



**LANCASTER**  
**CITY COUNCIL**

*Promoting City, Coast & Countryside*

# **COUNCIL MEETING**

**Wednesday, 31 January 2018 –  
6.00 p.m.  
Morecambe Town Hall**

Susan Parsonage,  
Chief Executive,  
Town Hall,  
Dalton Square,  
LANCASTER,  
LA1 1PJ



# LANCASTER CITY COUNCIL

*Promoting City, Coast & Countryside*

Sir/Madam,

You are hereby summoned to attend a meeting of the Lancaster City Council to be held in the Town Hall, Morecambe on Wednesday, 31 January 2018 commencing at 6.00 p.m. for the following purposes:

1. **APOLOGIES FOR ABSENCE**

2. **MINUTES**

To receive as a correct record the Minutes of the Meeting of the City Council held on 20<sup>th</sup> December 2017 (previously circulated).

3. **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 9 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.

4. **ITEMS OF URGENT BUSINESS**

5. **ANNOUNCEMENTS**

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

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

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

**7. PETITIONS AND ADDRESSES**

To receive any petitions and/or addresses from members of the public which have been notified to the Chief Executive in accordance with the Council's Constitution.

**8. LEADER'S REPORT (Pages 1 - 2)**

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

**ITEMS DEFERRED FROM THE LAST COUNCIL MEETING**

**9. REVIEW OF COUNCIL TAX CHARGING POLICY FOR EMPTY HOMES (Pages 3 - 18)**

To consider the report of the Chief Officer (Resources)

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

**10. BUDGET UPDATE 2018/19 TO 2021/22 (Pages 19 - 84)**

To consider the report of Cabinet.

**11. AUDIO RECORDING OF COUNCIL MEETINGS (Pages 85 - 89)**

To consider the report of Cabinet.

**MOTIONS ON NOTICE**

**OTHER BUSINESS**

**12. DESIGNATION OF MONITORING OFFICER (Pages 90 - 92)**

To consider the report of the Chief Executive.

**13. WARD COUNCILLORS SPEAKING AT PLANNING (Pages 93 - 95)**

To consider the report of the Monitoring Officer.

**14. COMMUNITY WEALTH-BUILDING AND LOCAL PROCUREMENT (Pages 96 - 100)**

To consider the report of the Chief Officer (Regeneration and Planning).

**15. APPOINTMENT OF MAYOR ELECT**

To appoint a Mayor Elect to be put forward for election by the City Council in May 2018, for the municipal year 2018/19.

**16. APPOINTMENTS AND CHANGES TO COMMITTEE MEMBERSHIP**

Group Administrators to report any changes to Committee Membership.

**17. QUESTIONS UNDER COUNCIL PROCEDURE RULE 12**

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

the question to the Chief Executive.

18. **MINUTES OF CABINET** (Pages 101 - 109)

To receive the Minutes of Meeting of Cabinet held 16<sup>th</sup> January 2018.



.....  
Chief Executive

Town Hall,  
Dalton Square,  
LANCASTER,  
LA1 1PJ

Published on Tuesday 23<sup>rd</sup> January 2018.

**COUNCIL****Leader's Report****31 January 2018****Report of the Leader of the Council****PURPOSE OF REPORT**

To present the Leader's report to Council.

This report is public.

**RECOMMENDATIONS**

**To receive the report of the Leader of Council.**

**REPORT****1.0 Cabinet**

Information on Cabinet matters is provided in the minutes from the Cabinet meeting held on 16 January 2017 later in this agenda.

**2.0 Decisions required to be taken urgently**

There are no decisions to report since the last Leader's Report on 20 December 2017.

**3.0 Leader's Comments**

In December flooding meetings were held around the area. They were packed with people and all the agencies were represented. There was anger of course but also painful stories of how residents had been affected. We now await some of the findings, what happened and why and what is going to be done to prevent it happening again.

A Loneliness Summit was held in Lancaster Town Hall on 6 December 2017. It was very well attended and it was pleasing to see so many Councillors there. The Ashton Hall was filled with stalls. There are so many voluntary organisations of all kinds offering help and advice and a chance to join them. We are lucky to have so many volunteers.

The Budget preparation continues and we finally received the settlement just before Christmas. A lot of work has gone into producing it and there will be a Budget and Performance Panel presentation on Tuesday 23 January 2018 at Morecambe Town Hall.

A representative of ThinkingPlace place marketing interviewed me about the district on 8 December 2017. It was a long interview about what Lancaster District has to offer and what our hopes for the future will be. The interviewer was from Preston and at the end he said how much he liked our area and that he felt we had so much to offer and such good prospects. I await a copy of his research. I know that other Councillors also took part.

The Revenues and Benefits Shared Service meeting took place in Preston on 12 December 2017. This has been an excellent shared service partnership producing considerable savings every year since it started.

A meeting on Reshaping the Council's Museums Service was held on 13 December 2017. This was to discuss the service and elements of the programme as it evolves. Notice has now been given to the County Council and the City Council will take back the service on 1 October 2018. It was an interesting meeting with many items of discussion that will inform the Cabinet and Council of the proposed direction for the service. This included a report on the archaeology of the Castle Hill area.

A lot of work has gone into producing a new Corporate Plan and the draft will be going out to all Councillors soon for your comments as well as discussion with local stakeholders.

On 15 January 2018 an Away Day was held for the three authorities around Morecambe Bay. The aim was to develop some priorities and an Action Plan and to move the work on. We hope to bring private and public investment to the area and for economic growth through joint working that brings jobs, businesses and business growth, with benefits such as providing training opportunities for lower-paid workers. We want to encourage a local Industrial Strategy to promote our Morecambe Bay area.

I have received replies from the two MPs about the Holiday Hunger motion. I thank the Council for its support on this and I hope that it goes successfully through Parliament.

I wish you all a Happy New Year, may our district thrive in 2018.

### **Other Matters**

Cabinet minutes for 16 January 2018 are attached at the end of this agenda.

### **4.0 Key Decisions**

The following Key Decision was taken by Cabinet on 16 January 2018:

- (1) Budget and Policy Framework Update

There were no Officer Delegated Key Decisions taken during this period.

### **Background Papers**

Cabinet agenda and minutes of the meeting held on 16 January 2018.

**COUNCIL****Review of Council Tax Charging Policy for  
Empty Homes  
31 January 2018****Report of Chief Officer (Resources)****PURPOSE OF REPORT**

To present options for reducing various council tax discounts applicable to empty homes, in line with the discretions available to local authorities.

**This report is public.**

**RECOMMENDATIONS:**

- (1) That Council determines whether to retain its existing Empty Homes Council Tax Charging Policy for 2018/19 (Option 1), or to amend it for:
  - the reduction or removal of the discount for Class C empty properties, from the three options (2A, 2B or 2C) as set out in the report; and/or
  - the removal of the discount for Class D empty properties (Option 3) as also set out.
- (2) That the Chief Officer (Resources) be authorised to finalise the Council's Empty Homes Charging Policy in line with (1) above, and make all other necessary arrangements for its implementation in the next financial year.

**1 INTRODUCTION**

- 1.1 Back in December 2012 Council approved various reductions to council tax exemptions and discounts on empty properties. These changes were in line with the discretionary powers granted to local authorities under the Local Government Finance Act 2012. The changes resulted in more council tax income being generated.
- 1.2 During the last budget, a commitment was made to review existing discounts and this report includes the outcome of that review, and options for future changes.

2 **CURRENT POLICY**

2.1 To assist Council, the current policy for council tax charging on empty homes is set out at **Appendix A**.

2.2 Under current legislation Council has scope to reduce further or to remove the following two types of discounts:

- **Class C - Empty and substantially unfurnished properties:**

Current maximum discount available: 100% discount for the first two months, followed by a discount of 50% for the next four consecutive months.

- **Class D - Empty properties undergoing or in need of major repair or structural alteration:**

Current maximum discount available: 50% discount for twelve months.

2.3 Any changes to the discounts must be approved prior to the beginning of the financial year in question; they cannot be changed in-year.

2.4 All other discounts and exemptions are either determined by Government, or the Council has already reduced them as far as its discretionary powers allow. For example, exempt status continues to apply in many circumstances, e.g. to those properties left empty by patients in hospital, deceased persons, or those receiving or providing care etc. No additional charges can be levied on a property that is exempt.

2.5 **Appendix B** provides details of the total value of discounts awarded for properties under Class C and Class D properties for years 2013 to 2016, and the number of properties receiving those discounts (for any period, however short, during the year).

2.6 Whilst there are no obvious trends apparent regarding the impact of charging on bringing homes back into use, it is apparent that a significant amount of council tax income is still foregone as a result of the policy. In very broad terms, an average of over £1M per year is foregone as a result of Class C discounts, and an average of £80K foregone through Class D.

2.7 Given this, and the Council's financial challenges ahead, it is appropriate that Council considers whether existing discounts should be reduced or removed and options are set out in the following section. It is not thought that there is a case for increasing discounts.

2.8 Separately, Members will see from the policy attached that the Council has used its discretionary powers to charge a council tax premium of 50% on long term empty property; this was also approved back in 2012. As part of the Chancellor's Autumn Budget, it was announced that the discretion would be extended to allow a premium rate of 100% to be introduced from next year onwards. Options regarding this were to be included in this report but primary legislation would be needed to bring the announcement into force and as parliamentary time is limited, it is now expected that any extended discretion could only come into force for 2019/20 at the earliest. The position will be kept under review and a



report will be prepared for Council at the appropriate time, once the legislative framework is clearer.

## 3 OPTIONS AND OPTIONS ANALYSIS

3.1 There are a number of options available for consideration:

### **Option 1: Retain the existing policy (and leave discounts unchanged)**

- The system works reasonably well at present and provides incentives to promote the improvement of empty property and bring empty homes back into use.
- The existing policy could be made simpler, however, to help from an administrative point of view, and retaining the existing policy may be perceived as a lost opportunity to raise additional revenue for the Council and its precepting authorities.

### **Option 2: Reduce or Remove Class C Empty Property Discounts**

- There are numerous ways in which this discount could be amended, and the three most obvious/appropriate options are set out below.

#### **A. Remove the six-month discount arrangement**

This would provide the greatest incentive for encouraging homes to be occupied quickly and the greatest financial benefits for local authorities to help fund public services. It would create some administrative difficulties, however, where there are disputes or anomalies in the transfer date of property from one owner or occupier to another. As with any increase in tax liability, some resistance should be expected and this could impact slightly on collection rates and bad debts.

Taking a broad average of the last 4 years' data, this change would generate income in the region of at least £1M for the Council and its precepting authorities in the area. Of this, an estimated £130K would be retained by the City Council. These estimates make some allowance for collection and recovery difficulties, and they would need to be monitored. There would be an additional burden on Council Housing currently estimated at approximately £60K, to cover its housing stock. This cost would reduce, should void periods between re-lets reduce.

#### **B. Reduce the existing six month discount arrangement to one that provides 100% discount for up to one month**

The implications are similar to Option A above but this would give greater administrative flexibility regarding any transfer date issues and some limited council tax relief to those liable, and therefore additional income would reduce as a result.

Taking an average of the 4 years' data to date this change would generate income in the region of £700K for the Council and its precepting authorities

in the district, of which £90K would be retained by the City Council. There would be an additional burden on Council Housing currently estimated at a little over £30K, subject to future voids performance.

**C. Reduce the existing discount scheme, to provide a flat 50% discount for up to 6 months**

This would retain benefits to taxpayers over a longer period, but reduces the discount (from current levels) in the first two months. In administrative terms it is considered simpler than the existing arrangements, but would generate less income than the other two options.

Taking an average of the 4 years' data to date this change would generate income in the region of £375K for the Council and its precepting authorities and of this, approximately £50K would be retained by the City Council. There would likely be an additional burden on Council Housing of approx. £25K to cover its empty housing stock, again subject to voids performance.

**Option 3: Remove the 50% discount for Class D Empty Properties**

- The 50% discount aims to promote property improvement and re-occupation, by incentivising owners and developers to undertake any major repair works within a twelve-month period.
- This option could generate additional income estimated in the region of £80K per annum for the district / precepting authorities in the Lancaster area. Of this, just over £10K would be retained by the City Council.
- In view of the comparatively small scale impact of this discount class and its administration, only a removal option is presented.

3.2 Aside from general policy considerations, there are two specific matters brought to Council's attention:

**Social / Council Housing Properties**

Social housing providers are unaffected by any changes to Class C discounts, as owing to their charitable status, they remain entitled to six-month exemptions on their empty properties. That status does not apply to council owned dwellings, however, and therefore any change is likely to increase liability on empty council housing stock. Members will be aware that void property turn-round times are too long and work is focusing on addressing this; arrangements are in hand for external support to be commissioned to help secure improvement. Any reduction in empty property council tax discounts would therefore act as an incentive to help bring council houses back in to use, in much the same way as for private properties.

**Flood Affected Properties**

The fairest way to provide council tax relief in these circumstances is considered to be through a Government-funded scheme, but at present different arrangements apply in different circumstances and this is highlighted, unfortunately, in the very recent flooding events. Whilst efforts have been made to secure Government funding, these have not been successful to date.

The discounts currently available for Class C and D properties form the basis of the immediate council tax relief available to those households affected by flooding. Given that the financial consequences of awarding these two types of discounts are shared by the City, County, Police and Fire authorities (proportionate to their precepts), it makes them less costly but nonetheless, if any significant number of properties are affected, then the loss of income would soon add up.

Separate to the class discounts, the Council also has a council tax discretionary relief policy but unlike the discounts, the cost of any relief awarded falls solely to the City Council. The policy applies to exceptional circumstances only and each case must be considered on its own merits, recognising the Council's responsibilities to taxpayers as a whole.

In the event that the City Council decides to reduce and/or remove its Class C and D exemptions, it is likely that the City Council would receive more applications for discretionary relief, under that specific policy.

To help make that policy more affordable and therefore more widely available, particularly in flooding events, the County Council has been approached to see whether it would help provide funding for the costs of the discretionary relief policy in future. This is on the understanding that should the City Council choose to use its powers to shorten or remove the Class C and D discounts available for empty properties, the County Council would be the major beneficiary and therefore it would be reasonable for it to help support discretionary relief in appropriate and exceptional circumstances, such as in flooding events.

Initial feedback received from the County Council indicates that they have "already received a similar request from another local authority... [and] in response the point has been made that the County Council allocates its resources on the basis of need rather than where those resources come from and to change that policy would set a dangerous precedent".

Notwithstanding the County Council's position, any form of council tax discount or relief granted in flooding events is just one strand of the support available for those affected, be that through practical measures from the City Council and other public service providers, or through insurance cover, or from any specific funding streams such as the Flood Recovery Fund administered by the Community Foundation for Lancashire.

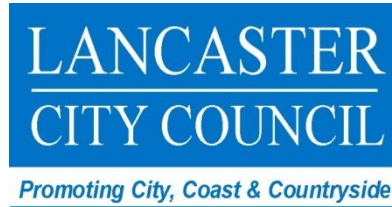
## 4 DETAILS OF CONSULTATION

- 4.1 No formal consultation with the public has taken place on this issue, but discussions have taken place with major precepting authorities and other Lancashire authorities at a local level (and particularly with the County Council, as referred to above).
- 4.2 **Appendix C** provides information on the discounts to be provided by other Lancashire districts, subject to any further amendments that they may be considering. It can be seen that there are a range of discounts in operation.

**5 CONCLUSION**

- 5.1 There is the potential for the Council to raise additional revenue by amending its Empty Homes Charging Policy, whilst recognising that future collection performance is not guaranteed. There would be extra pressure on Council Housing, and a greater incentive to address void periods.
- 5.2 Any Empty Homes Charging Policy must operate fairly and be equitable to all empty property holders, with flexibility to cover exceptional or unforeseen circumstances. Much of this flexibility is provided for through the separate Discretionary Relief Policy and efforts to seek help with the affordability of this could continue, linked to ongoing discussions with the County Council in respect of flooding matters.

<p><b>RELATIONSHIP TO POLICY FRAMEWORK</b></p> <p>The proposals are developed in support of the Council’s Medium Term Financial Strategy, whilst also supporting corporate aims regarding health and wellbeing.</p>	
<p><b>CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</b></p> <p>This policy change will impact specifically upon empty home owners etc. The positive impacts of income generation and the potential for bringing empty homes back into use will need to be balanced carefully against any negative impacts of disincentives for house moving and collection difficulties, etc.</p>	
<p><b>FINANCIAL IMPLICATIONS</b></p> <p>As referred to in the report.</p> <p>Given the timing of this decision, the financial implications of any policy changes implemented in 2018/19 would now be taken account of in setting the 2019/20 budget.</p>	
<p><b>SECTION 151 OFFICER’S COMMENTS</b></p> <p>The Section 151 Officer has contributed to the production of this report, which is in her name (as Chief Officer (Resources)).</p>	
<p><b>LEGAL IMPLICATIONS</b></p> <p>Legal Services have been consulted and have no further comments.</p>	
<p><b>MONITORING OFFICER’S COMMENTS</b></p> <p>The Monitoring Officer has been consulted and has no further comments.</p>	
<p><b>BACKGROUND PAPERS</b></p> <p>None.</p>	<p><b>Contact Officer: Adrian Robinson AD (Head of Revenues &amp; Benefits) Shared Service Telephone: 01772 906023 E-mail: a.robinson@preston.gov.uk</b></p>



**EMPTY HOMES CHARGING POLICY  
COUNCIL TAX  
(KEY ASPECTS)**

**REVENUES & BENEFITS**

**LANCASTER CITY COUNCIL**

**EMPTY HOMES CHARGING POLICY  
(COUNCIL TAX)**

**1 Introduction**

- 1.1 The Local Government Finance Act 2012 amended the Local Government Finance Act 1992 allowing local discretion over the implementation of certain discounts in place of statutory exemptions and also allows for the use of premiums for certain long term empty premises. The intention of Central Government is to allow Councils the flexibility in raising additional Council Tax. In addition, Government is keen to ensure that premises do not remain unoccupied or unused for extensive periods and to encourage the maximum use of all available premises within Council areas.

**2 Legislation**

- 2.1 The relevant legislation is as follows:

- **Section 11a Local Government Finance Act 1992** - Power to determine further discounts for certain dwellings;
- **Section 11b Local Government Finance Act 1992** - Higher amount for long-term empty dwellings: England;
- **The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 as amended by The Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012**; and
- **The Council Tax (Exempt Dwellings) (England) (Amendment) Order 2012**.

- 2.2 In addition to the amended legislation, Government provided a number of documents to assist local authorities in the implementation of the new powers:

- Council Tax Information Letter: Council Tax - Definitions of Empty Homes and Second Homes;
- Council Tax - Empty Homes Premium - Guidance - for properties for sale and letting.

**3.0 The Charging Policy:**

- 3.1 Council approved the following changes to Council Tax exemptions, discounts, long term empty properties and second homes with effect from 1 April 2013 by:

- (i) replacing the six months exemption for empty homes with a 100% discount for two months, followed by a discount of 50% for the next four consecutive months (Class C – empty and unfurnished discount);
- (ii) replacing the exemption of up to twelve months with a discount of 50% for a period up to twelve months for properties where major repairs or structural alterations are required, underway, or recently completed (Previously Class A Exemption – Now Class D Discount);
- (iii) revoking the 10% discount on second homes (now 100% charge);
- (iv) revoking the 50% discount for empty homes after six months and levy a premium of an additional 50% of Council Tax due on properties that have been empty and unfurnished for at least two years, subject to any statutory exceptions and any local discretions;



## 4.3 Empty Homes Premium – Long Term empty dwellings

4.3.1 A long term empty dwelling is one that has been vacant in excess of two years and as such is subject to an Empty Homes Premium of 50%, in addition to the 100% charge already levied in respect of empty premises.

4.3.2 The policy aim is to encourage owners to bring empty properties back into use quicker, at a time when there is an overall housing shortage and social housing waiting list. The Government considers that long-term empty properties attract squatters, vandalism and anti-social behaviour, and are a blight on the community.

4.3.3 Liability for the Empty Homes Premium is determined by the length of time that the property has been empty. An individual who purchases a property, which has already been empty for two-years, may be required to pay the premium as soon as they take ownership. A period of occupation of over six weeks qualifies as a break in the empty period, 'resetting the clock' for the purposes of the Empty Homes Premium.

4.3.4 **Statutory Exemptions** - two classes of property are exempt by statute from the Empty Homes Premium as detailed below:

- A dwelling which is the sole or main residence of a member of the armed forces, who is absent from the property as a result of such service. (Class E)
- An annex deemed unoccupied because it is being treated by the occupier of the main dwelling as part of that main building. (Class F)

## 4.4 Second Homes

4.4.1 Defined as a dwelling, which is no one's sole or main residence but which is furnished.

4.4.2 A charge of 100% will be applied for second homes (0% discount). The charge applies to all cases except where the legislation determines otherwise and in those cases (as follows) a charge of 50% will apply (rather than the 100%):

- Dwellings which are furnished but unoccupied because the owner is liable to a Council Tax elsewhere in job-related accommodation;
- Empty but furnished dwellings of service personnel resident in accommodation provided by the Ministry of Defence;
- If the dwelling is a caravan or houseboat; or
- Where members of the clergy are required to live in accommodation provided by their employer to perform the duties of their office.



## APPENDIX B

Class C Properties - Empty and Unfurnished		Discount 100% (2 month period)	50% (4 month period)	TOTAL
		Discount Amount £	Discount Amount £	Discount Amount £
2013/14	Private Owned	633,000	263,000	896,000
	Council Owned	50,000	7,000	57,000
	<b>Total</b>	<b>683,000</b>	<b>270,000</b>	<b>953,000</b>
2014/15	Private Owned	670,000	291,000	961,000
	Council Owned	46,000	8,000	54,000
	<b>Total</b>	<b>716,000</b>	<b>299,000</b>	<b>1,015,000</b>
2015/16	Private Owned	752,000	314,000	1,066,000
	Council Owned	49,000	9,000	58,000
	<b>Total</b>	<b>801,000</b>	<b>323,000</b>	<b>1,124,000</b>
2016/17	Private Owned	769,000	367,000	1,136,000
	Council Owned	52,000	9,000	61,000
	<b>Total</b>	<b>821,000</b>	<b>376,000</b>	<b>1,197,000</b>
<b>Annualised Average</b>		<b>755,000</b>	<b>317,000</b>	<b>1,072,000</b>

Class D Properties - Major Repairs		50% (maximum 12 month period)
		Discount Amount £
2013/14	Private Owned	90,000
	<b>Total</b>	<b>90,000</b>
2014/15	Private Owned	72,000
	Council Owned	1,000
	<b>Total</b>	<b>73,000</b>
2015/16	Private Owned	74,000
	<b>Total</b>	<b>74,000</b>
2016/17	Private Owned	83,000
	<b>Total</b>	<b>83,000</b>
<b>Annualised Average</b>		<b>80,000</b>

<b>Empty Properties in Receipt of Discounts</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
<b>Class D: Major Repairs / Structural Alterations</b>	76	56	61	70
<b>Class C: Empty properties within the first 6 months of becoming empty</b>	1,045	981	1,098	1,221
<b>Long term empty beyond 6 months</b>	914	979	969	1,087

<b>Empty Properties Charged a Premium</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
<b>Empty in excess of 2 years</b>	344	282	242	248

## APPENDIX C

<b><u>Lancashire Authorities – Discount Levels for Properties Undergoing Major Repairs and Empty Properties.</u></b>		
<b><u>Authority</u></b>	<b><u>Class C Empty &amp; Unfurnished Properties</u></b>	<b><u>Class D Properties Undergoing Major Repairs (for up to 12 months)</u></b>
Blackburn	100% discount for 3 months only	50%
Blackpool	100% discount for 3 months only	50%
Burnley	100% discount for 2 months only	25%
Chorley	50% discount for 6 months, 25% for up to 18 months maximum	50%
Fylde	100% discount for 6 months	100%
Hyndburn	50% discount for 6 months	50%
Lancaster	100% discount for 2 months, 50% discount for further 4 months	50%
Pendle	100% discount for 4 weeks only	None
Preston	100% discount for 1 month	50%
Ribble Valley	100% discount for 6 months	100%
Rossendale	100% discount for 1 month only	100%
South Ribble	100% discount for 6 months	100%
South Lakes	100% discount for 6 months	100%
West Lancs	50% discount for 3 months only	50%
Wyre	100% for 1 month only	25%



## Lancaster City Council's Equality Impact Assessment Guidance and Form

### Equality impact assessment form

#### Section 1: Details

<b>Service</b>	Revenues & Benefits Shared Service Resources
<b>Title and brief description (if required)</b>	Council Tax Empty Homes Charging Policy
<b>New or existing</b>	Existing
<b>Author/officer lead</b>	Lead – Adrian Robinson (Head of Shared Service)
<b>Date</b>	Review – 5/12/17

**Does this affect staff, customers or other members of the public?**

Yes

#### Section 2: Summary

**What is the purpose, aims and objectives?**

In 2013 the Government set out a range of changes affecting specific Council Tax exemption categories relating to empty or second homes.

These changes enable local authorities, within certain parameters, to determine the level of discount, if any, that should be made available in these cases. Our response to these changes sets out how the Council will use these new freedoms, and has the following key aims:

- To help minimise the length of time properties remain empty, thereby encouraging best use of the housing stock in the area.
- To raise additional council tax income to support and maintain public services.

**Who is intended to benefit and how?**

Those in receipt of council/ local authority services, and those seeking homes in the district.

**Section 3: Assessing impact**

<b>Is there any potential or evidence that this will or could:</b>		
• Affect people from any protected group differently to others?		No
• Discriminate unlawfully against any protected group?		No
• Affect the relations between protected groups and others?		No
• Encourage protected groups to participate in activities if participation is disproportionately low (won't always be applicable)?		No
• Prevent the council from achieving the aims of its' Equality and Diversity Policy?		No

Generally, there is the potential for a financial impact on some individuals where they will be required to pay more council tax, through having a shorter discount period.

There may be a negative financial impact on the following groups which may have a detrimental effect on the relationships between them and the Council:

- Private landlords;
- Owners of second homes;
- Owners of occupied and unfurnished dwellings that require major repair or structural alteration;
- Owners of other unoccupied unfurnished dwellings.

<b>If yes, please provide more detail of potential impact and evidence including:</b>	
<ul style="list-style-type: none"> <li>- A brief description of what information you have and from where eg getting to know our communities data, service use monitoring, views of those affected ie discussions or consultation results?</li> <li>- What does this tell you ie negative or positive affect?</li> </ul>	
Age  including older and younger people and children	Neutral
Disability	Neutral
Faith, religion or belief	Neutral
Gender  including marriage, pregnancy and maternity	Neutral

Gender reassignment	Neutral
Race	Neutral
Sexual orientation Including Civic Partnership	Neutral
Rural communities	Neutral
People on low incomes	Potential impact, but this cannot be readily assessed.

#### **Section 4: Next steps**

**Do you need any more information/evidence eg statistics, consultation? If so, how do you plan to address this?**

No.

**How have you taken/will you take the potential impact and evidence into account?**

Through council decision-making.

**How do you plan to monitor the impact and effectiveness of this change or decision?**

Whilst the changes will result in additional council tax being charged, collection of monies due on empty properties is typically more challenging and resource intensive. Monitoring will continue to be undertaken and projected collection rates may need to be revised.

<b>COUNCIL</b>
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## Budget Update 2018/19 to 2021/22 31 January 2018

### Report of Cabinet

<b>PURPOSE OF REPORT</b>
<p>To update Council and gain its feedback on the latest position regarding the development of the budget and policy framework for 2018/19 to 2021/22 and in that context, to seek approval of the level of council tax increase for 2018/19 together with targets for subsequent years, subject to local referendum thresholds.</p>
<p><b>This report is public.</b></p>

#### RECOMMENDATIONS:

- (1) That Council considers the information provided at Annexes 1 and 2 in respect of the budget and:
- (i) approves the 2017/18 Revised Budget, with the net overspending of £222K being met from Balances;
  - (ii) approves a City Council tax increase of 2.99% for 2018/19, together with a year on year target of 2.99% for future years, subject to Government confirming local referendum thresholds;
  - (iii) provides any other feedback as appropriate, to inform Cabinet's final budget proposals.

#### 1 INTRODUCTION AND OVERVIEW FROM CABINET

- 1.1 The Council continues to face highly uncertain and very challenging financial prospects. Government continues with its austerity agenda. It plans to introduce major reforms to local government finance from 2020/21 onwards, based on 75% business rates retention and a Fair Funding Review to address the relative spending needs and resources of local authorities.
- 1.2 Locally, we have a number of large and exciting regeneration and infrastructure projects to consider and manage, and this adds to the challenge of managing the Council's spending, investments and borrowing. We want to protect as much as possible the services people rely upon and to make the Lancaster District a great place in which to live. Our vision is that the Lancaster District

thrives as a vibrant regional centre. We are committed to making the most of our District's many attributes as a great place to live, work and visit.

- 1.3 Prior to the implementation of our budget proposals, the Council faces a small budget deficit for 2018/19 which rises to £0.9M in 2019/20 and £2.3M in 2020/21. In order to protect services as much as we can and be in a position to progress the major regeneration projects as and when that is appropriate, we need to focus on being a modern and forward-thinking Council, and consider innovative ways to generate income to support what we want to achieve, make the best use of our resources and assets, and design the organisation to respond to needs. Many of the budget proposals relate to these aspects.
- 1.4 As part of the provisional settlement, Government has announced changes to the council tax thresholds for local authorities. Cabinet has recommended an annual increase of 2.99%. This is in the light of our continued retention of the Localised Council Tax Support Scheme, which provides up to 100% support and helps mitigate the impact on low-income households.
- 1.5 This year Cabinet undertook a strategic review of the Council's existing priorities and services, including performance, as well as looking at options to innovate and modernise. We propose to focus on four themes during 2018-22, namely:
  - Clean and Safe Neighbourhoods
  - Healthy and Happy Communities
  - A Thriving and Prosperous Economy; and
  - An Ambitious and Forward-Thinking Council.

Budget proposals are presented in relation to these themes.

- 1.6 We have developed, prioritised and planned a programme of efficiencies, income generation and invest-to-save proposals. Many of the budget proposals focus on income generation and efficiency savings, as the Council needs to balance its budget for the medium term. Cabinet's strategy includes the use of reserves in the next two years, which it is hoped will both help us to achieve progress in our priority areas and lead to increased income to support our priority areas. Notable examples include the business case development for a solar farm, the clearance of land jointly owned by ourselves and Lancashire County Council at Heysham Gateway for industrial use, expansion of the facilities at Williamson Park, improving the public realm and modernising the waste collection service.
- 1.7 Cabinet is pleased to present its budget proposals to Council and welcomes constructive feedback.

## **2 PROCEDURAL MATTERS**

- 2.1 Under the Constitution, Cabinet has responsibility for making proposals to Council each year in respect of the Budget and Policy Framework.
- 2.2 Whilst this report seeks final decisions on council tax increases and this year's Revised Budget, Cabinet's detailed supporting proposals in respect of 2018/19



onwards are presented for initial consideration only. This is so that Council can feed its views and suggestions on budget matters back to Cabinet. Final proposals will be presented to Budget Council on 28 February.

- 2.3 To assist Council in its deliberations, the following are attached:
- The main sections of the General Fund Budget update report as considered by Cabinet at its January meeting are attached at **Annex 1**.
  - Cabinet's initial budget proposals have now been agreed for publication and they are included at **Annex 2**, allowing for the recommendations regarding council tax.
- 2.4 It should be noted from the attachments that various budget figures for 2018/19 onwards are still provisional. In particular, the Local Government Finance Settlement has not been finalised, nor has the review of Provisions, Reserves and Balances been completed.
- 2.5 At its meeting in January Cabinet also determined its budget proposals for the provision of council housing (as accounted for in the Housing Revenue Account or HRA). An update will be provided at Budget Council.

### 3 **DETAILS OF CONSULTATION**

- 3.1 Cabinet's General Fund budget proposals are to be considered by Budget and Performance Panel at its open meeting on 23 January. Any feedback will be fed into Council and Cabinet.

### 4 **OPTIONS AND OPTIONS ANALYSIS**

- 4.1 Options are very much dependent on Council's views regarding spending priorities balanced against council tax levels and what is affordable.
- Regarding the current year's budget (see section 2 of the report at Annex 1), the recommendation reflects the culmination of work done to date, and so no alternative options are put forward.
  - Regarding council tax, the main options are set out at section 6 of the report at Annex 1.
  - Regarding Cabinet's other budget proposals as reflected throughout Annex 2, Council is requested to give feedback at this stage. No final decisions are sought. As such, Council may indicate general support or otherwise for the proposals, and/or request Cabinet to consider other specific proposals or alternatives, having regard to preferred council tax levels, affordability, prudence, financial sustainability and what is actually deliverable.
- 4.2 Depending on the nature of any alternative proposals put forward by Council, Officers may need additional time to assess them fully prior to detailed consideration by Members. This is to ensure that relevant considerations are taken into account, to support informed and lawful decision-making.

**CONCLUSION OF IMPACT ASSESSMENT**

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

No additional impact identified – any specific issues have been (or will be) considered as part of the relevant aspect of the policy framework or individual budget proposals, etc.

**LEGAL IMPLICATIONS**

Legal Services have been consulted and have no further comments.

**FINANCIAL IMPLICATIONS**

As referred to in the report.

**OTHER RESOURCE IMPLICATIONS**

**Human Resources / Information Services / Property / Open Spaces:**

Various budget proposals have resource implications and these have been taken account of in Cabinet's consideration of budget options. Their implementation would be in accordance with council policies and procedures, as appropriate.

**SECTION 151 OFFICER'S COMMENTS**

The Local Government Act 2003 placed explicit requirements on the s151 Officer to report on the robustness of the estimates included in the budget and on the adequacy of the Council's reserves. Previous Cabinet reports have already included some relevant details of this advice, together with the risks and assumptions underpinning the budget process so far.

Council will note that Cabinet's initial budget proposals allow for £1.4M use of reserves, the bulk of which falls in 2018/19. Furthermore, it is possible that further one-off use of reserves will be needed, to address any capacity/programming needs attached to the various budget proposals. Work is underway to complete the review of all provisions, reserves and balances, particularly in light of any such extra capacity needs and for business rate income expectations – business rates may well have significant bearing on the Council's reserves position and future policy, and its budget expectations going forward. The final Settlement may also have bearing, as may the planned Canal Corridor North scheme, previously reported. The s151 Officer will take account of such matters in finalising her advice.

Nonetheless, at this stage it is reasonable to assume that sufficient reserves will be available to support Cabinet's budget proposals, on the basis that:

- as a result of their use, significant savings/income generation proposals will result; and
- during the course of next year, other budget proposals will be developed, including service reductions, as a contingency in the event that income generation and efficiency schemes do not generate sufficient savings to address the Council's ongoing budget deficit. This and other actions are in line with the changes to budget strategy approved by Cabinet in December 2017.

Full formal advice will be provided to Budget Council; this will allow the s151 Officer to consider whether there are any major shifts arising in the Council's financial risk profile, from the outstanding work outlined above.

In addition, the s151 Officer is responsible for ensuring that when setting and revising Prudential Indicators, including borrowing limits, all matters to be taken into account are reported to Council for consideration. The budget update to Cabinet (as attached) highlighted various expected regulatory developments regarding capital finance and treasury management matters. Clarity is awaited on exactly what changes are to be implemented and when. These too will be covered in the report to Budget Council.

**DEPUTY MONITORING OFFICER'S COMMENTS**

The Deputy Monitoring Officer advises that, in accordance with Council Procedure Rule 19.7, (which reflects the legal requirements), a recorded vote should be taken in respect of recommendation 1(ii), as this is a "budget decision" within the terms of the relevant legislation.

**BACKGROUND PAPERS**

None. Any public background information is already available through previous reports or the Government website.

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**Ref:**

## 1 INTRODUCTION AND STRATEGIC CONTEXT

- 1.1 In strategic terms, the main challenge of budget setting is to match priorities and corporate planning objectives against what is affordable financially. Local Government continues to face major funding reductions year on year, meaning that it needs to innovate and modernise, if it is to minimise the impact on future service provision for communities.
- 1.2 This report covers the financial implications of that work to date and the recent announcement of the provisional Local Government Finance Settlement, and gives an update on other key elements of budget setting in order that Cabinet can develop further its budget proposals.

## 2 GENERAL FUND BUDGET: SUMMARY POSITION

- 2.1 The table below pulls together the latest draft budget position, allowing for various base budget changes and other matters as outlined in sections 3 to 6 of this report. Figures for future years are still subject to change. Favourable variances are shown in brackets, whereas adverse variances are not. A more comprehensive summary is included at **Appendix A**.

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
<b>Net Spending / draft budget forecasts as reported in December:</b>	<b>16,105</b>	<b>16,400</b>	<b>17,003</b>	<b>18,755</b>	<b>19,523</b>
<b>Further Base Budget Changes:</b>					
Pay Offer	-	191	496	668	774
Salt Ayre Spa - Reduction in Net Income		95	62	36	-
Recovery of Revenues Court Costs - Additional Income	-	(60)	(61)	(62)	(63)
Additional New Homes Bonus Grant	-	(232)	(448)	(548)	(348)
Other Net Changes	(44)	(123)	(116)	(123)	(132)
<b>Updated Draft Budget Forecasts (Prior to any savings or growth proposals)</b>	<b>16,061</b>	<b>16,271</b>	<b>16,936</b>	<b>18,726</b>	<b>19,754</b>
Combined Government Funding and other financing adjustments per December Cabinet	(7,216)	(6,732)	(6,192)	(6,144)	(6,309)
Impact of Provn. Finance Settlement on Business Rates Funding Assumptions	-	(392)	(336)	(323)	(305)
<b>Updated Council Tax Requirements (Prior to any savings or growth proposals)</b>	<b>8,845</b>	<b>9,147</b>	<b>10,408</b>	<b>12,259</b>	<b>13,140</b>
<b>Resulting in:</b>					
<b>Estimated Budget Deficit/Savings Requirements</b>	<b>222</b>	<b>125</b>	<b>1,046</b>	<b>2,551</b>	<b>3,103</b>

2.2 A number of key points are highlighted:

- In December, the National Employers for Local Government made a two-year pay offer based on a 2% per year increase to higher graded staff, but also providing for higher increases and some restructuring of the lower end of the pay scale, in recognition of the introduction of the National Living Wage. The Employers' offer adds further significant pay pressure and also reiterates the need for the Council to address the outstanding pay and grading review.
- Following the opening of the Spa at Salt Ayre, net income forecasts have been reassessed, leading to the reductions as set out in the table. The changes arise following an analysis of trends during the period from opening in October 2017 to date. Whilst it is very early to consider reducing the original predictions it is considered prudent to enable realistic income targets to be achieved alongside implementing more robust performance measures for staff. A more detailed update will be provided as part of the Quarter 3 monitoring report, which is currently being produced.
- Income projections to cover court costs (in connection with local taxation recovery) have also been reviewed, to reflect charging policy and recent experience. Additional income is now forecast.
- The budget projections take account of the latest information or assumptions on various Government funding streams, and these have had a substantial positive impact on budget expectations. The main issues arising are expanded on in section 3 of this report. From around 2020 onwards, changes to local authority responsibilities and various specific funding streams are still expected as part of the overhaul of the local government finance system, but it is not clear what the potential impact might be, or when any changes might be implemented.
- Various other base budget adjustments have been made, to reflect the estimated costs and income for current operations and policies.
- Regarding planning fees, Government has very recently confirmed that the 20% increase will be implemented this month, and proposals regarding this will be reported through in February. The budget projections make no assumptions regarding any additional income, or its usage.
- Finally, as yet no assumptions have been made regarding Cabinet's proposals for balancing the budget, or for the review of provisions and reserves more generally.

2.3 Cabinet is requested to refer the resulting 2017/18 revised budget to Budget Council for approval. The net overspending of £222K represents 1.4% of the original net revenue budget.

2.4 Looking forward, in terms of council tax the budget forecasts assume a £5 year on year increase in line with current approved strategy. Options for council tax are set out in section 6 of this report.

2.5 The draft budget for 2018/19 currently stands at £16.271M, which is slightly higher than the original MTFS projection, but the funding changes coming through from the provisional Settlement more than offset that increase. After allowing for the Settlement, the budget deficit in next year is currently estimated at £125K, which represents an improvement of £387K from the MTFS position.

- 2.6 Thereafter, financial forecasts deteriorate. A savings requirement of £1.046M is forecast for 2019/20, rising to £3.103M by 2021/22.
- 2.7 To help tackle that outlook, there is a four-year focus for this budget strategy; it is not simply about balancing next year. Looking ahead, an annual savings target still in excess of £3M, coupled with the huge uncertainties around future local government finance reforms and in the context of other major national uncertainties such as those surrounding Brexit, poses an enormous challenge for the authority.
- 2.8 As was reported last year, budget deficits of that magnitude will not be addressed simply through efficiencies, income generation and trimming of services. Fundamental changes are needed to modernise and transform the Council, and very difficult decisions are needed to focus on what really is of high priority - and what isn't.
- 2.9 Whilst the Council does currently have a number of significant reserves and Balances available to it, these can only help during the period of transition and they do not provide a medium term or permanent solution. The Balances position is outlined later in section 4 of this report.

### **3 LOCAL GOVERNMENT FINANCE SETTLEMENT**

#### **3.1 General Matters**

- 3.1.1 Further to the Chancellor's Autumn Budget published on 22 November, the provisional Local Government Finance Settlement was announced on 19 December 2017 for consultation until 13 January. Detailed information and briefings are available on the various websites ([www.gov.uk](http://www.gov.uk) or [www.lga.gov.uk](http://www.lga.gov.uk)). This section provides an overview of Government funding matters for Members' information.
- 3.1.2 As expected, the provisional Settlement sets out figures for Revenue Support Grant (RSG) and baseline Business Rates to 2019/20, in line with the multi-year Settlement offer recently confirmed by Government. That helps to give some certainty going forward, at least in the medium term, but the Settlement did include other changes that were not anticipated. The significant ongoing funding reductions built in should not be overlooked, but nonetheless the provisional Settlement was better than expected.
- 3.1.3 To demonstrate those points the headline Settlement figures to 2019/20 are provided overleaf, together with updated Officer assumptions made for the years thereafter. Government has restated its intention to introduce major reforms to local government finance from 2020/21 onwards, now based on:
- 75% business rates retention, rather than 100% as previously planned; and
  - a Fair Funding Review to address local authority relative spending needs and resources.
- 3.1.4 A new technical consultation document has been issued on the funding review, and Government has extended the number of pilots to be run on 100% rates retention, to inform the shape of future arrangements. As reported previously, reforming local government finance is a massively complex task, especially when factoring in the review of local government responsibilities and needs/funding redistribution. Government's long-stated aims were for the reforms to be 'fiscally neutral' with implementation 'by the end of this Parliament'. There are significant risks of slippage,

or the review not being completed, and/or of future Settlements being radically different to the forecasts shown below, especially from 2020/21 onwards.

<b>Funding Forecasts</b>	<b>2018/19 £'000</b>	<b>2019/20 £'000</b>	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>
<b>Provisional Settlement:</b>				
Revenue Support Grant (RSG)	941	200	0	0
Business Rates (Baseline Funding)	5,518	5,641	5,765	5,892
<b>Settlement Funding Assessment</b>	<b>6,459</b>	<b>5,841</b>	<b>5,765</b>	<b>5,892</b>
<i>Year on Year Reductions/(Increase) in SFA (per Settlement):</i>	<i>£503K 7.2%</i>	<i>£618K 9.6%</i>	<i>£76K 1.3%</i>	<i>(£127K) (2.2%)</i>
<i>Reduction in SFA, comparing 2017/18 and 2021/22: £1.070M or 15.4%</i>				
<b>As Compared to the Approved MTFS: (March 2017)</b>				
<b>SFA Reductions against MTFS Forecasts</b>	<b>12</b>	<b>85</b>	<b>115</b>	<b>n/a</b>
<b>Other Business Rates Adjustments – <i>Tariff &amp; Safety Net</i></b>	<b>(404)</b>	<b>(421)</b>	<b>(438)</b>	<b>n/a</b>
<b>Overall Improvement against MTFS Forecasts</b>	<b>(392)</b>	<b>(336)</b>	<b>(323)</b>	<b>n/a</b>

- 3.1.5 When compared to the current MTFS, the overall improvement in prospects is mainly due to some adjustments proposed by Government in relation to the rating revaluation, which was implemented on 01 April 2017.
- 3.1.6 The proposed methodology for the changes works to the Council's advantage, meaning that the Council should be in a position to increase its forecasts for net retained business rates. Members may recall that because of the huge volatility experienced in the rating income collectable across the district, of late the Council has not been able to budget income at the higher baseline level as set out in the Settlement. Instead, its income forecasts have been based on the lower safety net threshold (set by Government at 92.5% of baseline, it being the guaranteed minimum income level retainable by the Council).
- 3.1.7 Work is underway to assess fully the impact of the Settlement and rating income estimates; councils have a statutory date of 31 January by which certain calculations must be completed and information provided to Government.
- 3.1.8 That work will also review the extent to which any rating windfalls from last year's outturn might be realised, as well as confirming prospects for the current year and future years – it is possible that some financial benefit might be gained in this year.

- 3.1.9 In the meantime, it is reasonable to expect that from 2018/19, the Council can budget rating income at the Government-set baseline level, rather than the lower safety net. Allowing for other adjustments, this improves the Council's annual budgetary position by well over £300K per year.
- 3.1.10 If these expectations hold good in the coming weeks, there would still be the future risk that if a major down turn in income arises (for example, from a power station outage), then the Council would fall back to safety net. The in-year risk would be managed through the forthcoming review of provisions and reserves, to be reported to Cabinet in February, alongside the outcome of the current work on business rates.
- 3.1.11 The budget also provides for extra retained rates income in relation to various renewable energy schemes. The estimates are currently the same as those reported in December.
- 3.1.12 Any further changes to business rate income forecasts will be reported in February, following the completion of statutory estimates and returns to Government due at the end of this month.

### 3.2 New Homes Bonus

- 3.2.1 The Settlement included significant announcements regarding New Homes Bonus and importantly, Government has decided not to implement all of its further proposed changes to the methodology. This is advantageous to the City Council.
- 3.2.2 Unfortunately, however, there is still no clarity on the long-term future of the NHB scheme for new housing growth after 2019/20. If it does continue, there is the risk that less resources will be allocated in future, with more funds being diverted into other areas (such as adult social care, as announced in last year's Settlement).
- 3.2.3 Recognising these risks, but also recognising that originally, much of the funding allocated through NHB was top-sliced from RSG (and everything remaining equal, those funds should flow back to local government in some form if NHB is discontinued), then for now it is assumed that new NHB allocations will continue beyond 2019/20, but that any new annual awards would amount to about 50% of current levels.
- 3.2.4 Based on the above assumptions, the following table highlights the estimated NHB now built into the budget projections.

	<b>NHB Estimate per MTFS £'000</b>	<b>NHB Updated Forecasts £'000</b>	<b>Improvement  £'000</b>
<b>2017/18</b>	1,854	1,854	-
<b>2018/19</b>	1,417	1,649	(232)
<b>2019/20</b>	1,360	1,808	(448)
<b>2020/21</b>	824	1,372	(548)
<b>2021/22</b>	n/a	1,172	n/a

- 3.2.5 For February the Council's core NHB planning assumptions may be updated again, if better information becomes available.



#### 4 PROVISIONS AND RESERVES (INCLUDING UNALLOCATED BALANCES)

- 4.1 Provisions and reserves (as set out at **Appendix B**) help the Council to deliver against its corporate priorities and manage the many financial risks it faces. A summary of these funds is shown below.

	31 March 18 £'000	Forecast Net Use during Year £000's	31 March 19 £'000	Forecast Net Use during Year £000's	31 March 20 £'000
General Fund Balances	(4,668)	-	(4,668)	-	(4,668)
Earmarked Reserves	(5,875)	263	(5,612)	199	(5,413)
<b>TOTAL</b>	<b>(10,543)</b>	<b>263</b>	<b>(10,280)</b>	<b>199</b>	<b>(10,081)</b>

*\*\* Allows for correct restatement of s106 Highways Reserve*

- 4.2 Under current legislation the Section 151 Officer is required to give explicit advice to Council on the minimum level of reserves and balances. This will be formalised in February, once full budget proposals are known. This will allow the s151 Officer to consider fully whether there are any major shifts in financial risk attached.

- 4.3 In terms of the position to date, key points are as follows.

##### 4.3.1 General Fund Balances

After allowing for this year's forecast net overspending, balances would amount to £4.668M by 31 March 2018. If advice on the existing minimum balance of £1.5M remains unchanged and the current year's outturn is as expected, surplus balances in the region of £3M would be available to support future years' budgets and provide capacity to help take the organisation forward.

These matters will be explored further in the coming weeks. As a recap and drawing on the Council's existing Medium Term Financial Strategy (MTFS), in broad terms the working principle is that surplus Balances would be used to help manage the risks, lead-in times and up-front investment costs associated with implementing savings measures.

##### 4.3.2 Earmarked Reserves

Various changes have been made to the transfers to and from these reserves in line with their current authorised use and as such, they are budget neutral. More substantial changes may be made in February. In particular, the Authority continues to hold substantial balances in the Invest to Save (£1.5M) and Restructuring (£0.5M). Advice on the adequacy and use of such reserves will also be influenced by Cabinet's budget proposals.

#### 5 GENERAL FUND CAPITAL PROGRAMME

- 5.1 Since December Cabinet, there have been a few comparatively minor changes made to the overall draft capital programme, mainly to reflect pricing/inflationary changes and external funding. The resulting draft capital position is summarised as follows

and a more detailed statement is included at **Appendix C**, for Cabinet's consideration.

	Gross Programme £'000	Change in Underlying Borrowing Need: CFR £'000
<b>Original 4-Year Programme (2017/18 to 2020/21)</b>	<b>25,192</b>	<b>11,552</b>
Changes reported to Cabinet 05 December	5,469	1,776
Further Changes:		
Bins & Boxes – Lease Buy-Out	50	50
Car Park Improvements	14	-
Disabled Facilities Grants	164	-
West End Properties – Top-Up Grants	11	-
Heysham Pool Grant ( <i>Cabinet 05 Dec 2017</i> )	36	-
ICT Renewals	33	33
Reduction in estimated funding from capital receipts	-	61
<b>Total Changes</b>	<b>5,777</b>	<b>1,920</b>
<b>Resulting 5-Year Draft Programme (to 2021/22)</b>	<b>30,969</b>	<b>13,472</b>

5.2 In due course there may other changes to consider with regard to the capital programme, linked to the development of Cabinet's budget proposals.

5.3 Furthermore, planned regulatory changes are likely to have bearing on strategic capital planning and investment; these were touched on in the recent Canal Corridor North report to Council. There are four aspects likely to change:

- Statutory Guidance on Local Authority Investments
- Statutory Guidance on Minimum Revenue Provision (i.e. capital financing changes)
- The Prudential Code for Capital Finance (including borrowing)
- The Treasury Management Code of Practice

5.4 Whilst these changes were planned to come into effect from the start of 2018/19, both Government and the Chartered Institute of Public Finance and Accountancy are understood to appreciate the impracticalities of this. It is therefore anticipated that a phased implementation would be acceptable. A further update will be provided in February.

## 6 LOCAL TAXATION

### 6.1 Collection Fund Position

6.1.1 The Collection Fund is the account into which all council tax and business rate income is payable, and from which precepts and other relevant payments are made to the County, Police, Fire and the City Council's own General Fund, as well as to Government for its share of business rates.

- 6.1.2 Legislation requires that separate estimates of any surpluses or deficits on the Collection Fund are made each year for council tax (15 January) and business rates (by 31 January).
- 6.1.3 Council tax income (i.e. the amount collectable) continues to rise in year. The increase is the net result of all the various changes that occur in the tax base, be they in relation to new homes being built, empty properties coming back into use, changes in LCTS awarded from that budgeted, and the myriad of other banding, discount and exemption changes that occur on a daily basis. Furthermore, actual collection is holding up reasonably well.
- 6.1.4 These factors account for the previously estimated surplus of around £150K on the council tax Collection Fund, based on Quarter 2 monitoring. That was prior to the recent flooding incident, however. The financial support provided to relevant affected households is expected to negate (or at least significantly reduce) the surplus previously forecast. Figures will be finalised in line with statutory requirements.
- 6.1.5 It is well documented that for business rates, the calculation of any surplus or deficit is more complicated primarily because of the impact of appeals. The 2017 revaluation added further complexities and opens up new risks; at this time the City Council has no firm information regarding outstanding appeals, for example. Nonetheless, the Collection Fund estimated position must be determined in line with the 31 January statutory deadline, and for reporting to Cabinet in February.

## 6.2 Council Tax: Options

- 6.2.1 Under the Localism Act, if an authority's council tax increase exceeds the principles set by the Secretary of State, then it must hold a local referendum.
- 6.2.2 As part of the provisional Settlement, Government has proposed changes to the thresholds for various types of authorities. In very simple terms this means that the following Band D council tax increases are permitted, without having to hold a referendum:
- Shire districts (Including the City Council): up to 2.99% or £5, whichever is the greater;
  - Authorities with adult social care responsibilities: up to 5.99%;
  - Police and Crime Commissioners: up to £12;
  - Most other authorities (including Fire): up to 2.99%
- 6.2.3 The changes provide a little more flexibility for the Council to increase its council tax rate. Should it wish to apply the maximum increase to help protect future service provision for the district, for 2018/19 an increase of 2.99% would increase the City Council's tax rate from £213.97 to £220.37(subject to rounding) for a Band D property.
- 6.2.4 The increase amounts to £6.40 or put another way, around 12 pence per week. The Council has very recently confirmed its Localised Council Tax Support Scheme for next year, which provides up to full support to cover any increase and this helps mitigate the impact on low-income households.
- 6.2.5 For years beyond 2018/19, Government has not published any specific thresholds, but it has said that it would review them in light of general inflationary pressures. Working assumptions are that a 2.99% threshold would continue to apply,

6.2.6 Drawing on the relevant points above, three basic options for council tax are presented, to demonstrate the impact of tax decisions. A 1% change in council tax would generally have around an £88K impact on the budget.

<b>Council Tax Basic Options</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Option 1:</b> Retain existing strategy: Maintain a steady increase of £5 per year to help protect service delivery, subject to confirmation of future referendum thresholds				
<i>Resulting Band D Tax Rate</i>	£218.97	£223.97	£228.97	£233.97
<i>% Increase</i>	2.3%	2.3%	2.2%	2.2%
<b>Net Savings Requirement</b>	<b>£125K</b>	<b>£1.046M</b>	<b>£2.551M</b>	<b>£3.103M</b>
<b>Option 2:</b> Maximise future increases to help protect service provision, subject to confirmation of future referendum thresholds				
<i>Resulting Band D Tax Rate</i>	£220.37	£226.96	£233.75	£240.74
<i>% Increase</i>	2.99	2.99	2.99	2.99
<b>Additional Income compared to Option 1</b>	<b>(£58K)</b>	<b>(£125K)</b>	<b>(£203K)</b>	<b>(£290K)</b>
<b>Resulting Net Savings Requirement</b>	<b>£67K</b>	<b>£921K</b>	<b>£2.348M</b>	<b>£2.813M</b>
<b>Total Additional Income over the 4-year period</b>				<b>£676K</b>
<b>Option 3:</b> Freeze council tax year on year, increasing the pressure to make savings on service delivery				
<i>Resulting Band D Tax Rate</i>	£213.97	£213.97	£213.97	£213.97
<b>Income Loss compared to Option 1</b>	<b>£206K</b>	<b>£418K</b>	<b>£636K</b>	<b>£858K</b>
<b>Resulting Net Savings Requirement</b>	<b>£331K</b>	<b>£1.464M</b>	<b>£3.187M</b>	<b>£3.961M</b>
<b>Total Income Loss over the 4-year period</b>				<b>£2.118M</b>

\*\* Note that the table has been updated regarding council tax rates for Options 1 and 2.

6.2.7 The table shows that:

- increasing council tax rates to 2.99% would generate extra income of £67K in next year, and year on year the additional income would increase. By 2021/22, the estimated annual increase in income would amount to £290K, giving total additional income of £676K over the four year period.
- Conversely, a council tax freeze would lose income of just over £200K in 2018/19, and this loss would continue to grow by a similar amount each year thereafter, for as long as rates continued to be frozen. If continued, by 2021/22 annual lost income would have increased to an estimated £858K. Across the whole four-year period, lost income would total over £2M.

- 6.2.8 In reality there are numerous other targets that may be considered for the period. Other options can be modelled, and Cabinet is requested to indicate in advance of the meeting if it requires this to be done.
- 6.2.9 Cabinet is now requested to decide what level of council tax increase to recommend for next year and what targets to propose for 2019/20 onwards. In doing so, Cabinet is advised to consider:
- the council tax threshold, above which a local referendum must be held;
  - subsequent years' general Government funding reductions and the need to make huge savings in future;
  - financial sustainability. In short, it is not possible to keep tax increases lower than planned, without increasing the budget shortfalls in 2018/19 and beyond. More savings cannot be delivered without having greater adverse impact on services and communities.
- 6.2.10 Cabinet is reminded that its council tax recommendation to Council for 2018/19 will be final, subject to Government's confirmation of the threshold. Targets for 2019/20 and beyond will be reviewed in future years, in accordance with the Medium Term Financial Strategy (MTFS).

## 7 **BALANCING THE BUDGET: CABINET'S BUDGET PROPOSALS**

- 7.1 Alongside council tax, Cabinet is requested to make recommendations regarding its supporting budget proposals for initial consideration by Council, in line with the updates to budget strategy approved by Cabinet at its meeting in December. As part of that overall strategy, Officers have identified various potential savings and other budget options and they have been presented informally to Cabinet's Briefings.
- 7.2 Cabinet's budget proposals should seek to put in place measures to balance the medium term budget as far as possible, but there will be another opportunity at the February meeting to make some further changes. Importantly, the Council has a statutory obligation to set a balanced budget for 2018/19.
- 7.3 It is also important to appreciate that any decisions taken during this budget on recurring items will have a bearing in future years, and so emphasis should be on securing recurring annual savings, rather than one-off measures. This is reflected in the current financial strategy, as is the Council's position on redirection of resources or growth, which is quoted below. Cabinet is advised to take account of this in considering any growth requests.

### ***Redirection of Resources ("Growth")***

*Any growth in a particular area will only be considered if it meets either of the following conditions:*

- *it is needed to meet statutory service standards; or*
- *it is essential to meet a key objective within Corporate Plan proposals arising...., for which there are no alternative providers or sources of funding available **and** sufficient progress has been made in adopting plans for addressing the medium to longer term budget deficit, so as to consider any*

*growth proposal affordable and sustainable in the medium to long term. This applies particularly to any recurring or high cost one-off growth proposals.*

- 7.4 Linked to this, the s151 Officer advises Cabinet (as she will advise Council) to work within existing financial strategy constraints and the approved budget strategy, to avoid adding unnecessary extra pressure onto the ongoing budget.
- 7.5 Separately, as touched on earlier there are a small number of items where the Council already has a specific commitment to consider various issues (good examples being Job Evaluation and Canal Corridor). Cabinet is advised to take into account such matters when developing its budget proposals.
- 7.6 Once Cabinet's budget proposals are determined they will be reflected in the draft Corporate Plan, for Council's due consideration. Similarly the s151 Officer's formal advice will be finalised.

## **8 DETAILS OF CONSULTATION**

- 8.1 Cabinet's budget proposals are due to be considered by Budget and Performance Panel at its meeting on 23 January, prior to Council. Thereafter, various internal and public sessions are being planned, covering both corporate planning and budget proposals.

## **9 OPTIONS AND OPTIONS ANALYSIS (INCLUDING RISK ASSESSMENT)**

- 9.1 Options are dependent very much on Members' views on spending priorities balanced against council tax levels. As such, a full options analysis could only be undertaken once any alternative proposals are known and it should be noted that Officers may require more time to do this. Outline options are highlighted below, however.
- Regarding council tax, the basic options are set out at section 6 of the report. Other alternative options can be modelled at Cabinet's request.
  - With regard to including savings and growth options to produce a budget in line with preferred council tax levels, any proposals put forward by Cabinet should be considered affordable, alongside the development of priorities. Emphasis should be very much on the medium to longer-term position.
- 9.2 Under the Constitution, Cabinet is required to put forward budget proposals for Council's consideration, in time for them to be referred back as appropriate. This is why recommendations are required to feed into the Council meeting [in late January], prior to the actual Budget Council [at the end of February].

## **10 OFFICER PREFERRED OPTION AND COMMENTS**

- 10.1 Generally Officer preferred options are reflected in the recommendations, with the exception of council tax.
- 10.2 In view of the level of savings still needed in future years, the ongoing impact that council tax decisions have, the Council's current financial strategy, its ambition for the district and the fact that the Council is not yet clear about how and when it will achieve a financially sustainable budget, the Officer preferred option for council tax is to

increase year on year increases up to the referendum thresholds (i.e. 2.99% for next year), subject to confirmation of those limits. Ultimately, however, the setting of council tax is a matter for Members.

**11 CONCLUSION AND IMPLICATIONS FOR THE FUTURE**

11.1 The Council's financial challenges continue and in order to protect its future sustainability, as well as balancing next year's budget, the Council must put in place transformational plans and building blocks to address its forecast medium to longer term deficit, building in flexibility to respond to any major changes in its outlook – there are still some fundamental uncertainties around this, linked to the timing and outcome of Government's planned finance reforms.

<p><b>RELATIONSHIP TO POLICY FRAMEWORK</b> The budget should represent, in financial terms, what the Council is seeking to achieve through its Policy Framework.</p>	
<p><b>CONCLUSION OF IMPACT ASSESSMENT</b> <b>(including Diversity, Human Rights, Community Safety, Sustainability etc)</b> See <b>Appendix D</b> for equality impact assessment. There are no other implications directly arising in terms of the corporate nature of this report – any implications would be as a result of specific decisions on budget proposals affecting service delivery, etc.</p>	
<p><b>FINANCIAL AND OTHER RESOURCE IMPLICATIONS</b> As set out in the report.</p>	
<p><b>SECTION 151 OFFICER'S COMMENTS</b> The section 151 Officer has prepared this report, and her comments and advice are reflected accordingly. Her advice on all relevant matters will be expanded upon once Cabinet's budget proposals are known.</p>	
<p><b>LEGAL IMPLICATIONS</b> Legal Services have been consulted and have made no comments.</p>	
<p><b>MONITORING OFFICER'S COMMENTS</b> The Monitoring Officer has been consulted and has no further comments.</p>	
<p><b>BACKGROUND PAPERS</b> None. Any public background information is already available through previous reports or the Government website.</p>	<p><b>Contact Officer: Nadine Muschamp</b> <b>Telephone: 01524 582117</b> <b>E-mail: nmuschamp@lancaster.gov.uk</b></p>

## General Fund Revenue Budget Projections 2017/18 to 2021/22

BUDGET PROJECTIONS	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000 <i>NEW</i>
<b>Original Revenue Budget / Forecast</b>	<b>15,839</b>	<b>16,200</b>	<b>16,481</b>	<b>17,887</b>	<b>19,523</b>
<b>Changes to Budget Projection - Cabinet 05 December</b>	266	200	522	868	
<b>Base Budget Changes after Cabinet 05 December</b>					
Pay Award		191	496	668	774
Salt Ayre Leisure Centre - Net Spa Income		95	62	36	0
Revenues - Court Costs		(60)	(61)	(62)	(63)
New Homes Bonus Grant		(232)	(448)	(548)	(348)
Other net changes across all services	(44)	(123)	(116)	(123)	(132)
<b>General Fund Revenue Budget</b>	<b>16,061</b>	<b>16,271</b>	<b>16,936</b>	<b>18,726</b>	<b>19,754</b>
Settlement Funding Assessment:					
Revenue Support Grant	(1,605)	(941)	(200)	0	0
Retained Business Rates - Baseline Funding	(5,357)	(5,518)	(5,641)	(5,765)	(5,892)
Business Rates - Safety Net Adjustment	401				
Business Rates - Tariff Adjustment	280	300	307	313	320
Renewable Energy Income	(935)	(965)	(994)	(1,015)	(1,042)
Estimated Collection Fund Surplus	-	0	-	-	-
<b>Council Tax Requirement</b>	<b>8,845</b>	<b>9,147</b>	<b>10,408</b>	<b>12,259</b>	<b>13,140</b>
<b>Estimated Council Tax Income - (Based on current MTFS of £5 per year)</b>	<b>8,623</b>	<b>9,022</b>	<b>9,362</b>	<b>9,708</b>	<b>10,037</b>
<b>Latest Base Budget Deficit</b>	<b>222</b>	<b>125</b>	<b>1,046</b>	<b>2,551</b>	<b>3,103</b>
<i>Original MTFS Savings Requirement</i>	-	512	994	2,103	
<i>Change</i>	<b>+222</b>	<b>(387)</b>	<b>+52</b>	<b>+448</b>	

General Fund Unallocated Balance	
BALANCES	£M
<b>Original Projected Balance as at 31 March 2017</b>	<b>(4.476)</b>
Budgeted Contribution	(0.165)
2016/17 Actual Underspend	(0.249)
2017/18 Forecast Overspend	+0.222
<b>Projected Balance as at 31 March 2018</b>	<b>(4.668)</b>
<b>Less Agreed Minimum Level of Balances</b>	<b>1.500</b>
<b>Available Balances</b>	<b>(3.168)</b>



## General Fund Reserves Statement (Including Unallocated Balances)

	31 March 2017	From Revenue	To / (From) Capital	To Revenue	31 March 2018	From Revenue	To / (From) Capital	To Revenue	31 March 2019	From Revenue	To / (From) Capital	To Revenue	31 March 2020	From Revenue	To / (From) Capital	To Revenue	31 March 2021	From Revenue	To / (From) Capital	To Revenue	31 March 2022	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
<b>Unallocated Balances</b>	(4,725,029)			57,100	(4,667,929)				(4,667,929)				(4,667,929)				(4,667,929)				(4,667,929)	
<b>Earmarked Reserves:</b>																						
<b>Business Rates Retention</b>	(381,458)			381,458	0																	
<b>Budget Support</b>		(1,000,000)	36,000	331,800	(632,200)	0	0	134,900	(497,300)	0	0	62,600	(434,700)	0	0	44,900	(389,800)	0	0	46,600	(343,200)	
<b>Canal Corridor</b>		(400,000)	0	283,000	(117,000)	0	0	79,000	(38,000)	0	0	38,000	0	0	0	0	0	0	0	0	0	
<b>Capital Support</b>	(451,510)	(81,300)	137,000	0	(395,810)	0	99,000	0	(296,810)	0	0	0	(296,810)	0	0	0	(296,810)	0	0	0	(296,810)	
<b>Corporate Property</b>	(417,506)	(99,000)	59,000	63,000	(394,506)	0	0	15,000	(379,506)	0	0	0	(379,506)	0	0	0	(379,506)	0	0	0	(379,506)	
<b>Economic Growth</b>		(500,000)	25,000	239,900	(235,100)	0	0	121,700	(113,400)	0	0	93,200	(20,200)	0	0	0	(20,200)	0	0	0	(20,200)	
<b>Elections</b>	(40,000)	(40,000)	0	0	(80,000)	(40,000)	0	0	(120,000)	(40,000)	0	160,000	0	(40,000)	0	0	(40,000)	(40,000)	0	0	(80,000)	
<b>Homelessness</b>	(94,475)	(6,600)	0	0	(101,075)	(6,600)	0	0	(107,675)	(10,100)	0	0	(117,775)	(10,100)	0	0	(127,875)	(10,100)	0	0	(137,975)	
<b>Invest to Save</b>	(1,820,257)	0	0	314,300	(1,505,957)	0	0	0	(1,505,957)	0	0	0	(1,505,957)	0	0	0	(1,505,957)	0	0	0	(1,505,957)	
<b>Local Plan</b>	(150,293)	0	0	94,600	(55,693)	0	0	55,693	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Morecambe Area Action Plan</b>	(29,430)	0	0	7,800	(21,630)	0	11,000	0	(10,630)	0	0	0	(10,630)	0	0	0	(10,630)	0	0	0	(10,630)	
<b>Renewals Reserves</b>	(857,100)	(479,300)	654,000	233,700	(448,700)	(479,300)	282,000	62,900	(583,100)	(479,300)	229,000	126,400	(707,000)	(479,300)	63,000	29,200	(1,094,100)	(479,300)	60,000	29,200	(1,484,200)	
<b>Restructure</b>	(550,125)	(19,000)	0	49,800	(519,325)	0	0	0	(519,325)	0	0	0	(519,325)	0	0	0	(519,325)	0	0	0	(519,325)	
<b>S106 Commuted Sums - Open Spaces</b>	(76,513)	0	0	20,900	(55,613)	0	0	16,600	(39,013)	0	0	15,600	(23,413)	0	0	11,800	(11,613)	0	0	11,800	187	
<b>S106 Commuted Sums - Affordable Housing</b>	(231,500)				(231,500)				(231,500)				(231,500)				(231,500)				(231,500)	
<b>S106 Commuted Sums - Highways, Cycle Paths etc. *</b>	(332,141)	(594,100)	0	8,300	(917,941)	(350,000)	254,000	6,700	(1,007,241)	(150,000)	0	154,400	(1,002,841)	0	0	0	(1,002,841)	0	0	0	(1,002,841)	
<b>Welfare Reforms</b>	(265,571)	0	0	172,000	(93,571)	0	0	0	(93,571)	0	0	0	(93,571)	0	0	0	(93,571)	0	0	0	(93,571)	
<b>Reserves Held in Perpetuity:</b>																						
<b>Graves Maintenance</b>	(22,200)				(22,200)				(22,200)				(22,200)				(22,200)				(22,200)	
<b>Marsh Capital</b>	(47,700)				(47,700)				(47,700)				(47,700)				(47,700)				(47,700)	
<b>Total Earmarked Reserves</b>	(5,767,779)	(3,219,300)	911,000	2,200,558	(5,875,521)	(875,900)	646,000	492,493	(5,612,928)	(679,400)	229,000	650,200	(5,413,128)	(529,400)	63,000	85,900	(5,793,628)	(529,400)	60,000	87,600	(6,175,428)	
<b>Total Combined Reserves</b>	(10,492,808)				(10,543,450)				(10,280,857)				(10,081,057)				(10,461,557)				(10,843,357)	

\* Allows for correct restatement of s106 Highways Reserve

# General Fund Capital Programme

Service / Scheme	2017/18			2018/19			2019/20			2020/21			2021/22			5 YEAR PROGRAMME		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Total Gross Programme	Total External Funding	Total Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Environmental Services</b>																		
Vehicle Renewals	2,105,000		2,105,000	1,234,000		1,234,000	1,371,000		1,371,000	1,886,000		1,886,000	515,000		515,000	7,111,000	0	7,111,000
Bins & Boxes Scheduled Buy-Outs	100,000		100,000			0			0			0			0	100,000	0	100,000
Car Parks Improvement Programme	110,000		110,000			0			0			0			0	110,000	0	110,000
Happy Mount Park - Pathway Replacements	0		0			0	112,000		112,000			0			0	112,000	0	112,000
Bay Cottage Play Area	47,000	(40,000)	7,000			0			0			0			0	47,000	(40,000)	7,000
CCTV	85,000		85,000			0			0			0			0	85,000	0	85,000
Grosvenor Park Play Area	54,000	(54,000)	0			0			0			0			0	54,000	(54,000)	0
<b>Health and Housing</b>																		
Disabled Facilities Grants	1,103,000	(1,103,000)	0	3,179,000	(3,179,000)	0	1,607,000	(1,607,000)	0	1,607,000	(1,607,000)	0	1,607,000	(1,607,000)	0	9,103,000	(9,103,000)	0
Residual Adactus Top Up Grant	11,000		11,000			0			0			0			0	11,000	0	11,000
Heysham School Capital Funding	36,000		36,000			0			0			0			0	36,000	0	36,000
Salt Ayre Sports Centre - Redevelopment	1,251,000		1,251,000			0			0			0			0	1,251,000	0	1,251,000
<b>Regeneration and Planning</b>																		
Sea & River Defence Works & Studies	4,488,000	(4,488,000)	0	1,423,000	(1,423,000)	0	3,000	(3,000)	0	3,000	(3,000)	0	3,000	(3,000)	0	5,920,000	(5,920,000)	0
Amenity Improvements (Morecambe Promenade)	10,000		10,000	14,000		14,000			0			0			0	24,000	0	24,000
Lancaster Square Routes	0		0	45,000	(26,000)	19,000			0			0			0	45,000	(26,000)	19,000
Morecambe TH12: A View for Eric	51,000	(39,000)	12,000	525,000	(399,000)	126,000			0			0			0	576,000	(438,000)	138,000
MAAP Improving Morecambe's Main Streets	294,000		294,000	148,000		148,000	300,000		300,000			0			0	742,000	0	742,000
Lancaster District Empty Homes Partnership	60,000		60,000	89,000		89,000			0			0			0	149,000	0	149,000
Bay Arena Improvements	11,000	(8,000)	3,000			0			0			0			0	11,000	(8,000)	3,000
Cable Street Christmas Lights	0		0	30,000		30,000			0			0			0	30,000	0	30,000
S106 Highways Works	0		0	200,000		200,000			0			0			0	200,000	0	200,000
<b>Resources</b>																		
ICT Systems, Infrastructure & Equipment	478,000		478,000	320,000		320,000	143,000		143,000	389,000		389,000	250,000		250,000	1,580,000	0	1,580,000
Corporate Property Works	1,361,000		1,361,000	2,794,000		2,794,000			0			0			0	4,155,000	0	4,155,000
Energy Efficiency Works	393,000		393,000	348,000		348,000			0			0			0	741,000	0	741,000
<b>GENERAL FUND CAPITAL PROGRAMME</b>	<b>12,048,000</b>	<b>(5,732,000)</b>	<b>6,316,000</b>	<b>10,349,000</b>	<b>(5,027,000)</b>	<b>5,322,000</b>	<b>3,536,000</b>	<b>(1,610,000)</b>	<b>1,926,000</b>	<b>3,885,000</b>	<b>(1,610,000)</b>	<b>2,275,000</b>	<b>2,375,000</b>	<b>(1,610,000)</b>	<b>765,000</b>	<b>32,193,000</b>	<b>(15,589,000)</b>	<b>16,604,000</b>
<b>Financing :</b>																		
Capital Receipts			(1,081,000)			0			0			0			0			(1,081,000)
Direct Revenue Financing			(146,000)			(3,000)			0			0			0			(149,000)
Earmarked Reserves			(767,000)			(634,000)			(378,000)			(63,000)			(60,000)			(1,902,000)
<b>Increase / (Reduction) in Capital Financing Requirement (CFR) (Underlying Change in Borrowing Need)</b>			<b>4,322,000</b>			<b>4,685,000</b>			<b>1,548,000</b>			<b>2,212,000</b>			<b>705,000</b>			<b>13,472,000</b>

## General Fund Revenue Budget Projections 2017/18 to 2024/25

BUDGET PROJECTIONS	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Indicative Projections						
General Fund Revenue Budget - Provisional	16,269	16,946	18,726	19,754	20,493	20,904	21,323
Less: Settlement Funding & Business Rates Income	(7,124)	(6,528)	(6,466)	(6,614)	(6,758)	(6,903)	(7,054)
Resulting Council Tax Requirement	9,145	10,418	12,260	13,140	13,735	14,001	14,269
Target Council Tax Requirement (per MTFS £5 increase)	9,022	9,362	9,708	10,037	10,371	10,710	11,054
Additional Council Tax from a 3% Increase	58	127	205	294	394	506	630
Latest Budget Deficit / (Surplus)	65	929	2,347	2,809	2,970	2,785	2,585

SAVINGS PROPOSALS (including any up-front development costs)	No.		Capital Investment	Reserves Funding	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25						
					£'000	£'000	£'000	£'000	£'000	£'000	£'000						
<b>A THRIVING &amp; PROSPEROUS ECONOMY</b>																	
<b>Key Regeneration &amp; Infrastructure Projects</b>																	
	1	Heysham Gateway - Site Improvement Works		£320K	320	Savings will be subject to the outcome of further work/business cases, to be reported for consideration in 2018/19.											
<b>Environmental Sustainability</b>																	
	2	Solar Farm Design and Business Case Development		£200K	200												
<b>AMBITIOUS &amp; FORWARD-THINKING COUNCIL</b>																	
<b>Best Use Of Digital &amp; Other Technology</b>																	
	3	Waste Collection Management Systems (to achieve scheduling efficiencies)		£138K	138	Savings will be subject to the outcome of further work/business cases, to be reported for consideration in 2018/19.											
	4	ICT Network Performance Monitoring and Improvement		£30K	30							(6)	(6)	(7)	(7)	(8)	(8)
	5	Extension of CCTV to Public Buildings (security savings)	TBC		(17)							(25)	(26)	(26)	(27)	(28)	(29)
<b>Financial Resilience, Making Best Use of Resources</b>																	
	6	Extension of Cable Street Car Park	£35K		(9)	(16)	(16)	(16)	(16)	(16)	(16)						
	7	Extension of Half Moon Bay Car Park	£60K		-	(17)	(17)	(18)	(18)	(19)	(19)						
	8	Management of St.George's Quay Car Park	£7K		(10)	(15)	(16)	(16)	(17)	(17)	(18)						
	9	Vehicle Fleet Review	£50K		(27)	(11)	(12)	(12)	(13)	(13)	(14)						
	10	Review of Council Tax Discounts and Exemptions			-	(92)	(94)	(96)	(98)	(100)	(102)						
	11	Room Hire / Events Review			-	(10)	(17)	(17)	(18)	(18)	(19)						
	12	Registry Office Review			-	(27)	(27)	(27)	(27)	(27)	(27)						
	13	Other Land & Buildings Review			-	Savings will be subject to the outcome of further work/business cases, to be reported for consideration in 2018/19.											
	14	Morecambe Concessions Review			-												
	15	Accommodation Review			-												
	16	Depot Relocation			-	Savings will be subject to the outcome of further work/business cases, to be reported for consideration in 2018/19.											
	17	Williamson Park Facilities Expansion - Design & Business Case Development	£210K		210												
	18	Repair and Maintenance of Corporate Property (savings on reactive m'tce)			(82)							(42)	(41)	(43)	(43)	(45)	(45)
	19	Rationalisation of Organisational Development Capacity (currently vacant posts)			(77)	(78)	(79)	(80)	(81)	(82)	(83)						
	20	Bulky Waste Collection - Service and Charging Review			(20)	(20)	(21)	(21)	(22)	(22)	(22)						
	21	Continuation of Internal Audit Collaboration & Restructure			(26)	(11)	(11)	(9)	(6)	(3)	(3)						
	22	Revenues & Benefits Shared Service Savings			(45)	(45)	(45)	(45)	(45)	(45)	(45)						
	23	Extension of Charging for Planning Services			(5)	(5)	(5)	(5)	(5)	(5)	(5)						
	24	Financial Processes - Efficiency Review			-	Savings will be subject to the outcome of further work/business cases, to be reported for consideration in 2018/19.											
	25	Insurance Review			-												
	26	Access to Services (including Opening Hours) Review			-												
	27	Mail Services Review (reducing need, hybrid mail systems, distribution)			-	Savings will be subject to the outcome of further work/business cases, to be reported for consideration in 2018/19.											
	28	Development of Business Cases for Local Authority Trading Companies (LATCs)			-												
		- Salt Ayre	£75K		75												
		- Commercial Waste & other Environmental Services operations			-												
<b>Sub Total</b>			<b>£0.152M</b>	<b>£973K</b>	<b>655</b>	<b>(420)</b>	<b>(433)</b>	<b>(438)</b>	<b>(443)</b>	<b>(448)</b>	<b>(455)</b>						
<b>Funding From Reserves</b>					→ (973)												
<b>Net Savings</b>					<b>(318)</b>	<b>(420)</b>	<b>(433)</b>	<b>(438)</b>	<b>(443)</b>	<b>(448)</b>	<b>(455)</b>						

<b>INDICATIVE NET (SURPLUS) / SAVINGS TO BE IDENTIFIED C/FWD</b>	<b>(253)</b>	<b>509</b>	<b>1,914</b>	<b>2,371</b>	<b>2,527</b>	<b>2,337</b>	<b>2,130</b>
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INDICATIVE NET (SURPLUS) / SAVINGS TO BE IDENTIFIED B/FWD		(253)	509	1,914	2,371	2,527	2,337	2,130	
<b>GROWTH PROPOSALS</b>	<b>No. A THRIVING &amp; PROSPEROUS ECONOMY</b>	<b>Reserves Funding</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
		<b>Inclusive Growth, Skills &amp; Economic Development</b>							
		Business and Skills		40	-	-	-	-	-
		Marketing		75	-	-	-	-	-
		Inclusive Growth		22	12	-	-	-	-
	29	Community Wealth Building	£31K	23	2	2	2	2	-
		Archaeological Site Specialist Consultancy & Funding		25	50	-	-	-	-
		Morecambe Area Action Plan		-	50	-	-	-	-
		Morecambe Bay Collaborative Projects		25	-	-	-	-	-
	30	Museums Development Plan (early recruitment of Museums Manager)	£17K	17	-	-	-	-	-
		<b>CLEAN &amp; SAFE NEIGHBOURHOODS</b>							
		<b>Stewardship of Public Space</b>							
	31	Improving Public Realm - Cleansing/Enforcement	£153K	58	79	16	-	-	-
		<b>AMBITIOUS &amp; FORWARD-THINKING COUNCIL</b>							
		<b>Best Use Of Digital &amp; Other Technology</b>							
	32	Legal Case Management System (to help modernisation of service)		20	4	4	4	4	4
	33	Access to Council meetings - Audio Recording of Meetings		4	4	4	4	4	4
		<b>Designing Organisation to Respond to Needs</b>							
	34	Commercial & Digital Leadership Capacity (Assistant Chief Executive post)	£180K	71	109	-	-	-	-
	Potential Costs re above (pension/redundancy)	£29K	-	29	-	-	-	-	
35	Review of Council Constitution - modernising governance	£20K	20	-	-	-	-	-	
36	Improving Learning and Development - through digital approach		17	17	17	18	18	19	
37	Improving Learning and Development - supporting staffing capacity needs		25	36	38	40	41	42	
38	Re-investment of Planning Fee Income for Service Improvement (net growth)		-	-	-	-	?	?	
	<b>Total Growth</b>	<b>430</b>	<b>442</b>	<b>392</b>	<b>81</b>	<b>68</b>	<b>69</b>	<b>69</b>	<b>70</b>
	<b>Less Funding from Reserves</b>		<b>(189)</b>	<b>(219)</b>	<b>(18)</b>	<b>(2)</b>	<b>(2)</b>	<b>0</b>	<b>0</b>
	<b>Net Cost of Growth</b>		<b>253</b>	<b>173</b>	<b>63</b>	<b>66</b>	<b>67</b>	<b>69</b>	<b>70</b>
<b>REMAINING NET SAVINGS TARGET</b>			<b>0</b>	<b>682</b>	<b>1,977</b>	<b>2,437</b>	<b>2,594</b>	<b>2,406</b>	<b>2,200</b>

**FOR NOTING: TOTAL FUNDING FROM RESERVES ALLOWED FOR**

	2018/19	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000	£'000
Funding for Feasibility Studies/Business Cases	(973)				
Funding for One-Off Growth Proposals	(189)	(219)	(18)	(2)	(2)
	<b>(1,162)</b>	<b>(219)</b>	<b>(18)</b>	<b>(2)</b>	<b>(2)</b>
				<b>Cumulative Total</b>	<b>(1,403)</b>

## 2018 to 2022 BUDGET PROCESS

### SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

1

**SERVICE: Regeneration & Planning**
**PROPOSAL: Heysham Gateway – Demolition & Removal of Tanks**

The proposal covers the early demolition and removal of four former final product tanks at Heysham Gateway which are jointly owned by Lancashire County Council in order to produce a 7 acre development site suitable for industrial uses, and

- Further site surveys to complete the area;
- A water catchment study;
- High level drainage design;
- Transport assessment;
- Further ecology work;
- Detailed master planning incorporating the above information.

Undertaking the removal of the tanks in conjunction with the development of the adjacent GVS site (disposal approved by Cabinet in August 2017) will mean that the demolition waste (crushed bricks, concrete, soil etc) can be utilised to raise ground levels on the GVS site. This will save circa £0.5m which represents the total additional cost of removing the demolition of arisings from site and taking them to a treatment facility. Once cleared the site will be suitable for a range of industrial uses and will generate a substantial capital receipt. It is estimated that the site would be worth £700K after completion of the works, and if sold 50% (£350K) would be retained by the City Council. Therefore, future savings could be generated by using the receipt to fund the capital programme, thereby reducing the need for unsupported borrowing - savings still to be quantified.

The additional survey works listed above relate to Phase 2 and will also facilitate gaining maximum benefits from the wider Heysham Gateway area.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Demolition & Removal of arisings	900,000			
Savings from reusing arising on site	(500,000)			
10% contingency / engineers fees	40,000			
Less 50% County Council contribution	(220,000)			
<b>Sub Total</b>	<b>220,000</b>			
Phase 2 - Drainage & Site Surveys / LRRP costs	100,000			
<b>Total</b>	<b>320,000</b>			

**TIMESCALE FOR COMPLETION OF FEASIBILITY STUDY FROM BUDGET COUNCIL 28 FEB 2018:**

4 Months

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Support from Legal Services the Property Group in terms of the land disposal. Financial Services will also have an involvement from a capital monitoring point of view.

**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**

The two key potential risks are that the costs exceed £900K and that the site remains unsold once the works are completed.

**FINANCE / S151 COMMENTS:**

The accounting treatment of costs, in terms of whether they are capital or revenue, is still to be determined.

Arrangements are underway to identify any internal service support requirements, and to address programming.

## 2018 to 2022 BUDGET PROCESS

### SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

2

**SERVICE:** Environmental Services

**PROPOSAL:** Solar Farm Design & Business Case Development

Plans for a solar farm at Middleton had previously been developed but did not proceed due to it becoming no longer financially viable as a result of the Government reducing the tariffs. Since then the cost of solar panels etc have reduced and other technology has developed (e.g. battery storage). It is now proposed to revisit proposals to see if they are again financially viable.

The cost of undertaking the detailed design and business case development into the solar farm is estimated to be £200K.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Design & Business Case Development	200,000			
<b>Total</b>	<b>200,000</b>			

**TIMESCALE FOR COMPLETION OF FEASIBILITY STUDY FROM BUDGET COUNCIL 28 FEB 2018:**

Feasibility work will be undertaken in 2018/19.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

External specialised support will be required to undertake the feasibility work.

**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**

That the business case is not eventually viable.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming. The accounting treatment of up-front design costs would be kept under review (in that eventually, some or all costs may be capitalised).

## 2018 to 2022 BUDGET PROCESS

### SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

3

**SERVICE: Environmental Services – Waste & Recycling**
**PROPOSAL: Waste Collection Management Systems**

Household waste and trade waste collection rounds are still planned and routed manually. The majority of logistics companies and many other Councils now use electronic route optimisation software to help ensure routes are planned as efficiently as possible.

Planning the best way to deliver a collection service to 60,000 households will provide efficiencies / capacity which can then be used to a) cover new properties b) further increase our share of the trade waste market. It is also proposed to include technology in each refuse collection vehicle that will link with the route software and replace the current paper systems crews have to deal with. This will increase efficiency, reduce missed bins, improve customer service (e.g. provision of real time information)

Initial efficiencies from the route optimisation could generate additional income of around £30K per annum (not included below). Consideration is also being given to establishing a Local Authority Trading Company (LATC) solely for the Trade Waste function. Establishment of such a company is being looked at in relation to another savings proposal, therefore there would be no additional costs at this stage.

Members should also be aware of the challenges that are faced nationally with regards to the need to reduce the amount of waste produced and the need to move away from plastics etc. County Council (as the waste disposal authority) and Districts are currently looking at the best strategy to address this. Depending on the strategy it is expected that in the medium term this will translate into decisions needing to be taken on how the Council delivers its collection services (which could involve investment).

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Software - initial purchase and implementation	108,400			
Additional staffing re implementation	30,000			
On-going annual licence fee		44,300	45,300	46,300
Assumed Efficiency Savings		(44,300)	(45,300)	(46,300)
<b>Total</b>	<b>138,400</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TIMESCALE FOR DESIGN, TESTING & IMPLEMENTATION FROM BUDGET COUNCIL 28 FEB 2018:**

TBC

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

ICT, administrative and supervisor support time required to configure the system. Changes would impact on users, potentially changes to collections, frequency of collections. Initial changes to collections could result in an increase in calls. Long terms reduction in calls as live information will be available to customer services and the operational support team.

Purpose of the software is to look at the most efficient routes whilst coping with the demands of an ever-changing operation. It is unknown at this time but hoped that this will impact on numbers of vehicles potentially producing operational savings.

The software would also be made available to other services within the Council, for instance the re-optimisation of street cleaning and grounds maintenance schedules could be incorporated within its use.



**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**

The key risk is that efficiencies are not generated as a result of the software and that the planned additional crew and vehicle are still required from 2019/20 onwards. Should this be the case then continued use of the software would need to be reviewed in light of the on-going £45K annual licence fee. If it was considered that existing rounds were as efficient as possible and that we had saturated the trade refuse market this option would not have been put forward.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.

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**2018 to 2022 BUDGET PROCESS**  
**SAVINGS PROPOSAL**

4

**SERVICE: Resources - ICT**

**PROPOSAL: ICT Network Performance Monitoring & Improvement**

Many users will accept slightly poor performance of technology without reporting this to the ICT Service Desk. Over time this can have a significant cumulative adverse impact on performance and ultimately, the services that the Council provides. Software has recently been trialled, to determine how the proactive monitoring of users' experience could improve productivity and reduce the need for related ICT staffing support.

The software showed that efficiency gains could be achieved in several areas which, when combined, would generate efficiencies across all services to the public and businesses. For example, by monitoring variations in software performance for corporate applications across different areas of the Council, as well as login times and overuse of resources on PCs, the ICT team can pro-actively identify and implement solutions, reducing the need for reactive support.

Furthermore, when responding to Service Desk calls, the ICT team would have more information to hand about the experience the user is getting and so would be able to resolve any problems more quickly and effectively - also supporting the case for reducing staffing support. The proposal is based on one full time equivalent (FTE) post reduction from 2019/20 onwards. In terms of user productivity, it is estimated that saving just one hour per user per year would give an efficiency saving value of £16,000 per year (note though this is not a realisable budget saving).

The proposal would also assist in the rolling hardware refresh by identifying PCs and other devices that need to be replaced (and those that do not), thereby improving value for money and facilitating further budgetary savings (not quantifiable at this stage). It would also allow us to swap underused high performance PCs for overused low performance PCs across the Council.

The proposal would also identify all third party software running on the network, even being accessed from the cloud – thereby facilitating ICT security.

Overall, the proposal seeks to improve and modernise aspects of ICT service support, through the appropriate use of technology.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

<b>ESTIMATED REVENUE COSTS/(SAVINGS)</b>				
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Experience monitoring software installation	15,000			
Experience monitoring software licences	15,000	15,300	15,700	16,000
Saving in ICT staffing (based on 1 FTE post)		(20,900)	(22,000)	(22,800)
<b>Total</b>	<b>30,000</b>	<b>(5,600)</b>	<b>(6,300)</b>	<b>(6,800)</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**  
**ESTIMATED LEAD-IN:** 2 Months      **IMPLEMENTATION DATE:** May 2018

**SCHEME INVESTMENT NEEDED:** £30,000      **PAYBACK:** 5 years  
**CAPITAL/REVENUE:**  
 Revenue.

**BASIS OF INCOME PROJECTIONS** *(If not clear from above):*

Savings are based on salary plus direct on-costs (circa 28%) for National Insurance and Pension Fund contributions.

**BASIS OF COST PROJECTIONS** *(If not clear from above):*

Staffing includes salary and 28% overheads to cover National Insurance and Pension Fund contributions.

**POTENTIAL RISKS INHERENT IN FINANCIAL ASSUMPTIONS:**

Failure to achieve benefits from system usage (and therefore losing the ability to make staffing savings without having an adverse service impact), to be mitigated through management arrangements.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

No specific support requirements.









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**2018 to 2022 BUDGET PROCESS**  
**SAVINGS PROPOSAL**

9

**SERVICE:** Environmental Services – Business Support

**PROPOSAL:** Vehicle Fleet Review

The Council currently has a vehicle fleet which consists of 143 vehicles which are further supplemented by hired vehicles. Of the hired vehicles, 6 represent pool cars and 5 are hired seasonally for the grounds maintenance team. The remaining 9 vehicles are on annual hire agreements.

Following a fleet review which took place in 2017, it was found that better use could be made of the vehicle fleet. Of the 9 vehicles on annual hire agreements, 2 could be off-hired (\*Salt Ayre & Public Realm), one reduced to seasonal hire (Public Realm) and two purchased outright (Public Realm & RMS) which would provide a more cost effective approach over a six year ownership period.

Additionally, due to the success of the pool car scheme, the proposal is to purchase, outright, five of the six pool cars and replace two with electric variants after a successful trial in October 2017. This capital investment will provide a more cost effective approach for the Council, whilst contributing to a reduction in fuel usage and carbon emissions.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Vehicle R&M/Fuel	(5,100)	(5,100)	(5,100)	(5,100)
Vehicle Hire Costs	(21,500)	(22,000)	(22,500)	(23,000)
Revenue financing (MRP)	0	15,900	15,900	15,900
<b>Total</b>	<b>(26,600)</b>	<b>(11,200)</b>	<b>(11,700)</b>	<b>(12,200)</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**

**ESTIMATED LEAD-IN:** 1 Month

**IMPLEMENTATION DATE:** April 2018

**SCHEME INVESTMENT NEEDED:** £107,000      **PAYBACK:** 6 Years

**CAPITAL/REVENUE:** Upfront capital investment, assumed to be funded from unsupported borrowing to be repaid over 6 years – cost shown as revenue financing in above table.

**BASIS OF INCOME PROJECTIONS** *(If not clear from above):*

N/A

**BASIS OF COST PROJECTIONS** *(If not clear from above):*

N/A

**POTENTIAL RISKS INHERENT IN FINANCIAL ASSUMPTIONS:**

The main risk is that fuel prices increase and negate that element of any potential saving.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Support would be required from Financial Services.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.





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**2018 to 2022 BUDGET PROCESS**  
**SAVINGS PROPOSAL**

**11**

**SERVICE:** Resources - Property Group

**PROPOSAL:** Room Hire/ Events Review

The restructure of Property Group undertaken during 2017 created a new Hospitality Team with the primary aim of increasing the net income generated through room bookings at Lancaster Town Hall and the Storey. With this dedicated resource in place, combined with annual reviews of hire rates, there is the opportunity to generate additional income year on year.

Works are due to start shortly on the Ashton Hall and ancillary facilities in Lancaster Town Hall and this will impact on income generation potential in the short term, as reflected in the proposal.

Once the Team is established during the course of 2018/19, the next stage of development will cover linking the wider corporate offer, with the aim of increasing net income generation further in future years, for the 2019/20 budget process and beyond.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Projected Increase in Income	0	(10,000)	(16,700)	(17,100)
<b>Total</b>	<b>0</b>	<b>(10,000)</b>	<b>(16,700)</b>	<b>(17,100)</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**

**ESTIMATED LEAD-IN:** 12 months      **IMPLEMENTATION DATE:** April 2019

**SCHEME INVESTMENT NEEDED:** £N/A    **PAYBACK:** N/A

**CAPITAL/REVENUE:** N/A

**BASIS OF INCOME PROJECTIONS** *(If not clear from above):*

Based on broad estimate of additional income potential.

**BASIS OF COST PROJECTIONS** *(If not clear from above):*

N/A

**POTENTIAL RISKS INHERENT IN FINANCIAL ASSUMPTIONS:**

1. Following the restructure, recruitment to various hospitality and facilities posts is currently underway, to provide the capacity to attract new bookings and increase demand. Delays have been experienced in establishing the new team (through recruitment for example) and this has had some adverse impact in the current year. This proposal assumes that those difficulties will be overcome for next year.
2. No provision has been made for any other building works, other than those currently planned and budgeted.
3. A general assumption has been made that general demand for events spaces does not decline and the Council's rates remain competitive with the competition.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Support from various services, including marketing and communications.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.

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**2018 to 2022 BUDGET PROCESS**  
**SAVINGS PROPOSAL**

**12**

**SERVICE:** Resources - Property Group

**PROPOSAL:** Registry Office Review

Under a historical agreement the Council currently lets 4 Queen Street in Lancaster to the County Council for a nominal sum of £200 pa. Further to the County and the City Council's asset management reviews, discussions are ongoing, seeking to relocate the Registry Office into Lancaster Town Hall at an appropriate point, giving the registry office access to Town Hall facilities and making the Town Hall a more attractive location for wedding receptions. Should this be achieved, then the Queen Street property would be available either for disposal or for re-let at a full market rent – or alternatively, negotiations would be undertaken with the County Council, to secure an ongoing market rental. Final decisions on the detail of the proposal would be submitted to Cabinet for decision during 2018/19.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Increased Rental Income	0	(27,000)	(27,000)	(27,000)
<b>Total</b>	<b>0</b>	<b>(27,000)</b>	<b>(27,000)</b>	<b>(27,000)</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**

**ESTIMATED LEAD-IN:** 12 months (est.)

**IMPLEMENTATION DATE:** April 2019 (est.)

**SCHEME INVESTMENT NEEDED:** TBC

**PAYBACK:**

**CAPITAL/REVENUE:** Some capital works required should Registrars relocate to Lancaster Town Hall.

**BASIS OF INCOME PROJECTIONS** *(If not clear from above):*

Based on current reviews regarding rental potential of the Queen Street property.

**BASIS OF COST PROJECTIONS** *(If not clear from above):*

N/A – negotiations to be progressed to inform any costs.

**POTENTIAL RISKS INHERENT IN FINANCIAL ASSUMPTIONS:**

Risks regarding reaching agreement with the County Council regarding relocation and/or new rental terms. Whilst there is confidence that an annual saving can be achieved, the form (and exact level) of that saving is not yet certain.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Input from Legal, Finance Services, Customer Services etc. would be required.  
 Timing would need to be considered in context of any other works at LTH.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.

## SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

SERVICE: Resources – Property Group

## PROPOSAL: Other Land &amp; Buildings Review

Other opportunities for income generation and savings will arise through the Council's asset management review. For example, the Council holds the following sites within the area covered by the Bailrigg Garden Village proposal. Both of these plots could be sold as part of that development proposal, should it go ahead:

1. Land at Burrow Beck with an alternative use value of c£7M
2. Land adjacent to Scotforth Cemetery with an alternative use value of c£5M

If realised, these capital receipts could be used to reduce the Council's annual borrowing requirement for the capital programme. It is estimated that savings of £475K per annum could be achieved by 2021/22.

Any proposals regarding the sale of such assets would be presented to Cabinet for decision. In terms of the above examples, planning requirements will clearly have a significant bearing on eventual market values.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

## BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
None at this stage.				
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## TIMESCALE FROM BUDGET COUNCIL 28 FEB 2018:

TBC

## AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:

The main service input will be from Legal, Financial Services, Planning & Regeneration and Property.

## POTENTIAL RISKS INHERENT IN THE PROPOSAL:

The market values and prospects for sale are not guaranteed; they depend upon progression of the Local Plan and the Garden Village proposals (although the sale of some land could still be achieved subject to wider Local Plan progression, should the Garden Village not proceed).

Regarding any disposal as part of the Garden Village development, the Council, like all other landowners, would be subject to negotiations relating to planning requirements and equalisation agreements, and the implications of these are not yet known.

## FINANCE / S151 COMMENTS:

Arrangements are underway to identify any internal service support requirements, and to address programming.

## SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

SERVICE: Environmental Services – Public Realm

## PROPOSAL: Morecambe Concessions

The Council currently owns the following properties which are leased out for catering functions:

Clock Tower Café - £3.7K per annum, lease expires September 2017

West End Gardens - £5.8K per annum, lease expires August 2018

Stone Jetty Café - £8.25K per annum, lease expires October 2020

5 x Promenade Ice Cream concession pitches - £10.6K

TOTAL £57.35K per annum

In addition, the Council also leases a concession for catering at Happy Mount Park - £29K per annum, lease expires April 2032.

This proposal is to explore options for bringing the operation in-house at an earlier date than the expiry of the lease, and to also explore the possibility of introducing Council run ice cream vans in Morecambe.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

## BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
None at this stage				
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TIMESCALE FROM BUDGET COUNCIL 28 FEB 2018:** It is not possible to quantify the timescale at this stage, however planning is based around the lease expiry dates set out above.

In parallel with this work is taking place to establish whether there would be an advantage to delivering this via an LATC.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Input would be required from Financial Services, HR, Legal, ICT, Property Services and Regeneration & Planning.

**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**

If the operations were to be brought in-house, then the main risk going forward would be that the Council generates less net income from the operation than the income it currently receives from the concession.

Officers will draw on the experience of the successful running of the Williamson Park café, however a fully costed business case will be prepared to determine viability before proceeding.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.

**SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE**

**SERVICE:** Resources – Property Group

**PROPOSAL:** Accommodation Review

A review of corporate office accommodation is currently underway and although the outcome has yet to be determined, a likely scenario would be the disposal of at least one of the larger corporate buildings.

In addition, reductions in mileage allowances could result, as well as other efficiencies, as staff would be located across fewer sites – productivity benefits would be achieved.

Ultimately, Cabinet/Member approval would be needed for the disposal of any corporate buildings; a full business case needs to be worked up. Future accommodation requirements need to be driven by expected service needs and take account of other developments in how the Council will work in future, through digital and other transformational developments.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
None identified at this stage (re business case development).				
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TIMESCALE FOR COMPLETION OF REVIEW FOLLOWING BUDGET COUNCIL 28 FEB 2018:** TBC

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**  
 Input from Legal, ICT, Finance and HR, and all services affected, would be required.

**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**  
 Lack of buy-in for any proposed rationalisation of accommodation, to be mitigated through producing robust business case and stakeholder engagement (primarily through Cabinet Liaison Group).  
 Disruption to services may result from the various relocations that would be required.  
 Property market risks - there would need to be market interest in any buildings to be disposed of, either through leasehold or freehold disposal, to ensure their appropriate future use and to avoid any ongoing liabilities.  
 Other key risks to be considered through development of business case.  
 Risk of abortive work and costs, if project does not come to fruition.

**FINANCE / S151 COMMENTS:**  
 Arrangements are underway to identify any internal service support requirements, and to address programming.

## SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

SERVICE: Resources – Property Group

## PROPOSAL: Depot Relocation

The proposal is to undertake a review of White Lund Depot (WLD) accommodation, with a view to relocating Environmental Services to their preferred location near the Middleton Waste Transfer Station.

This would free up WLD for redevelopment or disposal. Rebuild costs could be kept to a minimum by:

- relocating as many office based staff as practically possible into existing corporate buildings, thus limiting the cost of construction to cheaper utility facilities, and
- building on existing City Council land in the Heysham Gateway area thus avoiding the costs of acquisition.

Further operational efficiency savings would be expected, but these cannot yet be quantified.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

## BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
None identified at this stage (re business case development).				
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

TIMESCALE FOR COMPLETION OF REVIEW FOLLOWING BUDGET COUNCIL 28 FEB 2018: TBC

## AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:

Input from Environmental Services, Legal, ICT, Finance and HR would be required. Identification of a new depot site can be incorporated in the Heysham Gateway Master Plan. Likewise any consideration of alternative uses for the existing site could feed into a future regeneration strategy for the White Lund Estate led by the Regeneration and Planning Service.

## POTENTIAL RISKS INHERENT IN THE PROPOSAL:

One Public Estate (a public sector property initiative) is currently looking into a potential review of Depots countywide with the Highways England. At this stage it appears unlikely that the requirements of each organisation involved will align but there is a very small risk that a wider and more joined up solution could be identified during the course of this project should it gain traction.

Disruption to services may result from any relocation.

Property market risks - there would need to be market interest in any land/buildings to be disposed of, either through leasehold or freehold disposal, to ensure their appropriate future use and to avoid any ongoing liabilities. However, there is known demand for small commercial premises on the White Lind estate and a general shortage of supply.

Other key risks to be considered through development of business case.

Risk of abortive costs and work, if project does not come to fruition.

## FINANCE / S151 COMMENTS:

Arrangements are underway to identify any internal service support requirements, and to address programming.

**SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE**

**SERVICE:** Environmental Services – Public Realm

**PROPOSAL:** Williamson Park Facilities Expansion

Investment in Williamson Park to make the Park a top regional attraction and generate additional income for the Council.

The café has seen increased footfall in each of the last 7 years. The building is failing to meet this demand due to sizing/capacity issues with limited expansion options within the current structure. There is still opportunity to further grow the business. This will be foregone if investment is not made.

An initial feasibility study has been completed in regards to building a new structure on the current site and this would include a café, retail, toilets, education suites, wedding/conference centre – estimated cost £4M. An outdoor unique offer would complement this and the vision would be to include a “Lost Castle” or Treetop trail to increase day visitors (and income) to the facility – estimated cost £1M.

Longer term view of the project is to allow Williamson Park to become self-financing. Currently, the operation is subsidised by over £200K per annum, but it is hoped this development could generate net additional income in excess of £250K per annum.

A fully costed and detailed business case/development plan is required in order for this proposal to be taken forward. The estimated cost of commissioning this work would be £210K, and would take 6 months to complete.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

<b>BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)</b>				
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Consultancy, Design & Feasibility Study	210,000			
<b>Total</b>	<b>210,000</b>			

**TIMESCALE FOR COMPLETION OF FEASIBILITY STUDY/BUSINESS CASE FROM BUDGET COUNCIL  
 28 FEB 2018:**

A procurement exercise for a design and build ‘Lost castle’ type attraction will be undertaken early in 2018. This will then be presented for consideration along with the supporting business case to the Council during the course of 2018/19.

A design competition for a café / conference / wedding centre will be undertaken in 2018/19. This will provide the basis of the costs of detailed design / construction / associated fees etc which will be used to inform the overall business plan. This will then be presented for consideration to the Council for decision during 2018/19.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Support required from Financial Services, Property, Planning and HR. Details to be determined.

**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**

The main risk is that the business case does not prove viable.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.



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**2018 to 2022 BUDGET PROCESS**  
**SAVINGS PROPOSAL**

**18**

**SERVICE:** Resources - Property Group

**PROPOSAL:** Repair & Maintenance of Corporate Properties

As a direct result of the capital works undertaken over the last 5 years and the resulting improvement in the general condition of council property, budgetary savings are proposed on reactive repairs and maintenance (R&M) from next year onwards.

An 80/20 ratio of planned to reactive maintenance is aimed for going forwards; it is an unrealistic expectation to eliminate reactive maintenance completely. The baseline annual R&M budget for corporate property, covering planned, routine and reactive maintenance, would be in the region of £470K, after adjusting for this savings proposal.

Note that this saving is net of other savings taken in R&M, to support other service developments (e.g. handyman, asset management, review of County collaboration agreement etc). These savings increase beyond 2018/19, hence there is less scope for additional savings in those years.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Repair and Maintenance	(82,300)	(41,500)	(41,300)	(43,300)
<b>Total</b>	<b>(82,300)</b>	<b>(41,500)</b>	<b>(41,300)</b>	<b>(43,300)</b>

**FOLLOWING BUDGET COUNCIL – 01 MARCH 2018**

**ESTIMATED LEAD-IN:** 1 Month

**IMPLEMENTATION DATE:** April 2018

**SCHEME INVESTMENT NEEDED:** £N/A

**PAYBACK:** N/A

**CAPITAL/REVENUE:** N/A

**BASIS OF INCOME PROJECTIONS** *(If not clear from above):*

N/A

**BASIS OF COST PROJECTIONS** *(If not clear from above):*

N/A

**POTENTIAL RISKS INHERENT IN FINANCIAL ASSUMPTIONS:**

By definition, reactive spending needs cannot be accurately forecast, and furthermore, Property Group are in the process of commissioning new condition surveys that will set out planned maintenance requirements over the next 5 years and the survey results may identify further pressures. To help manage these risks, funds will be retained in the Corporate Property Reserve (review to be undertaken by the s151 Officer in February).

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

No additional needs identified.



## 2018 to 2022 BUDGET PROCESS SAVINGS PROPOSAL

20

**SERVICE: Environmental Services – Waste & Recycling**
**PROPOSAL: Bulky Waste Collection – Service & Charging Review**

Bulky Household waste collection scheme costs the Council £74K per annum. The current system has been in operation for over 10 years now and has been copied as an example of best practice. However, this does not mean that there are no other options available. The plan would be to establish what other options may be available - with the aim being to reduce the subsidy provided to the service.

Initial savings and efficiencies of circa £20K are anticipated from a review of the operation and charges.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Income and efficiency savings	(20,000)	(20,000)	(21,000)	(21,000)
<b>Total</b>	<b>(20,000)</b>	<b>(20,000)</b>	<b>(21,000)</b>	<b>(21,000)</b>

**TIMESCALE FROM BUDGET COUNCIL 28 FEB 2018:** There will initially be a review of charges for the service and a drive to delivery efficiencies from the existing arrangement.

Further options for the service from 2019/20 will be developed during 2018/19.

**BASIS OF INCOME PROJECTIONS** *(If not clear from above):*

N/A

**BASIS OF COST PROJECTIONS** *(If not clear from above):*

N/A

**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**

Timing / implementation risk, and resistance to any pricing changes and operational changes – but considered manageable.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Services input and timescales are still to be determined.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.

## 2018 to 2022 BUDGET PROCESS SAVINGS PROPOSAL

21

SERVICE: Resources - Internal Audit

**PROPOSAL: Continuation of Internal Audit Collaboration & Restructure**

Continuation of current pilot collaboration with Wyre Borough Council, with some in-house restructuring to ensure that the service is fit for purpose going forward, allowing also for an apprenticeship opportunity (shared with Financial Services). Note that this proposal is subject to consideration by Audit Committee in February 2018.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Cost of Service Agreement (Wyre BC)	20,300	20,700	21,100	21,500
Apprenticeship	6,300	21,500	22,700	23,200
Other Net Staffing Changes (incl. deletion of vacant manager post)	(52,600)	(53,200)	(54,800)	(53,700)
<b>Total</b>	<b>(26,000)</b>	<b>(11,000)</b>	<b>(11,000)</b>	<b>(9,000)</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**

**ESTIMATED LEAD-IN:** 1 Month      **IMPLEMENTATION DATE:** April 2018

**SCHEME INVESTMENT NEEDED:** N/A      **PAYBACK:** N/A

**CAPITAL/REVENUE:** N/A

**BASIS OF INCOME PROJECTIONS** *(If not clear from above):*

N/A

**BASIS OF COST PROJECTIONS** *(If not clear from above):*

Staffing includes salary and 28% overheads to cover National Insurance and Pension Fund contributions.

**POTENTIAL RISKS INHERENT IN FINANCIAL ASSUMPTIONS:**

Timing and ability to recruit, pay inflation.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

No significant impact on other services. Consultation with HR is underway.

## 2018 to 2022 BUDGET PROCESS SAVINGS PROPOSAL

22

**SERVICE: Resources - Revenues & Benefits**
**PROPOSAL: Shared Service Savings**

The shared service continues to achieve efficiencies year on year, through service transformation and with better use of existing technology. Progression of this agenda will generate £45K in savings for each member authority from 01 April 2018 onwards. This would be achieved primarily through natural turnover.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19 £	2019/20 £	2020/21 £	2021/22 £
Reduction in Management Fee (recharged from Preston City Council, as host authority)	(45,000)	(45,000)	(45,000)	(45,000)
<b>Total</b>	<b>(45,000)</b>	<b>(45,000)</b>	<b>(45,000)</b>	<b>(45,000)</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**
**ESTIMATED LEAD-IN:** 1 Month      **IMPLEMENTATION DATE:** April 2018

**SCHEME INVESTMENT NEEDED:** £N/A      **PAYBACK:** N/A

**CAPITAL/REVENUE:** N/A

**BASIS OF INCOME PROJECTIONS** *(If not clear from above):*

Primarily through natural turnover / deletion of vacant posts.

**BASIS OF COST PROJECTIONS** *(If not clear from above):*

N/A

**POTENTIAL RISKS INHERENT IN FINANCIAL ASSUMPTIONS:**

The main risk is a reduction in the quality of service and/or performance, where the service fails to deliver desired outcomes. This is considered a low risk and is mitigated through continuous review of staffing resources and ways of working to ensure the service remains fit for purpose.

Realistic targets are set and in terms of resilience, contingency plans are in place to make additional resources available from the partner authority should there be a time of crisis.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Liaison with Financial Services – no other support required. This savings proposal does not impact upon other internal services.

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**2018 to 2022 BUDGET PROCESS**  
**SAVINGS PROPOSAL**

**23**

**SERVICE:** Regeneration & Planning

**PROPOSAL:** Extension of Charging for Planning Services

The provision of expert advice on the management of trees is consistent with pre application advice on planning applications. It enables members of the public to pay for consultations with the tree officer to avoid potentially negative decisions on applications to undertake work on protected trees.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

ESTIMATED REVENUE COSTS/(SAVINGS)				
	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Additional Fee Income	(5,000)	(5,100)	(5,200)	(5,400)
<b>Total</b>	<b>(5,000)</b>	<b>(5,100)</b>	<b>(5,200)</b>	<b>(5,400)</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**  
**ESTIMATED LEAD-IN:** 1 month      **IMPLEMENTATION DATE:** April 2018

**SCHEME INVESTMENT NEEDED:** £N/A      **PAYBACK:** N/A

**CAPITAL/REVENUE:** N/A

**BASIS OF INCOME PROJECTIONS** *(If not clear from above):*  
 As above – the projections have taken into account realistic fee-setting based upon (limited) other examples throughout the country.

**BASIS OF COST PROJECTIONS** *(If not clear from above):*  
 N/A

**POTENTIAL RISKS INHERENT IN FINANCIAL ASSUMPTIONS:**  
 That the scheme will not be popular and that there will be limited, or no demand for this additional service.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**  
 Financial Services: In terms of assistance with fees and charges elements.

## SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

SERVICE: Resources – Financial Services

## PROPOSAL: Financial Processes Review

Building on other efficiency developments in terms of payroll administration and processing, the Repair and Maintenance Service's Development Plan and the recent upgrading of income management and other financial systems, a programme of other transactional process efficiency reviews is being developed, to streamline processes and deliver greater VFM.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

## BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
None identified at this stage.				
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

TIMESCALE FOR REVIEW FROM BUDGET COUNCIL 28 FEB 2018: TBC

## AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:

The main service input will be from Financial Services, but input will be required from various other services and the results of the review will impact across all council services.

## POTENTIAL RISKS INHERENT IN THE PROPOSAL:

None at this stage – to be appraised as part of the review.

## FINANCE / S151 COMMENTS:

Arrangements are underway to identify any internal service support requirements, and to address programming.

## SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

SERVICE: Resources – Financial Services

## PROPOSAL: Insurance Review

An initial review of insurance arrangements is currently underway in collaboration with Wyre BC. This will be completed by April 2018, at which stage it is anticipated that options will be determined in order to generate future savings.

At present, the current Insurance Long Term Agreement for insurance cover is not due for re-tender until 2020, therefore it is not envisaged that any significant savings can be achieved in the interim – unless the agreement were to be broken by the insurers.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

## BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
None identified at this stage.				
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TIMESCALE FOR REVIEW FROM BUDGET COUNCIL 28 FEB 2018:** The initial review will be completed by April 2018.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

The main service input will be from Financial Services. However, it is possible that other key services who have the bulk of insurance claims (Environmental Services & Council Housing) may be required to provide input into the review.

**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**

None at this stage.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.



## SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

**SERVICE:** Resources – Property Group

**PROPOSAL:** Access to Services (including Opening Hours) review

This is primarily an access to services issue, but the property implications are being used to highlight it.

Currently the main administrative buildings are serviced to support staff being able to work between the hours of 7.30 am to 7.30pm, in line with HR policy (flexible working hours). Subject to business needs, net savings could be achieved through reducing this bandwidth, allowing for evening meetings. (Currently, as standard the buildings are open to the public between 9am to 5pm).

Also, Christmas opening arrangements could also be reviewed, to consider extending closure (and therefore reduce running costs at what tends to be a very quiet time business-wise). It is understood that this arrangement has been successfully introduced at some other authorities including Wyre and Preston.

As there are significant implications for staff and customers, an initial review would need to be undertaken to determine whether the benefits are sufficient to warrant progression to the next stage. It is recognised that public access needs differ, depending on the service being sought.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
None identified at this stage.				
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TIMESCALE FOR COMPLETION OF INITIAL REVIEW FOLLOWING BUDGET COUNCIL 28 FEB 2018:**  
TBC

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Would need to be led from business need / customer HR perspective – it is not primarily about property.

**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**

To be identified as considered as part of any initial review. There are numerous service delivery and staff relations risks, with a variety of views that would need to be managed.

To demonstrate, regarding Christmas closing specifically, it may be seen either as a retrograde step in service delivery, or as a step linked to customer channel shift, reflecting the changing needs of our customers who want to access general services differently, and lower customer demand more generally.

Regarding any change to working hours bandwidth, this may be seen as responding to reflect business need, or as reducing the working benefits and flexibilities afforded to staff.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.

## 2018 to 2022 BUDGET PROCESS

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## SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

SERVICE: Resources – Property Group

PROPOSAL: Mail Services Review (reducing need, hybrid mail systems, distribution)

The proposal is to introduce a hybrid mail facility for general mail services across the Council, to generate savings in printing and postage.

Under a Hybrid Mail system, the Council would generate electronic files of documents that require mailing by post. The electronic data would then be transferred securely to an external mail company, to print and post out. This approach already exists in some specific service areas, including Revenues and Benefits for all their mail, and Democratic Services for voting purposes.

The proposal also fits with the digital agenda, which should reduce the need for physical mail delivery in the first place. Mail distribution would also been reviewed. The Council spends well over £100K per year directly on printing, postage and distribution of general mail.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

## BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
None identified at this stage.				
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TIMESCALE FOR COMPLETION OF BUSINESS CASE FOLLOWING BUDGET COUNCIL 28 FEB 2018:**  
TBC

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Input from all services would be required, with specific input and support from ICT and Democratic Services in terms of the current distribution arrangements (and drawing on the experience of the Revenues and Benefits shared service).

**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**

The biggest risk is in respect of cultural change. If the transition is not accepted or the project managed effectively then it will fail to achieve the desired outcomes.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any other internal service support requirements, and to address programming.

## SAVINGS PROPOSAL – SUBJECT TO BUSINESS CASE

**SERVICE:** Environmental Services / Health & Housing

**PROPOSAL:** Development of Business Cases for Local Authority Trading Companies (LATC's)

The proposal is to develop business cases for the establishment of LATC's in respect of Salt Ayre Leisure Centre and Commercial Waste, and other Environmental Services operations.

The LATC would be wholly owned by the Council and it would be a requirement for it to be entirely consistent with the Council's corporate and strategic objectives. The Council would be the sole member of the LATC and will therefore retain direct control.

However, the LATC would operate at arms length to the Council, and potentially recruit particular skill sets to the board (company limited by guarantee).

There are some potential financial benefits to the Council by creating a LATC which include the ability to generate annual savings against NNDR. This could result in a net gain of circa £115K per annum based on current valuation, although the exact saving would be determined as part of the feasibility work.

In addition, the LATC will be eligible for VAT relief on sporting activities and this position may benefit the Council overall in respect of reclaiming VAT on exempt activities.

Further exploration of the financial implications of setting up a LATC would form part of the proposed feasibility work.

It is estimated it will cost £75K to develop such a proposal in respect of Salt Ayre for the procurement of legal advice and other specialist expertise. It is anticipated that this could then be used to develop proposals for other Environmental Services functions.

Efficiency Saving  Service Reduction  Income Generation  Invest to Save

**BREAKDOWN OF ESTIMATED COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
External Consultancy	75,000			
<b>Total</b>	<b>75,000</b>			

**TIMESCALE FOR CREATION OF AN LATC FROM BUDGET COUNCIL 28 FEB 2018:**

It is anticipated that the business case an LATC for Salt Ayre would be progressed first within a period of six months.

The learning from this would inform the timescale for other LATC's for Environmental Services.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Key services required would be: Legal, Human Resources, Financial Services and Property.

A project team would be required with representation from the above services with input needed for 6 months.

There would be a need to appoint a legal specialist to work with officers to ascertain the basis on which the LATC would be established and similarly specialist leisure knowledge with experience of setting up an LATC.

**POTENTIAL RISKS INHERENT IN THE PROPOSAL:**

In relation to Salt Ayre Leisure Centre the approach would be to mitigate risks where possible by engaging the services of specialist legal support (UK renowned within the Leisure Sector) and similarly support from a Leisure specialist with specific experience of undertaking such transfers previously.

Whilst it is not possible to set out comprehensively all risks that would might apply to this project within this note by way of example some potential areas are listed below:

Concerns from staff both at SALC and other services about how working within an LATC affects staff. Perceptions of unequal or more favourable treatment of staff transferring to an LATC. This will be addressed through a comprehensive communications plan.

The provision of central services support to the LATC would need review and agreement.

Complex issues around the terms and conditions of pay including pensions. There would need to be a detailed review of the pension implications.

Risk that the Council's de minimis level is breached as a result of the in house operation significantly increasing revenue compared to previous year.

Recruitment of external/ community Board members with the right skills may prove difficult. However, this is risk is low as evidence from the recent community pools transfers would suggest there are experienced, knowledgeable individuals resident in the locality.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any other internal service support requirements, and to address programming.



**REDIRECTION FROM OTHER BUDGETS** – *Where else from within the Services could this proposal be funded from?* None identified.

External funding projects such as Coastal Communities and Heritage Lottery Funding to be bid for where appropriate.

Efficiency savings by reductions in other areas within the economic development function have been rejected in previous budget rounds since 2013. This approach would result in a reduction in other economic development services in order to support these new areas of activity.

Deferment would slow the pace of engaging in proactive activity. Following the Council's earlier investment a number of activities are now underway including: an evidence base for the Economic Strategy; a Vision and Place Narrative; investment in business support services; some Place marketing and promotion of the area at the local and national level; business events and exhibitions. Some staff appointments have now been made with a final key post to follow. As a result of additional resource now available, specific work is underway to identify and address business space requirements.

These proposals cover the costs of the next stage of re-establishing economic development functions and supporting key projects.

**PERFORMANCE MEASURES/OUTPUTS** *(e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):*

Performance measures will be introduced to measure success in all of these areas. These are likely to include jobs, skills and qualifications, number of new business and community enterprise start-ups, number of new business relocations to the district, levels of inward investment, local expenditure retained and recycled, visitor numbers and spend, increased income for the Council. Associated benefits might also include business rates and council tax generated from increase in business activity and attracting and retaining a skilled workforce.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Continued support from partner agencies such as Lancashire County Council (Economic Development) and Marketing Lancashire. Internal business support from Revenues Service and Property Group developing options for land and buildings. Programme and Project Management requirements within expanded Economic Development Section.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.

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**2018 to 2022 BUDGET PROCESS**  
**GROWTH/REDIRECTION PROPOSAL**

**30**

**SERVICE:** Regeneration & Planning

**PROPOSAL:** Museums Development Plan

Budget for a Museums Manager (Grade 7) to provide capacity and expertise to assist in the development of the Councils transformation plan and ongoing management of the Museums. These funds are for the period up to 1 October 2018 when the service will transfer back to the Council.  
 The decision to recruit a Museums Manager was made at Council in September 2018.

<b>ESTIMATED REVENUE COSTS/(SAVINGS)</b>				
	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Museums Manager (Grade 7)	16,900			
<b>Total</b>	<b>16,900</b>			

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**  
**ESTIMATED LEAD-IN:** 3 Months                      **IMPLEMENTATION DATE:** June 2018

**REDIRECTION FROM OTHER BUDGETS –** *Where else from within the Services could this proposal be funded from?*  
 These are the short term additional costs incurred following Council’s decision in September to bring the Museums service back in house. By 1 October 2018 the museums will be transferred from Lancashire County Council to the City Council, which will then have direct control over costs and budgets as no management fee will be required. On this basis, it is anticipated that ongoing costs for the Museums Manager post will be affordable within current overall budgets.  
 It is important to note that certainty on all costs, operations and required staffing structures will not be possible until the transfer has taken place and a detailed review of the museums service has taken place.

**PERFORMANCE MEASURES/OUTPUTS** *(e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):*  
 Transfer of the museums service back to the Council is the key milestone, up to 01 October 2018.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**  
 The Museums manager will initially require support from Legal, ICT, Financial Services and HR.

**FINANCE / S151 COMMENTS:**  
 Arrangements are underway to identify any internal service support requirements, and to address programming.

## 2018 to 2022 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

<b>31</b>
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**SERVICE:** Environmental Services and Health & Housing

**PROPOSAL:** Improving Public Realm – Cleaning / Enforcement

2 year transitional project to deliver "Clean and Safe Neighbourhoods" – a project in conjunction with Environmental Services and Health & Housing for the duration of 2 years.

- 1 additional enforcement officer
- 2 additional cleansing staff

The increase in capacity will both:

- (1) relieve the current capacity constraint to maximise strong enforcement results and
- (2) enable more graduated, education and prevention focussed work with local people in our worst affected residential localities.

In parallel with this work is taking place to transform the way services like cleansing / grounds maintenance are delivered. The aim being to provide a customer focussed, responsive service by involving delivery teams, ward councillors, communities in the redesign of how we do things.

This 2 yr transition will provide additional capacity to demonstrate that the Council is serious about improving the public realm. After 2 years the improvements described above will have been implemented.

### ESTIMATED REVENUE COSTS/(SAVINGS)

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Staffing Costs (Enforcement)	21,700	29,900	4,700	
Staffing Costs (Cleansing)	26,500	38,900	10,800	
Vehicle Costs	10,000	10,000		
<b>Total</b>	<b>58,200</b>	<b>78,800</b>	<b>15,500</b>	

### FOLLOWING BUDGET COUNCIL – 28 FEB 2018

**ESTIMATED LEAD-IN:** 4 Months

**IMPLEMENTATION DATE:** July 2018

### REDIRECTION FROM OTHER BUDGETS – *Where else from within the Services could this proposal be funded from?*

Work is taking place to completely overhaul the way public realm service delivery and enforcement takes place. The aim is to make the District a recognisable example of best practice in how public realm services (cleansing, grounds maintenance, parks, enforcement etc) are managed and delivered

This involves - use of technology, community and customer focussed approach, tackling causes rather than symptoms, changing work routines, areas based teams etc.

It is expected this overhaul will take 2 years. After which an improved service with the same levels of budget will be delivered.

It is important that our residents see that the Council is committed to achieving this. This temporary reinforcement will be used to tackle problem areas and provide a real demonstration in intent.

### PERFORMANCE MEASURES/OUTPUTS *(e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):*

Improved customer satisfaction, reduction in littering/fly tipping, reduction in anti-social behaviour.

### AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:

To be determined but largely agreed within Environmental Services / Health and Housing, with assistance from HR for recruitment.



## 2018 to 2022 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

32

**SERVICE:** Governance**PROPOSAL:** Legal Case Management System

Purchase of a Case Management system for the Legal team to help modernise the service. The team is currently working without a system – they are heavily reliant on paper files and the filing system is outdated and difficult to understand. There is no provision for time recording in the team or for performance or monitoring reports.

A decent case management system, tailored to local government legal work is vital to enable the team to work consistently together as a team and provide a consistent high quality for service to the Council. The system will enable all staff in the team to view all files, to time record, work from template documents etc. This will increase efficiency within the team and will lead to much less reliance on paper files. In time, my aim is for the team to work more or less electronically and to be able to access all files from wherever they are working.

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Purchase Cost	16,000			
Annual Maintenance Cost	4,000	4,100	4,200	4,300
Additional Legal Fees – following Review				
<b>Total</b>	<b>20,000</b>	<b>4,100</b>	<b>4,200</b>	<b>4,300</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018****ESTIMATED LEAD-IN:** 3 Months      **IMPLEMENTATION DATE:** June 2018**REDIRECTION FROM OTHER BUDGETS – *Where else from within the Services could this proposal be funded from?***

There is no other provisions within the service.

**PERFORMANCE MEASURES/OUTPUTS** (*e.g. what key performance improvements will be achieved / what measurable outputs will be achieved*):

A Legal Case Management System will help to streamline work within the team and enable more efficient working. It will enable the team to move towards paperless working. It will enable them to properly cost their time, through being able to time record. This will lead the ability of the team to improve their fee earning capacity and improve income for the team. The system will help monitor performance in the team and enable them to monitor instructions better and the progress of cases.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Some ICT support would be required.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.

## 2018 to 2022 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

33

**SERVICE:** Governance**PROPOSAL:** Access to Council Meetings – Audio Recording of Meetings

Proposal to purchase a licence for an audio recording system for Committee meetings. Transparency of decision making is an important requirement of local government. It appears that the Council's ability to record meetings is poor. Some – but not all – meetings are recorded, but the recordings are only stored on the intranet and are difficult to access.

The ability to properly record all our public meetings and publish those recordings is part of the requirement of local government transparency. It will enable the public to better understand the decision-making process. It will also assist councillors and officers when questions or challenges are raised about meetings and decisions.

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Audio Recording System	3,900	4,000	4,100	4,200
Recording Equipment	500			
<b>Total</b>	<b>4,400</b>	<b>4,000</b>	<b>4,100</b>	<b>4,200</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**

**ESTIMATED LEAD-IN:** 4 Months      **IMPLEMENTATION DATE:** June 2018

**REDIRECTION FROM OTHER BUDGETS –** *Where else from within the Services could this proposal be funded from?*

There is no provision in the rest of the Service.

**PERFORMANCE MEASURES/OUTPUTS** (e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):

The system will improve transparency of decision making. It will enable the Democratic Services Team to properly record all meetings, not just Council meetings. The system will enable members of the public and other councillors, who are not at a particular meeting, to listen to the whole meeting. The ability of the team to keep verbatim recordings of meetings will enable them to better address questions and challenges about decisions if and when they arise.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Support will be provided from within the existing Democratic Service Team, in addition support will also be required from the Property Group.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any other internal service support requirements, and to address programming.

## 2018 to 2022 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

34

**SERVICE:** Office of the Chief Executive

**PROPOSAL:** Commercial & Digital Leadership Capacity

Extend the Assistant Chief Executive post, up to 31 March 2020.

The Assistant Chief Executive came into post on the 31 July 2017 and has made significant headway in developing and promoting a wide range of initiatives, which will help the council in pursuing its commercial agenda, creating efficiencies and generally making the Council more fit for purpose. The role has brought a new impetus, fresh ideas and a different and strategic perspective on how the Council could operate with constructive challenge and encouragement to change.

Some examples of key initiatives involving the Assistant Chief Executive:

- Setting the scene and beginning the process of developing a commercial approach by the Council through presentations and dialogue, research, discussion with colleagues, members and lawyers.
- Helping shape and bring forward existing budget proposals with their sponsors and promoting and overseeing the creation of more wide range of future commercial projects.
- Initiating a series of efficiency reviews starting with a major lean review of the voids process, and facilitating better cross-service working and problem-solving.
- Moving forward, a continuation of the above with further work on development of a range of projects e.g. commercial and digital initiatives.

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Staffing Cost	71,000	109,000		
Potential Pension / Redundancy Costs		29,000		
<b>Total</b>	<b>71,000</b>	<b>138,000</b>	<b>0</b>	<b>0</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**

**ESTIMATED LEAD-IN:** N/A

**IMPLEMENTATION DATE:** N/A

**REDIRECTION FROM OTHER BUDGETS –** *Where else from within the Services could this proposal be funded from?* N/A – no options identified, additional capacity needed.

Note that staffing includes salary and 28% overheads to cover National Insurance and Pension Fund contributions. Costs may accrue on termination of the post, an estimate of which is provided for above.

**PERFORMANCE MEASURES/OUTPUTS** (e.g. *what key performance improvements will be achieved / what measurable outputs will be achieved*): Development and adoption of Commercial and Digital strategies (reflecting the Council's budget and corporate planning priorities), incorporating key milestones for monitoring of progress and delivery.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

Arrangements are underway to identify any internal service support requirements, and to address programming, including that of commercial/digital projects.

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**2018 to 2022 BUDGET PROCESS**  
**GROWTH/REDIRECTION PROPOSAL**

**SERVICE:** Governance

**PROPOSAL:** Review of Constitution

The proposal is to have an external review of the Councils Constitution and provide training to officers and Councillors.

The Constitution has not been comprehensively reviewed for some time. It is inevitable that, after a period of time, a fundamental review is required to make the Constitution understandable, streamlined, modern, and, more importantly, relevant to what the Council hopes to achieve.

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
External Fees	20,000			
<b>Total</b>	<b>20,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**  
**ESTIMATED LEAD-IN:** TBC                      **IMPLEMENTATION DATE:** TBC

**REDIRECTION FROM OTHER BUDGETS –** *Where else from within the Services could this proposal be funded from?*  
 There is no provision elsewhere in the service

**PERFORMANCE MEASURES/OUTPUTS** *(e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):*  
 A review of the Constitution will achieve a more streamlined, easier to understand, document, which is up to date and better supports efficient and effective decision-making. It should be a document that members of the public, councillors and officers, understand. The document should better enable the Council to achieve its aims. The revised document will be up to date in accordance with current legislation and will clearly set out issues, for example: roles and responsibilities, lines of delegation, rules relating to procedure, contract management, procurement, financial responsibility, conduct and standards etc.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**  
 It is proposed that the review is carried out by an external provider, Bevan Brittan Solicitors. Bevan Brittan have particular expertise in this area of work. Support will be provided internally by the Chief Officer, Legal and Governance and the Democratic Services Team.

**FINANCE / S151 COMMENTS:**  
 Arrangements are underway to identify any internal service support requirements, and to address programming.

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**2018 to 2022 BUDGET PROCESS**  
**GROWTH/REDIRECTION PROPOSAL**

**SERVICE:** Health & Housing

**PROPOSAL:** Improving Learning & Development – through digital approach

The proposal is to move to the next tier of the 'Learning Zone' e-learning system, to provide enhanced functionality and increase the number of licenses to the next band to will cover staff and Councillors. Subject to increasing the license provision there will be license capacity to allow the Councillors to access the Learning Zone functionality and it is intended to develop a dedicated e-learning portal for Councillors. Use of e-learning is more a cost effective method of training delivery than providing 'classroom' based courses, with less impact on service delivery and reduced costs through less working time being lost. Staff can undertake the training at a time that is convenient to them, pausing and/or revisiting as required.

The enhanced functionality within the next tier of Learning Zone provides the Council with an opportunity to make real headway in improving learning and development opportunities and outcomes for Council staff and will go some way to addressing those concerns highlighted in the recent IIP survey. This system can provide a significant degree of assurance to the Council that essential and/or mandatory training has taken place, when it has taken place and when it needs renewing, which is crucial in keeping on top of ever changing staff numbers. With the impending General Data Protection Regulations (GDPR) the Council needs to ensure that it has robust training arrangements in place to cover our responsibilities with regard to this new piece of legislation. New courses embedded in the Learning Zone will provide a base level of training for staff, which will therefore afford the Council a degree of protection that would otherwise not be available.

<b>ESTIMATED REVENUE COSTS/(SAVINGS)</b>				
	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Learning Zone – Tier 3	16,800	17,100	17,400	17,800
<b>Total</b>	<b>16,800</b>	<b>17,100</b>	<b>17,400</b>	<b>17,800</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**  
**ESTIMATED LEAD-IN:** 1 Month                      **IMPLEMENTATION DATE:** April 2018

**REDIRECTION FROM OTHER BUDGETS** – The existing corporate training budget is only £36,000 (which equates to £48 per head based on a workforce of 750 staff). The existing budget is insufficient to meet the costs of the Learning Zone.

**PERFORMANCE MEASURES/OUTPUTS** – Introduction of an E-Learning portal for Councillors. Development of a suite of core training courses for staff thereby providing a level of training not currently present, development of on-boarding for new employees, ability for managers to access information about course completion. All the above will make time spent on L&D activity more efficient and effective.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**  
 Arrangements are underway to identify any internal service support requirements, and to address programming.

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**2018 to 2022 BUDGET PROCESS**  
**GROWTH/REDIRECTION PROPOSAL**

**SERVICE:** Health & Housing

**PROPOSAL:** Improving Learning & Development – supporting staffing capacity needs

The proposal is to re-introduce a post focused on learning and development (L&D) activity within the HR Team.

Over time this has had a significant impact on L&D activity. There is now a clear need to re-introduce a specific provision to ensure that L&D provision is available to support Services in maintaining skills and knowledge, developing in-house talent to address future known corporate priorities and difficulties in recruitment.

One of the main functions of the role will be to undertake all work associated with the new 'Learning Pool' e-learning system, which will form the focus of the Council's L&D activities. The post holder will also be responsible for the development and roll out of a dedicated e-learning portal for Elected Members. Development of the computerised learning resource will ensure that users have easy access to specified courses, thereby keeping their knowledge current, which in an increasingly litigious world is essential. In addition the post holder will work with on the development of a coherent L&D strategy, development of on-boarding activities, implementation of e-appraisal, improving induction activities, ensuring all non-networked staff have access to training and so on.

There would also be future potential options to investigate opportunities for income generation, e.g., by becoming a registered centre for First Aid courses. Proposal is to appoint an L&D co-ordinator. Grading will need to be considered following completion of a Job Description, but is likely to be G4-G5.

<b>ESTIMATED REVENUE COSTS/(SAVINGS)</b>				
	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Learning & Development Post	25,300	35,600	38,000	39,900
<b>Total</b>	<b>25,300</b>	<b>35,600</b>	<b>38,000</b>	<b>39,900</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**  
**ESTIMATED LEAD-IN:** 3 Months                      **IMPLEMENTATION DATE:** June 2018

**REDIRECTION FROM OTHER BUDGETS** – There are no other available options to redirect funds from other budgets.

**PERFORMANCE MEASURES/OUTPUTS**  
 As outlined above, there will be an identified resource to focus on improving L&D activity. The post holder will be directly responsible for the outputs related to the implementation of Tier 3 of the Learning Zone.  
 Increased learning and development activity will therefore be an expected output of this growth bid. An organisation of the size and complexity of the Council needs a resource to focus on L&D development, delivery and performance, to ensure that staff are appropriately trained and developed, so the Council can continue to provide an effective service to the residents of the District, despite the challenges ahead.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**  
 Arrangements are underway to identify any internal service support requirements, and to address programming.

## 2018 to 2022 BUDGET PROCESS GROWTH/REDIRECTION PROPOSAL

38

**SERVICE: Regeneration & Planning**
**PROPOSAL: Re-investment of Planning Fee Income for Service improvement (net growth)**

The funds are intended to be invested in additional capacity as follows:

Increased capacity in Development Management in the Planning Enforcement service area (including Legal services) to meet growing public demand for effective intervention against breaches of planning control.

Partial increased GIS capacity (Planning Policy) to manage increased requirements for the management of geographical data in relation to case management for local plan preparation and monitoring.

Both GIS Officer and Planning Assistant (Planning Policy) posts have proven essential in terms of building and maintaining the evidence base for the local plan. The additional capacity arises from the return of the substantive post holder to the GIS post from maternity leave, but on a part time basis.

**ESTIMATED REVENUE COSTS/(SAVINGS)**

	2018/19	2019/20	2020/21	2021/22
	£	£	£	£
Planning Enforcement Officer (Grade 3)	22,900	24,300	25,700	26,800
GIS Officer (Grade 4) saving from Job Share	(9,400)	14,700	16,400	17,800
Planning Assistant (Grade 5)	27,700	35,600	38,000	39,900
Solicitor Post (Grade 6)	30,000	42,000	45,000	47,000
Economic Development Officer (Perm)	0	2,000	39,100	41,100
IDOX software	17,000	17,000	17,000	17,000
Balance to be allocated	61,800	14,400	0	0
Savings needed through prioritisation of above	0	0	(31,200)	(39,600)
20% additional income	(150,000)	(150,000)	(150,000)	(150,000)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**FOLLOWING BUDGET COUNCIL – 28 FEB 2018**
**ESTIMATED LEAD-IN:** 3 Months

**IMPLEMENTATION DATE:** June 2018

**REDIRECTION FROM OTHER BUDGETS – *Where else from within the Services could this proposal be funded from?***

No other budgets are available. Like all other local authorities, Lancaster City Council has acknowledged that the income derived from the 20% increase in national planning application fees will be spent entirely on planning functions.

The 20% increase - which became effective as of 17 January 2018 - provides a unique opportunity to utilise this ring-fenced resource to directly improve planning services.

**PERFORMANCE MEASURES/OUTPUTS (e.g. what key performance improvements will be achieved / what measurable outputs will be achieved):**

Delivery of the Planning Enforcement (graduate) post will have a measurable impact in terms of expanding capacity and reducing the increasing workload of the existing 2 Planning Enforcement Officers. That additional capacity will enable the Team to meet locally-set enforcement targets contained in the Council's Planning Enforcement Charter.

The GIS and Planning Assistant posts in the Planning Policy Section will enable timely delivery of the District's Local Plan, in accordance with the timetable set out in the Council's Local Development Scheme.

**AGREED SUPPORT REQUIREMENTS / PROGRAMMING IMPLICATIONS:**

To be confirmed.

**FINANCE / S151 COMMENTS:**

Arrangements are underway to identify any internal service support requirements, and to address programming.



<b>COUNCIL</b>
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## Audio Recording of Council Meetings 31 January 2018

### Report of Cabinet

PURPOSE OF REPORT				
To recommend that an audio-minutes function be added to the current Committee Management software, to enable live audio streaming at all meetings of the Council and audio files to be created and made publicly accessible on the Council's website.				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input checked="" type="checkbox"/>	Referral from Cabinet
Date of notice of forthcoming key decision			Not applicable.	
This report is public				

#### RECOMMENDATIONS OF CABINET

- 1) That an audio-minutes function be added to the current committee management software system, to enable
  - live audio streaming of meetings, and:
  - an audio archive of meetings to be created and made publicly available on the Council's website
- 2) that the system is used initially on a trial basis, with any longer term arrangement being subject to the budget.
- 3) Subject to the budget being approved, that the Democratic Services Manager be authorised to continue with the service after the trial period.

#### 1.0 Introduction

- 1.1 Members will be aware that, for some time, meetings of full Council have been audio recorded and the sound files have been uploaded and made available to Members and staff only on the 'for councillors' pages of the Council's intranet.
- 1.2 The recordings came about as a result of a Council resolution on 17 December 2014:-

*That, on an experimental basis, sound recordings of Council meetings*

*be prepared and made available to Members and Officers on request.*

## **2.0 The Current System of Audio Recording**

- 2.1 At present, recording relies on a data stick, which has to be manually plugged into the digital recorder by the Democratic Support Officer and, following the meeting, this is passed to ICT to upload to the intranet. Not every recording has been successful, as the USB stick has occasionally failed to record for various reasons. However, overall, the trial has worked well, the sound quality is adequate and the files provide a reliable record of words spoken, which can be useful to refer to, since minutes of a meeting are never intended to provide a verbatim account and are simply a record of decisions taken.
- 2.2 The current system is limited to meetings of full Council. There are no recordings taken of Cabinet or Committee meetings because the system is not portable.
- 2.3 The only way to find a particular speech or passage of dialogue at present is to listen and fast forward, etc. There is no facility to easily 'tag' individual agenda items, which makes the system cumbersome.

## **3.0 The Proposal**

- 3.1 The proposed new system is an add-on to the existing Committee Management system, Modern.gov. It requires a tablet device or phone, it records straight from the microphones and will run on wi-fi in meeting rooms where that is available, or on a sim card where there is no wi-fi. The democratic services officer at the meeting would operate the recording equipment.
- 3.2 The new system could be used to record any or all meetings of Council and/or Committees. It could be used with existing microphones in the Council Chamber or as a portable unit for smaller meeting rooms, offering more versatility.
- 3.3 The costs of the system are set out below:
- Annual license cost: £3,900. There is no set-up fee, a free trial is offered for three months and there is no limit on the duration or number of meetings covered.
  - One-off cost of a small portable recording kit £325
  - One-off cost of a suitable tablet to operate the unit (approx. £350)
- 3.4 In addition, the company has offered to provide 12 months' free audio webcasting for towns or parish councils. The fee for second and subsequent years is £15 per month or £150 annually if paid in advance.
- 3.5 There are several benefits to recording meetings and making the recordings publicly available. These benefits include:
- Promoting the Council's duty of transparency.
  - Giving wider access to the public to listen to meetings in real time.
  - Keeping a verbatim, accessible record of meetings, which councillors, officers and the public can refer to at a later date.

#### 4.0 Details of Consultation

4.1 Cabinet has discussed and approved the recommendations set out in this report.

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

	<b>Option 1:</b> To add an audio-minutes function to the current committee management software system, to enable live audio streaming of meetings, and an audio archive of meetings to be created and made publicly available on the Council's website.	<b>Option 2:</b> To keep to the current arrangements.	<b>Option 3:</b> To cease audio recording altogether
Advantages	Increased openness and transparency; would allow the public to listen to meetings they may not be able to attend because of other commitments. Easy to use system, which would 'tag' each agenda item, making it easy to search. Portability; system could be used at both town halls and for all meetings.	No further spend required, unlike option 1. Allows Members and staff to access sound files of full council meetings (except for exempt items).	No further spend required, unlike option 1.
Disadvantages	Costs of purchasing the add-on equipment (see paragraph 3.3)	Would not allow members of the public to access the recordings. Missed opportunity to increase openness and transparency by restricting the recordings to internal listeners. It would be too time-consuming to split	Loss of the facility to review spoken minutes would be a disadvantage when there is any dispute over words said, for example when a complaint is raised or an allegation made. Retrograde step in terms of openness and transparency.

		the audio into agenda items; current system does not automatically 'tag' them unlike option 1. Not portable; can only be used in the Council Chamber at Morecambe Town Hall.	
Risks	Uncertain demand -. there is a three-month free trial period for the system and this may help with vfm assessment.	Reputational risk; councils are under increasing pressure to make their meetings more open and accessible to all.	Risk that disputes/complaints could escalate if there is no recording to refer to and resolve an issue.

## 6.0 Officer Preferred Option (and comments)

6.1 The Officer preferred option is option 1, for the reasons set out above.

## 7.0 Conclusion

7.1 Council is asked to approve the recommendations in support of option 1 above.

### RELATIONSHIP TO POLICY FRAMEWORK

The Corporate Plan priority of Community Leadership sets out the Council's aim to demonstrate good governance, openness and transparency.

### CONCLUSION OF IMPACT ASSESSMENT

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

None.

### LEGAL IMPLICATIONS

None identified. Whilst there is no legal requirement for a Council to record its meetings, the Openness of Local Government Bodies Regulations 2014 allow any member of the public attending the meeting to do so. Many councils have therefore decided to offer a webcast or audio stream the service to the public.

### FINANCIAL IMPLICATIONS

The system required is an add-on to the current Modern.gov Committee Management software and the cost implications are set out in paragraph (3). The costs of the system are being considered as part of the budget setting process as a growth item. If this decision is approved, the three-month trial period would run from around February to April 2018. If the budget is approved, the paid period would start in the new financial year from around May 2018.

**OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:**

None identified.

**SECTION 151 OFFICER'S COMMENTS**

The s151 officer has been consulted. Consideration of any longer-term arrangement as part of the budget will enable Members to consider the proposal in context of other competing pressures and value for money.

**MONITORING OFFICER'S COMMENTS**

As mentioned, there is no legal requirement to record meetings, but there is a duty on all councils of openness and transparency. The Local Government Transparency Code 2015 is statutory guidance to local authorities setting out information it must publish. Although it does not cover making recordings of meetings, it does require decision making to be as open and transparent as possible. The Openness of Local Government Bodies Regulations 2014 are also relevant as mentioned under "Legal Comments".

**BACKGROUND PAPERS**

None

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**Ref:**

**COUNCIL****Designation of Monitoring Officer  
31 January 2018****Report of the Chief Executive****PURPOSE OF REPORT**

To enable the council to designate an officer to be Monitoring Officer with effect from the 24 February 2018

**This report is public.**

**RECOMMENDATIONS**

- (1) That the Democratic Services Manager, Debbie Chambers, be designated as the council's Monitoring Officer with effect from the 24 February 2018.**

**1.0 Introduction**

- 1.1 The council has a duty under Section 5(1) of the Local Government and Housing Act 1989 to designate one of its officers as the Monitoring Officer. The Monitoring Officer may not be the Head of Paid Service or the section 151 Officer.
- 1.2 Section 5(7) provides for the duties of the Monitoring Officer to be performed by that officer personally, or, where he/she is unable to act owing to absence or illness, personally by such member of his/her staff as he/she has for the time being nominated as his deputy.
- 1.3 The Monitoring Officer has a duty under Section 5(4) of the Act to report to council if it appears that any proposal, decision or omission by the council constitutes, has given rise to, or is likely to give rise to a contravention of the law or maladministration.
- 1.4 Under the Localism Act 2011, the Monitoring Officer has statutory duties in respect of the registration of Members' interests.
- 1.5 Further, the council's Constitution provides for the Monitoring Officer to support the work of the Standards Committee, to maintain the Constitution, to ensure that agendas and decisions are published, to advise whether Cabinet decisions fall within the budget and policy framework, and to provide advice to all councillors.

- 1.6 The current Monitoring Officer, the Chief Officer (Legal and Governance) has given notice of her resignation and will leave the council on 23 February 2018. Work has commenced to recruit into this position as soon as possible, on an interim basis initially. However, the Council needs continuity in respect of the Monitoring Officer position.

## **2.0 Proposal Details**

- 2.1 Until such time as a the Chief Officer (Legal and Governance) role is filled, it is proposed that Mrs Debbie Chambers, the Democratic Services Manager, be designated as the Monitoring Officer, with effect from the 24 February 2018. Mrs Chambers has been Deputy Monitoring Officer since 2010.
- 2.2 Mrs Chambers is not legally qualified, but there is no statutory requirement for a Monitoring Officer to be legally qualified. Whilst the duties of the Monitoring Officer are required to be undertaken personally by the Monitoring Officer, it is of course open to the Monitoring Officer to obtain legal advice and support. The Monitoring Officer is required to appoint a Deputy Monitoring Officer and it is likely that Mrs Chambers would appoint a member of the Legal team to undertake that role.

## **3.0 Conclusion**

- 3.1 Council is asked to approve this designation.

<b>CONCLUSION OF IMPACT ASSESSMENT</b> <b>(including Health &amp; Safety, Equality &amp; Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</b>
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None directly arising from this report.

<b>LEGAL IMPLICATIONS</b>
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The legal implications are set out in the body of this report.

<b>FINANCIAL IMPLICATIONS</b>
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Any costs in relation to the proposed designation are expected to be minimal and would be managed within existing budgets. In terms of interim recruitment thereafter, arrangements are in hand for any financial implications to be addressed through the current budget process.

<b>OTHER RESOURCE IMPLICATIONS</b>
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**Human Resources:**

The additional responsibilities of Monitoring Officer are beyond the current role and responsibilities of the Democratic Services Manager. The proposed arrangement addresses the council's statutory obligations until such a time as the Chief Officer (Legal and Governance) is filled. Any remuneration relating to the specific duties of Monitoring Officer will be dealt with in line with existing policies and procedures.

**Information Services:**

None

**Property:**

None

**Open Spaces:**

None

**SECTION 151 OFFICER'S COMMENTS**

The s151 Officer has been consulted. As part of addressing any budgetary implications, the plans/arrangements for permanent recruitment will need to be clarified, in support of sound governance, transparency and value for money.

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

None

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**Ref:** CL7



**COUNCIL****Ward Councillors Speaking at Planning****31 January 2018****Report of the Monitoring Officer****PURPOSE OF REPORT**

To consider the recommendation of Council Business Committee, to increase the time limit for Ward Members speaking at Planning and Highways and Regulatory Committee from three to five minutes.

**This report is public**

**RECOMMENDATIONS**

- (1) **That Council considers the recommendation of Council Business Committee, which is: "That Council be asked to consider increasing the time limit for Ward Members speaking at Planning and Highways and Regulatory Committee from three to five minutes."**
- (2) **That, in considering recommendation (1), Council takes into account the views of the Planning and Highways Regulatory Committee confirmed in the decision of its meeting on 18 September 2017.**
- (3) **That, if any change is made to the speaking time limit, the Monitoring Officer be authorised to make the appropriate amendments to the Constitution.**

**1.0 Introduction**

- 1.1 Members will be aware of the public participation scheme which allows Members of the public to register to speak regarding applications considered at Planning and Highways Regulatory Committee (P&HRC). Ward Members are also permitted to register to speak and are subject to the three-minute time limit, which is the same time limit that applies to members of the public.

**2.0 Background**

- 2.1 The Chairman of Council Business Committee was approached by other Councillors some time ago, asking if there could be an agenda item for the Committee to discuss increasing the speaking time limit for Ward Members from three to five minutes. The Democratic Services Manager submitted a report to P&HRC, setting out the relevant issues, to seek the Committee's views on the matter in the first instance. At its meeting on 18 September 2017, P&HRC voted unanimously in favour that the three-minute time limit should not be increased.

- 2.2 Council Business Committee met on 2 November and considered the view of the P&HRC. Some of the Committee Members felt that Ward Councillors should have more time to speak at P&HRC than members of the public, because they were elected representatives who could use their speaking time to express the views of a number of people. The decision of the committee was: "That Council be asked to consider increasing the time limit for Ward Members speaking at Planning and Highways and Regulatory Committee from three to five minutes."

### **3.0 Time Limit Issues**

- 3.1 A number of arguments have been put forward to increase the time limits, including:

- Ward Councillors do not often speak at P&HRC meetings, so it would not increase the length of the meetings very much if Ward Councillors were allowed two minutes more.
- Ward Councillors addressing the meeting on behalf of residents may encompass views of several people who, for a variety of reasons, do not wish to speak in person. This saves the Committee time and lets local people feel that the democratic process is being served.
- The three minute time limit is too short to present the views of the community adequately and cover the reasons why they support acceptance or rejection.
- Planners have unrestricted time in which to present an application and answer questions.

- 3.2 The reasons against increasing the time limit to five minutes for Ward Councillors include the following:-

- The Planning Advisory Service (PAS) is part of the Local Government Association and is part-funded by the Department of Communities and Local Government. Their role is to support Councils with planning advice and training. With regard to the issue of public speaking, PAS advice is to allow equal speaking times. If the time limit for Ward Councillors were to be increased to five minutes, then the limit for all speakers should be increased to five minutes which would considerably lengthen busy meetings of the P&HRC (for example, there were 24 speakers at the meeting on 13 November 2017 which lasted from 10.30am to 3.45pm with a half-hour lunch break). Lancaster City Council already has one of the most generous public speaking schemes in operation, with no limit on the total number of speakers on any individual item.
- It is recognised that some people would not wish to address the Committee themselves and would prefer their Ward Councillor to speak for them. However, the expectation is that they would have submitted written representations. The ward Councillor should direct their presentation to reinforcing and amplifying those written representations within the three minutes, in accordance with the advice given by the PAS.
- Allowing any group or individual longer to speak than any other registered speakers risks exposing the Council to allegations that it disproportionately allowed one side of the debate to be aired for longer than the other. This is important in light of the Council's Protocol on Planning, which emphasises fairness, the rules of natural justice and the necessity of avoiding bias and appearance of bias.
- The role of planning officers at committee meetings is to provide

professional advice, which should not be subject to any time limit.

- 3.3 Members are reminded of the findings of the Local Government Association/PAS when they carried out a 'Planning Peer Challenge' of the City Council's Planning Service in April 2014. Some Members may recall being interviewed as part of the Peer Challenge process. The final report was complimentary about the Planning Service and noted that it was delivering significant outcomes. In relation to the issue of public speaking at Planning Committee, the report concluded:

*The Council allows up to three minutes for anyone who wishes to speak on an individual planning application. This can also take up a lot of time and the Council may wish to continue monitoring the situation to determine whether it would like to make any changes to these arrangements in the future.*

**4.0 Conclusion**

- 4.1 Council is asked to consider the recommendation of Council Business Committee regarding increasing the time limit for Ward Councillors speaking at P&HRC, taking into account P&HRC opposition to this course of action, and the points made in paragraph 3 of this report.

<p><b>CONCLUSION OF IMPACT ASSESSMENT</b>                  (including Health &amp; Safety, Equality &amp; Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)                  None directly arising from this report.</p>	
<p><b>LEGAL IMPLICATIONS</b>                  None directly arising from this report.</p>	
<p><b>FINANCIAL IMPLICATIONS</b>                  None directly arising from this report.</p>	
<p><b>OTHER RESOURCE IMPLICATIONS</b>                  None</p>	
<p><b>SECTION 151 OFFICER'S COMMENTS</b>                  The s151 Officer has been consulted and has no further comments.</p>	
<p><b>MONITORING OFFICER'S COMMENTS</b>                  The Monitoring Officer has been consulted in writing this report.</p>	
<p><b>BACKGROUND PAPERS</b></p>	<p><b>Contact Officer:</b> Debbie Chambers  <b>Telephone:</b> 01524 582057  <b>E-mail:</b> dchambers@lancaster.gov.uk  <b>Ref:</b></p>

**COUNCIL****Community Wealth-Building and Local Procurement  
31 January 2018****Report of the Chief Officer (Regeneration and  
Planning)****PURPOSE OF REPORT**

This is an interim report to provide an update on investigations and proposed activities to develop local procurement practices working with anchor institutions, local businesses and communities, as part of the Council's approach to Community Wealthbuilding.

**This report is public.**

**RECOMMENDATIONS**

- (1) That Council notes the opportunities and actions being taken for developing and implementing a local approach to 'Community Wealth-Building.**

**1.0 Introduction**

- 1.1 There is a growing body of evidence to suggest that local public institutions can make a significant contribution to inclusive economic growth in their communities through strategic local procurement often referred to as "Community Wealthbuilding".
- 1.2 A motion brought to Council on 19 July 2017 resolved that *'the Economic Development team investigate the 'Preston model' alongside other potential models for implementation in the Lancaster district'*, to report further in January 2018.
- 1.3 Since that time some early steps have been taken and a number of potential developments have been identified and this report provides the basis of a way forward to capture local procurement benefits for the district.

**2.0 Progress and potential developments****2.1 Project Team**

A small Project Team from across the Council has now been established to bring together relevant expertise from within Council services, at this stage. The team currently includes officers from the Chief Executive's Office,

Economic Development and Procurement but may require the engagement of other services as this area of work develops.

## 2.2 **Good practice**

Considerable experience in local procurement models has been developed in the North West in recent years. To gain a greater understanding of how this works in practice, officers have undertaken a range of discussions at various levels with Preston City Council, following their work in the last couple of years. The Council also works with Preston CC as part of a Lancashire procurement group.

Broadly, it is acknowledged that valuable lessons can be learned from Preston's approach to Community Wealthbuilding, although Lancaster district is different in many respects. However, potentially significant benefits could be delivered by developing a strategy around local expenditure that builds on local assets and opportunities and fits with a wider Inclusive Growth agenda.

**Action: As the Lancaster approach develops, officers will continue to liaise with Preston CC and will seek to engage with Manchester CC who also have experience of this kind of model.**

## 2.3 **Baseline and monitoring success**

The Project Team recognises that, at present, it is difficult to accurately and consistently identify local spend by the Council without undertaking a complex analysis of multiple transactions. A clear baseline that identifies current levels of local spend is a crucial starting point and equally, moving forwards, monitoring progress will be an important factor in understanding the success of the initiative.

Preston City Council have adopted a software product developed by the Association of Greater Manchester Authorities (AGMA), which tracks Council expenditure to provide an analysis on how the organisation uses its spending power.

Costs for this software are £3,250 for the first year (£1,500 annually thereafter) and provide a cost effective means of providing a baseline and monitoring information for around four years.

**Note: A proposal to acquire the system to cover a fixed period of up to 5 years is provided for within Cabinet's budget proposals (as part of the growth to support Community Wealth-building) included elsewhere on the agenda.**

## 2.4 **Engagement with Centre for Local Economic Strategies (CLES) and Preston City Council**

At the time of writing this report, discussions with CLES (Centre for Local Economic Studies) have been scheduled and it is expected that CLES could undertake some work to explore the key opportunities for Community Wealthbuilding in Lancaster District and provide a platform for engagement with other anchor institutions in the area. The costs of this work have been estimated at £20k.

**Note: A proposal for commissioning this work is provided for within Cabinet's budget proposals (as part of the growth to support**

**Community Wealth-building) included elsewhere on the agenda.**

**2.5 Lancaster University Management School (LUMS)**

LUMS is currently undertaking a project around procurement with local businesses, which would provide an excellent opportunity to engage with a key anchor institution as well as small and medium-sized enterprises (SMEs) in developing Lancaster's Community Wealth-Building approach. The work being undertaken appears to broadly support the approach the Council is developing.

**Action: Officers will progress discussions with LUMS and identify areas joint working opportunities.**

**2.6 Business in the Community (BITC)**

BITC is a separate but related project that supports the Local Wealthbuilding initiative. BITC is one of The Prince of Wales's Charities and provides support to organisations via a secondment scheme, with the aim of creating 'healthy communities with successful business at their heart'.

Discussions with BITC have led to some interesting opportunities in relation to shared aims around local prosperity and, in particular, the development of the wider Inclusive Growth agenda and Community Wealthbuilding. The scheme is very good value for money, at £12k p.a. for up to two years, and can provide skills, experience and capacity to achieve innovative solutions and results that many Councils would otherwise struggle to resource.

**Note: A proposal for the BITC scheme (for two years) is provided for within Cabinet's budget proposals (as part of the growth to support Inclusive Growth) included elsewhere on the agenda.**

**2.7 Local Money Loop**

Michael Hallam of the Small Green Consultancy and manager of Lancaster Ethical Small Traders' Association (ESTA) has for many years studied the local economy, and in particular the relationships between local individuals, SMEs and larger organisations.

This research has been instrumental in developing an app (the 'Local Loop') which individuals can use to explore the value of spending locally to retain money within the local community. The application allows individuals to track their own daily expenditure and forecasts what proportion of money spent is likely to be retained locally. Economic benefits are considerable.

**Action: Further information will be provided for elected members to introduce them to the Money Loop.**

**2.8 Support for businesses**

Bearing in mind that the majority of businesses in the district are SME's and many are, in fact, micro businesses, it is recognised that the procurement practices and requirements of large organisations will be challenging to understand. Soft research suggests strongly that many businesses have limited experience of how to engage and how to meet procurement requirements.

**Action: The Economic Development and Procurement teams will work together to work with businesses to help them to become more able to engage with the Council and other anchor organisations for the supply of goods and services and in relation to capital schemes.**

**5.0 Conclusion**

5.1 This report provides an update on progress regarding the Community Wealthbuilding initiative first discussed by Council in July. Some early progress has been made and some clear next steps identified. These steps will establish the current position of the Council and inform the potential to deliver genuine benefits going forward. As part of this it has been recognised that some additional resources are required to take this initiative forward at a reasonable pace, and this is reflected in Cabinet's budget proposals elsewhere on the agenda. It is intended that future progress on this initiative will be incorporated into the Council's performance management and reporting arrangements, reflecting the Council's future corporate planning and priorities.

<p><b>CONCLUSION OF IMPACT ASSESSMENT</b> <b>(including Health &amp; Safety, Equality &amp; Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):</b></p> <p>No direct implications as a result of this report.</p>
<p><b>LEGAL IMPLICATIONS</b></p> <p>No direct implications as a result of this report.</p>
<p><b>FINANCIAL IMPLICATIONS</b></p> <p>As reflected in the body of the report – additional spending needs have been identified to take the community wealth-building agenda forward, on the basis that this is a proposed priority area for the Council, and these are included in Cabinet's budget proposals. Clearly if resources are not ultimately allocated, then this would have adverse impact on the Council's ability to make progress, and future ambitions and plans would need to be cut back accordingly.</p>
<p><b>OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:</b></p> <p>Some staff resource is required to manage and deliver this project and there will be a need for services across the Council to become more familiar with the principles and practice of this approach in their own areas; this will be managed through business planning and approved budgets.</p>
<p><b>SECTION 151 OFFICER'S COMMENTS</b></p> <p>The s151 Officer has been consulted and has no further comments.</p>

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

None

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**CABINET**

6.00 P.M.

16TH JANUARY 2018

**PRESENT:-** Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Darren Clifford, Brendan Hughes, James Leyshon, Margaret Pattison, Andrew Warriner and Anne Whitehead

Officers in attendance:-

Susan Parsonage	Chief Executive
Nadine Muschamp	Chief Officer (Resources) and Section 151 Officer
Mark Davies	Chief Officer (Environment)
Suzanne Lodge	Chief Officer (Health and Housing)
Estelle Culligan	Chief Officer (Legal and Governance) and Monitoring Officer
Liz Bateson	Principal Democratic Support Officer

**59 MINUTES**

The minutes of the meeting held on Tuesday 5<sup>th</sup> December 2017 were approved as a correct record.

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

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

**61 DECLARATIONS OF INTEREST**

Councillor Clifford declared that Section 106 of the Local Government Finance Act 1992 applied to him, and would not therefore vote on any recommendation, resolution of other decision, which might affect council tax calculations.

**62 PUBLIC SPEAKING**

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

**63 REPORTS FROM THE OVERVIEW AND SCRUTINY COMMITTEE****(Cabinet Member with Special Responsibility Councillor Pattison)**

Cabinet received a report from the Overview & Scrutiny Committee following the Committee's consideration of an informal task group report on 10<sup>th</sup> January 2018 with regard to Voluntary, Community and Faith Sector Commissioning funding. Councillor Caroline Jackson presented the report in her capacity as a member of the Overview & Scrutiny Committee.

Cabinet agreed that having only just received the referral report prior to the meeting they had not had sufficient time to consider it in detail and requested that the draft task group report be made available to them, and that consideration of the item be deferred to February's Cabinet meeting.

**Resolved unanimously:**

- (1) That consideration of the Voluntary, Community and Faith Sector Commissioning Funding recommendation be deferred to February's Cabinet meeting and that Cabinet request that the draft task group report be made available to them prior to that meeting.

**Officers responsible for effecting the decision:**

Chief Officer (Legal & Governance)

**Reasons for making the decision:**

Cabinet did not feel it was appropriate to consider the item at the meeting when they had not had the opportunity to fully consider draft report of the task group.

**64 AUDIO RECORDING OF COUNCIL MEETINGS****(Cabinet Member with Special Responsibility Councillor Blamire)**

Cabinet received a report from the Chief Officer (Legal & Governance) to consider recommending to Council that an audio-minutes function be added to the current Committee Management software, to enable live audio streaming at Council meetings and audio files to be created and made publicly accessible on the Council's website.

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

	<b>Option 1:</b> To add an audio-minutes function to the current committee management software system, to enable live audio streaming of meetings, and an audio archive of meetings to be created and made publicly available on the Council's website.	<b>Option 2:</b> To keep to the current arrangements.	<b>Option 3:</b> To cease audio recording altogether
Advantages	Increased openness and transparency; would allow the	No further spend required, unlike option 1. Allows Members and	No further spend required, unlike option 1.

	<p>public to listen to meetings they may not be able to attend because of other commitments. Easy to use system, which would 'tag' each agenda item, making it easy to search.</p> <p>Portability; system could be used at both town halls and for all meetings.</p>	<p>staff to access sound files of full council meetings (except for exempt items).</p>	
Disadvantages	<p>Costs of purchasing the add-on equipment (see paragraph 3.3)</p>	<p>Would not allow members of the public to access the recordings. Missed opportunity to increase openness and transparency by restricting the recordings to internal listeners. It would be too time-consuming to split the audio into agenda items; current system does not automatically 'tag' them unlike option 1. Not portable; can only be used in the Council Chamber at Morecambe Town Hall.</p>	<p>Loss of the facility to review spoken minutes would be a disadvantage when there is any dispute over words said, for example when a complaint has been raised or an allegation made.</p> <p>Retrograde step in terms of openness and transparency.</p>
Risks	<p>Uncertain demand - there is a three-month free trial period for the system and this may help with vfm assessment.</p>	<p>Reputational risk; councils are under increasing pressure to make their meetings more open and accessible to all.</p>	<p>Risk that disputes/complaints could escalate if there is no recording to refer to and resolve an issue.</p>

The Officer preferred option is option 1, for the reasons set out above.

Councillor Clifford proposed, seconded by Councillor Leyshon:-

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

Councillors then voted:-

***Resolved unanimously:***

- (1) That Cabinet recommends to Council that an audio-minutes function be added to the current committee management software system, to enable
- live audio streaming of meetings, and:
  - an audio archive of meetings to be created and made publicly available on the Council's website
  - that it initially be on a trial basis, with any longer term arrangement being subject to the budget.
  - that subject to the budget being approved, the Democratic Services Manager be authorised to continue with the service after the trial period.

**Officer responsible for effecting the decision:**

Chief Officer (Legal & Governance)

**Reasons for making the decision:**

The decision is consistent with the aim of the Corporate Plan priority of Community Leadership of demonstrating good governance, openness and transparency. Consideration of any longer-term arrangement as part of the budget will enable Members to consider the proposal in context of other competing pressures and value for money.

**65 BUDGET AND POLICY FRAMEWORK UPDATE 2018-22 - GENERAL FUND  
REVENUE BUDGET AND CAPITAL PROGRAMME**

**(Cabinet Member with Special Responsibility Councillor Whitehead**

Cabinet received a report from the Chief Officer (Resources) to provide information on the latest budget position for current and future years, to inform Cabinet's budget and policy framework proposals and to allow it to make final recommendations to Council regarding council tax levels for 2018/19.

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

Options are dependent very much on Members' views on spending priorities balanced against council tax levels. As such, a full options analysis could only be undertaken once any alternative proposals are known and it should be noted that Officers may require more time to do this. Outline options are highlighted below, however.

- Regarding council tax, the basic options are set out at section 6 of the report. Other alternative options can be modelled at Cabinet's request.

- With regard to including savings and growth options to produce a budget in line with preferred council tax levels, any proposals put forward by Cabinet should be considered affordable, alongside the development of priorities. Emphasis should be very much on the medium to longer-term position.

Under the Constitution, Cabinet is required to put forward budget proposals for Council's consideration, in time for them to be referred back as appropriate. This is why recommendations are required to feed into the Council meeting in January, prior to the actual Budget Council in March.

Generally Officer preferred options are reflected in the recommendations, with the exception of council tax.

In view of the level of savings still needed in future years, the ongoing impact that council tax decisions have, the Council's current financial strategy, its ambition for the district and the fact that the Council is not yet clear about how and when it will achieve a financially sustainable budget, the Officer preferred option for council tax is to increase year on year increases up to the referendum thresholds (i.e. 2.99% for next year), subject to confirmation of those limits. Ultimately, however, the setting of council tax is a matter for Members.

The Council's financial challenges continue and in order to protect its future sustainability, as well as balancing next year's budget, the Council must put in place transformational plans and building blocks to address its forecast medium to longer term deficit, building in flexibility to respond to any major changes in its outlook – there are still some fundamental uncertainties around this, linked to the timing and outcome of Government's planned finance reforms.

Councillor Whitehead proposed, seconded by Councillor Clifford:-

"That recommendations 1, 4, as set out in the report, be approved with recommendation (3) revised to 'that Cabinet agrees its' initial budget proposals for the period from 2018/19 onwards for publication prior to the Budget & Performance Panel meeting on Tuesday 23<sup>rd</sup> January 2018."

Councillors then voted and agreed unanimously to the above recommendations.

***Councillor Clifford, having disclosed that Section 106 of the Local Government Finance Act 1992 applied to him, left the meeting at this point and did not vote on recommendation (2).***

Councillor Whitehead proposed, seconded by Councillor Warriner:

"That Council be recommended to approve a City Council tax increase of 2.99% for 2018/19, together with a year on year target of 2.99% for future years, subject to Government confirming local referendum thresholds."

Councillors then voted and agreed unanimously to recommendation (2).

***Councillor Clifford returned to the meeting.***

**Resolved:****(Councillor Clifford did not vote on recommendation (2)).**

- (1) That the 2017/18 Revised Budget be referred on to Council for approval, with the net overspending of £222K being met from Balances.
- (2) That Council be recommended to approve a City Council tax increase of 2.99% for 2018/19, together with a year on year target of 2.99% for future years, subject to Government confirming local referendum thresholds.
- (3) That Cabinet agrees its' initial budget proposals for the period from 2018/19 onwards for publication prior to the Budget & Performance Panel meeting on Tuesday 23<sup>rd</sup> January 2018.
- (4) That the resulting budget position for 2018/19 onwards, together with Cabinet's detailed proposals, be referred on to Council for initial consideration as well as being presented for scrutiny by Budget and Performance Panel, in order that any feedback can be provided to Cabinet at its February meeting.

**Officer responsible for effecting the decision:**

Chief Officer (Resources)

**Reasons for making the decision:**

The decision enables Cabinet to make recommendations back to Council in order to complete the budget setting process for 2018/19.

**66 BUDGET & POLICY FRAMEWORK UPDATE 2018-22 - HOUSING REVENUE ACCOUNT AND CAPITAL PROGRAMME**

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

Cabinet received a joint report from the Chief Officer (Health & Housing) and Chief Officer (Resources) which provided an update on the council housing budgetary position and sought Cabinet's decisions on council housing rent levels for 2018/19 and targets for future years. It also sought approval of Cabinet's supporting revenue budget and capital programme proposals for referral on to Budget Council, in order to complete the HRA budget setting process for 2018/19.

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

There is currently no other alternative available in respect of 2018/19 housing rent setting, given legislative requirements.

With regard to the revenue budget generally, Cabinet could consider other proposals that may influence spending in current and future years, as long their financing is

considered and addressed.

The options available in respect of the minimum level of HRA balances are to retain the level at £500,000 in line with the advice of the Section 151 Officer, or adopt a different level. Should Members choose not to accept the advice on the level of balances, then this should be recorded formally in the minutes of the meeting and it could have implications for the Council's financial standing, as assessed by its external auditor.

With regards to the savings and growth proposals as set out in section 7 of the report, Cabinet should consider the costs and benefits of the proposals and whether they are affordable, in particular over the medium to longer term.

The options available in respect of the Capital Programme are:

- i) To approve the programme in full, with the financing as set out;
- ii) To incorporate other increases or reductions to the programme, with appropriate sources of funding being identified.

Any risks attached to the above would depend very much on what measures Members proposed, and their impact on the council housing service and its tenants. As such, a full options analysis could only be undertaken once any alternative proposals are known, and Officers may require more time in order to do this.

The relevant Officer preferred options are to:

- Set housing rent levels in line with Government legislation.
- Approve / refer on the provisions, reserves and balances position (and their use) as set out.
- Approve / refer on the revenue budgets and capital programme, allowing for Cabinet's recommendations regarding specific savings and growth proposals.

Councillor Warriner proposed, seconded by Councillor Pattison:-

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

Councillors then voted:-

***Resolved unanimously:***

- (1) That the Housing Revenue Account Revised Budget for 2017/18, as set out at Appendix A to the report, be referred on to Council for approval, with the net overspending of £387K being met from Balances.
- (2) That the minimum level of HRA unallocated balances be retained at £500,000 from 01 April 2018, and that the full Statement on Reserves and Balances as set out at Appendix E to the report, be endorsed and referred on to Budget Council for approval.
- (3) That council housing rents be set in accordance with statutory requirements as follows:
  - for general properties let as at 01 April 2018, average rent be set at £71.27 for 2018/19, representing a reduction of 1% from the previous

year;

- for sheltered and supported housing properties let as at 01 April 2018, average rent be set at £66.31 for 2018/19, representing a reduction of 1% from the previous year;
  - for 2019/20 for the above categories of properties, further average rent reductions be set at 1%; and
  - for any relevant property becoming vacant the following policy be re-affirmed, in that they be re-let at the higher 'formula rent' less the relevant cumulative % reduction applicable (i.e. generally 3% for 2018/19 rising to 4% in 2019/20).
- (4) That beyond 2019/20, it be noted that the HRA Business Plan forecasts assume that council housing rents will be increased by the Consumer Price Index (CPI) plus 1% year on year, in line with the announcement made by Government in October 2017, but that this is still subject to annual review and any future determinations that may be issued by Government from time to time.
- (5) That the Repairs and Maintenance Service (RMS) Development Plan (c£117K) as set out at Appendix B to the report, be funded from the HRA ICT Replacement Reserve during 2017/18 and 2018/19, subject to:
- any ongoing annual software/mobile technology costs being funded from revenue efficiency savings, noting that the position is assumed to be (at least) cost neutral at this stage; and
  - a separate report being presented back to Cabinet in Autumn 2018 on the expected outcomes (including net efficiency savings) from the Plan, to inform the 2019/20 budget.
- (6) That the costs associated with the interim RMS Manager post (c£96K) be funded from the Business Support Reserve, and that delegated authority be granted to the Chief Officer (Environment), in consultation with the Chief Officer (Resources), to allocate up to a further £25,000 should there be a need for extension into 2018/19, prior to permanent recruitment.
- (7) That the savings and growth proposals as set out at Appendix C to the report, be included in Cabinet's budget proposals for referral on to Council, subject to the following:
- any future support to the Marsh Community Centre (beyond 2018/19) being determined as part of the ongoing Voluntary, Community and Faith Sector (VCFS) Commissioning of Service review alongside the Ridge Community Centre;
  - the capital investment for the conversion of redundant shops and former manager dwellings, together with the construction of new garages, being met from the Business Support Reserve; and
  - any other net costs associated with the savings and growth proposals



being met from unallocated Balances during the period to 2020/21, ahead of the HRA moving into projected surplus in 2021/22.

- (8) That subject to the above, the resulting Housing Revenue Account budget for 2018/19 onwards, as set out at Appendix A to the report, together with the resulting Capital Programme as set out at Appendix F to the report, be referred on to Budget Council for approval.
- (9) That the above recommendations for the Housing Revenue Account be reflected within the Council's draft Medium Term Financial Strategy (MTFS) as appropriate.

**Officers responsible for effecting the decision:**

Chief Officer (Health & Housing)  
Chief Officer (Resources)

**Reasons for making the decision:**

The Council is required under statutory provisions to maintain a separate ring-fenced account for all transactions relating to the provision of local authority housing, known as the Housing Revenue Account (HRA). This covers the maintenance and management of the Council's housing stock. The decision ensures there are sufficient resources to maintain and manage the Council's Housing Revenue Account (HRA) assets.

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Chairman

(The meeting ended at 6.45 p.m.)

**Any queries regarding these Minutes, please contact  
Liz Bateson, Democratic Services - telephone (01524) 582047 or email  
ebateson@lancaster.gov.uk**

**MINUTES PUBLISHED ON MONDAY 22<sup>ND</sup> JANUARY, 2018.**

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:  
TUESDAY 30<sup>TH</sup> JANUARY, 2018.**