



**Committee: CABINET**

**Date: TUESDAY, 6 NOVEMBER 2018**

**Venue: MORECAMBE TOWN HALL**

**Time: 6.00 P.M.**

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

**1. Apologies**

**2. Minutes**

To receive as a correct record the minutes of Cabinet held on Tuesday, 4 September 2018 (previously circulated).

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

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

**4. Declarations of Interest**

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

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

Whilst not a legal requirement, in accordance with Council Procedure Rule 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.

**5. Public Speaking**

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

Reports

**6. Referral from the Overview and Scrutiny Committee - Report of the Resilience Commission Informal Task Group (Pages 1 - 21)**

A Member of the Overview and Scrutiny Committee has been invited to present the

report.

7. **Flooding Cabinet Liaison Group (Pages 22 - 25)**

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

Report of Chief Officer (Health & Housing)

8. **Progress with the Community Housing Fund (Pages 26 - 38)**

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

Report of Planning Manager (Regeneration and Planning)

9. **Corporate Financial Monitoring 2011/19 - Quarter 2 (Pages 39 - 58)**

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

Report of the Interim Financial Services Manager

10. **Delivering Our Ambitions - Performance and Project Monitoring Quarter 2 2018/19 (Pages 59 - 67)**

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

Report of Chief Executive

**ADMINISTRATIVE ARRANGEMENTS**

**(i) Membership**

Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Nathan Burns, Darren Clifford, Brendan Hughes, Margaret Pattison, Andrew Warriner and Anne Whitehead

**(ii) Queries regarding this Agenda**

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

**(iii) Apologies**

Please contact Democratic Support, telephone 582170, or alternatively email [democraticsupport@lancaster.gov.uk](mailto:democraticsupport@lancaster.gov.uk).

SUSAN PARSONAGE,  
CHIEF EXECUTIVE,  
TOWN HALL,  
DALTON SQUARE,  
LANCASTER, LA1 1PJ

Published on Thursday, 25 October, 2018.

**CABINET**

## Resilience Commission Informal Task Group Recommendations

**6<sup>th</sup> November 2018**  
**Report of Overview and Scrutiny**

PURPOSE OF REPORT			
To request Cabinet to consider the recommendations of Overview and Scrutiny Committee regarding the Resilience Commission Informal Task Group.			
<b>Key Decision</b>	<input type="checkbox"/>	<b>Non-Key Decision</b>	<input type="checkbox"/>
<b>Referral from Overview &amp; Scrutiny</b>			<b>X</b>
<b>Date of notice of forthcoming key decision.</b>			N/A.
<b>This report is public.</b>			

### RECOMMENDATIONS OF THE RESILIENCE COMMISSION INFORMAL TASK GROUP

**That Cabinet accepts the recommendations as set out in the attached Informal Task Group report:**

#### **1. Introduction**

- 1.1 The Overview and Scrutiny Committee considered the recommendations of the Resilience Commission Informal Task Group, at its meeting held on 17<sup>th</sup> October 2018.
- 1.2 A scoping document setting the scope, purpose of the Task Group and Terms of Reference for the Group was previously agreed prior to the Task Group meetings. Terms of Reference details are provided below.

#### **2. Terms of Reference**

- 2.1 The following Terms of Reference for the Task Group were agreed by the Overview and Scrutiny Committee: -
  1. To identify issues to be considered by the Resilience Commission such as communities, power and transport.
  2. To identify community partners.
  3. To determine how to test the sustainability of relevant plans.
  4. To consider how to disseminate information into the communities.

At the first meeting of the Informal Task Group it was agreed that the issues to be considered by the Resilience Commission would, in addition to the specific examples in the Terms of Reference, also include:

- Communication.
- Vulnerable People.

- Existing resilience.
- Rest centres/information and support hubs.
- Availability of food supplies.
- Identification of good practices.
- Planning Regulations.
- Drainage.

### 3. Proposals

- 3.1 The rationale behind the Task Group was that the flooding and consequential loss of power highlighted the need for resilience in our communities.
- 3.2 It is noted that, when this Task Group was created, the City Council Plan included Community Leadership as a priority. The Plan stated that: -

*“The role of our ward Councillors is vital in engaging with communities and working with community groups and individuals to make a difference through a wide range of initiatives in local areas and the Council’s process will be strengthened to support this. Community pride is a key theme that has emerged from our local engagement work and the council wishes to support local groups and communities to become involved locally, improving where they live in many ways so that they can take pride in their local areas and the communities around them.”*

The recommendations of the Task Group will assist the City Council in meeting the Corporate Plan priority. They also assist the City Council in meeting the Council Plan Principles regarding Community Leadership and Our Ambitions for Clean, Green and Safe Neighbourhoods.

- 3.3 The Overview and Scrutiny Committee discussed the findings and recommendations of the Informal Task Group. These are set out within the recommendations section of the Task Group report.
- 3.4 A full copy of the Task Group’s report is appended. Cabinet is requested to consider the recommendations of the report.

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

- 1 To accept the recommendations of Overview and Scrutiny.
- 2 Not to accept the recommendations of Overview and Scrutiny.
- 3 To make alternative proposals to those recommended by Overview and Scrutiny.

### 6 Task Group Preferred Option (and comments)

- 6.1 That the recommendations, as set out in the Task Group report, be accepted.

### 7. Conclusion

- 7.2 Members are asked to consider the recommendations of the Overview and Scrutiny Committee as set out in the Task Group report.

### RELATIONSHIP TO POLICY FRAMEWORK

The recommendations, as set out in this report, assist the City Council in meeting the Council Plan Principles regarding Community Leadership and Our Ambitions for Clean, Green and Safe Neighbourhoods.

The establishment of Cabinet Liaison Groups assists the Cabinet in the discharge of

executive functions.

## CONCLUSION OF IMPACT ASSESSMENT

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

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

## LEGAL IMPLICATIONS

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

Any further reports that may result as part of the recommendations of the Task Group will include relevant legal implications and these will be considered as part of that report.

Cabinet Liaison Groups are established in accordance with the City Council's Constitution.

## FINANCIAL IMPLICATIONS

None directly as a result of the recommendations of this report.

Any further reports that may result as part of the recommendations of the Task Group will include relevant financial implications and these will be considered as part of that report.

With regard to Cabinet Liaison Groups resources are available to provide the necessary level of support.

## OTHER RESOURCE IMPLICATIONS

### Human Resources:

None arising from this report.

### Information Services:

None arising from this report.

### Property:

None arising from this report.

### Open Spaces:

None arising from this report.

## SECTION 151 OFFICER'S COMMENTS

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

## MONITORING OFFICER'S COMMENTS

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

## BACKGROUND PAPERS

none

**Contact Officer:** Stephen Metcalfe  
**Telephone:** 01524 582073  
**E-mail:** [sjmetcalfe@lancaster.gov.uk](mailto:sjmetcalfe@lancaster.gov.uk)

# **Final report of THE RESILIENCE COMMISSION INFORMAL TASK GROUP**



**Lancaster City Council  
October 2018**

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Chairman's Foreword</b>	<b>3</b>
<b>Introduction</b>	<b>4</b>
<b>Role of the Task Group</b>	<b>4</b>
<b>Terms of Reference</b>	<b>4</b>
<b>Scope of the Task Group/Membership</b>	<b>6-7</b>
<b>Documentary Evidence</b>	<b>7</b>
<b>Status of the Report/Background and Context</b>	<b>8</b>
<b>Interim Recommendations</b>	<b>8</b>
<b>Community Emergency Plans</b>	<b>9</b>
<b>Exercises/Events and Lancashire Flood Appeal</b>	<b>10</b>
<b>Role of Councillors – Community Leadership</b>	<b>11</b>
<b>Planning Issues</b>	<b>11-12</b>
<b>Sandbags</b>	<b>13</b>
<b>Council Properties</b>	<b>13-14</b>
<b>Communication</b>	<b>14</b>
<b>SMART District/Caton Road Sub Station</b>	<b>14-15</b>
<b>Cabinet Liaison Group</b>	<b>16</b>
<b>Recommendations</b>	<b>16-18</b>





## Chairman's Foreword

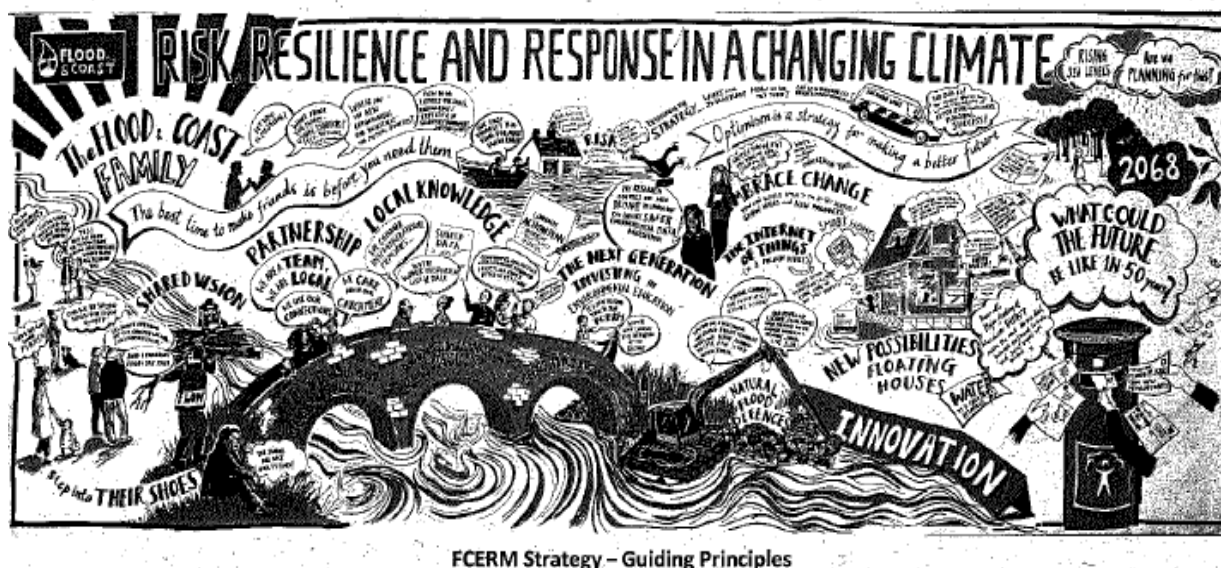
Following the serious and often unexpected consequences of the December 2015 flooding and prolonged power outage, the City Council Overview and Scrutiny Committee played an important part in reviewing the effects upon the district and receiving information from the agencies involved. It was clear all statutory bodies needed to work on improving communications and inter agency work and better outcomes have been noticeable over 2017/2018 in particular. However it was clear from our review that there were gaps in agency outcomes and in particular our communities needed to be far more involved in increasing their own resilience. We also realised as communities we had not profited from the experience of near neighbours Carlisle and Kendal and hoped by our work to take their learning into account and ensure our contribution reached a wider audience.

In the midst of a great deal of work by other bodies dealing with flooding, the Task Group took on and refined a remit that represented those elements councillors felt essential to our situation, to the concerns of councillors in their wards and the voice of local community members. Considerable success has been achieved in working through the pressing community issues that were flagged up early in 2016 through the work of Civil Contingencies Officer, Mark Bartlett supported by councillors. We can now see a much more coherent approach to working with communities, not just by the City Council but also by elements of the County Council, the Environment Agency and utilities companies. Recent flooding in Halton, Galgate and Hala has shown not only the progress made by communities and agencies but also the continued need for our communities to be part of a network of effective communication and included in coherent decision-making at district and county level, including in the planning arena, that is based on good local knowledge.

Flooding is no longer a one off disaster: it is a fact of life now. As a Resilience Commission we recognise our district contains a cross section of communities, all of whom need effective support to create their own resilience. We trust our recommendations will go some way to making that happen.

Thanks are due to task group members and to officers for keeping up with and adapting the report and recommendations as circumstances at both national and local level have changed.

**Councillor Caroline Jackson**  
on behalf of the Task Group



FCERM Strategy – Guiding Principles



## 1. **Introduction**

Following the flooding and associated power outages, transport, and communication issues experienced during Storms Desmond and Eva the Overview and Scrutiny Committee was tasked with investigating the impacts and emergency response procedures.

The events of Storm Desmond highlighted the need for planned resilience within communities across the district.

The Resilience Commission Task Group was set up by the Overview and Scrutiny Committee and tasked with developing a way of pulling together community groups across the district to share experience and good practice regarding emergency planning and resilience within smaller community groups in rural and urban parts of the district.

## 2. **Role of the Task Group**

The concept of the Resilience Commission Informal Task Group originally stemmed from the Storms Desmond and Eva report presented to the Overview and Scrutiny Committee on 20<sup>th</sup> April 2016. The Committee was advised of the broad impacts of these storms on the district and the effect that engagement in the emergency and recovery operations had on the City Council. In addition the report outlined the changes which may need to be made to the district's resilience arrangements as a consequence of the experience. Various organisations attended the meeting.

The rationale behind the Task Group was that the flooding and consequential loss of power highlighted the need for resilience in our communities. It was also felt that there was a risk to transport generally and to infrastructure such as bridges and the M6, which can leave communities vulnerable.

Following further incidents of flooding, since Storms Desmond and Eva, the Chairman of the Task Group has requested further information to be considered by the Task Group and the Overview and Scrutiny Committee, with recommendations being submitted to the City Council's relevant decision-making meetings.

## 3. **Terms of Reference**

The following Terms of Reference were agreed by the Overview and Scrutiny Committee:

1. To identify issues to be considered by the Resilience Commission such as communities, power and transport.
2. To identify community partners.
3. To determine how to test the sustainability of relevant plans.
4. To consider how to disseminate information into the communities.

At the first meeting of the Informal Task Group it was agreed that the issues to be considered by the Resilience Commission would, in addition to the specific examples in the Terms of Reference, also include:

- Communication.
- Vulnerable People.
- Existing resilience.

- Rest centres/information and support hubs.
- Availability of food supplies.
- Identification of good practices.
- Planning Regulations.
- Drainage.



4. **The scope of the Informal Task Group is provided below:**

<b>Review Topic</b> (name of Review)	Resilience Commission Task Group
<b><u>Councillors Involvement in scoping</u></b> (names of Cllrs involved)	Councillors Goodrich and Jackson. If an informal Task Group other Members to be agreed by Groups on an interest basis.
<b><u>Officer Support</u></b> (names of Officers required)	To be determined by the Chief Executive.
<b><u>Rationale</u></b> (key issues and/or reason for doing the Review)	Flooding and the consequential loss of power highlighted the need for resilience in our communities. There is also a risk to transport generally to infrastructure such as bridges and the M6, which can leave communities vulnerable.
<b><u>Purpose of Review/Objective</u></b> (specify exactly what the Review should achieve)	Identify issues to be considered by the Resilience Commission such as communities, power and transport. Also to identify community partners, sustainability of plans and how to disseminate information into the communities.
<b><u>Indicators of Success</u></b> (what factors would indicate that a Review has been successful)	A clear plan for the Resilience Commission to work to. Communities will have a resource to help manage future issues.
<b><u>Methodology/Approach</u></b> (what types of enquiry will be used to gather evidence and why)	The information gathering from the Overview & Scrutiny Committee on 20 <sup>th</sup> April 2016.  Ward Councillors.  Discussions with Carlisle City Council.
<b><u>Specify Witnesses/Experts</u></b> (who to see and when)	Ward Councillors.
<b><u>Specify Evidence Sources for Documents</u></b> (which to look at)	None.

<b><u>Specify Site Visits</u></b> (where and when)	None.
<b><u>Specify Evidence Sources for Views of Stakeholders</u></b> (consultation/workshops/focus groups/public meetings)	None.
<b><u>Publicity Requirements</u></b> (what is needed – press release, fliers, leaflets, radio broadcasts, etc.)	None.
<b><u>Resource Requirements</u></b> (people, expenditure)	Officer time to be determined by the Chief Executive.
<b><u>Barriers/dangers/risks/etc.</u></b> (identify any weaknesses and potential pitfalls)	None.

Following the scoping of the Task Group the Overview and Scrutiny Committee also requested that the Resilience Commission review the City Council's policy on the provision of sand bags in emergency flooding situations.

## 5. **Project Scope**

The project was to review and consult on the setting up of a Resilience Commission and to identify issues to be considered by the Commission such as communities, power and transport. Also to identify community partners, sustainability of plans and how to disseminate information into communities.

## 6. **Membership of the Group**

The Task Group comprised of Councillors Caroline Jackson (Chairman), Claire Cozler, Nigel Goodrich, Brendan Hughes (prior to being appointed a Cabinet Member), Roger Mace and Nicholas Wilkinson.

The Task Group was supported by Suzanne Lodge – Chief Officer (Health and Housing), Mark Bartlett – Civil Contingencies Officer, Stephen Metcalfe – Principal Democratic Support Officer and Sarah Moorhen - Democratic Support Officer.

The Task Group gratefully acknowledges the contributions and evidence freely given by Carlisle City Council.

## 7. **Documentary Evidence Considered**

The Structured Debrief Report of the City Council following Storm Desmond was considered. The Task Group also received information provided by Carlisle City Council that had resulted from dealing with Storms Desmond, Eva and Frank and other previous storms. The Task Group did not consider, in any depth, any of these documents as separate entities, but scrutinised these as a whole and the evidence contained within these.

A presentation regarding flooding has also been provided, which was available to all Members of Council.

**8. Status of Report**

This report is the work of the Informal Task Group, on behalf of the Overview and Scrutiny Committee, and where opinions are expressed they are not necessarily those of Lancaster City Council.

Whilst we have sought to draw on this review to make recommendations and suggestions that are helpful to the City Council, our work has been designed solely for the purpose of discharging such work in accordance with the terms of reference agreed by the Overview and Scrutiny Committee. Accordingly, our work cannot be relied upon to identify every area of strength, weakness or opportunity for improvement.

This report is addressed to the Overview and Scrutiny Committee. It has been prepared for the sole use of the City Council and the Task Group takes no responsibility for any Member or Officer acting in their individual capacities or to other third parties acting on it.

**9. Background and Context**

The district experienced unprecedented flooding and related transport and power impacts on 5<sup>th</sup> December 2015 as a direct result of Storm Desmond, with smaller and more isolated incidents experienced during Storm Eva on Boxing Day and Storm Frank.

The Overview and Scrutiny Committee reviewed the impacts of these storms and it was agreed that the floods had highlighted the need for community resilience.

Overview and Scrutiny set up the Resilience Commission Informal Task Group with the aim that a Resilience Commission would pull communities together creating an infrastructure for the future.

**10. Report**

An interim report has previously been submitted to the Overview and Scrutiny Committee.

The Overview and Scrutiny Committee was asked to agree to the recommendations and arrangement of a meeting on 10<sup>th</sup> November 2016 and note that the Committee may be asked to consider further recommendations that could result from the information gathered at that meeting.

This report also provides recommendations on the issues that are outstanding and also issues that have come to light more recently after further flooding in the district in November 2017.

**Interim Report Recommendations**

The interim report made the following recommendations:-

- (1) That the Chairman meets with the Civil Contingencies Officer to discuss and consider how a meeting of the Commission will be arranged, including invitees and items to be discussed. The Task Group and all other Members of Council be invited to attend the meeting.
- (2) That, subject to (1) above, a meeting of the Commission be called.

- (3) That the meeting considers a set of geographical areas, focuses on buildings that could be used when there is an emergency and considers funding of improvements to buildings identified to provide power and other facilities when there is an emergency and considers how to ensure that communications with residents are effective at such times.

## 11. **Resilience Meeting**

Following discussions, referred to above, a resilience meeting was arranged. The meeting was open to the public, community and business groups. All Members of Council were invited to attend the meeting.



The meeting was held at this time due to the limit on timescales for community resilience bids for grant funding being made available by the Community Foundation for Lancashire and Merseyside. The meeting ensured that any opportunities were not missed.

The majority of the groups receiving funding have liaised with the City Council's Civil Contingencies Officer to develop Community Emergency Plans (please see below).

## 12. **Community Emergency Plans**

Storm Desmond, in December 2015, and in particular the power blackout created a high level of interest in the idea of Community Emergency Plans (CEPs) and in early 2016 the Civil Contingencies Officer contacted town and parish councils and offered to attend meetings to give a brief presentation on the idea of creating a plan. This has generated a great deal of interest and in total the Civil Contingencies Officer has attended 19 meetings, with most expressing an interest in taking the idea further.

To date the following Plans have been completed and published: -

Carnforth, Caton and North Quernmore, Halton with Aughton, Ireby and Leck, Nether Kellett, Over Kellett, Slyne with Hest, Sunderland Point and Warton.

Plans for the following are being developed: -

Borwick and Priest Hutton, Galgate, Glasson and Thurnham and Silverdale.

Stanley Road Baptists have agreed that their building can be a Level 1 Rest Centre when refurbishment work is completed and Scotforth St. Paul's has also agreed that the church hall can be a centre too.

Some of the communities already have local community resources and a centre where people can gather and support each other.

Plans are tailored to the local community requirements. Some groups are developing plans to get out and about around their villages in an emergency, whereas others are concentrating more on providing a local emergency centre at their village hall.

Copies of plans are kept in the City Council's Emergency Control Centre to provide a way of communication between groups and the centre if there is a major emergency. They are

also stored on a secure extranet system known as Resilience Direct where they can be accessed by the emergency services and utility companies if an emergency situation arises.

**Recommended:** That officers ensure that recovery and emergency plans are regularly assessed.

### 13. Exercises/Events

The City Council is developing a means of sharing good practice between groups. One way of doing this is by community exercises.

A meeting with Community Emergency Planning Groups (CEPGs) took place in February (2018) at Caton when the November floods were reviewed and there was a presentation from the Galgate representative. A further meeting in October (2018) will include an exercise to test plans.

CEPGs were invited to send representatives to a training course on retrofitting flood resilience to older buildings. The first of these was on 12<sup>th</sup> September (2018) and was well received. Community members have been trained alongside Council officers and a further event was held on 2<sup>nd</sup> October.

Several CEPGs sent representatives to a Flooding Training for Partners event at The Platform on 26<sup>th</sup> September (2018), where they made a significant contribution to training for police, fire, military, UU, EA and council officers.

A similar exercise was held at Overton Memorial Hall on 6<sup>th</sup> October (2018).

**Recommended:** That similar exercises continue to be arranged and held in the future in the district to develop a means of sharing good communication and practices.

### 14. Lancashire Flood Appeal (Community Foundation for Lancashire & Merseyside)

The development of local emergency plans has been boosted by the offer of funds from the Lancashire Flood Appeal (Community Foundation for Lancashire & Merseyside), which has offered grants of up to £10,000. Local groups were able to submit bids to improve the resilience of their communities to future flooding, or other emergencies.

At the time of writing this report in the District a total of over £75k has been awarded to the groups.

The grants have been made to purchase emergency equipment and improve the facilities at various local halls to make them more suitable to act as local emergency centres by providing generators and making improvements to electrical supplies, catering facilities etc.



*Equipment provided to community groups. Grant funded by the Community Foundation for Lancashire and Merseyside*





#### 15. **Role for Councillors - Community Leadership**

It is noted that, when this Task Group was created, the City Council Plan included Community Leadership as a priority. The Plan stated that: -

The role of our ward Councillors is vital in engaging with communities and working with community groups and individuals to make a difference through a wide range of initiatives in local areas and the Council's process will be strengthened to support this. Community pride is a key theme that has emerged from our local engagement work and the Council wishes to support local groups and communities to become involved locally, improving where they live in many ways so that they can take pride in their local areas and the communities around them.

In reports to the Council it has been noted that the City Council had placed a significant emphasis on community leadership and advised that it was encouraging to see a wide range of activity often led by local elected Members championing, running and supporting activities.

It is felt that the role of Councillors should be utilised in future to provide the vital role of engagement and, where possible, providing information to their communities.

#### **Recommended:**

That the role of a Councillor regarding community leadership be included within the Councillors' induction when elected.

That Lancashire County Council, as the Lead Local Flood Authority under the Flood and Water Management Act 2010 and Flood Risk Management Overview and Scrutiny (England) Regulations 2011, be requested to appoint a City Council representative as a co-optee non-voting Member, to its relevant Scrutiny Committee when considering flooding issues regarding this district.

#### 16. **Planning Issues**

As part of the evidence gathering exercise for the Group, the following enquiries were made:-

- Consultees – what is the input from Environment Agency/Flood Authority on new planning applications; how much weight is given to their views ?;
- Cross over of local authority borders – Effects on the flooding of our district from other local authority areas, could we be a consultee for any planning applications affecting the river Lune or other rivers considered by other local authorities. Do we liaise with any other adjoining local authorities on flood issues ?;

- Building Regulations issues (previously raised at the Overview and Scrutiny Committee meeting), can we consider whether Building Regulations could be used for making buildings more flood resilient ?.

**The following information was provided by the City Council's Regeneration and Planning Service.**

- On the issue of consultees: the City Council will continue to consult with the Environment Agency (EA) and the Lead Local Flood Authority (LLFA) regarding planning applications, where there is a statutory requirement to consult with them. There will be a presumption that if one of these organisations raises an objection that the City Council, as the Planning Authority, will not approve the application.

The LLFA has recently set up meetings regarding "Making Space for Water" to which the City Council is invited and represented.

- Regarding cross-boundary issues: the City Council has a role under the 'Duty to Cooperate' to discuss cross boundary issues with neighbouring authorities. This primarily relates to housing and economic matters however there is no reason that flooding matters should not be discussed where a recognised cross-boundary issue exists. Should such issues arise in the future there are certain mechanisms to address this via the Duty to Cooperate.

The main cross boundary flooding issues relate to the Lune catchment and these of course are influenced by uplands in both Cumbria and Bowland. The Environment Agency are undertaking work on managing upland catchments and it is known this will be influencing Management Plans for the Lake District and Yorkshire Dales National Parks, as well as the Forest of Bowland AONB Management Plan, where appropriate.

The City Council has representation on the latter two and the former Chief Officer (Regeneration and Planning) personally called for consistency between the Management Plans and the Environment Agency's catchment management objectives.

- Building Control: Building Regulations are not the appropriate mechanism for making buildings more flood resilient. It is the planning system that can be used to ensure that buildings are flood resilient at the point of construction/first use. As detailed above on any planning application, which is affected by the potential for flooding (identified on the City Council's Planning Constraint Mapping), the City Council will consult the relevant statutory consultees - Environment Agency, LLFA and United Utilities. They will often recommend flood-resilience measures (e.g. raising the finished floor level of a proposed building), and these are subsequently imposed as planning conditions on the planning permission. If the statutory consultees recommend refusal on (evidenced) flooding grounds then it is anticipated that planning permission will be refused. In the unlikely event that the City Council wanted to approve a major development that had elicited an objection from the Environment Agency, then we would notify them on our intention (to approve) before proceeding to decision. This might result in the application being 'called-in' for the Secretary of State to determine.

Following the responses received the issue of a new classification regarding mapping of Zone 1 surface water was raised, together with the need to include updates from the Woodlands Trust regarding felling of trees, both inside the district and cross-border, that could impact on flooding.

Also considered was the City Council's Building Control Service, which is a valued service, that it is felt should be resourced and extended.

**Recommended:**

That the City Council's Building Control Service is a valuable service that should be resourced and extended.

That clarification be provided by the EA that all parties have access to the latest detailed maps that provide information on the latest classification of Zone 1 surface water.

That regular reports on cross boundary flooding issues are reported to the proposed Flooding Cabinet Liaison Group. This to include, amongst other issues, updates from the Woodlands Trust regarding felling of trees, both inside the district and cross-border, that may have implications on flooding within the district.

**17. Sandbags**

As part of its information gathering the Group was asked to make recommendation to the Overview and Scrutiny Committee upon the City Council's policy regarding sandbags. Information was obtained and circulated to the Group's Members.

The City Council maintains a supply for use on its own installations and, through the Council's website, information is provided to householders on how they can plan ahead in the event of flooding. Widespread experience during the floods demonstrated the very limited value of sandbags in most circumstances and the logistical problems that occur in trying to distribute them in a period of emergency. They also cause many subsequent problems after water has subsided as they are contaminated and heavy, may split open and sometimes block drains and exacerbating the impact of further rainfall. Properties susceptible to flood risk are far better taking advantage of flood resilience measures such as closable barriers and pumps rather than sandbags. Because they deteriorate rapidly it simply is not practical for the City Council to create and maintain a large supply of sandbags routinely.

Comprehensive information is provided on the City Council's website.

<https://www.lancaster.gov.uk/environmental-health/emergency-planning/flooding-how-to-prepare-and-what-to-do-if-you-have-been-affected>

As referred to earlier the City Council maintains a stock of sandbags for its own use, if required, for engineering options, such as a breach in a sea wall, or to assist to shore up river defences.

There are innovative alternatives to sandbags, which react with water to provide the same or better defence, but are much easier to store, and will have a longer lifespan, such as floodsax. (Search 'sandbag alternatives' on an internet search engine to find such products).

**Recommended:** That alternatives to sandbags, such as floodsax, be trialled by the City Council and, subject to a successful trial, be made available to sell to local residents, with details made available on the City Council's website.

**18. Council Properties**

During recent flooding events it was reported that a number of Council houses/bungalows had been flooded.

It is suggested that for those houses/bungalows, where it has been shown that properties have flooded in the past, adaptations be made to these properties. Consideration should include adapting doorframes so that flood boards can be fitted and, if appropriate flood guards for air bricks.

**Recommended:** That for those Council houses/bungalows, where it has been shown that properties have flooded in the past, adaptations be made to these properties. Consideration should include adapting doorframes so that flood boards can be fitted and, if appropriate, flood guards for air bricks.

## **19. Communication**

In the Interim Task Group report it was noted that the work undertaken by Carlisle City Council, after repeated flooding, had highlighted that residents wanted better communication and, in particular, to know what was being done and why. One outcome of the work with communities will assist in tackling this issue too.

Parish/Town areas have been encouraged to produce Community Emergency Plans (CEPs), with representatives from these areas being provided with the District Emergency Control Centre (DECC) contact details. Copies of all community plans, with contact details, are kept in the DECC.

The Multi-Agency Flooding Plan has been revised and reissued to incorporate learning from the latest events.

Related to communication are the works undertaken to improve and maintain electricity supplies in the district by E-NW (see also section 21). These works should ensure that electricity supplies to mobile telephone masts are maintained, thus ensuring that communications by phone are more resilient.

As referred to previously training exercises/events (also see section 13) will also help to strengthen communications between groups and organisations. It is felt that a co-opted Councillor Member on the relevant County Council Scrutiny Committee could improve the flow of information between Councillors.

### **Recommended that:**

- Issues regarding communication be considered by the Flooding Cabinet Liaison Group (more detail provided in Section 22 – The Way Forward);
- Issues regarding communication continue to be considered at exercises and training events to develop a means of sharing good communications;
- That Lancashire County Council be requested to appoint a City Council representative as a co-optee non-voting Member, to its relevant Scrutiny Committee when considering flooding issues regarding this District (also recommended in section 15 – Community Leadership).

## **20. SMART District**

It is noted that the use of SMART District technologies will help emergency planning by ensuring that, in the event of emergencies, footage is available from key public locations to assist the City Council and services like the Police and Fire and Rescue etc. (Cabinet - 03.10.17).

## 21. Caton Road, Lancaster - Sub Station

Following Storm Desmond in 2015 and the floods that effected the Sub-Station on Caton Road, Lancaster causing power outages across the district, Electricity North West has taken action to deal with the effects of 100 year floods by raising all the equipment on the site.



Members of the Overview and Scrutiny Committee attended a site visit earlier this year to view the work done on site and were impressed with the remedial work carried out.



On 2<sup>nd</sup> October 2018 Electricity North West switched on the new 132/33kV transformer. This means that the works over the summer have progressed as planned with two 132kV transformers and 33kV equipment on the site now at the new elevated position above the 1:1000 year flood level. There is further work planned to follow with the 33/11kV transformers, (the smaller ones on site), but the strategic assets for the city and wider area should now be secure from flood risk.



*A site overview with the new elevated transformer to the upper left.*



*The transformer being craned into position.*

## 22. **Cabinet Liaison Group**

At Cabinet, at its meeting on 26<sup>th</sup> June 2018. it was reported that following on from Storm Desmond the Overview & Scrutiny Committee had established an informal Resilience Commission Task Group. One of the suggestions from the Chairman of the Task Group, which has been supported by the Cabinet Member with responsibility and by the Chief Officer (Health & Housing), is the merit of establishing a Cabinet Liaison Group.

Whilst the City Council plays a major part in responding to flooding incidents, particularly in the recovery phase, we recognise that work to try and mitigate the effects of flooding, as well as actions to help residents become more resilient to inevitable future flooding incidents, needs to be a multi-agency effort involving our communities as well. The purpose of the group will be to provide a strategic oversight of flooding issues in the district including hearing the action plans and timescales from all the agencies with a responsibility for flooding, e.g. the Environment Agency and Lancashire County Council and to hear from residents about what would help them best prepare and deal with flooding. A Flooding Cabinet Liaison Group could meet twice a year, or more frequently if required. Cabinet agreed to the establishment of the task group in principle, with the terms of reference to be agreed at a future Cabinet meeting.

The Task Group has made recommendations including recommendations regarding the terms of reference of the Cabinet Liaison Group, as follows.

## 23. **Recommendations**

Set out below are the recommendations that have emerged from the Task Group's work.

### **Recommendations**

That it be recommended as follows: -

- That training exercises/events continue to be arranged and held in the future in the district, to develop a means of sharing good communication and practices.
- That the role of a Councillor regarding community leadership be included within the Councillors' induction when elected.
- That Lancashire County Council, as the Lead Local Flood Authority under the Flood and Water Management Act 2010 and Flood Risk Management Overview and Scrutiny (England) Regulations 2011, be requested to appoint a City Council representative as a co-optee non-voting Member, to its relevant Scrutiny Committee when considering flooding issues regarding this District.
- That the City Council's Building Control Service is considered a valuable service that should be resourced and extended.
- That clarification be provided by the EA that all parties have access to the

latest detailed maps that provide information on the latest classification of Zone 1 surface water.

- That alternatives to sandbags, such as floodsax, be trialled by the Council and, subject to successful trial, be made available to sell to local residents with details made available on the City Council's website.
- That for those Council houses/bungalows, where it has been shown that properties have flooded in the past, adaptations be made to these properties. Consideration could include adapting doorframes so that flood boards can be fitted and, if appropriate, flood guards for air bricks.
- That officers ensure that recovery and emergency plans are regularly assessed.
- That a Flooding and Community Response Cabinet Liaison Group be created, with Terms of Reference as set out below: -

#### **Terms of Reference**

##### **Recommended Terms of Reference for the Flooding and Community Response Cabinet Liaison Group**

To provide assistance to the Cabinet Member to form a strategic oversight of flooding issues in the district including hearing the flooding issues, action plans and timescales from all the agencies with a responsibility for flooding e.g. the Environment Agency and Lancashire County Council and also to hear from community groups and residents about what would help them best prepare and deal with flooding and to attract membership from qualified and knowledgeable people in the community.

To advise the Cabinet Member on actions arising from an update report on relevant issues that will/may affect the District from the Lancashire Resilience Forum.

To consider, on an annual basis, arrangements to mitigate the risk to council properties, where it has been shown that properties have flooded in the past and for appropriate adaptations to be made to these properties.

To advise on the local flood emergency responses of the various agencies.

To advise the Cabinet Member on action following receipt of reports on cross boundary issues.

**Note:** The main cross boundary flooding issues relate to the Lune catchment and these of course are influenced by uplands in both Cumbria and Bowland.

To invite members of the Planning Policy Cabinet Liaison Group, at an appropriate time, in order to hear policies/strategies for reducing the impact of



flooding when planning for new development.

That future reports and surveys, including reports from the Lancashire Flood Partnership, be submitted for consideration to assist the Cabinet Member in making recommendations for action.

That regular reports on cross boundary flooding issues are reported to the proposed Flooding Cabinet Liaison Group. This to include, amongst other issues, updates from the Woodlands Trust regarding felling of trees, both inside the district and cross-border, that may have impactions on flooding within the district.

That issues regarding communication be considered by the Liaison Group.

**Frequency:**

The Group to meet twice a year, and/or more frequently as/when required.

## CABINET

### Flooding Cabinet Liaison Group

6 November 2018

### Report of Chief Officer (Health and Housing)

<b>PURPOSE OF REPORT</b>			
To seek Cabinet's approval for the Terms of Reference for the Flooding Cabinet Liaison Group.			
<b>Key Decision</b>	<input type="checkbox"/>	<b>Non-Key Decision</b>	<input checked="" type="checkbox"/> <b>Referral from Cabinet Member</b>
<b>Date of notice of forthcoming key decision</b>	N/A		
<b>This report is public.</b>			

#### RECOMMENDATIONS OF COUNCILLOR ANDREW WARRINER

- (1) That the Terms of Reference for the flooding Cabinet Liaison Group, as set out in Appendix 1, be approved.

#### 1.0 Report

- 1.1 At its meeting of 26 June 2018 (minute 12 refers), Cabinet agreed the establishment of a Flooding Cabinet Liaison Group (CLG).
- 1.2 The need for a flooding CLG was identified following the work of the resilience commission task group and is intended to provide a strategic oversight of flooding issues in the district. This might include hearing the action plans and timescales from all the agencies with a responsibility for flooding, e.g. the Environment Agency and Lancashire County Council and, if possible, to hear from resident representatives about what would help them best prepare and deal with flooding.
- 1.3 Further to discussions with the Portfolio Holder, Terms of Reference for the CLG have been drafted as set out at Appendix 1, for Cabinet's consideration.

#### 2.0 Details of Consultation

- 2.1 None at this stage.

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

- 3.1 The options are essentially to agree to the Terms of Reference as attached, or propose alternatives, subject to Cabinet's desired focus for the CLG. As long as any terms fit with the Constitution, there is no Officer preferred option.

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

The aims and objectives of the Flooding Cabinet Liaison Group will be aligned to support the Council Plan.

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

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

None directly arising at this stage.

#### **LEGAL IMPLICATIONS**

None directly arising at this stage.

#### **FINANCIAL IMPLICATIONS**

None directly arising at this stage.

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

None directly arising at this stage.

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

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

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

The Monitoring Officer has been consulted in the drafting of this report and has no further comments. Cabinet Liaison Groups are set out in the constitution, Part 4, Rules of Procedure, Section 4 Cabinet at paragraph 29.

##### **Cabinet Liaison Groups**

(a) Cabinet Liaison Groups are not an essential body but may be created to take forward business. However, they are purely consultative and not decision-making. They will be chaired by a member of Cabinet and there is no restriction on size although the group must be limited to what is manageable and effective for their purpose. They may be time limited or of longer standing, again depending on their purpose.

(b) The participants in the Group will be by invitation of the Chairman and can be made up from any or all of the following:

- Other members of Cabinet - Others from outside the council
- Other members of Council not on Cabinet - council officers.

(c) Terms of Reference: Their Terms of Reference are to share information about a

particular topic, e.g. e-government, and develop effective consultation and communication links with community groups and other bodies with an interest in the subject area. In this way, individual Cabinet members will have a wider information and advisory platform to inform executive decision-making and policy effectiveness.

(d) Specific outcomes from their meetings may generate requests for pieces of work to be undertaken by officers or partner bodies. Alternatively, it could be a request to Overview and Scrutiny to set up a Task Group to undertake a specific piece of work. There could also be specific reports to Cabinet, Committees of Cabinet, individual Cabinet members, or other Committees of council recommending action for determination.

(e) Each Liaison Group will have their terms of reference and expected outputs approved by Cabinet before they meet.

**BACKGROUND PAPERS**

**Contact Officer:** Suzanne Lodge

**Telephone:** 01524 582701

**E-mail:** [slodge@lancaster.gov.uk](mailto:slodge@lancaster.gov.uk)

**Ref:** C149

## **Flooding Cabinet Liaison Group**

### **Chairman:**

Cabinet Member and Portfolio Holder with Responsibility for Housing and Environmental Health

By invitation of the Chair.

### **Terms of Reference:**

To provide assistance to the Cabinet Member in helping to form a strategic oversight of flooding issues in the district, including hearing the flooding issues, action plans and timescales from all the agencies with a responsibility for flooding.

To advise the Cabinet Member on actions arising from an update report on relevant issues that will/may affect the District from the Lancashire Resilience Forum.

To consider, on an annual basis, arrangements to mitigate the risk to council properties, where it has been shown that properties have flooded in the past and for appropriate adaptations to be made to these properties.

To advise on the local flood emergency responses of the various agencies, including the efficacy of the use of sandbags or alternatives.

To advise the Cabinet Member on action following receipt of reports on cross boundary issues.

To invite members of the Planning Policy Cabinet Liaison Group, at an appropriate time, in order to hear policies/strategies for reducing the impact of flooding when planning for new development.

That future reports and surveys, including reports from the Lancashire Flood Partnership, be submitted for consideration to assist the Cabinet Member in making recommendations for action.

To invite community/residents representatives to hear their experiences on emergency responses and future resilience.

To invite agencies/organisations with a responsibility or interest in flooding and flood prevention work to provide information on flood preparedness and flood recovery.

### **Frequency:**

The Group to meet twice a year, and/or more frequently as/when required.

**CABINET**

**PROGRESS WITH THE COMMUNITY HOUSING FUND  
6 November 2018**

**Report of PLANNING MANAGER (REGENERATION  
AND PLANNING)**

<b>PURPOSE OF REPORT</b>			
To set aside funding for the development of a sub-regional Community Housing Hub with neighbouring local authorities and to create a new fixed term Community Housing Fund Development Officer post			
Key Decision	<b>X</b>	Non-Key Decision	Referral from Cabinet Member
Date of notice of forthcoming key decision	8 October 2018		
This report is public			

**RECOMMENDATIONS OF COUNCILLOR ANDREW WARRINER**

- (1) Note the progress being made within this region in relation to the development of a Community Led Housing Hub.
- (2) That funding from the Community Housing Fund be set aside to enable a contribution of up to £15K for Year 1 Set up costs for a Community Led Housing Hub and where there is opportunity to do so officers be authorised to submit a bid for continued revenue funding for the Hub in future years either through Homes England or other relevant external funding sources.
- (3) That further funding of up to £40K from the Community Housing Fund also be set aside to support the creation of a new fixed term part-time post (21 hours per week) for up to two years from initial appointment.
- (4) In the event that Lancaster City Council is unable to recruit a suitable candidate, the equivalent budget is used to purchase direct support from the Community Housing Hub Provider if capacity exists.

- (5) **That the Head of Financial Services/Section 151 Officer be authorised to update the General Fund Revenue Budget to reflect any decisions taken under recommendation 2 and 3 to be funded from the Revenue Grants Unapplied Reserve and for continuation of the Hub in future years, through additional external funding bids where appropriate to do so, and subject to there being a nil impact on the Council's resources.**

## **1.0 Introduction**

- 1.1 Lancaster City Council received an allocation of Community Housing Fund totalling £707,630 in 2016/17 to support community led housing developments. The commitment from government at the time was to provide £60M to support community led developments, with allocations made directly to Local Authorities who are affected by second homes and a formula to allocate the grant was used to calculate the allocations.
- 1.2 Community led housing is a term used to describe forms of residential development which is driven by local communities who have identified a local housing need in their area which is not being met. Community led housing schemes have often been developed in rural communities where the cost of housing is unaffordable for local people and where groups have been instrumental in developing projects that will meet that need. Community led developments can be owned and managed by communities through legal mechanisms such as Community Land Trusts, or in partnership with a social landlord (Registered Providers) but always where the community group is integrally involved in the process and key decisions (what, where, for who etc). Community led developments are not necessarily exclusively affordable housing although some are, and the Community Housing Fund is not restricted to affordable housing, but typically schemes will provide some element of affordable housing to meet a range of need.

## **2.0 Background**

- 2.1 A report was presented to Cabinet in August 2017 which approved the Grant Policy in respect of the Fund and to seek authority to create a jointly funded officer post with Fylde Borough Council. An officer appointment was subsequently made and the post holder commenced in January 2018.
- 2.2 In April 2018 the post holder served notice that she was unable to maintain full time hours across the two Local Authorities and she has been retained by Fylde Council in a part-time position. Lancaster City Council is currently without any dedicated officer resource in order to develop and progress this area of work. Notwithstanding this, Lancaster City Council has undertaken a series of engagement work on community led developments and has worked directly with



community groups to develop proposals.

- 2.3 Whilst there is an intention to create a new fixed term part time officer post within Lancaster City Council's establishment, it should be noted that neither Wyre Borough Council or South Lakeland District Council have been able to make an appointment and identify a candidate that met their requirements and possesses the skills knowledge and experience to fulfil this role.

### **3.0 Progress in developing a Community Housing Hub for Cumbria and Lancaster**

- 3.1 On 29<sup>th</sup> January this year a Community Led Housing Training Event was held in Cumbria which was attended by representatives from the four Local Authority districts in Cumbria who benefited from the funding issued in January 2016. The training was provided by The Community Land Trust Network who have held a key role in advising government on the current grant regime.
- 3.2 The training event set out the benefits of developing a Community Led Housing Hub within this region in order to support and facilitate future grant payments and to help to spread the word and support the movement locally. Whilst the size and scope of such an initiative was not specified, the benefits to setting up a service which not only cuts across Local Authority District boundaries, but also county boundaries was highlighted.
- 3.3 Since January, representatives from Local Authorities across Cumbria and Lancaster have engaged in discussions about setting up a Hub initiative. In this part of the region representatives from the following Local Authorities support the concept of setting up a HUB partnership: South Lakeland, Eden, Copeland, Carlisle, Allerdale and Lancaster.
- 3.4 An initial scoping meeting was held on 3<sup>rd</sup> July with representatives from each of the districts present to review how a Hub initiative may operate across Cumbria and Lancaster and the proposal from that meeting was given in principal support from the Cumbria Housing Group on 27<sup>th</sup> July.
- 3.5 Another meeting was held on 2<sup>nd</sup> August with the aim to examine the options available for setting up a sub-regional Hub. At the meeting representatives were present from both the Northumberland Hub and the North Yorkshire and East Riding of Yorkshire Hub, each presenting how Hub services had evolved and developed in their respective regions.

### **4.0 The Proposal**

- 4.1 Representatives from the 6 participating organisations recognise that existing Hub initiatives across other regions have evolved in different

ways and therefore engage in different functions. Similarly for Cumbria and Lancaster individual partners may have slightly different requirements, the HUB arrangement would therefore need to be flexible and allow for this. There is however broad agreement on a number of key aspects in relation to the proposed initiative:

- 4.1.1 The Hub would represent a single point of contact across a geographically defined region.
  - 4.1.2 The service should include a dedicated website.
  - 4.1.3 The service should encompass a promotional role in respect of Community Led Housing, raising awareness, engaging more individuals and groups, supporting capacity building within communities and growth of numbers of homes within the sector.
  - 4.1.4 Establish a technical panel of a range of organisations that can support groups to bring forward projects.
- 4.2 A draft tender document has now been produced and a plan to kick start the service has been proposed. The estimated costs for developing a Hub and running the service for an initial 12 month period has been assessed which was broadly based on the North Yorkshire/ East Riding of Yorkshire model. The objective in the longer term would be for the service to attract future external funding. The proposed set up funding with a contract award of circa £65K would be split between each of the Local Authorities involved and based on the proportion of Community Led Housing funding which has been issued to each district as shown at Appendix 1 (Lot 1). However, approval is being sought to set aside up to £15K in the event that the overall contract value should increase beyond the estimated figure of £65K. The sum requested for each district against the notional figure of £65K would be:

South Lakeland District Council £30,550

Eden District Council £12,350

Allerdale Borough Council £10,400

Lancaster City Council £9,100

Copeland Borough Council £2,600

Carlisle City Nil – however they will act as the accountable body by leading on the procurement process and associated legal issues.

- 4.3 As part of the tendering process discussions have taken place about creating a second Lot to provide direct support to any of the Local Authority partners who require it. As South Lakeland District Council are also without any dedicated officer resources at the present time, they wish to explore this (60 – 100 hours per month approx). Should a second Lot be pursued or in the event of the successful provider have the capacity to deliver direct support to any of the Local Authority partners, then authority is sought to enable Lancaster City Council to purchase direct support to the equivalent financial value of up to £40K

alongside the £9K to £15K required for the Hub set up costs.

- 4.4 Whilst the Community Led Housing Sector in the UK remains very small compared to many other countries in Europe and North America (less than 0.3% of total housing output), the Government is committed to significantly increasing the sector. Since December 2016 when the Government allocated £60m funding to kick start and support Community Led Housing developments across 148 local authorities, significant progress has been made locally in relation to developing new initiatives.
- 4.5 With funding of almost £5m granted to Cumbria, covering 4 District Authorities and Lancaster funding has largely been targeted towards communities where good quality and affordable homes are in short supply.
- 4.6 Whilst individual local authorities have made progress in terms of establishing community groups and specific projects there is scope for improving delivery by working in partnership to establish a Hub.

## **5.0 The Community Housing Fund**

- 5.1 The Government is reinforcing their commitment and support to the Community Led Housing Sector by making a further £163m available up to March 2020 across England, creating a new opportunity to provide more affordable housing options which are initiated by community members themselves. Homes England set out the benefits of the growth of the Community Led Housing sector in their new prospectus stating it will:
  - Encourage engagement and creativity from local people
  - Deliver high quality design and construction standards
  - Utilise innovative building techniques and energy efficiency measures
  - Support smaller house building companies and helps sustain the local economy
  - Provide homes that are affordable at local incomes
- 5.2 The prospectus also sets out a clear but flexible approach to how Community Led Housing should be delivered:
  - Schemes need to be group led either through an extension of community based activity, or through a Developer / Community partnership providing meaningful community engagement and consent occurs throughout the development process.
  - The community does not have to initiate and manage the process, or build the homes themselves, although some may do.

- The local community group, or organisation will own, manage, or steward the homes and in a manner of their choosing, this may be done through a mutually supported arrangement with a Registered Provider that owns the freehold, or leasehold for the property.
- The benefits to the local area and / or specified community must be clearly defined and legally protected in perpetuity.

## **6.0 Funding Opportunities**

6.1 Phase One of the Fund encourages eligible organisations to apply for funding to help cover project-specific activities that will support development of community-led housing proposals. The prospectus highlights that Local Authorities can apply for funding for the following purposes:

6.1.1 Undertaking capital bids for associated infrastructure costs which will support community-led housing development. This may include access roads, roundabouts or services needed to open up a site.

6.1.2 The employment of staff to provide advisory services, information and support to groups.

6.1.3 Local Authorities (or Registered Providers) may apply for revenue grants to support community groups to develop community-led housing projects and in so doing remain Lead Agents throughout the process. This may include capacity building, and predevelopment initiatives (for example the costs of forming a corporate body, training, feasibility studies, surveys, Architects and legal fees).

6.2 On 17<sup>th</sup> September 2018, the government published the Addendum to the Phase One Prospectus which provides capital grants to support Community Led Developments which is broadly the equivalent to the funding available through Homes England Affordable Homes Programmes but which is tailored to Community Led Housing Groups. In order for groups to be able to progress bids to develop schemes, they are likely to require the necessary support and guidance to acquire Investment Partner Status in order to draw down funding, and will either need to obtain Registered Provider status or lease units to a Registered Provider for the provision of rented accommodation in order to qualify for capital funding. The rationale for this requirement is due to state aid rules and to ensure consistency in terms of the quality and management arrangements. Inevitably having the officer resources in place with the additional benefits and support that can be delivered through the sub-regional hub should ensure that schemes identified in Lancaster district can come forward, and is a very good use of the City Council's allocation of Community Housing Fund in 2016/17.

## 7.0 Existing Budget Position

- 7.1 To date, Lancaster City Council has allocated just over £50K from the 2016/17 allocation as follows:-

Specialist Adviser Payments (Community Land Trust Network)	£5K
Officer Post	£4K
Specialist Architectural Advice	£6K
Grants to Groups	£36K
<i>(Lune Valley Community Land Trust x 2 projects/Halton Senior Co-Housing x 1 project)</i>	

- 7.2 If any of the schemes identified can be taken forward, additional funding will be required (which is envisaged to be a mixture of private finance drawn down by the group, a further grant from the Community Housing Fund by virtue of a Cabinet decision, and/or funding from the Homes England programme).
- 7.3 Lancaster City Council is seeking to create a dedicated officer post for a fixed term period for two years (which may be extended if further funding is secured) and would consist of 21 hours per week utilising around £40K of the Community Housing Fund budget. Whilst it would certainly be our preference to employ an officer directly as this would offer better value for money and be a local dedicated resource, for the reasons already outlined in this report, should it not prove possible to do so, then the council would be forward planning an alternative option subject to the necessary approvals being obtained in advance.

## 8.0 Details of Consultation

- 8.1 None other than the consultation with neighbouring authorities in Cumbria to advance a proposal and some limited dialogue with the Community Land Trust Network who are supportive of the principle of a sub-regional Community Housing Hub.

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

	<b>Option 1:</b> Proceed with setting up a Community Housing Hub and create an officer resource through direct recruitment or through the Hub	<b>Option 2:</b> Only provide funding for officer support.	<b>Option 3:</b> Do not proceed with either option
Advantages	It will improve access to and increase the range of specialist services available to Community Groups that will not	It will create a local resource to directly support groups in Lancaster district.	There will be no budget implications.

	otherwise be available. It will provide the direct officer support required.		
Disadvantages	The funding could be spent on other projects.	The funding could be spent on other projects. Option 2 would not increase the range of specialist services available to Community Groups although there would be a local resource, it would potentially take longer for schemes to come to fruition.	There would be very little direct support available to support groups to bring projects forward. The capacity within the existing establishment will result in delays in bringing schemes forward due to lack of specialist input and the momentum of projects would be lost.
Risks	The effectiveness of the Hub will rely on the successful Provider who are likely to be based in Cumbria. It may be difficult to find a candidate that has the skills and knowledge required for the position. Using the Hub as a means of securing direct officer support will not provide the equivalent hours	The council may be unable to fill the vacancy. It is unlikely that the Hub Provider would be able to provide direct support if Lancaster City Council is not involved in the Hub partnership.	Loss of opportunities Reputational damage if the budget is not used for its intended purpose. Lack of delivery could hinder the future funding opportunities available. MHCLG may seek to recoup the allocation and direct it elsewhere.

## 10.0 Officer Preferred Option (and comments)

- 10.1 The Officer Preferred Option is Option 1. The establishment of a sub-regional Community Housing Hub will improve access to and increase the range of specialist services required to bring Community Led developments into fruition building on the successes of some of the schemes already completed or being brought forward in Cumbria. Along with the provision of direct support (either through a recruitment process or through a Hub) will ensure that Community Groups will have the necessary support and assistance required. This is particularly important if bids are made for capital grant due to the requirements of Homes England in terms of the quality of bids, acquiring Investment Partner Status, and in some instances, acquiring Registered Provider status for the management of rented units.

## 11.0 Conclusion

- 11.1 Community Led developments provide an opportunity to diversify the housing

market in Lancaster district and increase the provision of affordable housing. Given that a further announcement of £163M national funding to support these initiatives and the fact that the council was successful in receiving the original allocation of £707K in 2016/17, funds have been put in place to provide a robust framework of support for local community groups without any direct impact on other council resources.

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

Corporate Plan - links directly with improving the quality and availability of housing including the provision of affordable housing in some instances.

Draft Local Plan 2011-2031 – contributes to increasing the opportunities to bring new housing forward to meet the district's annual housing requirement.

Lancaster District Housing Strategy– meeting the needs of all parts of the community by providing a more diverse housing offer through community led developments.

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

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

If the report is approved as recommended, this will have a positive impact as it will increase the opportunities for specific groups to bring forward community led schemes tailored to their own needs and objectives. Further engagement work will be taking place as part of the review of the Lancaster District Housing Strategy and once a dedicated officer resource is in place.

#### **LEGAL IMPLICATIONS**

It is understood that a partnership agreement is to be entered into by the local authorities involved in the Housing Hub. This, amongst other matters, should set out how the authorities are to work together, funding contributions and how decisions are to be reached. Legal Services will need to be consulted on the partnership agreement prior to signing.

There are no other legal implications stemming from this report.

#### **FINANCIAL IMPLICATIONS**

There are no additional financial implications arising for the Council directly from this report as set up costs for the Community Led Housing Hub and creation of a new fixed term part time post can be fully funded from the Community Housing Fund. This would still leave around £600K remaining in the Revenue Grants Unapplied Reserve to support the direct delivery of community-led affordable housing schemes.

It is expected that any continuation of the Hub beyond the initial set up year would be funded through bidding for additional Homes England grant specifically for this purpose or other external funding available and that submission of such bids be delegated to officers.

Subject to either Option 1 or 2 being implemented, the Head of Financial Services / Section 151 Officer under delegated authority would need to update the General Fund Revenue Budget as appropriate, to be funded from the Revenue Grants Unapplied Reserve and for



continuation of the Hub in future years, through external funding bids. This is subject to there being a nil impact on the Council's resources, noting that for any bids where additional Council resources are required, such as match funding, etc. then a report would be brought back to Members for approval prior to submission of the bid.

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

An additional post will provide further opportunity for employment within the district.

The length of the recommended contract of employment does not bring any human resources implications to be considered.

**SECTION 151 OFFICER'S COMMENTS**

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

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

None

**Contact Officer:** Kathy Beaton

**Telephone:** 01524 582724

**E-mail:** kbeaton@lancaster.gov.uk

**Ref:**

# Equality Impact Assessment

This **online** equality impact assessment should:

An equality impact assessment should take place when considering doing something in a new way. Please submit your completed EIA as an appendix to your committee report. Please remember that this will be a public document – do not use jargon or abbreviations.

**Service**

**Title of policy, service, function, project or strategy**

**Type of policy, service, function, project or strategy:** Existing ☐ New/Proposed ☒

**Lead Officer**

**People involved with completing the EIA**

## Step 1.1: Make sure you have clear aims and objectives

Q1. What is the aim of your policy, service, function, project or strategy?

Q2.

Who is intended to benefit? Who will it have a detrimental effect on and how?

## Step 1.2: Collecting your information

Q3. Using existing data (if available) and thinking about each group below, does, or could, the policy, service, function, project or strategy have a negative impact on the groups below?

Group	Negative	Positive/No Impact	Unclear
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Faith, religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender including marriage, pregnancy and maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual orientation including civic partnerships	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other socially excluded groups such as carers, areas of deprivation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rural communities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Step 1.3 – Is there a need to consult!

## Equality Impact Assessment

Q4. Who have you consulted with? If you haven't consulted yet please list who you are going to consult with? Please give examples of how you have or are going to consult with specific groups of communities

Extensive consultation has taken place with partner Local Authorities in Cumbria as well as specialist organisations. Due to having to undertake a procurement exercise to select a suitable Hub Provider limited dialogue has taken place with specific community groups or parties who may wish to bid for the Contract. If approved, It is intended to undertake further consultation and engagement across Lancaster district with community groups i.e with Parish Councils, Neighbourhood Plan Groups and any other groups that may be interested in developing projects. Further engagement is also planned through the Communities Together Forum in 2019. Some dialogue will also take place with the council's Consultation Officers in order to formulate an engagement plan if/when an officer is appointed.

### Step 1.4 – Assessing the impact

Q5. Using the existing data and the assessment in questions 3 what does it tell you, is there an impact on some groups in the community?

**Age:** Positive. One active community group is seeking to provide a community led development for people over 55.

**Disability:** It should be positive depending upon the needs of any groups and their requirements.

**Faith, Religion or Belief:** Positive - this could be a unique opportunity to support and develop a community housing project for a distinct group whose needs may not be otherwise identified or met.

**Gender including Marriage, Pregnancy and Maternity:** No impact either way

**Gender Reassignment:** Either none or positive - it could provide an opportunity to deliver a scheme for a community group that would not otherwise be met

**Race:** Positive - it could provide an opportunity to provide a bespoke project for a group who may have specific needs that may not be met.

**Sexual Orientation including Civic Partnership:** Either none or positive

**Rural Communities:** Positive - a number of community groups have already been established in rural areas where communities recognise there is an unmet housing need for local people (often in high value areas where housing is unaffordable).

### Step 1.5 – What are the differences?

Q6. If you are either directly or indirectly discriminating, how are you going to change this or mitigate the negative impact?

None expected but the further engagement that will take place once the proposed officer post is filled there should be an opportunity to monitor and review any impacts/outcomes. An engagement plan will be devised once the officer post is filled.

Q7.

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

An engagement plan will be devised with sign off by the Council's Consultation Officers and records and feedback will be maintained.

### Step 1.6 – Make a recommendation based on steps 1.1 to 1.5

Q8. If you are in a position to make a recommendation to change or introduce the policy, service, function, project or strategy, clearly show how it was decided on.

## Equality Impact Assessment

The original funding allocation was received from central government to allow Local Authorities most affected by second homes ownership to support and develop community led housing schemes and therefore the proposal meets the government's original objectives. The main limiting factor in taking forward proposals is access to suitable land. However, specific groups wishing to take any proposals forward should have the same opportunities as any other parties but will have the benefit of a range of local and specialist support to assist them in doing so.

Q9.  
If  
you  
are

not in a position to go ahead, what actions are you going to take?

N/A

Q10. Where necessary, how do you plan to monitor the impact and effectiveness of this change or decision?

The Community Housing Hub will have a steering group which will include all 6 x Local Authorities who are establishing the partnership. The effectiveness of the Hub will be monitored after Year 1 and further funding may be sought in order for it to continue (hopefully through external funding). Feedback from groups in the effectiveness of the Hub will be collated as part of the monitoring process and some milestones/objectives will be set out at the Contract commencement. The Hub Provider will be expected to collect monitoring information which will be reviewed at regular intervals. Induction training will be provided to the new member of staff in connection with the relevant equality and engagement policies and good practice. It is intended that the effectiveness of the officer post will be monitored and feedback requested from groups.

<b>CABINET</b>
----------------

## Corporate Financial Monitoring 2018/19 – Quarter 2

06 November 2018

### Report of the Interim Financial Services Manager

PURPOSE OF REPORT				
To provide an overview of the Council's financial position for Quarter 2 of the 2018/19 monitoring cycle, and the supporting actions underway.				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input checked="" type="checkbox"/>	Referral from Cabinet Member
Date of notice of forthcoming key decision		N/A		
This report is public.				

#### OFFICER RECOMMENDATIONS:

- (1) That Cabinet notes the report and endorses the supporting actions as set out in Appendix A.

#### 1. Overview

- 1.1. The corporate financial monitoring report for Quarter 2 is attached at **Appendix A**. The headline messages are as follows:

- A current General Fund net underspending of (£120K), However should spending progress as currently forecast, a net overspend in the region of £93K could be experienced by year-end, once agreed funding from the Councils reserves is applied. Officers are currently reviewing all estimates as part of the 2019/20 budget setting process. Efforts are focusing on addressing this position, either through generating additional income or through achieving expenditure savings. However, should a net overspending still be forecast then General Fund unallocated balances would need to be used to fund it.
- The Housing Revenue Account is currently underspent by £27K, and this is expected to increase to £66K by the year end. The key message relates to the significant improvement in void property turnaround times, which has led to forecast additional rental income of £100K.

- 1.2. An update on Salt Ayre is included at **Annex B**.

- 1.3. Progress against the savings measures approved as part of the 2018/19 budget is detailed within **Annex C**. This progress is allowed for in the overall headline figures quoted above.

- 1.4. To support corporate financial monitoring, the latest Treasury Management update report is included at **Appendix B**.

<b>RELATIONSHIP TO POLICY FRAMEWORK</b> This report is in support of the delivery of the Council's overall policy framework, and more specifically its Corporate Plan.	
<b>CONCLUSION OF IMPACT ASSESSMENT</b> <b>(including Health &amp; Safety, Equality &amp; Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)</b> None directly arising from this report. Any additional implications linked to or arising from the various financial matters raised will be addressed in taking any relevant actions forward.	
<b>LEGAL IMPLICATIONS</b> None directly arising from this report. Any additional implications linked to or arising from the various financial matters raised will be addressed in taking any relevant actions forward.	
<b>FINANCIAL IMPLICATIONS</b> As set out in the attached.	
<b>OTHER RESOURCE IMPLICATIONS</b> <b>Human Resources / Information Services / Property / Open Spaces:</b> References and any related implications are contained within the report and related appendices.	
<b>SECTION 151 OFFICER'S COMMENTS</b> This report is in the name of the s151 Officer, albeit in the capacity as Interim Financial Services Manager	
<b>MONITORING OFFICER'S COMMENTS</b> The Monitoring Officer has been consulted and has no further comment	
<b>BACKGROUND PAPERS</b> None.	<b>Contact Officers:</b> Danial Bates, Interim Financial Services Manager <b>Telephone:</b> 01524 582138 <b>E-mail:</b> <a href="mailto:dbates@lancaster.gov.uk">dbates@lancaster.gov.uk</a> <b>Ref:</b>

## CORPORATE FINANCIAL MONITORING 2018/19

### QUARTER 2

#### INTRODUCTION

This report provides an overview of the Council's financial position and key budgetary variances as at the end of June, in terms of the revenue and capital budgets and local taxation. It also includes updates on key reserves and income collection.

#### REVENUE BUDGET

**General Fund** – An underspending of **£120K** exists as at 30 September. However should spending progress as currently forecast, a net overspend in the region of **£93K** could be experienced by year-end, once agreed funding from the Council's reserves is applied.

The main variances are summarised in the table below and provided in more detail at **Annex A**. In addition, a separate monitoring statement on Salt Ayre Leisure Centre is included at **Annex B**.

	Qtr 2 £000's	Full Year Forecast £000's
<b>General Fund Revenue Budget</b>	<b>16,204</b>	<b>16,204</b>
	(Favourable)/ Adverse	
Employees	25	237
Premises	(14)	92
Transport	8	35
Supplies & Services	14	81
Support Charges	(13)	(25)
Fees & Charges	(89)	(267)
Minor Variances	(83)	11
Other Variances	32	(71)
<b>Update Revenue Budget</b>	<b>16,084</b>	<b>16,297</b>
<b>(Under)/ Overspend</b>	<b>(120)</b>	<b>93</b>

The Council's overall projected position has improved since Qtr 1 (+£307K). This is predominantly due to a forecast increase in Fees & Charges (£200K). The significant movements are Salt Ayre's contract with the University of Cumbria Contract (£83K), additional grant funding (£88K) being received in relation to Disabled Facilities Grants, extra planning fees (£92K), and additional licence fee income as a result of legislative changes in regard to Houses of Multiple Occupancy (HMO) (£45K).

Conversely, budget pressures remain evident within several service areas, additional reports are required regarding the Council's Local Plan (+£117), and reduced occupancy levels on the markets are being experienced, as is reduced activity within Building Control. Given recent developments we can no longer expect the budgeted contribution from British Land £100K towards work around the Canal Quarter development. In addition, investment interest received is lower than expected (+£33K). Overall the Council employee cost variance has reduced slightly to +£237K from Qtr 1 (+£251K). Although the corporate staff turnover provision has been removed as part of PRT 2 and budgets realigned based on projected phasing of recruitment, the funding of temporary appointments to fill various positions within the Council continues to place pressure in the area.

**Garden Waste Collection** - The Councils garden waste collection service has so far generated £904K of income, but a shortfall (+£56K) is still forecast.

The following table illustrates the number of subscriptions gained in 2018/19 and the corresponding financial impact

	Estimated Subscriptions	Actual Subscriptions	Variance	Original Budget £	Actual £	Variance £
Paid prior to 01 April 2018	20,841	17,839	-3,002	833,640	713,560	-120,080
Paid during 2018/19	3,159	4,749	1,590	126,360	189,960	63,600
<b>TOTAL</b>	<b>24,000</b>	<b>22,588</b>	<b>-1,412</b>	<b>960,000</b>	<b>903,520</b>	<b>-56,480</b>

**Housing Revenue Account** – Current underspend of **£27K**, which is forecast to increase to **£66K** by year end. The main reason is a significant improvement in void property turnaround times which has led to forecast additional rental income (£100K).

## CAPITAL

### Expenditure

**General Fund** – The original approved Capital Programme of £11.400M has been increased by a net £515K for slippage for 2017/18 and accelerated spend and by a further £3.336M (see detailed below) to give an updated programme of £15.251M. Total spend and commitments to the end of September totalled £4.134M leaving £11.117M still to spend.

<b>Capital Movements</b>		
<b>Original Capital Programme</b>		<b>£11.400M</b>
Slippage 2017/18	Slippage & accelerated expenditure from 2017/18	<b>£515K</b>
<b>Quarter 1</b>		
CCTV: Extension to White Lund Depot	Funded from Invest to Save Reserve (approved Cabinet 24 April 2018)	£53K
Car Park Improvements	External contribution to upper St.Leonardgate / Lodge Street car parks	£7K
Disabled Facilities Grants	Increase in grant funding allocation	£144K
<b>Quarter 1 Movements</b>		<b>£204K</b>
<b>Quarter 2</b>		
Vehicle Maintenance Unit	New ramp (approved under delegated authority)	£34K
SALC	Additional Enhancements (approved under delegated authority)	£150K
Wave Reflection Wall	Expenditure grossed up by additional grant from Environment Agency	£888K
Heysham Gateway	Expenditure grossed up by additional grant from Lancashire County Council	£8K
Bolton-Le-Sands	Young Peoples' Facilities - Cabinet member delegated decision	£15K
Coastal Revival Fund	Morecambe Co-op Building approved by Cabinet 3 July 2018	£37K
Canal Quarter	Potential land purchase approved by Council 18 July 2018	£2.000M
<b>Quarter 2 Movements</b>		<b>£3.132M</b>
<b>Total Movements Q1 &amp; Q2</b>		<b>£3.336M</b>
<b>Revised Capital Programme</b>		<b>£15.251M</b>

**Housing Revenue Account** – The original Capital Programme of £4.421M has been increased to £4.481M after allowing for slippage of £60K from 2017/18. Spend and commitments at September totalled £2.404M leaving £2.077M still to spend. However, latest projections have identified an



underspend of £222K including schemes funded by the HRA Business Support Reserve, which are requested to be slipped into 2019/20 as part of the revised budget process

### **Financing**

#### **General Fund**

To date £3.560M of grants and contributions has been received against a budget of £6.328M (updated for slippage from 2017/18 and for new funding identified above). Also, additional capital receipts of £41K have been received from the sale of a vehicle.

## **RESERVES**

**Budget Support Reserve** – Approved allocations are shown below, which leave a current balance of **£1.719M** on the reserve.

	£000's
<b>Opening Balance</b>	<b>2,060</b>
Items not included at Quarter 1	
Water Fountain Feasibility Study	(30)
Chief Officers Pay Review	(3)
Pay Scale Assimilation	(6)
Interim Human Resources Manager	(31)
Cabinet 26 <sup>th</sup> June Contribution re Heysham Pool (slipped from 2017/18)	(36)
Cabinet 26 <sup>th</sup> June ICT Information Governance Project	(37)
Quarter 2	
Cabinet 4 <sup>th</sup> September Programme Manager/Project Support	(126)
Cabinet 26 <sup>th</sup> September Interim Head of Financial Services	(38)
<b>Officer Delegated Decisions in consultation with Cabinet Members</b>	
Extension of Head of Legal & Democratic Services	(18)
Extension of Job Evaluation Officer	(16)
<b>Closing Balance</b>	<b>£1,719</b>

**Restructuring Reserve** – Approved allocation are shown below which leave a current balance of **£532K** on the reserve.

	£000's
<b>Opening Balance</b>	<b>566</b>
Cabinet 3 July – contribution re Executive Team Restructure	(34)
<b>Closing Balance</b>	<b>532</b>

#### **General Fund Unallocated Balances**

Unallocated General Fund Balances still stands at £5.067M, this is £399K more than the original estimate of £4.668M, due to the revenue underspend in 2017/18.

**LOCAL TAXATION**

**Council Tax** – Current deficit of £247K (£94K deficit as at 31 March 2018). Main changes are:

- Deficit from previous year +£94K
- Reduced cost of Council Tax Support (£88K)
- Reduced charge for Second/Empty Homes +£80K
- Other Movements in Tax Base +£161K

In tax base terms this equates to approximately 138 net chargeable Band D equivalent properties, bringing the total tax base to 41,614 gross properties. Should the deficit remain then this would mean an additional cost to the General Fund of £32K in 2019/20

**Retained Business Rates** – The latest position on business rates shows net income down by £418K when compared to the original estimate, after allowing for a decrease in estimated appeals of £698K.

Overall, the total estimated Retained Income is £131K down on the original forecast. This position will inevitably fluctuate during the year but will not impact directly on the overall General Fund budget, as in due course, any decrease in income of around that scale would be met from the Business Rates Retention Reserve.

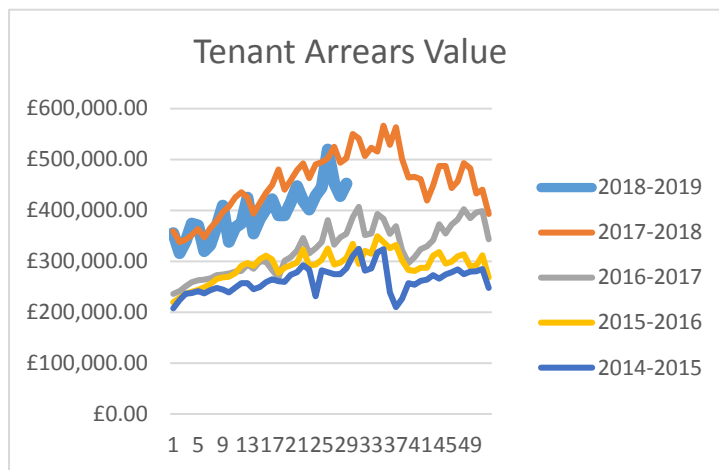
	Original £000's	June £000's	Sept £000's	Movement From Original Fav (-) / Adverse (+) £000's
Net Rates Payable	(64,487)	(65,398)	(64,767)	(280)
Appeals	3,123	4,132	3,821	698
<b>Business Rates Income</b>	<b>(61,364)</b>	<b>(61,266)</b>	<b>(60,946)</b>	<b>418</b>
City Council Retained Income (40%)	(24,546)	(24,506)	(24,378)	168
Less Tariff	18,848	18,848	18,848	-
Add Net Small Business Rates Relief Grant	(1,102)	(1,042)	(1,054)	48
<b>Net Retained Income</b>	<b>(6,800)</b>	<b>(6,700)</b>	<b>(6,584)</b>	<b>216</b>
Safety Net Payment	-	-	-	-
50% Levy Payment	616	589	531	(85)
<b>Total Retained Income</b>	<b>(6,184)</b>	<b>(6,111)</b>	<b>(6,053)</b>	<b>131</b>

**Collection Performance**

Both Council Tax and Business Rates are very slightly behind target - no specific action is required at this point.

	Full Year Target	Target to Date	Actual to Date
Council Tax	96.4%	56.7	56.6
Business Rates	98.8%	55.4	54.3

## INCOME COLLECTION



**Council Housing Rent Arrears** – At the end of week 26 the level of current council housing rent arrears was £520K (3.9% of £13.337M rent debit), An increase of £18K on the previous Qtr2 figure of £502K.

The profile is now matching the 4 weekly cycle of direct debit and DWP payments being received. This is because more and more tenants are moving over to Universal Credit and onto direct DWP monthly payments.

**Sundry Debts** – At the end of September the level of debt was £3.010M which is a decrease of £2.251m from Qtr1. However £1.751M of the debt from quarter 1 related to an invoice to Lancashire County Council for the 2018/19 Disabled Facilities Grant allocation, which was repaid on 13 July. Excluding this the decrease reduces to £500K

The bad debt provision currently stands at £2.548M which is £15K higher than the required level. No action is required at present but a further review of the provision will be made in February.

SERVICE	< 28 Days	28-59 Days	60-91 Days	92-183 Days	184-364 Days	365+ Days	2018/19 QUARTER 1 TOTALS	Compared to 2017/18 Quarter 2 totals
	£	£	£	£	£	£	£	
Enviromental Services	87,181	37,832	23,213	293,147	10,435	14,184	465,991	736,444
Regeneration & Planning	2,689	12,218	3,600	-	23,719	10,840	53,066	34,842
Resources	200,423	40,049	53,666	66,280	30,702	52,332	443,453	474,879
Health & Housing	7,980	44,232	4,982	7,681	30,304	24,761	119,941	113,868
Governance	885	-	-	-	7	1,020	1,912	1,260
Hsg Benefits (Revenues)	52,434	16,747	24,308	130,743	154,984	1,546,534	1,925,750	2,092,020
<b>2018/19 Quarter 2 Totals</b>	<b>351,592</b>	<b>151,079</b>	<b>109,769</b>	<b>497,851</b>	<b>250,150</b>	<b>1,649,672</b>	<b>3,010,113</b>	<b>3,453,313</b>
<b>2018/19 Quarter 1 Totals</b>	<b>2,238,073</b>	<b>345,878</b>	<b>599,821</b>	<b>162,042</b>	<b>324,153</b>	<b>1,591,149</b>	<b>5,261,115</b>	

## CONTRACT PROCEDURE RULES AND OTHER EXCEPTIONS TO TENDER

### Exceptions to Tender – There were two exceptions to tender in Quarter 2:

**Provision of Refugee Resettlement Services for Lancaster City Council.** Working with Global link for this second round of resettlement services gives a consistent experience to the refugees. The added value is that Global Link offer is in line with the Councils obligations under The Public Services (Social Value) Act 2012.

**Geographic Information Systems Software Licences.** To change from our current provider ESRI Geographic Information Systems would require signification changes to the system and a large training requirement. Additionally ESRI have features not available with other GIS systems.

Page 46

2018/19 QUARTER 2 REVENUE MONITORING - GENERAL FUND				ANNEX A		
Subjective Area	Service	Reason for Variance	Current Variances		Projection for Year	
			Adverse / (Favourable)		Adverse / (Favourable)	
			£	£	£	£
Employees	Environmental Services	Salaries - turnover savings	(95,600)		(132,300)	
	Environmental Services	Provision for staff turnover	82,100		164,200	
	Environmental Services	Approved Revenue Savings - Savings have been achieved to date	39,300		42,800	
			25,800		74,700	
	Governance	Additional temporary staff costs	(8,786)		61,800	
	Governance	Provision for staff turnover	7,754		15,500	
	Governance	Minor Employee variances	-		1,500	
			(1,032)		78,800	
	Health & Housing - Leisure	Salt Ayre Turnover Target	18,404		36,800	
	Health & Housing - Leisure	SALC Sals - Various vacant posts	(23,831)		(52,500)	
			(5,427)		(15,700)	
	Health & Housing	Licensing - Staff turnover	(11,699)		(14,300)	
	Health & Housing	Provision for Staff Turnover taken out for 18/19	25,404		50,800	
	Health & Housing	Staff Turnover : GF EH SH	(40,772)		(1,500)	
	Health & Housing	Additional overtime due to new HR standby policies	2,519		4,000	
			(24,548)		39,000	
	Office of Chief Executive	Various additional staffing costs	41,096		(15,600)	
	Office of Chief Executive	360 Resourcing Solutions - Advertising up front purchases required every 18 months not 2 years	699		7,000	
	Office of Chief Executive	Provision for staff turnover	16,904		33,800	
			58,699		25,200	
Regeneration & Planning	Regen & Planning Turnover Target	32,964		65,900		
Regeneration & Planning	Regen & Planning salary variances due to vacant posts and lower SCP's	(25,675)		(16,400)		
Regeneration & Planning	VIC additional costs due to TUPE of County staff	533		11,600		
		7,822		61,100		
Resources	Various turnover savings including vacant CSC, Finance, Property and ICT posts	(55,472)		(66,200)		
Resources	Corporate Turnover Savings target removed at Revised	19,004		40,000		
		(36,468)		(26,200)		
		Employees Total		24,846		236,900
Premises	Environmental Services	Williamson Park - bringing electricity budget in-line with previous year spend based on current usage	3,500		7,000	
	Environmental Services	Markets - New lighting required, not included in original Property Services schedule	3,700		5,700	
			7,200	-	12,700	-
	Health & Housing - Leisure	SALC - Additional costs associated with NNDR, installation of CHP unit and increased usage by SPA	27,868		93,800	
	Resources	Net savings on Repairs &Maintenance	(36,862)		(1,700)	
	Resources	Rates savings at Storey/Lansil Water Treatment Plant	(12,669)		(13,000)	
			(49,531)	-	(14,700)	-
		Premises Total		(14,463)		91,800
Transport	Environmental Services	Diesel prices - 7.5% increase in first six months of the year	10,000		19,300	
	Environmental Services	Vehicle Maintenance Unit Stock Write-Off. New systems of management and control to be introduced	(1,300)		14,900	
	Environmental Services	Pooled vehicles - all pool cars have now arrived and charging infrastructure has been installed. Increased use of hired vehicles whilst awaiting delivery of electric pool cars	7,200		8,600	
			15,900	-	42,800	-
	Governance	Mayoral travel - Anticipated reduction	(2,370)		(3,300)	
	Health & Housing - Leisure	Salt Ayre - Minor transport saving	(4,442)		(400)	
	Health & Housing	Car Allowances - Reduced rate from October 18	(698)		(3,800)	
		Transport Total		8,390		35,300
Supplies & Services	Environmental Services	Nursery - Correction of year end stocktake	6,500		5,700	
	Environmental Services	Waste Collection approved savings not achieved	15,300		30,600	
			21,800	-	36,300	-
	Governance	Legal Case Management System - project to be delayed until 2019/20	(20,000)		(20,000)	
	Governance	Reduction in Members Allowances in year	(2,519)		(3,100)	
	Governance	Reduction in demand for Community Governance Review	(10,494)		(20,000)	
	Governance	Various minor legal increases			8,300	
			(33,013)	-	(34,800)	-
	Health & Housing	Licensing - Increased use of Agency staff	3,500		7,000	
	Office of Chief Executive	ICT Software - Reduction in costs in year	7,760		(5,300)	
	Office of Chief Executive	Mobile Phone - Reduced recharges	-		(5,100)	
	Office of Chief Executive	Job Evaluation - Increased software supplier costs	-		2,000	
			7,760	-	(8,400)	-
	Regeneration & Planning	Additional Local Plan reports required	101,554		117,300	
	Regeneration & Planning	Additional Planning legal costs and support for upcoming court cases	-		46,000	
Regeneration & Planning	Economic Growth initiatives slipped to 2019/20	(60,653)		(55,000)		
Regeneration & Planning	Light up Lancaster and Vintage revenue savings target removed.	19,975		19,500		
		60,876	-	127,800	-	
Resources	DWP Housing Benefit Grant - Additional monies received	(46,800)		(46,800)		
		(46,800)	-	(46,800)	-	
		Supplies & Services Total		14,123		81,100
Support Charges	Health & Housing	Externally funded staff time recharges - Additional income	(12,500)		(25,000)	
		Support Charges Total		(12,500)		(25,000)
Appropriations	Environmental Services	s106 contribution to Bolton-le-Sands young peoples facilities	-		15,000	
		Appropriations Total		-		15,000
Fees & Charges	Environmental Services	Car Parking - Increased pay and display income expected	(19,000)		(47,500)	
	Environmental Services	Markets - Reduced occupancy levels resulting in lower rent income	13,000		14,600	
	Environmental Services	Williamson Park - Increase in visitor numbers	(9,000)		(22,100)	
	Environmental Services	Splash Park - Lower than expected user numbers	17,800		17,800	
	Environmental Services	Happy Mount Park - Additional profit share from café concession	(4,900)		(7,900)	
	Environmental Services	Garden Waste - Subscription levels currently in excess of 22,500 against projected 24,000	56,700		57,000	
	Environmental Services	Trade Waste - Additional income	(17,700)		(35,300)	
	Environmental Services	Waste Collection - Income budget for bins and boxes realigned with previous year outturn	11,300		14,300	
			48,200	-	(9,100)	-
	Governance	Additional court costs awarded	4,676		(30,000)	
	Governance	Reduction in the predicted number of searches for year	6,881		9,000	
			11,557	-	(21,000)	-
	Health & Housing - Leisure	University of Cumbria Contract 2018/19	-		(83,400)	
	Health & Housing - Leisure	Reduced demand for Gravity	6,345		13,000	
			6,345	-	(70,400)	-
	Health & Housing	Increase in HMO Income	(38,450)		(76,900)	
	Health & Housing	Unbugged - Slower than expected growth	15,900		31,800	
	Health & Housing	Pest Control - Increase in charges	(7,950)		(15,900)	
	Health & Housing	Disclosure Training - Additional Income	(2,000)		(4,000)	
	Health & Housing	Lancashire County Council DFG grant completions	(75,283)		(138,300)	
		(107,783)	-	(203,300)	-	
		-		3,000		
Office of Chief Executive	Costs of staff advertisements	(61,428)		(92,500)		
Regeneration & Planning	Planning fee - Additional income	-		(10,000)		
Regeneration & Planning	Income to be recovered against Viability work from developers	-		100,000		
Regeneration & Planning	British Land contribution towards Canal Quarter	(43,288)		(15,600)		
Regeneration & Planning	Platform - Additional income from increased numbers of shows	28,388		62,000		
Regeneration & Planning	Building Control reduced application volumnes	15,512		13,800		
Regeneration & Planning	Engineers Capital Salaries adjustment	732		(11,700)		
Regeneration & Planning	Townscape Heritage Imitative adjustment	(4,535)		(22,400)		
		(64,618)	-	23,600	-	
Resources	Reduction in Printrooms Café income target	16,912		23,100		
Resources	Additional Rent & Service Charge income at CityLab/Storey	-		(12,500)		
		16,912	-	10,600	-	
		Fees & Charges Total		(89,387)		(266,600)
Minor Variances	Environmental Services	Cumulative total of minor variances within service	(27,900)		9,900	
	Governance				1,500	
	Health & Housing - Leisure (excl SALC)		(10,277)		(7,200)	
	Health & Housing - Leisure (SALC)		(4,544)		(2,700)	
	Health & Housing		(15,038)		1,500	
	Office of Chief Executive				(2,000)	
Regeneration & Planning	(25,407)		(7,900)			
Resources			2,500			
		Minor Variances Total		(83,166)		(4,400)
Other Variances	Investment Income	Lower than anticipated cash balances combined with interest rates not being increased in line with expectations	31,800		32,500	
	Capital Financing	Minimum Revenue Provision - Use of Capital receipts to find short life assets			(103,800)	
			31,800	-	(71,300)	-
		Other Variances Total		31,800		(71,300)
			Total Forecast (Under)/ Over Spend		(120,357)	
					92,800	

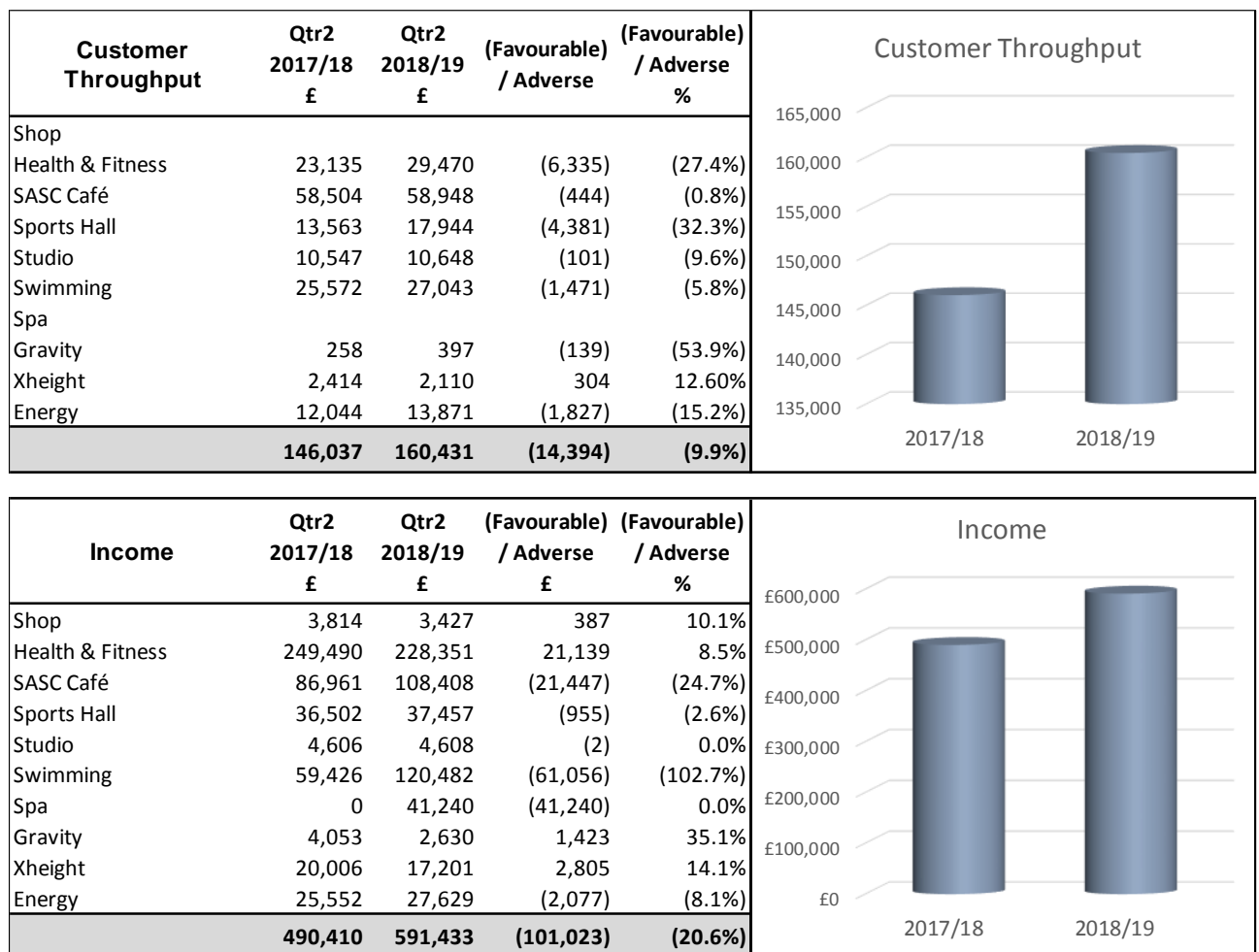
## SALT AYRE LEISURE CENTRE

### 2018/19 QUARTER 2 PERFORMANCE MONITORING

#### Key messages

- This years predicted operating subsidy for Salt Ayre Leisure Centre (SALC) is £200k compared with £700k pre development.
- There have been significant gains against anticipated income targets in a number of cost centres which have outweighed any shortfalls in other areas.
- Swimming income continues to increase as a result of a number of improvements in the way lessons are managed. As previously mentioned in monitoring reports, introducing the direct debit option has resulted in easier payment options for customers and a more regular flow of income to the Centre. The income target has been increased by £112k.
- An increase in National Non Domestic Rates (NNDR) of £21k and as previously mentioned in monitoring reports, previous over optimistic reduction in energy budgets has resulted in the need to increase budgets to a more realistic position by some £71k.
- Additions to budget forecast include £37k for staff turnover which is a figure set as part of a Council wide approach and not in direct control by Management of the Centre. General reductions as a result of staff turnover are already included within management of wages and salaries.
- The café continues to perform well and is on track to meet or exceed the target of £413k.
- Following the initial opening of the redeveloped Leisure Centre the budgets are in a much improved position against actual performance and this includes for future years where lessons learned are being applied.

	2017/18 Full Year Actuals	2018/19 Original Full Year Budget	Qtr2 Budget	Qtr2 Actual	Qtr2 Variance	Full Year Projection	Variance to Original Budget	% of Original Budget
	£	£	£	£	(Favourable) / Adverse £	£	(Favourable) / Adverse £	
<b><u>Expenditure</u></b>								
Employees	1,259,787	1,396,400	665,379	650,279	(15,100)	1,381,300	(15,100)	-1%
Premises Costs	589,995	548,900	372,620	466,420	93,800	642,700	93,800	17%
Transport Costs	23,000	14,600	12,106	11,706	(400)	14,200	(400)	-3%
Supplies and Services	538,632	539,000	317,269	314,969	(2,300)	536,700	(2,300)	
Funding from Renewals Reserve	(89,814)	0	0	0	0	0	0	0%
<b><u>Income</u></b>								
Fees and Charges	(2,123,387)	(2,354,500)	(1,126,344)	(1,203,344)	(77,000)	(2,431,500)	(77,000)	3%
<b>Direct Net Operating Cost/(-) Surplus</b>	<b>198,213</b>	<b>144,400</b>	<b>241,030</b>	<b>240,030</b>	<b>(1,000)</b>	<b>143,400</b>	<b>(1,000)</b>	
Support Service Costs	399,292	361,800	180,900	180,900	0	361,800	0	
<b>Total Net Operating Cost</b>	<b>597,505</b>	<b>506,200</b>	<b>421,930</b>	<b>420,930</b>	<b>(1,000)</b>	<b>505,200</b>	<b>(1,000)</b>	
Renewals Res Contribution	150,000	150,000	0	0	0	150,000	0	
Capital Financing Costs - MRP re £5M development	177,973	218,500	109,250	109,250	0	218,500	0	
<b>Total Net Cost</b>	<b>925,478</b>	<b>874,700</b>	<b>531,180</b>	<b>530,180</b>	<b>(1,000)</b>	<b>873,700</b>	<b>(1,000)</b>	



### Comments from Sport and Leisure Manager

- Quarter two has seen a marked improvement in a number of cost centres and is the result of extremely hard work by all staff and continuing the culture of a much more commercially minded approach. The mantra of 'every day counts' is prevalent throughout the Centre and there is an improved understanding of the importance to both market and promote for future periods combined with a short term (daily) need to respond in an agile manner when performance demands.
- The need for staff to work in a meaningful commercial manner is making a difference in the performance of activity areas and has worked well for example throughout the warm summer period when many people preferred to undertake leisure activity outdoors. Figures for the gym and café remained positive throughout the summer period.
- The partnership with the University of Cumbria continues to grow with a renegotiated figure of £100k Inc. vat for annual use by students of the gym (and some other areas) demonstrating the healthy relationship that exists between the two organisations. An extension of the partnership currently being trialled is the introduction of a rehabilitation clinic offered to all customers at discounted rates. This should in turn provide useful experience for third year students (supervised) and act as a retention tool for gym memberships.
- The Spa facility is a reasonably new and unique service to the Council and as a new business has a growing reputation within the District. Having just celebrated its first year of operation it is an example of how commercially minded staff can make a true difference to performance. The first three days of the celebratory week saw one member of staff sell in excess of £600 of products and

is testament to both people management skills by managers and applying effective promotional campaigns.

- The café income target of £413k is a good example of setting challenging targets and how staff from across all areas work hard to support performance. For example, lifeguards will assist with cleaning of tables, management of queues and general front of house customer service when high demands are placed on the catering team.
- As reported in the Council's performance indicator data, the Centre benefits from over 700,000 visits per annum and clearly this places demands on ensuring facilities remain clean and well maintained. The repairs and maintenance budget continues to feel pressure and has been increased by an amount of £10k for the current year. Whilst additional income has helped offset this figure the importance of continuing to invest in the asset is vital to maintaining performance levels. The recent building condition survey has revealed a number of areas for investment and officers are in dialogue over these issues and some other important items of plant that will need replacing.

### Education

- Work continues to grow with the School Sport Partnership with a start of year Healthy Schools launch with 180 children attendance.
- CPD workshops have been delivered at Salt Ayre for primary and secondary school teachers.
- New partnership has been developed with the Chadwick Centre for excluded children. SALC will provide venue and staff to help the support the delivery of their P.E Curriculum.
- Work experience opportunities have been created with the local college and high schools and the team at SALC also provide tours and workshops on health & safety, facility management and Spa operation.

### Disability sessions

- The ongoing programme continues to grow. Around 150 visits per week attending the regular programme.
- Piccadilly Gardens, centre for adults with learning disabilities, now access SALC on a weekly basis taking part in a range of activities.
- The Centre hosted the 'CANDO' event that saw over 150 families with children with additional needs attending a range of activities.

### Partnership working / Community Support

- The Midwives have added a 4<sup>th</sup> clinic to their programme at SALC. This has been very well received due to the closure of community venues such as Children's Centres.
- University Of Cumbria have started their Rehabilitation Clinics running 2 days per week. This enables 3<sup>rd</sup> year students to hone their skills for the benefit of Centre users and the general public.

- SALC provides support for victims of domestic abuse by providing bespoke sessions in partnership with SafeNet.

### Programme development

- SALC have developed some new holiday activities to stimulate the creative side of child development. Creation station and Pyjama Drama have been successful in attracting a new audience.
- Learn to cycle programmes are now a fixture on the holiday programmes.
- SALC now has pre-school offer every day. The introduction of a new pre-school swim to complement our children's play Zappers sessions.

In conclusion, the Centre continues to be an asset the Council is proud of and having recently been a finalist in two APSE categories for UK 'Best Efficiency and Transformation Initiative' and 'Best Public / Private Partnership Working Initiative' further demonstrates the high reputation the Centre has nationwide.

The centre has also been shortlisted for the Bay Business Awards taking place in November, in 3 categories, Leisure venue of the year, Health & Fitness Venue of the year and Beauty Venue of the Year.

The Cafe was shortlisted for the National Sport and leisure Catering operation of the year, narrowly missing out to the Etihad Stadium.

The Centre is an exemplar of combining a commercial approach whilst delivering against Sport England's five outcomes:

- Physical Wellbeing
- Mental Wellbeing
- Individual Development
- Social and Community Development
- Economic Development

Similarly the Centre contributes greatly to the Council's 'Ambitions' plan and has this new vibrant ethos at its heart.



# GENERAL FUND - 2018/19 SAVINGS MONITORING (QUARTER 2 - PERIOD 6)

Initiative	Type	Budget	Profiled Budget	Actual to Date	Variance	Progress
		£	£	£	£	
<b>PHASE 1 - 2018/19 APPROVED SAVINGS</b>						
<b>Environmental Services</b>						
Solar Farm Design and Business Case Development	Inc Generation	50,000	4,440	4,440	0	Initial calculations by APSE have been provided for various sites at SALC. In-house appraisals taking place so Elected Members can make an informed decision on whether to proceed
Waste Collection Management Systems	Efficiency	138,000	0	0	0	Several suppliers identified following presentations and specification being formulated. Site visits to other users of similar systems have taken place.
Extension of CCTV to Public Buildings	Efficiency	(17,000)	(17,000)	(17,000)	0	Nearing completion. £14K project overspend offset by contributions from BIDs and Morecambe Town Council to public CCTV system. Final adjustments to system being made w/c 22nd October 2018 and expected to go live w/c 5th November 2018.
Extension of Cable Street Car Park	Inc Generation	(9,000)	0	0	0	Implimentation of changes is currently underway by contractor with target end date of 1st December.
Management of St. George's Quay Car Park	Inc Generation	(10,000)	0	0	0	Project completed in September with P&D income being taken from 1st October.
Vehicle Fleet Review	Inc Generation	(27,000)	(13,500)	(4,900)	8,600	Two remaining electric pool cars arrived w/c 15th October 2018. Minor remedial repairs required to pool cars prior to off-hiring with anticipated off-hire date of 31st October 2018. Diesel courier van due in December 2018.
Williamson Park Facilities Expansion - Design and Business Case Development	Inc Generation	210,000	0	0	0	Currently awarding tender to sucessful contractor for the adventure play element. Tender feeding into business plan which is being written. Awaiting key decision, due 16th November. On completion progress will be started on the design brief for the Café/Wedding Conference Centre.
Bulky Waste Collection - Service and Charging Review	Inc Generation	(20,000)	(10,000)	(9,846)	154	Review built into budget and broadly in line to date.
<b>Health &amp; Housing</b>						
Development of Business Case for Local Authority Trading Company (LATC)	Inc Generation	75,000	65,000	65,000	0	£65K order raised P03 with the remainder to be spent during the year.
<b>Management Team</b>						
Rationalisation of Organisational Development Capacity	Efficiency	(77,000)	(12,833)	(12,833)	0	Staff Changes actioned and built into budget.
<b>Regeneration &amp; Planning</b>						
Heysham Gateway - Site Improvement Works		320,000	18,050	18,050	0	£320K is the net capital budget with £100K being for drainage & site surveys. These are well underway with £79K already committed.
Extension of Charging for Planning Services	Inc Generation	(5,000)		0	0	Delayed start with tree-related working charges. It is still the intention of the service to proceed, however, staff shortages have meant that this is now a low priority.
<b>Resources</b>						
ICT Network Performance Monitoring and Improvement	Efficiency	30,000	30,000	0	(30,000)	Unsure as to how this is now to progress - ICT planning to use £10k for SSD Drives.
Repair and Maintenance of Corporate Property	Efficiency	(82,000)	(41,000)	(41,000)	0	Built into budget and expected to be managed within overall R&M allocation.
Continuation of Internal Audit Collaboration and Restructure	Efficiency	(26,000)	(13,000)	(13,000)	0	Savings already incorporated into budget and expected to be achieved.
Revenues & Benefits Shared Service Savings	Efficiency	(45,000)	0	0	0	Savings achieved in Shared Service Budget and recharge will be reduced as part of the Revised Budget process.
<b>Total</b>		<b>505,000</b>	<b>10,157</b>	<b>(11,089)</b>	<b>(21,246)</b>	

**Treasury Management Update  
Quarter Ended 30 September 2018  
Report of Interim Head of Financial Services**

# Treasury Management Update

Quarter Ended 30 September 2018

## 1. Introduction

The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that members be updated on treasury management activities regularly (through the reporting of the Treasury Management Strategy, and annual and mid-year reports). This report is in line with best practice in accordance with that Code.

## 2. Economic Background (provided by Link Asset Services)

*The first half of 2018/19 has seen UK economic growth after a modest performance, but sufficiently robust for the Monetary Policy Committee, (MPC), to unanimously (9-0) vote to increase the Bank Rate on 2<sup>nd</sup> August from 0.5% to 0.75%. Although growth looks as if it will only be modest at around 1.5% in 2018, the Bank of England's August Quarterly Inflation Report forecast that growth will pick up to 1.8% in 2019, albeit there were several caveats – mainly related to whether or not the UK achieves an orderly withdrawal from the European Union in March 2019.*

*Some MPC members have expressed concerns about a build-up of inflationary pressures, particularly with the pound falling in value again against both the US dollar and the Euro. The Consumer Price Index (CPI) measure of inflation rose unexpectedly from 2.4% in June to 2.7% in August due to increases in volatile components, but is expected to fall back to the 2% inflation target over the next two years given a scenario of minimal increases in the Bank Rate. The MPC has indicated that the Bank Rate would need to be in the region of 1.5% by March 2021 for inflation to stay on track. Financial markets are currently pricing in the next increase in Bank Rate for the second half of 2019.*

*As for the labour market, unemployment has continued at a 43 year low of 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high in July, together with negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to 2.9%, (3 month average regular pay, excluding bonuses) and to a one month figure in July of 3.1%. This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 0.4%, near to the joint high of 0.5% since 2009. (The previous high point was in July 2015.) Given the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC were right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy. However, the MPC will need to tread cautiously before increasing Bank Rate again, especially given all the uncertainties around Brexit.*

*In the political arena, there is a risk that the current Conservative minority government may be unable to muster a majority in the Commons over Brexit. However, our central position is that Prime Minister May's government will endure, despite various setbacks, along the route to Brexit in March 2019. If, however, the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary policy and therefore medium*

*to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.*

### 3. Interest Rate Forecast

The Council's treasury advisor, Link Asset Services, has provided the following forecast:

Link Asset Services Interest Rate View											
	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate View	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
3 Month LIBID	0.75%	0.80%	0.80%	0.90%	1.10%	1.10%	1.20%	1.40%	1.50%	1.60%	1.60%
6 Month LIBID	0.85%	0.90%	0.90%	1.00%	1.20%	1.20%	1.30%	1.50%	1.60%	1.70%	1.70%
12 Month LIBID	1.00%	1.00%	1.00%	1.10%	1.30%	1.30%	1.40%	1.60%	1.70%	1.80%	1.80%
5yr PWLB Rate	2.00%	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
10yr PWLB Rate	2.40%	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%
25yr PWLB Rate	2.80%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%
50yr PWLB Rate	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%

*The flow of generally positive economic statistics after the end of the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, to 0.75%. However, the MPC emphasised again, that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary nor contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years' time but they declined to give a medium term forecast. We do not think that the MPC will increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. We also feel that the MPC is more likely to wait until August 2019 rather than May 2019, before the next increase, to be followed by further increases of 0.25% in May and November 2020 to reach 1.5%. However, the cautious pace of even these limited increases is dependent on a reasonably orderly Brexit.*

#### The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably neutral.*
- The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are broadly dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.*

### 4. Annual Investment Strategy Update

The Treasury Management Strategy (TMS) for 2018/19, which includes the Annual Investment Strategy, was approved by the Council on 28 February 2018. It sets out the Council's investment priorities as being:

- Security of capital;
- Liquidity; and
- Yield.

The Council aims to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short to cover cash flow needs, but also if and where appropriate, to seek out value available in periods up to 12 months with highly credit rated financial institutions, using the adopted creditworthiness approach, including minimum sovereign credit ratings and Credit Default Swap (CDS) overlay information.

Officers confirm that the approved limits within the Annual Investment Strategy were not breached during the quarter ended 30 September 2018.

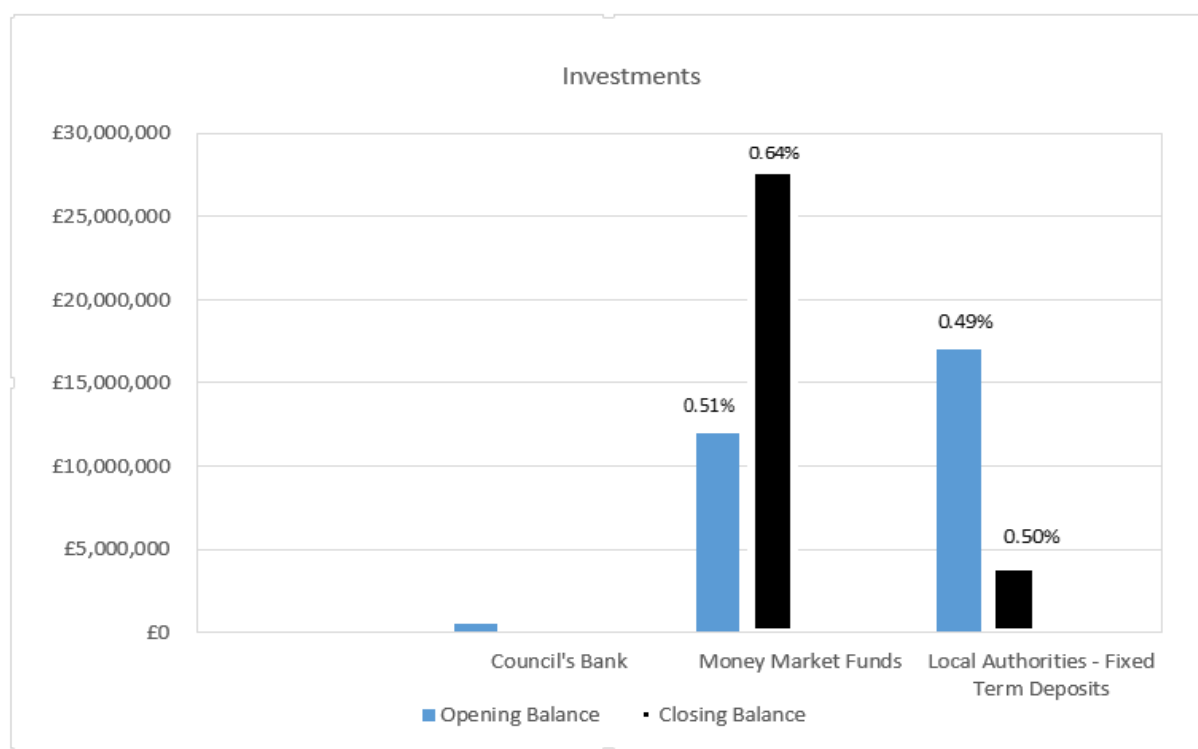
The average level of funds available for investment purposes during the quarter was **£30.4M**. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept and business rate related payments, the receipt of grants and progress on the Capital Programme.

In terms of performance against external benchmarks, the return on investments compared to the 7 day LIBID and bank rates at the end of the period is as follows. This is viewed as reasonable performance, given the need to prioritise security of investments, and liquidity (i.e. making sure that the Council's cashflow meets its needs):

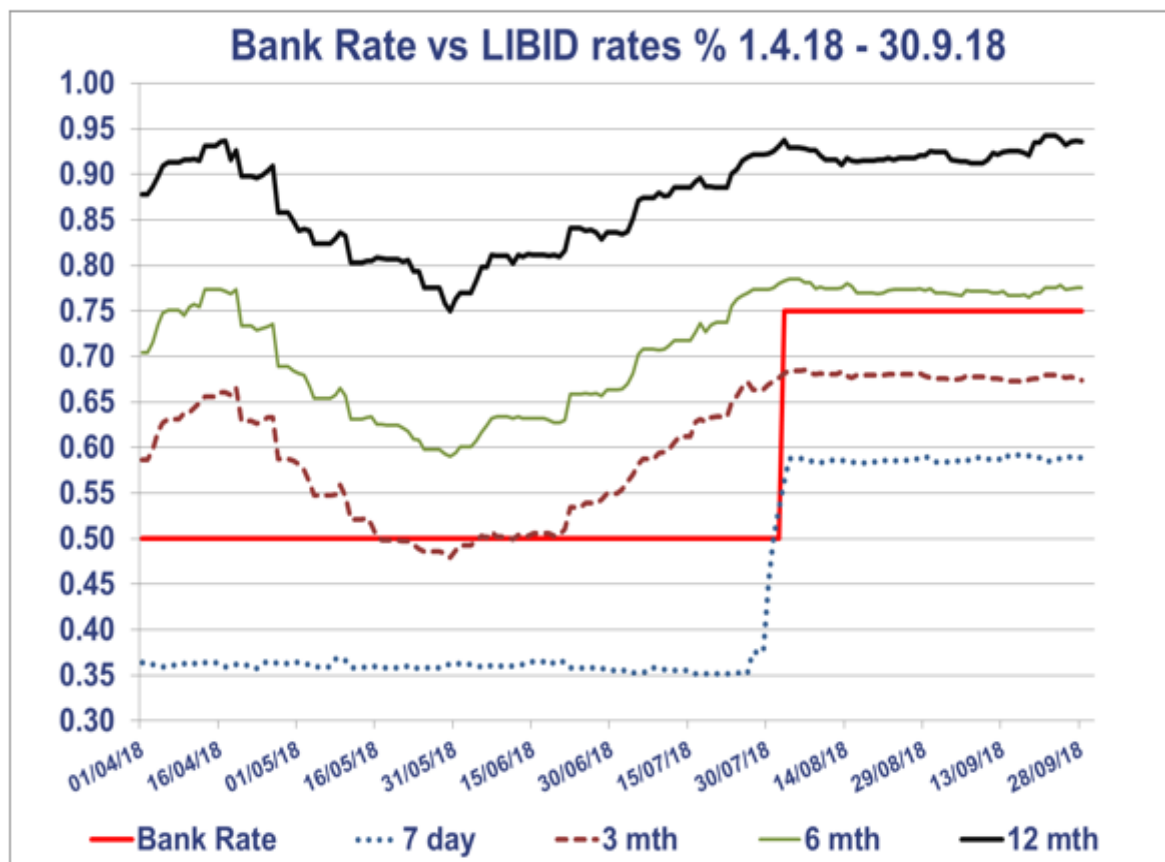
Base Rate	0.75%
7 day LIBID	0.59%
Lancaster City Council investments	0.62%

### Investment Balances – quarter ended 30 September 2018

At the start of the quarter investments totalled £29m rising to £31m by 30 September. Fixed term investments with local authorities fell to £4m whilst Money Market Fund balances increased to £27m.



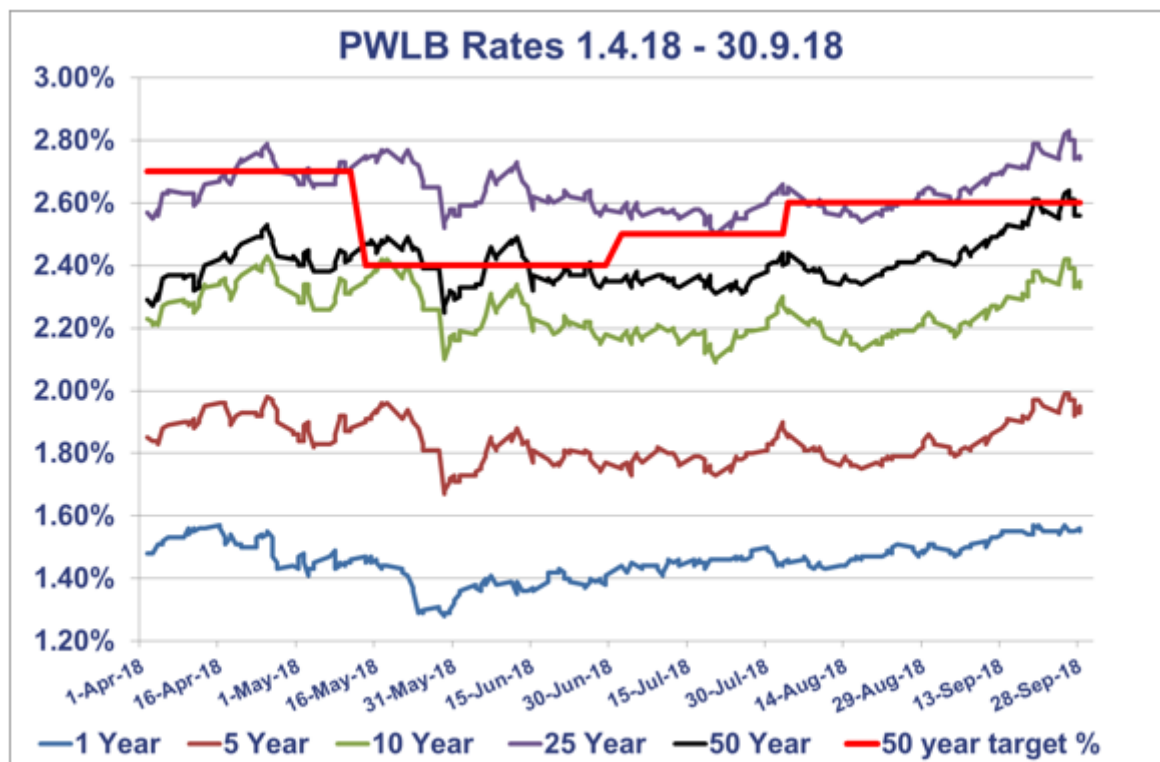
Other Investments	Term	Maturity Date	Opening £	Closing £	Indicative Rate (YTD)	Current Fixed Rate	Interest to Date £
<b>Call Accounts</b>							
Natwest (Cash Manager Plus)			527,634	8,312		0.01%	47
<b>Money Market Funds</b>							
Blackrock Sterling Liquidity First Fund			6,000,000	6,000,000	0.66%		14,052
Blackrock Sterling Government Liquidity Fund			0	0	0.57%		2,005
LGIM			0	6,000,000	0.67%		12,961
Ignis			6,000,000	6,000,000	0.65%		16,633
Insight			0	6,000,000	0.62%		4,659
Goldman Sachs			0	3,800,000	0.57%		2,158
<b>Fixed Term Deposits</b>							
Guildford Borough Council	364 days	17/07/2018	5,000,000	0		0.53%	7,768
Rugby Borough Council	11 months	29/06/2018	0	0		0.35%	853
Antrim & Newtown Abbey BC	364 days	06/08/2018	3,000,000	0		0.37%	3,862
Broxtowe Borough Council	364 days	28/09/2018	1,000,000	0		0.40%	1,973
London Borough of Islington	364 days	01/10/2018	2,000,000	2,000,000		0.40%	4,011
Surrey Heath Borough Council	183 days	16/11/2018	1,000,000	1,000,000		0.75%	5,829
Northamptonshire County Council	363 days	01/04/2019	1,000,000	1,000,000		0.70%	3,471
Telford & Wrekin Council	123 days	25/09/2018	4,000,000	0		0.55%	7,414
<b>Sub-total</b>			<b>29,527,634</b>	<b>31,808,312</b>			<b>87,696</b>
<b>Budgeted income</b>							<b>119,500</b>
							<b>(31,804)</b>



## 5. Borrowing

Council agreed on 18 July 2018 that the underlying need to borrow for capital purposes (the Capital Financing Requirement – CFR) be increased by £2m to facilitate subsequent investment decisions in respect of the Canal Quarter. No capital expenditure has yet been incurred relating to this scheme and, therefore, no new borrowing has been undertaken.

The graph below shows the movement in PWLB certainty rates for the first six months of the year to date.



## 6. Debt Rescheduling

Debt rescheduling opportunities have been limited in the current economic climate and following the increase in the margin added to gilt yields which has impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.

## 7. Compliance with Treasury and Prudential Limits

During the financial year to date the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy and in compliance with the Council's Treasury Management Practices.

It is a statutory duty for the Council to determine and keep under review its affordable borrowing limits. The mid-year position in respect of the Council's approved Treasury and Prudential Indicators (affordability limits) will be reported to Cabinet on 4 December and referred on to Council in line with the requirements of the Prudential Code..

## **8. Risk Management (Key Aspects)**

### **Investment Security:**

There is still significant inherent risk generally affecting counterparties (i.e. who investments are placed with). These are considered to be managed effectively through the creditworthiness framework currently applied.

### **Liquidity:**

Liquidity risks are considered to be managed effectively, through cash flow monitoring arrangements and the periods chosen for investment, to help ensure that the Council will have sufficient cash available to meet its payment obligations and deal with the resulting impact on its cash flow.

### **Interest Risk:**

Investment Returns are inevitably low. The Council has risk exposure because all of its borrowings are long-term/fixed, and inevitably its investments are shorter term, meaning that generally they are more affected or influenced by the Bank Rate. There is little that can be done to mitigate this risk at this point.

## **9. Other Issues**

### **Changes in risk appetite**

The 2018 CIPFA Codes and guidance notes have placed enhanced importance on risk management. Where an authority changes its risk appetite e.g. for moving surplus cash into or out of certain types of investment funds or to other types of investment instruments this change in risk appetite and policy should be brought to members' attention in treasury management update reports.



<b>CABINET</b>
----------------

**Delivering Our Ambitions  
Performance & Project Monitoring: Quarter 2 2018-19  
6 November 2018**

**Report of Chief Executive**

<b>PURPOSE OF REPORT</b>				
To report on the performance of key indicators and projects for July-September 2018 (Quarter 2).				
<b>Key Decision</b>	<input type="checkbox"/>	<b>Non-Key Decision</b>	<input checked="" type="checkbox"/>	<b>Referral from Cabinet Member</b>
<b>This report is public</b>				

**RECOMMENDATIONS OF COUNCILLOR ANNE WHITEHEAD**

- (1) That Cabinet consider the performance of key indicators and projects during Quarter 2.

**1.0 Performance Monitoring Quarter 2 2018-19**

- 1.1 A breakdown of performance against key corporate indicators for the period July-September 2018 is contained in Appendix A.

**2.0 Project Updates Quarter 2 2018-19**

- 2.1 Project updates will be reported quarterly alongside performance measures. Updates for July-September 2018 are contained in Appendix B, with further development of key project information to follow in future reports.

**3.0 Significant Achievements**

- The number of people statutorily homeless (A3.1) has shown a continual decrease in the past year
- The speed of decision on planning applications of all types (A1.1-A1.3) has sustained its leading position among Lancashire authorities

**4.0 Areas for Improvement**

- Average time taken to process new Housing Benefit and Council Tax Support claims (A4.4) has increased further, although this is identified as an anomaly due to revised procedures and is expected to correct in future reports

**RELATIONSHIP TO POLICY FRAMEWORK**

Performance monitoring provides a link between the Corporate / Council Plan and operational achievement, by providing regular updates on the impact of operational initiatives against strategic aims.

**CONCLUSION OF IMPACT ASSESSMENT**

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

The content of this report has no impact in itself.

**LEGAL IMPLICATIONS**

No legal implications directly arising from this report.

**FINANCIAL IMPLICATIONS**

No financial implications directly arising from this report.

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

No other implications directly arising from this report.

**SECTION 151 OFFICER'S COMMENTS**

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

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

N/A

**Contact Officer:** Jez Bebbington

Executive Support Manager

**Telephone:** 01524 582011

**E-mail:** jbebbington@lancaster.gov.uk

**Ref:** N/A

<div><div><div>LANCASTER</div><div>CITY COUNCIL</div><div>Promoting City, Coast &amp; Countryside</div></div><div><div>Lancaster City Council</div><div>Delivering Our Ambitions - Q2 (18/19) Performance Scorecard</div></div></div>	<div>Quarter 2 - Overall Performance</div> <div><div>11</div><div>On or above Target</div></div> <div><div>7</div><div>Within 10% of Target</div></div> <div><div>2</div><div>Below 10% of Target</div></div> <div><div>4</div><div>Baseline/No Target</div></div>	
---	--	--

Performance Information		Year 2017/18								Year 2018/19				High Low Neutral	Trend
		Quarter 2		Quarter 3		Quarter 4		End of Year 2017/18		Quarter 1		Quarter 2			
Reference Code	Indicator	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual		
A Thriving and Prosperous Economy															
A1.1	Percentage of minor planning applications determined within 8 weeks or agreed time (Speed of Decision)	70%	98%	70%	98.41%	70%	100%	70%	99.1%	70%	98.61%	70%	98%	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Green: There were 52 ‘Minor’ planning applications received in the quarter; 39 of which were determined within 8 weeks and all but 1 of the remainder determined within a mutually-agreed time period.															<div></div>

A1.2	Percentage of other planning applications determined within 8 weeks or agreed time (Speed of Decision)	70%	100%	70%	99.32%	70%	97.30%	70%	98.82%	70%	97.52%	70%	100%	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Green: 165 planning applications in the ‘Other’ category were determined during the quarter; this amounted to 139 within 8 weeks and the remainder within a mutually-agreed period.															<div></div>

A1.3	Percentage of major planning applications determined within 13 weeks or agreed time (Speed of Decision)	60%	100%	60%	100%	60%	100%	60%	100%	60%	100%	60%	100%	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Green: There were 13 major planning applications determined within the quarter, 10 of which were decided within 13 weeks with the remainder determined within the mutually-agreed period.															<div></div>

A1.4	Number of empty properties brought back into use	15	19	15	14	15	26	60	76	15	12	15	20	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Green: The number of properties brought back into use this quarter has exceeded the target, which mitigates the below target figure last quarter.															<div></div>


Clean, Green and Safe Neighbourhoods															
A2.1	Number of fly tipping reports actioned within 5 days	125	394	125	313	125	351	500	1,220	125	389	125	315	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Green: Future reporting of the team’s effectiveness in reducing fly-tipping will be measured by prevention rather than response.															<div></div>


A2.2	Number of fly tipping enforcement notices issued	199	190	233	162	182	228	778	782	164	263	No Target	113	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
No Target: The reported figure for this quarter is drawn from FlyCapture data to provide continuity with the pre-existing way of measuring; however the Environmental Enforcement team is also testing a range of new intervention actions including relevant Anti-Social Behaviour powers, which will be reported in future. New interventions include our first vehicle seizure in a new tactic targeting organised criminals. Future reporting will focus on prevention initiatives, offending rates and impacts on communities. The lower number reported this quarter reflects a focus on a smaller number of suspected serious repeat offenders. With the arrival of the growth funded temporary (23 month) Environmental Warden, the Environmental Enforcement team has increased capacity for rapid response and investigation. This is likely to lead to an increased number for enforcement actions in the short term alongside work to permanently change offending behaviours.															<div></div>


A2.3	Percentage of household waste recycled (Lagging - Quarter Behind)	45%	36.50%	45%	41.40%	45%	33.5%	45%	35.6%	45%	30.07%	45%	38.30%	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Red: This percentage refers to Q1 and is split between 19.27% dry materials and 19.06% garden waste. Compared to the same period in 2017/18 dry materials have increased from 16.21% but as expected a drop in garden waste from 20.40%. The increase in dry materials is good and has contributed to a higher overall recycling rate than for the same period in 2017/18 (36.6%).															<div></div>


A2.4	Kilogrammes of residual waste per household (Lagging - Quarter Behind)	87.17	89.20	87.17	88.4	87.17	82.2	348.68	334.58	87.17	75.9	87.17	88.3	Low is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Green: This weight refers to Q1. The Kilogrammes per household has remained almost the same as the same period in 2017/18 which stood at 88.6kgs. Whilst higher than the target it is good as it means our overall household waste collected has not increased.															<div></div>


Performance Information		Quarter 2		Quarter 3		Quarter 4		End of Year 2017/18		Quarter 1		Quarter 2		High Low Neutral	Trend
Reference Code	Indicator	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual		
A2.5	Total number of subscriptions to the Garden Waste Scheme	30,000	23,888	30,000	23,971	30,000	23,967	30,000	23,967	24,000	22,042	24,000	22,594	High is Good	
Amber: This number is up to the end of Q2, it is unlikely we will receive many further subscriptions as daily numbers have reduced to single figures.															


A2.6	Diesel Consumption - Council Vehicle Fleet (Litres)	121,728	123,610	121,728	120,321.5	121,728	115,342	486,912	484,805.5	121,728	119,639.5	121,728	117,762	Low is Good	
Green: Large reductions in Public Realm and Refuse and Recycling fuel usage from same quarter in 2017 has led to the overall reduction of diesel consumption.															


A2.7	Cost/M2 spent on energy across corporate buildings (Lagging)	Baseline	£3.27	Baseline	£3.31	Baseline	£5.02	Baseline	£16.31	Baseline	£4.71	Baseline	Not Reported	Low is Good	
Not Reported: As Cost/M2 is based on Electricity and Gas usage which we are unable to report for Q1, we are therefore unable to report on Cost/M2 this quarter however we should be able to report on this as soon as we have received the meter readings from our Gas Supplier Corona for Q1.															


A2.8	Amount of energy usage in council buildings (Gas/KWH) (Lagging)	Baseline	738,881	Baseline	809,376	Baseline	1,838,504	Baseline	5,591,719	Baseline	2,204,958	Baseline	Not Reported	Low is Good	
Not Reported: Due to a technical error with our supplier Corona, we are unable to provide data on gas usage for Q1. We are in the process of working with the supplier on this issue and should therefore be in a position to report on Q1 and 2 for Q3 reporting.															

A2.9	Amount of energy usage in council buildings (Electricity/KWH) (Lagging)	Baseline	595,395	Baseline	656,213	Baseline	807,951	Baseline	2,754,790	Baseline	695,231	Baseline	527,235	Low is Good	
Baseline: Electricity consumption has decreased in comparison to the same quarter last year, on drilling further the decrease is largely down to Salt Ayre Leisure Centre. The energy efficient lighting project that was completed in January 2018 is likely to account for the decrease in usage and is a really positive demonstration of what these changes can make.															

Healthy and Happy Communities															
A3.1	Number of people statutorily homeless	25	20	25	24	25	21	100	75	25	14	25	10	Low is Good	
Green: A change in the way people can be designated as statutorily homeless has resulted in a slight reduction in cases.															

A3.2	Number of Disabled Facilities Grants completed	50	46	50	50	78	200	232	50	122	50	83	High is Good	
Green: The average No of DFG completions per month in 17/18 was 19. The average No of grants completed per month in Q2 is 27. The rise in grant completions corresponds with the increased demand for DFG assistance. Government funding has risen significantly to meet this demand over recent years.														

A3.3	Number of properties where 'category 1 hazards' have been eliminated	25	16	25	42	25	27	100	112	25	18	25	24	High is Good	
Amber: - A number of ongoing cases were successfully completed this quarter, for example the replacement in default of the owners of the rainwater goods means that the neighbouring property will no longer be affected by dampness. Taking account of reduction of category 1 and 2 hazards, a total of 59 properties were improved this quarter. The total number of hazards identified across properties is not available for this quarter, but will be available in future reports once technical changes are made to the reporting mechanism.															

A3.4	Percentage of premises scoring 4 or higher on the food hygiene rating scheme	90%	88.35%	90%	88.49%	90%	88.52%	90%	88.52%	90%	88.36%	90%	87.80%	High is Good	
Green: This result comprises 70.9% 5-rated plus 16.9% 4-rated food businesses (totalling 87.8%) at the time of most recent food safety inspection. Operationally, 87.8% represents no significant change compared to the previous quarterly measurement which was 88.36%. A new food safety service model is being introduced to bring about further compliance improvements at these higher food hygiene rating levels which are good for both consumers and businesses.															

Performance Information		Quarter 2		Quarter 3		Quarter 4		End of Year 2017/18		Quarter 1		Quarter 2		High Neutral Low	Trend
Reference Code	Indicator	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual		
A3.5	Percentage of high risk food hygiene inspections completed	100%	85%	100%	93%	100%	100%	100%	100%	100%	85%	100%	86%	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Amber: There were 14 high risk food premises due for inspection in the quarter, including 3 carried forward from Q1. 12 inspections were completed and 1 business has closed. The outstanding premises due for inspection will be carried forward into Q3. All food officer staff are now in post but due to training requirements it will take time before the benefits are felt to increase capacity.															<div><div></div><div></div><div></div><div></div><div></div></div>
A3.6	Total number of admissions to Salt Ayre Leisure Centre	180,000	145,669	230,000	237,222	197,740	232,554	737,740	747,301	130,000	210,621	130,000	220,521	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Green: Throughput continues to increase and clearly reflects the success of the redevelopment.															<div><div></div><div></div><div></div><div></div><div></div></div>
A3.7	Time taken to re-let council houses (Days)	38	71.67	38	66.31	38	63.13	38	63.13	38	30.80	38	27.92	Low is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Green: Further progress has been made since improvements reported at quarter 1. In September alone we are able to report a void turnaround of 22.08 days. The voids action plan continues to drive improvement in this area.															<div><div></div><div></div><div></div><div></div><div></div></div>
A Smart and Forward - Thinking Council															
A4.1	Number of followers on Lancaster City Council's Twitter Page (Cumulative Indicator)	9000	8,835	9000	9,295	9000	10,250	9000	10,250	9000	10,923	9000	11,295	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Green: Follower numbers have continued to increase (despite a ‘purge’ by Twitter on inactive accounts), due to increased focus on regular posts/retweets and engagement with other users.															<div><div></div><div></div><div></div><div></div><div></div></div>
A4.2	Average number of days of sickness absence per full time employee	1.75	1.37	1.75	1.79	1.75	1.64	7	6.05	1.75	1.73	1.75	1.80	Low is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Amber: At the end of the 2nd quarter, sickness rates are 0.03 days per employee above the QTD target. An increase in the level of long term absence in the current financial year has had a negative impact upon sickness absence levels and HR is working closely with managers to return staff to work wherever possible. The Council has a challenging sickness absence target of 7.0 days or less per employee, which is well below Public Sector average sickness absence levels of 8.5 days per employee* (CIPD 2018).															<div><div></div><div></div><div></div><div></div><div></div></div>
A4.3	Occupancy rates for all commercial properties (including estate shops)	100%	96%	100%	97%	100%	96.5%	100%	96.50%	100%	95.60%	100%	95.30%	High is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Amber: The total level of occupancy has fallen by 0.3% following the vacation of a tenant during this quarter. We are currently dealing with a number of interested parties who are interested in some of the vacant accommodation. In general terms 95.3% still represents a good level of occupancy in the current climate.															<div><div></div><div></div><div></div><div></div><div></div></div>
A4.4	Average time taken to process new Housing Benefit and Council Tax claims (Days)	23	26.9	23	26	23	26.2	23	26.2	23	28.3	23	48	Low is Good	<div><div></div><div></div><div></div><div></div><div></div></div>
Red: The Q2 figure is considered an anomaly and the PI is expected to return towards target over remaining months. Unfortunately, new procedures introduced to backdate Support, and help Universal Credit claimants have resulted in skewed statistics, that will resolve over time.															<div><div></div><div></div><div></div><div></div><div></div></div>

Project	Comment	Owner	Business Case	Governance Stage	Comms & Consultation
<b>A Thriving and Prosperous Economy</b>					
Canal Quarter	Developing consultation plans alongside procurement of advice and support.	Assistant Chief Executive	Outline	Acting in line with Council 18 July 2018	As per consultation strategy
Eden North	Meeting with the Councillors on Friday 16 November 2018 to discuss the Eden Project.	Chief Executive	Outline	Future developments as required	As required
Museums	Successfully transferred 1 October 2018 and reopened 3 October 2018. New Museums Development Manager commences employment 29 October 2018 to begin developing the service.	Economic Development Manager	N/A	Future developments as required	As required
Place Narrative	Place narrative and branding set for launch in December 2018, to be followed by marketing campaigns. Place Board established.	Economic Development Manager	N/A	N/A	Extensive marketing campaign
Beyond the Castle	Steering group to be convened following the arrival of the museums manager in late October.	Economic Development Manager	To be developed	As required	As required
Local Full Fibre Network	Funding bid in development with partners.	Assistant Chief Executive	Outline	Cabinet decision once bid developed	As required
District Car Parking Strategy	High priority project, integral to Canal Quarter and further development in the district. Plans need to take into consideration the new builds expected as part of Canal Quarter and BGV etc.	Director (Communities & Environment)	External support currently out to tender	Future developments as required	Consultation on development of strategy

Economic Growth Plan	Evidence base now completed; strategy in development with consultation to follow.	Economic Development Manager	N/A	Draft document will required approval	Further engagement with draft document
Visitor Information Centres Review	TUPE transfer now complete for Morecambe New working arrangements have been put in place to absorb add costs, with further adjustments to follow in 2019	Economic Development Manager	N/A	Future developments as required	As required
<b>Clean, Green and Safe Neighbourhoods</b>					
Waste Collection Route Optimisation	In development, with additional ICT support for specification and implementation; expected to make significant savings.	Director (Communities & Environment)	Outline; to be finalised after procurement but before award of contract	N/A	N/A
Williamson Park Adventure Playground	As it is a specialised build, costs are being established via procurement. A procurement exercise to agree the best concept has taken place and is currently being assessed. The concept will then be developed for consultation and then approval.	Director (Communities & Environment)	In development	Informed by business case once developed	As required
Solar Farm Phase 1	Phase 1 proposal to use space within curtilage of SALC to locate sufficient solar panels to power the centre.	Director (Communities & Environment)	Developed	As required	As required

Solar Farm Phase 2	Phase 2 proposal to locate solar farm on landfill site; to be included in lease negotiations.	Director (Communities & Environment)	Establishing feasibility	As required	As required
Williamson Park Event and Conference Venue	To commence during 2019-20 with a design competition.	Director (Communities & Environment)	To be developed	As required	As required
<b>Healthy and Happy Communities</b>					
Bailrigg Garden Village	Strategic Board convened to progress key project planning actions.	Assistant Chief Executive	Outline	Future developments as required	Ongoing
Council Housing New Build	Potential Development of 30 units in Carnforth. Establishing feasibility and seeking planning permission.	Deputy Director (Communities & Environment)	Being developed	As required	Some public consultation already undertaken
<b>A Smart and Forward-Thinking Council</b>					
Constitution Review	Progress will be reported to the Working Group at its next meeting.	Interim Legal & Democratic Services Manager	N/A	As Required	As Required
Housing Trading Company	Proposals in development, to potentially capture benefits from upcoming new build programme.	Deputy Director (Communities & Environment)	In development	As required	As required
Commercial Waste Trading Company	Business case being developed; VAT implications to be considered as these are key to the business case.	Director (Communities & Environment)	In development	As required	As required



## Appendix B

Environmental Services Trading Company	Business case being developed.	Director (Communities & Environment)	In development	As required	As required
Salt Ayre Leisure Centre Trading Company	Business case undergoing appraisal, to be completed by Spring 2019.	Deputy Director (Communities & Environment)	Undergoing appraisal	Report to Cabinet on completion of business case appraisal.	Ongoing
Depot Relocation	Ongoing appraisal as part of Heysham Gateway masterplanning.	Director (Communities & Environment)	Linked to Heysham Gateway	As required	As required