



**Committee:** CABINET  
**Date:** TUESDAY, 24 JUNE 2014  
**Venue:** LANCASTER TOWN HALL  
**Time:** 10.00 A.M.

## A G E N D A

1. **Apologies**

2. **Minutes**

To receive as a correct record the minutes of Cabinet held on Tuesday, 27 May 2014 (previously circulated).

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

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

4. **Declarations of Interest**

To receive declarations by Members of interests in respect of items on this Agenda.

Members are reminded that, in accordance with the Localism Act 2011, they are required to declare any disclosable pecuniary interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Whilst not a legal requirement, in accordance with Council Procedure Rule 10 and in the interests of clarity and transparency, Members should declare any disclosable pecuniary interests which they have already declared in the Register, at this point in the meeting.

In accordance with Part B Section 2 of the Code Of Conduct, Members are required to declare the existence and nature of any other interests as defined in paragraphs 8(1) or 9(2) of the Code of Conduct.

5. **Public Speaking**

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

Reports from Overview and Scrutiny

To consider any such call-In referral which might result from the Overview and Scrutiny Committee which is being held on Wednesday 18 June 2014 with regard to the decision made by Cabinet on 27 May 2014 – Request from Dukes and Grand Theatres for Grant

Support (Minute 6 refers).

Reports

6. **Renewable Energy Strategy (Pages 1 - 11)**

**(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)**

Report of Chief Officer (Environmental)

7. **Corporate Performance Monitoring Quarter 4 - 2013-14 (Pages 12 - 37)**

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

Report of Chief Officer (Governance)

**ADMINISTRATIVE ARRANGEMENTS**

**(i) Membership**

Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Jon Barry, Abbott Bryning, Tim Hamilton-Cox, Karen Leytham, Ron Sands and David Smith

**(ii) Queries regarding this Agenda**

Please contact Liz Bateson, Democratic Services - telephone (01524) 582047 or email [ebateson@lancaster.gov.uk](mailto:ebateson@lancaster.gov.uk).

**(iii) Apologies**

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

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

Published on Thursday, 12 June, 2014.

<b>CABINET</b>
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## Renewable Energy Strategy 24<sup>th</sup> June 2014

### Report of Chief Officer (Environment)

<b>PURPOSE OF REPORT</b>			
To provide an update on the Renewable Energy Strategy, and to seek input into the development of key areas of the strategy			
<b>Key Decision</b>	<b>X</b>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>
<b>Date of notice of forthcoming key decision</b>	22 <sup>nd</sup> May 2014		
<b>This report is public</b>			

#### OFFICER RECOMMENDATIONS

- (1) That Cabinet agrees in principle the Renewable Energy Strategy's overall aim and targets;
- (2) That Cabinet agrees in principle the Renewable Energy Strategy's Action Plan;
- (3) That Cabinet confirms its preferences (ranked in priority order) for renewable energy project(s) for inclusion in the Renewable Energy Strategy to enable further investigations to determine the project(s) feasibility, with the costs of such investigations being met from reserves, as set out in the report.
- (4) That Cabinet confirms where delivery of the Renewable Energy Strategy ranks in relation to other priorities and where in terms of timescales it fits so that officers can develop firm proposals for consideration as part of the Council's policy / budget plans.
- (5) That based on the above the draft Renewable Energy Strategy is completed and reported back to Cabinet for final approval.

#### 1.0 Introduction

- 1.1 On 4<sup>th</sup> December 2012 Cabinet considered a report to establish a preferred approach to further delivering the outcomes of the Corporate Plan that relate to energy. At the meeting Cabinet resolved to "*seek to develop a Council energy strategy, subject to consideration as part of the budget*".
- 1.2 The Corporate Plan 2014-16, to be recommended to Council in July, makes it clear that within the overall ethos of the Council is the need to ensure that the

Council contributes positively to the challenge of climate change and the need to manage our environment. It also includes the outcome 'the Council's impact on the environment will be minimised'.

- 1.3 Key to achieving this is the development and delivery of a Renewable Energy Strategy (RES). This report provides an update on the development of the RES and seeks Cabinet's preferred direction in a number of key areas that will determine the extent of delivery of the RES

## 2.0 Development of the RES to date

- 2.1 The development of the RES to date has seen the identification of the following priority areas where it is felt that the council's efforts are needed to ensure the greatest benefits:

- *Energy reduction and efficiency* – Actions required to improve general energy efficiency across the council's operations and any technological improvements which may be available to assist that aim;
- *The council's buildings* – Opportunities within both municipal buildings and council housing properties where energy improvements may be achieved;
- *Private sector properties* – Opportunities where Lancaster City Council can help improve the energy efficiency of private homes in the district;
- *Transport* – Opportunities for reducing the cost and also carbon emissions of transport required to deliver the full range of Council services
- *Large-scale renewables* – Opportunities for engaging in commercial-scale renewable energy projects, which will generate income and reduce energy costs.

- 2.2 Discussions have taken place across all Services within the council to identify how to address these priority areas. However, Cabinet's input is required to help inform key aspects of the RES namely: aims and targets, the Action Plan, renewable energy projects, and resources.

- 2.3 For the RES to have any real purpose it is essential that what it sets out to deliver–

- Has political ownership.
- Has aims and targets that can be realistically delivered.
- Has appropriate resources attached to it.
- Has a clear business case for the individual elements of it.
- Is clearly linked with the Corporate Plan and the Medium Term Financial Strategy

- 2.4 In order to achieve this it is first of all necessary for Cabinet to define the extent of their ambition for the RES. In order to achieve this Cabinet's direction in the following areas is requested:

### a) *Aims and Targets*

- 2.5 To ensure that officers are clear of the intended ambition for the RES, it is necessary that Cabinet confirm the required objectives in terms of the overall aim and the targets that it wants to achieve through the RES's delivery.

- 2.6 At this stage, Officers have proposed the following principal aim:

- "The Council's impact on the environment will be minimised by reducing energy consumption and using renewable energy generation technologies"

- 2.7 Officers have also identified the following headline target areas:
- To reduce energy consumption by 20% by 2020 against a baseline year of 2012/13
  - To reduce the council's carbon dioxide emissions by 20% by 2020 against a baseline year of 2012/13
  - xx% of the councils energy needs will be generated from renewable sources by 2020
  - xx% of the council's mileage will be covered by electric vehicles or Ultra-Low Emissions Vehicles by 2020 against a baseline year of 2012/13.
  - New build Council social housing will be as energy efficient as possible aiming for carbon neutrality
- 2.8 The extent to which targets for the xx% can be set will be determined by the priority Cabinet places on the RES.
- 2.9 **Action 1:** Cabinet is asked to agree in principle the headline aims and targets of the strategy. Those not yet proposed will be brought back for Cabinet to agree at a later stage.

b) *Action Plan*

- 2.10 To tackle the priority areas discussed above, the RES will contain an *Action Plan* of required tasks which will range from ensuring a greater understanding of the council's position, through to implementing direct action. The RES will be a working document so as actions are undertaken and new processes established, the Council will be able to ensure that the identification and implementation of energy saving projects becomes an integral part of the council's operations.
- 2.11 At this stage the contents of the *Action Plan* will remain high level with a view to developing more detailed plans as appropriate to aid delivery.
- 2.12 **Action 2:** Appendix 1 contains a draft *Action Plan* which is in line with the aforementioned priority areas. At this stage Cabinet is asked to approve the *Action Plan* in principle and identify any additions or amendments as appropriate. Delivery of the action plan will obviously be subject to establishment of business case and further Cabinet reports where required.

c) *Renewable energy projects*

- 2.13 Whilst significant successes in reducing the council's energy consumption have been achieved through recent actions, it is important to recognise that as the number of opportunities for improved efficiencies declines, a greater focus on the development of renewable energy generation will be required to maximise the potential gains for the council.
- 2.14 The council's successful installation of solar PV at a number of its properties has demonstrated the successes that can be achieved. However, the RES provides an opportunity to take the next step in using renewable energy technologies as a means of generating income, reducing the Council's reliance on non-renewable energy and reducing energy bills.
- 2.15 There are a number of potential projects which Lancaster City Council could realistically seek to undertake and these include the following:
- *Installing biomass boilers* – The replacement of existing boilers in the larger council properties, e.g. Salt Ayre Sports Centre, with biomass

boilers would provide environmentally sustainable heating in addition to generating significant income through the Renewable Heat Incentive scheme.

- *Develop a biomass supply chain* – The development of a biomass supply chain in conjunction with appropriate partners could be used by the council, external organisations, and individuals alike, and would help to secure supply and control costs.
- *Develop a solar farm* – A commercial scale ground-based solar installation positioned on appropriate council land would provide significant amounts of the council's total energy requirements in addition to generating income through the Feed-in Tariff scheme.
- *Partnership project* – Work with a partner authority to deliver a renewable energy project with both authorities sharing the financial investment and returns.
- *Undertake a wind turbine project*- Technically this would be the most challenging and would require the greatest investment. However, Cabinet may feel that this represents the best way forward.

2.16 The identification and prioritisation of preferred renewable energy projects would enable officers to include appropriate action points in the *RES* which would seek to develop robust business plans that illustrate clearly what the proposed costs and expenses are in pursuing a particular project, as against the proposed income generation, to show the payback time on a 'whole life cost' basis. Cabinet should note, however, that it is not realistic to expect that all options could be taken forward, at least in the medium term, given all other competing demands and constraints on the Council's reducing resources.

2.17 **Action 3:** Cabinet is requested to identify and rank in priority order those renewable energy projects which are preferable and could be included in the *RES* for further investigation.

d) *Resources required for delivery of the RES*

2.18 Whilst agreement of a *RES* is a positive step, without any further resources it obviously cannot be fully delivered.

2.19 Clearly some of the proposed actions can and will be delivered within existing resources. However most of the actions cannot be. Many of the actions fall potentially under the definition of 'invest to save'. However, there are 'prudence' constraints on how the Council's underlying borrowing requirements for capital investment, and to even develop the business case for the options requires both officer time and the input of external assistance, due the specialised nature of the subject areas.

2.20 Delivery of the proposed action plan will require allocation of both capital investment and ongoing revenue, and clearly there are competing pressures for both these sources of funding.

2.21 As stated it is expected that the actions will generate ongoing and significant savings. However, there are clearly significant risks attached as well. As an example the development of a business case for an item will require resources but might also reveal that an item cannot be realistically be delivered.

2.22 Therefore, Cabinet need to consider where the *RES* ranks in relation to other priorities and where in terms of timescales it fits.

2.23 Based on this Officers can then start to develop firm proposals that can be

included for consideration within the Council's policy /budget setting processes.

2.24 In order to provide direction in this regard and help Officers start to consider capacity and resource requirement Cabinet is requested to consider where the delivery of the RES ranks in relation to some of other 'big ticket' items in the Corporate Plan. These include-

- Council Housing building program
- Work to improve quality and availability of housing.
- Maintaining / investing in sports / leisure facilities
- Maintaining welfare benefits
- Supporting voluntary, community, faith, arts and culture groups
- Delivery of public realm projects (eg Square Routes, MAAP)
- Managing / maintaining the Council's buildings and assets

2.25 **Action 4:** Cabinet is requested to consider where delivery of the RES ranks in relation to other priorities and where in terms of timescales it fits so that officers can develop firm proposals for consideration within the wider budget.

### **3.0 Details of Consultation**

3.1 The development of the *RES* has been informed in consultation with officers. Members will be consulted on an ongoing basis through briefings and the appropriate Cabinet Liaison Group which will in turn contribute to the *RES*'s ongoing development. In addition this report will also be referred to Overview and Scrutiny for consideration.

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

4.1 This report has set out four priority areas where input from Cabinet is required to assist in the development of the *RES*.

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

5.1 As set out in the report.

### **6.0 Conclusion**

6.1 This report has provided an update on the development of the *RES* to date and requests Cabinet's further direction.

## **RELATIONSHIP TO POLICY FRAMEWORK**

The Council has long recognised its commitment to the environment and the current Corporate Plan (2014-16) outlines the ethos, vision and priorities of the Council with a specific priority is that of 'Clean, Green and safe Places'. One of the desired outcomes of this priority is that 'the Council's impact on the environment' will be minimised. The *RES* contributes to achieving this outcome.

## **CONCLUSION OF IMPACT ASSESSMENT**

**(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)**

As outlined in the report

## **LEGAL IMPLICATIONS**

The completed RES will take into account any statutory duties the Council may have, however there are no legal implications directly arising from this report.

#### **FINANCIAL IMPLICATIONS**

The 2013/14 revenue budget includes an amount of £20K to pay for external expertise to help develop the RES. The provisional outturn position is £8K leaving £12K remaining unspent. However, as the project is still ongoing the remainder may be the subject of a carry forward request, to be considered as part of the revenue outturn report.

With regard to renewable energy projects, the report is seeking a steer from Members as to which areas they would like to see being investigated further. To aid this, various possible scenarios including cost and payback information are attached as Appendix 2.

However, it must be stressed that these are based on estimates supplied by the consultant, and are therefore indicative only, so should these options be explored further then further reports will need to be prepared and considered including full financial appraisals to justify their support.

In terms of the costs that would be incurred in investigating options and completing any appraisals, it is proposed that for General Fund proposals, these be met from the Invest to Save reserve (balance around £1.5M), and for Council Housing, these be met from the Business Support Reserve (balance around £8.1M).

Members need to be mindful that as generally, each option would require significant financial investment, then difficult financial decisions will need to be taken as the funding options are limited to the use of reserves and/or increasing the Council's borrowing requirement. Again, these considerations will form part of any full financial appraisal.

It is reiterated that the Council will not be in a position to take all options forward, in the medium term.

#### **OTHER RESOURCE IMPLICATIONS**

##### **Human Resources:**

As outlined in the report

##### **Information Services:**

None at this stage

##### **Property:**

The RES considers responsibilities for energy management for property and considers the options available for achieving this aim.

##### **Open Spaces:**

None at this stage

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

The s151 Officer has been consulted and her comments reflected in the report.

#### **MONITORING OFFICER'S COMMENTS**

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



<b>BACKGROUND PAPERS</b> none	<b>Contact Officer:</b> M Davies <b>Telephone:</b> 01524 582401 <b>E-mail:</b> mdavies@lancaster.gov.uk
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## Appendix 1: Renewable Energy Strategy – Action Plan

Energy Reduction and efficiency					
Action	Success Measure	Timescales	Lead role		
1. Explore alternative funding arrangements to finance energy efficiency improvements.	Funding arrangements identified	March 2015	TBC		
2. Assign responsibilities for implementing Renewable Energy Strategy	Renewable Energy Strategy responsibilities assigned	March 2015	TBC		
3. Explore options for procuring the services of an internal energy technical resource	Internal energy technical resource in place	March 2015	TBC		
4. Explore the use of energy saving functionality on PCs	Energy saving functionality in use on all appropriate PCs	March 2015	TBC		
5. Identification of work to be undertaken to improve the energy efficiency of all municipal buildings	Energy survey's undertaken for all municipal buildings	March 2015	TBC		
6. Preparation of staff energy awareness scheme which includes elements as per Section 5 of the Renewable Energy Strategy	Staff Energy Awareness scheme in place	March 2015	TBC		
7. To prepare a communication strategy to communicate climate change and energy efficiency issues to the staff, members and the wider public.	Renewable Energy Communication Strategy in place	March 2015	TBC		
8. To explore the potential for incentivising energy efficiency	Proposals identified for consideration by Members	March 2015	TBC		
9. To ensure appropriate alignment of plans/resources to achieve energy reduction measures and support to carry out this action plan.	All Council reports to include reference to RES	March 2015	TBC		
<b>Council Buildings</b>					
Municipal Buildings					
10. Actions from property review (TBC)	TBC	March 2014	TBC		
11. Assess opportunities for on-site energy generation at all council municipal buildings	Assessment completed and recommendations made	March 2015	TBC		
12. Assess opportunities for rainwater harvesting / sustainable drainage systems	Assessment completed and recommendations made	March 2015	TBC		
13. Gain a greater understanding of the council's energy consumption	Dedicated energy management role in place	March 2015	TBC		
14. Produce an energy reduction plan for all Council operational buildings.	Energy reduction plan in place	March 2016	TBC		

Council Buildings						
	Social Housing		Success Measure	Timescales	Lead role	
	Action					
15.	Review the Council's social housing assets to establish the scope for further solar PV		Suitable assets identified	March 2015	TBC	
16.	Review the Council's social housing assets to establish the scope for biomass at all off-gas properties		All council assets reviewed	March 2016	TBC	
17.	Ensure all improvement work considers the option for fitting renewable energy technologies		Renewable energy technologies assessments completed	March 2015	TBC	
18.	To explore opportunities for new-build council housing to use district heat networks		Assessment of district heat networks completed	March 2016	TBC	
19.	Establish a model to maximise opportunities through the ECO and equivalent initiatives		ECO model in place	March 2015	TBC	
	<b>Private Sector Buildings</b>					
20.	Evaluate scope for council role in community energy projects		Method statement in place for role in community energy projects	March 2015	TBC	
21.	Ensure the Affordable Warmth Action Plan is implemented		Action plan implemented	March 2015	TBC	
	<b>Transport</b>					
22.	Establish a robust data set of journeys undertaken on council business		Journey monitoring procedures in place	March 2015	TBC	
23.	Develop a Vehicles Plan		Vehicles plan agreed and in place	March 2016	TBC	
24.	Ensure Electric Vehicle charging points are in place across the council's properties		Electric vehicle charging points situated in appropriate areas	March 2017	TBC	
	<b>Renewable Energy Projects</b>					
25.	Ongoing assessment of feasibility of Solar PV at the council's municipal buildings and social housing properties		Feasibility assessments undertaken for council properties	March 2015	TBC	
26.	TBC		TBC	TBC	TBC	

## **Appendix 2 – Example costs for renewable energy project**

### **1. Installing biomass boilers**

Biomass is a renewable, low carbon fuel that is already widely available throughout the UK. Correctly managed, biomass is a sustainable fuel that can deliver a significant reduction in net carbon emissions when compared with fossil fuels. The primary focus when installing a biomass boiler should be the replacement of sites using fuel oil, and sites with large consumption of gas. One proposal could be for a biomass boiler to replace the current gas CHP in the Council's Salt Ayre leisure centre. If we assume a 650 kw boiler for the leisure centre, this could have a capital cost of £400,000 to £450,000. However, the combined savings on fuel costs and income generated through the Renewable Heat Incentive (RHI) could see a payback of 7 years. The RHI would apply for 20 years. Consultancy costs to investigate these proposals further would be approximately £7,000-10,000.

### **2. Develop a biomass supply chain**

The development of a biomass supply chain would ensure that a processing depot is closer to the biomass boilers than external suppliers can be so reducing haulage costs. The depot would secure lower cost feedstock if it can obtain wood from Councils own woodlands (and other such low cost sources). It can also underpin woodland management and provide a use for vacant land as well as stabilizing the long term costs of energy and creating local jobs.

Developing a site to process biomass would require investment in new infrastructure including a wood fuel shed and drying floor, weighbridge and handlers and loaders, with cost being approximately £292,500. The annual running costs (including feedstock, delivery, staff, etc) would be approximate £198,521 but would deliver 8,395/MWhs of wood chips to the silos. That means the unit cost of fuel becomes £23.68/MWh. (unit costs fall with higher output). This compares to the £33/MWh price that is assumed to be the open market cost. Therefore in year 1 the surplus could amount to £78,514 and payback on the £292,200 investment could be within 4 years. Consultancy costs to investigate these proposals further would be approximately £13,000.

### **3. Develop a solar farm**

A 5MW capacity system would require a 25-30 acre site and there would be no costs if the land is already in the council's ownership. Costs are approximately £1000 per kW or £1million per MW installed. The cost for a 5MW project would therefore be approximately £5million. The cost of grid connection would be approximately £250,000 and planning permission and consultancy costs of approximately £50,000. The total installed cost would therefore be approximately £5,300,000.

Lancashire would expect 850 kwh per kw peak (depending on site) so a 5 MW capacity should produce 4250 MWh of electricity on average. Using either the the Renewable Obligation Certificate (ROC) or Feed-in Tariff financial mechanisms, the system would ensure £488,750 pa. The system would therefore payback in approximately 10 years. Consultancy costs to investigate these proposals further would be approximately £20,000.

#### **4. Partnership Project**

A potential joint venture with a private sector partner to develop Council owned land could include a large-scale solar farm or a wind energy project (over 5 MW). In both examples, the Council would find it a challenge to develop such large-scale sites on its own. However, if it were to contribute the land to a deal and the contractor the expertise to construct the facility and organise the grid connection, this might be advantageous.

The reason for this is that such a facility could then be provided much more swiftly – probably within 12 months for solar PV (longer for wind) – and it would provide a good precedent to justify further investment in renewables by the Council, possibly on its own.

It is not possible to quote for the time or work required to deliver a joint venture of this type, as this will depend on the technology, the parties involved and so on. However, consultancy costs to investigate these proposals further would be approximately £5,000.

**CABINET**

**Corporate Performance Monitoring –  
Quarter 4 2013/14**

**24 June 2014**

**Report of Chief Officer (Governance)**

PURPOSE OF REPORT				
To present the corporate performance reports for Quarter 4 of the 2013/14 performance monitoring cycle.				
Key Decision		Non-Key Decision		Referral from Cabinet Member
				<b>X</b>
Date of notice of forthcoming key decision		n/a		
This report is public				

**RECOMMENDATIONS OF THE LEADER OF THE COUNCIL**

(1) That Cabinet considers this report and makes any comments or recommendations as appropriate.







**1.0 CORPORATE PERFORMANCE MONITORING 2013/14 – QUARTER 4**

1.1 The Corporate Plan Quarterly Trend Report for Quarter 4 2013/14 is attached as **Appendix A**. This report sets out **Actual** data and commentary on the performance of each corporate plan success measure for the whole of 2013/14. Each of these measures (and any supporting sub-measures) contribute to the delivery of corporate outcomes and priorities and the overall performance of the 2013/14 Corporate Plan as a whole.

1.2 Throughout the report commentary provides an analysis of performance across the year providing commentary based on an intelligent interpretation of the data from the measures. As necessary, comparisons are made on quarter-by-quarter and/or year-on-year performance, recognising normal variations and trends (if there are any) that affords more understanding and insight on overall performance.




1.3 The **Key** below sets out the meaning of the ‘direction of travel’ of the data trending arrows against each success measure in the report dependent on whether ‘High is Good’ or ‘Low is Good’ is an indicator of performance improving.

**Key:**











Polarity: High is good		Polarity: Low is good	
	(Green) Actual has increased from the previous Quarter [positive trend]		(Green) Actual has decreased from the previous Quarter [positive trend]
	(Amber) Actual has not changed from the previous Quarter		(Amber) Actual has not changed from the previous Quarter
	(Red) Actual has decreased from the previous Quarter [negative trend]		(Red) Actual has increased from the previous Quarter [negative trend]







- 1.4 Subject to approval by full Council on 16 July, the priorities, outcomes and success measures in the 2014-16 Corporate Plan, as recommended by Cabinet, will be created and aligned at both a strategic and operational level within the Performance Management Information system. Combined with relevant projects and program management activities there will be an evidence base on which to manage current performance and identify opportunities for improving future performance through systematic change that will be critical to the successful delivery of the Corporate Plan.
- 1.5 Due to other work commitments, including the need to concentrate on producing the full statement of accounts for 2013/14, a Quarter 4 Corporate Financial Monitoring report is not generally produced. Instead, a full outturn update will be reported, which is now scheduled to go to the July Cabinet meeting.
- 1.6 The Chief Officer (Resources) has provided a Quarter 4 Corporate Property update, however, as attached at **Appendix B**.



<b>RELATIONSHIP TO POLICY FRAMEWORK</b>	
This report is a requirement of the council's Performance Management Framework in support of the council achieving its key tasks and objectives as reflected in its policy framework	
<b>CONCLUSION OF IMPACT ASSESSMENT (including Health &amp; Safety, Equality &amp; Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)</b>	
None arising from this report	
<b>LEGAL IMPLICATIONS</b>	
None arising from this report	
<b>FINANCIAL IMPLICATIONS</b>	
None directly arising from this report	
<b>OTHER RESOURCE IMPLICATIONS</b>	
<b>Human Resources / Information Services / Property / Open Spaces:</b> As set out in Appendices A and B, as appropriate.	
<b>SECTION 151 OFFICER'S COMMENTS</b>	
The s151 Officer has been consulted and has no further comments.	
<b>MONITORING OFFICER'S COMMENTS</b>	
The Monitoring Officer has been consulted and has no further comments	
<b>BACKGROUND PAPERS</b>	<b>Contact Officer:</b> Bob Bailey <b>Telephone:</b> 01524 582018 <b>E-mail:</b> rbailey@lancaster.gov.uk <b>Ref:</b> 2013-14 Corporate Plan – Quarter 4
none	

Measure Information		Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Polarity	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Clean, Green and Safe Places</b>												
CO2 emissions from council activities are reduced	Annual reduction in carbon emissions from the council's operations of 3.4% towards 34% cut by 2020	-2.10%	High is good							2.97%		The reduction in carbon emissions at the end of 2013/14 represents a significant improvement on the previous year following a mild winter. Since 2008/09 carbon emissions have reduced by 25% so the council is well on track to reach the target of 34% by 2020.
Council's energy usage is reduced	Reduce energy usage across Lancaster City Council owned buildings	-4.20%	High is good							2.60%		Energy usage in council property during 2013/14 has reduced significantly on the previous year. Overall reduction since 2008/09 is just under 30%, well ahead of the target of 34% reduction by 2020.
	Increased average Standard Assessment Procedure (SAP) rating in council housing homes	71.50	High is good							71.60		The SAP is the Government's recommended method for measuring 'energy' (water heating; lighting and Co2 emissions) in residential dwellings. The council continues to make good progress on improving the energy efficiency of the council housing stock. This improvement will be further informed by a Stock Conditions Survey planned for 2015














Measure Information		Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Clean, Green and Safe Places</b>												
Income generated from energy, including solar technology and climate change projects	% of household waste reused, recycled or composted	42.20%	(Red) 	40.80%	(Green) 	45.60%	(Green) 	46.40%	(Green) 	41.10%	(Red) 	The percentage of recycled household over the year has been relatively high (43.5% on average) at a time when the national trend is downwards. Seasonal fluctuations account for the reduction in the percentage waste reported in Quarter 4 where there is typically a decrease in the amount of green waste recycled.
	Increase income from energy and recycling projects	£31,339.74	(Red) 	£20,073.20	(Green) 	£39,207.24	(Green) 	£44,497.50	(Green) 	£52,764.19	(Green) 	Measure indicates the cumulative total of income generated from photovoltaic installations on municipal buildings. Compared to 2012/13 income has increased by over £21,000 following the panels at Salt Ayre Sports Centre being made operational. Across the year, seasonal fluctuations inevitably have an impact on the amount of income generated each quarter with the highest increase being during the period July to September (Quarter 2).
	Renewable Energy Strategy in place and agreed by March 2014									Slightly behind target		Planned completion of the Strategy has been put back slightly to take advantage of further research that should result in more opportunities and greater benefits in the longer term. The draft strategy is now expected to be completed in the first half of 2014/15.


Measure Information		Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Polarity	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Clean, Green and Safe Places</b>												
Our district is safe	Perception of people who live in, work in, or visit the district that streets and public spaces are safe is increased	84.5%	High is good							87.0%		(Green) This measure is informed by the 'Living in Lancashire' survey published in November 2013, where nine out of every ten respondents (87%) said that they felt 'very safe' or 'fairly safe' in their local area. This is an increase of 2.5% on the previous year.
	Increased number of diversionary activities for young people	859	High is good	2,146		6,870		4,704		3,116		(Red) This measure indicates the number of young people attending 'diversionary' activities at Salt Ayre Sports Centre and at outdoor facilities in the district. This measure is subject to seasonal fluctuations with Quarter 2 (July - Sept) enjoying the highest number of attendees. Data for outdoor activities was not provided in Quarter 4. Across the year, however, the varied programme of events has proved popular with young people.
Our streets and public spaces are clean	Perception of people who live in, work in or visit the district that streets and public spaces are clean is increased		High is good							62%		(Green) This measure is informed by the 'Living in Lancashire' survey published in November 2013 when almost 2/3 of residents said that they are satisfied with the cleanliness of their local streets. This data was not reported in 2012/13.
Residents have pride in their local area	Increase in the number of allotment plots in the district	0	High is good							31		(Green) Programme of allotment developments commenced in late 2013/14 and will continue in 2014/15. Cinder Lane Allotments recently opened, creating 31 plots of different sizes. Positive feedback has been received from the newly formed Allotments Association.





Measure Information		Polarity		Quarter 4 2012/2013	Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure			Actual	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Community Leadership</b>													
Better understanding of communities and needs so services that matter most to our communities are prioritised	Increase levels of engagement with local citizens	High is good									208		This was a new measure for the 2013/14 Corporate Plan indicating the number of residents who electronically sign up to the 'voice your views' panel. The council continues to develop the way it engages with its citizens, including promotion in council publications and at various council outlets/locations
	Increased number of councillors undertaking training/development in community leadership	High is good		43.00%			38.33%	(Red) 			65.00%	(Green) 	This measure indicates the cumulative number of Councillors undertaking training and development activities relating to their Community Leadership role as a Member of the Council. By the end of the year 39 of the Council's 60 members carried out some training.

Measure Information		Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Community Leadership</b>												
Council's operations are delivered and managed efficiently and effectively to achieve better value for money	Savings/efficiencies achieved through shared services/joint working	High is good	On target								On target	The council continues to demonstrate its ability to achieving ongoing savings and efficiencies through its financial strategy and innovative ways of working with partners and public sector organisations. In the longer term, it is accepted that there is a fundamental need to rethink, reshape and reduce service provision through collaborative working with partners and other service providers
	Council Tax as a % of Council Tax due	High is good	97.10%	29.70%	(Red)	57.50%	(Green)	85.30%	(Green)	96.80%	(Green)	The percentage of Council Tax collected has fallen slightly in 2013/14 compared with 2012/13. The welfare benefit reform changes has had some impact on the ability of vulnerable customers to pay and local changes to discounts and premiums has presented new challenges in recovering outstanding amounts from some chargepayers whilst being sensitive to the needs of those who genuinely find it difficult to pay.
	Non-Domestic rates as a % of Non-Domestic rates due	High is good	98.20%	30.70%	(Red)	60.30%	(Green)	88.90%	(Green)	98.40%	(Green)	The target percentage of Non Domestic Rates collected for 2013/14 has been achieved. This represents good overall performance given the economic climate which has hit small businesses ability to pay particularly hard.








Measure Information		Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Community Leadership</b>												
	Robust and tested arrangements are in place for emergency planning	On target		On target		On target		On target		On target		Throughout the year the council has undertaken and participated in large scale exercises which have demonstrated that the council's business continuity plans provide a good level of resilience against major events and disasters. These have been enhanced by the introduction of an Incident Logging system (iModus) which provides an effective solution to monitoring incidents. Senior Emergency and Duty Emergency Incident Officer rotas have been reviewed to ensure that resilience is maintained.
	Balanced budget set for 2014/15 with no more than 2% increase in council tax subject to local referendum thresholds	1.99%								1.99%		Council set a balanced budget on 26 Feb 2014, with a Council Tax increase of 1.99%.
	Clean bill of health given through annual governance and audit reviews	0.00		1.00		0.50		0.50		0.50		A "clean bill of health" is demonstrated by the absence of any major governance failures or shortcomings. A major issue throughout the year has been information governance and arrangements relating to compliance with the Government Public Services Network (PSN) requirements. A programme of action was put in place during 2013/14 - this resulted in the PSN Code of Connection being approved in May 2014 and actions aimed at developing wider information governance standards will be addressed during 2014/15.



Measure Information		Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Community Leadership</b>												
	Electoral reform changes implemented by 2015		High is good								On target	Work during the year has been around preparation for the introduction of Individual Electoral Registration (IER) which goes live on 12 June 2014. A 'dry run' of confirmation matches against Department of Work and Pensions (DWP) data produced a very credible score (75% match) and officers have undertaken relevant training which will be cascaded to Customer Services staff in 2014/15. The last ever "household" canvass was completed and the new Register published on the target date of 17 February 2014.
Local communities actively working with partners to improve where they live, in ways that matter to them	Work with partners to increase income from climate change initiatives and projects	£133,044.35	High is good							£48,260.50	(Red) 	Working with our partners the council was successful in obtaining funding from Lancashire County Council's Affordable Warmth Fund. This money will maintain the continued delivery of the Warm Homes Service, providing advice and support to our most vulnerable residents and for developing staff skills in carrying out Domestic Energy Assessments. Income in 2012/13 included funding from the Primary Care Trust which was not available in 2013/14.

Measure Information		Polarity	Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure		Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Community Leadership</b>													
The Children's Trust, Community Safety and the Arts and Culture, Working Together With Families and VCFS partnerships are in place and working effectively to improve quality of life in the district	Key partnerships deliver agreed objectives and actions effectively	High is good										On target	The council continues to work with our key partners to support them in developing their efficiency and effectiveness and resilience, to protect the services that matter and to deliver the outcomes the district needs.
	Commissioned services to support the development and capacity of Voluntary Community Faith Sector (VCFS) are performing well	High is good	On target									On target 	The council has successfully completed its first year of commissioned contracts with a number of Voluntary, Community and Faith sector organisations. These have supported the provision of Advice and Information, Infrastructure support and volunteering through a small grants fund from the Community Foundation for Lancashire which has helped to improve the lives of citizens in the district.
	Local people receiving advice and information through commissioned services	High is good										19,367	Commissioned services during 2013/14 has enabled the council's partners to provide advice and information on matters that have a significant impact on peoples lives including, welfare reform and benefits, debt counselling, housing issues, energy usage and provision for the elderly and disabled. In its first year, almost 20,000 people have benefited from these services.

Measure Information		Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Economic Growth</b>												
Lancaster district's recognition as a visitor destination is enhanced	A future approach for the provision of a Museums service is in place and working effectively			On target		On target		On target		On target		Proposals for a shared service with Lancashire County Council and Preston City Council for the future management of the Museums Service continue to be developed. The shared service will enable efficiencies and benefits to be achieved in the provision of the Museums Service in the district.











Measure Information		Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Economic Growth</b>												
Local authority partners working together to develop plans for economic growth aligned to nationally important energy and Heysham M6 transport links	Statutory requirements for the management of planning conditions are met, including Heysham M6 link, Canal Corridor and Lancaster Castle					On target		On target		On target		Throughout the year the council has provided high level advice and support on the management of planning conditions for a number of important schemes including the Heysham to M6 link; Canal Corridor development and the Beyond the Castle project as part of the Lancaster Square Routes scheme.  Work has now begun on the M6 to Heysham link road and associated works, with the road due to be opened to the public in the Summer of 2016. A revised scheme for the Canal Corridor is now in place and will be taken forward and Beyond the Castle - a joint project with Lancashire County Council - is working with the community and partners to develop proposals to secure investment over the next 5 - 10 years.
	High is good											
	Major Government targets for determining Major Planning Applications	56.25%	57.14%	(Green) 	52.00%	(Red) 	56.00%	(Green) 	60.00%	(Green) 		
Major Government targets for Special measures on Major Appeals		0.00%		0.00%		3.00%	(Red) 	3.45%	(Red) 			This is a measure of the percentage number of decisions on major development applications that have been overturned at appeal. In Quarter 4, three major decisions were lost at appeal, against 87 major applications determined. The council's performance continues to be significantly better than the target set by Government of no more than 20%.

Measure Information		Quarter 4 2012/2013	Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Economic Growth</b>											
More tourists coming to the district and tourist income is maximised	Visitor spend at council run events and attractions is increased	£331,121.10							£564,129.62		(Green) This measure comprises an evaluation of the economic impact and visitor income generated from council run events. In 2013/14 this included the Morecambe Sandcastle and Seaside Festivals and the Lancaster Fireworks/Light up Lancaster event. All three festivals suffered from poor weather but a stronger programme of entertainment and the broader appeal of the Light up Lancaster event resulted in a significantly higher visitor spend than the previous year.
	Number of visitors attending council run events and attractions is increased	47,500							42,850		(Red) This measure sets out the estimated number of people attending the Morecambe Sandcastle and Seaside Festivals and the Lancaster Fireworks/Light up Lancaster event. This years Morecambe Seaside Festival did not attract the large numbers in 2012/13 which benefitted from the Red Arrows display and poor weather affected all three festivals, but this was offset by a revised and stronger programme of entertainment and the broader appeal of the Light up Lancaster event.

## Corporate Plan Quarterly Trend Report








Quarter 4 2013/2014











Measure Information		Quarter 1 2013/2014				Quarter 2 2013/2014				Quarter 3 2013/2014				Quarter 4 2013/2014		Comments	
		Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend				
Outcome	Measure	Economic Growth															
	Visitor enquiries increased (VICs)	104,778												178,605		(Green)	Overall, there has been a significant increase in the number of face-to-face, email and telephone enquiries at the Visitor Information Centres compared to 2012/13. The ongoing development of The Storey venue and a recovery in visitor numbers following the temporary re-location of the centre in Summer 2012 has had a positive impact on this. Morecambe Visitor Information Centre figures remain generally comparable to previous years, with seasonal trends clearly indicated
	Number of people participating in arts, culture, entertainment and community events in the district													25,862		(Green)	This is measure currently comprises data on the footfall at the City Museums and The Platform. Following a steady increase throughout the year, Quarter 4 saw a drop in admissions. This is partly due to seasonal fluctuations but is also affected by a three week closure of The Platform for planned refurbishment works, and a better than expected performance at both venues in the previous quarters.
	Visitor enquiries increased (Website)	1,144,319												1,355,608		(Green)	The number of internet enquiries increased compared to 2012/13 despite some significant events in 2012 (i.e. Queens Jubilee and the Olympics) not being repeated in 2013. There is now a greater emphasis on the council's website being the primary channel for information.
	Visitor enquiries increased (Brochures)													8,044			This is a new corporate measure in 2013/14. Overall, requests for printed brochures are declining whilst downloads of digital copies are on the increase.

Measure Information		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments				
Outcome	Measure	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend					
<b>Economic Growth</b>														
The attractiveness of the district as a place to visit and invest in is improved	Number of heritage assets improved	17	28 	(Green)	8		(Red)	24	24 	(Green)	6	6 	(Red)	Measure shows the number of Listed Building Applications approved (excluding demolitions) that are likely to result in the asset being enhanced. As the trending analysis across the year indicates this can vary widely and is not particularly influenced by events or variances in performance  In July 2013 a new Local Development Scheme (LDS) was published setting out the timetable for the Local Plan. The Local Plan will incorporate five key documents, namely Development Management Policies and Morecambe Area Action Plan due to be adopted in October 2014 and the plans for Land Allocations, AONB and Gypsy and Traveller Accommodation expected to be adopted in the spring of 2016.
	Lancaster District Local Plan adopted										On target			Occupancy has reduced in the second half of the year following the vacation of a suite of offices previously used by a large single tenant that went into administration. Efforts to address this has resulted in four new tenants taking occupancy from the beginning of May, including one taking up a previously unlettable space which has been brought back into use
	Operating targets for the Storey Institute are met					62.00%						51.50%		





Measure Information		Polarity	Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure		Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Economic Growth</b>													
The district's cultural, retail and tourism offer is maximised	Plans in place to improve the council's markets to ensure their viability in the future	High is good										On target	Significant work has been undertaken during the year to review the viability of council Markets in the future. Specifically, public realm works at the Festival Market have made it more accessible and internal works, agreed with Market Traders, have been undertaken. Longer term, options will be considered consistent with the Morecambe Area Action Plan (MAAP). A working group for the Charter Market has been established and options to 're-configure' this Market after completion of the Lancaster Square Routes project are being developed. Work is ongoing to develop a business case for the best use of the Assembly Rooms in the future
	Lancaster Business Improvement District proposals implemented as planned	High is good										On target	The council supports the Lancaster District Chamber of Commerce, Trade and Industry in the development of a Business Improvement District (BID) for the town centres at Lancaster and Morecambe. The successful BID for the Lancaster centre will mean that an extra £650k will allow a number of projects and initiatives to be brought forward that will promote and improve the centre. Discussions regarding the development and progression of a BID for Morecambe Town Centre are ongoing.

Measure Information		Polarity		Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure			Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Economic Growth</b>														
The district's local heritage is protected	Number of properties improved through the delivery of the Townscape Heritage Initiative 2	High is good											0	The Morecambe Townscape Heritage Initiative 2 - A View for Eric (THI2) launched in May 2012 is a five year Heritage Lottery Fund (HLF) programme to help improve the Victorian and art deco buildings in the heart of the town and some of the streets and spaces surrounding them. Funding of £1.248 million has been made available towards this project from the Heritage Lottery Fund and Lancaster City Council. Building improvement grants for targeted properties in the conservation areas are available and will be accompanied by a range of training opportunities including heritage education and skills workshops and sustainable business and retail training. Whilst the start of the programme has slipped, suitable projects are now coming forward for commencement in 2014/15

Outcome	Measure Information		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments	
	Measure	Polarity	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend		
Health & Wellbeing Enhanced quality of life of local residents through access to good quality housing	Number of improved homes	High is good	538	(Green) 	492	(Red) 	480	(Red) 	513	(Green) 	This measure indicates the number of owner occupied and private rented homes improved through the intervention of the Home Improvement Agency and Housing Standards teams that have enhanced the quality of life of local residents through good quality housing. Performance over the year has been good and relatively consistent with an average of 515 homes being improved each quarter (2060 in total)	
	Number of new homes	High is good	177						100	(Red) 	2012/13 saw the highest number of new build (177) since the recession began but this has fallen back during 2013/14. There is no doubt that the recession has had a significant impact on new build developments over the last few years but this is expected to improve with number of significant projects now underway, including schemes at Lancaster Moor Hospital and at Luneside in Lancaster.	
	Number of affordable homes	High is good	58							58		The number of affordable dwellings completed in 2013/14 includes completions at Ashbourne Road and River Street in Lancaster, Mossgate in Heysham and Strands Farm in Hornby. Work is ongoing with Registered Provider partners to establish more sites for affordable housing.
	No council houses fail to meet the Decent Homes Standards	Low is good	0							0		The council has once again managed to ensure that no council houses fail to meet strict Government standards and criteria for 'decent homes'

Measure Information		Quarter 4 2012/2013		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Health &amp; Wellbeing</b>												
Health and wellbeing improved and mortality rates reduced for vulnerable people in the district	Reduction in number of homeless people in the district	21	(Red) 	29	(Red) 	16	(Green) 	25	(Red) 	20	(Green) 	This measure indicates the number of individuals that have been accepted as 'statutory homeless'. Despite the negative impact that the economy has had nationally on the number of people being made homeless, the council has been able to keep the number relatively low through varied initiatives aimed at preventing homelessness.
	Reduction in number of people sleeping rough in the district	4								3	(Green) 	This is an annual measure of the number of people known to be sleeping rough. The council now subscribes to a national reporting line - Street Link - which provides a 24 hour 7 days a week service for members of the public to report rough sleepers. This and the support and advice provided by the council officers has helped to keep down the number of people sleeping rough, despite being on the increase nationally.
	Increased number of vulnerable households benefiting from Warm Homes initiatives	75		198	(Green) 	210	(Green) 	321	(Green) 	335	(Green) 	This measure represents the number of people (both owner occupiers and private tenants) that have benefitted from interventions aimed at improving levels of warmth in homes. The number of householders receiving this benefit has increased each quarter and has totalled over 1,000 during the course of the year. These have included a wide range of initiatives, such as, the removal of excess cold in private rented accommodation, support to help vulnerable people improve the energy efficiency of their homes, replacement of boilers and assistance in the payment of fuel bills.



Measure Information		Quarter 1 2013/2014		Quarter 2 2013/2014		Quarter 3 2013/2014		Quarter 4 2013/2014		Comments
Outcome	Measure	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	
<b>Health &amp; Wellbeing</b>										
The health and wellbeing of local residents of all ages is improved by participation in sports and leisure activities	Increased number of people participating in sports and leisure activities	0	(Green) 	233,536	(Green) 	163,114	(Red) 	153,510	(Red) 	This is a new measure for the 2013/14 Corporate plan comprising the number of people participating in sports and leisure activities at council venues and others across the district. A wide and varied programme of activity is offered to all ages and abilities aimed at improving individuals lifestyles and wellbeing. Due to a Service review during the last quarter of the year not all data has been provided but going forward this measure will help to inform the planning of activities in the future
	A health and wellbeing strategy for the district will be in place and agreed by June 2013							On target		The Health and Wellbeing Strategy was completed and agreed with stakeholders by the revised due date of June 2013. During 2014/15 this strategy will inform projects and milestones aimed at improving health and wellbeing across the district
	Successful delivery of the Velocity Cycle race							On target		The Velocity Centre Cycle Race was held on 28th June. Planning and management of the event followed established procedures and at formal debrief, involving the council, partners and event organisers it was concluded that the event had been a success as 3000 people attended and there were no major accidents or incidents
	Successful delivery of the International Youth Games							On target		The International Youth Games 2013 was successfully organised and delivered in July 2013. The event received very favourable comments from all the teams that had entered.

**Appendix B**

# Property Group Update

Quarter 4: January –  
March 2014

**Report from: Senior Property Officer**

## Appendix B

### 1.0 Introduction and Background

This Quarter 4 report is intended to provide an update on previously reported projects and initiatives and to highlight any significant emerging property related issues. This report is not intended to provide in depth updates on all ongoing individual property cases.

### 2.0 Corporate Non-Housing Property Portfolio 1<sup>st</sup> Year Delivery Programme

As explained in previous reports, projects within the 1<sup>st</sup> year delivery programme fall into three procurement groups i.e. Minor Works (MW), Intermediate Works (IW) and Projects (P). Property Group was allocated a budget of £2.402M for financial year (2013/14) to fund the implementation of the 1<sup>st</sup> year delivery programme.

It has been reported on a number of occasions and is worthy of note again here that budget flexibility between individual projects has been essential because the costs taken from the condition survey data to build up the £10.637M budget are purely indicative having been estimated based upon non-invasive surveys. As such, the levels of work required at each property have increased or decreased as detailed specification work for the procurement process has progressed.

A summary of progress to date follows:

#### 2.1 Minor Works (MW) Project Progress

Property/Project	Total Indicative Works for Year 1	Indicative Works Brought Forward from Year 2	Total Approved Tender (AMP)
14 Buildings	£49k	£49k	£103k

Notes:

- (1) The Minor Works project has now been successfully completed and contained within the Agreed Maximum Price submitted.
- (2) This work was contained within the repair and maintenance revenue budget and therefore does not count towards the £2.402M 1<sup>st</sup> year delivery programme's capital spend.

**Appendix B****2.2 Intermediate Works (IW) Project Progress**

Property/Project	Submit Design /tender	Approve Tender (AMP)	Original Indicative Works 1 <sup>st</sup> Year	Total Approved AMP & Fees	Proposed /Actual Start Date
White Lund Depot (1)	12/11/13	28/11/13	£231k	£113k	27/1/14
Lancaster Cemetery Chapels (2)	12/11/13	24/12/13	£80k	£175k	27/1/14
Lancaster Town Hall Railings (3)	23/09/13	30/09/13	£50k	£47k	02/10/13
Lancaster Town Hall Paving (4)	23/09/13	30/09/13	£30k	£28k	07/10/13
Morecambe Town Hall (5)	-	-	-	-	-
The Dukes Playhouse (6)	-	-	-	-	-
Williamson Park (Intermediate) (7)	12/11/13	27/11/13	£90k	£80k	02/12/13
Assembly Rooms (8)	14/11/13	28/11/13	£158k	£100k	9/12/13
Storey Building (9)	26/11/13	24/12/13	£233k	£323k	3/2/14
Maritime Museum (10)	25/04/14	TBA	£253k	TBA	TBA
Morecambe Intermediate General Projects; Morecambe Town Hall & Garages (60 Euston Road, Regent Road PC) Salt Ayre Sports Centre (11)	25/04/14	TBA	£100K	TBA	TBA
Lancaster Intermediate General Projects; Bridge End Depot, Ryelands Changing Rooms, Old mans Rest, Cottage Museum, King George Playing Fields. (12)	25/04/14	TBA	£60K	TBA	TBA
Intermediate Demolition Projects (Ryelands Park Pavilion, Palatine Recreation Ground. (13)	25/04/14	TBA	£50K	TBA	TBA
<b>Totals</b>			<b>£1.335M</b>	<b>£866K</b>	

## Notes:

- (1) The work is now 50% complete.
- (2) The work is now 60% complete
- (3) Complete apart from entrance lamps programmed to be fitted 25.04.2014.
- (4) The work is now 100% complete.
- (5) AMP to be included within the Morecambe Intermediate Projects below
- (6) Project on hold as Dukes Theatre bidding for development funding.
- (7) The work is now 95% complete, additional rebuild walls works.
- (8) The work is now 100% complete Final Account stage.
- (9) Works progressing on site 30% complete.
- (10) Project has been held up due to installation of new lift.
- (11) Projects merged to gain savings AMP's to be submitted 25.4.2014
- (12) Projects merged to gain savings AMP's to be submitted 25.4.2014
- (13) AMP's to be submitted 25.4.2014

**Appendix B**

Property/Project	Submit Design /Tender	Approve Tender (AMP)	Total Indicative Works 1 <sup>st</sup> Year	Total Approved Tender (AMP)	Proposed Start Date
Williamson Park (1)	25/04/14	TBA	£383k	TBA	TBA
The Platform (2)	06/12/13	24/12/13	£318k	£413K	03/03/14
City Museum (3)	25/04/14	TBA	£258k	TBA	TBA
Salt Ayre Sports Centre (4)	-	-	-	-	-
Mitre House Car Park (5)	05/06/13	08/08/13	£60k	£115k	30/09/13
Banqueting Suite Ceilings (6)	25/04/14	TBA	TBA	TBA	TBA
			<b>£1.019M</b>	<b>£528K</b>	

Notes:

- (1) Project delayed approval of specification Lancaster Stone paving.
- (2) The work is now 20% complete.
- (3) Project quantified now on hold due to lottery bid to improve museum facilities.
- (4) Included within Morecambe Intermediate Generals Project
- (5) The work is now 100% complete – Final Account Stage
- (6) AMP currently being finalised.

**2.4 Overall Position**

Currently, indicative programmes and spend profiles suggest expected capital spend in the 2013/14 financial year will be circa £700K plus £103K revenue spend on the minor works projects equating to £803K. Therefore, at this stage potential slippage of capital spend into year 2 against the approved £2.402M is estimated to be in the region of £1.702M.

This is obviously some way from where we had hoped to be at this stage but as mentioned above this is largely attributable to our decision to tackle all of the essential and urgent repairs in the first year. The first year of any new working relationship will inevitably throw up unforeseen issues and challenges. Furthermore, the need to deal with numerous projects across numerous sites and buildings has required a great deal of planning and preparatory work prior to the commencement of any physical work on site.

This has been a challenging first year but real progress has been made and all the outstanding urgent works will be rectified over the coming months. Having completed the urgent repairs we can then plan for year 2 by focussing on individual buildings rather than spreading our available resources too thinly over numerous sites.

Once Capital works have been completed on a particular building it will then be transferred to the growing planned maintenance programme. The plan for the next 4 years is to complete the required work on all council buildings, facilitating the move

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from the current emphasis on an expensive reactive approach, to a more financially sustainable planned maintenance ethos.

Finally, it should be noted that the County Council's current framework arrangement with Keepmoat comes to an end later this calendar year. The current arrangement is flexible enough to allow Keepmoat to complete the works agreed for the Year 1 delivery programme but the end of this agreement will also provide an opportunity for review and to look at how best to procure the Year 2 delivery programme. Options open to us include:

1. Continuing on the same basis with Keepmoat.
2. Entering into a new partnering arrangement with the County Council's next successful partnering contractor; or
3. Depending on what form the Year 2 delivery programme takes, a traditional tendering approach on a building by building basis may also become a viable option.

### 3.0 Capital Receipts

There have been no further property related capital receipts since quarter 3.

### 4.0 Performance of Commercial Buildings

As can be seen from the table below there have only been minor changes to the occupation of the commercial property portfolio since the Quarter 2 update.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of Properties	62	61	61	61
Occupation by Floor Area				
• Total Let (m2)	18,022	17,749	17,917	18,053
• Total Vacant (m2)	3,961	3,962	3,794	3,658
• Total Area (m2)	21,983	21,711	21,711	21,711
Income				
• Rent (£)	-955,350	-931,750	-931,750	-931,750
• Service Charge (£)	-302,750	-302,750	-302,750	-302,750
• Total Income (£)	-1,258,100	-1,234,500	-1,234,500	-1,234,500
Running Costs (£)	793,500	782,700	782,700	782,700
Annual Balance (£)	-464,600	-451,800	-451,800	-451,800
Condition Survey (£)	5,004,498	5,004,498	5,004,498	5,004,498

The current occupation across the City Council's total commercial property portfolio has benefitted from a slight improvement during the last quarter although the percentage let figure of 83% reported in Quarter 3 remains the same. The remaining 17% of vacant space now amounts to the equivalent of 3658m2, the majority of which is attributable to:

- The Storey, which returned to City Council control in October 2012, currently has 51.5% of its commercial office space occupied and is therefore 48.5% vacant which equates to a vacant floor area of 698m2. However, this does represent an improvement of 10m2 over quarter 3.
- St. Leonard's House currently has 1862m2 of vacant space which is expected

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to start rising following cabinet approval to vacate the building. Officers have now served notice on the existing tenants with the intent of clearing the building to allow progress on our plans to develop the building as student and young worker accommodation with our strategic partners. As vacant possession is gained, vacant space will clearly increase, but in due course the building will cease to be classified as a commercial property.

- The vacancy rate at Citylab is currently running at 24% (or 318m<sup>2</sup>). This represents a slight improvement over the 326m<sup>2</sup> of vacant accommodation reported in the Quarter 3 update.

Despite some progress at the Storey and Citylab the 3 buildings above still account for 79% of the total vacant commercial portfolio. As mentioned above, the recent developments at St. Leonard's House mean that the vacancy rates for this building will continue to increase although it is envisaged that the building will be completely vacated during the next 6 months or so and it can then be removed from these statistics (as it will no longer be a commercial building), which will make a dramatic improvement to the figures. The remaining 22% is made up of a small number of buildings that are currently between lets or to be sold. In general terms, while Property Group will continue in its efforts to minimise vacancy rates, it should be remembered that supply is currently outstripping demand in the commercial office rental market.