton East			
Candidate	Party	Votes	Elected
Andrews, Paul		182	Not Elected
Bateson, Stuart James Alexander	Conservative	383	Not Elected
Bryning, Abbott Clifton	Labour	787	Elected
Gonard, Robin Gilles	Liberal Democrat	232	Not Elected
Hall, Janet Tracy	Labour	816	Elected
Redfern, Robert Michael	Labour	791	Elected
Varey, Mick	Independent	327	Not Elected
		2007 Turnout: 28%	2011 Turnout: 30%

Skerton West			
Candidate	Party	Votes	Elected
Agnew, Graham Charles	Conservative	457	Not Elected
Alston, Keri Malinda	Green	335	Not Elected
Harrison, John	Labour	829	Elected
Leytham, Karen	Labour	859	Elected
Sherlock, Roger James		584	Elected
		2007 Turnout: 29%	2011 Turnout: 32%

Slyne-With-Hest			
Candidate	Party	Votes	Elected
Dunning, Suzi	Labour	429	Not Elected
Hankin, Barry Gwyn	Green	190	Not Elected
Rogerson, Sylvia	Conservative	1121	Elected
Thomas, Malcolm	Conservative	1065	Elected
Wood, Cari	Labour	321	Not Elected
		2007 Turnout: 44%	2011 Turnout: 49%

Torrisholme			
Candidate	Party	Votes	Elected
Binfield, Brian	Morecambe Bay Independent	671	Not Elected
Blundell, Jon-Paul Daniel	Labour	607	Not Elected
Clift, Ian	Liberal Democrat	352	Not Elected
Dennison, Roger	Morecambe Bay Independent	811	Elected
Gradwell, Michael	Liberal Democrat	342	Not Elected
Jackson, Bill	Liberal Democrat	274	Not Elected
Marsland, Geoff	Morecambe Bay Independent	750	Elected
Mingins, Dorothy	Conservative	680	Not Elected
Stamp, Catriona	Green	230	Not Elected
Sykes, Susan Gail	Conservative	737	Elected
Wild, John	Conservative	557	Not Elected
		2007 Turnout: 40%	2011 Turnout: 42%

University			
Candidate	Party	Votes	Elected
Aitchison, Paul Kenneth John	Labour	369	Elected
Clapham, Myles Anthony	Liberal Democrat	67	Not Elected
Dixon, Jonathan Robert	Labour	314	Elected
McCulloch, Ian	Green	170	Not Elected
Mead, Leo	Liberal Democrat	58	Not Elected
Seymour, Rick	Green	152	Not Elected
Shandley, Jordan Thomas	Conservative	113	Not Elected
Thurgood, Samuel Vince Thurgood	Conservative	102	Not Elected
		2007 Turnout: 13%	2011 Turnout: 17%

Upper Lune Valley			
Candidate	Party	Votes	Elected
Renolds, Gisela Christine	Green	277	Not Elected
Williamson, Peter Thomas	Conservative	829	Elected
		2007 Turnout: 52%	2011 Turnout: 57%

Warton			
Candidate	Party	Votes	Elected
Gardner, Janette	Labour	335	Not Elected
James, Alycia Jayne	Conservative	465	Elected
Wright, Mike	Green	120	Not Elected
		2007 Turnout: 39%	2011 Turnout: 41%

Westgate			
Candidate	Party	Votes	Elected
Croombs, Les	Conservative	352	Not Elected
Huett, Michael Donald	Conservative	310	Not Elected
Kerr, David	Morecambe Bay Independent	676	Elected
Marsden, John Geoffrey	Conservative	320	Not Elected
Plumb, Roger Henry	Morecambe Bay Independent	609	Not Elected
Price, Vikki	Labour	660	Elected
Smith, David	Labour	659	Elected
Wade, Anthony Michael Bernard	Morecambe Bay Independent	576	Not Elected
2007 Turnout:30%		2011 Turnout: 34%	

LANCASTER CITY COUNCIL SENIORITY OF MEMBERS

	<u>COUNCILLOR</u>	<u>DATE OF ELECTION</u>
1	Abbott Bryning	May 1967
2	Joyce Taylor	May 1976
3	Shirley Burns	September 1978
4	M. Eileen Blamire	May 1987
5	Geoff Knight	May 1995
6	Helen Helme	May 1995
7	Keith Budden	May 1995
8	Roger Sherlock	May 1995
9	Paul Woodruff	May 1995
10	Sheila Denwood	May 1995
11	Janice Hanson	May 1995 - May 1999 & May 2003
12	June Ashworth	May 1991 – May 1995 & May 1999 – May 2003 & 03 May 2007
13	Susie Charles	May 1999
14	Jon Barry	May 1999
15	David Kerr	May 1999
16	Mike Greenall	May 1999
17	Robert Redfern	May 1999
18	J. Roger Mace	May 1999
19	John T Harrison	Oct 1997 – May 2007 and 06 May 2010
20	Andrew Kay	May 1995 – May 1999 & 03 May 2007
21	David Whitaker	May 1999 – May 2007 and 05 May 2011
22	Christopher Coates	May 2003
23	James Thomas	May 2003
24	Anthony Johnson	May 2003
25	Sylvia Rogerson	May 2003
26	Ronald Sands	May 2003
27	Karen Leytham	14 December 2006
28	Liz Scott	2000 – 2003 and 01 April 2010
29	Terrie Metcalfe	May 1995 – May 1999 and 05 May 2011
30	Richard Newman-Thompson	May 1995 – May 1999 and 05 May 2011
31	Paul Gardner	May 2003 – May 2007 and 05 May 2011
32	Keith Sowden	03 May 2007
33	Roger Dennison	03 May 2007
34	Geoff Marsland	03 May 2007
35	Peter Williamson	03 May 2007
36	Val Histed	03 May 2007
37	Melanie Forrest	04 June 2009
38	Dave Brookes	05 May 2011
39	Pam Pickles	05 May 2011
40	Ian Pattison	05 May 2011
41	Tim Hamilton-Cox	05 May 2011
42	Susan Sykes	05 May 2011
43	Margaret Pattison	05 May 2011
44	Janet Hall	05 May 2011
45	Mark Bevan	05 May 2011
46	Jane Parkinson	05 May 2011
47	Kathleen Graham	05 May 2011
48	Josh Bancroft	05 May 2011
49	Alycia James	05 May 2011
50	Tony Anderson	05 May 2011
51	David Smith	05 May 2011
52	Tracey Kennedy	05 May 2011
53	Vikki Price	05 May 2011
54	Ceri Mumford	05 May 2011
55	Billy Hill	05 May 2011
56	Joan Jackson	05 May 2011
57	Richard Rollins	05 May 2011
58	Paul Aitchison	05 May 2011
59	Jonathan Dixon	05 May 2011
60	Emma Smith	05 May 2011

LANCASTER CITY COUNCIL

GROUP MEMBERSHIP

LABOUR	CONSERVATIVE	INDEPENDENTS	GREEN	FREE INDEPENDENTS
Aitchison, Paul	Charles, Susie	Anderson, Tony	Barry, Jon	Sowden, Keith
Bancroft, Josh	Helme, Helen	Ashworth, June	Brookes, Dave	Woodruff, Paul
Bevan, Mark	Graham, Kathleen	Budden, Keith	Coates, Chris	2
Blamire, Eileen	Hill, Billy	Burns, Shirley	Forrest, Melanie	
Bryning, Abbott	Histed, Val	Dennison, Roger	Hamilton-Cox, Tim	
Denwood, Sheila	Jackson, Joan	Greenall, Mike	Kennedy, Tracey	
Dixon, Jonathan	James, Alycia	Kerr, David	Kay, Andrew	
Gardner, Paul	Johnson, Tony	Knight, Geoff	Mumford, Ceri	
Hall, Janet	Mace, Roger	Marsland, Geoff	8	
Hanson, Janice	Parkinson, Jane	Taylor, Joyce		
Harrison, John	Rogerson, Sylvia	10		
Leytham, Karen	Rollins, Richard			
Metcalfe, Terrie	Smith, Emma			
Newman-Thompson, Richard	Sykes, Susan			
Pattison, Ian	Thomas, Malcolm			
Pattison, Margaret	Williamson, Peter			
Pickles, Pam	16			
Price, Vikki				
Redfern, Robert				
Sands, Ron				
Scott, Elizabeth				
Sherlock, Roger				
Smith, David				
Whitaker, David				

COUNCIL

Allocation of Seats to Political Groups 23 May 2011

Report of Chief Executive

PURPOSE OF REPORT
To advise Council of the calculations relating to the allocation of seats following the City Council Elections on 5 May 2011, in accordance with the Local Government and Housing Act 1989 and the Council's agreed protocol.
This report is public

RECOMMENDATIONS

- (1) That consideration be given to the confirmation of the constitution of the following Committees which are not required to be, but have previously been subject to the political balance requirements of the Local Government and Housing Act 1989:
 - Standards Committee
 - Licensing Act Committee

- (2) That in undertaking the PR calculations on the Council's Committees the Council's agreed protocol be confirmed, utilising the following groupings:
 - Overview and Scrutiny (2 x 9)
 - Regulatory and timetabled Committees of Council (1 x 20 (Planning), 1 x 15 (Licensing Act)(subject to decision in (1) above), 1 x 9 (Licensing Regulatory Committee) and 2 x 7 (Personnel and Audit)
 - Remaining Standing and Joint Committees to be calculated separately and individually.

- (3) That pursuant to Section 15 of the Local Government and Housing Act, 1989, the City Council allocates the seats on Overview & Scrutiny, Regulatory, Standing and Joint Committees in accordance with the calculations set out in paragraph 5 of the report.

- (4) That Council notes that the allocation of seats referred to in (3) above is subject to review from time to time in accordance with Section 15 of the Local Government and Housing Act, 1989 and Part 4 of the Local Government (Committees and Political Groups) Regulations, 1990.

1.0 Introduction

- 1.1 In accordance with the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990, it is open to the Council to devise a scheme for ensuring political balance on the different bodies of the Council.
- 1.2 In effect this means that there is a choice between undertaking the PR calculation separately for each Committee or combining the numbers on 2 or more Committees in the calculation to ensure a political balance across a group of Committees.

2.0 Background

- 2.1 At its meeting on 11th May 2006 Council agreed the following protocol and groupings for the calculation of proportional representation (PR) on the Council's Cabinet, Overview & Scrutiny and Committees:
 - (i) the calculation be undertaken using 4 decimal places;
 - (ii) the allocation of a final seat to a Group with the same residual be to the largest under-represented Group provided that this does not result in the largest over-representation; and
 - (iii) In the event that the foregoing rules do not resolve the situation, either because of a tie, or because the allocation would result in the largest over-representation, the seat be allocated by drawing lots under the supervision of the Mayor.
 - (iv) the calculation should be undertaken in relation to the following groupings:
 - Overview and Scrutiny (2 x 9)
 - Regulatory and other timetabled Committees (1 x 20(Planning), 1 x 15 (Licensing Act), 1 x 9 (Licensing Regulatory) and 2 x 7 (Personnel and Audit)
 - Remaining Standing and Joint Committees to be calculated separately and individually.

3.0 Licensing Act Committee

- 3.1 The City Council has established a Licensing Act Committee of 15 members under the Licensing Act 2003. Having been established under the Licensing Act rather than the Local Government Act 1972 this Committee is not required to be subject to the political balance regulations. However this Council has previously agreed that the Licensing Act Committee should be established on a PR basis and included in the Grouping calculations.
- 3.2 Council is therefore requested to confirm the continuation of this arrangement following the Elections or to re-establish the Committee in some other form. It should be noted that the Sub-committees which undertake the Licensing Act Hearings comprise 3 Members of the Licensing Act and are not subject to PR restrictions.

4.0 Standards Committee

- 4.1 Standards Committees are established under the Local Government Act 2000 and comprise independent and parish members as well as elected members of the

Council. They are not subject to the political balance regulations. This is to allow Standards Committees to be seen as above party politics and comprised of representatives that command the support of the whole authority regardless of political loyalties. Standards for England believes that Standards Committees should be constituted to ensure that no one political group dominates.

4.2 In an Authority such as the City Council at the present time where there is no overall control the use of PR ensures that this is the case. It is however for the Council to decide following the Elections whether it wishes to confirm the current establishment on a PR basis, but as a stand alone committee, not included in the Grouping arrangements.

5.0 Calculations

5.1 Compilation of the Council

Labour	24
Conservatives	16
Independents	10
Green	8
Free Independents	2
	<hr/> 60

5.2 Overview & Scrutiny

5.2.1 The PR Calculation for a single 9 Member Committee is as follows:

L:	24	(x 9/60)	=	3.6	=	4
C:	16	(x 9/60)	=	2.4	=	2
I:	10	(x 9/60)	=	1.5	=	2
G:	8	(x 9/60)	=	1.2	=	1
FI:	2	(x 9/60)	=	0.3	=	0
						<hr/> 9

5.2.2 Total number of seats allocated per group:

2 x 9 Members = 18 (:- 60) = 0.3 seats per Member

L:	24	x 0.3	=	7.2	=	7
C:	16	x 0.3	=	4.8	=	5
I:	10	x 0.3	=	3.0	=	3
G:	8	x 0.3	=	2.4	=	2
FI:	2	x 0.3	=	0.6	=	1
						<hr/> 18

5.2.3 Adjustments required:

The Labour Group and the Independent Group both owe 1 seat each on either the Overview and Scrutiny Committee or the Budget and Performance Panel to each of the Conservative and the Free Independent Groups.

5.3 Regulatory and Standing Committees of Council Grouping

5.3.1 The PR Calculation for individual 20 Member (Planning & Highways Regulatory), 15 Member (Licensing Act), 9 Member (Licensing Regulatory and 7 Member x 2 (Personnel and Audit) Committees is as follows:

i) 20 Member

L	24	(x 20/60)	=	8	=	8
C	16	(x 20/60)	=	5.3333	=	5
I	10	(x 20/60)	=	3.3333	=	3
G	8	(x 20/60)	=	2.6666	=	3
FI	2	(x 20/60)	=	0.6666	=	1
						<u>20</u>

ii) 15 Member

L	24	(x 15/60)	=	6	=	6
C	16	(x 15/60)	=	4	=	4
I	10	(x 15/60)	=	2.5	=	2
G	8	(x 15/60)	=	2	=	2
FI	2	(x 15/60)	=	0.5	=	1
						<u>15</u>

iii) 9 Member

L	24	(x 9/60)	=	3.6	=	4
C	16	(x 9/60)	=	2.4	=	2
I	10	(x 9/60)	=	1.5	=	2
G	8	(x 9/60)	=	1.2	=	1
FI	2	(x 9/60)	=	0.3	=	0
						<u>9</u>

iv) 7 Member (x2)

L	24	(x 7/60)	=	2.8	=	3
C	16	(x 7/60)	=	1.8666	=	2
I	10	(x 7/60)	=	1.1666	=	1
G	8	(x 7/60)	=	0.9333	=	1
FI	2	(x 7/60)	=	0.2333	=	0
						<u>7</u>

5.3.2 Total seats to be allocated per Group

$$20 + 15 + 9 + 7 + 7 = 58 \text{ (-:- 60) } = 0.9666 \text{ seats per member}$$

L	24	x 0.9666	=	23.1984	=	23
C	16	x 0.9666	=	15.4656	=	15
I	10	x 0.9666	=	9.666	=	10
G	8	x 0.9666	=	7.7328	=	8
FI	2	x 0.9666	=	1.9332	=	2
						<u>58</u>

5.3.3 Adjustments required:

Labour lose 1 seat and the Free Independent Group gain 1 seat.

5.4 Other Standing Committees

5.4.1 Remaining Standing Committees currently constituted with a PR of 7 are the Appeals, Council Business and Standards Committees. The PR calculation for these is 3:2:1:1

5.5 Appraisal Panel

5.4.2 On 13 April 2011, Council resolved that the Appraisal Panel be disestablished as a formal Committee of Council, and re-established as a member panel of seven members appointed on a PR basis which would fulfil the Council's obligations under its contract of employment with the Chief Executive. The PR calculation for the Panel is 3:2:1:1

6.0 Conclusion

6.1 Members are requested to approve the calculations, in order to enable appointments to be made to Overview & Scrutiny and Committees of Council as set out in the remainder of the Agenda.

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

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

FINANCIAL IMPLICATIONS

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

SECTION 151 OFFICER'S COMMENTS

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

LEGAL IMPLICATIONS

This report has been prepared in accordance with the provisions of Section 15 of the Local Government and Housing Act, 1989 and Part 4 of the Local Government (Committees and Political Groups) Regulations 1990.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

Proportional Representation calculation file.
Affiliation to Political Groups file.

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

P.R. LIST

		Labour	Cons	Indep	Green	Free Indep
1	=	1	0	0	0	0
2	=	1	1	0	0	0
3	=	1	1	1	0	0
4	=	2	1	1	0	0
5	=	2	1	1	1	0
6	=	2	2	1	1	0
7	=	3	2	1	1	0
8	=	3	2	1	1	0
9	=	4	2	2	1	0
10	=	4	3	2	1	0
11	=	4	3	2	2	0
12	=	5	3	2	2	0
13	=	5	4	3	2	0
14	=	6	4	2	2	0
15	=	6	4	2	2	1
16	=	6	4	3	2	1
17	=	7	4	3	2	1
18	=	7	5	3	2	1
19	=	8	5	3	2	1
20	=	8	5	3	3	1

Labour	24
Conservative	16
Independent	10
Green	8
Free Independent	2
TOTAL	60

As at 9 May 2011

Council

**Appointments to Outside Bodies,
Partnerships and Boards
23 May 2011**

Report of the Head of Governance

PURPOSE OF REPORT

To consider the basis and the procedure for making the necessary appointments to outside bodies, partnerships and boards.

This report is public

RECOMMENDATIONS

- (1) That Council considers the options set out in paragraph 3.1 and determines the basis on which appointments to the outside bodies listed in the Appendix are to be made.
- (2) That Council considers the options set out in paragraph 3.2 and determines the process for dealing with those appointments to outside bodies that are to be made by way of nomination rather than by virtue of role/position.
- (3) That Council notes the discontinuation of the following appointments:
 - Alfa Aesar
 - Court of the University of Central Lancashire
 - Lancaster Police and Community Forum
 - North Lancashire Health and Well Being Group
- (4) That Members report any groups on the list that they were representing the council on, which no longer meet or exist.

1.0 Introduction

- 1.1 Many outside bodies invite the Council to appoint Councillors to represent the Council on those bodies, and this report deals with the process for making such appointments. In October 2003 it was agreed that Council would determine the basis on which all appointments to outside bodies and partnerships are made. Unless otherwise requested by the outside body concerned, appointments are made to the date of the next City Council elections, subject to confirmation at each Annual Council meeting.
- 1.2 Some Members may recall that appointments were made following the 2007 elections on the basis of a protocol which determined that a number of appointments

be made by virtue of a Councillor's position (such as Cabinet Member or Ward Councillor) and the remaining appointments be made on the basis of political balance, with PR being calculated individually on each body.

- 1.3 In November 2008, however, Council agreed to amend this protocol so that appointments continue to be made by virtue of a Councillor's position where appropriate, but the remaining appointments be subject to nomination, with Council voting on each appointment. Council Minute 67 (2008/2009) refers as follows:

"That for future appointments to outside bodies, Council determine whether the appointment should be made by virtue of a Councillor's position (such as Cabinet Member or Ward Councillor) and for the remaining appointments nominations be invited from any Councillor without restriction, to be voted upon by full Council."

- 1.4 At the annual council meeting in May 2009 it was agreed that those appointments made on the basis of PR in May 2007 should remain unaltered until May 2011. At this meeting therefore, Members are asked to determine whether appointments on the list attached should be made by virtue of a Councillor's position, or by nominations invited from any Councillor without restriction, and, for those appointments to be made by nomination, to determine the process for dealing with such nominations.

2.0 Proposals

2.1 Basis of appointments

- 2.1.1 Set out at Appendix 1 is a table of all the appointments. Part (a) shows those appointments which have previously been made by virtue of position and part (b) shows appointments previously made on the basis of PR. Part (c) shows appointments made by nomination since November 2008.

- 2.1.2 Council is requested to confirm or amend the lists in the Appendix. Options are outlined in paragraph 3.1 below.

2.2 Procedure for appointing

- 2.2.1 Appointments by virtue of position will be referred to Cabinet or the appropriate Committee for appointment. Ward Councillor appointments will be made automatically, except where a lesser number of representatives is required than there are seats. Such appointments will be dealt with by nomination.

- 2.2.2 Members are asked to consider a procedure for dealing with all appointments which are to be made by nominations. Options for this are outlined below in paragraph 3.2.

3.0 Options and Options Analysis (including risk assessment)

3.1 Options for the basis of appointments

- 3.1.1 Option 1 – to confirm that the appointments to be made in respect of the bodies listed in part (a) of the appendix continue to be made by virtue of role/position, and that those appointments listed in parts (b) and (c) of the Appendix be made by nomination..

3.1.2 Option 2 – to determine a different basis of appointment for each or any of the appointments listed in the appendix.

3.1.3 There is no officer preferred option.

3.2 Options for the procedure for appointing by nominations

3.2.1 Option 1 – Members to vote on the nominations for each appointment at this meeting.

3.2.2 Option 2 – Members to submit nominations to the Head of Governance by the 31st May 2011 to be voted on at the next Council meeting on 15 June 2011.

3.2.3 Option 3 – Members to delegate the individual appointments to the Council Business Committee meeting on 30 June 2011, with nominations to be submitted to the Head of Governance in advance of that meeting.

3.2.4 Option 4 (to be considered in conjunction with options 2 or option 3) to delegate to the Head of Governance any appointments where there is single nomination in order to avoid a lengthy voting process at the next Council or Council Business Committee meetings.

3.2.5 The officer preferred options would be either option 2 or option 3, together with option 4, as these would appear to be administratively more convenient.

4.0 Discontinued Appointments

4.1 Members should note that the following organisations have either ceased to exist or have not required Council representation since the last report to Council:

- Alfa Aesar
- Court of the University of Central Lancashire
- Lancaster Police and Community Forum
- North Lancashire Health and Well Being Group

5.0 Conclusion

5.1 Annual Council has previously agreed the basis of all appointments to Outside Bodies, Partnerships and Boards using a combination of proportional representation or in line with a Member's role such as Ward Councillor, Cabinet or Committee Member.

5.1.1 The policy was amended in 2008 to invite nominations from any Member to be appointed to an outside body where there is no obvious correlation with a Member's role on Council.

5.1.2 These appointments are made following the City Council elections for a 4 year period subject to confirmation at each Annual Council Meeting.

CONCLUSION OF IMPACT ASSESSMENT

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

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

FINANCIAL IMPLICATIONS

Members of Outside Bodies are entitled to travel expenses. Costs resulting from these appointments are met from democratic representation budgets and changes to the method of appointment will not affect costs.

SECTION 151 OFFICER'S COMMENTS

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

LEGAL IMPLICATIONS

Rules on political balance are set out in the Local Government (Committees & Political Groups) Regulations 1990 and S15 of the Local Government & Housing Act 1989. The duty on Local Authorities to apply these rules is set out in Schedule 1 of the Local Government & Housing Act 1989 and there is no requirement for PR to be applied in the case of appointments to outside bodies.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been involved in the preparation of this report in her capacity as Head of Governance, and has no further comments.

BACKGROUND PAPERS

None

Contact Officer: Debbie Chambers

Telephone: 01524 582057

E-mail: dchambers@lancaster.gov.uk

**SCHEDULE OF APPOINTMENTS TO OUTSIDE BODIES,
PARTNERSHIPS AND BOARDS**

(a) APPOINTMENTS MADE BY VIRTUE OF ROLE/POSITION

APPOINTMENTS MADE BY CABINET

British Resorts Association
 Children's Trust Partnership Lancaster District
 Historic Towns Forum (formerly English Historic Towns forum)
 Lancashire Leaders Meeting (Leader)
 Lancashire Rural Affairs
 Lancaster & District Vision Board (plus O/S Member)
 LDLSP Management Group (Cabinet Member plus Cabinet reserve)
 LDLSP Partnership Board (Cabinet Member plus Cabinet reserve)
 LDLSP Children and Young People Thematic Group (Cabinet Member appointed to Children's Trust Partnership plus Cabinet reserve)
 LDLSP Economy Thematic Group (Cabinet Member plus Cabinet reserve)
 LDLSP Education Skills and Opportunities Thematic Group (Cabinet Member plus Cabinet reserve)
 LDLSP Environment Thematic Group (Cabinet Member plus Cabinet reserve)
 LDLSP Health and Wellbeing Thematic Group (Cabinet Member plus Cabinet reserve)
 LDLSP Safety Thematic Group and Crime & Disorder Reduction Partnership (Cabinet Member plus Cabinet reserve)
 LDLSP Valuing People Thematic Group (Cabinet Member plus Cabinet reserve)
 LGA Coastal Issues Special Interest Group
 LGA Executive (Leader)
 LGA Rural Commission (plus one Member appointed by rotation - the Conservative Group for 2011/12)
 Morecambe Bay Partnership
 Museums Advisory Panel (+ member of O/S)
 North and West Lancashire Priority 1 Action Plan Partnership Board
 North Lancashire Local Action Group Executive Group (Cabinet member plus Cabinet reserve)
 North West Rural Affairs Forum
 Regional Leaders' Forum (formerly North West Regional Assembly) (Leader)
 Storey Centre for Creative Industries
 Waste Management Strategy Steering Group

APPOINTMENTS MADE BY OVERVIEW & SCRUTINY (one appointment unless otherwise stated)

Homelessness Forum
 Lancaster & District Vision Board (+ Cabinet Member)
 Lancaster and Morecambe Fairtrade District Steering Group
 Museums Advisory Panel (+ Cabinet Member)

APPOINTMENTS MADE BY OTHER COMMITTEES (OR GROUPS BY ROTATION)

Organisation	Basis of Appointment
Crook O'Lune Advisory Committee	1 Representative of Planning Committee (and 1 Representative of each of the Halton and Lower Lune Valley Wards – see below)
LGA Rural Commission	One Member on rotation (Independent Group appointed for 2008/9, Labour Group appointed for 2009/10, Green Group appointed for 2010/11, Conservative Group to appoint 2011/12) (+ 1 Cabinet Member)
North West Local Authority Employers' Organisation	Chair of Personnel Committee (Vice Chair of Personnel Committee as substitute)

APPOINTMENTS HELD BY WARD COUNCILLORS

Organisation	Ward (All Ward Councillors unless otherwise stated)
Crook O'Lune Advisory Committee	Lower Lune Valley (one representative by nomination) and Halton (and a representative of the Planning Committee – see above)
Friendship Centre Management Committee	Dukes
Marsh Community Centre Management Committee	Castle (one representative by nomination)
Heysham Mossgate (Community Facilities) Company Limited	Heysham South (one representative by nomination)

(b) APPOINTMENTS ON PR

(The number in brackets denotes the number of representatives on each organisation).

Board of Trustees of Skerton Charities (4)
Board of Trustees of the Lancaster Charity (6)
Carnforth Station and Railway Trust Company Limited (1)
Citizens Advice Bureaux Board, Morecambe, Heysham and Rural (3)
Court of the University of Lancaster (5)
Dukes Playhouse Board of Directors (4)
Folly Board of Trustees (1)
George Fox School Educational Charity (1)
Health Scrutiny Committee (1)
Heysham Nuclear Power Station Local Community Liaison Council (9)
Lancaster and District Multi-Agency Forum on Domestic Violence (1)
Lancaster and Skipton Rail User Group (1)
Lancaster District CVS (1)
Lancaster Ripley Church of England Education Trust (2)
Lancaster University Council (1)
Leeds-Morecambe and Settle-Carlisle Railway Development (1)
LGA Urban Commission (2)
Lune Park Children's Centre (1)
Lune Valley Transport Enterprise (2)
North West Home Safety Council (2)

Older People's Partnership Board (2)
Preston and Western Lancashire Racial Equality Council (1)
Rainbow Centre (formerly Age Concern, Morecambe and Heysham) (2)
Relate Lancashire – Lancaster District (1)
Reserve Forces and Cadets Association for the N. West of England and the Isle of Man (1)

(c) **APPOINTMENTS MADE BY NOMINATION TO COUNCIL – (one appointment unless otherwise stated)**

Barton Road Youth and Community Centre (nominations from relevant Wards (Scotforth East, Scotforth West and John of Gaunt only) (1)
Lancaster International Twinning Society (1)
Citizens Advice Bureaux Lancaster (1) Morecambe (1) and Rural (1)
Adult Social Care and Health Overview and Scrutiny Committee (nominations from non-executive members only) (1)
Lancaster Canal Restoration Partnership (1)
Arnside and Silverdale AONB Unit (1)
Forest of Bowland AONB Advisory Committee (1)
National Association of Areas of Outstanding Natural Beauty (1)

COUNCIL**Corporate Plan and Resource Management
Framework 2011/14
23 May 2011****Report of Deputy Chief Executive****PURPOSE OF REPORT**

To present to Council the draft 2011/14 Corporate Plan and Medium Term Financial Strategy for approval

This report is public

RECOMMENDATIONS OF CABINET

- (1) **That Council approve the Corporate Plan and Medium Term Financial Strategy, which form part of the Policy Framework, and Council note the Medium Term Corporate Property Strategy, Human Resource Strategy and Information and Communications Technology Strategy, which do not. (See Appendix)**

1.0 Introduction

- 1.1 The Corporate Plan brings together the council's strategic priorities and objectives that it wishes to deliver in the medium term. It is not just an annual plan – its content drives the allocation of resources that are included in the council's medium term budgets and capital programme and related services business plans. The Corporate Plan forms part of the Policy Framework, and as such, must be approved by Council.
- 1.2 The Resource Management Framework brings together the Medium Term Financial Strategy (MTFS), the Medium Term Corporate Property Strategy (MTCPS), the Human Resources (HR) Strategy and Information and Communications Technology (ICT) Strategy, and allocates resources against priorities in the Corporate Plan. Therefore, the documents should be read in conjunction with one another. Currently, only the MTFS forms part of the Policy Framework and must be approved by Council.
- 1.3 The documents that form the Policy Framework are listed in Article 4.01 of the Constitution. It is intended that this list will be reviewed by officers over the next few months, and that recommendations will be made as to whether the list should be updated.

1.4 Cabinet has agreed as part of the 2011/12 Budget process the corporate priorities and these have been used to refresh the Corporate Plan for the three year period beginning 2011/12.

1.5 The four draft corporate priorities are set out below and these have been included in a first draft of the Corporate Plan.

- Economic Regeneration – Energy Coast, Visitor Economy and Housing Regeneration
- Climate change – prioritising reducing the Council’s energy costs and increasing income
- Statutory responsibilities – fulfilling at least our minimum statutory duties – focus on keeping the streets clean and safe
- Partnership working and Community Leadership – working with partners to reduce costs, make efficiencies and create resilience within the district.

The intention to protect the most vulnerable in our society will be a thread that runs through all the above priorities.

1.6 The above priorities run through into the Resource Management Framework.

1.7 Council are asked to note that with regard to the wording of the “Vision”, under “Morecambe”, officers changed the wording to read more grammatically correct and inadvertently omitted the word “vital”. Officers also failed to specifically notify Cabinet of this change. The paragraph has, therefore, been amended to reflect the original wording as approved by Council in 2010.

2.0 Proposal Details

2.1 Council are now asked to consider the **attached Appendix** and make any amendments prior to approving the Corporate Plan 2011/2014, and the Medium Term Financial Strategy 2011/2014.

3.0 Options and Options Analysis (including risk assessment)

	Option 1: That Council considers the Corporate Plan and Medium Term Financial Strategy and makes any changes as appropriate	Option 2: That Council determines an alternative course of action to prepare the Corporate Plan and Medium Term Financial Strategy than that recommended in Option 1
Advantages	The Corporate Plan and Medium Term Financial Strategy (which is included in the Resource Management Framework) set the strategic	None

	direction for council services and the necessary framework for performance management.	
Disadvantages	None	There would be no strategic framework set in time for Council to implement its budgets.
Risks	<p>Objectives and funding may change throughout the year following Government initiatives. However, this will be managed through the Planning and Policy Framework.</p> <p>The Budget has been approved in line with the priorities set out in the Corporate Plan and any alterations, amendments or actions added may have budget implications which would need to be considered.</p>	There could be insufficient strategic direction for officers to implement members' priorities.

4.0 Conclusion

4.1 The Corporate Plan and Resource Management Framework are the cornerstones of the Council's Policy Framework and effectively link the Council's service delivery aspirations to its spending plans included in the budget and capital programme. It is essential that the council agrees its Corporate Plan and Medium Term Financial Strategy in good time to provide a clear framework for officers to work within.

RELATIONSHIP TO POLICY FRAMEWORK

The Corporate Plan and Resource Management Framework are the cornerstones of the council's Policy Framework and outline its service delivery priorities and objectives for the next three years.

CONCLUSION OF IMPACT ASSESSMENT

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

None arising direct from this report

LEGAL IMPLICATIONS

There are no legal implications arising directly from the report.

FINANCIAL IMPLICATIONS

The Corporate Plan brings together all the Council's key priorities and objectives and its content drives the allocation of the resources that are included in the Revenue Budget and Capital Programme together with Service Business Plans over the next 3 years.

As such the current and future years' budgets have been built around the Corporate Plan's draft Corporate Priorities but as outlined within the MTFs, at present there is an imbalance beyond 2012. Current plans and methods of service delivery are unaffordable over the medium term and the Corporate Plan, Resource Management Framework and Service Plans set out the ways in which savings will be made, e.g. through efficiency changes, invest to save initiatives, income generation and lastly service reductions. A savings requirement of around £1M is currently estimated for 2012/13, with an additional £600K (on top of the £1M) required in 2013/14.

Any significant changes to the Council's priorities and plans may have further financial implications. In the event that any changes are made to the draft priorities, the implications will be reviewed and reported back to members.

OTHER RESOURCE IMPLICATIONS

Human Resources:

The HR Manager has been involved in the preparation of the HR Strategy

Information Services:

The Applications Manager has been involved in the preparation of the ITC Strategy

Property:

The Head of Property Services has prepared the revision of the Medium Term Corporate Property Strategy

Open Spaces:

None

SECTION 151 OFFICER'S COMMENTS

The s151 Officer is responsible for leading the development of the MTFs and the annual budgeting process to ensure financial balance. This includes developing and maintaining an effective resource allocation model to deliver business priorities.

The s151 Officer has therefore produced the draft MTFs for Members' consideration in line with her responsibilities.

Care needs to be taken in establishing and communicating the term 'resource framework', to ensure that it does not confuse the budget process – this being the method by which financial resources will be allocated to particular priorities and service activities, taking account of HR, property and other resource considerations. Whilst there are always improvements possible, generally the budget process has worked well over the last couple of years. Proposals for the 2012/13 budget process will be considered in the new municipal year, alongside corporate planning proposals and any updates to the policy framework.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

None

Contact Officer: Heather McManus

Telephone: 01524 582301

E-mail: hmcmanus@lancaster.gov.uk

Ref: DCE/SML/reports/council/01



Corporate Plan 2011-14

Making Every Penny Count

Contents



Key characteristics of Lancaster district	Page 4
Our core purpose and values	Page 5
Our vision	Page 6
Current challenges	Page 7
What's important - our priorities	Page 8
Economic regeneration	Page 9
Climate change	Page 12
Statutory responsibilities	Page 13
Partnership working and community leadership	Page 14
Our achievements 2010/11	Page 16
Our planning, policy and performance framework	Page 17
Our resource management framework	Page 20
About the council	Page 24
Appendices	
Our strategic planning, policy and performance framework	Page 27
Our performance 2011-12 at a glance	Page 28

Page to be completed



Lancaster District is diverse and contains the coastal towns of Morecambe and Heysham, the historic city of Lancaster, the railway town of Carnforth and an extensive rural area. The population of the district was estimated at almost 140,000 in 2010. The district has a number of distinct features such as:

- A high proportion of students in Higher and Further Education (approx 15,000);
- High numbers of retired people in Morecambe and Silverdale;
- Fewer people of non-white ethnic origin than national averages;
- High levels of disability or limiting long-term illness, particularly in Morecambe and Heysham;
- High levels of educational qualification in most areas of the district, but not in Morecambe, Heysham and North Lancaster.

Heysham Power Station, public sector and small and medium enterprises (SMEs) provide the majority of the district's employment.

There are around 54,000 employee jobs of which 85% are in service industries, with only 7% in manufacturing. Unemployment is close to the national average but parts of both Morecambe and Lancaster suffer deprivation. Jobs are clustered at our Universities, in Central Lancaster, White Lund Industrial Estate and Heysham's port and power stations.

The district is a major tourism destination. Its countryside, including two Areas of Outstanding Natural Beauty, offers many recreation opportunities. Morecambe's tourism offer is based on the wildlife of its Bay and its promenade area. Lancaster's historic and cultural assets and shopping offer are also a major opportunity.

The district is relatively self-contained - 16% of working age residents commute out whilst around 13% of employees commute in. Around 2000 people commute between Lancaster and South Lakeland in either direction. Lancaster is a major shopping and service centre for the Morecambe Bay area with around 420 town centre businesses.

Lancaster is on the M6/ West Coast Main Line corridor with fast links to London and direct links to Manchester Airport. A road link between Heysham and the M6 aimed at improving the road network and providing further development opportunities in district, particularly in Morecambe and Heysham, is in the planning stage with construction expected to begin in Spring 2013. Heysham Port has links to Ireland (freight) and the Isle of Man (passenger and freight). There is also a port at Glasson Dock. The district has an excellent off-road cycle network including the Lune Millennium Bridge.

Lancaster District is proud of its many rich and diverse landscapes and internationally important habitats including Morecambe Bay (wading birds), limestone pavements, open water and reed bed habitats in the Silverdale area and the Bowland Fells (birds of prey).

Our core purpose and values 5

The role of the council is to:

Provide the democratic leadership, with high ethical standards, needed to help the district address the major issues facing it

Bring communities and agencies together to work in partnership to address the major issues affecting the district

Provide a range of customer focused services that offer value for money and meet the needs of people who live, work and visit the district

Maintain a cohesive community by ensuring we understand the needs of our communities and provide equality of access to our services and employment opportunities

Our values state clearly and simply what the council stands for and wants to be known for. They are:

Leading our communities: We will bring communities together to deal with the major issues facing us and work with our partners to deliver real improvements to the quality of life of those in our district

Putting our customers first: Our customers are at the heart of what we do. We will listen to, respect and value their views, using them to shape our services

Maintaining a skilled and professional workforce: We are proud of our skilled and professional employees. We want our people to feel supported, valued and proud to serve our communities and be our ambassadors in the community

Providing value for money: Ensuring that the council's limited resources are used in the most cost effective manner to deliver our approved priorities and agreed standards of service

“By promoting city, coast and countryside, we will secure a safe and prosperous community that’s proud of its natural and cultural assets and provides lasting opportunities for all.”

In Morecambe this means a seaside resort recognised as vital and vibrant and for its tourism offer in an exceptional natural setting with a sustainable economy and a stable resident community.

In Lancaster this means being recognised as an important University city with an envied quality of life, strong economic opportunity and rich heritage.

In our countryside this means a sustainable quality of life that protects communities and landscapes while providing the economic opportunity to flourish.



Like everyone the council faced enormous challenges and had to make major savings during 2010/11 as part of the Government's drive to reduce the public deficit. Fortunately the council had been preparing for the spending cuts for some time which meant that by the time they were announced in October 2010 we were more resilient to their impact.

Nevertheless, competing demands and limited resources mean that difficult choices are still to be made and greater challenges lie ahead. We already expect that to achieve a balanced budget in 2012/13 we will have to find additional savings of around £1 million. There is also uncertainty over the 2013/14 and 2014/15 budgets as we do not yet know exactly how much money we will receive from the Government to help to run our services. To withstand these financial challenges and still deliver our services we will continue to identify expenditure savings and seek out opportunities to generate more income which will help to reduce the pressure.

Having listened to our residents we have reduced the number of council-owned buildings and introduced ways of making more efficient use of available workspace. We have also undertaken a major review of our services which has identified ways in which we can work more effectively with our partners and has streamlined the way we do things, resulting in a reduction in employees whilst still managing to deliver frontline services. Our committed workforce have faced these challenges head on and they remain essential to ensuring that we deliver high quality services for our residents.

Overall we are managing in the short term, but the medium term will be more difficult. This means that we will need to keep our priorities under review and continue to seek further savings and innovative ways of working in the future.

The council has four priorities for 2011-2014.

These are:

Economic regeneration



Climate change



Statutory responsibilities

**Partnership working and
Community leadership**

Energy Coast

Lancaster district has an exceptional opportunity to develop its energy economy. Our coastline and landscape offer vast potential for renewable energy including both wind and hydro power and the district's future contribution to nuclear energy seems clear.

The council is prioritising its support for the investment in new energy infrastructure in the northern part of the region in partnership with Lancashire County Council and Cumbrian local authorities. This involves support for the new nuclear nominations at Heysham and Sellafield, the National Grid upgrade through Lancashire and Cumbria, and a wide range of provision for energy generation from renewable sources. It will seek to secure economic benefits from the development of this infrastructure through direct jobs, construction jobs and by developing a local supply chain to support the growth. The ongoing development of the knowledge sector in the district will continue as will the aim of generating new jobs and opportunities for the young people of the Lancaster, Morecambe and the wider Morecambe Bay area.

In the next three years we will:



- Take a leading role in the Lancashire/ Cumbria consortium of LAs on the major infrastructure project for the national grid
- Promote Heysham's nomination for nuclear new build and consider opportunities for their involvement in regeneration projects together with promotion of offshore wind industry
- Develop a Community Infrastructure Levy (CIL) Framework for the district in support of sustainable economic growth

We will have succeeded if, by 2014:

- A shared vision is in place for the district's contribution to the nationally important energy infrastructure
- A further step change in continuing the regeneration of Morecambe and the Heysham peninsula is in place
- Improved community infrastructure provided as part of development and regeneration initiatives by developing a Community Infrastructure Levy (CIL) scheme

Visitor Economy

The council is seeking to build on the area's improving potential for tourism by producing a new Cultural Heritage Strategy to focus on the areas where action and investment need to be targeted. Having identified the visitor economy as a key economic driver in the Local Development Framework, there is a continuing need to stimulate investment in the areas where there is the most potential for growth. Morecambe will enter a new phase of concentrated effort to deal with the need to improve the attractiveness and function of its central area. Lancaster will be targeted with actions to make far more of its heritage assets, public spaces and retail offer. The district's rural areas will improve the focus of their tourism identities.



In the next three years we will:

- Continue to work with the private sector developer partner to bring forward a comprehensive scheme for Lancaster Canal Corridor taking into account the heritage assets of the site
- Develop an Area Action Plan for Morecambe, including Central Promenade
- Undertake detailed planning and delivery of the first phase of the Lancaster Square Routes scheme
- Commence delivery of Townscape Heritage Initiative 2 in Morecambe
- Work with partners to develop a brand development plan for the district
- Develop shops and visitor service provision at Williamson Park
- Complete a review of the Museums Partnership and Lancaster Market
- Work with partners to deliver a district programme of events and festivals throughout the district
- Continue to develop Happy Mount Park as a key visitor destination
- Develop a Community Infrastructure Levy (CIL) Framework for the district in support of sustainable economic growth

We will have succeeded if, by 2014:

- Number of visitors to the district is increased and visitor spend maximised
- The profile of the district as a visitor destination is improved
- Retail offer and built environment in Lancaster city centre is improved
- Economic impact of festivals and events is increased
- The attractiveness, accessibility and enjoyment of the district's parks and open spaces for visitors is improved
- A long term sustainable agreement for Canal Corridor North is in place to develop the potential of Lancaster's city centre for both residents and visitors
- An improved future for the district's museums is secured
- An Area Action Plan for Morecambe is in place
- Our rural areas are recognised for their outstanding natural beauty

Housing Regeneration

In January 2011, the council resolved that housing regeneration should be included as a theme in its corporate priorities. Following this Cabinet determined that no changes to budget proposals would be made for 2011 to 2012 but they would draw on existing housing related activity to inform development of the Corporate Plan. Proposals are now being developed for consideration as part of the 2012/13 budget exercise.

In the meantime, the council is continuing its work in a number of housing related areas, including the improvement of council housing stock, housing renewal, particularly in the West End of Morecambe, and improvements in the private rented sector. As part of the statutory planning process, the council will allocate land for housing purposes and will seek opportunities to include new affordable housing as part of development plans. Regeneration projects currently identified include Luneside East in Lancaster and Chatsworth Gardens in Morecambe. Both of these major projects require significant funding and the council is focusing on innovative ways to take them forward and working proactively with the private sector.

Once more detailed plans for housing regeneration and the priority actions for the district have been developed, these will be included in the corporate plan for 2012 to 2013.



Prioritising reducing the council's energy costs and increasing income.

The council is committed to tackling the challenges of climate change by focusing on reducing the Council's energy costs and increasing income.

To ensure the success of this priority we are delivering a suite of projects to mitigate climate change and reduce our impact on the environment. Since April 2008 we have successfully reduced our carbon emissions by over 7% through such projects and we continue to deliver savings in this area. Our ongoing commitment is demonstrated by the following agreed carbon reduction targets for the future:

- 3.4% carbon reduction in 2011/12
- 34% carbon reduction by April 2020
- 80% carbon reduction by April 2050



In the next three years we will:

- Deliver the energy efficiency measures included within the 2011/2012 and future Housing Revenue Account Capital Programmes
- Explore opportunities emerging from the Governments proposed "green deal" scheme relating to council houses and a "green deal provider"
- Deliver actions from the Green Fleet Review (commercial vehicles and staff business use) including consultation on and roll out of grey fleet policy and installation of vehicle telematics for council owned small vans
- Commission energy efficiency and energy generation works at Salt Ayre Sports Centre
- Complete a programme of improvements at council buildings including maintenance improvements to both Town Halls and installation of new boilers, together with a feasibility study on the need for secondary glazing at Lancaster Town Hall
- Agree partnership working arrangements to deliver the Property Services Review, including developing Energy Reduction Plans for our buildings
- Develop a business case to make use of feed in tariffs

We will have succeeded if, by 2014:

- CO2 emissions from council activities are reduced
- Council's energy usage is reduced
- Income is generated from energy, including feed-in tariffs
- Income is increased through climate change mitigation and adaptation projects

Fulfilling at least our minimum statutory duties with a focus on keeping the streets clean and safe.

The council continues to face up to the challenges presented by the current economic climate by placing an increased emphasis on the things that matter most to the people of the district and the delivery of, at least, our minimum statutory responsibilities.

This approach ensures that our resources are focussed on these important areas before discretionary areas of spend are considered and will be crucial going forward in identifying further efficiencies and reduced costs in the services we provide.

In the next three years we will:

- Work with partners to deliver services that keep the streets clean and safe (including Street Pride, Community Payback and working with the Community Safety Partnership)
- Deliver responsive and efficient statutory services in accordance with regulatory and service standards
- Deliver City and County Council 'public realm' services, making most efficient use of resources and achieving the aim of keeping the streets clean and maintained
- Deliver the objectives of the Lancashire Waste Strategy 2008 to 2020 'Rubbish to Resources' including food waste collection, bulky household waste collection and increased recycling of litter

We will have succeeded if, by 2014:

- Streets and public spaces are clean
- Our district is safe
- Our local environment is protected by a reduction in incidents of environmental antisocial behaviour (such as climate change, tipping, littering, fly posting, graffiti and vandalism)
- Household waste reused, recycled and composted has increased



Working with partners to reduce costs, make efficiencies and create resilience within the district.

A key part of what we do to ensure that services are delivered in the most cost-effective and efficient way possible is developing opportunities to work more closely with our partners. This is something that we have prioritised and will continue to develop so that we are better able to tackle district-wide issues.

As community leaders, we are committed to working with all those who can help us to have a positive impact on life in the district, such as the county council, police, fire, education, health, private companies, voluntary organisations and community groups. The council has been able to continue its support for voluntary, community, faith and arts and culture groups in 2011/ 12 but wants to work with these sectors to consider how to work together in the future to deliver important services.



In the next three years we will:

- Develop the a programme with Lancashire County Council to reduce costs by sharing more of our services
- Support development of an Arts and Culture Partnership
- Work with partners to support the Children’s Trust Board and partnership and to develop a Children and Young People’s Plan for the district
- Deliver a development/ training programme including training around the community leadership role of councillors
- Work with our public sector partners to deliver a range of innovative approaches to communicate and engage with our communities
- Continue development of a single customer service function through a shared service arrangement for all council services. This will include improved on-line service delivery arrangements and capacity to include external partners

- Work to develop the resilience and capacity in the Voluntary Community Faith Sector to deliver sustainable local services and to maximise the benefits achieved from the council's investment in Voluntary Community Faith Sector
- Implement a shared Revenues and Benefits service with Preston City Council, and work with other partners and stakeholders to help ensure smooth implementation of any future welfare reforms

We will have succeeded if, by 2014:

- The impact of budget cuts across the district is minimised through joint working between partners to deliver efficiency savings
- We have a thriving Arts and Cultural sector supported by stronger and more resilient Arts and Cultural partnership for the district
- We have a strong Voluntary Community Faith Sector with a shared capability and capacity to deliver services for the benefit of the district
- The district Children's Trust Board and partnership is in place and working effectively
- Needs and aspirations of local communities are understood
- Local communities are actively working with partners to improve where they live in ways that matter to them
- Our partnerships produce tangible outcomes that benefit our citizens.

16 Our achievements 2010/11

Despite significant constraints and challenges the council has continued to provide good, value for money services that put the community at the heart of everything we do. Through strong leadership, the past year has given us a good foundation to build on as we continue to transform the way in which we deliver public services. Every year the council produces an Annual Report, which details what has been achieved in the previous year. The Annual Report for 2009 to 2010 can be found [here](#) and the Annual Report for 2010 to 2011 will be published by July.

Some highlights of last year's achievements are set out below and these illustrate just a few of the ways in which the council has made a positive difference in the last year.

- Renovations to Bold Street and Marlborough Road in Morecambe which had some of the poorest housing in the district
- Reduced energy, waste and carbon emissions in council buildings and reduced fuel consumption of our vehicles
- Introduced new cycle routes through the University of Cumbria and one covering 170 miles linking Morecambe with Bridlington!
- Reduced the amount of rubbish going to landfill and increased the amount of household waste that is recycled or composted
- With our partners, undertook our 'Clean Sweep', 'Street Pride' and 'Community Payback' schemes
- Worked with other councils and partners to share the services we provide
- Worked in partnership to deliver an innovative project to engage with and improve the quality of life for people who live and/or work in Skerton
- Supported the work of Voluntary, Community and Faith Sector (VCFS) groups and developed positive relationships with diverse and emerging communities
- Restructured council services and developed plans for further efficiencies in anticipation of the lean times ahead
- Achieved budget savings to protect our front line services
- Introduced more efficient use of workspace to reduce costs

Our strategic planning, policy and performance framework provides the council with a way of managing the way we consult with our communities, how priorities and service delivery are determined and how resources are utilised to deliver the things that matter most to our communities.

The council's ambitions must be balanced against the resource constraints that the council faces. The council has a current framework for strategic planning which helps determine what we do and how we use the resources we have to get the best outcomes we can. In line with this we manage our performance on an ongoing basis to make sure we are getting the right results for the district.

Strategic planning

Consultation

The council regularly asks for peoples views on a range of council services in a number of different ways including evaluation forms, questionnaires, letters, emails, telephone and face-to-face, through social media, such as face book and working in schools.

We believe that local people should be at the forefront of decision making. To have your say, join our Community Consultation Register and get involved in future consultations on a range of council subjects. You can get involved in online, postal, telephone or face to face consultation - the choice is yours.

For more information contact the council's consultation officer on 01524 582268, email consultation@lancaster.gov.uk or visit www.lancaster.gov.uk/consultation

Developing priorities

Our priorities are developed by your councillors based on what is known about our district and its communities. Corporate priorities are considered first by Cabinet and then by full Council (all 60 members) where all councillors are involved. Progressing our priorities invariably costs money, and Government funding is expected to reduce over the next few years. The council recognises, however, that council tax bills are a significant burden for many households and therefore we aim to keep council tax increases to no more than 2% for 2012/13 and 2013/14.

Services and activities

The services and activities the council undertakes are linked to priorities set by council but include some areas of work that are statutory or are needed to make sure we can do things in the right way within the appropriate financial, legal and democratic framework.

Through its decision making processes the council will decide what services will be delivered and the activities we will undertake to deliver the priorities that have decided, and within the council tax and budget levels that full Council have set.

Policy framework

The Corporate Plan is a central part of the policy framework stating our key priorities, the actions that are necessary to deliver the priorities and the outcomes we hope to achieve for our district. Underpinning the Corporate Plan the council has specific policies that explain our approach to particular areas of activity and that link to relevant legislation.

Resource management is vital and the council plans carefully how it will use resources wisely to make sure they support delivery of the services that matter to local people, that we get the most value from our budgets, our employees, our land and property and our information and communications technology and that we can plan for medium term challenges.

The key strategies that support our Resource Management Framework (see page 20) are supported by a number of other important policies, strategies and plans that help us to deliver our objectives. These are:

- **Sustainable Community Strategy**
- **Corporate Plan**
- **Local Development Framework**
- **Housing Strategy**
- **Economic Vision/Regeneration Strategy**
- **Community Safety Strategy**

Performance management

Our **Performance Management Framework** explains how we will manage our performance to make sure we can achieve planned outcomes and objectives but also make sure that we address any underperformance and risk quickly and effectively. It involves councillors, senior managers and all staff in considering whether or not performance is on track towards achieving our ambitions.

We manage our performance by setting clear and measurable milestones and targets to track delivery of our priorities through regular monitoring, panel reviews and comparing best practice with other councils. We use this framework to ensure our success in meeting challenges but also to provide evidence of achievement.

In the current economic climate it is more important than ever to provide more with less and to publicly account for both the money we spend and the quality of the services we deliver – our performance framework gives us the tools to do that effectively.



The council recognises the importance of managing our resources (finance, land and property assets, people and information and communications technology) effectively and that this is vital when planning for the future to respond to changes in service demand and new legislation and to balance our aspirations against the resource constraints that the council faces.

Finance

The Government's Spending Review in October 2010 has resulted in unprecedented year on year public spending reductions, as the Government strives to balance its books and tackle its budget deficit. The council's **Medium Term Financial Strategy** (MTFS) is the council's expression of how it plans to balance demands and aspirations against the financial constraints it faces.

The MTFS covers both revenue and capital financial planning, supporting and informing the council's strategic direction as set out in the Corporate Plan by matching available resources to the council's priorities and statutory responsibilities.

It outlines the key financial targets and constraints for the council, together with the financial planning, monitoring and budget setting processes that will be followed in seeking to achieve those targets.

Through the MTFS the council will:

- protect the council's financial standing and avoid volatile or unnecessary fluctuations in the provision of council services;
- deliver a balanced, robust budget;
- help achieve value for money in the use of the council's resources; and
- be transparent about how the council will manage and plan its finances.

As mentioned earlier, the council's key target is to keep council tax increases to no more than 2% for 2013 onwards.

The council will update its MTFS midway through each year, setting out how we will work within the current tight financial constraints to deliver our priorities and manage the key financial and other risks facing the council.

Land and property assets

The **Medium Term Corporate Property Strategy** sets out how the council's land and property assets are managed to meet both the council's current circumstances and the anticipated requirements of customers, staff, legislation and best practice. It is important that efficient and effective use is made of these assets to support the delivery of corporate and service objectives. The Strategy is based on the premise that challenge and review of use, provision and performance is seen as a positive approach to ensuring that assets are fit for purpose and that retention, investment and utilisation is focussed on the needs of the customer and the achievement of the council's corporate objectives.

The council will utilise its assets to facilitate regeneration schemes such as the canal corridor scheme in Lancaster and the promenade in Morecambe. Council land is also being used to facilitate the creation of an urban nature reserve at Edenbreck, Lancaster.

The Strategy is also being used as the basis for reducing the amount of accommodation that the council uses to deliver its services, whilst at the same time ensuring that its stock of buildings is adequately maintained. Four buildings have recently been vacated and the emphasis is on the council providing services from both Lancaster and Morecambe Town Halls. Investment is now being made into both buildings to bring them up to standard in terms of condition and sustainability.

People

We recognise that the council needs to consider its strategic workforce issues within the changing context of public sector working.

We are committed to becoming an "employer of choice" and transforming the council through the skills, knowledge and commitment of our workforce.

The core principle behind how we shape our services is the flexibility of our workforce. We aim to achieve this consistently across all services through robust leadership and management practice and a skilled and knowledgeable workforce that has clarity of purpose in what we are aiming to achieve.

We will collaborate with our partners and exploit technology to ensure we deliver high quality citizen-centred services. This collaborative working will also enable greater flexibility in how we deploy our workforce to achieve our collective public service aims. We will also explore innovative service delivery models in collaboration with others, and develop a more harmonised approach to how we deliver learning and development activities, with the aim of reducing cost and achieving better outcomes.

Our workforce is at the heart of the services we deliver. The quality of service outcomes are intrinsically linked to the competence of our workforce and their motivation to deliver services as “one council”.

Equality and diversity are key building blocks in the development of a diverse, skilled and competent workforce that is committed to delivering responsive citizen-centred services. They lie at the heart of how we employ people, deliver services and collaborate with our partners to help shape the district as a place to live and work.

To this end we will:

- Commit to promoting equality throughout the district as a service provider and internally as an employer
- Commit to ensuring all sectors of the community have access to good quality public services
- Commit to making equality an intrinsic part of the way we act as a service provider
- Commit to provide an adequate level of resourcing to ensure that these commitments are met.

Information and communications technology

Our **Information and Communications (ICT) Strategy** sets out how ICT will support the achievement of our corporate priorities and service objectives.

Key to this is enabling our residents, customers, staff and partners access to information and systems whenever they need it, whilst exploiting new technologies to reduce costs, save energy and improve services.

With this, very much in mind, we are planning to enter into a strategic partnership with Lancashire County Council and British Telecom which will give us access to additional skills and make best use of available resources.



The council

We have 60 elected Members who are democratically accountable to residents in their Ward and the citizens of the district as a whole. Collectively the councillors form 'full Council' with responsibility for adopting the council's constitution which sets out how the council operates, how decisions will be made and the procedures that must be followed to ensure that these are efficient, transparent and accountable to the district. Full Council is also responsible for approving our policy framework including the council's priorities, Corporate Plan and setting of budget and Council Tax levels. The council elects members to its committees and the Mayor, and Deputy Mayor, and the Leader of Lancaster City Council.

For more information about the council and a full A-Z listing of council services, visit our website www.lancaster.gov.uk.

Governance and decision making

Decisions within the policy framework and budget set by council are made by our Cabinet of up to 10 members who will be chosen by the leader of the council. Key decisions to be discussed or made are published in the leader's Forward Plan where these can be anticipated. Cabinet meetings are open to the public except where personal or confidential matters are being considered.

An Overview and Scrutiny Committee holds Cabinet to account and can challenge the decisions it makes. The Overview and Scrutiny Committee allows residents a greater say by holding public reviews/inquiries into matters of local concern and carry out activities that support the work of Cabinet and the council as a whole.

There are some decisions that as a matter of law cannot be taken by Cabinet and there are standing and regulatory committees to deal with these including Planning, Licensing, Personnel and Audit.


These committees form part of our corporate governance framework, the effectiveness of which is the responsibility of Audit Committee. These arrangements comprise all the systems and processes, culture and values, that ensures we are doing the right things, in the right way and for the right people in a timely, inclusive, open, honest and accountable manner.

The Audit Committee reviews these arrangements annually and it also has responsibility for approving the council's annual accounts, once they have been checked by the council's external auditors.

The council is committed to open governance which means that all our meetings wherever possible, are open to the public and agendas and decisions are posted on the website.

We believe that local people should be at the forefront of decision making. To have your say, join our Community Consultation Register and get involved in future consultations on a range of council subjects. You can get involved in online, postal, telephone or face to face consultation. You can also speak at Council, Planning Committee, Overview and Scrutiny Committee and Cabinet meetings.

The council recognises that good governance leads to good management, good performance, good stewardship of public money, good engagement with the community and, ultimately, good outcomes for our residents. We take this responsibility seriously, undertaking a review and reporting on the effectiveness of these arrangements annually and making recommendations for improving any significant issues.



Services

Together, around 950 staff provide a wide range of quality services including rubbish and recycling collection, planning and building control, housing and homelessness, environmental health, car parking, leisure and sport, economic development, tourism, events, licensing, benefits, council tax collection, support for the community and voluntary sector.

All of these, and a lot more, are delivered and supported by the following eight Services:

- **Community Engagement**
- **Environmental Services**
- **Financial Services**
- **Governance**
- **Health and Housing Services**
- **Information Services**
- **Property Services**
- **Regeneration & Policy**

Our staff provide advice and support to the public and elected members, implement decisions and manage the day-to-day delivery of our services. There are also officers who have a statutory duty to ensure that the council acts within the law and uses its resources wisely. A protocol governs the relationship between staff and elected members.

Partnership working & community leadership

Outcomes

- Services that matter prioritised
- Efficiency savings achieved
- The voluntary, community and faith sector will have capacity to deliver services for the district
- Key partnerships working effectively
- Local communities actively working to improve where they live

Actions

- Develop a joint public sector approach to delivering services
- Shared services programme with Lancashire County Council
- Ensure our key partnerships work effectively
- Engage with our communities
- Work with the voluntary, community, faith sector to deliver local services

Climate change

Outcomes

- CO2 emissions from council activities reduced
- Council's energy usage will have reduced
- Council will generate income from energy

- Income generated through climate change mitigation and adaptation

Actions

- Energy efficiency measures for housing and vehicles
- Improvements to council buildings
- Increase income from energy recycling projects



“By promoting city, coast and countryside, we will secure a safe and prosperous community that’s proud of its natural and cultural assets and provides lasting opportunities for all.”

In Morecambe this means a seaside resort recognised as vital and vibrant and for its tourism offer in an exceptional natural setting with a sustainable economy and a stable resident community.

In Lancaster this means being recognised as an important University city with an envied quality of life, strong economic opportunity and rich heritage.

In our countryside this means a sustainable quality of life that protects communities and landscapes while providing the economic opportunity to flourish.

Economic regeneration

Outcomes

- A vision for energy infrastructure
- More tourists coming to the district and tourist income is maximised
- Improve the district as a place to visit
- Improved cultural, retail and tourism offer
- Recognised as a visitor destination

Actions

- Promote nomination for nuclear new build
- Support national infrastructure development
- Improve public realm, parks and open spaces
- Maximise cultural, heritage and retail offer

Statutory responsibilities

Outcomes

- Streets and public spaces are clean
- Our district is safe
- Our local environment is protected
- Increased household waste reused, recycled and composted

Actions

- Actions to increase amount of household waste re-used, recycled and composted
- Deliver services that keep our streets safe
- Deliver public realm services that keep our streets clean
- Deliver statutory services to ensure minimum standards are met

Our performance at a glance

Priorities

	Economic regeneration	Climate change	Statutory responsibilities	Partnerships
Key outcomes for our community	<p>Energy Coast</p> <ul style="list-style-type: none"> A shared vision will be in place for the district's contribution to the nationally important energy infrastructure <p>Visitor Economy</p> <ul style="list-style-type: none"> More tourists coming to the district and tourist income is maximised The attractiveness of the district as a place to visit will be improved The district's cultural, retail and tourism offer will be improved Lancaster District will be recognised as a visitor destination 	<ul style="list-style-type: none"> CO2 emissions from council activities will have reduced Council's energy usage will have reduced Council will generate income from energy, including feed-in tariffs Income generated through climate change mitigation and adaptation projects for reinvesting into the invest-to-save fund 	<ul style="list-style-type: none"> Streets and public spaces are clean Our district is safe Our local environment is protected by a reduction in incidents of environmental antisocial behaviour 	<ul style="list-style-type: none"> Services that matter most to our communities will be prioritised Efficiency savings will be achieved through joint working The voluntary, community and faith sector will have capacity to deliver services for the district The Children's Trust Community Safety and the Arts and Culture partnerships will be in place and working effectively Local communities will be actively working with partners to improve where they live, in ways that matter to them
Key actions What we will do	<p>Energy Coast</p> <ul style="list-style-type: none"> Promote nomination for nuclear new build Support national infrastructure development <p>Visitor Economy</p> <ul style="list-style-type: none"> Improve public realm, parks and open spaces Maximise cultural, heritage and retail offer 	<ul style="list-style-type: none"> Energy efficiency measures for housing and vehicles Improvements to council buildings Increase income from energy recycling projects 	<ul style="list-style-type: none"> Actions to increase amount of household waste re-used, recycled and composted Deliver services that keep our streets safe Deliver public realm services that keep our streets clean Deliver statutory services to ensure minimum standards are met 	<ul style="list-style-type: none"> Develop a joint public sector approach to delivering services Shared services programme with Lancashire County Council Ensure our key partnerships work effectively Engage with our communities Work with the voluntary, community, faith sector to deliver local services
Our 2011/12 Success Measures	<p>Energy Coast</p> <ul style="list-style-type: none"> Heysham nominated for nuclear build Proposals for upgrade of the national grid commenced (towards determination by 2014) <p>Visitor Economy</p> <ul style="list-style-type: none"> Visitor numbers increased Visitor spend increased Visitor enquiries increased 	<ul style="list-style-type: none"> Average Standard Assessment Procedure (SAP) rating of 72 in council housing homes Annual reduction in carbon emissions from the Council's operations of 3.4% towards 80% cut by 2050 Reduce energy costs across Lancaster City Council owned buildings Increased income from climate change initiatives and projects 	<ul style="list-style-type: none"> Improved perception of people who live in, work in or visit the District that streets and public spaces are clean and safe Incidents of environmental antisocial behaviour (such as climate change, fly tipping littering fly posting, graffiti and vandalism) are reduced Increased % of household waste re-used, recycled or composted All statutory service requirements are met 	<ul style="list-style-type: none"> Savings/ efficiencies from joint working Service delivery arrangements in place with VCFS partners Number of local residents satisfied with council services Savings and efficiencies from on-line customer service delivery Number of diversionary activities delivered



Managing our Resources

Resource Management Framework 2011-14

LANCASTER
CITY COUNCIL

Promoting City, Coast & Countryside

Contents

Introduction	Page 3
Medium Term Financial Strategy	Page 5
Medium Term Corporate Property Strategy	Page
Information and Communication Technology	Page
Human Resources Strategy	Page

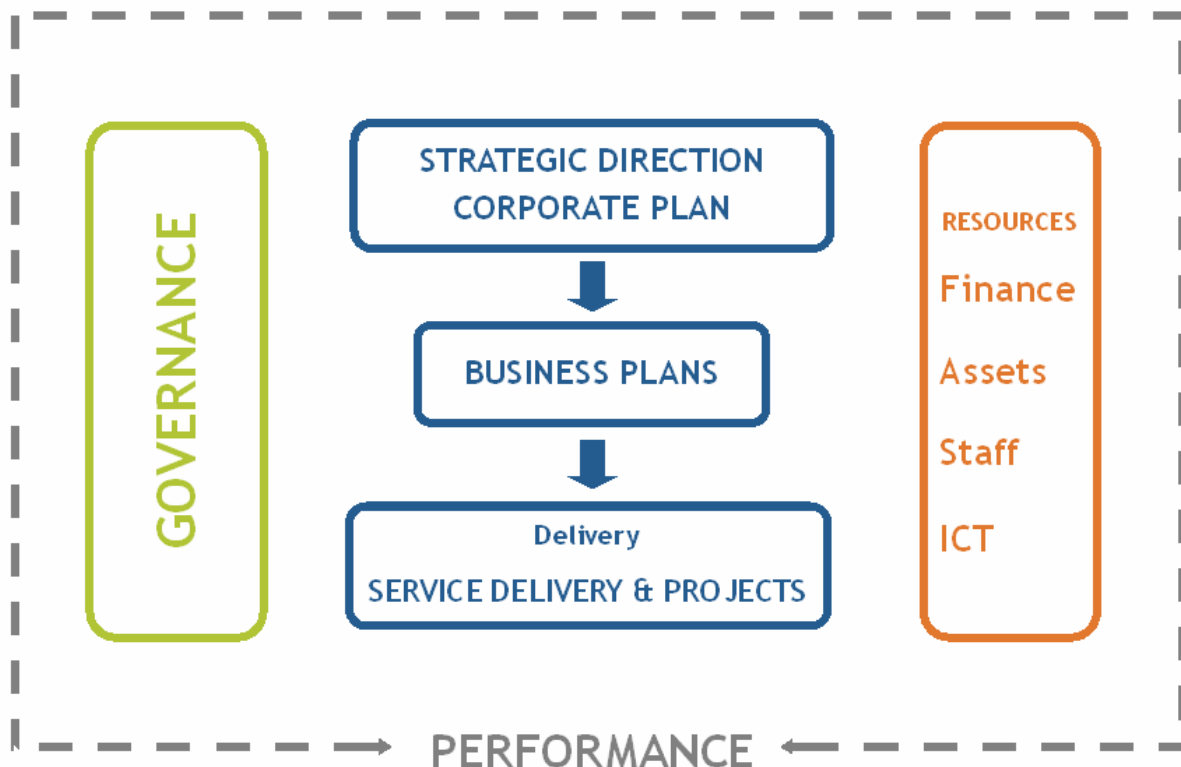
Introduction

Lancaster City Council operates in a dynamic and challenging environment. There is an ongoing need to respond to changes in service demand and new legislation, as well as managing the community's expectations and aspirations as a whole.

The council's Resource Framework sets out how the council's resources of finance, property, people and IT are utilised to meet the council's current circumstances and the anticipated future requirements of customers, staff, legislation and best practice. In moving forward, there are clear resource constraints that the organisation faces and, following the Government's Comprehensive Spending Review (CSR) in October 2010, and the proposed introduction of new legislation around the Localism Bill (e.g. Community Right to Buy and Community Right to Challenge) achieving a balance of such resources, to priorities over the medium term presents a huge challenge. Competing demands and limited resources mean that difficult choices may need to be made.

The council will manage its response to these challenges through a rolling process of corporate planning and policy review and will, as part of this process, produce relevant policy documents, which are integral to this. The council's Medium Term Financial Strategy (MTFS), Medium Term Corporate Property Strategy (MTCPS), IT Strategy and HR Strategy are core to this work.

Due to the significant changes to the way Local Government may deliver services in the medium term, the council's planning and policy framework will be reviewed in the summer of 2011. However, the Corporate Plan identifies an outline of the proposed approach, and members will receive a detailed framework in the summer. However, members should be aware that, in order to have successful outcomes for the district's communities, the council needs to consider key strategic documents of corporate planning, resource planning and governance. Below is a simple policy framework which illustrates how each of these documents interact:



The council's Resources Framework must support and inform the council's Vision for the district and strategic direction, as set out in the Corporate Plan, to match available resources. The council's priorities, to which all resources are aligned, are as follows:

- **Economic regeneration** – energy coast, visitor economy and housing regeneration
- **Climate change** – prioritising reducing the council's energy costs and increasing income
- **Statutory responsibilities** – fulfilling at least our minimum statutory duties – focus on keeping the streets clean and safe
- **Partnership working and community leadership** – working with partners to reduce costs, make efficiencies and create resilience within the district
- The intention to protect the most vulnerable in our society should also be a thread that runs through all the above priorities

The documents, which form the Resource Framework, detail key approaches that the council needs to take in addressing the council's corporate priorities and future challenges of aligning resources accordingly.

**MEDIUM TERM
FINANCIAL STRATEGY
2011-14**

**Head of Financial Services
2011**

Index

		Page
1.0	Introduction	7
2.0	Aims and Objectives	8
3.0	Current Position	8
4.0	Links with Corporate Priorities	11
5.0	Targets and Constraints	12
6.0	The Budget Process	15
7.0	Monitoring and Review	19
8.0	Governance	20
9.0	Public Access to Information	20

1.0 INTRODUCTION

- 1.1 The Medium Term Financial Strategy (MTFS) sets out how Lancaster City Council proposes to manage its financial resources in line with current corporate priorities and future challenges the council faces in service delivery.
- 1.2 The city council responds to these challenges through a rolling process of policy review and financial planning. The Medium Term Financial Strategy (MTFS) is integral to this; it forms part of the council's wider resources framework linking to the Medium Term Corporate Property Strategy (MTCPS), the Human Resources (HR) Strategy and the Information and Communications Technology (ICT) Strategy.
- 1.3 The MTFS covers both revenue and capital financial planning. It outlines the key financial targets and constraints for the council, together with the financial planning and budget setting timescales that will be followed in seeking to achieve those targets. The processes are designed to ensure that policy objectives and spending demands are balanced against available resources, having regard to risk considerations and the community's needs.

In short:

- The Corporate Plan sets out the council's Vision for the district and summarises the council's medium term key priorities, aims and objectives in terms of outcomes and outputs to achieve the Vision;
- The MTFS also summarises the same key priorities, aims and objectives, but expresses them in financial terms. It also highlights any imbalance – which is the need to make savings and/or change aspirations for the future. Such needs should be considered in context of the Government's latest Comprehensive Spending Review (CSR), which resulted in unprecedented year on year public spending reductions.



- 1.4 At present, for revenue planning the Strategy's focus is very much on General Fund services funded through Council Tax. In broad terms, this covers all council activities with the exception of council housing. Council housing finances are managed through a separate Housing Revenue Account (HRA).
- 1.5 Financial planning for council housing will change significantly under the Government's proposals for "Implementing Self-Financing for Council Housing". Details of these arrangements were received in February 2011 and the target for implementation is April

2012. The implications of the new arrangements will be assessed and reported during this financial year, and updated into the MTFS as appropriate.

2.0 AIMS AND OBJECTIVES

2.1 The aims and objectives of the MTFS are to:

- protect the council's financial standing and avoid volatile or unnecessary fluctuations in the provision of council services, by:
 - providing a clear and regularly updated view of the council's future financial prospects;
 - setting out the council's key financial objectives and budget constraints within which members and officers must operate;
 - promoting and progressing the delivery of a financially sustainable and balanced budget for the medium term.
- deliver a balanced, robust budget (for both revenue and capital) each year, which:
 - matches and realigns resources both to council priorities and statutory needs;
 - is based on informed decision-making across all council policies and activities, underpinned by risk management;
 - takes account of budget consultation with stakeholders.
- help achieve value for money in the use of the council's resources. This includes:
 - maximising efficiency savings and, where appropriate, increasing income;
 - protecting statutory services and minimising reductions in other front-line services, where possible and where this is in line with council priorities, and
 - working with services to challenge traditional methods of service provision.
- be transparent about how the council will manage and plan its finances, together with the implications on service delivery.

3.0 CURRENT POSITION

3.1 NET REVENUE SPENDING

3.1.1 The Council's current approved forecasts for net revenue spending and resulting Council Tax rates for the next three years are shown below:

	Revenue Budget Projections (allowing for savings & growth)			Council Tax Projections	
	Net Budget	Annual Change	Net Contributions from Balances*	Average Band D Tax Rate	Annual Increase (YOY)
	£000	%	£000		%
2011/12	21,481	-13.2	1,261	£192.25	0.0
2012/13	21,131	-1.6	326	£218.89	13.9
2013/14	21,726	2.8	--	£237.64	8.6

* This includes the amounts being transferred from Balances into the Invest to Save Reserve.

- 3.1.2 The transfer of concessionary travel responsibilities has resulted in a major reduction in the Council's net budget for 2011/12, but, in addition, the Council has implemented measures to make net recurring savings of £1.8M. These achievements, together with Government's incentive package, have resulted in a Council Tax freeze for 2011/12.
- 3.1.3 The Council's budget is forecast to reduce further in 2012/13 and there are two main reasons for this:
- the Council's underlying borrowing requirement, known as its Capital Financing Requirement (CFR), is expected to reduce by £5M in 2011/12, and this will reduce borrowing costs from 2012/13 onwards;
 - the cost of local elections falls out in 2012/13.
- 3.1.4 In terms of Government funding, this is expected to reduce in cash terms by 11% between 2011/12 and 2012/13. Thereafter, year on year reductions of 2% are assumed. Whilst different scenarios may be modelled in due course, in terms of sensitivity a 1% change in Government support from 2012/13 onwards amounts to over £110K or a little under a 1.5% change in Council Tax.
- 3.1.5 Whilst such ongoing reductions in Government support add pressure, the Council believes that its current forecasts for Council Tax are unacceptably high and, therefore, over the next two years, it needs to make further substantial recurring savings in its revenue spending. This scenario is typical for public sector organisations over the medium term. It is in this context that Council has determined its key financial targets for future years, as set out later.

3.2 RESERVES AND BALANCES

- 3.2.1 The Council recognises that general balances are needed to provide:
- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing; and
 - a contingency to cushion the impact of significant unexpected events or emergencies.
- 3.2.2 The Council's Section 151 Officer has advised that balances should be maintained at £1M for General Fund and £350K for the Housing Revenue Account; the Council accepts this advice and this is taken account of in future financial strategy.
- 3.2.3 As at 31 March 2011, the Council's General Fund balances are estimated to be almost £2.6M, and a further contribution of almost £200K is due to be made in next year. In order to provide financial capacity to help achieve budget reductions in future years, the Council has established an Invest to Save Reserve of almost £1.8M over the next two years, from these surplus balances. These transfers would therefore result in balances reducing to the minimum £1M. In addition the Council has established other specific earmarked reserves to help manage costs and other potential liabilities arising from a range of issues, such as restructuring of services, Lancaster Market improvements and potential liabilities in connection with Icelandic investments. The Council has a full approved policy on the use of such funds.

3.3 CAPITAL INVESTMENT AND FINANCING

3.3.1 The Council's current asset base is summarised below, based on its Balance Sheet. As at the end of last financial year the Council held land and other property of £278M, against which it had £42M borrowing outstanding. The majority of assets held are integral to providing services and supporting delivery of the Council's objectives, however, and this means that most assets cannot readily be sold.

Summary Consolidated Balance Sheet	31 March 2009 £'000	31 March 2010 £'000
Intangible Assets	474	306
Tangible Fixed Assets:		
Council Dwellings	160,152	142,165
Other Land and Buildings	47,994	49,641
Vehicles, Plant and Equipment	4,675	4,487
Infrastructure	33,808	32,854
Community Assets	8,055	8,066
Non Operational Assets	36,514	40,070
Total Capital Asset Base	291,672	277,589

3.3.2 A key task within the Council's MTCPS is to keep the authority's property portfolio under regular review to ensure that its capital base remains fit for purpose, and that any major associated risks or opportunities are identified and managed as appropriate. In turn these are reflected in either the council's capital investment priorities, or its capital receipts forecasts.

3.3.3 Accordingly, over the next five years, the council's capital investment and its assuming financing is summarised as follows:

	Council Housing £'000	General Fund £'000	Total £'000
Total Gross Capital Programme	18,160	12,615	30,775
Financed by:			
External Grants and Contributions	25	4,004	4,029
Capital Receipts (from other land & property sales)	258	9,451	9,709
Direct Revenue Financing (including HRA Major Repairs)	17,737	450	18,187
Use of Reserves	140	704	844
Net Reduction (-) in underlying borrowing need	--	-1,994	-1,994
Total Financing	18,160	12,615	30,775

3.3.4 It can be seen that the council is heavily reliant on selling other land and property in order to finance its capital investment. For General Fund, the investment plans are based on receiving around £9M of capital receipts in 2011/12, of which £4M is required to finance the programme in that year, with the remaining £5M being used to offset increases in

borrowing need from previous years, as mentioned earlier. If these receipts do not materialise, then borrowing need would increase further, increasing the amount of revenue savings required in future. Members have considered and accepted this risk, especially given that the bulk of council funded capital investment is targeted at renewal and refurbishment of municipal buildings and facilities. The capital financing principles outlined later help provide some mitigation. This scenario does help to highlight, however, the interdependency between revenue and capital planning.

4.0 LINKS WITH COUNCIL PRIORITIES

- 4.1 The MTFs must both support and inform the Council's Vision for the District and strategic direction as set out in the Corporate Plan, to match available resources to the following agreed priorities and any other supporting needs. The following table provides a simple breakdown of the General Fund revenue budget and all capital budgets (including council housing) broadly analysed over the council's priorities.

PRIORITY / KEY OBJECTIVE	ANNUAL REVENUE BUDGET £000	5 YEAR CAPITAL PROGRAMME £000
Economic Regeneration	1,616	5,366
Climate Change	222	3,588
Partnership working & Community Leadership	2,460	106
Statutory responsibilities (including corporate functions and supporting investment)	17,183	21,715
TOTAL PLANNED INVESTMENT	21,481	30,775

(The above indicative analysis will be updated further as part of the mid year review, to reflect service business plans.)

- 4.2 Given the nature of the Council's priorities, it is inevitable that spending will not be evenly spread. As an example, partnership working and community leadership does not typically involve significant capital investment. Furthermore, if the financial scope for affording discretionary activities reduces, a greater proportion of spend and investment will be incurred in maintaining essential statutory services. The council's role in pursuing its priorities is also changing; in particular the environment surrounding external funding will impact on the ways in which services are delivered in future.
- 4.3 For capital investment, there is a need to be more specific in terms of priorities. In particular, as reflected in the table above, much investment relates to property used corporately across the full range of Council activities. For this reason, the following supplementary priorities have been adopted to direct investment over the next five years, subject to annual review:
- Delivering the Council's Economic Vision as set out in the Economic Regeneration Strategy.
 - Delivering improvements for the Public Realm.
 - Delivering schemes that support the Council's Climate Change agenda, with focus on energy efficiency and income generation.

- Progressing the priorities within the Council’s Housing Strategy and in particular, in meeting the current ‘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 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 (taking account of the Prudential Code - see later).

5.0 TARGETS AND CONSTRAINTS

5.1 COUNCIL TAX

5.1.1 Lancaster City Council believes that Council Tax should give good value for local taxpayers. In setting its tax rates, the council should also have regard to:

- anticipated levels of pay and price inflation
- Government funding levels
- Government targets for Council Tax
- the ability to meet minimum statutory requirements
- its Vision for the district.

5.1.2 The Council aims to keep Council Tax increases to no more than 2% for 2012/13 and 2013/14. These targets apply to the basic City Council Tax Rate across the district, excluding parish precepts.

5.1.3 As a consequence, the following table sets out the key financial targets that the Council will strive to work within for the next three years.

Target	2011/12	2012/13	2012/13
Budget Requirement	£20.481M	£20.140M	£20.088M
Council Tax Increase	0%	2%	2%
Year on Year Net Savings Requirement (assumes recurring savings achieved)	-	£991,000	£647,000
Cumulative Net Savings Requirement	-	£991,000	£1,638,000

5.1.4 The net savings targets would need to be increased for any additional growth that may be required in future, or for any further net increases in the base budget. Clearly the savings targets are indicative and will continue to be monitored and reviewed as referred to later in this Strategy.

5.2 REVENUE BUDGET LIMITS

5.2.1 Council ultimately approves the budget forecasts for future years and any associated use of balances. Cabinet members and officers must then work within this framework, unless any flexibility is agreed by Council. The budget, after any use or contributions from balances, is known as either the Net Revenue Budget or the Budget Requirement.

5.2.2 For the next three years, current figures are as follows:

Year	Basic Budget Limit £'000	Forecast Contribution from Balances £'000	Forecast Net Revenue Budget £'000
2011/12	22,742	1,261	21,481
2012/13	21,457	326	21,131
2013/14	21,726	--	21,726

5.2.3 Cabinet has no flexibility to increase net spending over the amounts shown above, or to increase the contributions from balances, or to take on new spending commitments for subsequent years. Any flexibility within these overall financial constraints is set out within the council's Financial Regulations.

5.3 CAPITAL: UNDERLYING BORROWING NEED (ALSO KNOWN AS CAPITAL FINANCING REQUIREMENT OR CFR)

5.3.1 To support affordable, sustainable and prudent capital investment, and taking into account the latest revenue budget and Council Tax projections, previous years' interim increases in the CFR and the Council's expected future investment needs, the Council's basic underlying borrowing need should reduce by £1.994M over the next five years.

5.3.2 The practice will continue by which the Head of Financial Services, will, under delegated authority and in consultation with relevant Service Heads, assess the most appropriate means of financing for the acquisition of new vehicles and equipment (as budgeted). This may give rise to further increases in underlying borrowing need.

5.3.3 Further increases to the CFR may be considered, but only in context of either:

- providing funding to meet any additional costs arising in connection with settling existing claims and liabilities in connection with the Luneside East scheme. Further specific Cabinet approval would be required before this facility could be called on;
- providing cover for any losses associated with Icelandic investments, should there be any increase in need following changes in Icelandic court decisions and associated recovery prospects;

- providing interim funding for progressing the 2011/12 approved Capital Programme, prior to other expected sources of funding (e.g. capital receipts) becoming available;
- robust, achievable revenue savings being identified or income being generated, which reasonably exceed the ongoing (whole life) costs associated with a new capital proposal and meet any other payback requirements. This scenario would require further specific Cabinet / Council approval as required.

5.3.4 No underlying borrowing requirement is assumed for council housing investment at present but this will need to be updated in light of the outcome of the housing funding review, for consideration by both Cabinet and Council given the likely amounts involved.

5.3.5 Whether or not any of these underlying borrowing needs will give rise to actual additional long-term borrowing or, alternatively, be financed by utilising the council's cash balances, is a decision that will be made within the framework of the council's Treasury Management Strategy.

5.4 REVENUE FINANCING FOR CAPITAL INVESTMENT

5.4.1 Substantial general budgetary provision for direct revenue financing will be made within the Housing Revenue Account (HRA) for council housing purposes, in line with approved budgets and forecasts to support the Business Plan. No such general provisions will be built into the General Fund revenue budget, though revenue financing relating to specific schemes may be considered in appropriate circumstances, e.g. Invest to Save and other energy efficiency works, and the Townscape Heritage Initiative.

5.4.2 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.

5.5 CAPITAL RECEIPTS

5.5.1 Over the next five years, usable capital receipts totalling £9.7M are anticipated, of which approximately £9.5M relates to General Fund property disposals, with the remainder relating to council housing. The controls regarding their use are set out below:

- Council housing capital receipts may be used either to support capital investment in council housing stock and supporting assets, or to reduce HRA capital financing costs. The use of any additional receipts arising will be considered in context of the forthcoming housing finance changes.
- For General Fund, of the £9.451M capital receipts budgeted, only £4.484M will be used over the period to support capital investment generally. The remaining £4.967M will be used to reduce underlying borrowing need. 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:
 - Capital receipts arising from the West End Housing Schemes will be ring-fenced to meeting associated costs and liabilities arising, subject to appropriate Cabinet approval.

- The application of any additional General Fund capital receipts arising will only be considered once sufficient anticipated receipts have been received to finance existing programmes and achieve the planned reductions in the Council's underlying borrowing need. They will not be used to support new spending or commitments.

5.6 EXTERNAL GRANTS AND CONTRIBUTIONS

5.6.1 The Council anticipates that external sources of finance will be scarcer than in recent years. Nonetheless, it will continue to pursue funding opportunities where:

- they fit clearly with the Council's Vision and capital investment priorities;
- the funding makes provision for extra capacity to support the workload involved, should it be required; and
- pursuing such opportunities requires no extra financial support over and above that already provided for within approved budgets, or included in budget proposals supported by Cabinet, or alternatively, the funding opportunity may reasonably result in the council avoiding future costs or liabilities.

5.6.2 Should potential funding opportunities arise for provision of services, these will be considered as part of the budget and planning process wherever possible.

5.6.3 The use of any general, non-specific grants will also be considered as part of the budget process, should timescales permit, to allow appraisal in light of overall spending needs and priorities.

6.0 THE BUDGET PROCESS

6.1 This is an annual process, which is part of the Council's corporate planning and policy-making arrangements. It integrates any agreed policy changes and priorities with inflation and other financial adjustments, to arrive at a set of detailed budgets for the year ahead within the targets as set out (for Council Tax, as an example).

6.2 Through the review process, elected Members determine the allocation of resources across services and Corporate Plan priorities. In conjunction with the Head of Financial Services, Management Team is responsible for the more detailed aspects of budget preparation including bringing forward project proposals and service provision options to assist elected Members' deliberations.

6.3 The approved annual budget is therefore a resource plan that, as far as possible, matches inputs (e.g. staff, premises, equipment) to planned outputs and objectives, and gives authority to spend. It provides a basis for monitoring and accountability.

6.4 The Council is currently reviewing its planning and policy framework, and will report to members with a revised proposal in the summer of 2011. Notwithstanding this revision, there are certain key dates which must be adhered to in budget setting. These are determined by Government, either through funding announcements or legislative requirements.

6.5 Ultimately, the Council must set a budget on Council Tax before 11 March each year. The Council's financial year runs from 01 April to 31 March. Generally the budget process looks at a three year time span for revenue and a five year time span for capital, but as the

year moves on, attention will become more focussed on the detailed budget for the next financial year.

6.6 BUDGET PREPARATION

6.6.1 The Council has taken an incremental approach to budget-setting for 2011/12 and for future years' forecasts underpinning this Strategy. Broadly speaking, this means that the current year's budget provides the starting point for next year's. It is based on the assumption that unless any specific decisions are taken to determine otherwise, services and activities will continue at the same level, from one year to the next. This does not preclude efficiency or innovation being sought in service delivery, however. Indeed efficiencies are the first priority for achieving budget savings and this is reflected later.

6.6.2 The initial "baseline" assessment of the cost of service provision is referred to as the base budget. In the course of the planning process, the base budget for each service area is updated to include:

- an allowance for the estimated level of pay and price inflation from one year to the next;
- adjustments to reflect the transfer of functions in the Council, changes in activity / demand levels for services where appropriate or general cost reductions, as examples;
- any previously approved changes to policy or strategy, for example a reduction in budget to reflect withdrawal of services or an increase to fund a new initiative or the impact of new legislation.

6.6.3 As part of the subsequent reviews of this Strategy, consideration may be given to other budgeting approaches such as zero-based budgeting, as an example.

6.7 GOVERNMENT FUNDING

6.7.1 Government funding directly influences the match between service provision and Council Tax levels, and so is a critical factor in the budget process; around 60% of the Council's revenue funding is received directly from Government. The results of the latest Comprehensive Spending Review (CSR) were announced in October 2010 and this set out significant reductions in public spending plans for the next 4 years. However, the Local Government Settlement only covers 2 years - a further finance review is planned - and therefore this leaves some uncertainty over funding levels from 2013/14 onwards. There has also been a marked reduction in the number of specific or ring-fenced grant funding streams and whilst this has, overall, resulted in reduced funding, it does also reduce the associated administrative burdens.

6.7.2 Estimates of expected general revenue support, as well as any remaining ring-fenced specific grants and associated costs, will be revised during the planning and budget setting process.

6.8 BALANCING THE REVENUE BUDGET: SAVINGS AND GROWTH OPTIONS

6.8.1 Typically there is the need to address a funding gap between spending aspirations and the resources available and, consequently, savings must be achieved. There is also the need to accommodate any required growth in services, other legislative changes and the costs

of financing and implementing major projects. This can require a significant realignment of resources. The council will achieve this through the following means.

a. Efficiency Savings:

These are regarded as a priority over other forms of making savings in council expenditure. Given the need to make substantial ongoing reductions to the budget, the council will focus on 'cashable' efficiency savings predominantly, rather than those that seek to enhance service standards for the same cost. Efficiency savings may arise in the following ways:

-Shared Service Programme

An important element of achieving efficiencies (either to improve service delivery or make cashable savings) is the Council's programme for collaborative or joint working with other local authorities or public sector organisations. The Council will continue with this programme, to achieve better value for money for the community across the public sector as a whole.

-Re-engineering and Re-structuring of Services

The council will continue to use "business process re-engineering" tools and techniques to ensure services are delivered within minimum cost and maximum outputs. The above proposals of shared services and "business process re-engineering" will change the Council's workforce over time. These changes are identified in the HR Strategy and associated reductions may involve upfront costs.

b. Invest to Save Initiatives:

The Council is committed to reducing its energy costs and/or generating related income. Priority will be given to progressing such proposals during 2011/12. In addition the feasibility for redeveloping Lancaster Market will also be taken forward and this too may result in an Invest to Save business case being presented for consideration. Other options for achieving further savings will be considered in light of available resources and the council's priorities; these may cross over with other efficiency proposals.

c. Income Generation

In previous years, the Council has reviewed some, but not all, of its charging policies for specific services or activities. During the autumn of 2011/12, Cabinet will review the overall charging policy, to identify potential options for increasing income generation (and potentially reducing the subsidy for services), in line with the council's corporate priorities.

d. Service Reductions

Notwithstanding the drive for efficiency, it is also expected that savings will be needed through reducing the level or range of services provided, if future financial targets are to be met. The Council will consider options for:

- reducing statutory service standards, where these are provided at above minimum standards;
- reducing or withdrawing discretionary services and activities, informed by the council's current priorities and any proposed future changes, as well as any provision made by other organisations and partners.

e. Growth

The scope for supporting growth may be limited and therefore any future growth need will only be considered if it meets any of the following conditions:

- it is needed to meet statutory service standards;

- it is essential to meet a key objective proposed within the council's Vision and Corporate Plan, for which there are no alternative providers or sources of funding available; and it is considered affordable and sustainable in the medium to long term.

6.9 BALANCING THE CAPITAL PROGRAMME: REQUIREMENTS OF THE PRUDENTIAL CODE

6.9.1 The Prudential Code for Capital Finance in Local Authorities was introduced to support councils in planning for capital investment at a local level. The key objectives of the code are to ensure, within a clear framework, that:

- the capital investment plans of local authorities are affordable, prudent and sustainable;
- treasury management decisions are taken in accordance with sound professional practice; and
- local strategic planning, asset management planning and proper options appraisal are supported.

6.9.2 The ultimate aim is to help ensure value for money from capital investment. Also, it reinforces openness and accountability in the decision-making surrounding capital spending.

6.9.3 Details of the council's Prudential Indicators as required under the relevant code are set out at **Appendix A** (to be added; already approved at Budget Council) and the Treasury Strategy for next year sets out the framework for managing the council's associated debt.

6.10 OPTIONS APPRAISAL

6.10.1 The appraisal of key budget options will incorporate an appropriate impact assessment and consider the workforce, property and any other resource implications, as well as the timescales for implementation and impact on partnerships. It is recognised that major change programmes cannot all be agreed and delivered at the same time and this will be reflected within the council's planning arrangements.

6.10.2 Options for capital investment and their financing will also be appraised as part of the budget process, in line with priorities as set out earlier and to meet the requirements of the Prudential Code. It is imperative that the investment of capital resources contributes clearly to the achievement of the authority's objectives and supporting activities, and that such investment represents real value for money for people in the district.

6.10.3 Given that resources are scarce, the planning and budget process enables the authority to consider and appraise, at a higher level, alternative capital financing levels or strategies and their impact on the council's revenue budget and medium term financial planning, or the 30-year Business Plan for council housing.

6.10.4 The annual planning and budget exercise also underpins the development of a detailed five year rolling Capital Programme, ensuring that this is informed by the outcome of all relevant reviews and development plans. In particular, corporate property requirements are identified through the Council's asset management arrangements as set out in the Council's MTCPS; ICT requirements are similarly identified and assessed.

6.10.5 The authority also requires potential key capital projects to undergo a rigorous project appraisal, using a standard framework to ensure that they are appraised consistently and are deliverable. Wherever possible, this will be undertaken prior to Members considering scheme proposals.

6.10.6 Essentially, budget development and options appraisal is an iterative process, particularly between Cabinet and Council.

6.11 DECISION-MAKING

6.11.1 In recent years the council, through its Cabinet, has moved towards taking budget-related decisions on savings proposals during the year, rather than keeping all options open until Budget Council in late February/early March.

6.11.2 As the council still needs to make substantial savings in future, and, in any event, it makes sense to implement any true efficiency measures as soon as possible to give better value for money, this practice of taking decisions on efficiency proposals throughout the year will continue, rather than leaving all such options for consideration as part of the budget process.

6.11.3 For Invest to Save initiatives, in order to maximise the returns from the finite resources available, the proposals already identified will be appraised and determined simultaneously, but in view also of other outline ideas for the use of Reserve. Once these have been determined, another round of initiatives may be considered if funding permits.

6.11.4 For income generation and service reduction proposals, decisions will be taken throughout the year where operationally it makes sense to do so. In other scenarios, decisions may be taken in principle, subject to the budget process (i.e. Budget Council). In any event, decision-makers will be clear about the nature and status of their decisions.

6.11.5 Regarding growth, unless there is an unavoidable council or corporate need, all growth options will be considered as part of the budget process (at Budget Council).

6.11.6 Ultimately, the General Fund Revenue Budget, the Capital Programme and its financing, together with Council Tax levels, will be approved by Council at the Budget meeting to be held in late February / early March. Generally the Housing Revenue Account Budget and Council Housing Programme will be approved at the meeting earlier in February, to give adequate time for any rent variation notices to be issued, although this could change in future.

6.12 MANAGING FINANCIAL AND OTHER RISKS

6.12.1 During the annual budget process, the main assumptions underpinning the process are identified, assessed and reported to members, together with the main financial risks facing the council. This is an important element of the council's Risk Management arrangements, and major issues will influence the scope and timing of the monitoring and review processes outlined. A summary of key risks and assumptions underpinning the council's financial planning is attached at **Appendix B** (as previously reported). These have a major bearing on the council's levels of provisions and reserves, which in themselves are an important tool in managing financial risk.

7.0 MONITORING AND REVIEW

7.1 The Council needs to ensure that its financial planning takes adequate account of the many changes or other issues that inevitably arise during the course of a year, including risk considerations. The council's approach to financial management forms a key element of the performance management framework which is detailed in the Corporate Plan. Financial monitoring will be done in a variety of ways:

- Any potential impact generally from the Council's corporate financial monitoring arrangements will be considered, together with the impact of the previous year's outturn. This will also include a review of the national economic outlook and other key assumptions and risks underpinning the budget. Corporate financial monitoring reports will be produced and reported quarterly, as part of the performance management framework.
- A financial impact assessment of any key decisions will be undertaken, including any proposed major policy changes. (It should also be noted that similar impact assessments will also take place for HR, IT and Property issues).

7.2 Major changes in policy or service delivery that are implemented over a number of years on a phased basis will have budgetary impact spread over a corresponding period. These will be incorporated into this Strategy as appropriate, once they have been evaluated and approved.

7.3 As detailed, the outcome of the monitoring and review arrangements will be brought together to avoid a piecemeal approach to reviewing the Strategy. This may necessitate changes to the MTFs framework and the key financial targets contained within it. Any changes will ultimately be reported twice yearly (once during autumn 2011 and once as part of the 2012/13 budget process) for referral on to Council for approval, together with the rationale behind such changes.

8.0 GOVERNANCE

8.1 **Members** - Cabinet is responsible for formulating and recommending proposals and updates to Council.

Full Council is responsible for approving the MTFs and any updates; this is on the basis that it forms part of the council's overall Policy and Budget Framework.

Overview and Scrutiny Committee may commission or undertake work or on related issues as part of its Work Programme or take other measures (such as the call-in of decisions) as set out in the Constitution.

8.2 **Officers** - The Head of Financial Services (as Section 151 Officer) is responsible for leading the development of the MTFs, the annual budgeting process to ensure financial balance, and the financial monitoring arrangements to ensure delivery. She is also responsible for ensuring the MTFs reflects any joint planning with partners and other stakeholders. All Management Team actively contributes to this process.

Other detailed officer responsibilities and key controls are set out in the council's Financial Regulations and Procedures. Nothing within this Strategy overrides the responsibilities or requirements placed on individuals or services as set out in the Financial Regulations.

9.0 PUBLIC ACCESS TO INFORMATION

9.1 As a publicly funded organisation, the Council is committed to being as open and transparent as possible on how it spends tax-payers' money. The Government requires councils to be so; this is mainly to improve public scrutiny and accountability, but such openness also helps to gain a wider understanding of the many financial pressures and

challenges that the organisation faces. The council demonstrates this openness through various means:

The Annual Budget

Information is published each year in three main documents:

- the budget/Council Tax leaflet, which is distributed to local tax payers along with the Council Tax bills each spring;
- the budget book, which is distributed in various forms to council officers and members, with a summary version available on the website;
- the Corporate Plan, which incorporates a financial overview.

Spending in Year

Each month, through its website, the council provides information on payments, made to suppliers for goods and services, where the value is over £500. As referred to earlier, on a quarterly basis, the Council considers its overall financial position and these monitoring reports are available through the council's website.

Outturn and other annual reports

After the year end, the council reports on its actual financial performance. Information is included in the council magazine, and more formally reported through the audited Statement of Accounts. In addition, the council publishes information on specific aspects such as senior officer pay.

- 9.2 As well as informing the public and other stakeholders, the council uses the results and feedback from this information to inform its financial planning and strategy going forward.
- 9.3 All information is available through the Council's website or alternatively, queries can be sent to finance@lancaster.gov.uk.

APPENDIX A

PRUDENTIAL INDICATORS - LANCASTER CITY COUNCIL

As Approved and Updated by Council 02 March 2011 (For MTFS)

	2011/12 £'000	2012/13 £'000	2013/14 £'000
--	------------------	------------------	------------------

AFFORDABILITY

PI 1: Estimates of ratio of financing costs to net revenue stream	Non - HRA	13.7%	11.7%	11.3%
	HRA*	7.2%	7.2%	7.1%
	Overall	11.3%	10.0%	9.7%
PI 2: Actual ratio of financing cost to net revenue stream	Reported after each financial year end			
PI 3: Estimates of the incremental impact of new Capital Investment decisions on the Council Tax This includes the impact of all elements of funding, including any increase in the need to borrow, required to finance new schemes added to the Capital Programme		2.29%	1.12%	1.17%
		£4.41	£2.19	£2.35
PI 3A: Illustrative Impact of Additional Borrowing £1 million		Repayment Period		
		5 Years	10 Years	25 Years
	Increase in Council Tax (£)	£4.99	£2.80	£1.65
	Increase in Council Tax (%)	2.59%	1.46%	0.86%
PI 4: Estimates of the incremental impact of Capital Investment on Housing Rents		Nil	Nil	Nil

CAPITAL EXPENDITURE

PI 5: Estimates of capital expenditure	Non - HRA	5,765	3,822	1,196
	HRA	3,658	3,616	3,616
	Total	9,423	7,438	4,812
PI 6: Actual capital expenditure	Reported after each financial year end			
PI 7: Estimates of Capital Financing Requirement	Non - HRA**	28,655	30,133	29,336
	HRA*	15,303	15,303	15,303
	Total	43,958	45,436	44,639
PI 8: Actual Capital Financing Requirement	Reported after each financial year end			

EXTERNAL DEBT

PI 9: Authorised Limit	Authorised Limit for Borrowing* **	51,740	51,640	51,650
	Authorised Limit for Other Long Term Liabilities	260	260	250
	Authorised Limit for External Debt	52,000	51,900	51,900
PI 10: External Debt: Operational Boundary* **	47,000	46,900	46,900	
PI 11: Actual external debt	Reported after each financial year end			

PRUDENCE

PI 12: Treasury Management: adoption of CIPFA code of Practice	The Council has adopted the updated Treasury Management code of practice (November 2009).			
PI 13: Net borrowing and the capital financing requirement	Anticipated indebtedness (Authorised limit)	47,000	46,900	46,900
	Anticipated average investment	15,960	15,750	14,590
	CFR	47,153	44,697	45,037
	(Under)/over borrowed	-16,113	-13,547	-12,727

*This does not take into account potential reforms to the Housing Revenue Account Subsidy system
 **This is on an IFRS basis including proposed adjustments to the balance sheet for reclassification of leases.



MEDIUM TERM FINANCIAL STRATEGY 2011/12 TO 2013/14



KEY FINANCIAL RISKS

The following sections set out key financial risks, which could significantly impact on the Council's ability to achieve its plans and strategies.

Luneside East

Key risks relate to the final 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: specialist legal support, discussions with and commitment from funders/partners, budget and capital investment strategy provisions)*

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: capital investment strategy provisions, incorporating appraisal of revenue v capital, establishment of new earmarked reserve to cover revenue costs)*

Funding of Capital Programme

Should the latest 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. As an indication £1M of additional borrowing need could cost £60K per year, depending on various factors. *(Mitigation: capital investment strategy provisions, ongoing review and monitoring, options appraisal through budget process)*

Capital Liabilities

There is a potential liability relating to properties developed jointly with a Housing Association in the West End of Morecambe. If ultimately the value of properties sold is less than the cost of purchase and development then the Council will need to stand losses. The converse also applies if the value is greater, however due to falls in the property market the current situation is potentially negative. *(Mitigation: ongoing review and monitoring of capital programme and market conditions)*

Decision-making

There is always the outside risk that the Council fails to reach agreement in order to deliver a balanced, robust and deliverable budget for future years. *(Mitigation: through training and Member induction, budget and planning process, learning from previous years, not being over-ambitious in terms of balancing service provision against funding levels or delivering change)*

Icelandic Investments (and investment losses generally)

The prospects for successful recovery action and affordability risks are influenced mainly by creditor status for two of the investments made. Priority status for UK wholesale depositors (such as local authorities) has very recently been upheld in test cases heard by the Icelandic District Court, but this is subject to any appeals. Risks remain throughout the banking sector generally. *(Mitigation: defence through any appeals to Icelandic Supreme Court, ongoing work through LGA, capitalisation directive applied, impairment reserve established to cover balance of 'worst case' estimated losses, updated investment strategy & future review)*

Government Support (future years)

2011/12 and 2012/13 have seen significant reductions in Government funding levels. There is still uncertainty over 2013/14 and beyond, however the initial two years allocations have been broadly in line with the 4 year Comprehensive Spending Review (CSR) projections. The level of support for 2013/14 assumes a further 2% reduction, in line with the CSR. In addition, the withdrawal of various ring-fencing arrangements or funding streams

may create some potential flexibility but in turn this could cause further difficulties in decision-making, particularly if such funding streams are linked to statutory obligations such as with Disabled Facilities Grants, as an example. *(Mitigation: scenario planning, future budget processes and monitoring / review.)*

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 monitoring and future budget processes)*

Council Tax Capping (or replacement measures)

In recent times the Government has demonstrated a firm commitment to capping. The new Localism Bill includes provision for Council Tax referendums should council tax increases exceed the principles set down by the Secretary of State. *(Mitigation: setting of targets for future years, review any national criteria etc. for 2012/13 and beyond)*

Concessionary Travel

From 2011/12 responsibility for concessionary travel transfers to the County Council and all costs of the statutory scheme have been removed from future years' budgets; one year's budget provision has been retained for community transport in the interim. Transitional arrangements are to be implemented (led by the County Council) for this element, with the aim of ensuring a sustainable level of service provision in future. *(Mitigation: countywide approach.)*

Fair Pay

The financial implications of the current pay and grading structure have been recognised as unsustainable in the medium and longer term. A further review has now been started to establish a more sustainable grading structure. *(Mitigation: supporting HR policies, use of earmarked reserves, commitment to review and amend the grading structure within 2 years of implementation)*

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

The Council has gone through a period of significant change and is still progressing with a number of service restructures. Whilst there are sufficient funds identified to facilitate current plans, further development is still needed in a number of areas. There is the general risk that the Council could have insufficient funds available to enable sufficient invest to save schemes, or such initiatives prove unsuccessful. There are also financial risks attached to the process of change, and maintaining sufficient capacity to ensure sound financial management and planning etc. *(Mitigation: through budget process, earmarked reserves, and change management and appraisal arrangements)*

Shared Services

As an example, the Council has already entered into a Shared Management arrangement with Preston City Council in respect of Revenues and Benefits and will be looking to create a full shared service during 2011/12. The Council has benefited financially from the changes already made without impacting on service delivery, however the new shared service will need to demonstrate that further efficiency savings can be made whilst still maintaining current service standards. *(Mitigation: financial appraisal and project management, development of governance arrangements, communication, involvement of support services)*

Council Housing Finance review

The Government has now published the rationale, methodology and financial parameters for the reforms to council housing finance otherwise known as "self-financing" which will be achieved with a form of redistributed housing debt. The current subsidy system will continue for 2011/12 with self-financing due to start in April 2012. Details of the new system were only published at the start of February and officers will determine what impact there will be on the Housing Revenue Account and potentially General Fund, in particular in relation to Treasury Management and other cost allocations. As an indication, the changes may involve the Council taking on around £30M additional debt, with associated risks involved *(Mitigation: monitoring, review and appraisal of current information)*

Future Savings Potential

Each year the Council continues to make efficiency savings, however some of the larger savings such as those in areas like Revenues and Benefits and Environmental Services have already been taken with the introduction of shared services and co-mingling respectively. The achievement of future savings targets may well prove more difficult. *(Mitigation: robust consideration of risks by Cabinet, financial planning arrangements, Invest to Save options, change management arrangements)*

**MEDIUM TERM CORPORATE
PROPERTY STRATEGY
2011-14**

**Head of Property Services
2011**

Index

	Page
1.0 Introduction	27
2.0 Aims and Objectives	27
3.0 Current Position	29
4.0 Links with Corporate Priorities	35
5.0 Targets and Constraints	36
6.0 Monitoring and Review	37
7.0 Governance	38
8.0 Public Access to Information	38
Appendices	

1.0 INTRODUCTION

- 1.1 Lancaster City Council has a small but diverse range of land and property that contributes in many ways to the council's objectives. The 2011 - 2014 Medium Term Corporate Property Strategy (MTCPS), sets out the strategic direction for the management of the council's property portfolio during this three year period, reflecting all the other relevant government policies, council plans and strategies.
- 1.2 In particular, the MTCPS forms part of the council's wider resources framework linking to the Medium Term Finance Strategy (MTFS), the Human Resources (HR) Strategy and the IT Strategy.

2.0 AIMS AND OBJECTIVES

- 2.1 The aims and objectives of the MTCPS are to:
- highlights the progress made against the key performance targets and property improvements implemented over the last year
 - set out the key asset management tasks and targets for the forthcoming year.
- 2.2 The way that the Council manages its land and property assets has a direct impact on both the quality of services that it delivers to the public and the quality of the environment. It is therefore important that efficient and effective use is made of these assets to support corporate and service objectives.

For example, the council's Property Service has been a lead Service in the Access to Services Review under which we must continue to exploit the opportunities to improve the way we deliver services to our communities, whether face to face or by telephone, increasing the range of services we offer through our customer service centres in Morecambe and Lancaster Town Halls.

CORPORATE ASSET OBJECTIVES

- 2.3 The council's previous Corporate Property Strategies were based on the premise:

That challenge and review of use, provision and performance of property is seen as a positive approach to ensuring that assets are fit for purpose and that retention, investment and utilisation is focussed on the needs of the customer and the achievement of the council's corporate objectives

- 2.4 This was linked to a corporate approach to property holding based on a corporate landlord approach. Continuing that basic premise, this strategy identifies a number of separate objectives against which the council's asset portfolio should be assessed. These are set out below:

ASSET OBJECTIVE	OUTCOMES & MEASUREMENT
1. Fit for Purpose &	Enhanced user satisfaction e.g. provision of

	compliance with Statutory/Regulatory codes	Customer Service Centres; improved office accommodation, determined by undertaking surveys of customers and by undertaking condition surveys of buildings and carrying out works of repair and improvement. Where buildings are beyond economical repair options for alternative use or disposal should be considered. To ensure that all relevant legislation is fully enforced e.g. DDA legislation, Health & Safety, Asbestos, Legionella, Fire Safety, NICEIC.
2.	Value for Money	To ensure that assets deliver value for money, minimising costs in use and working towards the development of option appraisals, and whole life costings, maximising return on investment. These are determined by analysing performance indicators, undertaking regular valuation programmes, working with the AMWG to ensure good option appraisals are in place and that good project management techniques are utilised.
3.	Improved corporate management	That in respect of the buildings that it occupies, the Council ensures that there is optimum utilisation of its office space, cross departmental and partnership working,
4.	Sustainability	To ensure that all assets are managed efficiently and sustainably, in accordance with Council policies on climate change, by monitoring, for example, CO2 emissions and the use of green energy and setting targets for the future. This also links to objective 5 below
5.	To serve the Council's corporate priorities	To identify how assets can contribute to the key aims of the Council as set out in its annual Corporate Plan. This will include the need to secure capital receipts to help fund the capital programme and therefore reduce borrowing, all to help keep Council Tax levels low. In addition improving the Council's assets will help to meet customer access requirements and sustainability measures, whilst assets will be acquired where schemes are approved by the council to improve the district. Climate change is also a key aim – see objective 4 above
6.	Enabling	Where assets do not meet any of the other elements of these objectives, to use the council's land and property assets to achieve strategic development and regeneration opportunities within the district. This could be by way of asset transfer to community groups as envisaged in the Quirk report or alternatively, where there are no other Council priorities, disposal of assets would

	provide a capital receipt that can be utilised to fund other Council capital schemes. In addition, assets can be used to assist the shared services and localism agendas.
--	---

3.0 CURRENT POSITION

STATEMENT OF PORTFOLIO

- 3.1 The council holds a diverse and widespread portfolio of land and property assets throughout the district which includes operational property (e.g. offices, administration buildings, leisure centres, visitor information centres, markets etc.) and non-operational property (e.g. shops, offices, agricultural land, allotments and garden tenancies etc.). The net book value of the council's property assets as identified in the council's 2009/10 final accounts amounts to £92.27m excluding the Housing Revenue Account property. The following tables identify a schedule of property types held by the council.

Asset Type	Value (£)
Operational Property	49.51m
Non-Operational Property	34.69m
Community Assets	8.07m

Current Property Holdings

Type	Number of buildings or plots	Comments
Commercial Premises - Retail	41	Includes shops on Housing estates, Promenade cafes etc
Commercial Premises – Industrial	17	Includes premises at Luneside East waiting development
Commercial Premises - Office	14	Includes CityLab, Storey Institute & St. Leonards House
Commercial Premises - other	9	Includes The Dome, Dukes Playhouse, Community centres
Public Open Space (POS)	154	Various plots
Land	605	Includes open spaces not designated as POS
Car Parks	52	Including land let for parking
Garage & Garage sites	61	Largely on Housing estates
Changing Rooms	3	Provided on playing fields
Cycleway/Footpaths	19	Plots that form part of the main cycleway
Adopted Highway	92	
River Defence Walls	3	
Market Halls	2	

Agricultural land	10	Including land held for cemetery extensions
Allotment sites	14	
Municipal Buildings	4	
Depots	3	
Museums	3	
Cemetery/Churchyard	8	Including dis-used churchyards
Public Conveniences	22	Including those recently closed
Sports Centre/Swimming Pool	4	
Residential Property	75	Largely held in advance of schemes in Morecambe West End
Bus Station	2	
Pumping Station/Water Treatment Plant	3	
Foreshore Promenade	13	
Septic tanks (or sites of)	16	Adjacent to Housing Estates
Miscellaneous	73	Including bus shelters, play pitches, buildings in Williamson Park etc

3.2 The rationalisation and categorisation of this portfolio is an ongoing process and this is linked into the council's "business process re-engineering" processes and corporate planning processes.

SERVICE DELIVERY & ACCOMMODATION NEEDS

3.3 Overview

3.3.1 'Corporate Property Ownership' was the main principle adopted by the council in the 2005 Corporate Property Strategy. This process is based on the corporate centre providing greater influence over property decisions to meet wider corporate objectives, partner and area initiatives and at the same time address service needs. Collective management of these resources enables a more corporate and proactive approach especially in the light of shared provision, options for disposal and acquisitions to support regeneration and maximise potential income from sites deemed surplus.

3.4 Council Services

3.4.1 An essential element of the Access to Services process in reviewing council services is the consideration of service restructuring which requires a close look at the activities that Services undertake as well as dealing with the potential for property efficiencies. Service asset management plans would inform and support the corporate property strategy will assist this process and identify opportunities for rationalisation at individual Service and authority wide level.

3.4.2 Although most property management arrangements have successfully been brought into a single base, some are still fragmented where operational management dictates. It is proposed to procure new maintenance and energy management arrangements that will enable a more corporate approach to asset management.

3.5 New Working Practices in the Council

3.5.1 The Access to Services Review has resulted in relocation of the majority of staff into Lancaster and Morecambe Town Halls. This will result in staff vacating:

- St Leonards House (vacated but subject to third party leases)
- Palatine Hall (let to the County Council)
- 1 Dalton Square (Sold March 2010)
- 56-60 Euston Road (let to third parties prior to disposal)
- 29 Castle Hill (Sold July 2009)
- Morecambe Town Hall Cottage (Sold October 2009)
- Albert Road (vacated but held as part of the West End Chatsworth Gardens proposals)

3.5.2 The Review has been achieved by combining improvement of the buildings whilst instigating new working practices such as hot desking, home working and use of improved IT systems such as electronic document management systems, new telephone systems and improved computer interfaces. By the end of the scheme it is anticipated that the accommodation ratio will have reduced from 10.76 m² per workstation to closer to 7.5 m² per workstation.

3.5.3 The final stages of the review, involves remodelling of office space as part of a major refurbishment of Morecambe Town Hall, with completion due in summer 2011.

3.6 Working with Partners to provide/improve accommodation and facilities

3.6.1 Although there is a reduction of office space as a result of the Access to Services Review, facilities are or will be provided for our partners as follows:

- The Registrar
- Coastguard
- County Council
- Pensions Service
- External Auditors and Inspectors
- Citizens Advice Bureau
- HMRC

3.6.2 Discussions are also continuing with the County Council about how more of their services can be made available from the new Customer Service Centres within Lancaster and Morecambe Town Halls.

3.6.3 The Council does work closely with other partners to try and facilitate improved facilities within the district. In particular, the Care Trusts operating within the district occupy the following Council premises:

- Moor Lane Mills
- St Leonards House
- Ryelands House

3.6.4 Lancashire Constabulary utilise facilities within Lancaster Bus Station

3.6.5 Through the provision of a land disposal process, the Council acts as an enabler, working with developers to provide new facilities. Examples are:

- The Canal Corridor scheme under which the Developer, Centros, will, subject to planning permission, provide a mixed use development including new car park and coach park facilities in a modern form to replace the existing surface level facilities
- Morecambe FC have developed a new football stadium at Westgate and provided increased playing pitches which will improve the Football in the Community programme
- The Courts Service are looking to centralise their facilities in the vicinity of the Lancaster Magistrates Court by acquiring Council land and that would include the potential for the Crown Court to vacate the Castle premises, thereby improving not only the overall courts facilities, but also the tourism potential of the Castle

3.6.6 The council will continue to consider making its land available to facilitate new housing requirements as part of the corporate plan priorities. In particular potential development land within existing council housing estates will be considered for this purpose.

CURRENT PERFORMANCE IN RELATION TO THE CORPORATE ASSET OBJECTIVES

3.7 This section reports on the council's performance in relation to its Corporate Asset Objectives (as scheduled above, paragraph 2.4) and highlights the council's performance in respect of its land and property assets over the last twelve months. The associated key performance indicators are detailed in Appendix 1 and show information for the last nine years.

Corporate Asset Objective 1: Fit for Purpose & compliance with Statutory/Regulatory codes
--

3.8 **Building Condition** – Building condition surveys are undertaken every 5 years. The 2006 survey identified that the cost of the backlog of repairs for the council's assets amounted to £11.236m. Following a property review, it was identified that £5.67m needed to be spent on retained property and a five year plan was identified. The Council has included this cost within the capital programme and a programme of significant work commenced in 2010 with particular emphasis on Lancaster and Morecambe Town Halls.

3.9 In addition, detailed surveys in respect of Legionella risk assessments, fire risk assessments, asbestos surveys, and access audits have been undertaken.

3.10 The information is valuable in supporting the planned maintenance programme, but it has also been invaluable in improving the position in respect of our statutory responsibilities. The council now has in place a formal policy in respect of fire risk, asbestos and Legionella management. Asbestos registers are now in place as are logs to manage the council's water systems to prevent Legionella, whilst asbestos is being managed in line with the council's approved policy.

3.11 **Access to public buildings** - The council's annual submission in respect of the former Best Value Performance Indicator (BVPI) 156 reported that 75% of existing public buildings [falling within the definition of the former BVPI 156] were fully accessible to and suitable for disabled people [in accordance with the 1991 Version of the Building Regulations Approved Document M].

- 3.12 Access Audits have been completed for all of these buildings and Accessibility Plans prepared. Capital funding has been included within the funding for the backlog of repairs programme and when the works are completed over the five year programme, all buildings should be fully accessible.
- 3.13 The Council undertakes these functions with very tight constraints in terms of staff and budget. A review of all of the Property Service functions has been undertaken and the council's cabinet has approved negotiations taking place for shared service to ensure efficient operation and reduce the risk to the council of failure of these functions.

Corporate Asset Objective 2: Value for Money

- 3.14 **Asset Valuations Programme** - The council has a five year Asset Valuation Programme with all assets valued during that period on a rolling programme. In addition, there has been a complete revaluation of the Council's insurance valuations.
- 3.15 **Property Performance Benchmarking** - The council has demonstrated a longstanding commitment to the benchmarking of its assets and property-related services. National Property Performance Indicators continue to be benchmarked against the COPROP Property Performance Programme as part of an exercise organised through the Association of Chief Estates Surveyors (currently facilitated in the north-west region by Blackburn with Darwen Council).
- 3.16 Local indicators are also held to identify performance in a range of areas of work at a lower level. As part of the Performance Review Team (PRT) programme, Property Services reports on performance quarterly, and at regular monthly meetings with the cabinet portfolio holder.
- 3.17 **Options appraisal/project management** – when schemes are proposed that are linked to assets, the council will work through an options appraisal process. All reports to the council's cabinet require options to be provided with an analysis of the risks involved, whilst the technical support requires, where appropriate, whole life costing in accordance with the council's Guide to Whole Life Costing. This is in turn linked to the council's LAMP project management process.
- 3.18 **Working with partners** – to progress the opportunity to work with partners within the LSP to consider the wider issues involved in asset management planning within the district.

Corporate Asset Objective 3: Improved Corporate Management

- 3.19 **Access to Services Review** – This involves implementing, an office accommodation strategy and rationalising the amount of space used by individual staff. The current space utilisation rate is 10.74m² per workstation and it is aimed to reduce this to 7.5m² per workstation by the end of the project, anticipated to be in 2011. This would provide a 30% reduction in office space with the consequent operational savings.
- 3.20 **Asset data systems** - The council utilises the TechnologyForge database to keep records of the property portfolio. The data is being reviewed to ensure that it contains accurate data on its efficiency, effectiveness, and asset value, which can be used to support decision making on investment and disinvestments in property. It also needs to support new requirements, such as those under International Financial Reporting Standards (IFRS).

Corporate Asset Objective 4: Sustainability

- 3.21 Lancaster has established a Climate Change Cabinet Liaison Group to advise on and monitor responses to global, as well as local environmental challenges. The council has published both a Climate Change Strategy and a Sustainability Strategy and the CPS aims to support the work of the Climate change Cabinet liaison group and to support implementation of actions in the In-house Climate Change Strategy.
- 3.22 The council has a Climate Change Strategy 2008-2013 includes actions for works within the council's buildings. This is based upon survey information that has been being prepared via the Carbon Trust and reflects the requirements of the Carbon Reduction Commitment. However, it should be noted that, with regards the current commitment to this agenda, the council's priorities are to only put resources to invest-to-save options, and any statutory works.
- 3.23 As required since October 2008 all relevant council buildings display a Display Energy Certificate (DEC) in a prominent place, clearly visible to the public, indicating the energy performance of a building based on actual energy consumption and showing the "asset rating" of the building, which is a numerical indicator of the amount of energy estimated to meet the different needs associated with a standardised use of the building.
- 3.24 In addition an Energy Performance Certificate (EPC) is required on the sale or new letting of a commercial property that is over 50m² with its own heating system. Arrangements are in place to procure these certificates when required.

Corporate Asset Objective 5: To serve the council's Corporate Priorities

- 3.25 **Capital receipts** - The budget set for 2011/12 sets out a three year capital receipts programme to be raised from the disposal of surplus land and property. Such funding is an essential element in delivering future priorities for the council, as identified in the MTFs.
- 2011/12 - £8,989,150
 - 2012/13 - £314,150
 - 2013/14 - £64,150
- 3.26 The most significant disposal relates to land at Scotforth Road, Lancaster which requires planning permission for development. Careful monitoring of the development process is required together with communication with Financial Services to allow budgets to be adjusted as required. Progress on receipts is regularly monitored by the quarterly PRT monitoring process.
- 3.27 To reflect the importance of capital receipts, the Council approved a Disposal Strategy in March 2009.
- 3.28 **Review of Assets** - This is an ongoing process linked to the basic premise that challenge and review of use, provision and performance of property is seen as a positive approach to ensuring that assets are fit for purpose and that retention, investment and utilisation is focussed on the needs of the customer and the achievement of the council's corporate objectives.

Corporate Asset Objective 6: Enabling
--

- 3.29 One of the basic elements of the asset management process and which underpins this Strategy, is the challenge process referred to in the council's corporate plan and MTFs. From this principle, consideration is therefore given to the disposal of any property that is no longer required for the purpose of providing council services or meeting the requirements of the Corporate Plan.
- 3.30 The council's enabling role for assets can be the driver for delivery of many of the corporate priorities, detailed in Objective 5.

4.0 LINKS WITH COUNCIL PRIORITIES

4.1 Further to the information above, relating to Corporate Asset Objective 5, specific projects are linked to the Council's current priorities detailed in the Medium Term Resources Strategy. They are as follows:

4.2 Economic Regeneration Priority:

- The emerging Luneside East urban village project will replace contaminated and derelict land with a mixed development of 300+ housing units; 80,000 sq ft of modern office space, parkland and leisure facilities.
- The Council led development of a £2.7M state of the art office development in the heart of the City, 'CityLab', providing much needed quality city centre office space.
- A £0.5m capital project to improve industrial access in the Port of Heysham has supported 100 existing jobs and created a further 190.
- Funding of £3.5 million has created a Centre for Creative Industries in the Storey Institute, workspace as well as public galleries, a new auditorium/conference centre, a bar/café and a new state of the art Visitor Information Centre. This has enabled the Council to transfer the building to a third party and remove the need for major repairs to be funded from council budgets.
- The City Council is working to develop a new science park at Bailrigg adjacent to Lancaster University. The Science Park is designated as one of the North West's Regional Strategic Sites where technological spin-out from academic research will provide an internationally significant contribution to the local economy.
- The council has resolved to extend the development agreement with developers Centros for a retail led regeneration of the Canal Corridor North area in central Lancaster subject to planning permission being granted.
- The Midland Hotel in Morecambe has been renovated as part of a wider development partnership agreement with "Urban Splash".
- Promenade facilities in the West End of Morecambe have been improved, including community designed public art and play facilities.
- £1m NWDA funding has supported the development of Carnforth as a service centre for its wider rural hinterland.

4.3 Partnership Working and Community Leadership Priority:

- The development of new stadium facilities for Morecambe Football Club as befits their Football League status, including enhanced playing pitches for the community and a capital receipt to assist in funding the capital programme

5.0 TARGETS AND CONSTRAINTS

5.1 The MTCPS action plan in relation to the Corporate Asset Objectives is detailed in Appendix 2.

THE RESOURCE CONTEXT

5.2 The council has a track record of robust financial management and a strong finance function. Value for Money (VFM) has been long embedded in service and resource planning.

5.3 Target savings are set in the MTF5 for the Council as a whole and reflect the savings that the council needs to make in light of the current national and local financial circumstance. Efficient use and management of assets will play a major role in achieving these savings, much of which will arise through the Access to Services Review, working with partner organisations who occupy Council buildings, and integrated financial and performance management arrangements to drive out efficiencies and savings.

5.4 The Council's capital programme is set annually as part of the budget process but is based on a three year programme and should be considered in conjunction with this MTCPS. In 2011/12 the council has committed the following capital financial resources to its asset management priorities. All these schemes are funded from either unallocated capital receipts (UCR) or borrowing. Much depends upon the availability of capital receipts in times of recession. The town hall schemes aside, the programme of municipal building works are yet to be finalised.

Extract from General Fund Net Capital Programme As approved by Council 02 March 2011		GROSS PROGRAMME
Scheme	Asset objective	2011/12 £000
District Playground Improvements	To serve the council's corporate priorities/fit for purpose	60
Toilet Works	To serve the council's corporate priorities/fit for purpose	90
Salt Ayre Athletics Track Security Fencing	Fit for purpose	20
Salt Ayre Reception Refurbishment	Fit for purpose	40
Salt Ayre Synthetic pitch	Fit for purpose	25
Salt Ayre Reflexions changing rooms	Fit for purpose	30
MTH main contract	Fit for purpose & compliance/sustainability	735
LTH roof works contract	Fit for purpose & compliance/sustainability	545

MTH boiler works under energy saving initiative	Fit for purpose & compliance/sustainability	200
Condition survey	Fit for purpose & compliance/sustainability	70
Lancaster Chapel Roof	Fit for purpose & compliance/sustainability	91
Morecambe Town Hall Garages	Fit for purpose & compliance/sustainability	45
Musicians CO-OP Lancaster	Fit for purpose & compliance/sustainability	22
DDA Repairs	Fit for purpose & compliance/sustainability	116
Cat (1) Electrical repairs all buildings	Fit for purpose & compliance/sustainability	212
Cat 2 Electrical works	Fit for purpose & compliance/sustainability	76
Cat C repairs all buildings	Fit for purpose & compliance/sustainability	868
Total		3,245

5.5 As an alternative form of delivery, development agreements involving Council land are used as a method of achieving Council objectives. As an example the development agreement for the recently completed Morecambe FC stadium has been used to drive out improved and additional playing pitches for use in the community.

5.6 The council continues to make its non-operational land available to facilitate development but must balance the need for capital receipts against the opportunity to see improvement in the district. Transfer of assets to the community is an option for consideration.

GOVERNMENT POLICIES

5.7 The emerging guidance on the Big Society, localism and shared services will also have a significant effect on the way in which the council and other public organisations manage their assets.

6.0 MONITORING AND REVIEW

6.1 As identified in the Corporate Asset Objectives (Objective 6) challenge and review of use, provision and performance of property is seen as a positive approach to ensuring that assets are fit for purpose and that retention, investment and utilisation is focussed on the needs of the customer and the achievement of the council's corporate objectives. This statement is seen as an underlying principle of the CPS.

6.2 This review and challenge process will be provided by:

- Property services staff in their daily professional work.
- The LSP as part of the wider view of the use of assets by public bodies in the district.
- Council Members in considering reports on assets and as part of the performance management process.

- 6.3 The City Council is a limited user of property compared to metropolitan, unitary or county councils. As a result many Services do not require property other than the office accommodation for their staff. Suitability and sufficiency surveys were undertaken as part of the **gap analysis** to determine Service requirements. These surveys identified Service requirements that have now been incorporated into the council's Access to Services Review.

SERVICE ASSET MANAGEMENT PLANS

- 6.4 All council Services prepared initial service asset management plans to cover the period 2006-2010. Many of the requirements of these plans were identified in the Access to Services Review, whilst other elements have been included in the council's capital programme or other areas of the council's review process.
- 6.5 As part of the MTCPS and the Access to Services Review, the items identified in the service asset management plans will be the subject of further review to highlight any new issues and/or opportunities that have arisen in the intervening period. In particular, this will cover the extent of service change underway or planned for the medium term.

PERFORMANCE MANAGEMENT OF THE ASSETS

- 6.6 This is critical to achieving 'successful asset management'. Having appropriate and sufficient data is necessary to identify the performance of the property portfolio. Condition surveys have been undertaken and are being updated to provide information on the outstanding repairs required to Council buildings, whilst also providing information that advises on Access, Legionella, Asbestos and Fire Risk Assessments. This is in response to the growth in the number of statutory obligations pertaining to asset management in recent years. Data has been assembled to present a profile of the current state of building assets and is being used to reinforce asset reviews (refer to Section 11.) and formulate improvement programmes.

7.0 GOVERNANCE

- 7.1 The Head of Property Services is the designated Corporate Property Officer for the council with responsibility for strategic asset management activities.

8.0 PUBLIC ACCESS TO INFORMATION

- 8.1 The MTCPS is published on the council's website and actions from the strategy are included in service business plans. Work is ongoing as part of the corporate Geographic Information System (GIS) programme to enable property information to be available to a wider audience.

PROPERTY SERVICES PERFORMANCE INDICATORS
Indicators to be redefined in some cases before publishing

Indicator	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
% gross internal floor-space in condition categories:									
A	9.52%	20.87%	20.87%	21.24%	Combined 21.57%	Combined 21.57%	Combined A-19.65%	Combined A 18.93%	Combined A 18.56%
B	86.5%	36.09%	36.09%	34.96%	42.63%	42.63%	B-40.94%	B 36.72%	B 38.30%
C	3.82%	43.04%	43.04%	43.80%	35.6%	35.6%	C-38.21%	C 43.14%	C 41.62%
D	0.16%	Not req'd					D-1.21%	D 1.21%	D 1.52%
					Operational A – 32.58%	Operational A – 32.58%	Operational A-30.70%	Operational A 29.59%	Operational A 30.87%
					B – 38.23%	B – 38.23%	B-34.60%	B 15.67%	B 16.42%
					C – 29.19%	C – 29.19%	C-33.44%	C 53.48%	C 51.39%
					Non-Operational A-2.12%	Non-Operational A-2.12%	Non-Operational A-0%	Non-Operational A 0%	Non-Operational A 0.62%
					B – 50.96%	B – 50.96%	B-52.2%	B 74.09%	B 70.19%
					C – 46.93%	C – 46.93%	C-46.48%	C 24.78%	C 27.39
							D-1.13%	D 1.13%	D 1.01%
Backlog of maintenance by cost by total value:									
1	0	£913,170	£858,170	£517,320	£2,096,093	£2,096,093	£1,976,682	£1,793,251	2,335,267
2	£1,921,500	£1,399,720	£1,318,920	£1,730,420	£3,769,553	£3,769,553	£3,769,553	£3,769,553	3,769,553
3	£2,848,925	£716,750	£716,200	£284,250	£2,138,994	£2,138,994	£2,138,994	£2,138,994	2,138,994
4	£291,150	Not req'd							
Backlog of maintenance as a % in priority levels 1-4:									
1	0	30.14%	29.66%	20.43%	26.19%	26.19%	25.07%	23.28%	28.33%

2	37.96%	46.2%	45.59%	68.34%	47.09%	47.09%	47.81%	48.94%	45.73%
3	56.29%	23.66%	24.75%	11.23%	26.72%	26.72%	27.13%	27.77%	25.95%
4	5.75%	Not req'd							
Overall average rate of return (IRR) for each of the following portfolios:									
Industrial	0	0	0	0	0	0	0	0	0
Retail	7.24%	8.1%	8.42%	7.08%	7.45%	8.17%	7.82%	7.26%	7.50%
Agricultural	0	0	0	0	0	0	0	0	0
Repair and Maintenance Costs per sq. mt. (GIA)	£6.98	£16.62	£13.24	15.52	£15.89	£14.49	£14.56	£13.80	£14.54
Energy Costs per sq.mt. (GIA) (Gas, electric, oil, solid fuel)	£8.02	£7.95	£8.54	8.58	£11.58	£16.96	£19.27	£22.09	£19.76
Water Costs per sq. mt. (GIA)	£1.77	£1.58	£2.46	2.45	£2.84	£2.84	£3.07	£3.46	£3.62
CO2 emissions in tonnes of carbon dioxide per sq. mt.	0.0885	0.0958	0.0702	0.0636	0.0666	0.1043	0.1015	0.1018	0.09
% of projects falling within +/- 5% of the estimated timescale, expressed as a % of the total number of projects	None within definition	None within definition	66%	Not collated	Not collated	Not collated	Not collated	Not collated	Not Collated

completed in that financial year									
<i>The percentage of authority buildings open to the public in which all public areas are suitable for and accessible to disabled people.</i>	75%	75%	76%	75%	75%	75%	75%	75%	75%
Number of private room bookings of Town Hall accommodation	151	150	158	210	124	184	200	203	350
Income from functions in Town Hall accommodation	£25,451	£29,785	£27,417	£34,842	£36,705	£30,881	£43,923	£33,528	£53,782
Income from rental as a % due Excl. Markets	98.5%	97.38%	97.25%	97.61%	95.49%	93.39%	92.2%	89.72%	94.01%
% of floorspace currently vacant	22.41%	32.15%	31.97%	10.74%	7.21%	19.34%	10.69%	8.43%	9.93%
Number of void units as a % of lettable units	6.06%	3.77%	13.33%	8.08%		23.13%	18.12%	22.76%	35.33%
% of disposal plan achieved	70%	84.6%	250%	116.66%			100%	100%	100%
% of capital receipts actually achieved	40%	56.2%	45.55%	101.65%			65.8%	27.28%	6.92%
Actual income as	N/A	100.25%	101.12%	103.32%	104.22%	91.13%	105.21%	102.07%	94.01%

a % of projected income									
Arrears as a % of projected income	1.5%	2.62%	2.75%	2.39%	4.51%	6.61%	7.8%	10.28%	5.99%
% of Right to Buy valuations valued within time limits	100%	98.37	98.2%	97%	95.35%	93%	92%	90%	100%
Cost of Right to Buy disposals	N/A	£75	£75	£75	£75	£75	£75	£75	£75
Maintenance expenditure as % of total revenue budget	2.68%	3%	2.36%	3.59%	5.65%	6.02%	6.85%	6.91%	6.28%
Ratio of planned to reactive maintenance	N/A	50:50	N/A	73:27		73:27	76:24	72:28	70:30
Performance of investment portfolio	7.24%	8.1%	8.42%	7.08%	7.45%	8.17%	7.82%	7.26%	7.50%
Sickness absence rate – days lost per employee	N/A	13.09	11.54	5.3	7.2	5.99	6.47	4.53	6.71
Number of designated car parking spaces for people with disabilities, per 100 park spaces					3.37%	3.37%	3.37%	4.00%	4.20%
Number of PCNs Issued **					24,026	21,201	19,180	19,185	10,844
Number of PCNs paid in 14 days **					12,540	10,448	9,485	10,061	5,804
Number of cases					5,042	4,415	3,476	3,343	2,028

where no further action is taken (i.e. PCNs cancelled) **									
Number of cases going for NPAS adjudication **					90	77	80	73	52
Rate of appeal per PCN (number of adjudications as a % of PCNs issued)**					0.5%	0.4%	0.4%	0.4%	0.5%
Allowed by Adjudicator **					30	17	16	14	15
Not contested by Council **					32	50	31	36	21
Refused by Adjudicator (won by Council) **					28	10	33	23	16
Number of permits (NoW cards) for free travel on eligible services issued to elderly persons per 1,000 of pensionable age					524	702	722	738	781

** City Council no longer responsible for on-street parking enforcement after 6th September 2009

Indicators in bold are part of the suite of “national” indicators originally identified in Asset Management Plans

Indicator in italics is the former Best Value Performance Indicator 156.

The remaining indicators are local indicators

MEDIUM TERM CORPORATE PROPERTY STRATEGY ACTION PLAN

Task	Progress so far	Task Owner	Target Date	Planned Outcome
Corporate Asset Objective 1: Fit for Purpose & compliance with Statutory/Regulatory codes				
To undertake a programme of backlog of repairs	Condition survey complete. Budgets included in capital programme	HPropS	Ongoing	Increase the numbers of buildings that are fit for purpose and reduce long term costs
Review the programme of repairs and update costs or 2009/10 budget	Tender documentation prepared for urgent works to confirm costs	HPropS	Ongoing	A more corporate and strategic approach to the capital programme and asset management
To update, implement and monitor all health & safety policies	Fire safety, asbestos & Legionella audits underway.	HPropS	Ongoing	To ensure compliance with legislation
To continue the review of Property Services.	Cabinet approval obtained to enter into negotiations for a shared service with either South Lakeland DC of Lancashire CC	HPropS	July 2011	To ensure efficient operation of the functions and reduce the risks to the council
Corporate Asset Objective 2: Value for Money				
To undertake a programme of asset valuations	All annual valuations completed to date	HPropS	Ongoing on an annual basis	To ensure compliance with accounting procedures
To review and continually develop performance measures	Business Plan in place. PRT quarterly monitoring in place. Revised Corporate Property Strategy approved	HPropS	Ongoing	Evidence that property assets are fulfilling Corporate Asset Objectives
To ensure that all projects are undertaken in accordance with LAMP methodology	LAMP methodology adopted	AMWG	Ongoing	To ensure efficient management of capital schemes in terms of time, cost and outcome.

Corporate Asset Objective 3: Improved Corporate Management				
To continue with the access to Services Review with an emphasis on staff vacating St Leonards House & Palatine Hall	Euston Road and Albert Road properties vacated. MTH Cottage sold. Palatine Hall vacated and let. St Leonards House vacated. Most staff now occupy Lancaster & Morecambe Town Halls	HPropS	July 2011	More efficient use of office space
To continue an audit of the data in the TF asset management system	Lancaster base data audit complete, Morecambe review underway	HPropS	Ongoing	To ensure that accurate information is available for management of the portfolio
Corporate Asset Objective 4: Sustainability				
To continue with work to meet the requirements of the Climate Change Strategy	Reports to Climate Change Liaison Group as required	HPropS	Ongoing	To meet legislative requirements, reducing both carbon and cost outputs
To continue with the access to Services Review with an emphasis on staff vacating St Leonards House & Palatine Hall	Euston Road and Albert Road properties vacated. MTH Cottage sold. Palatine Hall vacated and let. St Leonards House vacated. Most staff now occupy Lancaster & Morecambe Town Halls	HPropS	July 2011	To reduce office energy requirements and costs
To undertake a programme of backlog of repairs	Condition survey complete. Budgets included in capital programme. Major schemes underway at Town Halls	HPropS	Ongoing	To meet legislative requirements, reducing both carbon and cost outputs
Corporate Asset Objective 5: To serve the council's Key Aims				
To achieve the 2010/11 capital receipts programme	Properties identified in Receipts schedule	HPropS	March 2012	Funding available to meet council's capital programme requirements as set out in the MTFS

To keep under review the council property portfolio, identifying both council and community needs	Initial review completed in January 2008	HPropS	Ongoing	To identify under performing assets. Property rationalisation & disposal/transfer opportunities identified
Where appropriate, to consider asset transfer to community or shared service organisations, provided this is line with the approved disposal strategy	Disposals being highlighted for consideration eg St Leonards House.	HPropS	Ongoing	To ensure that the property requirements of the community and other public bodies are considered.
To acquire assets where required	Ongoing where funding is available	HPropS	Ongoing	To facilitate approved regeneration schemes
Corporate Asset Objective 6: Enabling				
To keep under review the council's property portfolio	Initial review completed in January 2008 and ongoing annually since then.	HPropS	Ongoing	To identify under performing assets Property rationalisation & disposal opportunities identified
To achieve the 2011/12 capital receipts programme	Properties identified in Receipts schedule	HPropS	March 2012	Funding available to meet council's capital programme requirements as set out in the MTFS
To use the council's land and property assets to achieve the council's corporate priorities within the district	Council land included in Canal Corridor proposals. Land acquired for Luneside East scheme. Land disposal for Scotforth supermarket agreed & approved by Secretary of State.	HPropS	Ongoing	Economic growth & prosperity in the district. To evidence that asset management supports the council's corporate objectives.

**INFORMATION &
COMMUNICATION TECHNOLOGY
(ICT) STRATEGY
2011-14**

**Applications Manager
2011**

Index

	Page
1.0 Introduction	49
2.0 Aims and Objectives	49
3.0 Current Position	49
4.0 Links with Corporate Priorities	49
5.0 Targets and Constraints	50
6.0 Governance	54
7.0 Public Access to Information	54

1.0 INTRODUCTION

- 1.1 The Information and Communications Technology (ICT) service within Lancaster City Council provides support to all the council's services, and, consequently, the corporate objectives.
- 1.2 The 2011 – 2014 ICT Strategy sets out the strategic direction for the management of the council's ICT service during this three year period, as well as focussing on the forthcoming year in detail.
- 1.3 The ICT Strategy forms part of the council's wider resource framework, linking to the Medium Term Financial Strategy (MTFS), the Medium Term Corporate Property Strategy (MTCPS), and the Human Resources (HR) Strategy.

2.0 AIMS AND OBJECTIVES

- 2.1 The aims of the ICT Service are to:
 - Support services in the provision of statutory services
 - Be flexible and responsive to changes in priorities
 - Allow customers, staff, partners and other stakeholders access to the information and systems they require wherever and whenever it is appropriate
 - Be focused on energy savings and carbon emission reductions
 - Obtain the best value from all technology over its lifetime
 - Exploit new technologies to reduce costs and improve services
- 2.2 The ICT service will do this by:
 - Adopting industry standards in service delivery
 - Making best use of available IT skills and resources including open source and free software
 - Accessing additional skills and resources through partnership working

3.0 CURRENT POSITION

- 3.1 Historically individual service areas have procured business application systems and computer hardware for their individual purposes and we now need to be looking at consolidation across the council and the possibilities arising from sharing with partner organisations.

4.0 LINKS WITH COUNCIL PRIORITIES

- 4.1 The ICT Service links into all the council priorities as it underpins the other services and supports them in delivering the priorities.

5.0 TARGETS AND CONSTRAINTS

MEDIUM TERM TARGETS

5.1 Business Support

- ITIL[®] Version 3 standards will be adopted for all areas of ICT provision. IS staff will be trained on ITIL[®].
- Implement SFIPlus4 or similar so that best use of ICT skills can be made across the strategic partnership and other partnerships.
- Train IS staff to keep up to date with technology and get industry standard accreditation in order to provide the highest standards of support now and into the future.
- Review service desk opening hours and if an extension of current arrangements is required then seek to do this through the strategic partnership.

5.2 Partnership Working

- Further develop partnership working wherever there can be benefits for the Lancaster City area.

5.3 Online Services

- Implement plan regarding greater online self-service.

5.4 Infrastructure

- Complete virtualisation of servers.
- Implement plan for database consolidation and licence rationalisation.
- Implement wireless technology where appropriate.

5.5 Business Applications

- Work with Services to review the current business applications, plan for replacements and retirements.

5.6 Desktop Provision

- Implement the best solutions identified in the short-term plan.
- Keep up to date on developments within the IT industry so that plans can be made for upgrading as and when technology can be exploited for the benefit of the authority.
- IS staff to receive training / attend workshops in order to keep up to date with technology and get industry standard accreditation.

5.7 Mobile and Home Working

- Implement home working and Hotdesking policy.

5.8 Corporate Data

- Implement Geographic Information System (GIS) plan.
- Explore other areas throughout the authority where the Document Management System can be used to improve processes and generate savings, assess any costs, and implement changes.

5.9 Telephony and Video

- Investigate the business case for implementing video conferencing between Morecambe and Lancaster town halls, other council locations and with partners.

5.10 Printing and Copying

- Identify and exploit any ways to further reduce printing.

SHORT TERM TARGETS (2011/12)

5.11 Business Support

- Each Service will have their own named contact within Information Services who will meet regularly with the Service Head and service managers to discuss new and changing business requirements, review progress and plan for future developments.
- The IS Helpdesk will be rebranded as the Service Desk, in line with ITIL^{®1} terminology, to change the emphasis from helping when there is a problem to full service provision. The Service Desk will provide a catalogue of services, ranging from basic technology provision (PCs, phones etc) with options and prices to examples of resources required and timescales for project implementation so that Services can budget and plan accordingly.
- In addition to training currently offered in the corporate training programme, develop and run training/technology workshops to assist IT users to get the best from technology within our environment.
- Where they do not already exist, policies will be developed in support of all areas of this strategy. Existing policies will be reviewed. A timetable will be prepared for reviewing and revising policies in a timely and structured manner.

5.12 Partnership Working

- Revenues Shared Service - Take on responsibility for application support, upgrades and maintenance of Academy across Preston City Council and Lancaster sites while Preston IT provide the server support. Work with Preston IT to cross train so that both parties gain enough knowledge and skills to support both the applications and servers, giving resilience to support.
- Lancashire Strategic Partnership - ICT - Complete negotiations with Lancashire County Council and BT regarding Information Services moving into the partnership in order to obtain access to resources not currently available and reduce costs.
- Lancashire Strategic Partnership - Other - Support the partnership working between Lancashire Strategic Partnership and the City Council in respect of telephony and face-to-face customer services.

5.13 Online Services

- Work with Community Engagement to identify further areas for providing online self-service to information and appropriate transactional services to provide through our website. Produce a plan for implementation of these changes.

5.14 Infrastructure

- Design an enterprise architecture for the future structure and behaviour of processes, information systems, products and services.
- Currently 66% of servers are virtualised. Plan for further virtualisation in order to reduce costs of server management and power consumption.
- Plan for database consolidation and licence rationalisation in order to make best use of existing licences.
- Make use of available tools to enable the taking of database backups without service interruption for both internally and externally presented applications.
- Explore the options available, costs savings and benefits from wireless technology.

¹ ITIL, originally the Information Technology Infrastructure Library, is now the most widely adopted approach for IT Service Management in the world - see <http://www.itil-officialsite.com/AboutITIL/WhatIsITIL.asp>

5.15 Business Applications

- Provide ICT advice and support for the procurement and implementation of a replacement HR and Payroll system.
- Provide ICT advice and support for the procurement and implementation of a new management information system.

5.16 Desktop Provision

- Software - The current desktop provision (Windows XP for PCs, XP Unlimited for Hotdesking and Microsoft Office 2003) adequately meets Services' requirements at present but the technology is ageing and support will cease by April 2014. Options for upgrading or replacing will be identified, including Open Source solutions, together with time scales and estimates of lifetime costs.
- Hardware - Investigate the use of virtual desktop so that, as they become due for replacement, PCs are replaced with cheaper to run units. All computer equipment must be purchased through Information Services so that customers get equipment that meets their needs, is cost effective and meets the authority's standards for consistency and efficiency of support.

5.17 Security

- GSi CoCo 4.1 - The Government Connect Secure Intranet (GSi) provides a secure network for all government bodies and accredited commercial suppliers to exchange data electronically. Last year we gained accreditation under CoCo 3.2 but now, in order to continue to be allowed access to the GSi, we need to gain CoCo 4.1 accreditation. This will involve changes to mobile working, firewall, restrictions on execution of certain software, requirement for external IT Healthchecks and the labelling of e-mails with protective markings. Any changes that need to be made will first be discussed with Services so that impact on business can be assessed and, if necessary, we can submit any concerns to Government Connect before implementation.
- General approach to security - While it is recognised across the organisation that high levels of security are needed in order to prevent hacking and similar activities any changes made must not negatively impact on the provision of council services. Therefore consultation with Services will take place where possible before any security changes are made.

5.18 Mobile and Home Working

- Management Team are considering the development of a Home working and Hotdesking Policy. In order to support this current provision of technology will be reviewed together with alternate options.
- Equipment that will be supported for the purposes of mobile and/or home working will be defined.

5.19 Corporate Data

- Achieve the National Land and Property Gazetteer Gold standard for quality of addresses (currently Silver).
- A plan will be developed to identify areas where GIS can be exploited to improve services and productivity.
- Implement the Retention and Disposal module so that the amount of records stored can be reduced, in line with legal requirements regarding the retention of personal data.

5.20 Telephony and Video

- Assist Preston City Council with the implementation of video conferencing for Revenues Services and assess the wider needs/benefits/costs of video conferencing across Lancaster City Council.
- Investigate how our telephony system can be utilised to its full potential, including, but not limited to, supporting mobile and home working.
- Implement and support modern CCTV where required.
- Exploit facilities available from our telephony/messaging systems in support of the online service delivery strategy (being developed separately).

5.21 Printing and Copying

- Now that there is a fleet of low print cost multi-function devices, the number of inkjet and laser printers, currently 164, are to be reduced to 68 or fewer.
- All printing devices are to be purchased through Information Services so that needs of all customers can be met in a cost effective way.
- Assess the potential savings in printing that could be achieved by implementing Publisure on-line publishing which will allow customers to sign up to receive documents over the internet.

5.22 Business Continuity

- Review disaster recovery arrangements as part of the proposed strategic partnership with Lancashire County Council.

REVENUE

5.23 The following table shows the estimated financial information for ICT for the next 3 years

	2011/12 Estimate £	2012/13 Forecast £	2013/14 Forecast £
Revenue Expenditure*	1,376,000	1,373,900	1,394,100
of which:			
Staffing costs, training and expenses	674,000	680,700	690,000
Support recharge from other General Fund	110,800	114,100	116,600
Capital Charges (notional)	112,200	112,200	112,200

* Note: Expenditure on Service specific business applications is excluded from these figures since each is held within the budgets of the owning Service.

5.24 Various budget restrictions have arisen since the outcome of the comprehensive spending review which must be taken into consideration when implementing this strategy.

5.25 The Government is also looking to make more local government data available while, at the same time, protecting personal and confidential data.

6.0 GOVERNANCE

- 6.1 Management Team are the owners of this strategy and are responsible for ensuring that everything contained in this document is carried out. Either the Applications Manager or someone representing the customer relationship executive role from within the strategic partnership (see Lancashire Strategic Partnership below) will report in to Management Team as required on progress.
- 6.2 This strategy will be a dynamic document and itself will reflect changes in priorities, but all changes to this document must be agreed through Management Team. This will not only control the document but will also control the strategic direction of the ICT function.

7.0 PUBLIC ACCESS TO INFORMATION

- 7.1 As a publicly funded organisation, the Council is committed to being as open and transparent as possible. As such, this ICT Strategy is published on the council's website.

**HUMAN RESOURCES (HR)
STRATEGY
2011-14**

**Human Resources Manager
2011**

Index

	Page
1.0 Introduction	57
2.0 Aims and Objectives	57
3.0 Current Position	57
4.0 Targets and Constraints	58
5.0 Governance	61
6.0 Public Access to Information	61

1.0 INTRODUCTION

- 1.1 Lancaster City Council must be in a position to respond to the needs of the communities it serves and the wider regional and national demands for continuously improving, high quality services.
- 1.2 The recent cuts in public spending have placed an unprecedented set of objectives on local government. This places a greater challenge on how services are delivered and how resources are utilised.
- 1.3 Within the current financial climate, the council's strategies and plans must address the challenges of delivering value for money services. The council can only provide these with a highly skilled and well motivated workforce. This can be achieved through the effective application of modern organisational development and workforce planning techniques.
- 1.4 The Human Resources (HR) Strategy sets out how the council will recruit, develop and retain people to deliver efficient and high quality citizen and customer centred services. The plans which the council develop will ensure that its workforce has the right balance of skills and knowledge to achieve its stated objectives. In short, the council's plans will deliver a workforce that is "fit for purpose".

2.0 AIMS AND OBJECTIVES

- 2.1 This strategy serves to underpin the achievement of the council's corporate aims. It sets out how the council will meet its current and future workforce needs. The council aims to do this through:
 - The alignment of its workforce to deliver its corporate priorities
 - The effective contribution of every employee in delivering the priorities
 - Improved employee engagement
 - Becoming an employer of choice
 - Improved corporate performance
- 2.2 The council must:
 - Engage its workforce in the transformation process
 - Understand the medium to long term skills and knowledge gaps within its workforce and respond with innovative solutions
 - Develop a skilled and knowledgeable workforce
 - Develop and embed HR policies and practices that support good people management and diversity in our workforce.

3.0 CURRENT POSITION

Background

- 3.1 In 2008/09 the Annual Audit assessment of the use of resources, particularly the workforce planning Key Line of Enquiry (KLOE), reported that the council's workforce planning arrangements were inadequate. In 2010 it was reported that the council has made significant progress in respect of workforce planning. This has been achieved by a service by service review in part driven by the needs for service change and redesign. As part of this improving process a comprehensive workforce plan will be developed in 2011 to support the achievement of the strategy objectives.

Employee Engagement

- 3.2 In 2008 the council undertook an organisation wide employee survey which combined the previous Stress Survey, Staff Attitude Survey and Communications Survey. This survey will be repeated in May 2011. The information gained from this survey and the Joint Consultative Committee and Work's Council, is used to inform the development of our approach to employee engagement and the creation of our development plans.

4.0 TARGETS AND CONSTRAINTS

- 4.1 The key strategic themes for the council to address in 2011-2014 are:

- Change our approach to Human Resources, through the application of new technology, which will improve efficiency and allow for a more flexible approach to how we manage our workforce
- Ensure our Leadership and Management Practices are appropriate to our needs, and consistently effective
- Improve employee satisfaction in all service areas.
- Develop a robust apprenticeship and graduate development programme in partnership with other organisations.
- Continue to move forward in the diversity of our workforce
- Develop a robust workforce strategy that ensures the Council has the right mix of knowledge, skills and capabilities to adapt to the changing landscape of public service delivery.
- Continue to develop the way we reward our workforce, ensuring our employees are fairly rewarded.

- 4.2 The challenges for the near future are:

- Improving our approach to workforce (and succession) planning and development
- Addressing the identified knowledge and skills gaps across the council.
- Developing our Leadership and Management capacity
- Improving workforce morale and job satisfaction
- Developing our approach to redeployment and re-training/skilling Developing competencies and behaviours that support performance and workforce development
- The recruitment to and development of our workforce talent
- Proactively managing attendance (sickness absence)
- Shaping service and job to meet emerging service needs.
- Developing Equality and Diversity
- Implementing a single pay and grading structure across all employees
- Managing the potential impact of the changing age profile of the workforce.
- Improving our engagement with our workforce

Organisational Performance

- 4.3 The Human Resource Team will focus on delivering a combined Human Resource (HR) and Organisational Development (OD) function that reflects the needs of the Council. The delivery model will evolve over the next two years, which will include the introduction of a new HR and Payroll Management System in 2012. The OD elements of the service will focus on strategic and operational priorities and ensure that we have the right people, working practices, leadership and management competencies in place to achieve the corporate aims. The HR element will enable Managers to effectively deliver services and manage the resources more effectively. These areas combined will ensure the Council has

an efficient and effective service delivery structure and that where appropriate savings are achieved.

4.4 The features of the service are:

- The development and support of our Leaders and Managers to enable better performance management across all Council services.
- The development of our workforce knowledge, skills and competencies.
- Improved employee attendance and reduces instances of staff absence due to stress.
- Improved employee wellbeing

Workforce Development Programme

4.5 The Employee Development and Performance Appraisal (EDPA) system has served the Council well. However, as we strive for better efficiencies and a wider range of workforce competencies, it is recognised that this system will need to be augmented to meet our evolving needs.

4.6 As part of the move to a new HR/Payroll Management System, the Council will develop the existing EDPA process to incorporate a range of employee competencies and behaviours that will enable managers to appraise individual employees more effectively, and ensure our workforce has a clear framework which sets out their expected levels of performance and standards of behaviour.

Learning Organisation

4.7 From 2011 the Council will develop a range of new approaches as we develop our workforce. These will include:

- The implementation of a Management “Essentials” Programme which will feature:
 - Performance Management
 - Employee induction
 - Problem Solving
 - Assertiveness / Dealing with challenging Behaviour
 - Team Leadership
 - Communication Skills
 - Customer Focus
 - Dealing with Disciplinary and Grievances
 - Equality and Diversity
- The implementation of an Employees “Essentials” Workshops which will feature:
 - Corporate and Workplace Induction
 - Attendance
 - Personal Safety
 - Equality and Diversity
- Commitment to the Skills Pledge
- The development of an Apprenticeship Programme

4.8 In addition to the above, we will develop the council’s approach to the management of projects – Lancaster Approach to Managing Projects (LAMP). We will expand our relationship with our partner organisation to exploit our collective ability to better develop our workforce and provide greater opportunities for apprenticeship and graduate trainees than has been the case in the past.

Health and Wellbeing

- 4.9 The Health, Safety and Welfare of our workforce is of paramount importance. This cannot be achieved without a healthy working environment. We recognise that as an employer we can influence the health and wellbeing of our workforce and that this can have a positive impact on morale.
- 4.10 The Council will continue to develop the Health Awareness activities launched with great success in 2010. This combined with a robust health surveillance structure will aid:
- The reduction in sickness absence
 - Improved work performance
 - Promote positive mental health
 - Improve employee self-awareness of the importance of improving their own health.
 - Promote a culture of positive health and wellbeing

An Employer of Choice

- 4.11 Key to our ability to provide the best service we can to the citizens we serve is the ability to recruit, retain and develop talented and committed people. We can only achieve this if we create the right environment in which people want to work. Much of what we have already set out in the strategy is aligned to developing a robust reputation as a genuine employer of choice. We will work to remove any perceived barriers to employment within the Council and ensure we promote the career opportunities available and ensure our management practice, policies and procedures are aligned to develop a reputation as an employer of choice.
- 4.12 Key features which will aid this development are:
- Robust job design
 - A corporate acceptance of the psychological contract
 - A sense of justice across our workforce
 - A sense of identity and loyalty to the organisation
 - Mutual trust between our political leaders, manager and staff.
 - A recognition of needs and expectations of our workforce
 - Positive recognition and equitable rewards

Workforce Development Plan

- 4.13 From May 2011 the Workforce Development Plan will be developed. The Plan will address:
- The critical skill and knowledge gaps identified within the EDPAs
 - The development needs drawn from the 2011 employee survey
 - Development needs based on the review of HR Policies and Procedures.
 - Development needs emerging from service improvement plans
 - Service specific skills audits
 - Critical resource Issues

Workforce Profile

- 4.14 The Council reports on the workforce establishment and attendance on a monthly basis through the internal reporting systems.

5.0 GOVERNANCE

- 5.1 **Members** - Many decisions taken with regard to employees are approved at Personnel Committee, as the committee with responsibility for dealing with the appointment of staff and to determine the terms and conditions on which staff are employed.
- 5.2 **Officers** - The Chief Executive is the Head of the Paid Service, and consequently has overall responsibility for the council's workforce.

6.0 PUBLIC ACCESS TO INFORMATION

- 8.1 As a publicly funded organisation, the Council is committed to being as open and transparent as possible. As such, this HR Strategy is published on the council's website.

COUNCIL**SHARED SERVICE ARRANGEMENTS WITH PRESTON
CITY COUNCIL FOR THE REVENUES AND BENEFITS
SERVICE
23rd May 2011****Report of the Head of Governance****PURPOSE OF REPORT**

To report to Council a decision taken by Cabinet on the 19th April 2011 concerning a shared Revenues and Benefits Service with Preston City Council, and to seek Council's confirmation of the governance arrangements through the necessary amendments to the Constitution.

This report is public

RECOMMENDATIONS

- (1) **That the Head of Governance, as Monitoring Officer, be authorised to amend the Council's Constitution to reflect the establishment of a Joint Committee to carry out the Revenues and Benefits functions of this Council and Preston City Council, with the composition and terms of reference as set out in Appendix 1 to the Cabinet report.**

1.0 Introduction

1.1 At its meeting on the 19th April 2011, Cabinet considered a report concerning shared service arrangements with Preston City Council for the Revenues and Benefits Service. A copy of the Cabinet report is appended to this report.

1.2 Cabinet resolved:

(1) To enter into a Shared Revenues and Benefits Service Agreement with Preston City Council with effect from the 1st July 2011, and to authorise the Chief Executive to approve the terms of such agreement on behalf of the Council.

(2) Through the Shared Service Agreement, to delegate Cabinet's Revenue and Benefits functions to a Joint Committee with Preston City Council

(3) To recommend to Council that the Council's Constitution be amended to reflect the establishment of a Joint Committee to carry out the Revenues and Benefits functions of this Council and Preston City Council, with the terms of reference as set out in Appendix 1 to the Cabinet report.

(4) That the composition of the Joint Committee be as stipulated in the draft terms of reference in Appendix 1 to the report.

2.0 Proposal Details

2.1 Discussions have been ongoing between this Council and Preston City

Council for some time concerning a shared Revenues and Benefits Service, and Cabinet considered the business case and approved the proposed shared service arrangements in December 2011. The Cabinet report of the 19th April 2011 set out the proposed governance arrangements for the shared service, which will become effective from the 1st July 2011.

- 2.2 The decision as set out above, was taken under the then current executive arrangements. Members will note from another item on the agenda for this meeting, that with effect from May 2011, a new Leader and Cabinet executive model, will be in place. However, for the sake of completeness, it is appropriate for Council now to note the Cabinet decision, and to authorise the Monitoring Officer to amend the Constitution to reflect the establishment of a Joint Committee to carry out the Revenues and Benefits functions of this Council and Preston City Council, with the composition and terms of reference as set out in Appendix 1 to the Cabinet report.

3.0 Options and Options Analysis (including risk assessment)

- 3.1 The Cabinet decision of the 19th April 2011 needs to be reflected in the Council's Constitution, and there are therefore no options open to Council other than to make the constitutional amendments as recommended.

4.0 Conclusion

- 4.1 Council is therefore requested to authorise the Monitoring Officer to make the proposed amendments to the Constitution.

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

None arising from this report.

LEGAL IMPLICATIONS

The Council's Constitution is required by the Local Government Act 2000 to be kept up to date, and the proposed amendments to reflect the new joint arrangements with Preston City Council will ensure that this requirement is met.

FINANCIAL IMPLICATIONS

None arising from this report. The financial implications of the shared service are set out in the Cabinet report.

OTHER RESOURCE IMPLICATIONS

Human Resources:
None arising from this report. The HR implications of the shared service are set out in the Cabinet report.

Information Services:
None

Property:
None

Open Spaces:

None

SECTION 151 OFFICER'S COMMENTS

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

MONITORING OFFICER'S COMMENTS

This report has been prepared by the Head of Governance, who, as Monitoring Officer is responsible for ensuring that the Constitution is kept up to date.

BACKGROUND PAPERS

None

Contact Officer: Mrs S Taylor

Telephone: 01524 582025

E-mail: STaylor@lancaster.gov.uk

Ref:

CABINET

**Shared Service Arrangements with Preston City Council for the Revenues and Benefits Service
19 April 2011**

Report of the Head of Financial Services and the Head of Governance

PURPOSE OF REPORT			
To consider arrangements for establishing a Joint Committee of this Council and Preston City Council to administer a shared service for Revenues and Benefits with effect from the 01 July 2011.			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Cabinet	<input checked="" type="checkbox"/>
Date Included in Forward Plan	N/A		
This report is public			

RECOMMENDATIONS OF COUNCILLOR LANGHORN;

- (1) To enter into a Shared Revenues and Benefits Service Agreement with Preston City Council with effect from the 1st July 2011, and to authorise the Chief Executive to approve the terms of such agreement on behalf of the Council.
- (2) Through the Shared Service Agreement, to delegate Cabinet’s Revenue and Benefits functions to a Joint Committee with Preston City Council
- (3) To recommend to Council that the Council’s Constitution be amended to reflect the establishment of a Joint Committee to carry out the Revenues and Benefits functions of this Council and Preston City Council, with the terms of reference as set out in Appendix 1.

1.0 Introduction

- 1.1 At its meeting on 07 December 2010, Cabinet, having considered the business case, approved a shared service arrangement for the delivery of the Revenues and Benefits Service, with Preston City Council acting as host authority, and resolved that further reports be presented to members in due course to address the further details of the governance and contractual arrangements.
- 1.2 Subsequently, discussions on the details of the proposed arrangements have continued between the two councils through the officer project board.

2.0 Proposal Details

Joint Committee

- 2.1 It is proposed that the shared service will commence on the 1st July 2011.
- 2.2 It is proposed to create a Joint Committee to discharge the Revenues and Benefits functions for both this Council and Preston City Council. The Revenues and Benefits functions are all executive functions. In this regard, Sections 101 and 102 of the Local Government Act 1972 and Regulations 4 and 11 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2000 (as amended) enable the Cabinet to discharge any of its functions jointly with another council through a Joint Committee.
- 2.3 Both Cabinets would delegate their Revenues and Benefits functions to the Joint Committee, which would then become responsible for the joint discharge of those functions on behalf of both councils. Joint arrangements would not divest each council of its primary responsibility for the proper discharge of the functions in question. The proposed terms of reference of the Joint Committee, together with the functions for which it would be responsible, and a note of those functions not to be delegated to the Committee, are set out at Appendix 1.
- 2.4 The legislation provides that if the functions to be discharged by a Joint Committee are all executive functions, then it is in the remit of the executive to arrange for the establishment of the Joint Committee, and to fix the number of members to be appointed and their term of office. Every person appointed to the Joint Committee by an executive shall be a member of the executive. . The political balance requirement does not apply to the appointment of such members. It is proposed that the Joint Committee should consist of two Cabinet members from each council, with the remaining members of the respective Cabinets able to act as substitute members. Appointments would normally be made for the period of the municipal year.
- 2.5 As Rule 1.4 of the Cabinet Procedure Rules requires changes to Cabinet delegations to be reported to Council, and as changes to Part 3 of the Constitution, which includes the terms of reference of committees, are a matter for Council, Cabinet is asked to recommend Council to amend the constitution to reflect the establishment of the Joint Committee.
- 2.6 It is anticipated that the Joint Committee, at its first meeting, would delegate the operational joint functions to the Assistant Director (Head of Revenues and Benefits) of Preston City Council, who would be accountable to the Joint Committee for the proper discharge of the shared service function and for the efficient delivery of the shared service.

Staff

- 2.7 A Joint Committee is not a legal entity, and is not therefore able to employ staff, or indeed to enter into contracts for goods and services. As approved by Cabinet in December, Preston City Council is to be the host authority and will be responsible for the employment of the staff who will deliver the shared service.
- 2.8 It is proposed that Revenues and Benefits staff from this Council will transfer to Preston City Council on the 1st July 2011, under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), and they will be employees of Preston City Council from that date.
- 2.9 It is proposed that the shared services agreement will provide for officers employed by Preston City Council to be placed at the disposal of Lancaster

City Council under Section 113 of the Local Government Act 1972, so that they may be properly authorised to discharge the functions of the Joint Committee that relate to this Council.

Shared Revenue and Benefits Service Agreement

- 2.10 The Shared Revenues and Benefits Service Agreement is the document that will set out the arrangements for the two councils entering into the shared service. Its purpose is to safeguard the interests of both Councils during the period of operation and thereafter.
- 2.11 The Agreement will set out the detail against which the service will be delivered. It will contain provisions for:
- (a) governance arrangements;
 - (b) financial arrangements;
 - (c) the services to be provided by each council to deliver the service;
 - (d) the circumstances when the agreement can be terminated;
 - (e) the arrangements for resolution of dispute; and
 - (f) the service levels to be performed in relation to the functions under the control of the Joint Committee
- 2.12 It is proposed that the arrangement should be a long-term one (ten years), but the agreement will provide for earlier termination. The consequences of such termination will be addressed in the agreement, with the council wishing to terminate bearing the burden of the cost of that decision, unless the parties agree otherwise.
- 2.13 In essence, each Council will need to fund the service to a level agreed in the Agreement. In the event of significant changes to the service, for example the requirement of new significant investment as a result of legislative changes, each council would retain the ability to agree its position individually. However, it is expected that in the first instance both councils would work together to identify a solution that was acceptable to both authorities.
- 2.14 Cabinet is recommended to authorise the Chief Executive to approve the final terms of the Shared Service Agreement.
- 2.15 It should be noted that the recommendations in this report are subject to similar resolutions being agreed by Preston City Council. Preston's Cabinet meets on the 6th April 2011, and its decision will be reported orally at the meeting.

3.0 Details of Consultation

- 3.1 Consultation with stakeholders took place before the Cabinet decision of December 2010. Staff have been consulted in accordance with TUPE.

4.0 Options and Options Analysis (including risk assessment)

It should be noted that an options analysis was included as part of the business case approved back in December and therefore the options presented below follow on from this. For more details on the options and risks associated with the business case itself, Members are requested to refer back to the December Cabinet agenda.

	Option 1: To approve the	Option 2: Not to approve the
--	---------------------------------	-------------------------------------

	entering into of a Shared Service Agreement and the establishment of a Joint Committee	entering into of a Shared Services Agreement and the establishment of a Joint Committee
Advantages	A robust and fully integrated service will be established with the potential for efficiency savings as set out in the business case previously considered by Cabinet.	None – it would be necessary to consider alternative arrangements for the provision of the service, to achieve the approved budget savings.
Disadvantages	None identified.	The considerable work in negotiating the arrangements to this stage would have been wasted, and there would be uncertainty for staff.
Risks	No further risks identified.	See comments above – these points would raise new financial and operational risks potentially.

5.0 Conclusion

5.1 Cabinet is asked to approve the recommendations set out above.

RELATIONSHIP TO POLICY FRAMEWORK

To implement the council's agreed programme for Shared Services was a key action in the 2010/11 Corporate Plan and is included in the proposed Plan for 2011/12 onwards.

CONCLUSION OF IMPACT ASSESSMENT

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

No new implications arising, since the consideration of the business case.

LEGAL IMPLICATIONS

Legal Services have been consulted and its views are reflected within this report.

FINANCIAL IMPLICATIONS

No new direct implications arising; the estimated savings of £46K per full financial year have already been included in the approved budget. Should Option 2 be approved, however, further consideration of the service would be needed, in order to fit within approved budgets.

OTHER RESOURCE IMPLICATIONS

Human Resources:

As set out above. It is intended that Personnel Committee would receive an update report on the staffing implications in due course.

Information Services / Property :

No new implications (already covered previously as part of the business case):

SECTION 151 OFFICER'S COMMENTS

The section 151 Officer has contributed to the production of this report.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been involved in the preparation of this report

BACKGROUND PAPERS

None

Contact Officer: Nadine Muschanp

Telephone: 01524 582138

E-mail: nmushcamp@lancaster.gov.uk

Ref:

DRAFT TERMS OF REFERENCE FOR JOINT COMMITTEE FOR REVENUES AND
BENEFITS

Composition: Two members of Cabinet of Lancaster City Council (to be appointed by the Cabinet) and two Members of Cabinet of Preston City Council, with the remaining members of each Cabinet able to act as substitute members

The Joint Committee will be responsible for –

1. The delivery of those delegated functions relating to Revenues and Benefits set out below that Lancaster City Council and Preston City Council have agreed to be delivered through the Joint Committee within the budget and to the agreed standards;
2. Ensuring that Lancaster City Council and Preston City Council remain fully informed and engaged.

FUNCTIONS DELEGATED TO THE JOINT COMMITTEE

1. The following functions are delegated to the Joint Committee to be carried out on behalf of the Councils subject to the terms of the Shared Service Agreement between the Councils:
 - 1.1 Maintenance of databases in administering Revenues and Benefits
 - 1.2 Billing, collection and recovery of Council Tax and Non-Domestic Rates
 - 1.3 Administration, assessment and payment of Housing Benefit and Council Tax Benefit
 - 1.4 Securing the gateway to Benefits and the identification of fraud and error, including investigation and determination of sanctions save for prosecutions
 - 1.5 Recovery of arrears of repayment of Housing Benefit and Council Tax Benefit overpayment
 - 1.6 Compilations of returns to central Government relating to Revenues and Benefits (to be signed off by s151 officer)
 - 1.7 Provision of administration and support services relating to Revenues and Benefits when appropriate
 - 1.8 Approval of discretionary Housing Payments
 - 1.9 Approval of applications for mandatory relief, discretionary relief for Non-Domestic Rates and Council Tax, including hardship and partial occupation
 - 1.10 Recommendation and administration of any write-offs of bad debts within the scope of the write-off policies established by each Council
 - 1.11 Preparation of benefit subsidy claims
 - 1.12 Any additional functions that may be conducive to carrying out the shared service for Revenues and Benefits
 - 1.13 Responding to all requests for information in accordance with the Freedom of Information Act 2000 in respect of the functions delegated to the Joint Committee (whether such requests are addressed to the Joint Committee or any Partner Council)

2. The functions delegated to the Joint Committee shall be exercised subject to any proposed expenditure being contained in the annual Revenues and Benefits budget approved by the Councils and any proposed activities being within the Business Plan approved by the Councils provided that it complies with the relevant financial procedure rules of the Joint Committee

FUNCTIONS TO BE RETAINED BY EACH COUNCIL

The following functions and matters shall be reserved to and decided by each Council from time to time; all decisions and policies on such matters shall be notified to the Joint Committee as necessary as soon as reasonably practicable after any such decision is made and the Joint Committee shall give effect to all such policies and decisions of the Councils in the exercise of the functions delegated to it:

- 1.1 Approving and setting of Council Tax
- 1.2 Calculation of Council Tax Base
- 1.3 Collection fund accounting
- 1.4 Approval of benefit subsidy claims
- 1.5 Determination of policy for second and empty homes
- 1.6 Determination of policy for write off of bad debts and approval of any write-offs within the scope of that policy
- 1.7 Setting the level of and the receipt of enforcement fees
- 1.8 Approval of discretionary relief policies in relation to Non-Domestic Rates and Council Tax
- 1.9 Agreement of rating assessments for Council owned properties
- 1.10 Authorisation and prosecution of benefit fraud cases

COUNCIL

**AMENDMENTS TO THE CABINET PROCEDURE
RULES AND CONSIDERATION OF DELEGATION OF
FUNCTIONS
23rd May 2011**

Report of the Monitoring Officer

PURPOSE OF REPORT

<p>To enable Council to make changes to the Cabinet Procedure Rules to reflect the new statutory provisions with regard to the Leader/Cabinet executive model. The report also asks Council to note that the delegation of executive functions is now the responsibility of the Leader, and that to ensure that the whole of the Scheme of Delegation is kept up to date Committees exercising non-executive functions will in due course be requested to review their arrangements for the delegation of functions.</p>
--

This report is public

RECOMMENDATIONS

- (1) That the Cabinet Procedure Rules in Part 4 Section 4 of the Council's Constitution be amended as appended to the report.
- (2) That Council note that in accordance with the revised Cabinet Procedure Rule 1.2, the Leader will report to the next Council meeting on the delegation of executive functions.
- (3) That Council note that for the time being the Scheme of Delegation to Officers in Part 3 Section 15 of the Constitution remains effective, but that it will be for the Leader to confirm the arrangements for delegation of executive functions to officers, and that to ensure that the whole of the Scheme of Delegation is up to date, Committees exercising non-executive functions will in due course also be requested to update their arrangements for the delegation of functions.

1.0 Introduction

- 1.1 Council on the 15th December 2010 agreed that the new Leader and Cabinet model of executive arrangements be adopted following the May 2011 elections.
- 1.2 In the new model, Council elects the Leader and the Leader is then responsible for:-
 - determining the size of the Cabinet (2 or more to a maximum of 9 plus the leader)
 - appointing the members of the Cabinet including the Deputy Leader
 - allocating portfolios or areas of responsibility to the various Cabinet members

- Determining the scheme of delegation for the discharge of the executive functions of the Council, and
- Removing and replacing Cabinet members

1.3 The Leader must be elected for a four-year term of office, but the Council has included a provision in the Constitution which enables Full Council to remove the Leader during that time.

1.4 At the meeting on the 15th December 2010, Council approved some changes to the detail of the Constitution in anticipation of the change to the new model. However, more detailed changes to the Cabinet Procedure Rules are required to ensure that the Council's Constitution reflects the statutory responsibilities of the Leader.

2.0 Proposal Details

2.1 The proposed revised version of the Cabinet Procedure Rules is appended to this report for Council's approval.

2.2 Section 14(2) of the Local Government Act 2000 (as amended) provides that where a Council operates a new Leader and Cabinet form of executive, then it is for the Leader to allocate responsibility for the exercise of all the Council's executive functions. The Leader may decide to discharge any of the Council's executive functions personally, or may arrange for the discharge of any of the Council's executive functions by the Cabinet, by another member of the Cabinet, by a Committee of the Cabinet, or by an officer of the Council. Sections 18-20 provide for the discharge of functions by area committees, joint arrangements or by another local authority.

2.3 The revised Cabinet Procedure Rules reflect the statutory requirements, and are based on similar rules adopted by unitary authorities who were required to introduce the new model in the previous municipal year.

2.4 Part 3 Section 15 of the Council's Constitution contains the Scheme of Delegation to Officers. Once the Leader has indicated the extent of delegations which he/she intends to make to officers, Part 3 Section 15 will need to be amended with regard to the delegation of executive functions. In accordance with the revised Cabinet Procedure Rules, these delegations will be reported to Council. It is intended that in order to ensure that the delegation of non-executive functions is also updated, Committees exercising non-executive functions will be asked to review their delegations, so that an updated version of the complete Scheme of Delegation can be reported to Council for inclusion in the Constitution. For the time being, however, the current scheme will still have effect.

3.0 Details of Consultation

3.1 The Monitoring Officer has consulted through the Association of Council Secretaries and Solicitors on the most appropriate form for the Cabinet Procedure Rules.

4.0 Options and Options Analysis (including risk assessment)

4.1 The Cabinet Procedure Rules require to be amended to reflect the statutory requirements. The amended version at Appendix 1 has been drafted to meet these requirements, and the officer preferred option therefore is for Council to approve the Rules as drafted. However, it would be open to Council to make minor amendments provided that these comply with the statutory provisions.

5.0 Conclusion

5.1 Council is asked to approve the amended Cabinet Procedure Rules for

inclusion in the Constitution, and to note the proposed arrangements for reviewing the Scheme of Delegation to Officers.

CONCLUSION OF IMPACT ASSESSMENT

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

None arising from this report.

LEGAL IMPLICATIONS

The legal requirements are set out in the report.

FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

OTHER RESOURCE IMPLICATIONS

Human Resources:

None

Information Services:

None

Property:

None

Open Spaces:

None

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has not further comments.

MONITORING OFFICER'S COMMENTS

The report has been prepared by the Monitoring Officer as the officer responsible for advising on the Council's Constitution.

BACKGROUND PAPERS

None

Contact Officer: Mrs S Taylor

Telephone: 01524 582025

E-mail: STaylor@lancaster.gov.uk

Ref:

Part 4, Section 4

Cabinet Procedure Rules

1. HOW THE CABINET OPERATES

1. How the Executive Operates

1.1 Who may make Executive Decisions

The Leader determines the arrangements for the discharge of executive functions. The arrangements may provide for executive functions to be discharged by:

- i) The Leader;
- ii) Cabinet as a whole;
- iii) Individual Cabinet Members;
- iv) a committee of the Cabinet;
- v) Officers of the Council;
- vi) if and when established - joint arrangements with other local authorities; or
- vii) another local authority;

1.2 Delegation by the Leader

- (a) At the annual meeting of the Council, the Leader will present to the Council the names of the people appointed to the Cabinet by the Leader (including the name of the Deputy Leader), and their portfolios.
- (b) At the annual meeting of the Council or as soon as practicable thereafter, the Leader will present to the Council a written record of :
 - (i) The detailed remits of the portfolios of the Cabinet Members.
 - (ii) Any delegations made by the Leader in respect of the discharge of the Council's executive functions. The document presented by the Leader will contain the following information about Executive functions in relation to the coming year:
 - The extent of authority of the Cabinet as a whole
 - The extent of any authority delegated to Cabinet Members individually, including details of the limitation on their authority;
 - the terms of reference and constitution of such Cabinet committees as the Leader appoints and the names of Cabinet Members appointed to them;
 - the nature and extent of any delegation of Executive functions to area committees, any other authority or any joint arrangements and the names of those Cabinet Members appointed to any joint committee for the coming year; and

- the nature and extent of any delegation to officers with details of any limitation on that delegation, and the title of the officer to whom the delegation is made.

and these shall then be included in the Council's Constitution.

1.3 Sub-Delegation of Executive functions

(a) Where the Leader delegates an executive function to the Cabinet, then unless the Leader directs otherwise, the Cabinet may delegate further to a committee of the Cabinet, a joint arrangement or to a Council officer.

(b) Where the Leader delegates an executive function to a committee of the Cabinet or to an individual member of the Executive then unless the leader directs otherwise, a committee of the Executive or an individual member of the Executive may delegate further to a Council officer.

(c) Even where executive functions have been delegated under (a) or (b) above, that fact does not prevent the discharge of delegated functions by the person or body who made the delegation.

1.4 The Executive's Scheme of Delegation

(a). Subject to (b) below the Executive's Scheme of Delegation will be reported to Council, It will contain the details required in Article 7 and set out in Part 3 of this Constitution.

(b) The Leader may amend the scheme of delegation relating to Executive functions at any time during the year. To do so, the Leader must give written notice to the Head of Governance and to the person, body or committee concerned. The notice must set out the extent of the amendment to the scheme of delegation, and whether it entails the withdrawal of delegation from any person, body, committee or the Executive as a whole. The Head of Governance will present a report to the next ordinary meeting of the Council setting out the changes made by the Leader.

(c) Where the Leader seeks to withdraw delegation from a committee, notice will be deemed to be served on that committee when the Leader has served it on its chair.

1.5 Conflicts of Interest

(a) Where the Leader or any Member(s) of the Cabinet and its Committees have a conflict of interest, this should be dealt with as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.

(b) If every Member of the Cabinet or its Committees has a conflict of interest, this may be dealt with by way of dispensations granted by the Standards Committee.

(c) If the exercise of an Executive function has been delegated to an Officer and should a conflict of interest arise, then the function will be exercised in the first instance by the person by whom the delegation was made and otherwise as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.

1.6 Cabinet Meetings – When and Where?

The Cabinet will meet monthly, alternating between Lancaster Town Hall and Morecambe Town Hall on dates and at times to be agreed by Leader, to be confirmed by Full Council on an annual basis. The Leader may agree to hold additional meetings as required. In determining the time for the meeting, regard should be had to maximising the accessibility of the public.

1.7 Meetings of the Cabinet

All decision-making meetings of the Cabinet will be in public except for that part of an item of business where exempt or confidential information is to be discussed.

1.8 Quorum

The quorum for a meeting of the Cabinet shall be 40% (rounded up) of the membership. For meetings of Cabinet Committees, a quorum will be 40% (rounded up) or 3, whichever is the greater.

1.9 How are Decisions to be Taken by the Cabinet?

- (a) Executive decisions which have been delegated to the Cabinet as a whole will be taken at a meeting convened in accordance with the Access to Information Rules in Part 4, Section 2 of this Constitution.
- (b) Where executive decisions are delegated to a Committee of the Cabinet, the Rules for taking decisions shall be the same as those applying to the Cabinet.

1.10 Urgent Decisions

- (a) When an executive decision which is the responsibility of the Cabinet is needed prior to the next scheduled meeting, the procedures set out in the Access to Information Rules 15 and 16 must be followed (Part 4 Section 2).
- (b) Decisions taken under this procedure must be reported into the next scheduled meeting of Cabinet.

1.11 Agendas

All Cabinet agendas and those of its Committees will be available to all Members of the Council. Cabinet members will take responsibility and ownership of Cabinet reports in their portfolio area of responsibility. Cabinet agenda should not include information reports.

2. CONDUCT OF THE CABINET AND ITS COMMITTEES

2.1 Chairing Meetings

- (a) The Leader of the Cabinet will preside. In the absence of the Leader, the Deputy Leader, will preside. In both the Leader and Deputy Leader's absence, then a person will be appointed to preside by those present.

- (b) The Leader will preside at any meeting of a Committee of the Cabinet at which they are present, or may appoint another person to do so. In the absence of the Cabinet Committee's Chairman, then a person will be appointed to preside by those present.

2.2 Who may attend to observe?

Any Member of the Council may attend any Cabinet meeting or a meeting of its Committees. All decision making meetings of the Cabinet and its Committees will be in public. Members of the public will be excluded for that part of an item of business where exempt or confidential information is to be discussed.

2.3 Business of the Meeting

At each meeting of the Cabinet the following business will be conducted:

- (a) consideration of the minutes of the last meeting;
- (b) declaration of interests, if any;
- (c) urgent business agreed by the Leader, or in the absence of the Leader, by the Deputy Leader or Chairman of the meeting.
- (d) matters set out in the agenda for the meeting for decision including registered members of the public speaking and registered ward members
- (e) consideration of reports from Cabinet Committees;
- (f) consideration of reports from Overview and Scrutiny;
- (g) matters referred to the Cabinet (whether by Overview and Scrutiny or by the Council) for reconsideration by the Cabinet in accordance with the provisions contained in the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Procedures Rules set out in this Constitution; and
- (h) reports from the Chief Executive, Corporate Directors or Service Heads;
- (i) consideration of the monthly Forward Plan prepared by the Leader;

2.4 Consultation

All reports to Cabinet from any Member of the Cabinet or an Officer on proposals relating to the budget and policy framework must contain details of the nature and extent of consultation with stakeholders and Overview and Scrutiny and the outcome of that consultation. Reports about other matters will set out the details and outcome of any consultation undertaken as appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.

2.5 Cabinet Agenda Items

The Leader may put on the agenda of any Cabinet meeting any matter which he/she wishes, whether or not authority has been delegated to the Cabinet, a committee or any member or officer in respect of that matter.

Any Member of the Council may ask the Leader to put an item on the agenda of a Cabinet meeting for consideration, and if the Leader agrees, the item will be considered at the next available meeting of the Cabinet. The notice of the meeting will give the name of the Councillor who asked for the item to be considered and that Councillor may, at the discretion of the Leader, be invited to attend the meeting, and with the consent of the Cabinet, to speak.

Furthermore, the Chief Executive, Monitoring Officer and/or the Chief Financial Officer (the Council's Section 151 Officer) may include an item for consideration on the Agenda of a Cabinet meeting and the Monitoring Officer/Chief Financial Officer may require the Chief Executive to call such a meeting in pursuance of their statutory duties. In other circumstances, where any two of the Chief Executive, Chief Financial Officer and Monitoring Officer are of the opinion that a meeting of the Cabinet needs to be called to consider a matter that requires a decision, they may jointly include an item on the Agenda of a Cabinet meeting. If there is no meeting of the Cabinet soon enough to deal with the issue in question, then the person(s) entitled to include an item on the Agenda may also require that a meeting be convened at which the matter will be considered.

2.6 Right of Members to Address Cabinet

Where an Overview and Scrutiny meeting submits a report to Cabinet, a nominee of that meeting may and will normally present the report to Cabinet. Any Member, at the discretion of the Chairman of Cabinet, may address Cabinet on Ward matters where this is relevant to a report on the Agenda, subject to giving 3 days notice and a 5 minute time limit.

2.7 Rights of the Public to Speak at Cabinet

- (a) Members of the public are permitted to speak on issues included on the Cabinet Agenda, with questions/comments from the public prior to the commencement of each item.
- (b) Notice of the wish to speak must be registered with Democratic Services in writing or by telephone before 12 Noon on the Thursday before Cabinet meets.
- (c) It is the responsibility of the person wishing to speak to find out the appropriate date that Cabinet will consider the item of business that they wish to speak on. This information can be obtained from Democratic Services. Late requests to speak at Cabinet will not be considered.
- (d) Any request to speak must include the person's name, address and contact telephone number, together with details on the item they wish to speak on. A written version of their speech or questions must be supplied in advance (unless there are special circumstances).
- (e) Persons who have registered to speak should be in attendance 30 minutes prior to the commencement of the meeting to enable a list of speakers present to be passed to the Chairman. Any latecomers who have not confirmed their intention to speak on the morning of the meeting will only be allowed to speak at the discretion of the Chairman.

- (f) Democratic Services, having received notice from persons wishing to speak will re-order the agenda to enable items with public participation to be considered first.
- (g) There will be a maximum of 10 speakers per Cabinet meeting on a first come first served basis with a maximum of 5 minutes per speaker.
- (h) There will be a maximum of 3 speakers on each item of business, but if there are less than 10 speakers in total to speak at Cabinet then a maximum of 4 people be allowed to speak on a particular item of business on a first come first served basis, at the discretion of the Chairman.
- (i) Any group of persons with similar views should elect a spokesperson to speak on their behalf to avoid undue repetition of similar points. Spokespersons should identify in writing on whose behalf they are speaking as part of the registration process. The Head of Governance to be authorised to ask speakers to consolidate their views if there are more than 3 persons in the group.
- (j) Speakers must be prepared to respond to questions from Cabinet Members at the meeting if necessary.

2.8 Access to Information

The rules that determine how the Cabinet will conduct its meetings in respect of the following are set out in the Access to Information Procedure Rules in Section 2 of Part 4 of this Constitution:

- Key Decisions
- Forward Plans
- Exempt and Confidential Business
- Agendas, Reports, Minutes and Background Papers
- Urgent Business.

2.9 Cabinet Liaison Groups

- (a) Cabinet Liaison Groups are not an essential body but may be created to take forward business. However, they are purely consultative and not decision-making. They will be chaired by a member of Cabinet and there is no restriction on size although the group must be limited to what is manageable and effective for their purpose. They may be time limited or of longer standing, again depending on their purpose.
- (b) The participants in the Group will be by invitation of the Chairman and can be made up from any or all of the following:
 - Other members of Cabinet
 - Other members of Council not on Cabinet
 - Others from outside the Council
 - Council officers

One exception to this is the Planning Policy Cabinet Liaison Group, which Cabinet agreed should include the portfolio holders for Economy, Environment, Valuing People and Health.

- (c) *Terms of Reference:* Their Terms of Reference are to share information about a particular topic, e.g. e-government and develop effective consultation and communication links with community groups and other bodies with an interest in the subject area. In this way, individual Cabinet members will have a wider information and advisory platform to inform executive decision-making and policy effectiveness.

- (d) Specific outcomes from their meetings may generate requests for pieces of work to be undertaken by officers or partner bodies. Alternatively, it could be a request to Overview and Scrutiny to set up a Task Group to undertake a specific piece of work. There could also be specific reports to Cabinet, Committees of Cabinet, individual Cabinet members, or other Committees of Council recommending action for determination.
- (e) Each Liaison Group will have their terms of reference and expected outputs approved by Cabinet before they meet.