



Committee: BUDGET AND PERFORMANCE PANEL

Date: TUESDAY, 12 JUNE 2012

Venue: LANCASTER TOWN HALL

Time: 6.00 P.M.

A G E N D A

1. **Apologies for Absence**
2. **Declaration of Interests**
3. **Appointment of Vice-Chairman**
4. **Minutes**

Minutes of the meeting held on 21 February 2012 (previously circulated).

5. **Items of Urgent Business authorised by the Chairman**
6. **Discussions with Councillor Eileen Blamire - Leader of the Council**

Councillor Eileen Blamire, Leader of the Council, has been invited to attend the meeting to discuss the financial targets contained in the Corporate Plan.

Note: Members are requested to bring with them a copy of the Corporate Plan previously circulated with the Council agenda of 14 May 2012.

7. **Salt Ayre Sports Centre (Pages 1 - 5)**

Report of Head of Community Engagement to update members with regard to the performance of the centre for 2011/12 and provide an overview of specific areas of work planned for the future

8. **Quarter 4 Corporate Performance Monitoring Report (Pages 6 - 14)**

Report of the Assistant Head Community Engagement (Partnerships)

9. **Work Programme Report (Pages 15 - 30)**

Report of Head of Governance.

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Susan Sykes (Chairman), Tony Anderson, Dave Brookes, Janet Hall, Alycia James, Richard Newman-Thompson, Richard Rollins, Elizabeth Scott and Keith Sowden

(ii) Substitute Membership

Councillors Chris Coates, Mike Greenall, Roger Mace, Roger Sherlock, Emma Smith and Paul Woodruff

(iii) Queries regarding this Agenda

Please contact Tom Silvani, Democratic Services - telephone 01524 582132, or email tsilvani@lancaster.gov.uk.

(iv) Changes to Membership, substitutions or apologies

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

MARK CULLINAN,
CHIEF EXECUTIVE,
TOWN HALL,
LANCASTER LA1 1PJ

Published on 31 May 2012.

Budget and Performance**Salt Ayre Sports Centre
12 June 2012****Report of Head of Community Engagement****PURPOSE OF REPORT**

To update Members with regard to the performance of Salt Ayre Sports Centre for 2011/12 and provide an overview of specific areas of work planned for the future.

This report is public.

RECOMMENDATIONS OF HEAD OF COMMUNITY ENGAGEMENT

- (1) **That the report be noted and that Members consider any recommendations they would wish to make.**

1 Introduction

- 1.1 Salt Ayre sports centre is owned and managed by the City Council. This report sets out summarised information in relation to how the sports centre has performed financially over recent years. It also highlights a number of current partnership arrangements and possibilities for the future.

2 Performance

- 2.1 Salt Ayre sports centre includes a swimming pool, sauna and steam rooms, sports hall, fitness suite projectile hall, café, dance studio, athletic track, artificial turf pitch and grass football pitches.
- 2.2 The centre is used by a cross section of the community and caters for all ages including the very young (learn to swim programmes) to the elderly and of all abilities. The swimming pool consists of two moveable floors which enables a diverse programme to be offered, particularly to swimming clubs. The swimming pool has the option of operating at a consistent depth of two meters and thirty three meters in length which is useful for both swimmers and water polo participants alike.
- 2.3 Reflexions (fitness suite) is of fundamental importance to the performance of the sports centre and there are currently 971 members (815 in 2009/10, 888 in 2010/11) who benefit from use of the fitness suite, swimming pool and attendance at a number of fitness classes, all included within the membership price. Latest draft information available at the time of preparing the report (and therefore still subject to final ratification as part of the current year end process) is that the 2011/12 outturn position is estimated to show £271.1k income against £138.5k expenditure, i.e. net £132.6K surplus compared to net £113.1K surplus achieved in 2010/11. It should be noted at this stage however, that this doesn't include any direct share of

management/administrative overheads or general running building costs so at present isn't fully representative of how this particular cost centre is performing overall.

- 2.4 The table below provides financial information for the Salt Ayre sports centre as a whole summarised over recent financial years and includes income and expenditure for which the 2011/12 figures although draft still provides a reasonable guide to the current overall net financial position for the sports centre.

Summary	Budget 2009/10	Actual 2009/10	Budget 2010/11	Actual 2010/11	Budget 2011/12	Actual 2011/12 (Draft)
	£	£	£	£	£	£
Expenditure	2,367,900	2,334,400	2,318,200	2,125,200	2,350,100	2,254,200
Income	(1,046,500)	(912,800)	(960,800)	(865,200)	(928,100)	(908,700)
Net Total	1,321,400	1,421,600	1,357,400	1,260,000	1,422,000	1,345,500

3 Partnership Work

- 3.1 The sports centre currently hosts the Community Engagement Active Health Team. This is a team of officers who are employed by the Council but funded wholly by the Primary Care Trust (PCT). Lancaster City Council was commissioned by the North Lancashire Teaching Primary Care Trust (PCT) to develop and deliver this new service (GP Exercise Referral) from January 2009 for 3 years. The main objective was to engage with our local GP practices and achieve a target of 900 referrals by April 2012.

The GP Exercise Referral Scheme allows local GP's, practice nurses and primary and secondary care professionals to refer patients who are at risk from coronary heart disease, into a 12-week programme of exercise and support. In most cases these patients have other contributing co-morbidities including obesity, muscular skeletal problems, hypertension and many others.

A personalised 12-week programme of activity is planned with periodic assessments concluding in a detailed evaluation once the patient has completed the programme. Every patient's final assessment is sent to their GP.

There have been 1,788 visits to Salt Ayre Sports Centre by people who are on the scheme.

- There have been 3,225 visits to Salt Ayre Sports Centre by people who have been on the scheme and finished.
- These combined visits created an income of £6,851
- 19 people joined as a Reflexions Corporate Member after leaving the scheme which equates to an annual income of £6,384
- 13 people joined as a Reflexions 55+ Member after leaving the scheme which equates to an annual income of £3,432
- 4 people joined as a Reflexions Off Peak Member after leaving the scheme which equates to an annual income of £1,248

- These combined memberships equate to £11,064

The total combined income from the two areas above is £17,915 of additional income that the sports centre would not have generated as most if not all of the referrals did not participate in exercise prior to being referred.

MEND is a programme that is funded via the Primary Care Trust and is aimed at children who are clinically obese and who have been referred by a school nurse. The programme provides education and activity sessions for the child and their parent/guardian to participate in. This targeted approach has proved very successful during 2011/12 and received very positive feedback from those who have attended. The aim is to change long term attitudes and life choices towards healthier living.

Energy use at Salt Ayre

The centre is the largest consumer of energy within the council's municipal buildings. 2011/12 has seen an ongoing campaign to identify means of reducing energy consumption within the building. Pumps and meters have been upgraded and covers have been installed for the swimming pool to maintain the heat whilst the pool is closed. The changes made at the centre have saved the council more than £146,000, representing a 42% reduction in energy use and CO2 emissions and a 54% reduction in costs compared to 2008/9.

Following on from the report submitted to the Cabinet meeting in October 2011, panels have now been installed on the roof at Salt Ayre Sports Centre. The installation was completed in early April 2012 and Salt Ayre can now generate electricity. The project was funded as a Climate Change Invest to Save Project.

Young people

The sports centre works closely with the Council's Sport and Physical Activity team and as such a strong programming policy encouraging participation from children and young people has been developed. There are specific schemes which are externally funded and help deliver against agendas such as reducing crime and disorder and anti social behaviour. Statistics as provided by the police show reduction of such incidents when specific programmes are in place.

The sports centre is ideally located between Lancaster and Morecambe and discussions are taking place with the County Council to explore the demand for facilities which may further address the needs of young people.

4 Future Review

- 4.1 The sports centre must adapt to trends in the leisure industry and as such officers have recently embarked on a series of discussions with colleagues from South Lakes, Wyre and Fylde Councils. There exists a range of service delivery mechanisms available to local authorities in order to manage their sports and leisure management services.
- 4.2 South Lakes currently operate with a 'Trust' managing their sports and leisure management contract, with both Wyre and Fylde opting for private sector partnership arrangements with the YMCA.

- 4.3 The discussions have been useful in terms of sharing some good practice and understanding the varying needs of each Authority. It is intended that officers will continue with the dialogue with a view to exploring further any options that may become possible for joint working initiatives. The possibility of creating efficiencies or sharing costs for example by way of procurement opportunities will continue to be examined.
- 4.4 Following the significant restructuring of the Service and the consequent reduction in staffing costs there is a continual need for the organisation to consider review and change where appropriate. The very nature of the ever changing industry of sport and leisure demands such an approach. The need to review various aspects of the operation of the sports centre, links to Community Pools and importantly, examine the potential benefits of differing management and delivery mechanisms will continue. As will the focus on ensuring that the operation of the centre continues to support Corporate Plan priorities.

CONCLUSION OF IMPACT ASSESSMENT

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

None as a result of this report.

LEGAL IMPLICATIONS

There are no legal implications.

FINANCIAL IMPLICATIONS

There are no immediate financial implications arising; however, this is very much dependant on the outcome of the current review and further reports to Members will be required prior to any potential future changes in service delivery being implemented.

It should be further noted that from a financial perspective, although income continues to be less than budgeted for in 2011/12, this is mainly attributable to the performance of the café and has been managed through reduced expenditure for this area during 2011/12. That said, although income appears to have exceeded target for other areas such as Reflexions and the Main Hall and that Reflexion membership numbers are on the increase compared to 2009/10 and 2010/11 (as per section 2.3 of the report), income targets generally have been reduced in recent years and are still somewhat less than those previously forecast. This might indicate that throughput for the centre as a whole has perhaps been on the decline overall. Draft information available so far for 2011/12 seems to show a reverse in this trend, however this still requires further investigation by Officers.

Similarly, there is not enough meaningful management information available at present to inform how much has been invested in the centre overall and what the estimated rate of return has been or will be in the future.

Ongoing expenditure and income targets as well as robust management information will need to form an integral part of the ongoing review therefore, alongside consideration of ongoing/future service delivery and continuation of successful partnership working and be reported to members in due course.

OTHER RESOURCE IMPLICATIONS

Human Resources:

None.

Information Services:

None.

Property:

None.

Open Spaces:

None.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and would add that as well as the need to strengthen management information, there is also the need to build on this to clarify and strengthen pricing policy for the facility.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

Contact Officer: Simon Kirby
Telephone: 01524 582831
E-mail: skirby@lancaster.gov.uk

BUDGET AND PERFORMANCE PANEL**Quarter 4 Corporate Performance Monitoring Report****12 June 2012****Report of Assistant Head (Partnerships)****PURPOSE OF REPORT**

To present the corporate performance monitoring report for Quarter 4 of the 2011/12 Performance Review Team Cycle.

This report is public.

RECOMMENDATIONS OF ASSISTANT HEAD (Partnerships)

- (1) **That Budget and Performance Panel considers and comments on the Quarter 4 Corporate Performance Report for the 2011/12 Performance Review Team Cycle.**
- 1.0 Corporate Performance Review**
- 1.1 For the Quarter four Performance Review Team (PRT) meetings individual Cabinet members were issued with completed PRT reports in the usual way and given the option to have a formal meeting if they required it. Two Cabinet members decided to have formal meetings and these were held on 24 and 26 April.
- 1.2 PRT reports issued to Cabinet Members set out performance on service and programme/project delivery using the established RAG (Red, Amber and Green) reporting system.
- 1.3 The PRT reports highlight achievements against key work areas as well as any problems/ opportunities encountered during the previous quarter or forecast in the future. This information helped to identify progress over the previous quarter and any action(s) needed to get delivery back on track.
- 1.4 Individual Cabinet Members were also provided with financial summary reports for Quarter 4 covering their portfolio and service areas and provided with reasons for any variances and actions being taken to address these.
- 1.5 The Corporate Performance Review report was issued to the Leader of the Council on 17 May 2012 indicating **only** those activities with a R(ed) status where further intervention is/is likely to be necessary to achieve the stated outcome or realise the benefits of projects/programmes.
- 1.6 This report is attached as **Appendix A** indicates that at Quarter 4 there are two activities and one project where performance on the delivery of planned outcomes have not, or are not expected to be, achieved as planned without further intervention. These are:
- *Reducing Sickness Absence across the whole council* – The average days lost per employee for 2011-12 was 9.56. Whilst this is above the target (9 days) it compares favourably with the previous year (10.63 days) and the overall trend continues to show an improvement. A revised Sickness Absence Management Policy, currently being consulted on, will set out positive actions to reduce sickness absence further
 - *Average time to re-let empty Council Houses* – It has proven difficult to improve the time it takes to complete void repair works prior to re-let with the outturn for Q4 being just over 49 days against a target of 38 days. Positive steps have been taken to address this through an action plan

- *Invest to Save Secondary Glazing Project* – A detailed cost/benefit analysis on the payback period for the investment determined that there was no longer justification to go ahead with this project.
- 1.7 The Corporate PRT *Action Plan* outlines agreed planned and ongoing actions to deliver/get back on track key areas of work.
- 1.8 It is important to acknowledge that overall corporate priorities have been, or are on track to be, achieved. At the end of 2011/12 the following are notable successes towards the achievement of corporate plan priorities and service provision:
- Completion on time and within budget of the installation of Solar PV panels on selected council buildings and sheltered accommodation
 - Above target annual reduction in Co2 emissions on council buildings
 - Schemes within the ongoing programme of improvements to council buildings completed to time, cost and quality
 - Shared service arrangements for Revenue and Property Services (latter to commence June 2012)
 - Delivery of projects to improve the attractiveness, accessibility and enjoyment of the district's parks and open spaces
 - Targeting activities and projects to deliver visitor services and tourism opportunities
 - Working in partnership to improve health, deliver positive activities for children and young people and supports the arts
 - Working with partners to deliver services that keep our streets clean and safe
 - Provision of health and housing services that raise standards; addresses the needs of elderly and vulnerable people and increases rent collection
 - Ongoing work with partners in the voluntary, community and faith sectors to reduce costs, make efficiencies and create residence within the district
 - Developing plans and delivering projects that support economic growth and regeneration in the district
 - Provision of financial and revenues services including successful closure of accounts and budget setting, local taxation collection and payment of housing benefits and accountancy and internal audit functions
 - Corporate support for strategic planning, performance and partnership working, communications, marketing and public consultation and the development of the *Take Pride* Initiative
 - Working with partners to deliver customer services by means of customer service centres, information technology and communications facilities
 - Governance support services including Human Resources, Legal and Democratic Support
- 1.9 Due to the timing of this meeting and the actual production of the Statement of Accounts for 2011/12 by the end of June no Corporate Financial Monitoring report has been produced. Whilst the Quarter 4 report does provide a snapshot of the financial position as at 31 March there are many transactions that can affect it as part of the closedown process and therefore the Statement of Accounts provides a more accurate picture. The Panel will be given an opportunity to fully scrutinise the outturn at their meeting on 11 August.

2.0 Review of PRT Meeting Arrangements

- 2.1 Following the recommendations of Budget and Performance Panel the committee timetable for 2012/13 now allows for quarterly corporate performance to be scrutinised by the Panel prior to submission to Cabinet.
- 2.2 During the current year work will continue to develop the monitoring of performance against corporate plan outcomes and success measures through the performance management information system, CorVu. The new system will provide clearer reporting and monitoring of progress and easier collection and management of performance information that is more accessible and multi-functional.
- 2.3 As the system is both interactive and dynamic and in real time there is an opportunity to reduce the number of formal PRT meetings to twice a year from 2013/14 as decisions, supported by robust information, evidence and intelligence, will be able to be made at any point in time. The views of the Panel will be sought as the system is developed going forward.

3.0 Conclusion

- 3.1 The Council's Performance Management Framework requires the regular reporting of operational and financial performance to Cabinet as part of the Performance Review Team cycle of meetings. The Corporate PRT report provides a summary of key matters and associated actions that have arisen in the quarter that have been escalated to the Leader of the Council and Finance Portfolio Holder for attention.
- 3.2 Overall the Corporate PRT report for this quarter demonstrates that positive action has/is being taken to manage corporate performance towards the achievement of stated outcomes and priorities within the Corporate Plan.
- 3.3 Budget and Performance Panel are asked to consider the proposal that from 2013/14 formal Performance Review Team meetings be reduced to twice yearly.

<p>CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</p> <p>None arising from this report.</p>	
<p>LEGAL IMPLICATIONS</p> <p>None directly arising from this report.</p>	
<p>FINANCIAL IMPLICATIONS</p> <p>None directly arising from this report.</p>	
<p>OTHER RESOURCE IMPLICATIONS: Human Resources / Information Services / Property / Open Spaces: None directly arising from this report.</p>	
<p>SECTION 151 OFFICER'S COMMENTS</p> <p>Section 151 Officer has been consulted and has no further comments.</p>	
<p>MONITORING OFFICER'S COMMENTS</p> <p>Monitoring Officer has been consulted and has no further comments.</p>	
<p>BACKGROUND PAPERS</p> <p>Performance Review Team Reports.</p>	<p>Contact Officer: Bob Bailey, Corporate Planning and Performance Manager Telephone: 01524 582018 E-mail: bailey@lancaster.gov.uk Ref: PRT 2011 Qtr 4</p>

Performance Review Team Guidance Notes 2012/13

PRT Reports

PRT report(s) are produced for each Cabinet Member and completed by Service Heads with responsibility for each portfolio area as follows:

CABINET MEMBER	PORTFOLIO AREA	SERVICE
CLlr Eileen Blamire (Leader)	Relations with other councils Communications Performance Management	Governance Information Services Community Engagement
CLlr Janice Hanson	Economic Regeneration Planning	Regeneration and Planning
CLlr Abbott Bryning	Finance Revenues and Benefits	Financial Services
CLlr Ron Sands	Children and Young People Culture and Tourism	Community Engagement Regeneration and Policy
CLlr Karen Leytham	Housing Environmental Health Emergency Planning	Health and Housing
CLlr David Smith	Community Safety Clean and Green	Environmental Services
CLlr Jon Barry	Markets Connecting with Communities Voluntary Sector Older People	Property Community Engagement
CLlr Tim Hamilton-Cox	Climate Change Property Services	Property Community Engagement

The PRT report is completed by the Service Head, setting out the **Key Work Area(s)**¹, **Key Action(s)**² and **Success Measures**³ that are relevant to each portfolio area and Corporate Priority, where appropriate. In practice, these will normally be extracted from Service Business Plans.

Progress towards the achievement of each key work area/action will be identified through a Red/Amber/Green (RAG) system, indicating where the Service Head considers overall progress to be. For the purposes of this part of the PRT report, the RAG ratings are defined as:

Rating	Target for delivery	Description
Red	Significantly behind target	We have either not achieved or do not expect to achieve what we set out to do
Amber	Slightly behind target	We are behind schedule but still expect to achieve what we set out to do through actions/ plans within the Service
Green	On target	We have either achieved/exceeded/expect to achieve what we set out to do

¹Those crucial areas of work that Service needs to focus on during the life of the business plan

²Those crucial actions that link directly to corporate priorities and/or underpin what the Service will do to support the council's development and effective use of resources

³Success measures are the meaningful outputs/targets/PI's that quantify the achievement of, or progress towards delivery

Service Heads will also set out details of Achievements realised and/or any Difficulties experienced in the quarter as well as any expected in the future. In this way, it should be possible to have a focussed discussion at the PRT meeting with Cabinet Member on progress being made and/or any actual or anticipated problems (risks), so that action(s) can be agreed on how to address these and get delivery back on track.

PRT Action Plans

Action(s) planned as a result of the PRT meeting are set out in the PRT Action Plan against the relevant **Corporate Priority** (where appropriate) and/or **Key Work Area(s)** for each portfolio area. Progress towards completion of each agreed action at the PRT meeting will be identified by the Service Head using the following key:



The Service Head will also set out more detailed commentary on progress being made towards completion of each action.

Note: It is recognised that there will be a number of key programmes/projects that will be making a significant contribution to achieving corporate objectives and the delivery of key areas of work. The individual performance of these are reported to PRT meetings separately see *Programme/Project Performance and Risk* within this guidance.

Corporate Planning and Performance Team (CPPT)

The PRT process is facilitated by the CPPT who will work closely with Service Heads to ensure that the PRT Reports detail the crucial areas of work and related actions and success measures that need to be considered at the PRT meetings. These will cover those that are directly linked to corporate priorities and/or underpin what the Service is doing to support the council's development and effective use of resources.

CPPT will ensure that Cabinet Members receive the completed PRT report prior to the scheduled PRT meeting and will liaise with the Service Head immediately after the meeting to compile the action plan(s) relevant to each portfolio area. Once complete a copy will be sent to the Cabinet Member which, together with the updated PRT report, will form the basis for discussion at the following and subsequent PRT meetings.

Once all PRT meetings have taken place and Action Plans compiled CPPT will prepare an overall PRT report for the Leader of the Council. This will be an amalgamation of each **Corporate Priority** and/or **Key Work Area** and/or **Programme/Project** as appropriate covering:

- o All agreed actions arising from PRT meetings
- o All R(ed) targets against **Success Measures** and **Programme/Project Performance and Risks**
- o Any relevant commentary on **Significant Achievements and/or Difficulties**

This report will subsequently be reported to the next meeting of Budget and Performance Panel and Cabinet.

Corporate PRT

Councillor Eileen Blamire (Leader)

PRT Report: Corporate PRT

Head of Service:

Quarter: 4

Date of PRT Meeting: Virtual

Key Work Area(s)	Key Service Actions	Success Measure/Milestones		Comments on Progress
		Description	RAG Status	
Corporate Priority: STATUTORY RESPONSIBILITIES				
Council Housing/Environmental Services Tenancy - empty properties	Ensure that council housing is let efficiently	Average re-let time	Red	RMS have not been able show improvement in their void repairs turn around time - the out turn for Q4 was 49.4 days, the target is 38 days. Action plan in place. RMS remain committed to improving void repairs turn round times.
Corporate Priority: ECONOMIC REGENERATION				
There are no key areas or actions to report with a red (significantly behind target) status				
Corporate Priority: CLIMATE CHANGE				
There are no key areas or actions to report with a red (significantly behind target) status				
Corporate Priority: COMMUNITY LEADERSHIP & PARTNERSHIP WORKING				
There are no key areas or actions to report with a red (significantly behind target) status				

Programme/Project Performance and Risk

Performance

Performance of individual programmes/projects is considered against time, cost and benefits. For each of these key elements of successful programme/project delivery a R(ed)/A(mber)/G(reen) rating is provided indicating where the Lead Officer considers the programme/project to be at the end of each PRT quarter in terms of its delivery within the agreed time and cost and the realisation of stated benefits.

For the purposes of the PRT report the RAG ratings are defined as:





Rating	Time	Cost	Benefits
Red	Significantly behind time	Significantly over budget	Significant action needed to realise stated benefit(s)
Amber	Slightly delayed	Slightly over budget	Some action needed to realise stated benefit(s)
Green	On target	Withing budget	On track to realise stated benefit(s)









Risk

Risk is defined as uncertainty of outcome (whether positive opportunity or negative threat) and is a major factor that must be considered during the management of the programme/project. The task of risk management is to manage exposure to risk - that is the likelihood of the risk occurring and the potential impact if it did. The aim is to manage that exposure by taking action to keep exposure to an acceptable level in a cost-effective way, but some amount of risk taking is inevitable if the programme/project is to realise its benefits.

For each programme/project the matrix below is used to forecast the overall risk to the realisation of the programme/project benefits and is shown in the PRT report as a R(ed); A(mber) or G(reen) together with the risk score. This is the 'residual' risk score taking into account the controls that are already in place within the programme/project to manage the risks

Risk Matrix				
Likelihood of Occurrence	HIGH	4	7	9
	MEDIUM	2	5	8
	LOW	1	3	6
		LOW	MEDIUM	HIGH
		Impact on the Business		

Corporate Performance Review: Action Plan Leader of the Council: Councillor Eileen Blamire					
Quarter	Portfolio Area	Key PRT Actions Agreed	Status	Origin	Comments on Progress
4					Virtual
Cllr Ron Sands	Culture & Tourism – Tourism and Marketing	To arrange for an update condition survey of Williamson Park	In Progress 	Qtr 3 PRT Meetings	Working closely with Property Services and Lancashire County Council to obtain building condition surveys for all buildings at Williamson Park to establish the extent of deterioration. These documents will then feed into a planned maintenance programme with a view to updating condition of buildings. Potential start date for survey July 2012.
		To review the proposals for the repair of the Ashton Memorial steps	In Progress 	Qtr 3 PRT Meetings	Working closely with LCC engineers in reviewing tender process for the repair works to the Ashton Memorial Steps. As we are currently coming into the summer season preferred start date for works would be September 2012. All current bookings have been informed of the current situation and the park is working with all parties to ensure there is little/no disruption to weddings, events and other bookings.
Cllr Hamilton-Cox	Climate Change – Renewable energy options	Investigate installation of biomass boiler in Williamson Park	In Progress 	Qtr 3 PRT Meetings	In the parks Asset replacement Register it has been highlighted that the main boilers will be replaced in 2015/16 assuming that there are no major problems between now and then. Williamson Park has received information about funding for Biomass boilers and that this will be taken into consideration. Work will be undertaken over the next 12 to 18 months to confirm if it is feasible to install Biomass boilers at Williamson Park, including what this would cost and the benefits. The Partnerships Officer (Sustainability) will be undertaking research during May 2012 which will further inform investigations.
		Salt Ayre Sports Centre – investigate costs of replacement floodlighting with energy efficient bulbs	In Progress 	Qtr 3 PRT Meetings	Report completed by the Partnerships Officer (Sustainability) on 15th February 2012 explored replacement floodlights. The report concluded that energy costs and environmental issues were insufficient to justify replacing the existing lights.

Portfolio Holder	Portfolio Area	Key PRT Actions Agreed	Status	Origin	Comments on Progress
Cllr Hamilton-Cox	Corporate Performance – to ensure that revenue income is maintained	Complete the review of St Leonard’s House	In Progress 	Qtr 3 PRT Meetings	Review to be completed as soon as possible and the rent owing by health occupiers to be identified.
	Climate Change – Invest to Save LTH Boiler Replacement	Advise on the outcome of the Lancaster TH boiler tender process	In Progress 	Qtr 3 PRT Meetings	Scheme due to commence May 2012.
	Finance – Climate Change	Consider carry forward request for Sustainable Initiatives budget.	In Progress 	Qtr 4 PRT Meetings	Carry forward requests usually only considered for committed spend. Head of Community Engagement will investigate.
		Consider virement of £8k from sale of land at Barton Road/Lentworth Drive to Sustainable Initiatives budget.	In Progress 	Qtr 4 PRT Meetings	Head of Community Engagement to speak to Head of Property Services about virement.
Cllr Eileen Blamire	Energy Efficiency – Climate Change	Prepare briefing note re pool covers – community pools.	In Progress 	Qtr 4 PRT Meetings	Partnerships Officer (Sustainability) to prepare.
		Prepare briefing note re Warm Homes initiative.	In Progress 	Qtr 4 PRT Meetings	Partnerships Officer (Sustainability) to prepare.
	Communications	Consider good news press release regarding Williamson park – trees and energy	In Progress 	Qtr 4 PRT Meetings	Assistant Head of Community Engagement (Wellbeing) to consider press release.
Cllr Karen Leytham	Housing – Council Housing (Tenancy) Re-letting	Action plan to try to reduce re-let times developed	In Progress 	Qtr 3 PRT Meetings	Positive action being taken through action plan – plan to be monitored to ensure that it is effective in addressing the issue.

BUDGET AND PERFORMANCE PANEL**Work Programme Report****12 June 2012****Report of the Head of Governance****PURPOSE OF REPORT**

To update Members regarding the Panel's Work Programme.

This report is public.

RECOMMENDATIONS

- (1) That members note the items to be carried forward for consideration at future meetings, as detailed in Appendix A to the report.**
- (2) That members consider whether they would like to include any further items in the work programme.**

1.0 Introduction

- 1.1 This report provides members with recommendations for inclusion in the panel's Work Programme and advises of possible upcoming items for consideration and work in progress.
- 1.2 The Budget and Performance Panel is responsible for setting its own annual work programme within the terms of reference, as set out in Part 3, Section 13 of the constitution.

2.0 Report**2.1 Building Control**

Members are reminded that at its meeting on 7 June 2011 the panel had been asked to consider whether it wished for the items that were not considered in the 2010/11 municipal year to remain on the panel's work programme for 2011/12. One of these items was 'Building Control', and it was agreed that the outstanding item be approved for inclusion in the panel's work programme for 2011/12.

At the next meeting of the panel on 12 July 2011, members agreed to include the item on the work programme for the meeting of the panel scheduled for 27 March 2012.

Prior to the meeting on 27 March 2012 the head of regeneration and planning advised that it would not be possible to provide a full report regarding the matter, as the service was in the process of considering alternative options for

delivering a much smaller building control operation in partnership with other parties.

It was suggested that the panel would be better placed to consider this issue once it has been considered by Cabinet; the chairman of the panel was in agreement.

A briefing note was produced on the issue by the head of regeneration and planning and circulated to members. This briefing note is attached to the report at Appendix B.

2.2 Affordable Housing Task Group

At its meeting on 13 March 2012, Cabinet received a joint report from the head of health and housing and head of regeneration and planning to consider the establishment and terms of reference of a Housing Regeneration Cabinet Liaison Group. Cabinet had approved the establishment of the group with the following terms of reference:

The purpose of the group is to assist the Cabinet Members in overseeing implementation of options for housing regeneration priorities.

Since this decision the committee has decided, in order to avoid duplication, to remove the Affordable Housing Task Group be removed from its work programme.

The panel is reminded that the Affordable Housing Task Group is also included on its own work programme, and is asked to note the decision of Overview and Scrutiny Committee that the item be withdrawn from the Budget and Performance Panel's work programme.

2.3 Request from Panel Member

Members of the Budget and Performance Panel are entitled to give notice to the chief executive that they wish an item relevant to the terms of reference of the meeting to be included on the agenda for the first available meeting. The meeting will determine whether the issue should be included in its work programme based on its relevance, as compared to the priorities as set out in the scrutiny work programme (Part 4, Section 5 of the constitution).

Following a discussion at the previous meeting of the panel Councillor Scott has raised an issue with Democratic Services which she would like the panel to consider including on its work programme. The issue relates to damage caused to council houses by tenants, and the cost and time taken to repair such damage. Councillor Scott has queried as to whether there is anyway to mitigate the possibility of damage being caused to council houses, including the possibility of taking tenancy deposits.

Councillor Scott has requested that damage to council housing and the possibility of taking tenancy deposits be an item for consideration on the panel's work programme. The chief executive has been consulted regarding the request and a briefing note has been arranged at his request.

Members are requested to determine whether consideration of damage to council housing should be added to the panel's work programme.

2.4 Upcoming Items

- Details of upcoming items are detailed in Appendix A to the report.

2.5 Briefing Notes

As referred to at 2.1 in this report, a cabinet report has been circulated to members to provide background information relating to Building Control.

A briefing note relating to housing benefit debt has also been produced by the accountancy manager, and is attached to this report at Appendix C.

As referred to at 2.3 in this report, a briefing note has been produced relating to damage caused to council houses, and issues regarding tenancy deposits, and is attached to this report at Appendix D.

3.0 Items Recommended for Inclusion in the 2012/13 Work Programme

3.1 Invitations to Cabinet Members

Members may wish to consider extending invitations to cabinet members to coincide with consideration of issues relevant to their respective portfolios. It is suggested that the leader and the holder of the financial portfolio be invited to an early meeting of the committee to discuss budget issues and financial matters, together with performance management issues.

3.2 Forward Plan

It is suggested that members could put forward financial or performance related items for pre-decision scrutiny, or which they wish to be considered by the pre-decision scrutiny champion of Overview and Scrutiny Committee, once appointed, to investigate.

3.3 Service Level Agreements (SLAs)

Members may wish to continue to monitor SLAs, requesting reports as appropriate. At its meeting on 21 February 2012 the panel considered a Cabinet report of the assistant head of community engagement (partnerships) regarding the corporate review of SLAs. The panel made comments in line with its terms of reference relating to the monitoring of the delivery and effectiveness of SLAs. Members were advised that a new commissioning process was currently being developed, and that the panel would be provided with more information regarding this process as soon as it was available.

3.4 Partnerships

In the past the panel has received reports to update members throughout the year on progress against the planned work programme, outcomes from completed evaluations and any issues arising from the ongoing development of the framework for partnership performance management and governance.

If members wish for this issue to be considered by the panel it can be included in the work programme, and the chief executive be requested to make the necessary arrangements for officers to report to the panel.

3.5 Budget Overspends/Variances

In the past the panel has considered budget variances which had been identified when considering the annual outturn reports. With the agreement of the chief executive officers have previously been required to attend meetings to present the additional information requested, explain why the variances had occurred, provide an explanation of lessons learnt and whether any variances were ongoing and would impact on the year's budget's.

If there are significant variances in the current year members may wish to undertake this exercise again.

3.6 Finance Issues

The panel receives regular updates regarding the budget, treasury management and other financial issues throughout the year – these have been timetabled into the work programme at Appendix A.

3.7 Corporate Performance

The work programme at Appendix A includes dates for the scrutiny of corporate performance, as agreed by the panel at its meeting on held on 21 February 2012 (minute no. 35 refers and can be found [here](#)).

SECTION 151 OFFICER'S COMMENTS	
The S151 officer has been consulted and has no comments.	
MONITORING OFFICER'S COMMENTS	
The monitoring officer has been consulted and has no comments.	
BACKGROUND PAPERS	Contact Officer: Tom Silvani
None.	Telephone: 01524 582132
	E-mail: tsilvani@lancaster.gov.uk

BUDGET & PERFORMANCE PANEL WORK PROGRAMME
2011/12

Matter for consideration	Officer responsible / External	Date of meeting
2012/13 Qtr1 Corporate Financial Monitoring, including Treasury Management	Head of Financial Services	11 September 2012
Provisional 2012/13 Revenue and Capital Outrun	Head of Financial Services	11 September 2012
2012/13 Qtr2 Corporate Financial Monitoring, including Treasury Management	Head of Financial Services	11 December 2012
Lancaster City Council Leader's Presentation on the Budget and Policy Framework Proposals	Leader of the Council	29 January 2012
Lancashire County Council's Director of Resources – Budget and Capital Investment Strategy Budget and Policy Framework Proposals.	External	29 January 2012
2012/13 Qtr3 Corporate Financial Monitoring, including Treasury Management	Head of Financial Services	5 March 2013
Treasury Management Strategy 2013/14	Head of Financial Services	5 March 2013
Building Control Service Area – raised in response to PRT report	Head of Regeneration and Planning	TBC – following consideration of the issue by Cabinet.
Service Level Agreements – Update on the new commissioning process	Assistant Head of Community Engagement (Partnerships)	TBC – when available.
Partnerships	As required	As required
Budget Overspends/Variations	As required	As required

Invitations to Cabinet Members

Cabinet Member and area of responsibility	Issue	Date of meeting
Councillor Blamire (Leader) and Councillor Bryning (Cabinet Member for Finance, Revenues and Benefits)	2011/12 Qtr4 Corporate Financial Monitoring, including Treasury Management	12 June 2012 (Date to be determined).
Councillor Blamire (Leader) and Councillor Bryning (Cabinet Member for Finance, Revenues and Benefits)	2012/13 Qtr1 Corporate Financial Monitoring, including Treasury Management	11 September 2012
Councillor Blamire (Leader) and Councillor Bryning (Cabinet Member for Finance, Revenues and Benefits)	2012/13 Qtr2 Corporate Financial Monitoring, including Treasury Management	11 December 2012
Councillor Blamire (Leader) and Councillor Bryning (Cabinet Member for Finance, Revenues and Benefits)	Lancaster City Council Leader's Presentation on the Budget and Policy Framework Proposals	29 January 2012
Councillor Blamire (Leader) and Councillor Bryning (Cabinet Member for Finance, Revenues and Benefits)	2012/13 Qtr3 Corporate Financial Monitoring, including Treasury Management	5 March 2013

Briefing Notes

Matter for consideration	Officer responsible	Date of meeting
Building Control	Head of Regeneration and Planning	12 June 2012
Housing Benefit Debt	Accountancy Manager	12 June 2012
Tenancy Deposits	Principal Housing Manager	12 June 2012

BRIEFING NOTE FOR BUSINESS AND PERFORMANCE PANEL

Regeneration and Policy Service: Building Control

1. The Council's Building Control function operates on the basis of a trading account which is supposed to break even. Since the start of the recent recession there has been a significant reduction in new building projects and alongside this the emergence of private sector operators who are able to compete in providing the fee earning part of the service, which has meant that a significant amount of work has been lost to other operators.

This has led to a projected £75K deficit for 2011/12 and projected cumulative trading deficit totalling £292.6K as at 31st March 2012, which has built up over the last five years. At the present time and based on the current operation and application numbers it is anticipated that the projected cumulative trading deficit will continue to increase, potentially reaching c£400K by 31st March 2013.

2. The Council is still the statutory body responsible for the operation of the Building Regulations in its area and although private companies can provide plan checking and inspection services during building works on a competitive basis. It usually falls to the council to deal with statutory regulatory work and provide a safety net for plan vetting schemes to ensure that developers and the public have a competitive choice of competent bodies available to deal with the regulations.
3. Up until around five years ago the Council had a virtual monopoly in this area as the district was too far north for cost effective competition to operate. Since the rise in local area based competition, the response to a loss in income to the council's Building Control service has resulted in significant redundancies leaving only five posts from the original 13.
4. Recently the Building Control Manager left the authority and one other post remains vacant. The time is right therefore for the council to consider alternative options for delivering a much smaller building control operation in partnership with other parties. At the present time the Head of Regeneration and Policy and his senior management team are examining four options :
 - Partnership with South Lakeland District Council
 - Partnership with Capita/Urban Vision (Salford City Council)
 - A joint venture with the two options above.
 - Complete outsourcing to a local private sector operator.
5. Whilst exploratory discussions have been held with some of the parties, the discussions with all are not yet complete. It is anticipated that those discussions will be completed by the end of April and that

work will then commence on a Cabinet report to give Members the opportunity to consider the most viable option will commence shortly afterwards. Budget and Performance Panel would be in a better position to be briefed on the issues relating to Building Control later in the spring.

Head of Regeneration and Policy
16/03/20012

BRIEFING NOTE

To: Budget and Performance Panel
From: Accountancy Services Manager
Subject: Housing Benefit Overpayments and Debt Recovery

Introduction

This briefing note sets out the current level of Housing Benefit Overpayment debt and factors affecting recovery together with a paper setting out the debt recovery process (**Appendix A**).

Background Information

Firstly, it is important to put in context the level of overpayment debt outstanding compared to the actual level of benefit payments made. In 2011/12 a total of £40.573 million was paid out in benefits of which £1 million were overpayments which equates to 2.5%.

Overpayments occur when benefit claimants fail to notify the Council of changes in their circumstances either fraudulently or non-fraudulently. Once an overpayment has been identified the recovery process will start, however depending on the claimants circumstance and the amount of overpayment the recovery process can vary and may take in excess of a year.

Current HB Overpayment Debt

The following table shows the level of debt outstanding at the end of March 2012 compared to March 2011.

	31 March 2011		31 March 2012	
<28 Days	35,296.80	3.3%	73,068.78	6.3%
28-59 Days	39,851.73	3.7%	81,765.25	7.0%
60-91 Days	55,780.13	5.2%	48,531.02	4.2%
92-183 Days	137,166.65	12.8%	102,564.07	8.8%
184-364 Days	154,937.67	14.5%	211,547.61	18.2%
365+ Days	647,036.73	60.5%	642,703.45	55.5%
Total	1,070,069.71		1,160,180.18	

The total of overpayments recovered in 2011/12 was over £1.25 million (compared to £1.12 million in 2010/11), however the actual level of debt as shown above has risen by £90K from £1.07 million to £1.16 million.

There are several reasons for the increase in total debt outstanding, not least the current economic climate. It is felt that there has been an increase in the number of people failing to notify the Benefits Service of changes in circumstances and claimants taking longer to give notification (despite the fact that all correspondence sent by Benefits advertise the fact that any change of circumstances should be notified immediately). Because of this the level of debt that needs to be recovered per customer is higher. As a result of the current climate, although the amounts that can be collected per week have increased to £10.65 for non-fraudulent overpayments and £17.75 for

fraudulent overpayments the reality is that because of the current financial position of many customers a lower figure is having to be accepted in order to reach agreement on recovery.

Going forward, although there are robust systems in place for recovery it is felt that there are a few things that may well help to increase the amount of debt recovered. Since October 2011 new Debt Collectors have been used and there will be a review in June as to the effectiveness. The Benefits team are looking at reducing the length of time taken during the reminder process (in line with Preston CC). There is also the possibility of looking at both Lancaster and Preston recovery teams working together in order to try to increase recovery. Overall, however, it is thought that the Benefits recovery system is working well and compared to some other Authorities is managing to keep the total level of debt down.

Debt Recovery Process

Attached is a copy of the Housing Benefit Recovery Process currently in place for Lancaster. This lists the detailed procedures and all the relevant processes currently available to the Benefits service in order to recover any Housing Benefit overpayments.

The Housing Benefit Recovery Process

Introduction

All Housing Benefit overpayments are raised through the Academy Benefits (AB) system.

Once an overpayment has been identified in the AB system and notification letter(s) and invoice(s) are produced and have been issued, the recovery process commences and is made up of 10 recovery stages beginning with -

1. First Reminder

When an agreement to repay the overpayment has not been made and a balance is still outstanding after 28 days, a weekly programme is run on the debt management system and moves the invoice to First Reminder recovery stage and produces the first invoice reminder.

First reminders are produced on a Monday ready for issuing by the Control Section (CS).

Before the first reminder is issued the CS will check for the following: -

- relevant appeal received
- new claim received
- backdate request

Checks are also carried out on the following systems to establish residency and to provide assurance that the recovery documents are sent to the correct address: -

- AB system to confirm that the debtor appears on a claim at the address
- Anite system for any changes of address
- Experian for addresses linked to debtor's last known address

Where a decision to issue the first reminder is made it is issued as soon as possible and within 7 days of being produced and a note is made on the system.

2. Second Reminder

Following the first reminder being produced, where an agreement to repay the overpayment has not been made and a balance is still outstanding after a further 14 days, the weekly programme is run on the debt management system and moves the invoice to Second Reminder recovery stage and produces the second reminder.

The second reminder should only be produced where a first reminder was issued over 7 days ago.

Before a second reminder is issued the same checks are carried out at First Reminder recovery stage.

Where a decision to issue the second reminder is made it is issued as soon as possible and within 7 days of being produced and a note is made on the system.

3. Stage 4

Once a second reminder has been produced the weekly programme is run and moves the invoice to Stage 4 Recovery stage, which is also known as inactive debt.

Fraudulent Overpayments

- In receipt of IS/JSA (IB) £17.75 per week (April 12/13)
- Standard claims £17.75 per week plus half of described disregards (April 12/13)

HB must remain in payment at a minimum amount of 50 pence per week, the Academy Benefits system validates the level of deductions to comply with the 50p rule.

No further action to recover the outstanding invoice will take place, whilst the deductions from HB are being made.

In instances where a large overpayment of Housing Benefit has been raised and deductions from HB are at a low rate, which result in the overpayment not clearing within 12 months. A letter will be issued to the debtor informing him/her of the overpayment and a paragraph will be included stating:-

“ As you owe a large amount of Housing Benefit to repay, we suggest that you contact the Control Section telephone (01524) 582799 to discuss increasing the weekly deduction. Alternatively, you could arrange to make separate additional payments by a method of your choice. By doing either of these, your overpayment will be cleared more quickly.

If you would like further independent advice on debt recovery proceedings or help with managing debt, you should contact the Citizens Advice Bureau. On 0870 126 4035”

7. Blameless Tenant Recovery (BT)

Where a landlord is deemed liable for repayment of an overpayment recovery can be made from any HB paid directly to him/her.

Where recovery from direct payment is possible, ‘Blameless Tenant’ (BT) recovery is implemented so as to recover the overpayment as fast as possible. The tenant with the highest amount of benefit is selected with the full amount of HB being recovered.

Due regard is made to the health and financial circumstances of the landlord.

At the time direct payment commences, claimants and landlords must be informed of this method of recovering overpayments and that the (BT) rental liability will be protected.

When it is no longer possible to make deductions from a particular BT because HB has ceased, the CS will select another BT from any other tenants that the Landlord is being paid direct for.

8. Recovery from Department for Work and Pensions (DWP)

A request can be made to the DWP to make deductions from a claimant’s Prescribed Benefits (PB) for recovery of a HB overpayment where:-

- An overpayment has been caused by a misrepresentation or failure to declare a change in circumstances by the debtors; and
- Recovery cannot be made by deduction from housing benefit entitlement.

Prior to making a request the CS carry out a check to ensure the debtor is not in receipt of HB and that there is no claim pending.

A CIS check is carried out to establish if any PB's are in payment.

Benefits that are under the Social Security Act as prescribed by Regulation 105 of the Housing Benefit (General) Regulations 1987 (amended) are as follows:-

- Income Support
- Job Seekers Allowance
- Attendance Allowance
- Disability Living Allowance (care components)
- Incapacity Benefit
- Industrial Death Benefit
- Industrial Injuries Benefit
- Carers Allowance
- Maternity Allowance
- Retirement Pension
- Pension Credit
- Severe Disablement Allowance
- Widows Parents Allowance
- Widows Pension
- Widows Benefit
- Employment Support Allowance

Where a PB is in payment and recovery is possible a formal request letter is sent to the DWP.

On receipt of the formal request the DWP confirm recovery is possible by completing and returning the reply slip attached to the formal request letter stating the rate of recovery and the date it will commence.

Each month the DWP send the payments they have deducted from the debtors' PB's to the Local Authority, along with a payment schedule. Finance (Exchequer) allocate the money to the individual invoices.

If the DWP confirm deductions are not possible, the overpayment will be considered for Civil Proceedings, Debt Collection Agency or Write Off recovery action.

9. Debt Collection Agents

A case can be referred to a debt collection agency where it has not been previously referred to the County Court and court costs raised.

10. County Court Action

Recovery via the County Court is considered, when a debtor has not repaid an overpayment of HB and should always be used as a last resort..

A case is considered suitable for County Court action where:-

- the debt is more than £50
- the address of the debtor is known and there is reasonable evidence that they live there
- all other avenues of recovery ie, recovery from HB, recovery via the DWP and BT recovery (landlords only) have been attempted where possible and failed.

- all recovery documentation ie, the invoice, reminder, second reminder have been issued to the debtor at the correct address.
- the debtor is thought either to be in employment or have some form of assets.

If a case for County Court action is suitable, a Civil Proceedings Checklist is completed for every debt over £50, to establish if it appears worthwhile to pursue the debt through court.

Once a Court Order has been obtained and if no payment is received, and all other avenues of recovery have been attempted where possible and failed, a request for further action by the court is attempted.

Attachment of Earnings (AOE)

An AOE cannot be made where the debtor is:-

- unemployed or self employed
- a firm or limited company
- in the Army, Navy, Airforce or a merchant Seaman (special rules apply)

Warrant of Execution (WOE)

A WOE is only considered if the defendant has:-

- enough goods at the address given the money raised, the money needed; or
- all the money being claimed for

The County Court Bailiff can only be asked to recover amounts up to £5,000. For amounts above this figure the case must be transferred to the High Court.

Briefing Note

Tenancy Deposits

The council last took tenancy deposits back in the early 1980's.

The principle of taking deposits had become unworkable as the council had and still has statutory responsibilities to rehouse through homelessness legislation and through the statutory allocations scheme where we have to give reasonable preference to specified households in housing need. We could not refuse to house someone because they could not pay a tenancy deposit.

As a registered provider of social housing we are not alone in this situation, and the Principal Housing Manager has done some investigation as to see what other registered providers are doing. The "housing associations" seem to be looking at introducing tenancy deposits in the "affordable housing" sector that is now being created but not in their social rented stock. They are also running deposit schemes on their "market rent" "intermediate rent" "affordable rent" schemes held in a recognised deposit scheme. Tenancy/rent deposits are a regulated area.

The council actually currently plays a role in providing "tenancy deposits" to support people getting a "private rented" property through a local Deposit Guarantee Scheme via the YMCA.

Currently the council incentivises out-going tenants through a "reward scheme" where if a tenancy is left in a clean and tidy condition, with no rechargeable repairs or debts that we award £75 to the tenant. This is something that could be revisited to offer a greater incentive.

Over the forthcoming year we are looking at the issues of re-chargeable repairs and also putting voids under scrutiny again and undertaking a reality audit with our "tenant inspectors" - this process will come up with issues and recommendations.

Chris Hanna
Principal Housing Manager
21 May 2011