



**Committee:** CABINET

**Date:** TUESDAY, 7 DECEMBER 2021

**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, 26 October 2021 (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 Councillors of interests in respect of items on this Agenda.

Councillors 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, Councillors 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, Councillors are required to declare the existence and nature of any other interests as defined in paragraphs 8(1) or 9(2) of the Code of Conduct.

5. **Public Speaking**

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

Reports from Overview and Scrutiny

None

Reports

6. **Public Space Protection Orders** (Pages 4 - 49)  
**(Cabinet Member with Special Responsibility Councillor Caroline Jackson)**

Report of Director for Communities & the Environment

7. **Plan 2030: Priorities and Outcomes** (Pages 50 - 54)  
**(Cabinet Member with Special Responsibility Councillor Caroline Jackson)**

Report of the Chief Executive

8. **Delivering Our Priorities** (Pages 55 - 73)  
**(Cabinet member with Special Responsibility Councillor Whitehead)**

Report of Director of Corporate Services

9. **Investing in the Future** (Pages 74 - 89)  
**(Cabinet Member with Special Responsibility Councillor Whitehead)**

Report of Director of Corporate Services

10. **Localised Council Tax Support Scheme** (Pages 90 - 99)  
**(Cabinet Member with Special Responsibility Councillor Whitehead)**

Report of the Head of Shared Service

11. **MTFS Update** (Pages 100 - 112)  
**(Cabinet Member with Special Responsibility Councillor Whitehead)**

Report of Chief Financial Officer (report published on 7 December 2021)

12. **Exclusion of the Press and Public**

This is to give further notice in accordance with Part 2, paragraph 5 (4) and 5 (5) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of the intention to take the following items in private.

Cabinet is recommended to pass the following recommendation in relation to the following items if it is necessary to refer to the exempt appendices:-

“That, in accordance with Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item(s) of business, on the grounds that they could involve the possible disclosure of exempt information as defined in paragraphs 1,2 or 3 of Schedule 12A of that Act.”

Members are reminded that, whilst the following items are exempt or contain exempt appendices, it is for Cabinet itself to decide whether or not to consider each of them in private or in public. In making the decision, Members should consider the relevant paragraph of Schedule 12A of the Local Government Act 1972, and also whether the public interest in maintaining the exemption outweighs the public interest in disclosing the

information. In considering their discretion Members should also be mindful of the advice of Council Officers.

13. **Proposal to purchase land adjacent to Mainway** (Pages 113 - 121)

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

Report of Director for Communities & the Environment

14. **Mayor's Transport and other Civic Matters** (Pages 122 - 129)

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

Report of Director of Corporate Services

15. **Lancaster High Streets Heritage Action Zone - The Grand Theatre and public realm improvements** (Pages 130 - 147)

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

Report of Director of Economic Growth & Regeneration (report published on 1<sup>st</sup> December 2021)

## **ADMINISTRATIVE ARRANGEMENTS**

**(i) Membership**

Councillors Caroline Jackson (Chair), Kevin Frea (Vice-Chair), Dave Brookes, Gina Dowding, Tim Hamilton-Cox, Tricia Heath, Erica Lewis, Cary Matthews, Sandra Thornberry and Anne Whitehead

**(ii) Queries regarding this Agenda**

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

**(iii) Changes to Membership, substitutions or apologies**

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

KIERAN KEANE,  
CHIEF EXECUTIVE,  
TOWN HALL,  
DALTON SQUARE,  
LANCASTER, LA1 1PJ

Published on MONDAY 29 NOVEMBER, 2021.

## Lancaster City Council | Report Cover Sheet

<b>Meeting</b>	Cabinet	<b>Date</b>	7 December 2021		
<b>Title</b>	Public Space Protection Orders				
<b>Report of</b>	Director for Communities and the Environment				
<b>Purpose of Report</b>					
<p>To seek Cabinet approval for the introduction of a Public Space Protection Orders (PSPO) in relation to various types of anti-social behaviour for a period of three years. The proposed PSPO will cover Lancaster City Centre, Morecambe, Lower Heysham, Happy Mount Park and Williamson Park.</p>					
<b>Key Decision (Y/N)</b>	Y	<b>Date of Notice</b>	08/11/21	<b>Exempt (Y/N)</b>	N

<b>Report Summary</b>
<p>The report sets out the reasons why the making of PSPOs to cover specific areas would be a helpful tool for the Police to help reduce anti-social behaviour.</p>

<b>Recommendations of Councillor Jackson</b>
<p>(1) That the Public Space Protection Orders (PSPOs) are made to cover the designated areas as set out in the appendices. (2-6)</p> <p>(2) That if recommendation(1) is approved, the Chief Executive be requested to consider waiving call-in and consult with the Chair of Overview &amp; Scrutiny in order that the decision can be implemented without any delay.</p>

<b>Relationship to Policy Framework</b>
<p><u>Healthy and Happy Communities</u></p> <p>Keeping our district's neighbourhoods, parks, beaches and open space clean, well-maintained and safe.</p> <p><u>A Co-operative, Kind and Responsible Council</u></p> <p>Listening to our communities and treating everyone with equal respect, being friendly, honest, and empathetic</p>

<b>Conclusion of Impact Assessment(s) where applicable</b>	
Climate N/A	Wellbeing & Social Value – outlined in the report
Digital N/A	Health & Safety – outlined in the report
Equality – outlined in the report	Community Safety – outlined in the report
<b>Details of Consultation</b>	
<p>A public consultation was held between June and October 2021 in the form of an online questionnaire. 330 responses were received. A summary of the responses is attached as Appendix 1.</p> <p>During the consultation questions were also asked regarding PSPOs to install alley gates at 3 locations in Morecambe Town Centre. The consultation highlighted that there are other areas that the public would like to see alley gates installed and therefore this will be subject of a separate report to Cabinet when this is completed.</p>	
<b>Legal Implications</b>	
<p>The draft PSPO has been drafted in consultation with Legal Services and is appended to this report. (Appendix 7)</p> <p>Publicity and notifications will be carried out in accordance with the requirements of the Act and the Statutory Guidance.</p> <p>The adoption of PSPOs will allow officers to discharge offences with a Fixed Penalty Notice rather than prolonged legal proceedings.</p> <p>Written authorisation will have to be given to the officers issuing Fixed Penalty Notices under the PSPOs.</p> <p>When enforcing a PSPO by either prosecuting through the courts or issuing a Fixed Penalty Notice, there must be sufficient evidence to provide a realistic prospect of conviction and it must be in the public interest to proceed.</p>	
<b>Financial Implications</b>	
<p>Enforcement costs under this order will be met by existing budgets. Costs for the consultation has been met from existing staff budgets. The cost of new signage will be met from the CSP budget.</p>	
<b>Other Resource or Risk Implications</b>	
None	
<b>Section 151 Officer's Comments</b>	
The s151 Officer has been consulted and has no further comments to add	

<b>Monitoring Officer's Comments</b>	
The Monitoring Officer has been consulted and has no further comments	
<b>Contact Officer</b>	Kirstie Banks-Lyon
<b>Tel</b>	07887 831134
<b>Email</b>	klyon@lancaster.gov.uk
<b>Links to Background Papers</b>	
LGA guidance on Public Space Protection Orders <a href="#">Public spaces protection orders: guidance for councils (local.gov.uk)</a>	
Psychoactive Substance Act 2016 <a href="https://www.gov.uk/government/collections/psychoactive-substances-bill-2015">https://www.gov.uk/government/collections/psychoactive-substances-bill-2015</a>	
<a href="#">What exactly are legal highs? - BBC News</a>	
<a href="https://en.wikipedia.org/wiki/Nitrous_oxide">https://en.wikipedia.org/wiki/Nitrous_oxide</a>	

## 1.0 Introduction

**1.1** Public Spaces Protection Orders (PSPOs) sit amongst a broad range of powers and tools to help tackle anti-social behaviour. They are aimed at ensuring public spaces can be enjoyed free from anti-social behaviour, and to help Councils deal with persistent issues that are damaging their communities.

**1.2** In December 2016 and April 2018 Cabinet approved Public Space Protection Orders (PSPO's) covering Lancaster City Centre (2016) and defined areas in Morecambe & Heysham (2018) These orders replaced Designated Public Place Orders and were as a result of enacted powers from the Anti-Social Behaviour, Crime and Policing Act 2014.

**1.3** No review of the orders was carried out at the end of the 3-year period and therefore have expired.

**1.4** Concerns have been raised to the city council and the police by businesses in both Lancaster and Morecambe BID areas, and members of the public in relation to issues of ongoing anti-social behaviour issues within the district. As part of the process for the making of PSPO orders a public consultation was held between 14<sup>th</sup> June and 4<sup>th</sup> October 2021. This was in the form of an online survey. 330 responses were received. A summary of these responses is included in the appendices. (Enclosure 1)

**1.5** The police and the PCC have been consulted with, and district and town councillors notified.

## 2.0 Background

**2.1** 92% (n- 286) of respondents have stated that they have been affected by incidents of anti-social behaviour across the district, with Lancaster and Morecambe being identified as the main locations where this had occurred. A smaller number of respondents identified other locations across the district. 239 people stated that the anti-social behaviour had taken place on the street, 105 in a park and 29 on a beach. Alcohol and youth related anti-social behaviour were the top categories identified with litter, drug related anti-social behaviour and fly-tipping also being highlighted as causes of concern. 296 respondents recorded that this had affected them – with 45% stating that it had affected them a lot.

**2.2** After taking into consideration the representations made during the public consultation, it is proposed that the council now adopts the PSPO as detailed below. The draft order is included in the appendices. (Enclosure 2) and the areas of the district where the order would apply are detailed in enclosures 3-7.

**2.3** Based on the analysis from the Police (August 2019-July 2021) the wards with the highest number of recorded ASB were Castle, Poulton, Harbour, Westgate and Bulk wards with over 1000 incidents recorded.

**2.4** A number of repeat locations were identified in the proposed areas for the PSPO Order. This was also identified in the public consultation that was carried out as part of the process.

**2.5** The survey was also consistent with the police analysis in the types of ASB witnessed by the public, with alcohol related ASB and youth ASB being the top 2 categories identified.

**2.6** The police analysis also supports the proposal to extend the area of the Lancaster City PSPO from the previous order that has now expired, and also to propose a PSPO to cover Williamson Park

### **3.0 The Proposal**

**3.1** Approval is sought to make a Public Space Protection Order (Enclosure 7) in the areas defined in the attached maps. (Enclosures 2-6) Lancashire Police are requesting that the PSPO is granted as soon as possible in order to provide them with additional powers to help target these issues. The areas selected for the PSPO are based on the previous locations covered by the 2 expired PSPOs. These areas have been adjusted and a new location of Williamson Park proposed after reviewing the data provided by the police and the public consultation. The conditions of the previous PSPOs have been reviewed and the recommendations for the conditions of the new PSPO has been based on the analysis of the police data and from the public consultation, where over 92% of respondents supported the new conditions.

**3.2** In specific terms the PSPO will provide additional powers to deal with:

- Shouting, swearing and behaviour causing annoyance, harassment, alarm, or distress. 92% of respondents were in favour of this condition.

- A person ingesting, injecting, smoking or otherwise an intoxicating substance. 93% of respondents were in favour of this condition.
- Prohibition of alcohol consumption. 95% of respondents were in favour of this condition.

**3.3** The second condition was not on either of the original PSPO and has been recommended as a condition of this PSPO to provide authorised officers from the council and the police powers to deal with people under the influence of ‘legal highs’

**3.4** One of the more easily identified ‘legal high’ used in the district is nitrous oxide (laughing gas) due to the discarded cannisters found in locations across the district.

**3.5** Authorised officers of Lancaster City Council together with officers from Lancashire Police would have the powers to enforce the PSPO on behalf of Lancaster City Council by the issuing of fixed penalties, but collection of fines and any potential prosecutions would be the responsibility of the council.

#### **4.0 Fixed Penalty Notice**

A Fixed Penalty Notice will carry a £100 penalty reduced to £65 for early payment. A discount exists for early payments due to difficulties experienced in obtaining payments. This is the same penalty as the PSPO for the Dog Control PSPOs already in place in the district.

In accordance with the Act, fixed penalty notices may only be issued by authorised officers from the police and the local authority.

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

<b>Option 1: Adopt the PSPO as proposed in the consultation, with no amendments</b>
<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• Reflects the majority of representation made during the public consultation that the prohibitions outlined in the draft PSPO order are types of behaviour not acceptable within the proposed areas.</li> <li>• The conditions are identical for the proposed areas which makes for more consistent and less confusing enforcement.</li> </ul>
<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Raises public expectation. The PSPO is only one of the tools that can be used by authorised officers. Lack of enforcement could lead to a reduction in confidence in the Local Authority and Lancashire Police.</li> </ul>
<p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Reputational. Not listening to the views of the public.</li> </ul>
<b>Option 2: Adopt the PSPO as proposed in the consultation, but not in all the proposed locations</b>



<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• Not all areas received the same level of concern in the consultation</li> <li>• Some members of the community could view the proposed restrictions in public parks as unnecessary</li> <li>• Less areas to enforce</li> </ul>
<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Smaller communities feeling that their views have not been taken into consideration</li> <li>• Potential displacement of the types of behaviour to other public spaces.</li> </ul>
<p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Reputational. Not listening to the views of the public</li> </ul>
<p><b>Option 3: Do not adopt the PSPO</b></p>
<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• Minimal cost benefit of not paying for signage.</li> </ul>
<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Going against majority of consultees</li> <li>• Continued complaints received from the public about not feeling safe in the public spaces of the district.</li> <li>• Loss of confidence in the local authority and Lancashire Police</li> </ul>
<p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Reputational. Not listening or responding to the points raised in the consultation.</li> </ul>

### **6.0. Officer Preferred Option (and comments)**

The officer preferred option is Option 1. This option reflects the majority of the public comment arising from the consultation. There has been increasing complaints made to the council and to the police regarding anti-social behaviour following the expiry of the previous PSPOs. It supports the council policy framework for Happy Healthy Communities and a Cooperative Kind and Responsible Council.

### **7.0 Conclusion**

There is strong evidence of support of the need for a PSPO order in certain localities of the district. It is a fair and balanced approach to address the issue that certain types of behaviour spoils the enjoyment of the public spaces of Lancaster District for our residents and visitors alike.



# Public spaces protection orders (PSPO)

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## **SURVEY RESPONSE REPORT**

15 June 2021 - 04 October 2021

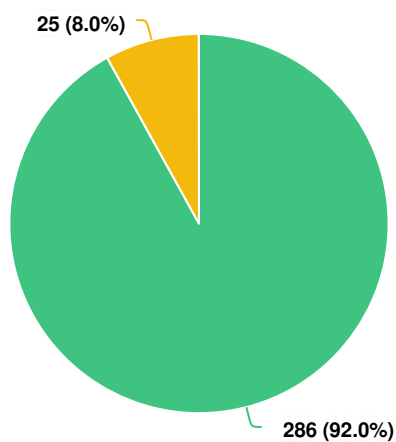
### **PROJECT NAME:**

Public Spaces Protection Orders (PSPO) Consultation



SURVEY QUESTIONS

**Q1** | In the last 12 months have you been witnessed incidents of anti-social behaviour in the public spaces of Lancaster District?



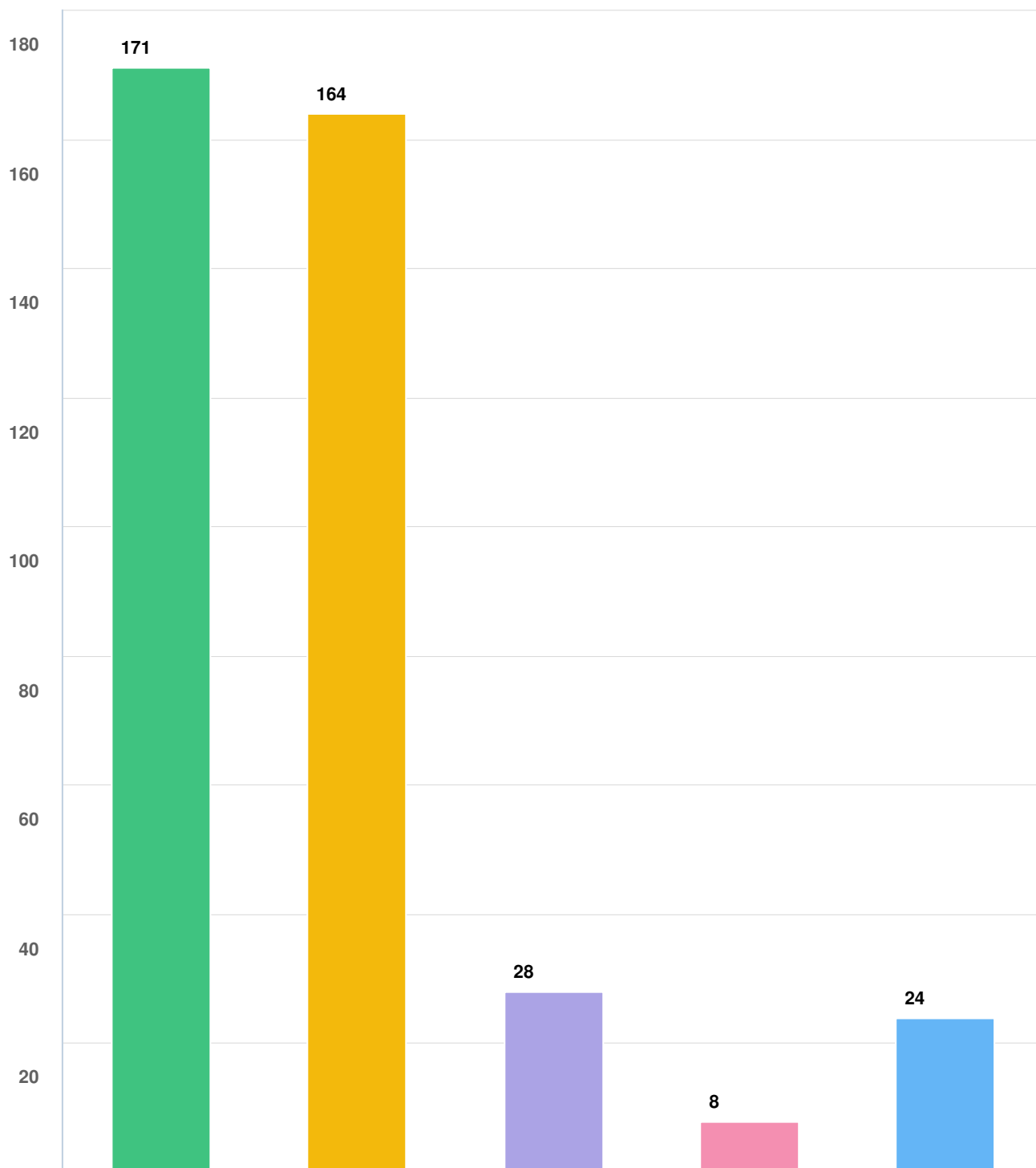
**Question options**

- Yes
- If no, choose this option and scroll to the bottom of the page and press save and continue

*Optional question (311 response(s), 19 skipped)*

*Question type: Dropdown Question*

**Q2** If yes – whereabouts in the district was this?



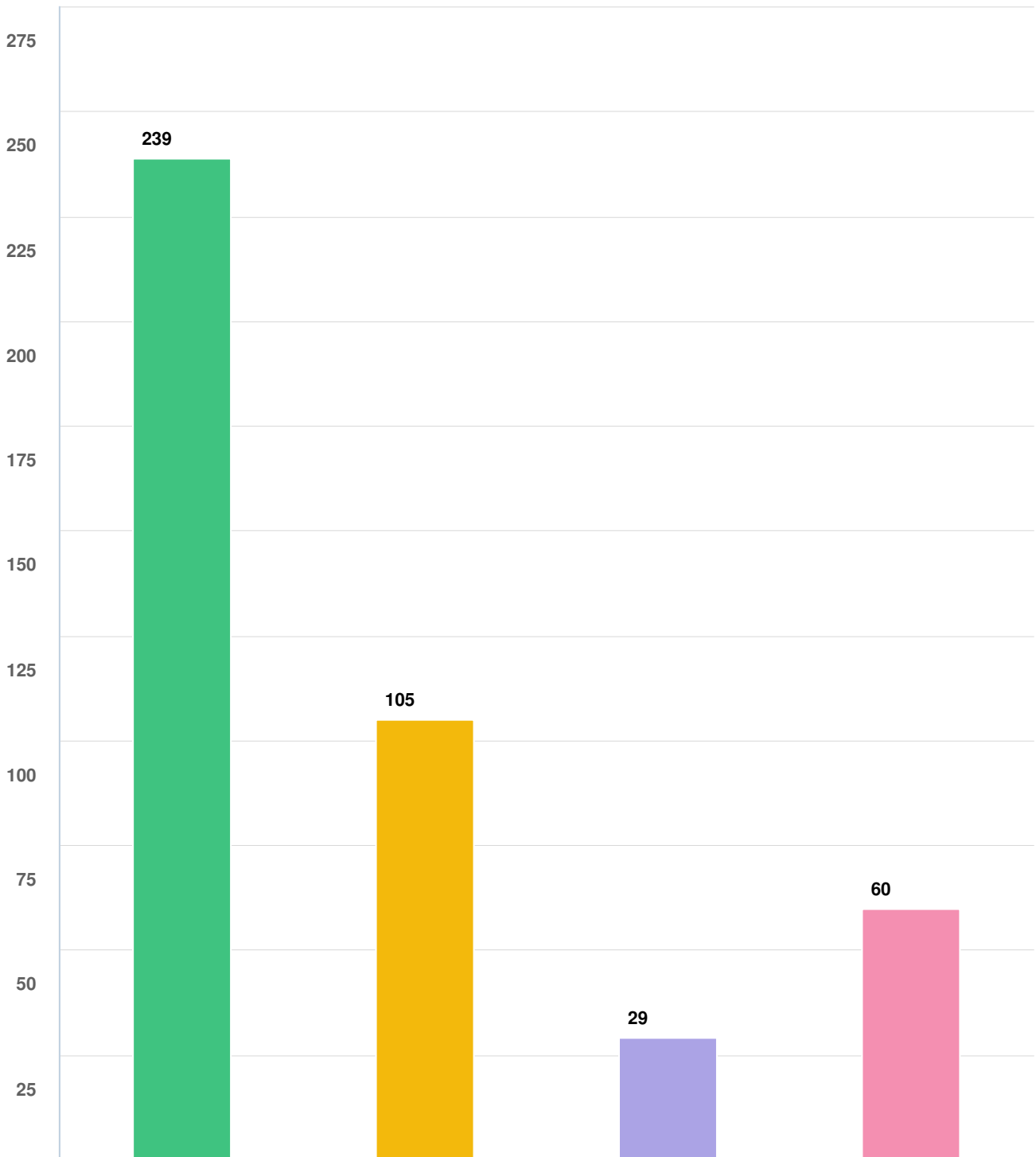
**Question options**

- Lancaster
- Morecambe
- Heysham
- Carnforth
- Other (please specify)

*Optional question (302 response(s), 28 skipped)*

*Question type: Checkbox Question*

**Q3** And whereabouts was this?



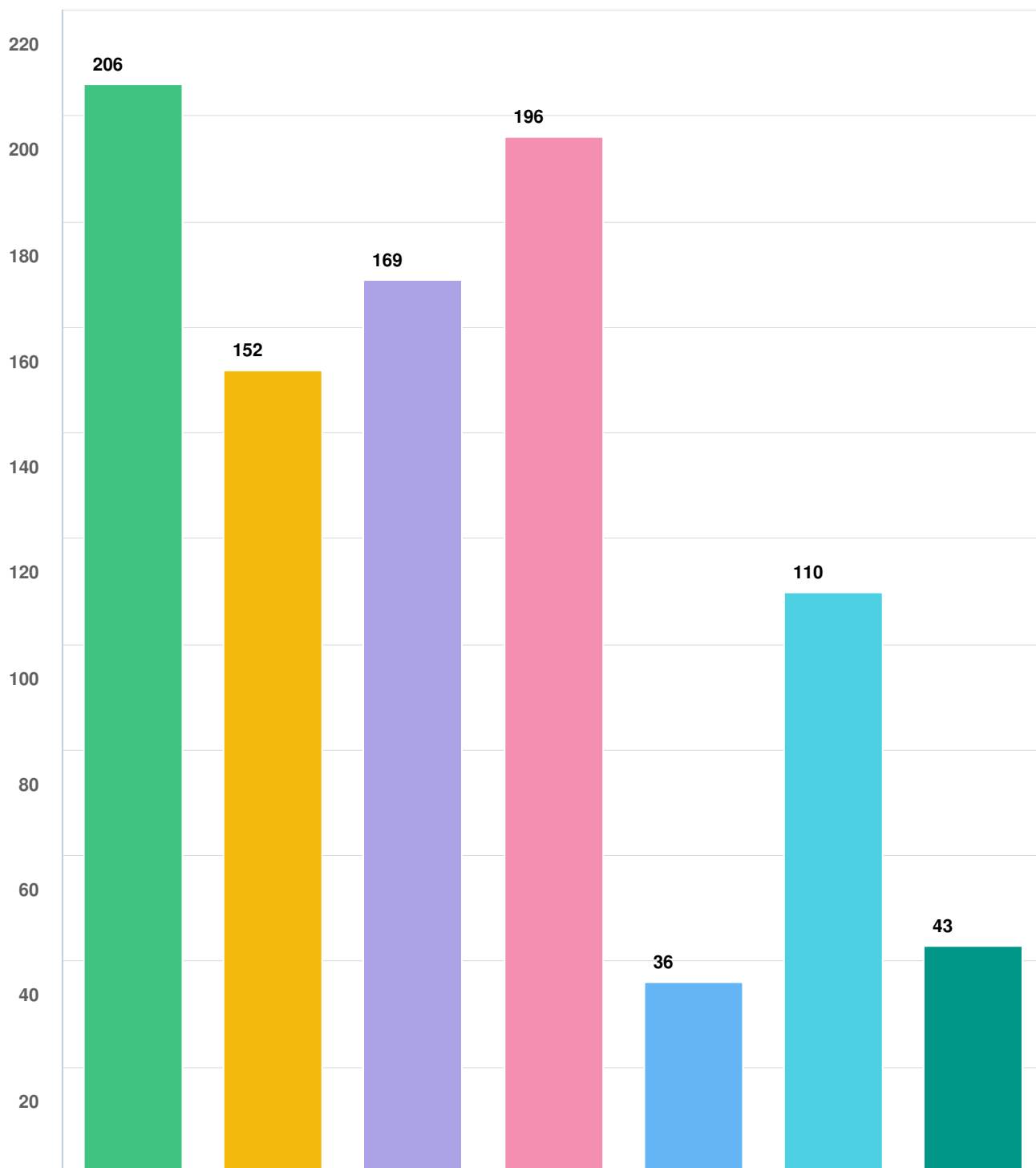
**Question options**

- On the street
- In the park
- On the beach
- Other (please specify)

Optional question (302 response(s), 28 skipped)

Question type: Checkbox Question

**Q4** What type of anti-social behaviour was this? Specify all that apply

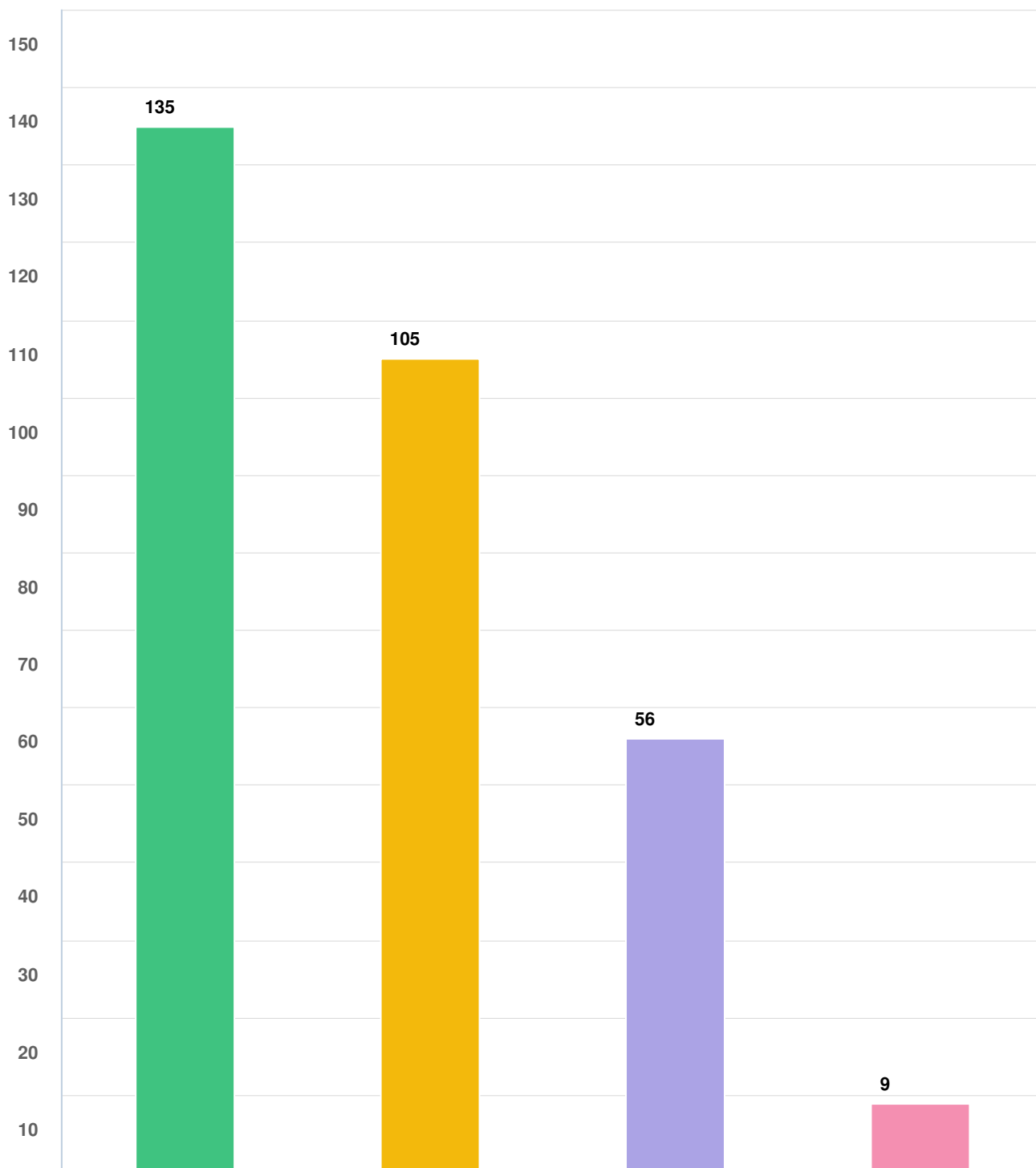


**Question options**

- Alcohol related
- Drug related
- Litter
- Youth related
- Graffiti
- Fly-tipping
- Other (please specify)

*Optional question (303 response(s), 27 skipped)  
Question type: Checkbox Question*



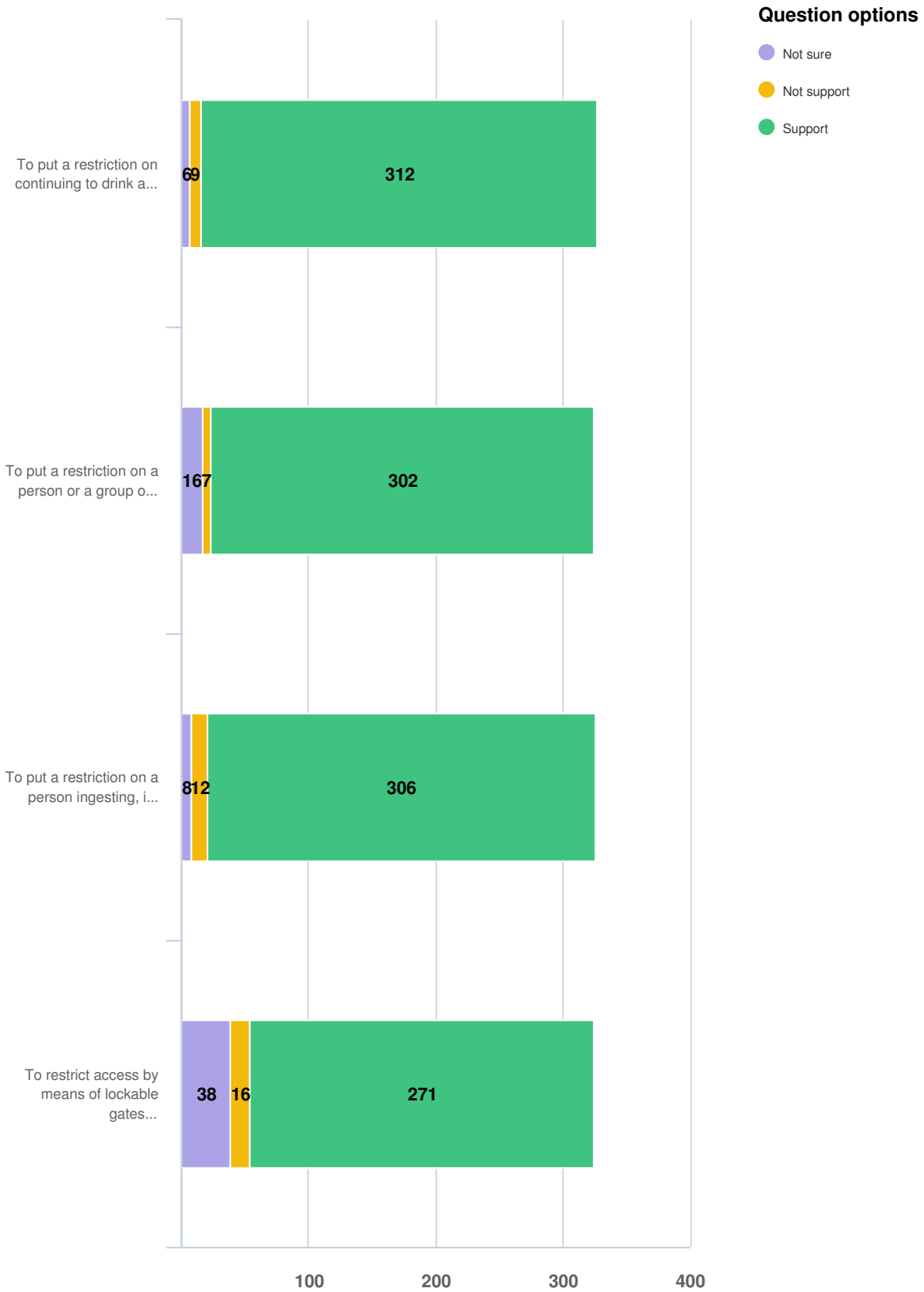
**Q5** To what extent has this affected you?**Question options**

A lot  Some  A little  Not at all

*Optional question (303 response(s), 27 skipped)*

*Question type: Checkbox Question*

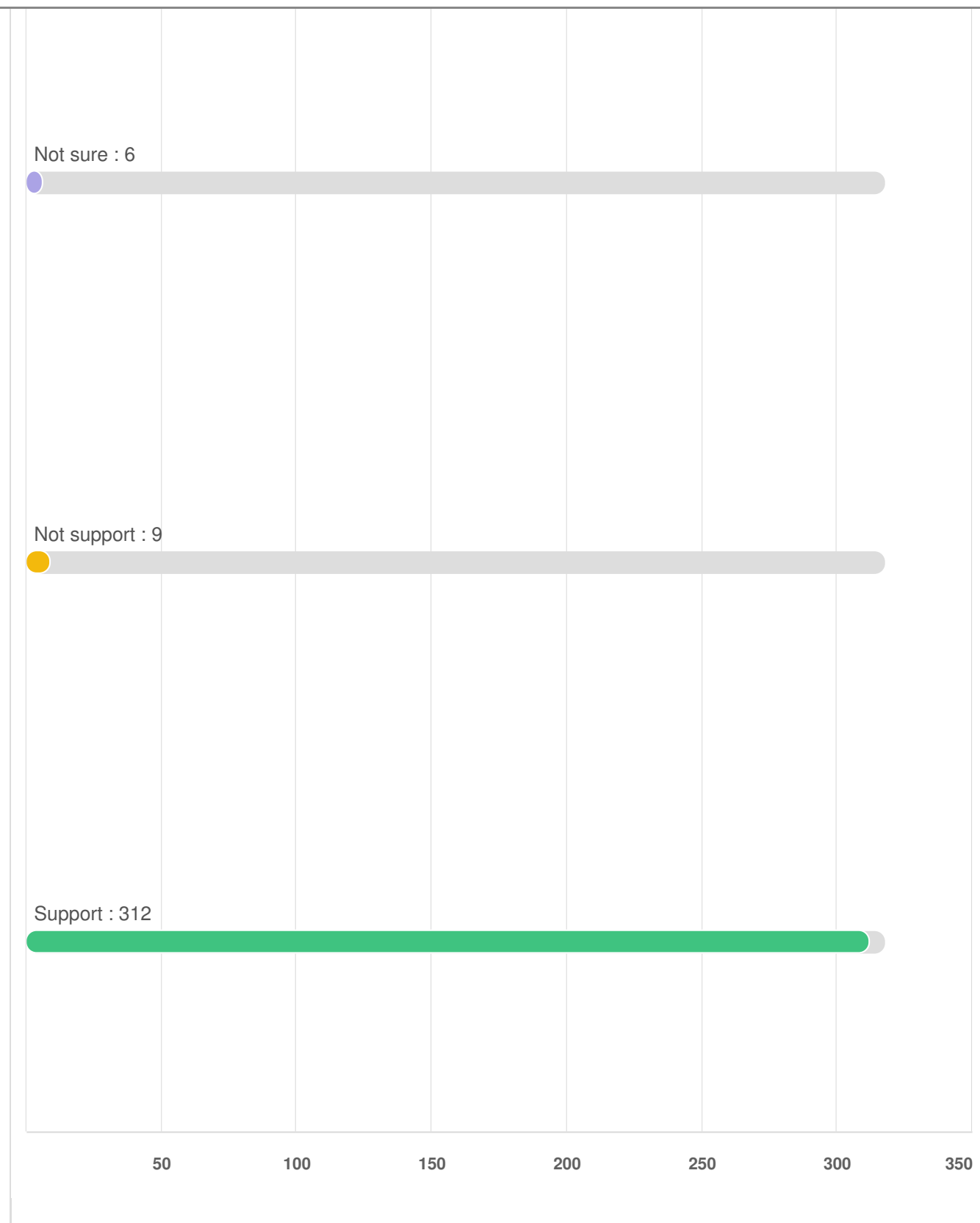
**Q6** Please answer for the following recommendations if you would support/not support/have no opinion



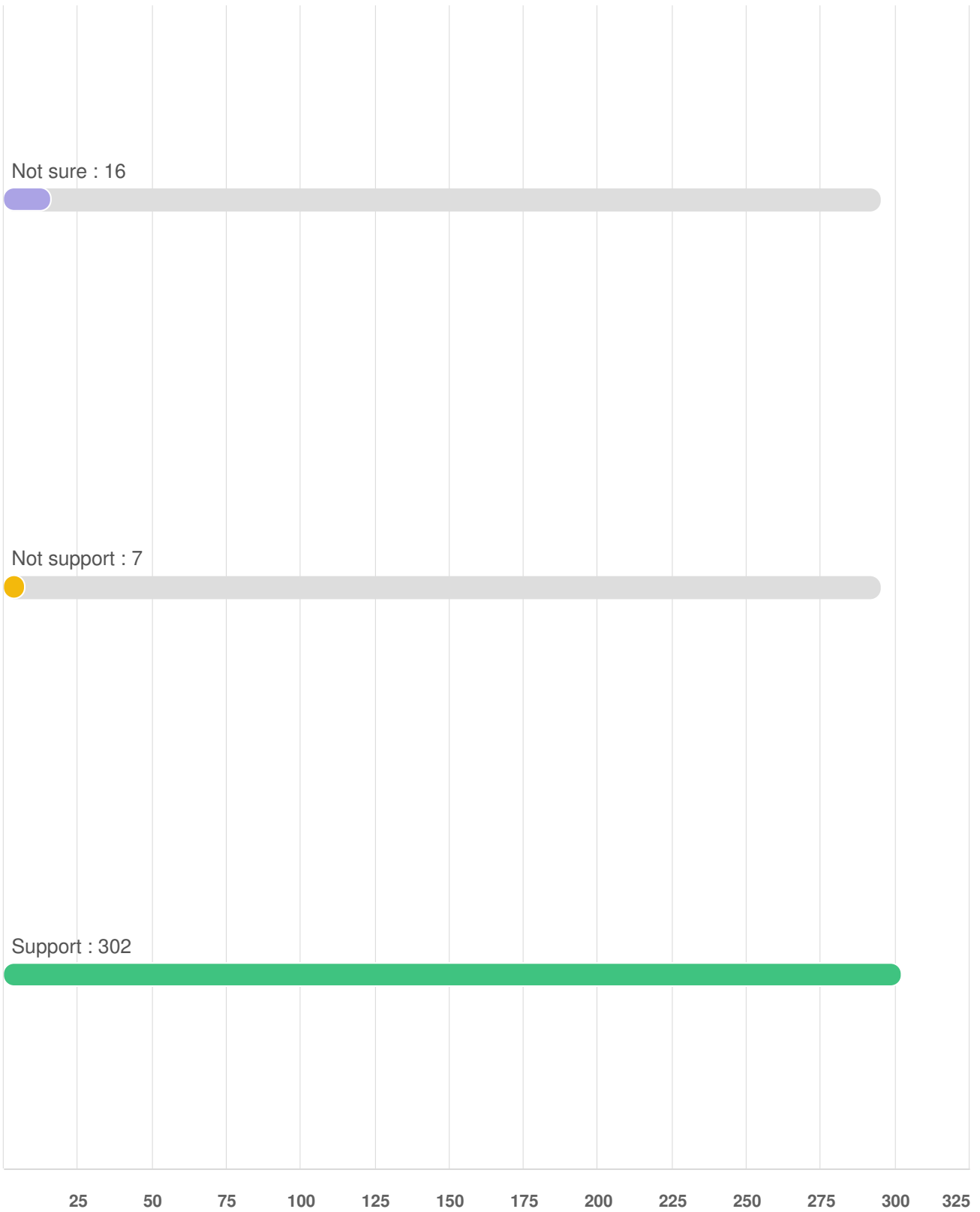
Optional question (328 response(s), 2 skipped)  
Question type: Likert Question

**Q6** | Please answer for the following recommendations if you would support/not support/have no opinion

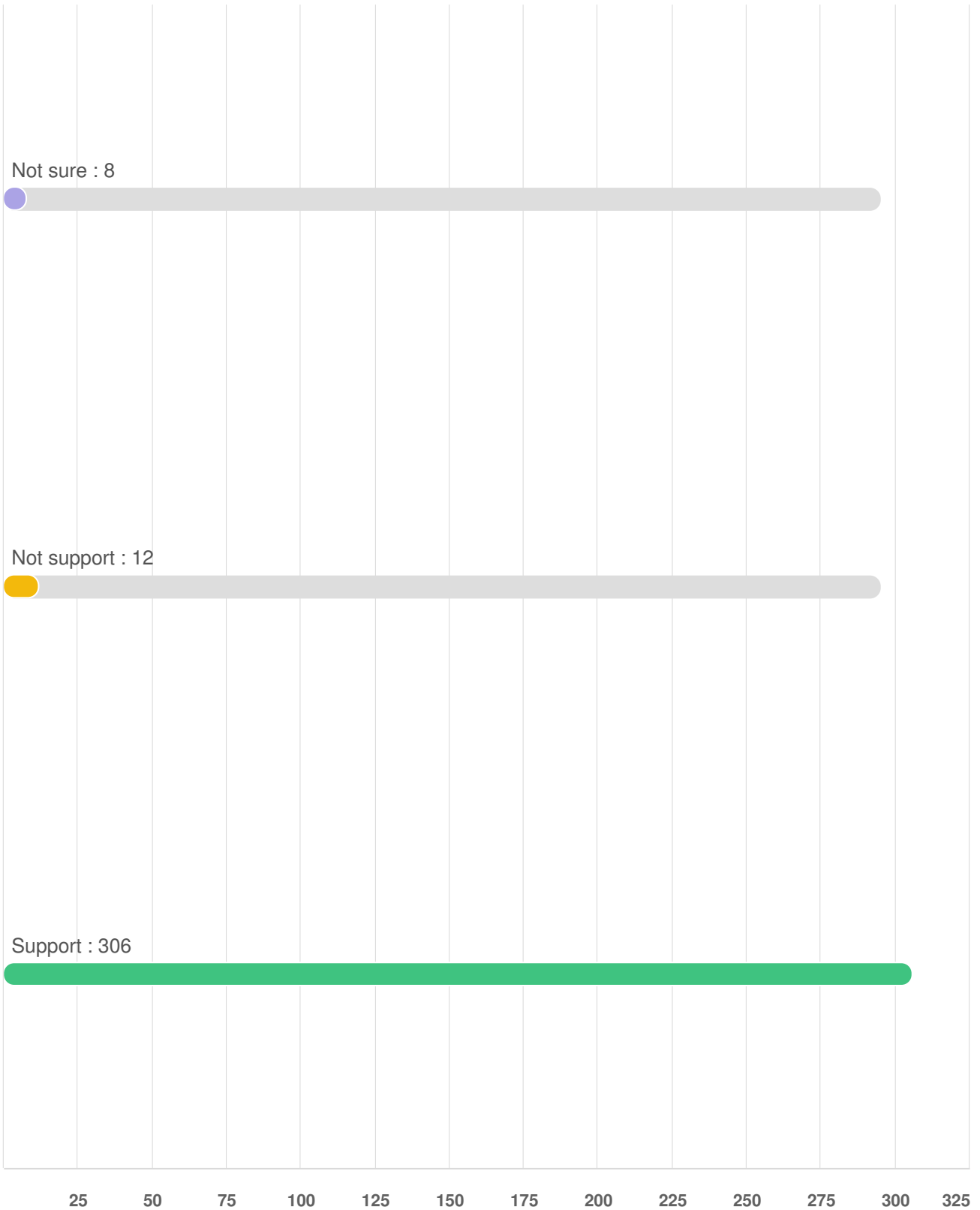
To put a restriction on continuing to drink alcohol in public, whilst behaving in an anti-social manner, when requested by the police or other authorised person not to do so.



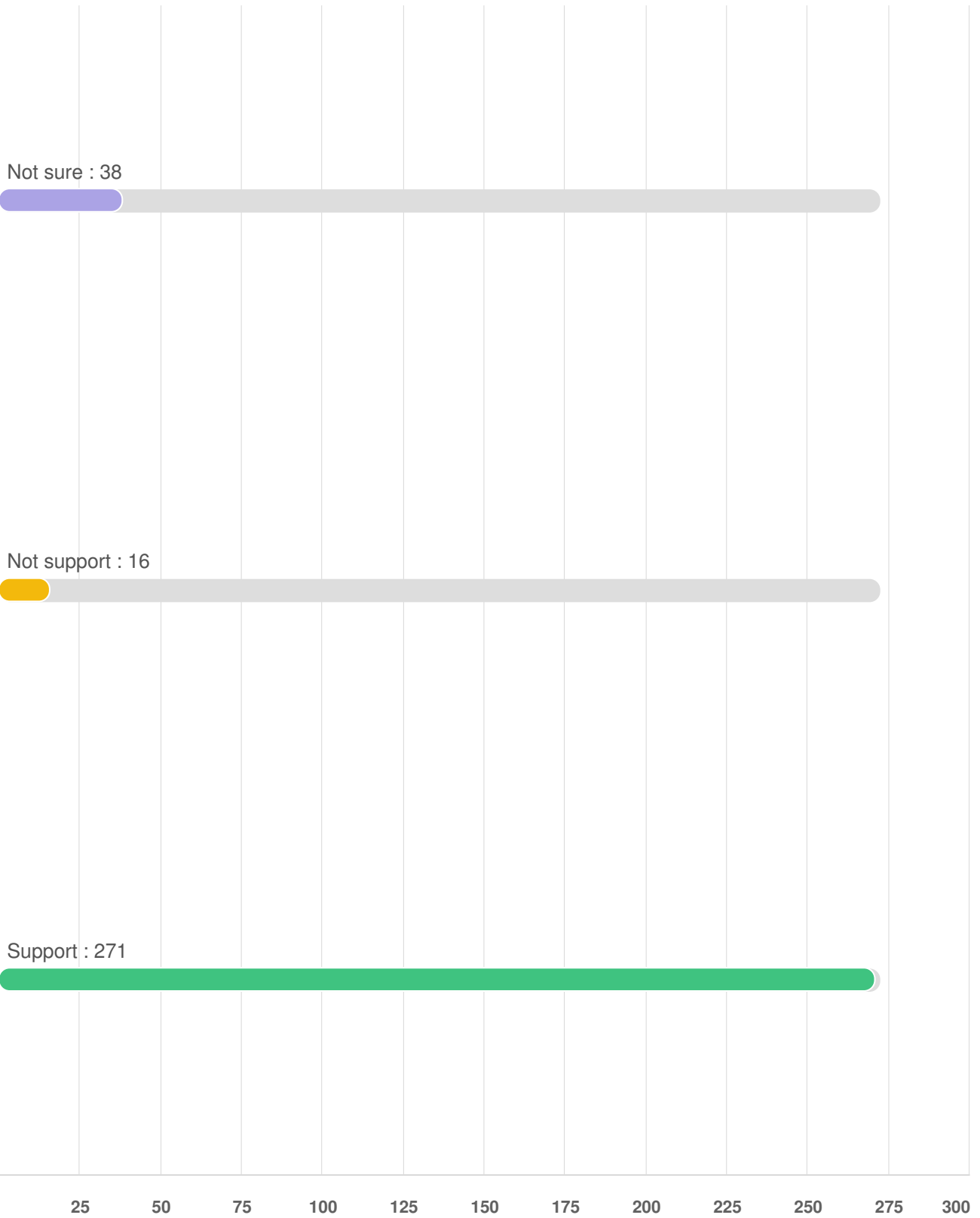
To put a restriction on a person or a group of people behaving in an anti-social manner in the area covered by the order, or land next to the order or to a person living nearby.



**To put a restriction on a person ingesting, injecting smoking or otherwise of an intoxicating substance.**



**To restrict access by means of lockable gates to the alleys in Morecambe town centre (Back Lines St, Back Pedder St and Tunstall St (part)) to reduce incidents of fly-tipping and other anti-social behaviour.**



## Q7 | Please let us know if you have any other comments about the proposed PSPO's

Anonymous

8/24/2021 12:36 PM

I would like it extending in Lancaster Town center to include the bench at the end of Sibsey St this is a hub for this type of behaviour

Anonymous

8/24/2021 12:38 PM

If there are no consequences to people's actions, they won't stop doing it.

Anonymous

8/24/2021 12:39 PM

Lancaster City Council needs to secure Frontierland

Anonymous

8/24/2021 12:41 PM

All alleys in Morecambe need gates or a specific cleaning team hired to keep these areas clear of litter and fly tipping. Cameras may also help

Anonymous

8/24/2021 12:43 PM

I believe having an overall restriction of the consumption of alcohol on the beach is unfair to people who intend to consume it sensibly. I believe the statement is too general as consumption of alcohol is legal, whereas other substances is not. I think having the ability to prevent anti-social behaviour is great. However, having a total ban will prove frustrating as a result of suffering the consequences due to a minority of people ruining a fantastic social spot, where friends and family may want to get together and enjoy a few drinks on the beach.

Anonymous

8/24/2021 12:56 PM

Previous PCSO's were not supported by appropriate Police enforcement. Nor were they supported by LCC legal department. This needs to be agreed by all parties before the PSPO is applied for or they will be a waste of time.

Anonymous

8/24/2021 01:01 PM

Hold landlords responsible for the state of back streets behind their property

Anonymous

8/24/2021 01:06 PM

I'd also like to see a restriction on begging in the street - the City Council has a strong homeless support team and Street Aid is established to support those in genuine need. The overwhelming majority of those begging in the city centre are not street homeless



and their issues can be exacerbated through access to easy money from sympathetic public who believe they are helping. The same individuals can be seen begging in city centre doorways for months - they need support to leave the streets instead of access to easy money to stay.

Anonymous

8/24/2021 01:15 PM

Start arresting and PROSECUTING teenage jobs.

Anonymous

8/24/2021 01:25 PM

Excellent idea which should be fully supported increase in public CCTV as well ..

Anonymous

8/24/2021 01:28 PM

We have been asking for gated alleys for years! Also better supervision of smaller parks like Alexandra park. Also to have CCTV which is actually monitored!

Anonymous

8/24/2021 01:40 PM

Such limitations can lead homeless people and young people to feel unwelcome and unsupported. We need better solutions. Littering seems a separate issue and can surely be managed without a general pspo

Anonymous

8/24/2021 01:41 PM

It's all very well and good instigating Public Space Protection Orders, but that doesn't get to the root causes of the problem, it just masks the symptoms. What support do the council intend to provide to vulnerable groups in order to prevent the undesirable behaviour in the first place?

Anonymous

8/24/2021 01:44 PM

Long overdue. The continuing malevolent presence of these people, often mixing with young teenage children, almost always severely intoxicated and begging for cash has cast a shadow over Lancaster city centre. The police seem to have been taking more of an interest in recent weeks but it's merely curtailed some of the activity, as soon as they depart the centre these people instantly return. Furthermore they're now waiting in areas like Sun Square and the hidden alley ways until the police depart.

Anonymous

8/24/2021 01:45 PM

Please try to sort out the "feral" people who don't care what they do because they know the chances of being caught are slim and in the event of getting caught the result is a slap on the wrist, try to get the parents to take responsibility for their offspring. An increase in police officers would help because the number we have are

doing their best with what they have.

Anonymous

8/24/2021 01:45 PM

theres a group of regular people that drink alcohol and talk drugs out in the open in the areas i have mentioned above this ALWAYS leads to fighting/shouting/ urinating on down the alleys near by, ambulances and police being called

Anonymous

8/24/2021 01:48 PM

down this alley it is used for fly-tipping daily, people urinate down there, openly take drugs,

Anonymous

8/24/2021 01:58 PM

It's disgusting at the moment. Embarrassing to bring friends and guests into the town centre.

Anonymous

8/24/2021 02:24 PM

so long as these orders are not mis-used and lead to our democratic rights to demonstrate and march in our public spaces being curtailed, which i fear they will be.

Anonymous

8/24/2021 03:23 PM

Sitting in Market Square eating my lunch on a sunny day should be a peaceful experience. Not blighted by drunks and those under the influence of drugs. Arguing with each other and pestering other people from money or cigarette.

Anonymous

8/24/2021 03:23 PM

we've got alleygates next to our shop on yorkshire street, doesn't stop people who have access to it fly tipping. Reported it, and still there 2 months later

Anonymous

8/24/2021 03:51 PM

Please consider adding the playground, green space and tree line in Carnforth along the canal to the list of PSPOs

Anonymous

8/24/2021 03:55 PM

Whilst the PSPO's are a useful tool and we fully support them, they must be backed up by a Police presence with which to act upon and enforce them.

Anonymous

8/24/2021 04:07 PM

Provide more youth outreach workers to engage with the young people invoked in the ASB

Anonymous

Christie ave 86 Youths stealing swearing and ASB

8/24/2021 04:14 PM

Anonymous

8/24/2021 04:26 PM

The biggest anti social behaviour is due to groups of youths with no where to go. LCC need to set up some meeting places where their energies can be channeled - boxing clubs athletic clubs, canoeing, music etc, but with nominal charges as it can be the poorer end of society who are gathering on the streets.

Anonymous

8/24/2021 05:23 PM

We must have closure of alleyways. Drug dealing has reached horrific proportions. The area of Back Crescent is awful, dealing is taking back behind The Crown Hotel in the road there and the white gated areas next to the Victoria Market, dealing happening in bin area behind homes that are effectively in Skipton Street

Anonymous

8/24/2021 05:25 PM

The amount of kids that think leaving massive piles of rubbish lying around or smashing the windows in the village bus stop just beggars belief! Something needs to be done to sort this.

Anonymous

8/24/2021 05:30 PM

Lancaster seems to now have a very high percentage of street drinkers, overt drug use and homeless or 'sofa- surfing' individuals. Not only is this a blot on our beautiful historic city, intimidating for local people and visitors. Some of these people I am pretty sure are not so much homeless but have serious problems with alcohol and drug addiction.

Anonymous

8/24/2021 05:36 PM

I recognise that a PSPO should be a last resort. There would be much less need for PSPOs if the Local Authority and the Police were/are willing to use the powers they already have. Antisocial behaviour is not just a problem in in urban areas, it is also an issue in rural areas (which, in my experience, tend to get forgotten about and/or ignored).

Anonymous

8/24/2021 06:14 PM

People drinking alcohol, congregating together in the square near TKMax looks terrible to visitors. Seen improvement to outside covered eating area and then this

Anonymous

8/24/2021 06:18 PM

Lancaster alleys too

Anonymous

For heavens sake do something about market square

8/24/2021 06:20 PM

Anonymous

8/24/2021 06:23 PM

Fly tipping must be tackled by finding and fining people. The council cannot have CCTV everywhere. They should negotiate a deal with a supplier for resident to install a reduced prices system. Use local installers to help local trades people. I would love to see a wall of shame in the Armdale or social media sharing images to identify culprits. That is if data protection laws allow.

Anonymous

8/24/2021 07:01 PM

Regent park has a lot of youth related issues. Near bay beat there is a lot of drug taking outside the properties.

Anonymous

8/24/2021 07:52 PM

The on-street drinking, drug dealing, littering on the beach and flytipping in the alleyways has increased and become more open to a point where we are now seriously considering leaving the town, we moved to, loved and made our home. It's very sad.

Anonymous

8/24/2021 08:13 PM

I found them a little hard to understand in the wording used

Anonymous

8/24/2021 08:29 PM

I think that to have more police and PCSO's patrolling the areas would be helpful. In the last year along the prom in Heysham and Morecambe, the presence of the COVID officers was welcomed, as was the PC's on bikes. However I haven't seen either of these this summer and I do think a presence would really help, especially with more people out and about. This presence would be extremely welcomed in the woods in Heysham in an evening, as the smell of drugs and noise from large groups of youths can be intense.

Anonymous

8/24/2021 09:15 PM

I think it will be really helpful.

Anonymous

8/24/2021 09:22 PM

All westend allys need gates aswell due to drug, drink and fly tipping

Anonymous

8/24/2021 09:24 PM

The Heysham area doesn't cover Heysham Towers which is a major area of concern.

Anonymous

8/24/2021 09:56 PM

I just recommend more police walk rounds..there's been several occasions where I personally have told youths to move on after

## antisocial incidents

Anonymous

8/24/2021 09:59 PM

Please Gate alexandra road

Anonymous

8/24/2021 10:16 PM

As a resident of Nelson Street Morecambe which backs on to Back Crescent Street I witness drunkenness, violence, assaults, drug taking, and fly tipping on a constant weekly, sometimes daily basis. Men urinate on my and my neighbours bins, walls and doors. The council never send their street sweepers down this section of alley although they have told me that they have it listed to carry out this cleaning on a daily basis. I've made numerous requests to them to reinstate it but it has never been actioned in the past two years I have asked. As a result I spend at least 1 days a week cleaning up the rubbish that's fly tipped and strewn along our section of back alley. It's depressing, angering and sometimes scary. It has a detrimental effect of residents mental health.

Anonymous

8/24/2021 11:59 PM

They should be extended to make it law that dogs must be kept on leads in Williamson Park - in the same way as it is at Happy Mount Park.

Anonymous

8/25/2021 07:27 AM

In reference to the fact that the previous PSPO's have expired- where were these?-what was done about the problems and what will be done differently once more orders are put in place to actually make a difference-because I feel the problem with homeless people and teenagers specially in the town centres is out of control-and you can smell weed everywhere-people now are reluctant to go out alone-I have personally been hassled and intimidated by homeless people in Morecambe centre twice and witnessed many more

Anonymous

8/25/2021 07:45 AM

Please focus on the West end, Alexandra Road alley ways are a bad area.

Anonymous

8/25/2021 07:46 AM

Gating the alleys in Morecambe is a divisive policy. We residents use the alleys as part of our way of life and gating them is not a solution to the problems you are trying to address.

Anonymous

8/25/2021 07:46 AM

Don't include Morecambe skatepark in the PSPO it's the only place in town that there aren't any issues. The worst place is the bus

shelter that was converted. Only ever see people in there when they're wrecking it.

Anonymous

8/25/2021 08:20 AM

This order should be extended to the centre of Bare Village. Particularly the green on Princes Crescent which may prevent the issues some businesses and staff are experiencing.

Anonymous

8/25/2021 08:28 AM

I think the orders need to be used all over and not just in the town centres. Daily drug smoking on our street means we can't even have our windows open. Also the alley behind our house is now so bad that if emergency vehicles needed to get down they wouldn't be able to.

Anonymous

8/25/2021 08:40 AM

anti-social behaviour is pervasive, because the council wouldn't take action!

Anonymous

8/25/2021 08:40 AM

Who is going to enforce these orders as there are already limited police and council officers available

Anonymous

8/25/2021 09:06 AM

Great to see this initiative - very much needed for Happy Mount Park

Anonymous

8/25/2021 09:43 AM

By locking some alleys doesn't that mean other alleys become the new fly tipping locations. Some of the alleys in bare are horrible

Anonymous

8/25/2021 09:52 AM

there seems to be increased instances of ASB in Happy Mount Park leaving litter, damaging seating etc and therefore leaving it in potentially dangerous state for users of the space especially small children

Anonymous

8/25/2021 09:55 AM

To somehow stop youths misbehaving in Happy Mount Park after closing time. Causing damage and lightning fires near our property

Anonymous

8/25/2021 10:28 AM

More "Bobbie's" on the beat to engage with people before problems arise.

Anonymous

Youths are becoming a great problem in our area. Damaging

8/25/2021 10:38 AM

property. Vandalism in the park, leaving litter and broken glass in their wake.

Anonymous

8/25/2021 10:40 AM

We back on to barrows every year we have trouble there should be a permanent restrictions on large numbers of youths that gather there taking drugs and drinking fires broken glass rubbish etc . Most dog walkers feel intimidated when large groups are up there and avoid the Place cctv would be good

Anonymous

8/25/2021 10:42 AM

I work in Lancaster City centre and I witness the hard work of the police and BID team in trying to regulate the behaviour of a small proportion of the public. Giving them additional powers would allow them to act before we get to the stage of fights, vomiting and unpleasant behaviour. It would also minimise the amount of unsafe situations that members of my team are put in whilst trying to ensure that the public can access our museum.

Anonymous

8/25/2021 11:12 AM

Alley gates on alexandra road Morecambe to stop the fly tipping

Anonymous

8/25/2021 11:48 AM

I have personally witnessed the local female PCSO playing water pistols with the local Alcoholics in the market square. Disgraceful.

Anonymous

8/25/2021 12:14 PM

I welcome the order. Something needs to be done about the Ferrell kids in the park causing damage, smashing bottles, littering, damaging property and grounds, and abusive language to anyone who challenges them.

Anonymous

8/25/2021 12:21 PM

Alexander road fly tipping, massive issue with the alleys around the westend with fly tipping especially behind Claremont crescent. Needs de-weeding and cleaning.

Anonymous

8/25/2021 01:09 PM

Starting to get very frightened by gangs of feral youths in the Bare and Happy Mount Park areas Thinking twice about going out in the evenings Something has to be done

Anonymous

8/25/2021 01:33 PM

Bare and surrounding areas including Happy Mount Park are a target for mindless vandals who seem to enjoy defacing, destroying and generally spoiling anything decent. The problem is nothing happens to them, they know they get away with whatever

destruction caused. People are frightened to intervene for fear of repercussions or reprisals. Something needs to be done, short sharp lessons, make parents pay for damage caused, offenders should be made to repair, replace or put right whatever they've done. Preferably wearing hi-vis jackets so we know why they're there, with notices circulated so we can go and watch them.

Anonymous

8/25/2021 02:01 PM

important

Anonymous

8/25/2021 02:15 PM

The Bare area in general is getting bad for antisocial behaviour with gangs of youths regularly intimidating local residents, many of whom are elderly and routinely damaging property, particularly Happy Mount Park.

Anonymous

8/25/2021 02:22 PM

I work in Market Square and I see everyday how the police and PCSOs have to struggle to do their jobs because of the same groups of people. We frequently have visitors commenting on these people who take drugs and drink in public, and get into fights on a regular basis in the middle of the street. I feel like allowing this to continue is putting people in danger - not only the police and PCSOs but also shop staff and people just passing by who are witness or sometimes involuntarily involved in their issues. It costs more money to have the outside of the building washed for example because someone has put graffiti on it, it's also extremely unpleasant and dangerous to have to pick up used needles or broken glass bottles. I'm sure I'm not the only person who works in Market Square who is sick of the current problem people who are allowed to continue their awful behaviour with little to no consequence. Our visitors often comment on the state of the building and the people creating issues, saying they don't want to use public amenities because they're scared of the people who frequently drink, shout and swear that are around Lancaster city centre.

Anonymous

8/25/2021 02:57 PM

Town Square and Pedder Street car park hot spots for drinking and cannabis smoking

Anonymous

8/25/2021 03:27 PM

They are definitely needed to control the youths who wander around causing trouble. Alley gates would help the litter/fly tipping and ASB issues.



Anonymous

8/25/2021 04:19 PM

I would like there to be consideration for traffic calming measures along princes crescent and Bare Lane. It is increasing becoming a hazard for lots of residents, older less able citizens, young families and dog walkers are struggling to cross with confidence.

Anonymous

8/25/2021 05:53 PM

Far too many youths in lancaster town centre during day and evening noted as I work there also bus station is terrible Happy mount park is being ruined by youths and should be stopped from ruining our home towns

Anonymous

8/25/2021 06:11 PM

Could the fly tipping include food outlets who overfill their rubbish bins causing rubbish and fly infestations.

Anonymous

8/25/2021 07:33 PM

Something must be done before this escalates. The local residents (Bare) are exasperated with the increase in ASB, especially in the Happy Mount Park/Elms Road/Bare Lane region. It has definitely worsened over the past 12 months. This looks like a step in the right direction.

Anonymous

8/25/2021 10:54 PM

Once again LCC are totally ignoring the desperate state of the streets and back alleys of Morecambe West End. Instewad you are concentrating on Lancaster and Central Morecambe. I really am considering withholding my council tax payments. Absolutely shocking from LCC. If YOU had to suffer from it then you would definitely take action. The West End has been neglected by you for decades.

Anonymous

8/26/2021 06:24 AM

Be firm, make sure the punishment is worthwhile, get the vermin that are causing the issues to do community service in public and if it is the teenagers, get the parents to do community service with them.

Anonymous

8/26/2021 07:33 AM

Something definitely needs to be done about the large teenage gangs roaming the area and park and the mindless damage they have caused.

Anonymous

8/26/2021 07:53 AM

If you put gates on back ally's in one area it will course problems in other areas of Morecambe.

Anonymous

8/26/2021 08:05 AM

The boundary line for Lancaster is not wide enough and needs to include the lower end of the Moorlands area. We have seen an increasing amount of anti social behaviour in our area that includes alcohol and drug taking and fly tipping in our back alleys.

Anonymous

8/26/2021 08:17 AM

We cannot sit in our garden most days because of drug smoking in the woods at the back of us and then youths congregating, making noise and removing fences to make fires so a pSPO would be a good idea.

Anonymous

8/26/2021 08:36 AM

Torrisholme Barrow woods is a regular meeting place for groups of youths. We regularly witness anti social behaviour. Drinking, drug use, starting fires, loud music at night, damage to householder property. Alston Drive residents affected regularly, and we need to call out fire and police services on a regular basis. I think this area should also be included in the PSPOs

Anonymous

8/26/2021 08:50 AM

I fully support all these measures I've observed so much antisocial behaviour in recent months I'm really glad something's been done about it. However I also think something positive should be done to engage those youths.

Anonymous

8/26/2021 09:45 AM

Why is Low Lane Wood not covered by a PSPO ?

Anonymous

8/26/2021 10:47 AM

The fly tipping and drug usage has become a real problem on Euston rd where our business premises are. Its not good for the shops here. It not only distracts from our shop fronts and represents a public health hazard.

Anonymous

8/26/2021 01:02 PM

The sooner the better. Lancaster town centre trade is affected as people scared to come to town

Anonymous

8/26/2021 02:27 PM

Definitely needed for Lancaster city centre - in particular the pedestrian zone to tackle drinking, drug abuse, abusive language and behaviour, excessive begging, littering - all of which makes the city centre a less appealing place.

Anonymous

8/26/2021 02:34 PM

I am the Supervisor for the Charter Market (street market) in Lancaster city centre. ASB has been a persistent problem for many

---

years, adversely affecting the market by causing difficulties for the traders and putting off customers from visiting the market. Traders have had abuse from and witnessed verbal/physical fights between people who are drunk or under the influence of drugs. There have also been thefts and criminal damage to traders' property. There have also been incidents of rough sleepers urinating behind or on gazebos belonging to traders. Large groups of young people (teenagers, sometimes younger) have been a particular problem in Cheapside. Traders are often reluctant to report these incidents as they feel it is a waste of time.

Anonymous

8/27/2021 09:16 AM

Dalton Square is a particular area that affects me. It is used as to drink alcohol by different groups and is used as a toilet. The surrounding alleys and side streets are often littered with syringes etc.

Anonymous

8/27/2021 09:34 AM

Lancaster is getting worse and once dark nights come women especially will feel vulnerable arriving and leaving work

Anonymous

8/27/2021 09:37 AM

Behaving badly is not new ! There is plenty of existing legislation to deal with bad behaviour it just needs to be actioned and enforced..

Anonymous

8/27/2021 09:58 AM

I work at Lancaster City Museum which has been a hub of ASB for many years, alcohol and drug use plays a major part in the asb behaviour I regularly witness and have to deal with through my work. This can involve having to clear up bodily fluids, smashed bottles/litter, used needles etc. We regularly witness fights, hear foul language and have to deal with cannabis smoke/cigarette use which comes into the building- this endangers both our visitors and ourselves and tarnishes the welcome we wish to give to visitors and loses us business.

Anonymous

8/27/2021 07:42 PM

I would need to know the pros and cons of lockable gates. For example how would legitimate access be obtained. Could they be a hazard in an emergency such as a fire requiring evacuation, etc. Also I would like to see a PSPO considered for the area at Heysham Towers bus stop and the Primary Health Centre (across the road).

Anonymous

8/28/2021 09:06 AM

Would like to have locked gates behind my property Oxford Street morecambe(play park side) "fly tipping a big problem

Anonymous

8/28/2021 10:48 AM

It will improve ASB in Lancaster City Centre

Anonymous

8/28/2021 10:49 PM

I fully support all PSPOs and the enforcement of them

Anonymous

8/31/2021 09:56 AM

Antisocial behaviour in Lancaster City Centre can make it a very unpleasant place to be even in broad daylight. It puts me off bringing my baby to groups at the Library as we would have to cross Market Square to get to it.

Anonymous

8/31/2021 10:04 AM

Restrict the amount of begging going on

Anonymous

9/01/2021 11:49 AM

Begging

Anonymous

9/01/2021 11:57 AM

Do not put a PSPO on Williamson park, it is used by university students who are, on the whole, respectful and good natured. Unlike many of those in Lancaster city centre

Anonymous

9/01/2021 05:04 PM

Please don.t put up gates, this will only move the issue, catch who does it and deal with them appropriately

Anonymous

9/01/2021 08:54 PM

The sooner the better. Lancaster is going down hill quickly due to this issue in the City Centre

Anonymous

9/02/2021 12:08 AM

On recent visits to Lancaster City centre I have noticed and been disturbed by individuals and groups of people drinking, shouting and bothering myself and other shoppers. This experience has made me more reluctant to visit the city centre

Anonymous

9/02/2021 03:49 PM

Concerns over what other measures will be put in place to prevent fly tipping elsewhere if gates were installed across alleyways as it may encourage incidents elsewhere

Anonymous

There is proven value on PSPOs acting as deterrents and showing

9/02/2021 05:19 PM

residents/visitors/businesses bad behaviour is not acceptable and will be actioned against

Anonymous

9/04/2021 09:29 PM

In my opinion, the imposition of these areas will only work if nearby residents can expect a reliable response from Police/Council when infringements take place. From my own experience, there is a very low expectation of timely Police response to reports of ASB on Quay Meadow (I cannot speak to other areas). As always, this is dependent on Police priorities at the time of the report, also bearing in mind the limited resources available to them. That said, I am strongly in favour of the concept of PSPO's, inasmuch as they might on their own offer a limited deterrent to anti-social drinking, drug-taking, and noise disturbance taking place.

Anonymous

9/04/2021 10:53 PM

This proposal doesn't tackle the actual issues that cause ASB...

Anonymous

9/04/2021 11:36 PM

Btwn local residents and environmental health officers trying to deal with kanteena's owner/management is not just a nightmare for local residents but for environmental officers. Kanteena have an attitude of they can do what they want when they want. Environmental health officers need more support from higher up in authority in the council. The venue was given a notice served on them, and they are appealing to whoever it is we local residents don't know. Please don't them win their appeal, for if they do the situation will get much worse.

Anonymous

9/07/2021 01:41 PM

Should be imposed in Lancaster / Morecambe town centres but not in Parks.

Anonymous

9/07/2021 01:43 PM

I would absolutely love to see more focus on the antisocial behaviour outside Mcdonalds. I am aware recently some measures have been enacted.

Anonymous

9/07/2021 01:45 PM

Having spent over 20 years working in the tourism & hospitality industries I feel there is a notable decline in the feel of the town centre in Lancaster. Although there are a number of contributing factors to this, antisocial behaviour is a major issue, especially from those drinking, brawling and urinating on the streets in the daytime.

Anonymous

9/08/2021 11:56 AM

A time restriction on groups of youths being in areas after dusk

Anonymous

9/08/2021 04:02 PM

Begging also needs to be looked into as that is regularly happening

Anonymous

9/10/2021 10:15 AM

Stop single unit off sales ie 1 bottle or 1 can, of alcohol.

Anonymous

9/10/2021 05:52 PM

There is very little information about the aims and objectives of the proposed PSPOs on the web page. There are questions in the survey about littering. Is this a matter for a PSPO or is it a council street cleansing and enforcement matter that the council is clearly not allocating sufficient resource to? As the council has declared a climate emergency, perhaps it could devote some money and effort to clean and green actions across the district while it is also worrying about sea level rises and 'extinction' events. I am certain the local animals, residents and marine life would appreciate it.

Anonymous

9/12/2021 09:19 AM

If people on the streets are genuinely homeless then I would support any help that could be given to them. However if it is a lifestyle choice, changes need to made.

Anonymous

9/14/2021 09:40 AM

There has been significant and noticeable deterioration in behaviour in the City Centre, a lot of this is centred on Market Square at the Town Hall, and also outside MacDonaldis - this is leaving local residents, businesses and visitors to the city uncomfortable and threatened.

Anonymous

9/14/2021 04:25 PM

Restrictions to stop begging in shop doorways in Lancaster City Centre

Anonymous

9/14/2021 08:38 PM

I'd like to see something around littering which has increased enormously since lockdown.

Anonymous

9/15/2021 08:58 PM

Would unlicensed individuals or groups playing loud music for prolonged periods be counted as ASB?. This has been a problem in Lancaster in the past and took considerable effort to remove.

Anonymous

9/19/2021 02:57 PM

The PSPO should never have been left to expire.

Anonymous

9/19/2021 06:38 PM

Fully support this it will make a massive difference to people's quality of life.

Anonymous

9/20/2021 03:14 PM

I have witnessed youth ASB and alcohol related issues in Lancaster City Centre, Williamson Park, Morecambe Town Centre and Heysham Village/Barrows.

Anonymous

9/21/2021 09:03 AM

i feel that the street drinking has be left far to long on the lancaster city center and needs the pspo back in place to support the local community and area.

Anonymous

9/22/2021 07:57 AM

I think an increase in the powers available to the police and other authorities is necessary. Sadly, there is a small minority of people, who will continue to act in an anti-social manner to the detriment of the majority.

Anonymous

9/22/2021 07:10 PM

Please stop people drinking and taking drugs in Pedder Street car park in Morecambe.

Anonymous

9/24/2021 06:12 PM

Council should exercise their power to tell unhinged families causing disturbances in many ways than one.

Anonymous

9/24/2021 07:14 PM

Another issue relates to approval given to create Flats and HMO's in older properties which are totally unsuitable because tenants do not have access to secure space within the property boundaries to appropriately store household waste prior to collection. The only option available to such tenants is to fly-tip in public spaces within the area. The Landlords associated with these properties should be forced, by law, to remedy this position OR return the property to ONE residence.

Anonymous

9/24/2021 10:29 PM

Do you honestly think the culprits will take any notice ?

Anonymous

9/25/2021 04:44 AM

Should also put gates on lancaster back alleys, they're also the same, full of rubbish

Anonymous

9/25/2021 02:04 PM

I would like to see the response to antisocial behaviour extend to the enforcement of existing regulations about driving, and parking, in pedestrian areas. Every evening cars drive into the pedestrian area in Lancaster city centre even though this is not legally allowed. I have never seen anyone policing this, even though there are often police personnel about. Cars without blue badges are often parked in disabled parking bays.

Anonymous

9/25/2021 07:50 PM

You need to include Regent Park in your proposals. Also let's not make empty promises.

Anonymous

9/26/2021 06:08 PM

Nearly every day/ night kids who live on my street are out swearing, damaging property and making a mess on street, there mother is always out swearing

Anonymous

9/27/2021 12:38 AM

Drugs

Anonymous

9/27/2021 04:44 PM

You need to expand the alley gates to everyone who wants them

Anonymous

9/27/2021 04:55 PM

Heysham village has been hit by youths causing ASB so having the village in the PSPO is a good idea. The youths seem to head to Heysham Barrows to drink alcohol but on route they are loud and once I witnessed them climb over my car. They also leave rubbish on the village play park.

Anonymous

9/27/2021 10:24 PM

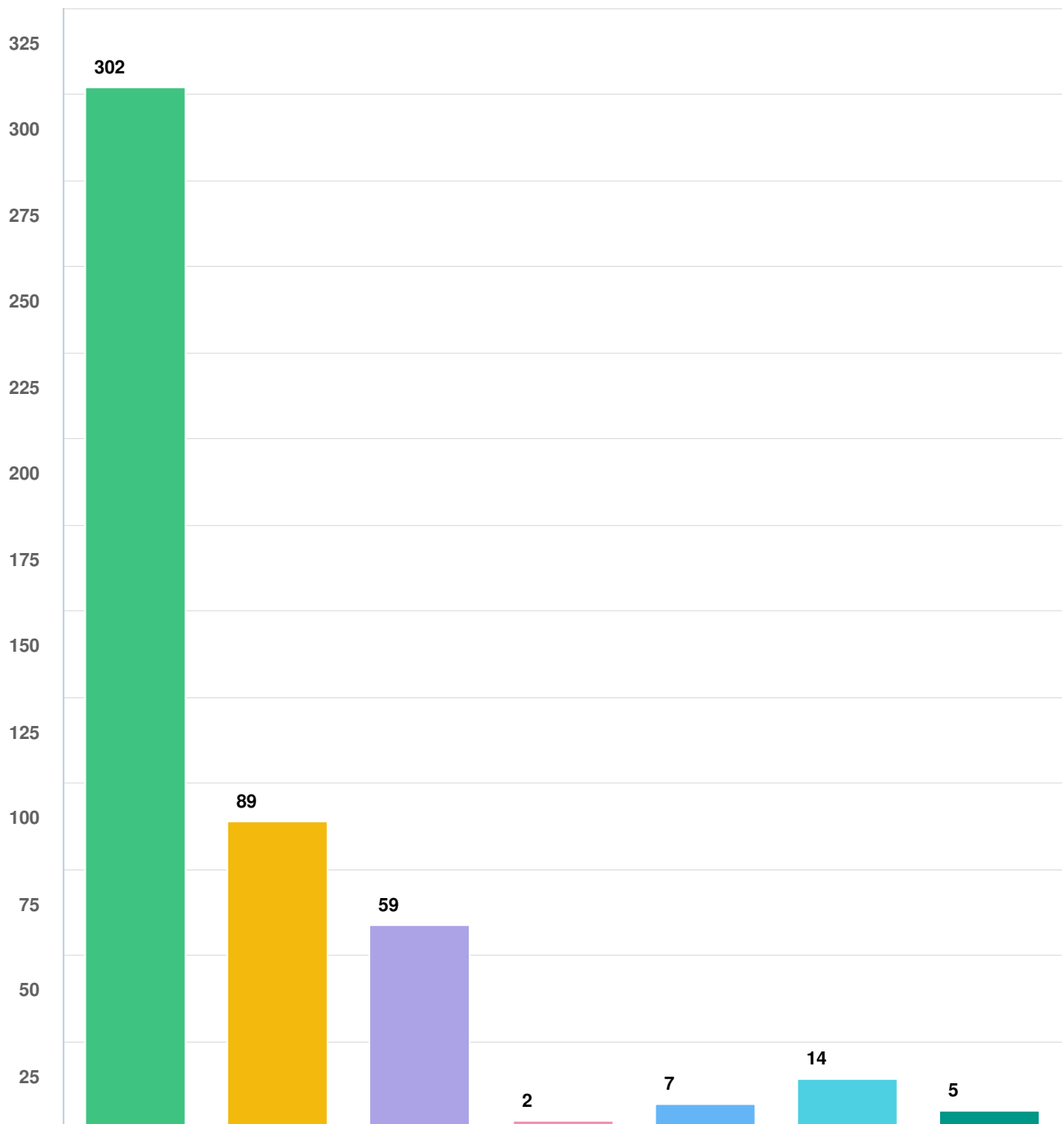
Body cams for all PSPO's would be a great benefit in support in there work with the public and especially with anti social behaviour.

**Optional question** (138 response(s), 192 skipped)

**Question type:** Essay Question



**Q8** Are you responding to this consultation as (please select all that apply)




**Question options**

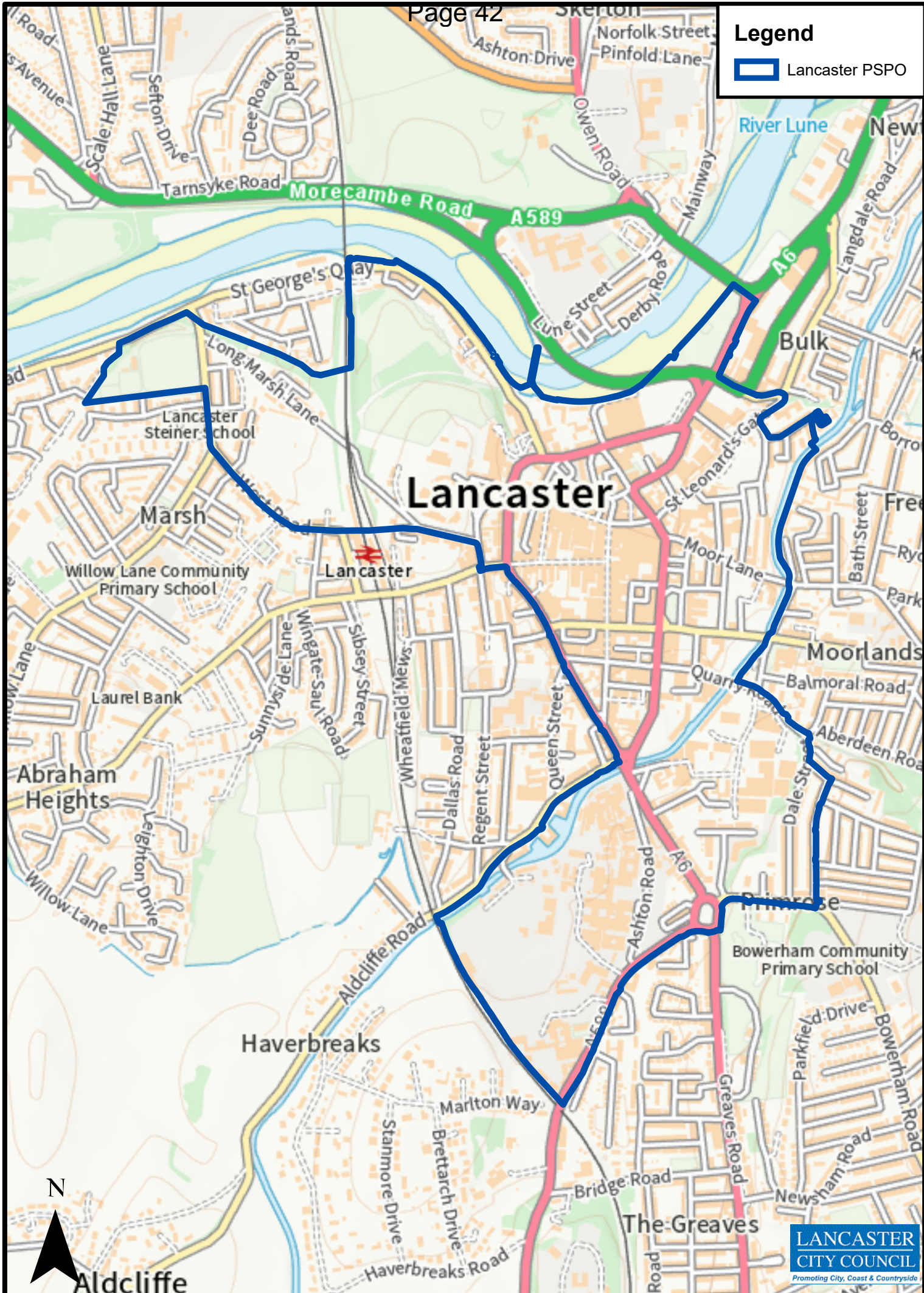
- A local resident of the district
- Someone who works in the district
- Local business owner/manager
- Representative of Community Group
- Local councillor (County, District, Town, Parish)
- Visitor to the district
- Other (please specify)

Optional question (330 response(s), 0 skipped)

Question type: Checkbox Question

### Legend

 Lancaster PSPO





MORECAMBE

Morecambe Bay

Ring Sands

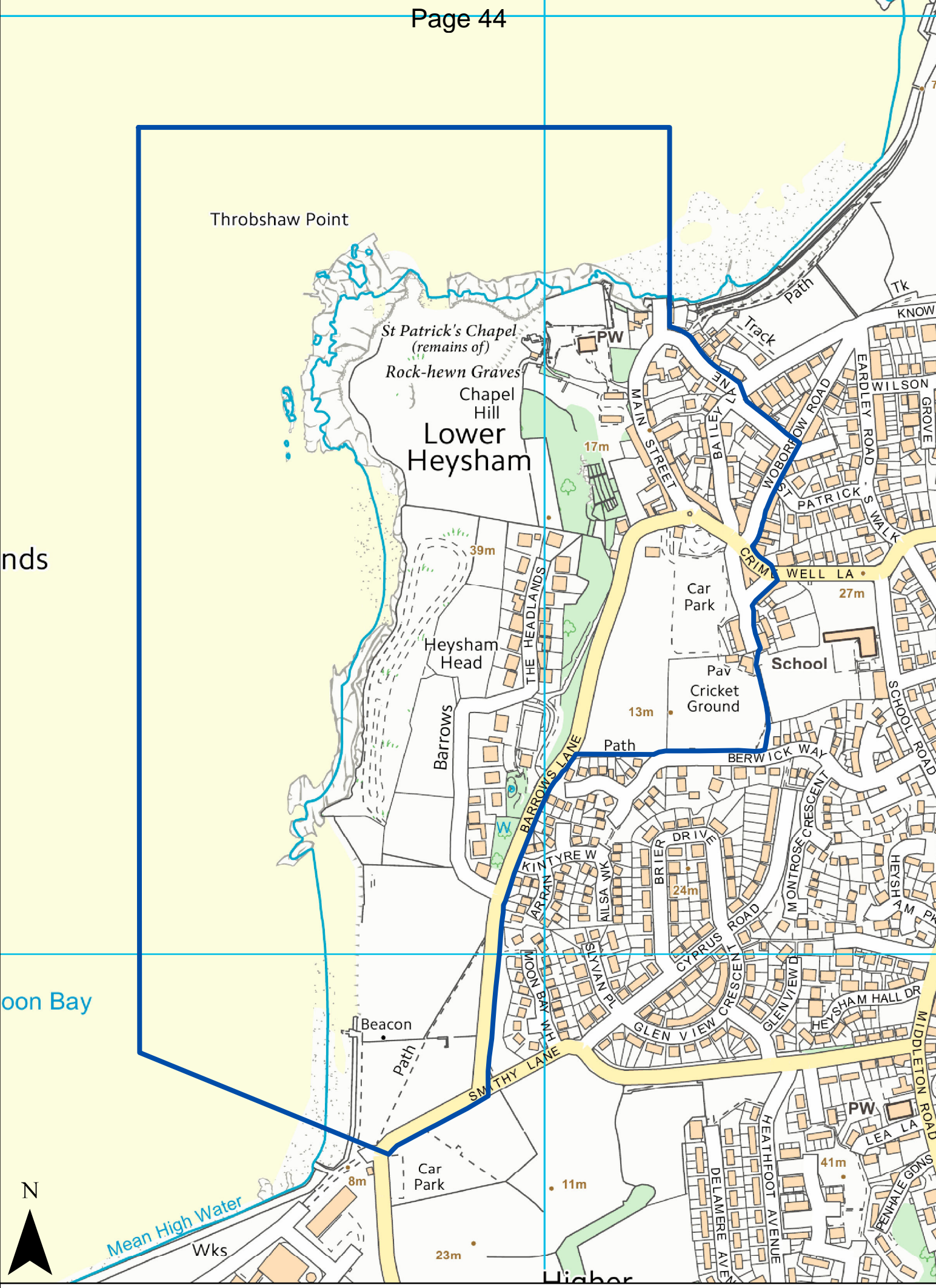
West End

Sandylands

Bare

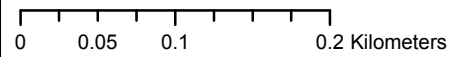
White Lund Trading Estate



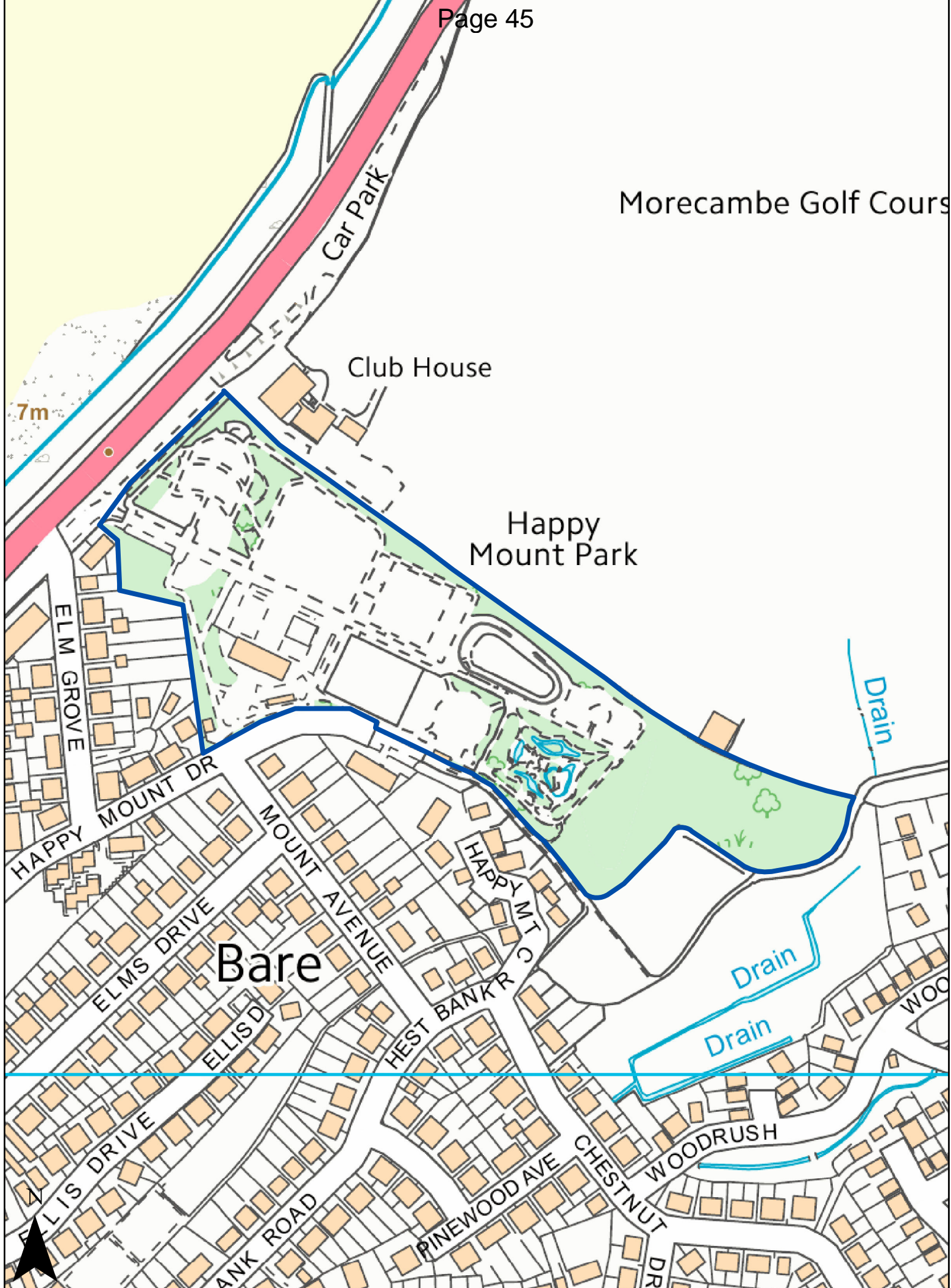


nds

oon Bay



# Morecambe Golf Course



Bare



Anti-Social Behaviour, Crime and Policing Act 2014

## **LANCASTER, MORECAMBE & HEYSHAM PUBLIC SPACES PROTECTION ORDER 2021**

Lancaster City Council (“the Council” has made the following Public Spaces Protection Order under Section 59 of the Anti-Social Behaviour, Crime and Policing Act 2014 (“the Act”)

The land described by the maps in Schedule 1-5 being land in the area of the Council is land to which the Act applies and is protected by this Order (hereinafter called the “Designated Area”).

This Order may be cited as the Lancaster, Morecambe & Heysham Public Spaces Protection Order 2021 and came into force on \*\*\*\* for the duration of 3 years.

The following prohibitions are imposed on the use of the Designated Area: -

### **SHOUTING, SWEARING AND BEHAVIOUR CAUSING ANNOYANCE HARRASSMENT ALARM OR DISTRESS**

1. No person or groups of 2 or more persons shall allow their actions to cause annoyance, harassment, alarm or distress to any person within the Designated Area or on land adjacent to the Designated Area or to any person living nearby.

### **OFFENCE**

2. It is a criminal offence for a person without reasonable excuse to breach this prohibition

### **PENALTY**

3. On summary conviction, the court may impose a fine of up to £1,000 (Level 3 on the standard scale.)

A constable or an authorised person may issue a Fixed Penalty Notice (FPN) to anyone that they reasonably believe has committed an offence. The amount of the FPN is £100, which is to be paid within 14 days of being issued with the notice. This sum will be reduced to £65 if paid within 7 days.

### **PROHIBITION OF ALCOHOL CONSUMPTION**

4. The Order prohibits the consumption of alcohol within the Designated Area so as to cause, or be likely to cause, nuisance or annoyance to any other person.
5. The Order excludes certain premises from the application of the prohibition where alcohol restrictions are already in place under licensing laws.
6. Where the constable or the authorised person who reasonably believes a person has been drinking alcohol, in breach of the prohibition, or intends to drink alcohol where to do so would be a breach, the officer may require the person: -

- a. not drink any alcohol, or anything the officer reasonably believes to be alcohol in breach of the prohibition; and/or
  - b. to surrender anything in their possession which is, or which the officer reasonably believes to be, alcohol or a container for alcohol.
7. There are certain safeguards on the imposition of the requirements including
- a. the person must be advised that failing without reasonable excuse to comply is an offence, and
  - b. if the authorised officer is not a constable, or police community support officer, the officer must produce evidence of their authority if requested.
- Anything surrendered may be disposed in whatever way the authorised person thinks appropriate.

The Breach of the prohibition on drinking is only an offence when an individual does not cease drinking, or surrender alcoholic drinks when required to do so, when challenged by an authorised constable or authorised person. In this way, officers can exercise discretion in each situation. Where there is no threat of anti-social behaviour, they need not challenge the individuals.

#### **OFFENCE**

8. It is a criminal offence for a person without reasonable excuse to fail to comply with a requirement to cease drinking or surrender alcohol in the Restricted Area.

#### **PENALTY**

9. On summary conviction, the court may impose a fine of up to £500 (Level 2 on the standard scale)  
A constable or an authorised person may issue a Fixed Penalty Notice (FPN) to anyone that they reasonably believe has committed an offence. The amount of the FPN is £100, which is to be paid within 14 days of being issued with the notice. This sum will be reduced to £65 if paid within 7 days.

#### **INGESTION, INHALATION, INJECTION, SMOKING, POSSESSION OR OTHERWISE USE OF A PSYCHOACTIVE SUBSTANCE (e.g. NITROUS OXIDE) CAUSING OR LIKELY TO CAUSE HARASSMENT, ALARM, DISTRESS, NUISANCE OR ANNOYANCE**

10. The Order prohibits the consumption, or possession of, a psychoactive substance within the Restricted Area. These substances are often referred to as "legal highs" and include nitrous oxide.
11. Where a constable or authorised person reasonably believes a person is, or has been consuming, or is in possession of a psychoactive substance, in breach of the prohibition, or intends to consume a such substance where doing so would be a breach, the officer may require the person not to consume the psychoactive



substance or anything which the officer reasonably believes to be such a substance; and/or to surrender anything in that person's possession which is, or which the officer reasonably believes to be, a psychoactive substance or a container for a psychoactive substance.

12. There are certain safeguards on the imposition of the requirements including
  - a. the person must be advised that failing without reasonable excuse to comply is an offence, and
  - b. if the authorised officer is not a constable, or police community support officer, the officer must produce evidence of their authority if requested.

Anything surrendered may be disposed in whatever way the authorised officer thinks appropriate.

#### **OFFENCE**

13. It is a criminal offence for a person without reasonable excuse to breach the prohibition or to fail to comply with a requirement to which is imposed.

#### **PENALTY**

14. On summary conviction, the court may impose a fine of up to £1,000 (Level 3 on the standard scale)  
A constable or an authorised person may issue a Fixed Penalty Notice (FPN) to anyone that they reasonably believe has committed an offence. The amount of the FPN is £100, which is to be paid within 14 days of being issued with the notice. This sum will be reduced to £65 if paid within 7 days.

## Lancaster City Council | Report Cover Sheet

<b>Meeting</b>	Cabinet	<b>Date</b>	7 December 2021
<b>Report</b>	Plan 2030: Priorities and Outcomes		
<b>Report of</b>	Chief Executive		
<b>Purpose of Report</b>			
To provide an update on Cabinet’s strategic planning activity, and refer the ‘Core’ Plan 2030 content to Council for adoption as part of its Policy Framework.			
<b>Key Decision (Y/N)</b>	<b>Y</b>	<b>Date of Notice</b>	<b>11 October 2021</b>
		<b>Exempt (Y/N)</b>	<b>N</b>

### Report Summary

The report describes the strategic planning activity undertaken so far- building on activity from January 2020 which was interrupted by the Covid-19 pandemic- and sets out the proposed context and structure for the development and delivery of a comprehensive strategic plan for the Lancaster district.

### Recommendations of Councillor Caroline Jackson

- (1) That Cabinet refer the ‘Core’ Strategic Plan to Council, to consider adopting as the basis for its Policy Framework.
- (2) That subject to the adoption of the ‘Core’ Plan by Council, Cabinet agree to pursue the development of a comprehensive Plan alongside local partners, stakeholders and communities.

### Relationship to Policy Framework

The ‘Core’ Plan 2030 content, if adopted, would supersede the Priorities agreed by Council in January 2020. The high-level ‘Core’ Plan would form the heart of the Council’s Policy Framework, informing its strategic and financial decision-making.

Further development activity would then be undertaken to develop a comprehensive Plan, which would be recommended to Council for adoption into the Policy Framework.

### Conclusion of Impact Assessment(s) where applicable

<b>Climate</b>	<b>Wellbeing &amp; Social Value</b>
<b>Digital</b>	<b>Health &amp; Safety</b>
<b>Equality</b>	<b>Community Safety</b>

Whilst the adoption of a strategic plan would have a substantial impact on many of the Council’s future activities, the content of the ‘Core’ Plan itself at this stage does not have a direct impact in itself.

### Details of Consultation

The consultation activity undertaken in developing the January 2020 version of the Council’s Priorities is documented in the report to Council of 29 January 2020. Subsequent activity during summer 2021 has focused on Cabinet’s refinement of these Priorities, and therefore builds on the consultation undertaken at that time.

<p>Adopting the 'Core' Plan would provide a platform for further development of a comprehensive plan, including a substantial degree of engagement, consultation, and partnership.</p> <p>A member briefing took place on 28 October 2021, giving all members opportunity to discuss the proposed approach and content of the 'Core' Plan.</p>	
<b>Legal Implications</b>	
No legal implications arising directly from this report.	
<b>Financial Implications</b>	
No financial implications arising directly from this report.	
<b>Other Resource or Risk Implications</b>	
No additional implications arising directly from this report.	
<b>Section 151 Officer's Comments</b>	
The Section 151 Officer has been consulted and has no further comments.	
<b>Monitoring Officer's Comments</b>	
By law the Council must have a Policy Framework. The Council Plan forms part of that Policy Framework and is to be decided by Full Council.	
<b>Contact Officer</b>	Kieran Keane, Chief Executive
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<b>Links to Background Papers</b>	
<p><a href="#">Report of Cabinet</a>, referred to Council 29 January 2020 and <a href="#">Appendix</a></p> <p>Appendix A: Plan 2030 Priorities and Outcomes</p>	

## 1.0 Introduction

- 1.1 On 29 January 2020, the Council agreed its strategic priorities in outline form, on the basis that further activity would follow to develop these into a comprehensive strategic plan.
- 1.2 This activity was put on hiatus while the Council diverted its resources toward supporting local residents and businesses through the Covid-19 pandemic. During summer 2021, Cabinet resumed its consideration of strategic planning activity, in order to put in place a vision of the Council's goals up to 2030 and a plan for achieving these. The working title for this planning activity is '*Plan 2030*'.

## 2.0 Wider Strategic Development

- 2.1 Plan 2030 is considered to be a key pillar for achieving the Council's strategic goals, but it is recognised that a written Plan in and of itself will not guarantee the delivery of ambitious strategic goals for the local environment, economy, communities and the Council.

2.2 The Plan should be viewed in the context of a number of wider strategic development activities that will support the delivery of wide-ranging local transformation, including:

- **Partnership:** convening and enabling the structures and relationships that will enable all those - across public, private and community sectors - with an interest in the success of the Lancaster district to contribute to shared goals
- **Policy:** facilitating conversations across the district to develop considered, achievable and practical policies and action plans to support the achievement of strategic priorities

### 3.0 Plan 2030 Structure

3.1 These activities will be underpinned by a structured Plan, the content of which will shape the overall direction of the Council's activities- and where appropriate those of its partners- via a strategic partnership approach.

3.2 The proposed elements of the Plan are described below:

- **Vision:** a summarising statement setting out the scope of the Council's ambition for the district
- **Priorities:** statements covering the Council's key aims for the district's environment, economy, communities and the Council itself
- **Strategy:** the overall strategic approach to delivering the Priorities
- **Principles:** the ways in which all the Council's activities will be shaped by specific ideas and ways of working
- **Outcomes:** the tangible elements of change that will be seen and experienced across the district in achieving the Priorities
- **Indicators & Measures:** the measures by which success will be evaluated in achieving the Priorities and Outcomes
- **Activities & Projects:** the work which will be undertaken, by the Council and its partners, to deliver the Priorities and Outcomes
- **Sustainable Development Goals:** the ways in which the Priorities and Outcomes contribute to each of the UN Sustainable Development Goals, reflecting the Council's commitment to achieving these locally

### 4.0 'Core' Plan 2030

4.1 Whilst Cabinet has so far shaped the Plan 2030 development activity, its intention is to take an inclusive approach to developing further stages of the Plan.

4.2 As shown at Appendix A, Cabinet has developed the Priorities, Strategy, Outcomes, and Principles, which collectively are described as the 'Core' Plan 2030. The content at Appendix A could be described as an evolution of the

Priorities adopted by the Council in January 2020, rather than a wholesale review.

- 4.3 At this point it is recommended that Cabinet refer the 'Core' Plan to Council for adoption as the heart of the Council's Policy Framework, as a platform for further development work into a comprehensive Plan.

## 5.0 Options and Analysis

	<b>Option 1:</b> Refer the 'Core' Plan 2030 to Council for adoption.	<b>Option 2:</b> Take no action.
<b>Advantages</b>	An up-to-date articulation of the Council's priorities will have been considered by the Council, with opportunity for valuable comment and feedback. If adopted, subsequent strategic and financial decisions will be based on the most up-to-date ideas of Cabinet.	No specific advantages are identified for this option; if no action is taken, the Policy Framework would continue to be represented by the Priorities agreed in January 2020.
<b>Disadvantages</b>	No specific disadvantages are identified for this option.	The update of January 2020 committed to further development of the priorities and plan; taking no action at this time, after a hiatus due to the pandemic, would inhibit the Council's ability to act on its latest perspectives and learning in partnership with others.
<b>Risks</b>	There is a slight risk that a further update of the Council's priorities could result in a lack of clarity between different versions and updates; to be mitigated by clear and widespread communication around the update.	The development and delivery of strategic priorities would be compromised by this option.

## 6.0 Officer Preferred Option

- 6.1 The recommended option is to proceed with referring the 'Core' Plan to Council (Option 1), and subsequently developing a comprehensive strategic plan.

Priorities	A Sustainable District	An Inclusive and Prosperous Local Economy	Healthy and Happy Communities	A Co-operative, Kind and Responsible Council
Strategy	<b>Climate Emergency</b>   <i>taking action to meet the challenges of the climate emergency</i>	<b>Community Wealth-Building</b>   <i>building a sustainable and just local economy that benefits people and organisations</i>	<b>Increasing Wellbeing, Reducing Inequality</b>   <i>empowering and supporting healthy ways of living, and tackling the causes of inequality</i>	<b>Community Engagement, Power and Resilience</b>   <i>drawing on the wealth of skills and knowledge in the community, and working in partnership</i>
Outcomes	net zero carbon by 2030 while supporting other individuals, <u>businesses</u> and organisations across the district to reach the same goal <b>(Carbon Zero)</b>	supporting the development of new skills and improved prospects for our residents within an environmentally sustainable local economy <b>(Sustainable Skills)</b>	supporting wellbeing and ensuring local communities are active, engaged, <u>involved</u> and connected <b>(Community Engagement)</b>	listening to our communities and treating everyone with equal respect, being friendly, honest, and empathetic <b>(Listening and Empathy)</b>
	moving towards zero residual waste to landfill and incineration <b>(Reduced Waste)</b>	advocating for fair employment and just labour markets that increase prosperity and reduce income inequality <b>(Fair Work)</b>	tackling discrimination and reducing inequality <b>(Reducing Inequality)</b>	working in partnership with residents, local organisations, anchor institutions and partners recognising the strengths and skills in our community to build a powerful force working for our district <b>(Partnership)</b>
	increasing the amount of sustainable energy produced in the district and decreasing the district's energy use <b>(Sustainable Energy)</b>	supporting new and existing enterprises in sustainable innovation and the strengthening of local supply networks <b>(Sustainable Innovation)</b>	focused on early-intervention approaches and involving our communities in service design and delivery <b>(Early Intervention)</b>	investing in developing the strengths and skills of our staff and councillors <b>(Investing In Our Skills)</b>
	transitioning to an accessible and inclusive low-carbon and active transport system <b>(Low Carbon and Active Transport)</b>	using our land, property, <u>finance</u> and procurement to benefit local communities and encouraging residents, businesses, organisations and anchor institutions to do the same <b>(Social Use of Resources)</b>	(re)developing housing to ensure people of all incomes are comfortable, <u>warm</u> and able to maintain their independence <b>(Access to Quality Housing)</b>	focused on serving and enabling our residents, local <u>organisations</u> and district <b>(Enabling)</b>
	supporting our communities to be resilient to flooding and adapt to the wider effects of climate change <b>(Climate Resilience)</b>	securing investment and regeneration across our district <b>(Investment and Regeneration)</b>	improving access to and involvement in arts, culture, <u>leisure</u> and recreation, supporting our thriving arts, culture and heritage sector <b>(Access to Culture and Leisure)</b>	embracing innovative ways of working to improve service delivery and the operations of the council <b>(Innovative Public Services)</b>
	increasing the biodiversity of our district <b>(Biodiversity)</b>	Promoting business ownership models that empower the local workforce, such as co-operatives, social <u>enterprises</u> and community ownership <b>(Inclusive Ownership)</b>	keeping our district's neighbourhoods, parks, <u>beaches</u> and open space clean, well-maintained and safe <b>(Quality Public Spaces)</b>	providing value for money and ensuring that we are financially resilient and sustainable <b>(Value for Money)</b>

**Lancaster City Council | Report Cover Sheet**

<b>Meeting</b>	Cabinet	<b>Date</b>	7 December 2021
<b>Report</b>	Delivering Our Priorities: Q2 2021/22		
<b>Report of</b>	Director of Corporate Services		
<b>Purpose of Report</b>			
To provide members with an update on performance, projects, and resources during the first two quarters of 2021/22 (April – September 2021).			
<b>Key Decision (Y/N)</b>	<b>N</b>	<b>Date of Notice</b>	<b>N/A</b>
<b>Exempt (Y/N)</b>	<b>N</b>		

**Report Summary**

The appendices to this report provide information on performance, projects, and resources.

**Recommendations of Councillor Anne Whitehead**

That Cabinet

- (1) Consider the update on performance, projects, and resources for Quarter 2 2021/22.

**Relationship to Policy Framework**

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

**Conclusion of Impact Assessment(s) where applicable**

<b>Climate</b>	<b>Wellbeing &amp; Social Value</b>
<b>Digital</b>	<b>Health &amp; Safety</b>
<b>Equality</b>	<b>Community Safety</b>

The content of this report has no impact in itself.

**Details of Consultation**

No specific consultation around this report.

**Legal Implications**

No legal implications directly arising from this report.

**Financial Implications**

No financial implications directly arising from this report.

**Other Resource or Risk Implications**

No other implications directly arising from this report.

**Section 151 Officer's Comments**

The Section 151 Officer contributed to this report in his role as Chief Finance Officer	
<b>Monitoring Officer's Comments</b>	
The Monitoring Officer has been consulted and has no further comments.	
<b>Contact Officer</b>	Sarah Davies, Director of Corporate Services
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<b>Links to Background Papers</b>	
Appendix A: Highlight Report Appendix B: General Fund Service Analysis Appendix C: General Fund Subjective Analysis Appendix D: HRA Service Analysis Appendix E: General Fund Capital Projects Appendix F: HRA Capital Projects Appendix G: Reserves Projected Outturn	

## 1.0 Introduction

- 1.1 The primary purpose of this report is to present the information contained in the projects and performance Highlight Report for the period July-September 2021, which can found at Appendix A.

## 2.0 Report

- 2.2 The majority of the Council's services have in some way emerged from the more acute effects of responding to the Covid-19 pandemic; although the Council continues to provide its fullest level of proactive support to local communities and businesses. This is reflected in the information and commentary contained within the report, which show somewhat of a lesser impact than in previous quarters.
- 2.3 Further to this, a number of teams have used resource during Q2 to clear backlogs of work which arose during earlier phases of the pandemic. This has in some cases had a short-term detrimental effect on the headline performance measures. However, the completion of backlog work puts these services on a stable footing going forward.

## 3.0 Project Reporting

- 3.1 The stage each project has reached is now included on the highlight report, with quarterly project update reports (shown as hyperlinks on the project name) produced only by projects in the Detailed Design, Delivery or Completion stages.
- 3.2 The number of projects updated on each quarter has reduced from that of the previous report. This does not reflect a decrease in project activity, rather a refinement and focusing of the information reported in order to maximise the level of meaningful information provided.

## 4.0 Financial Monitoring

- 4.1 The 2021/22 Budget and MTFs 2021-2024 approved by Council in February 2021 set a balanced budget for the year based on the assumptions made at that time. The COVID - 19 pandemic continues to create a significant shock to the economy and result in unplanned expenditure and income losses for the Council.



- 4.2 All portfolios are required to examine their revenue budgets regularly and reports are submitted to Cabinet and Budget & Performance Panel for review. To enable Portfolio Holders to meet this requirement Financial Services continually reviews and refreshes how it presents the Council's Corporate Monitoring information.
- 4.3 In an attempt to aid understanding Members should note that where **projected variances** values are presented with brackets ( ) this reflects a negative, or adverse movement from the budgeted position. Conversely, projected variances accompanied with a + sign represents a positive, or favourable movement from the budgeted position.

The following financial appendices accompany this report

- Appendix B: General Fund Service Analysis
- Appendix C: General Fund Subjective Analysis
- Appendix D: HRA Service Analysis
- Appendix E: General Fund Capital Projects
- Appendix F: HRA Capital Projects
- Appendix G: Reserves Projected Outturn

## 5.0 COVID - 19

- 5.1 As stated above, the COVID - 19 pandemic has resulted in significant unplanned expenditure and income losses, which are being monitored by each directorate. The Government's Sales, Fees and Charges support scheme finished at the end of June 2021 and all subsequent losses will need to be covered by Council resources.
- 5.2 With regard to economic activity and the potential ongoing impact, the Government's own data indicates activity is not expected to return to pre-Covid-19 levels until 2023. The impact of the pandemic led to a 10% fall in economic output over 2020 which is only expected to recover by 4% this year and 7% in 2022/23.

## 6.0 General Fund Summary Position

- 6.1 Quarter 2 (Q2) monitoring covers the period for April – September 2021. At the end of Q2 (September 2021) we are currently projecting a year end overspend against budget of **£0.319M**. This amount equates to approximately **1.79%** of the Council's approved Net Revenue Budget of **£17.774M**. Members should acknowledge that this is the position at the halfway point of the financial year and officers work will continue over the coming months to monitor and forecast the costs and savings associated with both the pandemic and any other emerging budget pressures. In the meantime, arrangements are in place to scrutinise all existing expenditure plans. However, should an overspent position remain at the year-end it would be met from the Council's unallocated reserves. Members will need to be aware that as part of the on-going budget round we are undertaking our reforecasting exercise for Business Rates and Council Tax. Both are complex high value areas which can have a significant impact on the Council's financial position. Early indications suggest that performance in these areas may help to reduce the current Q2 deficit but the final results of this exercise and its impact will be reflected in the Medium Term Financial Strategy Update paper and within Delivering Our Priorities Q3 monitoring.
- 6.2 A summary of the Q2 revenue position for the main service accounts of the Council is set out in table 1 below. Appendix B: General Fund Service Analysis covers this information in more detail with commentary on significant variances provided on the following paragraphs.

Table 1 Quarter 2 Financial Monitoring – Service Analysis

	Original Budget 2021/22 £'000	Working Budget 2021/22 £'000	Q2 Actual 2021/22 £'000	Projected Outturn 2021/22 £'000	Projected Variance 2021/22 £'000
Communities and Environment	6,882	6,882	529	7,485	(603)
Economic Growth and Regeneration	4,134	4,134	1,956	4,813	(679)
Corporate Services	6,762	6,762	(496)	6,534	+228
Central Services	1,059	1,059	510	1,013	+46
Other Items	96	96	(79)	(593)	+689
<b>Sub Total</b>	<b>18,933</b>	<b>18,933</b>	<b>2,420</b>	<b>19,252</b>	<b>(319)</b>
Net Recharges to Housing Revenue Account	(1,020)	(1,020)	0	(1,020)	0
RMS Capital Charges (now Housing Revenue Account)	(139)	(139)	1,318	(139)	0
Revenue Reserve funded items included in above analysis	2,362	5,298	561	4,652	+646
Revenue Reserve funded items included in above analysis	(2,362)	(5,298)	0	(4,652)	(646)
<b>Sub Total</b>	<b>(1,159)</b>	<b>(1,159)</b>	<b>1,879</b>	<b>(1,159)</b>	<b>0</b>
<b>General Fund Revenue Budget</b>	<b>17,774</b>	<b>17,774</b>	<b>4,299</b>	<b>18,093</b>	<b>(319)</b>
Revenue Support Grant	(204)	(204)	(106)	(204)	0
Net Business Rates Income	(7,737)	(7,737)	(8,204)	(7,737)	0
<b>Council Tax Requirement</b>	<b>9,833</b>	<b>9,833</b>	<b>(4,011)</b>	<b>10,152</b>	<b>(319)</b>

#### Communities and Environment (£0.603M Adverse)

6.3

Significant budget variances including termination costs for the Combined Heating and Power unit maintenance contract (-£0.032M) and the non-realisation of feed in tariff credits (-£0.130M). Increased vehicle R&M and associated hire costs (-£0.107M) due to delayed delivery of new fleet. Income losses as a result of the continued closure of nursery shop (-£0.043M). The additional cost of staff to cover long term absence and shortage of HGV drivers (-£0.118M) as well as the impact of job evaluation appeals and restructure proposals delayed (-£0.070M). These pressures have been offset by staff turnover savings, however, the service is predicted a salary related overspend of (-£0.075M) which also accounts for the impact of the proposed pay award. Car parking income (£+0.201M) has exceeded the pre-pandemic expectancy level of 65%, however, this can be offset by the net impact of the Castle car park lease surrender (-£0.070M) and increased transaction costs due to customer change of habits (-£0.015M). A budgeted sales, fees and charges loss (-£0.379M) is included within the service variance, however the compensation for this is included in Other Items, as detailed below.

#### Economic Growth and Regeneration (£0.679M Adverse)

6.4

Significant predicted year end variances include the continuation of the Capita Building Control contract (-£0.124M) and Business Rates payable (-£0.041M) for former Frankie & Benny's site due to vacated tenant. Estimated additional support for temporary planning officer posts (-£0.080M), the use of agency staff to cover the vacant Head of Property Investment and Regeneration (PIR) post (-£0.083M) have created budgetary pressure however, there are a number of areas where salary savings have been identified including the delayed reopening of the VIC's, The Platform and Museums (£-0.046M). Further vacancies include Future High Streets vacant post and other growth posts not yet recruited to (+£0.053M). These pressures have been offset by staff turnover savings however the service is predicting a salary related overspend of (-£0.176M) which also accounts for the impact of the proposed pay award. Further Income losses at The Platform (-£0.187M) and Printrooms (-£0.067M) are estimated. A budgeted sales, fees and charges loss of (-£0.074M) is included within the service variance, however the compensation for this is included in Other Items, as detailed below.

Corporate Services (£0.228M Favourable)

- 6.5 Slippage on the capital programme has reduced forecast interest payments for the year by (+£0.373M). This saving is offset by a forecast increase in the shortfall on the staff turnover savings target of (-£0.240M) which is largely attributable to the impact of the proposed pay award and also by rising bank charges (£0.027M). An increase in the Council's insurance renewal premium (-£0.160M) has been offset by a corresponding reduced contribution to the insurance provision as the balance is deemed to be at a satisfactory level. With regard to ICT, the need for additional Microsoft user licences (-£0.013M) and additional mobile phone costs (-£0.039M) resulting from increased agile/ homeworking provide the most significant forecast budget pressures. Other significant variances relate to vacant posts within Finance (+£0.054M), Human Resources (+£0.061M), Democratic Services (+£0.017M) and Internal Audit (+£0.025M).

Central Services (£0.046M Favourable)

- 6.6 This variance is attributable to the vacant 'Head of Policy' position offset by the impact of the proposed pay award.

Other Items (£0.689M Favourable)

- 6.7 Sales, Fees & Charges Compensation (£0.732M credit) As part of the pandemic the government introduced a scheme within 2020/21 which allowed Councils to reclaim a portion of their in-year income losses relating to sales fees and charges. This scheme was extended to 30<sup>th</sup> June 2021 and as part of the 2021/22 budget setting process, budgets were included as appropriate within the relevant service area and whilst not always detailed in full within the above sections, collectively they amount to £0.455M. During the first quarter, the Council incurred eligible irrecoverable losses of £0.977M (against a predicted irrecoverable loss of £0.722M) for which we are to receive compensation of £0.732M.
- 6.8 Appendix B: General Fund Service Analysis (Q2) covers this information in more detail and provides summary explanations for variances +/- £30K.
- 6.9 The revenue position provided within table 1 above is analysed across the Councils subjective headings is set out in table 2 below.

Table 2 Quarter 2 Financial Monitoring – Subjective Analysis

	Original Budget 2021/22 £'000	Working Budget 2021/22 £'000	Q2 Actual 2021/22 £'000	Projected Outturn 2021/22 £'000	Projected Variance 2021/22 £'000
Employees	24,836	24,861	10,584	24,906	(45)
Premises Related Exp	5,729	5,728	4,102	5,930	(202)
Transport Related Exp	1,175	1,176	609	1,284	(108)
Supplies and Services	10,418	10,597	5,488	11,840	(1,243)
Transfer Payments	22,027	22,027	8,671	22,027	0
Support Services	130	139	31	109	+30
Capital Charges	17	17	0	17	0
Capital Financing Costs	1,797	1,797	0	1,424	+373
Appropriations	732	732	0	708	+24
Income	(47,628)	(47,841)	(27,065)	(48,693)	+852
Capital Financing Inc	(300)	(300)	0	(300)	0
<b>Sub Total</b>	<b>18,933</b>	<b>18,933</b>	<b>2,420</b>	<b>19,252</b>	<b>(319)</b>
Net Recharges to Housing Revenue Account	(1,020)	(1,020)	0	(1,020)	0
RMS Capital Charges (now Housing Revenue Account)	(139)	(139)	1,318	(139)	0
Revenue Reserve funded items included in above analysis	2,362	5,298	561	4,652	+646
Revenue Reserve funded items included in above analysis	(2,362)	(5,298)	0	(4,652)	(646)
<b>Sub Total</b>	<b>(1,159)</b>	<b>(1,159)</b>	<b>1,879</b>	<b>(1,159)</b>	<b>0</b>
<b>General Fund Revenue Budget</b>	<b>17,774</b>	<b>17,774</b>	<b>4,299</b>	<b>18,093</b>	<b>(319)</b>

6.10 Appendix C: General Fund Subjective Analysis covers this information in more detail

## 7.0 Housing Revenue Account Summary Position

7.1 As at the end of Q2 we are currently projecting a year end overspend against budget of **£0.225M**. A summary of the Q2 revenue position for the HRA is set out in table 3 below.

Table 3 Quarter 2 Financial Monitoring – HRA Service Analysis

	Original Budget 2021/22 £'000	Working Budget 2021/22 £'000	Q2 Actual 2021/22 £'000	Projected Outturn 2021/22 £'000	Projected Variance 2021/22 £'000
Policy & Management	1,718	2,017	790	2,016	+1
Repairs & Maintenance	5,790	5,865	1,645	5,912	(47)
Welfare Services	(157)	(157)	(185)	(173)	+16
Special Services	172	172	147	185	(13)
Miscellaneous Expenses	680	680	403	753	(73)
Income Account	(14,672)	(14,672)	(7,221)	(14,570)	(102)
Capital Charges	5,532	5,532	0	5,532	0
Appropriations	417	43	0	50	(7)
<b>Sub Total</b>	<b>(520)</b>	<b>(520)</b>	<b>(4,421)</b>	<b>(295)</b>	<b>(225)</b>
Net Recharges to General Fund	520	520	0	520	0
<b>Housing Revenue Account Budget</b>	<b>0</b>	<b>0</b>	<b>(4,421)</b>	<b>225</b>	<b>(225)</b>

7.2 At this stage the overspend is predominantly due to an anticipated reduction in Income (-£0.102M), an increase in a number of Miscellaneous Expenses (-£0.073M) plus also a forecast increase in expenditure on Repairs & Maintenance (-£0.047M).

7.3 Appendix D: Housing Revenue Account Service Analysis covers this information in more detail and provides summary explanations for variances +/- £30K.

## 8.0 Capital Projects (General Fund & HRA)

8.1 At Q2 we are currently projecting year end slippage against budget of **£32.815M** (General Fund £32.862M HRA (£0.047M)) (Q1 General Fund £33.148M and HRA £0M). Summary details for both the General Fund and HRA are set out in table 4 below.

Table 4 Quarter 1 Financial Monitoring – Capital Projects

	Original Budget 2021/22 £'000	Working Budget 2021/22 £'000	Q2 Actual 2021/22 £'000	Projected Outturn 2021/22 £'000	Projected Variance 2021/22 £'000
<b>Communities and Environment</b>					
Business Support	3,084	2,939	46	3,120	(181)
Customer Involvement & Leisure	2,057	1,614	51	1,436	+178
Public Protection	0	0	0	0	0
Housing Services	0	0	(2,565)	(58)	+58
Public Realm	17,904	16,608	(4,360)	263	+16,345
<b>Total</b>	<b>23,045</b>	<b>21,161</b>	<b>(6,828)</b>	<b>4,761</b>	<b>+16,400</b>
<b>Economic Growth and Regeneration</b>					
Planning & Place	777	871	0	0	+871
Economic Development	0	0	0	0	0
Property, Investment and Regeneration	17,710	18,243	3,636	4,413	+13,830
<b>Total</b>	<b>18,487</b>	<b>19,114</b>	<b>3,636</b>	<b>4,413</b>	<b>+14,701</b>
<b>Corporate Services</b>					
HR	0	0	(40)	0	0
ICT	135	235	60	145	+90
Corporate Services Development Pool	1,671	1,671	0	0	+1,671
<b>Total</b>	<b>1,806</b>	<b>1,906</b>	<b>20</b>	<b>145</b>	<b>+1,761</b>
<b>Central Services</b>					
Chief Executive	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GENERAL FUND - TOTAL</b>	<b>43,338</b>	<b>42,181</b>	<b>(3,172)</b>	<b>9,319</b>	<b>+32,862</b>
<b>Housing Revenue Account</b>					
Adaptations	300	360	108	360	0
Energy Efficiency / Boiler Replacement	959	969	258	969	0
Kitchen / Bathroom Refurbishment	888	888	0	138	+750
External Refurbishment	192	235	42	235	0
Environmental Improvements	360	405	210	1,167	(762)
Re-roofing / Window Renewals	1,093	1,185	179	1,195	(10)
Rewiring	54	84	4	84	0
Lift Replacement	0	0	0	0	0
Fire Precaution Works	150	150	21	150	0
Housing Renewal & Renovation	1,217	1,350	486	1,375	(25)
<b>HOUSING REVENUE ACCOUNT - TOTAL</b>	<b>5,213</b>	<b>5,626</b>	<b>1,308</b>	<b>5,673</b>	<b>(47)</b>
<b>GRAND TOTAL</b>	<b>48,551</b>	<b>47,807</b>	<b>(1,864)</b>	<b>14,992</b>	<b>+32,815</b>

8.2 The following significant budget adjustments have been made up to Q2 to reflect slippage & accelerated expenditure from 2020/21 and to take account of decisions taken by Cabinet during the current financial year, most notably that related to the removal of the £1.350M provision for the phase one 1MW solar farm at Salt Ayre in reflection of the award of Salix funding:

GF: £1.157M  
HRA: £0.413M

- 8.3 The areas of significant slippage mainly related to schemes currently within the Council's Development Pool which are unlikely to proceed in 2021/22. Executive Management Team are currently reviewing these which may result in significant changes to these values.
- 8.4 Appendix E General Fund Capital Projects and Appendix F HRA Capital Projects provide further information and summary commentary.

## 9.0 Reserves

- 9.1 The Council's projected reserve position has been updated to reflect the provisional outturn and has seen the Council's opening level of unallocated balances increase to **£7.808M** with the combined level of reserves currently **£33.446M**.
- 9.2 We are currently projecting the Council's unallocated balances to increase slightly to **£5.222M** from the budgeted position of **£4.529M**. Overall the combined level of usable reserves is forecast to increase to **£19.025M** against the budgeted balance of **£15.639M**. Table 5 Quarter 2 Financial Monitoring – Reserves provides summary details for both Unallocated and Earmarked Reserves. Appendix G: Reserves Projected Outturn provides further detailed analysis.

Table 5 Quarter 1 Financial Monitoring – Reserves

	<----- ORIGINAL BUDGET ----->				<----- PROJECTED OUTTURN ----->					
	31 March 2021	From Revenue	To/ (From) Capital	To Revenue	31 March 2022	31 March 2021	From Revenue	To/ (From) Capital	To Revenue	31 March 2022
	£	£	£	£	£	£	£	£	£	£
<b>Unallocated Balances</b>	(6,796)			2,267	(4,529)	(7,808)			2,586	(5,222)
<b>Total Earmarked Reserves</b>	(12,885)	(1,808)	1,113	2,470	(11,110)	(25,637)	(1,811)	1,104	12,542	(13,803)
<b>Total Combined Reserves</b>	(19,681)	(1,808)	1,113	4,737	(15,639)	(33,446)	(1,811)	1,104	15,128	(19,025)

- 9.3 The increase is a result of a number of factors such as the impact of the backed dated Green Energy Disregard on the 2019/20 balance, inclusion of provision for part of the 2020/21 deficit in the Business Rates Retention Reserve to reflect current government guidance for the spreading of Collection Fund deficits across three financial years. Table 6 Reserves Movement reconciles the movement between the budgeted and forecast closing position.

Table 6 Reserves Movement

		<b>£M</b>
<b>Budgeted Combined Level</b>		<b>15.639</b>
Reserve		
General Fund Unallocated	2021/22 Forecast Overspend	(0.319)
	2020/21 Actual Surplus	0.695
	2019/20 Impact of backdated Green Energy Disregard	0.317
Business Rates Retention	First year exception Collection Fund deficit	1.180
	Contribution to 2021/22 Collection Fund Deficit	0.558
s106 Commuted Sums	Increase in s106 monies during 2020/21	0.153
Various	Projected use of reserves to finance revenue	0.802
	expenditure during 2021/22 lower than originally forecast due to slippage in project delivery	
<b>Projected Combined Level</b>		<b>19.025</b>

- 9.4 The use of the Council's reserves to manage fluctuations in expenditure and income will be key to the delivery of the Council's stated priorities and outcomes over the next 4 years and will be kept under review by Officers and Members. The current forecast includes £2.267M to balance the 2021/22 budget with current projections requiring further calls to balance future budgets 2022/23 (£2.183M), 2023/24 (£4.223M) and 2024/25 (£4.668M).

## 10.0 Collection Fund

### Business Rates

- 10.1 Similarly to 2020/21, Central Government has introduced a scheme of enhanced rates reliefs applying to occupied retail, leisure, and hospitality properties. The discounts are 100% for the period April to June reducing to 66% from July. Funds to fully reimburse local authorities for the local share of these enhanced reliefs have been paid on account using a grant under section 31 of the Local Government Act 2003, with a full reconciliation to be carried out at year-end. The Council received £6.941M in 2020/21 which was credited to the Council's General Fund and held in the Revenue Grants Unapplied reserve to offset any business rates deficit carried forward. The amount required to cover the 2021/22 reliefs will be similarly treated at the forthcoming year end.
- 10.2 The collection rate for Business Rates is currently 49.9%, which is slightly behind the Q2 profiled position of 51.4%. Based on this level of performance collection would be slightly below the annual target 98.0%.

### Council Tax

- 10.3 The number of Local Council Tax Support claimants appear to have stabilised at around 1,300, although this is considerably higher than the position in March 2020. The current collection rate for Council Tax is Q2 56.5% which is slightly above the profiled position at (Q2 55.5%) and projected to exceed the annual target of 95.%.


**11.0 WRITE OFFS**

11.1 Table 7 below provides details of the debts have been written off by the Council's Revenues and Benefits service in relation to Council Tax, Business Rates and Housing Benefits Overpayments

	<b>Q1</b>	<b>Q2</b>	<b>Total</b>
Council Tax	39,876	15,565	55,441
Business Rates	16,117	33,521	49,638
Housing Benefit Overpayments	61,404	16,565	77,969
			<b>183,048</b>

11.2 Debts are deemed non recoverable after all reasonable recovery steps have been taken and can be written off in accordance with the Council's Debt Management Policy in a number of circumstances such as unable to trace, uneconomical to pursue, insolvency as well as imprisonment and death.



 <p>Promoting City, Coast &amp; Countryside</p>	<b>Corporate programmes, projects and performance update – 30<sup>th</sup> Sept 2021 (Q2)</b>		<b>Status Key</b>																							
	<b>Priorities Key</b> <table border="1"> <tr> <td><b>I</b></td> <td>An inclusive and Prosperous Local Economy (Economy)</td> </tr> <tr> <td><b>S</b></td> <td>A Sustainable District (Environmental)</td> </tr> <tr> <td><b>H</b></td> <td>Healthy and Happy Communities (Social)</td> </tr> <tr> <td><b>R</b></td> <td>A Co-operative, Kind and Responsible Council (Governance)</td> </tr> </table>		<b>I</b>	An inclusive and Prosperous Local Economy (Economy)	<b>S</b>	A Sustainable District (Environmental)	<b>H</b>	Healthy and Happy Communities (Social)	<b>R</b>	A Co-operative, Kind and Responsible Council (Governance)	<table border="1"> <tr> <td><b>R</b></td> <td>Red – The project is unlikely to meet its agreed plan, costs or benefits unless immediate remedial action is taken</td> <td><b>C</b></td> <td>Complete or Closed</td> </tr> <tr> <td><b>A</b></td> <td>Amber – The project is at risk of failing to meet its agreed plan, timescales, costs or benefits unless action is taken</td> <td><b>N</b></td> <td>Not Started</td> </tr> <tr> <td><b>G</b></td> <td>Green – The project is on track to meet its agreed plan, timescales, costs and benefits</td> <td><b>H</b></td> <td>On hold</td> </tr> <tr> <td><b>X</b></td> <td>No data available / data not requested due to stage</td> <td colspan="2">* Projects in the Concept stage will not usually have updates</td> </tr> </table>	<b>R</b>	Red – The project is unlikely to meet its agreed plan, costs or benefits unless immediate remedial action is taken	<b>C</b>	Complete or Closed	<b>A</b>	Amber – The project is at risk of failing to meet its agreed plan, timescales, costs or benefits unless action is taken	<b>N</b>	Not Started	<b>G</b>	Green – The project is on track to meet its agreed plan, timescales, costs and benefits	<b>H</b>	On hold	<b>X</b>	No data available / data not requested due to stage	* Projects in the Concept stage will not usually have updates
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All projects, programmes and performance figures on this list are reporting quarterly																										

An Inclusive and Prosperous Local Economy (Economy)						
Projects						
Priority	Project Name	Update	Stage	Updated	Status	
I	<a href="#">Heritage Action Project</a>	Programme has made significant progress in terms of grant commitments this quarter and progress towards new projects, however, spend to date is much lower than projected. Progress with public realm proposals is very challenging due to ongoing uncertainty with regard the wider city centre highway network as a result of advancing the Housing Infrastructure Fund (HIF) programme.	Delivery	07/10/21	A	
I S	<a href="#">Lune Flood Protection, Caton Road</a>	The original phase 3 fluvial flood relief scheme is now complete with all outputs now being met. An end of project / opening event was held on Friday 1 <sup>st</sup> October 2021 with formal ribbon cutting by Cllr Mike Greenall, The mayor of Lancaster. The project team have commenced planning and delivery of the follow up phase 3a project to mitigate the wider residual surface water flooding issues including installation of a community pump and water attenuation and storage upstream in the catchment.	Delivery	08/10/21	G	
I	<a href="#">Bailrigg Garden Village Masterplanning</a> (part of South Lancaster Growth Catalyst programme)	Consultancy JTP facilitated the main stage of community led masterplanning for the council in the period from January to May 2021. JTP output a draft Masterplan in May 2021. The council focused further work by JTP over the summer on specific aspects that required further consideration and detailing with stakeholders including design of the highway spine route for the village and options for settlement governance and stewardship. This work continues with that concerning the spine quite challenging in aspects given need to marry crucial place making objectives with county council led HIF infrastructure deliveries.	Detailed design stage	11/10/21	G	
I	<a href="#">Heysham Gateway</a>	A desk top study has been carried out which shows there is potential for viable commercial development. A further desk top study is needed to gather further detail. A tendering approach, via a Homes England Framework, has been used to procure Strategic Context, Site Masterplan, and Project Development Services. The successful contractor is due to be appointed by the end of October 2021.	Detailed design stage	11/10/21	G	
S	Canal Quarter	No update is due for this project as it has not yet reached the detailed design stage.	Detailed business case	N/A	X	
I	H	Palatine Recreation Ground Pavilion	No update is due for this project as it has not yet reached the detailed design stage.	Detailed business case	N/A	X
I	H	Lancaster City Museum Boiler	A cabinet report has been issued for the meeting on 26 <sup>th</sup> October.	Detailed business case	8/10/21	X
I		1 Lodge Street Urgent Structural Repairs	No update is due for this project as it has not yet reached the detailed design stage.	Feasibility	N/A	X
I		Dalton Square	No update is due for this project as it has not yet reached the detailed design stage.	Feasibility	N/A	X
I	H	Eden Project North	No update is due for this project as it has not yet reached the detailed design stage.	Feasibility	N/A	X
I		R Council Assets Programme (Palatine Hall, Old Fire Station Development Works)		Concept*		
I	H	Morecambe Co-op Building Renovation		Concept*		
I	H	Museums Redevelopment		Concept*		
I	H	Ryelands Park – Ryelands House		Concept*		

Performance							
		Measure	Q1	Q2	Q3	Q4	Comments
I		% of minor planning applications determined within 8 weeks or agreed time	80.77	67.41			Whilst there has been a slight decline in the percentage of applications determined, there has been a sharp increase in the number of applications decided over the course of Q2. The figures also reflect that resource within the Development Management team was utilised to successfully complete a backlog of planning applications.  The team has secured further resource during the quarter by successfully appointing to vacant posts. It is therefore envisaged that the timely completion of applications will continue to increase, with the subsequent contribution to placemaking within the district.
I		% of other planning applications determined within 8 weeks or agreed time	81.43	73.75			
I		% of major planning applications determined within 13 weeks or agreed time	81.82	66.67			

I		Proportion of total procurement expenditure with local suppliers (quarter behind)	30%	21%			
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### A Sustainable District (Environmental)

Projects					
Priority	Project Name	Update	Stage	Updated	Status
S	Electric Car Club (part of Carbon Neutral Programme)	This project is now complete. A project review report is in the process of being composed.	Completion		C
S	<a href="#">Local Authority Delivery for Green Homes Grant</a> (part of Council Housing Thermal Energy Efficiency)	Delays have been experienced between the council and the principal contractor. To address these problems, weekly reporting has been agreed.	Delivery	12/10/21	A
S	<a href="#">Salt Ayre Leisure Centre Decarbonisation</a> (part of Carbon Neutral Programme)	External lightning work is now complete. The project is expected to be completed by the end of December 2021. Air Source Heat Pump and glazing are expected to be completed by end of November.	Delivery	05/10/21	G
S	Electric Vehicle Charge Points (part of Carbon Neutral Programme)	No update is due for this project as it has not yet reached the detailed design stage.	Feasibility	N/A	X
S	Roof Mounted Solar Array – Gateway, White Lund (part of Carbon Neutral Programme)	No update is due for this project as it has not yet reached the detailed design stage.	Feasibility	N/A	X
S	Travel Plan (part of Carbon Neutral Programme)	Several large employers already have organisational travel plans in place. The Portfolio holder is chairing a working group consisting of the big employers in the District to look at best practice and consider how by working more closely we can share best practice and have a more strategic approach.	Feasibility	24/11/21	X
S	1 Million Trees	2021/22 funding has supported the recruitment of a project lead at the Lunes Rivers Trusts as part of the wider Lancashire Woodland Connect programme. In conjunction with the Ribble Rivers Trust, computer modelling for riparian woodland prioritisation of the Lune catchment is taking place. 6 planting sites have been located and outreach has started with private landowners. Hedgerow planting with Lancaster University will lead to planting in March 2022.  The funding committed by Lancaster City Council has secured additional resourcing and funding from Green Recovery Challenge Fund and the Health and Environmental Action Lancashire (HEAL) project.	Concept	25/11/21	X
S	Burrow Beck 2.5MW Solar Farm and Battery (part of Carbon Neutral Programme)	Due to the size of the scheme, we have not been able to find a commercially viable option to sell the generated electricity to. The scheme is therefore deferred.	Concept	28/09/21	C

### Performance

	Measure	Q1	Q2	Q3	Q4	Comments
S	% of household waste recycled (quarter behind)	34.3%	40.5%			Figure is slightly lower than Q2 of last year. It is expected that this is due to the lifting of pandemic restrictions and HWRC reopening.
S	Kg of residual waste per household (quarter behind)	84.0kg	91.8kg			This figure is also down on last year (93.6kg). However, it is increased from 85.1kg in 2019 which indicates that the habits of residents are changing since pandemic.
S	Diesel consumption of council vehicle fleet	115733 ltrs	119277 ltrs			Slight increase on Q1. However, average litres per vehicle has decreased, compared to Q1.
S	Cost/m2 energy across corporate buildings (quarter behind)	£2.37	£1.76			Corporate buildings are: -Lancaster Town Hall -Morecambe Town Hall -Palatine Hall -Old Fire Station Large drop from previous quarter as the April-June period takes us out of heating season.
S	Gas KWH usage in council buildings (quarter behind)	2,280,000	1,014,000			
S	Electricity KWH usage in council buildings (quarter behind)	593,000	551,000			

### Healthy & Happy Communities (Social)

Projects						
Priority	Project Name	Update	Stage	Updated	Status	
H	<a href="#">LATCo - Housing Companies</a> (part of Funding the Future)	Morehomes for the Bay (Developments) Ltd and Morehomes for the Bay (Investments) Ltd became incorporated on the 21 <sup>st</sup> June 2021. The first meeting of the Board took place on the 20 <sup>th</sup> July 2021.	Delivery	13/10/21	G	
H	<a href="#">Mellishaw Park</a> (part of Homes Programme)	An expression of interest for an architect to take forward designs to the planning stage was released. Two companies have been shortlisted for the full tender stage (due November).	Detailed design stage	02/10/21	G	
S	H	My Mainway (part of Homes Programme)	No update is due for this project as it has not yet reached the detailed design stage.	Feasibility	N/A	X
S	H	Extra Care Scheme (part of Homes Programme)		Concept*		
I	LATCo - Commercial Trading Services (part of Funding the Future)			Concept*		

			R	Outcomes Based Resourcing (OBR) (part of Funding the Future)		Concept*		
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Performance									
				Measure	Q1	Q2	Q3	Q4	Comments
			H	Number of people statutorily homeless	12	7			Analysis of individual cases of statutory homelessness does not identify a single contributing factor, reflected in the low number of cases. The figure could be further reduced with greater availability of social and private rented properties.
			H	Number of Disabled Facilities Grants completed	76	76			The number of completions is still being impacted by the pandemic, with low numbers of new referrals received from the county council OT service. Despite this the number of completions at the end of Q2 is currently 25% higher than the same period in 20/21.
			H	Number of properties improved	59	59			We have noticed an increase in the number of complex cases over recent months, with private tenant interventions from a variety of agencies.
I			H	% of premises scoring 4 or higher on the food hygiene rating scheme	90.5%	96.96%			
			H	Number of admissions to Salt Ayre Leisure Centre	105,640	139,511			Numbers still lower than a standard Q2 result as a result of the reduced capacity in some activities due to Covid safe measures. Greatest uplift from Q1 is for public swimming where the requirement to pre-book has now been removed.
			H	Average time taken to re-let Council houses (days)	51.80	53.89			Many properties that became void during the pandemic were not able to be let/viewed due to restrictions. The subsequent letting of these properties has caused a large spike in relet time due to their long void periods.  We continue to lessen the backlog of void properties, which have accrued a large amount of void time. We are confident that Q3 and Q4 will see a steady improvement in the average relet time.

A Co-operative, Kind and Responsible Council (Governance)						
Projects						
Priority	Project Name	Update	Stage	Updated	Status	
	R	<a href="#">Customer Contact System</a>	The main 'Report It' form is now live and replaces many processes currently in Lagan. All training has taken place with the Customer Service and Public Realm Support team which was followed by supported onsite coaching and mentoring. Work is underway on the next set of forms. ICT are preparing the 'Self Service Portal' for testing.	Delivery	12/10/21	G
	R	High-Capacity Fibre Cable Network Provision (part of Digital Programme)		Delivery	24/09/21	H
	R	Digital Market Place (part of Digital Programme)	This project has been cancelled as it was unlikely to yield sufficient benefits to make it viable.	Delivery	24/09/21	C
	R	5G Strategy (part of Digital Programme)		Delivery	24/09/21	H
I	R	<a href="#">Working Well Project</a>	The first round of consultation with staff, Heads of Service and members is now complete. For the staff survey 359 responses from across all services were received. Much research into best practice has taken place with work packages being delivered incrementally over the next 18 months to aid the council's new way of working.	Delivery	12/10/21	G

Performance									
				Measure	Q1	Q2	Q3	Q4	Comments
			R	Average social media engagement rate	0.72	0.67			
			R	Total digital audience	388,690	424,508			
			R	Average number of days' sickness per full-time employee	1.85	1.7			
			R	Occupancy rates for commercial properties	96.65%	97.02%			Occupancy rates have slightly increased again mainly due to changes in occupation at CityLab and The Storey.
		H	R	Average time taken to process new Housing Benefit claims	20.41 days	19.91 days			Slow increase in Housing Benefit caseload, however performance continues to meet the target, with timely support provided to some of the district's most vulnerable residents.

**QUARTER 2 FINANCIAL REVENUE MONITORING - GENERAL FUND SERVICE ANALYSIS 2021/22**

	Original Budget 2021/22 £'000	Budget Amendments 2021/22 £'000	Working Budget 2021/22 £'000	Q2 Actual 2021/22 £'000	Projected Outturn 2021/22 £'000	Projected Variance 2021/22 £'000	Variance +/- £30K %	
<b>Communities and Environment</b>								
<a href="#">Business Support</a>	White Lund Depot	(14)	0	(14)	0	1	(15)	
	Vehicle Maintenance	(6)	0	(6)	82	(4)	(2)	
<a href="#">Customer Involvement &amp; Leisure</a>	Customer Services	719	0	719	386	732	(13)	
	Leisure	33	0	33	(32)	31	2	
	Salt Ayre	1,344	0	1,344	730	1,414	(70)	(5%)
	Environmental Health	1,193	0	1,193	340	1,135	58	+5%
<a href="#">Public Protection</a>	Emergency Planning	62	0	62	28	61	1	
	Housing Standards	62	0	62	(72)	105	(43)	(69%)
	Licensing	(91)	0	(91)	(17)	(70)	(21)	
	Safety	154	0	154	32	145	9	
<a href="#">Housing Services</a>	GF Housing	31	0	31	(16)	(2)	33	+106%
	Home Improvement Agency	(146)	0	(146)	(332)	(117)	(29)	
	Housing Options	286	0	286	(1,368)	205	81	+28%
	Strategic Housing	202	0	202	55	204	(2)	
	Cemeteries	184	0	184	76	194	(10)	
	Grounds Maintenance	(179)	0	(179)	203	(143)	(36)	+20%
	Household Waste Collection	1,983	0	1,983	666	2,221	(238)	(12%)
	Markets	(110)	0	(110)	(11)	(30)	(80)	+73%
<a href="#">Public Realm</a>	Parking	(1,115)	0	(1,115)	(502)	(1,197)	82	(7%)
	Parks	924	0	924	270	886	38	+4%
	Public Conveniences	178	0	178	68	147	31	+17%
	Public Realm Highways	74	0	74	29	74	0	
	Service Support	354	0	354	252	552	(198)	(56%)
	Street Cleaning	1,140	0	1,140	498	1,192	(52)	(5%)
	Trade Waste	(623)	0	(623)	(1,030)	(613)	(10)	
	Williamson Park	243	0	243	194	362	(119)	(49%)
		<b>6,882</b>	<b>0</b>	<b>6,882</b>	<b>529</b>	<b>7,485</b>	<b>(603)</b>	<b>(9%)</b>
<b>Economic Growth and Regeneration</b>								
<a href="#">Planning &amp; Place</a>	Building Control	93	0	93	53	217	(124)	(133%)
	Conservation & Environment	50	0	50	22	55	(5)	
	Development Control	42	0	42	(193)	267	(225)	(536%)
	Local Plan	772	0	772	337	749	23	
<a href="#">Economic Development</a>	AONB	44	0	44	(39)	44	0	
	Economic Development	392	0	392	159	333	59	+15%
	Marketing & Comms	282	0	282	126	286	(4)	
	Grants	220	0	220	97	220	0	
	The Platform	43	0	43	32	239	(196)	(456%)
	Tourism & Events	502	0	502	208	487	15	
	Museums	577	0	577	281	574	3	
<a href="#">Property, Investment and Regenera</a>	Highways	0	0	0	0	0	0	
	Regeneration	876	0	876	350	910	(34)	(4%)
	Sea Defence & Land Drainage	416	0	416	155	409	7	
	Property	(175)	0	(175)	213	29	(204)	+117%
	Building Cleaning	0	0	0	155	(6)	6	
		<b>4,134</b>	<b>0</b>	<b>4,134</b>	<b>1,956</b>	<b>4,813</b>	<b>(679)</b>	<b>(16%)</b>
<b>Corporate Services</b>								
<a href="#">Corporate Accounts</a>	Central Expenses	431	0	431	(1,163)	326	105	+24%
<a href="#">Democratic</a>	Democratic Services	939	0	939	434	916	23	
<a href="#">Finance</a>	Finance	1,271	0	1,271	1,557	1,188	83	+7%
<a href="#">HR</a>	HR	1,176	0	1,176	507	1,103	73	+6%
<a href="#">ICT</a>	ICT	1,504	0	1,504	820	1,573	(69)	(5%)
<a href="#">Internal Audit</a>	Internal Audit	194	0	194	20	169	25	
<a href="#">Legal</a>	Legal Services	297	0	297	65	309	(12)	
<a href="#">Revenues &amp; Benefits</a>	Revenues & Benefits	950	0	950	(2,736)	950	0	
		<b>6,762</b>	<b>0</b>	<b>6,762</b>	<b>(496)</b>	<b>6,534</b>	<b>228</b>	<b>+3%</b>
<b>Central Services</b>								
<a href="#">Chief Executive</a>	Executive Team	777	0	777	345	731	46	+6%
	Grants to other bodies	282	0	282	165	282	0	
		<b>1,059</b>	<b>0</b>	<b>1,059</b>	<b>510</b>	<b>1,013</b>	<b>46</b>	<b>+4%</b>
<b>Other Items</b>								
<a href="#">Other Items</a>	New Homes Bonus	(1,966)	0	(1,966)	(71)	(2,698)	732	(37%)
	Revenue Funding of Capital	1,113	(9)	1,104	0	1,104	0	
	Minimum Revenue Provision	2,175	0	2,175	0	2,158	17	
	Interest Payable	1,393	0	1,393	0	1,393	0	
	Interest Receivable	(63)	0	(63)	(8)	4	(67)	+106%
	Notional Charges	0	0	0	0	0	0	
	Contributions to Reserve	932	0	932	0	925	7	
	Contributions from Reserve	(2,375)	0	(2,375)	0	(2,375)	0	
	Capital Contributions from Reserve	(1,113)	9	(1,104)	0	(1,104)	0	
		<b>96</b>	<b>0</b>	<b>96</b>	<b>(79)</b>	<b>(593)</b>	<b>689</b>	<b>+718%</b>
	Net Recharges to Housing Revenue Account	(1,020)	0	(1,020)	0	(1,020)	0	
	RMS Capital Charges (now Housing Revenue Account)	(139)	0	(139)	1,318	(139)	0	
	Revenue Reserve funded items included in above analysis (Revenue)	2,362	2,936	5,298	561	4,652	646	+12%
	Revenue Reserve funded items included in above analysis (Appropriati	(2,362)	(2,936)	(5,298)	0	(4,652)	(646)	+12%
<b>General Fund Revenue Budget</b>		<b>17,774</b>	<b>0</b>	<b>17,774</b>	<b>4,299</b>	<b>18,093</b>	<b>(319)</b>	<b>(2%)</b>
Core Funding :	Revenue Support Grant	(204)	0	(204)	(106)	(204)	0	
	Net Business Rates Income	(7,737)	0	(7,737)	(8,204)	(7,737)	0	
<b>Council Tax Requirement</b>		<b>9,833</b>	<b>0</b>	<b>9,833</b>	<b>(4,011)</b>	<b>10,152</b>	<b>(319)</b>	<b>(3%)</b>

**Notes:**

1. Income is expressed as a negative figure in brackets
2. Expenditure is expressed as a positive figure
3. Projected Variances are expressed as negative ( ) for adverse and positive + for favourable

**QUARTER 2 FINANCIAL REVENUE MONITORING - GENERAL FUND SUBJECTIVE ANALYSIS 2021/22**

		Original Budget 2021/22 £'000	Budget Amendments 2021/22 £'000	Working Budget 2021/22 £'000	Q2 Actual 2021/22 £'000	Projected Outturn 2021/22 £'000	Projected Variance 2021/22 £'000	Variance +/- £30K %
Employees	Direct Employee Expenses	24,000	25	24,025	9,956	23,676	349	+1%
	Indirect Employee Expenses	836	0	836	628	1,230	(394)	(47%)
	Cleaning and Domestic Supplies	402	0	402	64	402	0	
	Energy Costs	713	0	713	301	740	(27)	
	Fixtures and Fittings	1	0	1	0	1	0	
	Grounds Maintenance Costs	1,471	1	1,472	594	1,472	0	
	Operational Bldgs Allocation	92	0	92	45	92	0	
Premises Related Exp	Other Premises Costs	0	0	0	0	0	0	
	Premises Insurance	219	0	219	1,151	252	(33)	(15%)
	Rates	1,333	(1)	1,332	1,363	1,401	(69)	(5%)
	Rents	85	(1)	84	49	85	(1)	
	Repair and Maintenance	1,085	0	1,085	383	1,123	(38)	(4%)
	Water Services	328	0	328	152	362	(34)	(10%)
	Car Allowances	1	1	2	6	3	(1)	
	Contract Hire Operating Leases	55	0	55	28	97	(42)	(76%)
Transport Related Exp	Direct Transport Costs	1,020	0	1,020	501	1,093	(73)	(7%)
	Other Transport Costs	0	0	0	0	0	0	
	Public Transport	20	0	20	1	20	0	
	Transport Insurance	79	0	79	73	71	8	
	Catering	43	0	43	9	37	6	
	Clothing Uniform and Laundry	84	0	84	58	90	(6)	
	Communications and Computing	1,398	1	1,399	1,116	1,590	(191)	(14%)
	Contribution to Provisions	250	0	250	0	250	0	
Supplies and Services	Equip Furniture and Materials	1,348	3	1,351	714	1,408	(57)	(4%)
	Expenses	519	2	521	198	574	(53)	(10%)
	General Office Supplies	188	0	188	221	225	(37)	(20%)
	Grants and Subscriptions	1,139	173	1,312	559	1,394	(82)	(6%)
	Miscellaneous Expenses	557	0	557	199	848	(291)	(52%)
	Services	4,892	0	4,892	2,414	5,424	(532)	(11%)
Transfer Payments	Housing Benefit	22,027	0	22,027	8,671	22,027	0	
Support Services	Recharges Exp	130	9	139	31	109	30	+22%
Capital Charges	Amortisation of Def Chgs	0	0	0	0	0	0	
	Depreciation	17	0	17	0	17	0	
Capital Financing Costs	Interest Payments	1,797	0	1,797	0	1,424	373	+21%
Appropriations	Appropriations	732	0	732	0	708	24	
	Customer Fees and Charges	(14,765)	0	(14,765)	(8,545)	(14,649)	(116)	+1%
	Government Grants	(24,870)	(167)	(25,037)	(16,788)	(25,283)	246	(1%)
Income	Interest	(104)	0	(104)	(8)	(36)	(68)	+65%
	Other Grants and Contributions	(1,644)	(46)	(1,690)	721	(2,543)	853	(50%)
	Recharges Inc	(6,245)	0	(6,245)	(2,445)	(6,182)	(63)	+1%
Capital Financing Inc	Capital Related Income	(300)	0	(300)	0	(300)	0	
	Net Recharges to Housing Revenue Account	(1,020)	0	(1,020)	0	(1,020)	0	
	RMS Capital Charges (now Housing Revenue Account)	(139)	0	(139)	1,318	(139)	0	
	Revenue Reserve funded items included in above analysis (Revenue)	2,362	2,936	5,298	561	4,652	646	+12%
	Revenue Reserve funded items included in above analysis (Appropriat	(2,362)	(2,936)	(5,298)	0	(4,652)	(646)	+12%
	<b>GRAND TOTAL</b>	<b>17,774</b>	<b>0</b>	<b>17,774</b>	<b>4,299</b>	<b>18,093</b>	<b>(319)</b>	<b>(2%)</b>

**Notes:**

- Income is expressed as a negative figure in brackets
- Expenditure is expressed as a positive figure
- Projected Variances are expressed as negative ( ) for adverse and positive + for favourable

**QUARTER 2 FINANCIAL REVENUE MONITORING - HRA SERVICE ANALYSIS 2021/22**

	Original Budget 2021/22 £'000	Budget Amendments 2021/22 £'000	Working Budget 2021/22 £'000	Q2 Actual 2021/22 £'000	Projected Outturn 2021/22 £'000	Projected Variance 2021/22 £'000	Variance +/- £30K %
<b>Communities and Environment</b>							
Policy & Management	1,718	299	2,017	790	2,016	1	
Repairs & Maintenance	5,790	75	5,865	1,645	5,912	(47)	(1%)
Welfare Services	(157)	0	(157)	(185)	(173)	16	
Special Services	172	0	172	147	185	(13)	
Miscellaneous Expenses	680	0	680	403	753	(73)	(11%)
<a href="#">Housing Revenue Account</a> Income Account	(14,672)	0	(14,672)	(7,221)	(14,570)	(102)	+1%
Capital Charges	5,532	0	5,532	0	5,532	0	
Appropriations	417	(374)	43	0	50	(7)	
Gain/Loss on Asset Sales	0	0	0	0	0	0	
Gain/Loss on Asset Sales(Move)	0	0	0	0	0	0	
	<b>(520)</b>	<b>0</b>	<b>(520)</b>	<b>(4,421)</b>	<b>(295)</b>	<b>(225)</b>	<b>+43%</b>
Net Recharges to General Fund	520	0	520	0	520	0	
<b>Housing Revenue Account Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(4,421)</b>	<b>225</b>	<b>(225)</b>	

**Notes:**

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2. Expenditure is expressed as a positive figure
3. Projected Variances are expressed as negative ( ) for adverse and positive + for favourable

**QUARTER 2 FINANCIAL CAPITAL MONITORING - SERVICE ANALYSIS 2021/22**

**APPENDIX E**

	Original Budget 2021/22 £'000	Budget Amendments 2021/22 £000	Working Budget 2021/22 £000	Q1 Actual 2021/22 £'000	Projected Outturn 2021/22 £'000	Projected Variance 2021/22 £'000	
<b>Communities and Environment</b>							
<a href="#">Business Support</a>	Purchase Of Vehicles	2,684	(181)	2,503	11	2,684	(181)
	VMU Brake Rollers	0	36	36	35	36	0
	2 x Electric RCVs	400	0	400	0	400	0
<a href="#">Customer Involvement &amp; Leisure</a>	Salt Ayre Boiler	300	(300)	0	0	0	0
	Salt Ayre Equipment Programme	1,757	(143)	1,614	80	1,436	178
	SASC Developer Partnership	0	0	0	(29)	0	0
<a href="#">Public Protection</a>		0	0	0	0	0	0
<a href="#">Housing Services</a>	Disabled Facilities Grants	0	0	0	(2,565)	(58)	58
	Mellishaw Park	480	0	480	0	0	480
	Happy Mount Park Footpaths	0	13	13	5	13	0
	Far Moor Playing Fields Scheme	0	35	35	0	35	0
	Williamson Park Development	1,000	0	1,000	0	0	1,000
	Electronic Vehicle Charging Points - Phase 2	0	28	28	25	28	0
<a href="#">Public Realm</a>	Half Moon Bay Car Park Extension	60	0	60	0	30	30
	Solar Installation Phase 1 SALC	1,350	(1,350)	0	0	0	0
	One Million Trees	25	8	33	17	33	0
	Customer Contact System	85	6	91	43	91	0
	SALC Salix Funded Optimised Solar Farm	0	0	0	(6,017)	0	0
	Communities & Environment Devpt Pool	14,904	(36)	14,868	1,567	33	14,835
		<b>23,045</b>	<b>(1,884)</b>	<b>21,161</b>	<b>(6,828)</b>	<b>4,761</b>	<b>16,400</b>
<b>Economic Growth and Regeneration</b>							
<a href="#">Planning &amp; Place</a>	Cable Street Christmas Lights	0	24	24	0	0	24
	S106 payments to Lancs County Council	0	70	70	0	0	70
	Tank demolition & removal - Heysham Gate	487	0	487	0	0	487
	Canal Quarter	290	0	290	0	0	290
<a href="#">Economic Development</a>							
	Palatine Recreation Ground - Veterans Club	116	22	138	0	138	0
	Palatine Hall	150	0	150	0	0	150
	Edward Street Dance Studio	84	0	84	0	0	84
	1 Lodge Street Urgent Structural Repairs	490	0	490	0	150	340
	Queen Victoria Memorial	169	(7)	162	5	0	162
	Lancaster City Museum	127	(22)	105	1	105	0
	Strategic Monitoring Baywide	0	0	0	0	0	0
	Artle Beck Improvements	0	0	0	0	0	0
	Slynedale Culvert	0	0	0	(6)	0	0
<a href="#">Property, Regeneration &amp; Investment</a>	Lancaster Square Routes Project	0	5	5	(18)	0	5
	Lancaster HS Heritage Action Zone	556	69	625	19	(137)	762
	Lancaster District Empty Homes Partnersh	69	4	73	0	0	73
	Canterbury Avenue Flood Relief	0	0	0	(1)	0	0
	Caton Road Flood Relief Scheme	0	188	188	472	188	0
	Engineers Electric Vehicle	0	15	15	0	15	0
	Economic Growth & Regen Devpt Pool	13,024	(406)	12,618	0	730	11,888
	Units 1,2,3,4&5 White Lund Industrial Estate	0	0	0	0	0	0
	Frontierland	2,500	665	3,165	3,174	3,174	(9)
	Morecambe Co-op Renovation	425	0	425	0	50	375
	Coastal Revival Fund - Morecambe Co-op	0	0	0	(10)	0	0
		<b>18,487</b>	<b>627</b>	<b>19,114</b>	<b>3,636</b>	<b>4,413</b>	<b>14,701</b>
<b>Corporate Services</b>							
<a href="#">Corporate Accounts</a>		0	0	0	0	0	0
<a href="#">Democratic</a>		0	0	0	0	0	0
<a href="#">Finance</a>		0	0	0	0	0	0
<a href="#">HR</a>	PRG Grant	0	0	0	(40)	0	0
<a href="#">ICT</a>	I.T.Strategy	45	0	45	0	45	0
	Application System Renewal	0	0	0	0	0	0
	I.S. Desktop Equipment	60	0	60	47	60	0
	ICT Telephony	0	40	40	13	40	0
	ICT Laptop Replacement & E-campus screens	30	60	90	0	0	90
	Corporate Services Development Pool	1,671	0	1,671	0	0	1,671
<a href="#">Internal Audit</a>		0	0	0	0	0	0
<a href="#">Legal</a>		0	0	0	0	0	0
<a href="#">Revenues &amp; Benefits</a>		0	0	0	0	0	0
		<b>1,806</b>	<b>100</b>	<b>1,906</b>	<b>20</b>	<b>145</b>	<b>1,761</b>
<b>Central Services</b>							
<a href="#">Chief Executive</a>		0	0	0	0	0	0
		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>		<b>43,338</b>	<b>(1,157)</b>	<b>42,181</b>	<b>(3,172)</b>	<b>9,319</b>	<b>32,862</b>

**Notes:**

1. Income is expressed as a negative figure in brackets
2. Expenditure is expressed as a positive figure
3. Projected Variances are expressed as negative ( ) for adverse and positive + for favourable

# Council Housing Capital Programme 2021/22

# APPENDIX F

	2021/22 Original Budget	2021/22 Working Budget	2021/22 Q2 Actual	2021/22 Projected Outturn	2021/22 Variance (Working v Projected)	Comments (Original Budget to Projected Outturn)
	£	£	£	£	£	
<b>EXPENDITURE</b>						
Adaptations	300	360	108	360	0	
Energy Efficiency / Boiler Replacement	959	969	258	969	0	
Kitchen / Bathroom Refurbishment	888	888	0	138	750	No activity expected for the majority of this financial year, budget to be re-directed to Environmental Improvements to fund removal of composite (plastic) fencing panels and replace with close boarded timber panels to the rear of all properties
External Refurbishment	192	235	42	235	0	
Environmental Improvements	360	405	210	1,167	(762)	Budget to be re-directed from Kitchen / Bathroom Refurbishment to fund removal of composite (plastic) fencing panels and replace with close boarded timber panels to the rear of all properties, to utilise operatives released from kitchens programme
Re-roofing / Window Renewals	1,093	1,185	179	1,195	(10)	Additional costs to complete works slipped from 2020/21
Rewiring	54	84	4	84	0	
Lift Replacement	0	0	0	0	0	
Fire Precaution Works	150	150	21	150	0	
Housing Renewal & Renovation	1,217	1,350	486	1,375	(25)	Additional costs to complete works slipped from 2020/21
<b>TOTAL EXPENDITURE</b>	<b>5,213</b>	<b>5,626</b>	<b>1,309</b>	<b>5,673</b>	<b>(47)</b>	



# Reserves Statement (Including Unallocated Balances)

<----- ORIGINAL BUDGET ----->

<----- PROJECTED OUTTURN ----->

	31 March 2021	From Revenue	To / (From) Capital	To Revenue	31 March 2022		31 March 2021	From Revenue	To / (From) Capital	To Revenue	31 March 2022
	£	£	£	£	£		£	£	£	£	£
<b>Unallocated Balances</b>	(6,796,000)			2,267,000	(4,529,000)		(7,808,400)			2,586,000	(5,222,400)
<b>Earmarked Reserves:</b>											
<b>Amenity Improvements</b>							(29,000)				(29,000)
<b>Business Rates Retention</b>	(6,562,400)	(886,386)		96,500	(7,352,286)		(8,300,700)	(886,386)		96,500	(9,090,586)
<b>Canal Quarter</b>	(42,900)				(42,900)						
<b>Capital Support</b>	(69,000)		69,000				(73,000)	73,000			
<b>Corporate Priorities</b>	(1,929,900)		684,000	867,600	(378,300)		(2,478,200)	684,000	1,139,800		(654,400)
<b>Corporate Property</b>	(338,500)			25,000	(313,500)		(338,500)			25,000	(313,500)
<b>Covid 19 Support</b>	(225,000)			225,000			(1,813,000)			1,809,000	(4,000)
<b>Economic Growth</b>	(207,600)	(96,500)		166,500	(137,600)		(188,500)	(96,500)		67,000	(218,000)
<b>Elections</b>	(40,000)	(40,000)			(80,000)		(40,000)	(40,000)			(80,000)
<b>Homelessness Support</b>	(133,800)	(6,600)			(140,400)		(110,800)				(110,800)
<b>Invest to Save</b>	(584,100)	(92,200)		624,500	(51,800)		(1,233,500)	(92,200)		1,146,200	(179,500)
<b>Investment Property Maint &amp; Voids</b>							(9,400)				(9,400)
<b>Local Plan</b>											
<b>Morecambe Area Action Plan</b>							(27,300)				(27,300)
<b>Museums Acquisitions</b>	(24,300)	(4,500)			(28,800)		(24,300)	(4,500)			(28,800)
<b>Planning Fee Income</b>	(74,600)				(74,600)		(39,400)				(39,400)
<b>Renewals Reserves</b>	(558,200)	(481,800)	360,000	102,100	(577,900)		(602,200)	(491,800)	242,000	211,200	(640,800)
<b>Restructure</b>	(450,700)			262,500	(188,200)		(451,100)			20,000	(431,100)
<b>Revenue Grants Unapplied</b>	(416,400)			82,800	(333,600)		(8,497,600)			8,006,500	(491,100)
<b>S106 Commuted Sums - Open Spaces</b>	(16,600)			11,800	(4,800)		(16,600)			11,800	(4,800)
<b>S106 Commuted Sums - Affordable Housing</b>	(189,800)				(189,800)		(192,800)				(192,800)
<b>S106 Commuted Sums - Highways, Cycle Paths etc.</b>	(626,500)	(200,000)		5,700	(820,800)		(776,500)	(200,000)	105,000	9,000	(862,500)
<b>Welfare Reforms</b>	(324,900)				(324,900)		(324,900)				(324,900)
<b>Reserves Held in Perpetuity:</b>											
<b>Graves Maintenance</b>	(22,200)				(22,200)		(22,200)				(22,200)
<b>Marsh Capital</b>	(47,700)				(47,700)		(47,700)				(47,700)
<b>Total Earmarked Reserves</b>	(12,885,100)	(1,807,986)	1,113,000	2,470,000	(11,110,086)		(25,637,200)	(1,811,386)	1,104,000	12,542,000	(13,802,586)
<b>Total Combined Reserves</b>	(19,681,100)	(1,807,986)	1,113,000	4,737,000	(15,639,086)		(33,445,600)	(1,811,386)	1,104,000	15,128,000	(19,024,986)

## Lancaster City Council | Report Cover Sheet

<b>Meeting</b>	Cabinet	<b>Date</b>	7 December 2021
<b>Report</b>	Investing in the Future: Capital Investment Strategy		
<b>Report of</b>	Director of Corporate Services		
<b>Purpose of Report</b>			
To set out the Council's proposed Capital Investment Strategy, for consideration by Budget & Performance Panel and ultimately the Council.			
<b>Key Decision (Y/N)</b>	<b>N</b>	<b>Date of Notice</b>	<b>Exempt (Y/N)</b> <b>N</b>

### Report Summary

Capital investment, via the Council's reserves or borrowing, plays a key role in strategic projects and initiatives for the success of the Lancaster district, as well as transforming and optimising the Council's services to its residents.

The proposed Capital Investment Strategy, entitled '*Investing in the Future*' and contained at Appendix A, sets out the relevant context and a proposed framework to support the Council's approach to capital investment over the medium term.

The strategy aligns capital investment to the Council's four overall priorities, and proposes a consistent 'lifecycle' for the development and delivery of capital investment activities, including the transparent, accountable democratic decision process. The strategy also sets out the proposed approach to risk management as well as the monitoring and evaluation of capital projects.

### Recommendations of Councillor Anne Whitehead

- 1) That Cabinet recommends that this draft of the Capital Investment Strategy (Appendix A) and the Terms of Reference for the Capital Assurance Group (Appendix B) be sent to Budget & Performance Panel for review. An updated version taking account of comments received should be considered by Cabinet, prior to being recommended for adoption by Full Council into the Budget & Policy Framework.

### Relationship to Policy Framework

The proposed Capital Investment Strategy supports the Council's Medium-Term Financial Strategy (MTFS).

### Conclusion of Impact Assessment(s) where applicable

<b>Climate</b>	<b>Wellbeing &amp; Social Value</b>
<b>Digital</b>	<b>Health &amp; Safety</b>
<b>Equality</b>	<b>Community Safety</b>

No direct impact arising from this report.

### Details of Consultation

The Council's Constitution (Part 3 Section 5 – Budget & Policy Framework) requires that when a new or existing strategy is being considered, the Overview and Scrutiny

Committee or Budget and Performance Panel have an opportunity to comment. If it considers it appropriate, Cabinet may then amend its proposals before submitting them to Council for consideration.

### **Legal Implications**

The Council has the legal power to acquire, use and dispose of land principally under the Local Government Act 1972 and other Acts which give the Council powers to acquire land for a particular purpose. In accordance with section 120(1), Local Government Act 1972, the Council has the power to acquire any land where it is for the purposes of (a) any of its statutory functions or (b) for the benefit, improvement or development of its area.

If the Council decides to dispose of land, there is a legal requirement to obtain best value (with very limited exceptions).

Depending on the nature of the particular type of property concerned, there may be other statutory requirements or procedures to be undertaken before any acquisition, appropriation or disposal of land.

### **Financial Implications**

There are no financial implications arising directly from this report. However, the proposed levels and areas of capital investments will require borrowing and other associated costs. Financial due diligence and assessment will ensure that all the appropriate costs are considered for each proposal.

### **Other Resource or Risk Implications**

None directly arising from this report.

### **Section 151 Officer's Comments**

The s151 Officer has contributed to the writing of this report and appendices but would make the following observations:

#### **Capital Strategy**

The Prudential Code 2017 requires all Council's to adopt an annual Capital Strategy. The strategy should be an over-arching corporate document which deals with the key areas of strategic context, corporate priorities, capital investment ambition, capacity to deliver, risk appetite, risk management and determining an appropriate split between non-financial and treasury management investments in the context of ensuring the long-term financial sustainability of the authority.

It is envisaged that this Strategy will be supplemented with all the information mandated under the Prudential Code following finalisation of the capital programme, and subject to the required governance processes be presented to Full Council 23rd February 2022 for formal adoption.

#### **Local Authority Trading Company (LATCo)**

The Council has recently established a LATCo, which as a separate legal entity, is afforded a number of strategic freedoms and options not currently available to the Council. The activities of the LATCo will not form part of the Council's Capital Programme but should clearly support its priorities.

Dependent on the nature of its activities, the LATCo may need to explore alternative financing arrangements to enable delivery. Decisions regarding the activities of the LATCo, including financing arrangements, would require consideration by its Directors, the Shareholder Committee. Financing arrangements would require appropriate business cases and supporting due diligence by any proposed lender.

**Monitoring Officer's Comments**

Capital and Investment Strategies form part of the Budget Framework and their adoption is a function of Full Council.

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**Links to Background Papers**

Appendix A: Investing in the Future Capital Investment Strategy

Appendix B: Capital Assurance Group (CAG) Terms of Reference

# **Lancaster City Council**

## **Investing in the Future: Our Capital Investment Strategy 2022-26**

## 1. Introduction

### 1.1. Investing in the Future

The Council's goals for the success of the Lancaster district's people and environment are achieved through a broad range of different activities, characterised as:

- **Services:** Regular ongoing activities such as Planning, Council Housing, Public Realm, and Public Protection. These services are generally funded by continuous '**Revenue**' funding through the Council's regular funding streams such as Council Tax and Business Rates.
- **Projects:** One-off development activities in areas such as Regeneration, Housing, or Carbon Zero initiatives, which may complement or transform an existing service, or create new assets or capacity (such as land and property) for the district. Projects generally require a one-off '**Capital**' funding allocation, often over a number of years. Capital funding will be sourced from external contributions and grants, bids, or joint arrangements with partners where possible. In some cases, capital funding may require use of the Council's reserves, or borrowing from an external source.
- **Asset Maintenance and Renewal:** Where there is a known, long term need to regularly invest in an asset (e.g. regular vehicle fleet, planned reroofing, refurbishment cycles, ICT, or leisure equipment renewals etc) then these are presented initially as a project proposal, and then continue to make use of capital funding over a number of years. These may need periodic review or adjustment, and borrowing may be incurred to fund them. Because they either purchase, or add value to our assets, they are generally a **capital** funding allocation.

Capital investment funded through unsupported borrowing also has an impact on the Council's revenue budget, through the requirement of a '**Minimum Revenue Provision**' (MRP) to provide for repayments against borrowed funds.

This strategy for the period 2022-26 sets out a framework for how the Council wishes to invest in the future of the Lancaster district through ambitious, prudent use of capital funding, known as the Council's '**Capital Programme**'.

The strategy will be approved by Council each year at budget setting time, and any material changes will be presented to Council prior to implementation.

### 1.2. Sustainable, Strategic Investment

Capital expenditure must be carried out in a way that aligns with the Council's future financial sustainability; whilst also contributing to strategic aspirations around the district's environment, economy and communities, as expressed in the Council's strategic priorities, summarised below.

A range of investment proposals will be developed, contributing to each of the four priorities, as part of the Council's corporate planning activity. This will ensure that the Council can respond to all opportunities for external investment and grant funding with viable, innovative and impactful schemes that are ready for implementation.

Priorities	A Sustainable District	An Inclusive and Prosperous Local Economy	Healthy and Happy Communities	A Co-operative, Kind and Responsible Council
Strategy	<b>Climate Emergency</b>   <i>taking action to meet the challenges of the climate emergency</i>	<b>Community Wealth-Building</b>   <i>building a sustainable and just local economy that benefits people and organisations</i>	<b>Increasing Wellbeing, Reducing Inequality</b>   <i>empowering and supporting healthy ways of living, and tackling the causes of inequality</i>	<b>Community Engagement, Power and Resilience</b>   <i>drawing on the wealth of skills and knowledge in the community, and working in partnership</i>
Outcomes	net zero carbon by 2030 while supporting other individuals, <u>businesses</u> and organisations across the district to reach the same goal ( <b>Carbon Zero</b> )	supporting the development of new skills and improved prospects for our residents within an environmentally sustainable local economy ( <b>Sustainable Skills</b> )	supporting wellbeing and ensuring local communities are active, engaged, <u>involved</u> and connected ( <b>Community Engagement</b> )	listening to our communities and treating everyone with equal respect, being friendly, honest, and empathetic ( <b>Listening and Empathy</b> )
	moving towards zero residual waste to landfill and incineration ( <b>Reduced Waste</b> )	advocating for fair employment and just labour markets that increase prosperity and reduce income inequality ( <b>Fair Work</b> )	tackling discrimination and reducing inequality ( <b>Reducing Inequality</b> )	working in partnership with residents, local organisations, anchor institutions and partners recognising the strengths and skills in our community to build a powerful force working for our district ( <b>Partnership</b> )
	increasing the amount of sustainable energy produced in the district and decreasing the district's energy use ( <b>Sustainable Energy</b> )	supporting new and existing enterprises in sustainable innovation and the strengthening of local supply networks ( <b>Sustainable Innovation</b> )	focused on early-intervention approaches and involving our communities in service design and delivery ( <b>Early Intervention</b> )	investing in developing the strengths and skills of our staff and councillors ( <b>Investing In Our Skills</b> )
	transitioning to an accessible and inclusive low-carbon and active transport system ( <b>Low Carbon and Active Transport</b> )	using our land, property, <u>finance</u> and procurement to benefit local communities and encouraging residents, businesses, organisations and anchor institutions to do the same ( <b>Social Use of Resources</b> )	(re)developing housing to ensure people of all incomes are comfortable, <u>warm</u> and able to maintain their independence ( <b>Access to Quality Housing</b> )	focused on serving and enabling our residents, local <u>organisations</u> and district ( <b>Enabling</b> )
	supporting our communities to be resilient to flooding and adapt to the wider effects of climate change ( <b>Climate Resilience</b> )	securing investment and regeneration across our district ( <b>Investment and Regeneration</b> )	improving access to and involvement in arts, culture, <u>leisure</u> and recreation, supporting our thriving arts, culture and heritage sector ( <b>Access to Culture and Leisure</b> )	embracing innovative ways of working to improve service delivery and the operations of the council ( <b>Innovative Public Services</b> )
increasing the biodiversity of our district ( <b>Biodiversity</b> )	Promoting business ownership models that empower the local workforce, such as co-operatives, social <u>enterprises</u> and community ownership ( <b>Inclusive Ownership</b> )	keeping our district's neighbourhoods, parks, <u>beaches</u> and open space clean, well-maintained and safe ( <b>Quality Public Spaces</b> )	providing value for money and ensuring that we are financially resilient and sustainable ( <b>Value for Money</b> )	

The Capital Investment Strategy is designed to support overall strategic goals by providing clear guidance and a route by which projects and activities can be proposed, developed and ultimately delivered through the prioritisation and allocation of capital funds. This strategy will therefore be strongly linked with the Council's wider framework of strategy and policy, including its:

- Medium Term Financial Strategy
- Asset Management Strategy
- Homes Strategy
- Climate Emergency and Carbon Zero initiatives
- Regeneration and Economic Development activity

### 1.3. Investment Models

The strategy recognises that there are various ways in which the Council can use capital funding to achieve strategic goals. These may include shared investment with partners of good financial and reputational standing.

Another route is for the Council to establish Local Authority Trading Companies (LATCos), which are entirely separate commercial entities able to independently access capital funding as part of their operations. The LATCo model also has the potential to create established, long-term income streams including commercial income.

A LATCo is subject to its own governance and decision-making, as a wholly separate entity from the Council. This strategy does not set out the terms on which a LATCo may invest to generate a commercial return. However, it does recognise that the LATCo model may contribute to the achievement of the Council's wider investment goals. As Lancaster's existing LATCos are wholly owned by the Council, they are Assets of the Council, and we may choose to invest in them in order to grow their Asset value.

## 1.4. Housing Provision and the Housing Revenue Account

The Council operates a separate funding stream for the provision of local authority housing, known as the Housing Revenue Account (HRA). It is a legal requirement for HRA funding to be ring-fenced for the sole purpose of housing provision.

Maintaining and developing the Council's housing provision requires a substantial HRA capital programme, which is largely funded by housing revenue. The HRA capital programme is delivered in line with the Council's HRA Business Plan, and determined via the Council's budget-setting process, with HRA matters considered separately from General Fund activities.

Where HRA investments may contribute to the Council's overall social, environmental and place-making ambitions, decision-making will recognise the statutory HRA ring-fencing requirements.

## 1.5. Aims of the Strategy

Maintaining a focus on the outcomes described in the Council's strategic priorities (summarised above), the Capital Investment Strategy seeks to:

- Define the process for proposing, developing and delivering projects which require capital funding, including the acquisition of land and property.
- Provide a systematic structure for considering the risks, benefits and outcomes associated with capital investment.
- Articulate the relevant governance, financial, and monitoring requirements to support capital investment proposals.
- Support opportunities for investment through LATCos and co-investment with partner organisations.

## 2. The Strategy: Four Investment Streams

Investing in the future via the Council's Capital Programme, or LATCo capital activity, will be achieved through four core Investment Streams. These will provide a structure within which the balance of the Capital Programme can be maintained in order to deliver against the widest range of strategic objectives.

For each Stream, financial returns and impacts on the Council's budget or LATCo will be considered alongside a balanced scorecard which captures quantifiable measures in respect of broad economic, environmental, and social returns as defined by the Council's strategic Priorities and Outcomes. Where there is a negative financial return or an overall cost to the Council, this will be acknowledged as a growth impact on the revenue budget.

The four Streams, set out below, correspond to each of the Council's Strategic Priorities in turn.

### 1) A Sustainable District

This includes schemes developed to deliver demonstrable reduction to carbon emissions in line with the Council's goal of reaching net carbon zero by 2030, as well as other priority outcomes for climate change and the environment. Schemes may include, but are not limited to:

- Installation of solar panels,
- Investment in larger scale solar energy facilities,
- Decarbonising heat and improving thermal efficiency,
- Supporting agile working to reduce our carbon footprint,
- The increased electrification of our vehicle fleet,
- Climate resilience,
- Resource efficiency.



## **2) An Inclusive and Prosperous Local Economy**

This includes schemes developed to provide regeneration benefits that meet the council's inclusive and prosperous local economy priority.

Schemes of this kind will assist the Council's lead role in place-making, regeneration and economic development activity, and the improvement of the district's town centres to improve economic performance and encourage future private sector investment.

The Council may use its own assets, such as public land and buildings, to achieve long-term socio-economic development in the district. This may also include the acquisition of land or property or other assets such as communications infrastructure. Any proposals to acquire land or property must be considered in accordance with the Prudential Framework as set out in the Council's Treasury Management Strategy.

LATCo investment may be utilised to deliver a financial return from long-term rental income, business rates and council tax growth to underpin the investment / borrowing and to allow for additional mitigation of risk, whilst also delivering regeneration and placemaking objectives. Council land and property may be transferred to a LATCo to facilitate scheme delivery and to enable the LATCo to be signatory to planning agreements.

The Council or LATCo may enter joint arrangements with commercial partners to share risks and rewards and to ensure that the council can benefit from relevant expertise and experience.

## **3) Healthy and Happy Communities**

The Council's capital investments have the potential to generate significant social returns in the District. Costs associated with these investments will be balanced against the achievement of the Council's wider goals for the wellbeing of its communities. Initiatives may include:

- Loans to third parties
- Investing in Social Capital
- Re-use of council assets
- Provision of additional, or enhanced housing outside or within the Housing Revenue Account (HRA)

Schemes developed to deliver improved housing in the district to the terms of the council's Homes Strategy may include the development of new housing, as well as purchase of existing housing with a view to improvements in quality and management. Schemes developed through this aspect of the Stream may be delivered via a LATCo to enable a long-term revenue income stream.

The council may also enter joint arrangements with commercial partners to share risks and rewards and to ensure that the council can benefit from relevant expertise and experience.

## **4) A Co-Operative, Kind and Responsible Council**

Schemes and projects that sustain the day-to-day operational delivery of the Council's services and so underpin a broad range of Council priorities. Such schemes may include upgrades of key information and communication systems.

Transformation and 'Invest to Save' proposals provide one-off project funding to services to help services become more efficient and effective. These schemes may deliver a direct financial return through efficiencies and savings, or an indirect benefit through enhanced service provision in respect of the Council's strategic goals.

Capital investment in property, including retail, industrial, hotel, office, food & beverage and other investments may also be considered where they comply with the Capital Investment Regulations and Guidance and meet the Council's priorities. – LATCos and other forms of special purpose vehicle may also be established to generate income that can be invested in delivering Council priorities to reduce reliance on Council expenditure and therefore support the Council's financial sustainability.

### 3. Capital Investments Regulation & Guidance

Alongside the Council's strategic ambitions, the Local Government Act 2003 (the Act) and supporting regulations requires the Council to have regard to the **Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code**, the **CIPFA Treasury Management Code of Practice** (the Code) and **Investment Guidance** (the Guidance) issued by The Ministry of Levelling Up, Housing and Communities (LUHC) to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

Depending on the particular circumstances, the Council will fund acquisitions through grants, contributions or capital receipts; or by utilising borrowing, reserves, or a combination of both. It is worth noting that following the review of local authority borrowing from Public Works Loan Board (PWLB) it is no longer possible to utilise PWLB to fund commercial investment projects.

HM Treasury has issued guidance to local authorities as to the appropriate use of PWLB. The guidance details the characteristics of projects that would be supported, set out as follows:

- The project is addressing an economic or social market failure by providing services, facilities, or other amenities that are of value to local people and would not otherwise be provided by the private sector.
- The local authority is making a significant investment in the asset beyond the purchase price: developing the assets to improve them and/or change their use, or otherwise making a significant financial investment.
- The project involves or generates significant additional activity that would not otherwise happen without the local authority's intervention, creating jobs and/or social or economic value.
- While some parts of the project may generate rental income, these rents are recycled within the project or applied to related regeneration projects, rather than being applied to wider services.

All capital schemes will follow the provisions of the Prudential Code, and where applicable other capital schemes will follow the DLUHC Investment Guidance. As a minimum the following will be kept under review:

- Transparency and Democratic Accountability
- Contribution
- Proportionality
- Prudential Indicators (Affordability & Sustainability)
- Borrowing in Advance of Need
- Capacity and Skills

A LATCo is able to source capital borrowing to fund investment for a commercial return as part of its activities. Any investments seeking a commercial return could be delivered via a LATCo and considered under the LATCo's independent governance and decision-making structure.

## 4. Delivering the Strategy

### 4.1. The Capital Investment Lifecycle

Capital investment schemes across the four Investment Streams must be considered, prioritised and evaluated in a consistent way, ensuring a clear rationale for investment including:

- **Strategic Fit:** What is the proposal aiming to achieve, and how does this align with corporate priorities?
- **Financial:** What are the financial circumstances for the project, e.g. is funding readily available and is it affordable? Will the proposal deliver a return in line with the targets established for each Investment Stream?
- **Legislation and Compliance:** Is the proposal required in order to meet statutory or legislative requirements?
- **Risk:** What risks are identified, and how will the proposal mitigate and manage these?
- **Project Management:** How will the project be delivered in order to maximise its financial and social return in a timely way?

To achieve a capital funding allocation as part of the Capital Programme, all proposals will be subject to a comprehensive Business Case development process in four stages, known as the '**Capital Investment Lifecycle**'. The process will be designed to fit with the Council's corporate project management processes, to streamline the development and delivery of capital investment projects and allow for information to be shared and monitored consistently and effectively. Projects progressing through the stages will use the Council's project management systems and processes.

#### Stage 1: Inception

Prior to officer time being spent on scoping a project, a discussion will take place between the relevant Cabinet portfolio holder and officers, ensuring that the project fits with the Council's wider strategy before pursuing further development activity. The inception summary will provide advice on any capacity or funding associated with developing the project to Stage 2.

#### Stage 2: Scoping the Scheme and Preparing the Strategic Outline Case (SOC)

The purpose of this stage is to confirm the strategic context and provide a robust case for change. This stage will consider the strategic, economic, procurement, financial and management cases and include a financial analysis taking account of the targets set out for each Investment Stream. The SOC will also provide advice on the costs associated with developing the proposal to Stage 3. The SOC will be considered by the advisory Capital Assurance Group (CAG), which will provide comment to Cabinet and / or the relevant decision-making body. Approval of the SOC by Cabinet will confirm the project's position in the longlist of 'pipeline' schemes for which a full business case will be produced.

#### Stage 3: Full business case (FBC)

The purpose of this this stage is to propose a viable, feasible project. The FBC will

- Recommend the most economically advantageous offer
- Document any contractual arrangements
- Confirm funding sources and / or requirements
- Demonstrate compliance with the Prudential Framework and HM Treasury 'Green Book' investment appraisal guidance
- Set out the detailed management arrangements, costs and plans for successful delivery and post evaluation.

The FBC will be considered by CAG and Cabinet and / or the relevant decision-making body. Approval of the FBC by them will confirm the scheme's inclusion within the Capital Programme.

### **Stage 4: Implementation**

The business case should be used during the implementation stage as a reference point for monitoring implementation, and for logging any material changes that the Council is required to make. The project will follow performance reporting protocols which will ensure that project progress, impact on outcomes and financial performance is measured throughout the project and following its completion.

### **Stage 5: Evaluation**

The business case and its supporting documentation should be used as the starting point for post-implementation evaluation, both in terms of how well the project was delivered (project evaluation review) and whether it has delivered its projected benefits as planned (post implementation review) to the Council, in meeting strategic aims.

## **4.2. Governance Arrangements**

All capital investment proposals must be subject to due diligence processes to ensure

- Transparency
- Democratic Accountability
- Ethical Responsibility
- Strategic Alignment

As part of the Capital Investment Lifecycle, proposals will be subject to a governance framework including the following elements:

### **Capital Investments Appraisal Group (CIAG)**

An officer group with relevant expertise from economic growth and regeneration, communities and the environment, property, legal and finance, supported by external expertise and resource as required. The group will consider all potential capital investments in the first instance, following approval from the relevant Cabinet portfolio holder. The group will develop proposals for consideration by CAG. Proposals will first be brought to CAG at Stage 2 (see above), accompanied by an SOC. SOCs approved by Cabinet will return to CAG at Stage 3, accompanied by an FBC.

### **Capital Assurance Group (CAG)**

An advisory working group comprising representation from Cabinet, Executive Team, Overview & Scrutiny, Budget & Performance Panel, Council Business Committee and relevant specialist officers. CAG will consider SOCs and FBCs and make advisory recommendations to budget holders. Comments from individual members will be provided to Cabinet. CAG's Terms of Reference can be found at Appendix B.

### **Capital Investments Appraisal Group (CIAG)**

An officer group with relevant expertise from economic growth and regeneration, communities and the environment, property, legal and finance, supported by external expertise and resource as required. The group will consider all potential capital investments in the first instance, following approval from the relevant Cabinet portfolio holder. The group will develop proposals for consideration by CAG. Proposals will first be brought to CAG at Stage 2 (see above), accompanied by an SOC. SOCs approved by Cabinet will return to CAG at Stage 3, accompanied by an FBC.

## Cabinet

Cabinet submits the annual Budget Framework to Council, including the Capital Investment Strategy and Capital Programme. It is responsible for consideration and decision-making on capital expenditure proposals within the Budget & Policy Framework and in line with the relevant guidance. Before officer time is spent on scoping a project, approval should be obtained from the relevant Cabinet portfolio holder.

## Overview & Scrutiny (O&S)

Early involvement of the Chair of O&S in CAG meetings enables early scrutiny and added value through shaping of capital decision-making. This involvement does not remove or negate the right of O&S to call-in any decision made by Cabinet.

## Budget & Performance Panel (B&PP)

The Panel will review the financial and operational performance of the Capital Investment Strategy as part of its Budget Framework scrutiny role.

## Council

Full Council is responsible for approving the Capital Investment Strategy as part of the annual Budget Framework, including any material changes.

A half yearly report on compliance with the prudential framework and investment guidance will be considered by Cabinet, Budget & Performance Panel and Council.

## 4.3. Risk Management

Effective risk management will allow the council to adapt rapidly to change and develop innovative responses to challenges and opportunities. The risk management cycle for capital projects incorporates risk identification, risk analysis, risk control and action planning and risk monitoring and review.

All significant capital projects will comply with the council's project management process which follows good practice in the management of risk.

A full assessment of property risk will be carried out individually for each property acquisition proposal before entering any commitment. A further due diligence review will be undertaken in respect of a wide range of risk factors for all investment proposals which are taken forward.

The Council's asset portfolio will be risk managed through a regular, systematic asset challenge process which will review each asset's performance, investment requirements and ongoing viability within the portfolio. This process will be developed through a forthcoming Asset Management Strategy.

## 4.4. Monitoring and Evaluation

Each capital proposal will set out targeted benefits aligned with the Council's strategic priorities. The performance of each proposal during the implementation and evaluation stages will be monitored to provide assurance on the achievement of its strategic and financial objectives.

The monitoring and evaluation process will include:

- **Delivering Our Priorities: Performance, Projects and Resources** | The capital programme will be regularly evaluated as part of overall performance monitoring which incorporates financial, project and performance measures. This information is reported quarterly to Cabinet and B&PP.

- **Capital Investment Strategy Monitoring** | As the strategy is key to delivering the Council's strategic goals, regular progress against the Council's Corporate Plan Priorities & Outcomes will take place to ensure resources are appropriately allocated.
- **LATCo Asset Monitoring** | Investments made by a LATCo for a commercial return will be considered by the LATCo's shareholder committee. The impact of the LATCo's financial return on the Council's financial position will be considered alongside other financial monitoring information.
- **Prudential Framework** | A half-yearly report on prudential indicators demonstrating the Capital Programme's ongoing prudence, affordability and sustainability will be considered by Council.

### 4.5. Capacity, Skills and Professional Advice

Guidance requires that elected members and officers involved in the investment decision-making process have appropriate capacity, skills and information to enable them to take informed decisions as to whether to approve a specific capital investment. In addition, it places a duty on the Council to ensure that advisors negotiating contracts on its behalf are aware of the core principles of the prudential framework and the regulatory regime in which the Council operates. This will be achieved by ensuring a proportionate and effective training programme, obtaining appropriate professional advice to inform the decision-making process and by ensuring that procurement arrangements provide relevant information to potential advisers of the specific principles, regulations and governance relevant to local government.

The council will appoint specialist advisors to provide training to ensure that relevant officers and members have the required skills to make informed decisions and assess the associated risks. This training will take place before any investment decisions associated with the Capital Investment Strategy are considered, and on a regular basis, to ensure that Officers are engaged in continual professional development in relation to property investment activity; and that Members, as decision makers, have the skills, knowledge and relevant information to effectively assist the decision-making process. This will include training for new Members of the Council.

Investing in land and properties to achieve business objectives and to generate returns is a specialist and potentially complex area. The Council employs professionally qualified and experienced staff in senior positions with responsibility for developing capital expenditure, borrowing and investment proposals. Where skills or capacity are lacking, the Council or LATCo will engage the services of professional property, legal and financial advisors, where appropriate, to access specialist skills and resources to inform the decision-making process associated with this Strategy. Ongoing measurement of the impact of investment decisions on borrowing and affordability through Prudential or other relevant indicators will ensure that the overall risk exposure remains within acceptable parameters.

## Capital Assurance Group: Terms of Reference

### Role

1. The Capital Assurance Group (CAG) is a Member and officer working group with a clear remit to be the Council's advisory body on the Council's Capital Investment Strategy.
2. The Capital Investment Strategy has clear priority areas of work which although distinct from one another should be considered in an integrated manner when forming and delivering the Council's capital programme and related areas.
3. The types of Capital Investments which may be considered when forming the capital programme relate to the four priority areas of the 'Core' Plan 2030.
  - a) **A Sustainable District.** These include schemes to deliver demonstrable reduction to carbon emissions in line with the Council's goal of reaching net carbon zero by 2030, such as installation of solar panels, or investment in larger scale solar energy facilities, as well as supporting agile working to reduce our carbon footprint, and the increased electrification of our vehicle fleet. Schemes which mitigate the effects of climate change may also be included.
  - b) **An Inclusive and Prosperous Local Economy.** These include schemes to assist the Council's lead role in place-making, regeneration and economic development activity, and the improvement of the District's town centres to improve economic performance and encourage future private sector investment. Initiatives to use public land and buildings to achieve long-term socio-economic development within the Lancaster District may also be included.
  - c) **Healthy and Happy Communities.** These include schemes to generate significant social returns in the District, such as the development of new housing, purchasing of existing housing with a view to improvements in quality and management, investment loans to third parties and re-use of Council assets.
  - d) **A Co-operative, Kind and Responsible Council.** These are investments that sustain the day to day operational delivery of the Council's services which underpin a broad range of Council priorities. Such schemes may include upgrades of key information and communication systems, as well as transformation and 'Invest to Save' proposals, which provide one-off project funding to help services become more efficient and effective

### Composition of CAG

4. The group will consist of the following Members and officers. Where representatives are not able to attend, a suitable alternative will attend in their place.

#### Standing Membership

- Cabinet Finance Portfolio Lead
- Chief Executive
- Overview and Scrutiny Chair
- Budget and Performance Panel Chair
- Business Committee Chair
- Cabinet Governance Portfolio Holder
- Director of Corporate Services
- Director of Economic Growth and Regeneration
- Director of Communities and the Environment
- Section 151 Officer
- Governance Officer Lead

#### Additional representation as and when required may include

- Relevant Cabinet Portfolio Holders – as required by nature of the investment proposals
- Relevant Lead Officers – as required by nature of the investment proposals
- Capital Finance Officer Lead
- Asset Management Officer Lead

- Property Services Officer Lead
- ICT Representation
- Programme Manager
- External Consultants

### Frequency and Format of Meetings

5. The CAG will meet quarterly by routine but may also meet on an ad-hoc basis as required as and when key proposals come forward. Routine meetings will be co-ordinated so that they inform monitoring processes to Cabinet and Budget and Performance Panel. The meetings will be held via Teams, unless the Chair agrees a face-to-face meeting would significantly improve meeting outcomes and provides reasonable notice.
6. A forward plan of items to be considered on an annual cycle will be developed, and agendas with supporting briefing papers will be issued at least 3 working days before the meeting where practicable. Presentations delivered at meetings will be provided to Members in advance, or otherwise included with meeting notes. The meeting notes will form part of briefings to Cabinet, and Members will be able to request particular points made in the meeting to be clearly placed within meeting notes to further enrich and inform decision-making.

### Remit

7. CAG's remit is to contribute to the development and oversight of the Council's capital programme. This will include assessing initial proposals and business cases through to delivering the programme and assessing its effectiveness in respect of corporate priorities.
8. *With respect to Capital Investment Strategy*
  - a) To keep the Capital Investment Strategy document under review ensuring that it reflects the Council's capital investment priorities and review the Strategy as part of the MTFS update.
  - b) To ensure that the Capital Strategy is informed by and consistent with the Core 2030 Plan and associated strategies, and the Asset Management Plan.

#### *With respect to the Capital Programme*

- c) To consider all strategic outline cases and full business cases for capital investment, in terms of strategic fit, financial and resource implications, risk, benefits, outcomes and legislation and compliance. To make advisory recommendations to budget holders and to provide comments on these matters from individual members to Cabinet, having regard to the scrutiny process.
- d) To check that the information available for projects is complete and sufficient to inform evidence-led and effective decision-making, and to identify areas where information may need to be strengthened to enable an informed decision to be made.
- e) To monitor the progress of each scheme within the capital programme in terms of progress to date, expenditure, and delivery of outcomes including those classified within the pipeline.
- f) To review all completed schemes with respect to outcomes and impact as well as lessons learned
- g) To monitor the resources available to support the Capital Programme and ensure that, at all times, it remains affordable, sustainable and prudent.
- h) To maintain the capital bid and scoring assessment framework, which captures quantifiable measures in respect of broad economic, environmental, and social returns as defined by our priority outcomes

#### *With respect to the Asset Management Plan*

- i) Own and ensure the development of the Asset Management Plan and long-term property strategy, ensuring that it is line with Core Plan 2030 / MTFS objectives.
- j) To undertake annual review of property holding to ensure that all property is utilised appropriately and consider any capital expenditure/ receipt proposals associated with maintaining, updating, transferring, or disposing of property assets.



Each of the above areas of work are covered by the Capital Strategy and Capital Investment Strategy, which are the Council's overarching documents which aim to ensure that Council's capital investments priorities reflect Council priorities and are supported by a long term financing plan.

### **Decision Making**

9. The CAG is a Member and Officer working group and as such is only advisory and does not have any formal decision-making authority. It will check whether the information being provided is sufficient to inform decision-making and, where appropriate, that the suitable project management documentation is available to support project delivery.
10. Following consideration of each strategic outline case and business case, it may make recommendations to budget holders in relation to due diligence costs and other matters. It will provide any comments from individual members to Cabinet. It also ensures that necessary consultation is carried out with Cabinet, relevant Portfolio Holders, Management Board, and relevant Directors as part of the decision-making process.
11. Any proposal that is outside the approved budget and policy framework will be referred to Cabinet or Council in accordance with the Constitution.

### **The role of Scrutiny Committee Members**

12. The Chairs of both Budget & Performance Panel and Overview & Scrutiny form part of CAG. The early involvement of scrutiny at the pre-decision stage will allow them to add value by informing a decision rather than an after-the-event critique under the traditional process. This intention and their active involvement do not remove or negate the right to call in any decision made by Cabinet in this area.

### **Key Outcomes**

10. The key outcomes from the CAG are:
  - a) An effective Capital Investment Strategy aligned with relevant regulation and the priorities of the Council.
  - b) An effective Capital Programme and investment projects pipeline optimising the capital investment resources within the Core Plan 2030.
  - c) Strategic property and asset management ensuring full optimisation of Council property assets, maximising income and return and reducing expenditure where possible but ensuring assets are well maintained.
  - d) Enhanced long term planning of capital investment, better use and management of investments, assets (including property, infrastructure etc), and accountability.
  - e) The integration of the Capital Investment Strategy in line with Council priorities as set out in the Core Plan 2030.

## Lancaster City Council | Report Cover Sheet

<b>Meeting</b>	Cabinet	<b>Date</b>	07.12.21
<b>Title</b>	Localised Council Tax Support Scheme (2022/23)		
<b>Report of</b>	Head of Shared Service		
<b>Purpose of the Report</b>			
To enable Cabinet, to consider the existing Localised Council Tax Support (“LCTS”) Scheme and the options available, ahead of formal consideration and approval by Council for application in 2022/23.			
<b>Key Decision (Y/N)</b>	<b>N</b>	<b>Date of Notice</b>	<b>Exempt (Y/N)</b> <b>N</b>

<b>Report Summary</b>
Cabinet’s views are sought as to whether to retain the existing Localised Council Tax Support Scheme for 2022/23 (Option 1) subject to future consequential minor amendments following changes in housing benefit rules; or whether to amend it to reduce entitlement. (Option 2).

<b>Recommendation of Councillor Whitehead</b>
(1) That Cabinet considers the Localised Council Tax Support Scheme for 2022/23 and the associated options included at Appendix A to be presented to Full Council for their deliberation and approval.

<b>Relationship to Policy Framework</b>
The LCTS scheme is developed in support of ambitions within the Council Plan regarding “Healthy and Happy Communities” to optimise access for those that need it most, together with welfare benefits and related support.

<b>Conclusion of Impact Assessment(s), where applicable</b>	
Climate	Wellbeing & Social Value
Digital	Health & Safety
Equality	Community Safety
The ambition is to continue with a LCTS scheme for the Council, which supports the objective of simplicity, but protects the most vulnerable residents in the district. The Council must continue to ensure that it has due regard to equality in making its local scheme, including how it will minimise disadvantage.	
The Equality and Human Rights Impact Assessment has been reviewed and can be found as part of <b>Appendix B</b> .	

### **Details of Consultation**

Members have indicated a preference to retain the existing LCTS scheme in its present format, subject to the scheme principles listed in **Appendix A**. As such, legally there is no need to consult on changes to the scheme at this stage. However, should “Option 2” be the preferred option of the Council, alternative scheme options will need to be developed for consideration by Council early next year, following a swift consultation exercise.

Under Option 1, the Council will write to major precepting authorities setting out the principles of the scheme for 2022/23, acknowledging the fact that they will share the financial cost and risk of any changes made. Their preference has always been for a cost neutral scheme that limits the financial pressure on their budgets as an alternative to cutting essential services.

### **Legal Implications**

The Local Government Finance Act 1992 (as amended) provides that the Council, as the billing authority, must consider whether to revise its LCTS scheme, or replace it with another scheme by 11<sup>th</sup> March every year. However, it is beneficial for the Council to determine the principles of its LCTS scheme early, in order to build estimates into its Tax Base calculations.

Before a Council can determine to revise or replace its LCTS scheme it must consult any major precepting authority which has the power to issue a precept to it and such other persons as it considers are likely to have an interest in the operation of the scheme. However, these consultation rules do not apply if the Council approves the recommendation to “retain” its existing LCTS scheme.

Likewise, if Council is not proposing to change the existing LCTS scheme then technically there is no requirement to seek approval from full Council. However, it is considered good practice for Council to ratify the existing scheme, given the annual upratings in April each year to adjust benefits and personal allowances, and any other consequential amendments.

### **Financial Implications**

Currently the LCTS scheme is estimated to cost £11.2M in total each year, the cost being affected by council tax rates and claimant caseload, as well as the decisions of Council. Due to Covid-19 the cost of the scheme has increased in recent times, albeit temporarily. This cost is broken down between working age claimants (£7m) and elderly claimants (£4.2m) with any decision disproportionately only affecting working age claimants.

Of this cost for working age claimants (£7m), approximately £835k falls to the City Council, with the remainder being covered predominantly by the other major precepting authorities (County, Fire, Police) and a small element being met by Parish and Town Councils.

Since the introduction of the LCTS scheme, the Government has rolled the Council Tax Support Grant into mainstream Government funding thereby making it impossible to separately identify.

Should Council approve Option 2 and reduce support levels there would be related savings to the Council and major preceptors (County, Fire, Police), subject to level of reduction. Any impact on parishes would be negligible. A cut of 10% in the level of support for working age claimants would equate to savings of £83k, whereas a 20% cut in support levels would equate to £166k in savings for the Council.

### **Other Resource or Risk Implications**

There are no major resource implications arising from this report, although changing the scheme may result in additional costs in the short term in terms of consultation, preparing scheme options etc.

<b>Section 151 Officer's Comments</b>	
As Members will be aware the Council is currently facing a significant budget deficit in 2021/22 and beyond, and as a result there is pressure to reduce costs where possible. As noted within the report Lancaster City Council is one of only a few Councils which provides 100% support for working age claimants, at an annual cost to the Council of approximately £835k per annum, and so is an area where changes to the scheme could provide a level of savings to reduce the deficit.	
However, should Members wish to revise the scheme to achieve a degree of savings it should be balanced against the points raised at para 3.3, as well as the Council's stated Priorities.	
<b>Monitoring Officer's Comments</b>	
The Monitoring Officer has been consulted and has no further comments.	
<b>Contact Officer</b>	Adrian Robinson
<b>Tel</b>	01772 906023
<b>Email</b>	a.robinson@preston.gov.uk
<b>Links to Background Papers</b>	

## 1.0 Background

- 1.1 Following the abolition of the national Council Tax Benefit (CTB) system back in 2013, each billing authority now has a legal duty to adopt a Localised Council Tax Support (LCTS) scheme.
- 1.2 Each authority is also under a legal obligation to consider, for each year, whether to revise its scheme or to replace it with another scheme. The history of the Council's arrangements is summarised below:
- The first local scheme was adopted in January 2013 for implementation in 2013/14. The Council chose not to reduce support levels at that time, unlike most other local authorities.
  - In reviewing its scheme since then, Council has decided to retain basic council tax support levels, meaning that working age claimants on low incomes may still be awarded support to cover up to 100% of their council tax bills.
  - The Council has applied other comparatively minor changes over the years, on the basis that entitlement criteria for LCTS should generally remain in line with other key benefits, most notably Housing Benefit (HB) and Universal Credit (UC).
- 1.3 If a Council does wish to alter its scheme, it must approve any changes by 11 March, otherwise the existing scheme will continue to apply. There is currently no provision for changing a scheme in-year.

## 2.0 Overview of the Council's current scheme

- 2.1 As laid down by Government, there are three general principles that all Local Council

Tax Support (LCTS) schemes must follow:

- pensioners should be fully protected;
- vulnerable groups should be protected as far as possible, as determined locally; and
- local schemes should support the positive work incentives being introduced through Universal Credit for working age people.

2.2 The Council's existing scheme meets these principles, giving protection for certain groups and helping to support work incentives. It provides additional protection for vulnerable people through other income disregards, premiums and allowances. It also provides for annual uplifts associated with inflation, etc.

2.3 Under current legislation, pensioners are protected from any locally driven scheme changes, and so any Council decisions impact only on working age claimants.

2.4 As Council has so far maintained general support levels, this means that if entitled, a claimant would receive 100% support to cover their council tax bill. Of the 326 schemes in operation nationally, currently the Council is one of approx. 36 authorities that still provides full levels of Council Tax Support for working age claimants, depending on their circumstances. Lancaster remains the only Lancashire authority to provide 100% support but in recent discussions at the Lancashire Revenues Manager Group it is suggested that a number of the other 13 authorities are re-thinking their LCTS scheme for April 22, with a view to adopting the Lancaster model of 100% support.

2.5 A hardship fund of £40k is built into the LCTS scheme to protect those suffering exceptional hardship. This initiative is financially supported by a contribution from the major precepting authorities, although given that general support levels are maintained, demand against this continues to be minimal.

2.6 The Department for Work and Pensions (DWP) operates a "full" Universal Credit (UC) service in this district, and the Council's existing LCTS scheme accommodates this development. The Council's current LCTS scheme principles are set out in **Appendix A** to this report.

2.7 This report sets out a recommendation that the LCTS scheme for 2022/23 be 'retained' in its present form, subject to minor consequential amendments to accommodate the annual uprating of similar applicable amounts in the Housing Benefit Scheme.

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

3.1 The challenge for the Council is to adopt a scheme that fits with its ambitions and priorities and is considered fair, deliverable and affordable, given statutory obligations and competing pressures for resources. Council is presented with two basic options:

#### **3.2 Option 1:**

**Retain the existing Localised Council Tax Support (LCTS) scheme, subject to minor consequential amendments to match changes in Housing Benefit rules.**

- The existing scheme is considered soundly structured and works well, and offers maximum support for low income families, who may otherwise find themselves in mounting debt.
- The current forecast assumes the continuation of the existing LCTS system and as such, maintaining current levels of support would normally have no impact on the Council's financial forecast. However, costs have increased in recent years with increased take-up due to Covid-19, although 2021/22 has seen a slow but steady decline in the number of residents receiving LCTS, which should reduce costs if the trend continues in the longer term.
- Retaining existing policy principles of keeping various positive entitlement provisions for LCTS in line with other key welfare benefits promotes equality.

### 3.3 Option 2:

#### **Make changes to the existing Localised Council Tax Support (LCTS) Scheme to reduce benefit entitlement for working age claimants.**

- Currently 10,779 residents claim LCTS in the Lancaster district, reducing over the years from a high of 12,202 in April 2014. As pensioners make up 35.5% (3,821) of claimants, it means any cut in the level of support provided falls on the remaining 64.5% (6,958) of working age people on low incomes, reducing in numbers from (7,253) in the previous year.
- A reduction in the levels of support provided could arguably provide claimants with further incentives to work, reducing their reliance on benefits, although the jobs market is particularly uncertain at this difficult time.
- This option will have greater adverse financial impact on working age households, but would help protect other Council services by requiring less savings to be made by them.
- If levels of support are reduced, the Council would be tasked with the difficulty of collecting this debt from the more vulnerable members of our society, increasing workloads and costs associated with council tax recovery.
- Additional costs associated with developing new scheme options, consultation exercise, legal changes to scheme etc.

### 4.0 Conclusion

- 4.1 The Council's existing LCTS scheme works well in terms of providing support, but at a cost, particularly for the County Council. To date the Council has attached a high priority to maintaining council tax support levels available to working age claimants (pensioners being unaffected by Council's decision).
- 4.2 Adoption of a particular option should be informed by Council's views regarding the relative priority of LCTS, compared with other services and activities in support of future corporate priorities.

**APPENDIX A**

**Lancaster City Council**

**Summary Principles of the Council Tax Support Scheme**

The Council Tax Support Scheme is based upon the following principles and will:

1. be calculated as a means tested discount, defined primarily by the terms of the former Council Tax Benefit (CTB) Scheme;
2. match/reflect as appropriate specific wider welfare reforms introduced by the Government, such as those that impact upon housing benefits and/or universal credit;
3. protect pensioners (a Government requirement);
4. help protect the most vulnerable members of society as far as possible, as determined locally;
5. retain a local arrangement for war pensions to be disregarded in full;
6. support positive work incentives that are built in to benefit those who find work;
7. include a hardship fund to help claimants who suffer exceptional hardship as a result of council tax support changes; and
8. not include a second adult rebate reduction for working age claimants.

**Class of persons:**

The scheme sets out rules for working age claimants. Regulations prescribe a scheme for claimants of state pension credit age and prescribe certain classes of persons who are not eligible to claim council tax support.

Eligibility for council tax support is determined by reference to means testing i.e. the income and capital of the claimant and any partner; and by the income and number of non-dependants in the household.

Eligibility for council tax support is defined by the terms of this scheme. The scheme sets out how council tax support is claimed, calculated and paid, except where amendments are required by statute under the Local Government Finance Act 2012 and/or accompanying legislation.

**Class of reductions:**

The scheme aligns with the basic principle of the need to create work incentives.

The scheme is based on the system of making deductions from the eligible council tax for each non-dependant person in the household. The categories of non-dependency are set

out in the scheme. Income brackets may be altered in line with the general up-rating arrangements in the scheme, usually adjusted annually to include personal allowances. Changes will be reflected in the scheme, as considered appropriate, to reflect the Government's ongoing welfare benefits reforms, such as those affecting housing benefit and universal credit as examples.

**Applications:**

An application will be required for all new claims. An appropriate means of application will be decided by the authority and may be revised as required. A review process may be implemented by the local authority for new and existing awards. Awards may be reviewed in a time period to be determined by the authority and failure of the claimant to fulfil any request during a review of their award may result in the termination of that award.

**General administration of the scheme:**

Apart from where statutorily required, advice of any award granted, removed or revised will be by an adjustment to the council tax bill and the bill itself will be the formal notification. The authority reserves the right to include additional notifications.

**Changes in Circumstances:**

Matters relating to the duty for a claimant to notify the Local Authority of a change in circumstances shall generally replicate those that applied to the former CTB Scheme.

**Appeals process:**

Claimants will submit any appeals to the Council in the first instance for a reconsideration of a relevant decision. Once notified of the outcome of this review, the claimant will have a period of two months from the date of the notification to submit an appeal to the Valuation Tribunal.

**Backdating:**

Council Tax Support can be backdated, providing continuous good cause is shown for the delay in claiming.

**Up-rating:**

Following commencement of the scheme, with effect from 1st April each year any figures set out in the scheme may be up-rated by the consumer price index, retail price index or other rate of inflation set out in the preceding September, or by another rate determined with reference to provisions made for Housing Benefit and Universal Credit, or as decided by the authority.

**Other Matters:**

The scheme may be amended to take into account any circumstances subsequently identified, whether through government statute, or other means.





**Lancaster City Council's Equality Impact Assessment**  
**Localised Council Tax Support Scheme 2022/23**

**Section 1: Details:**

<b>Service</b>	Revenues & Benefits Shared Service Resources
<b>Title and brief description (if required)</b>	Localised Council Tax Support Scheme (22/23)
<b>New or existing</b>	Existing
<b>Author/officer lead</b>	Lead – Head of Shared Service / Benefits Manager
<b>Date</b>	26 <sup>th</sup> November 2021

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

Yes

**Section 2: Summary:**

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

The Local Government Finance Act 1992 as amended, sets out measures requiring all billing authorities to introduce and maintain a LCTS scheme for each financial year.

The main aims of the LCTS scheme are to ensure fairness and consistency, and to help reduce confusion for claimants.

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

Under any scheme, support for pensioners must remain at existing levels, and the scheme must be delivered through a national framework of criteria and allowances.

For working age claimants, Councils can choose, through the design of their scheme, whether to alter support entitlements in some way.

Policies and procedures are structured to ensure that all customers receive the correct amount of support and that every claim is considered on its own merits and in accordance with legislation and Government guidance.

### **Section 3: Assessing impact**

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

We hold household and income details of current Localised Council Tax Support recipients and we have access to wider population statistics and can assess equality monitoring data available as part of the survey.	
Age including older and younger people and children	Positive re: pensioners - as they are protected from any changes, as directed by Government.  The scheme impacts upon working age claimants only.
Disability	Disabled customers are not adversely affected by the LCTS scheme and are not disadvantaged in comparison to other groups.
Faith, religion or belief	Neutral.
Gender including marriage, pregnancy and maternity	No specific evidence. We do not anticipate this scheme will have a particular equality impact on this protected group.
Gender reassignment	We do not anticipate this scheme will have a particular equality impact on this protected group.
Race	Potentially but if so, very marginally – BME populations seem to be over- represented in unemployment figures and so this may feed through into LCTS claims and entitlement.
Sexual orientation (Including Civic Partnerships)	No specific evidence. We do not anticipate this scheme will have a particular equality impact on this protected group.
Rural communities	No specific evidence. We do not anticipate this scheme will have a particular equality impact on this protected group.
People on low incomes	The scheme relates predominantly to this group, but numbers affected by the specific proposals are expected to be very low.

**Section 4: Next steps:**

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

No further evidence required.

The proposal is to retain the existing scheme, which works well and offers 100% support.

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

This Equality Impact Assessment forms part of the Council report to be presented to Members at full Council in December 2021.

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

Applications to the Discretionary Hardship fund will be analysed to establish if any group is suffering extreme detriment under the retained LCTS scheme to enable action to be taken.

The Council has a Hardship Fund, available to assist vulnerable customers, experiencing difficulty in meeting their Council Tax liability.

## Lancaster City Council | Report Cover Sheet

<b>Meeting</b>	Cabinet	<b>Date</b>	7 December 2021
<b>Report</b>	Medium Term Financial Strategy Update 2021/22 – 2025/26		
<b>Report of</b>	Chief Finance Officer		
<b>Purpose of Report</b>			
To provide an update on the Council's Medium Term Financial Strategy forecasts for 2021/22 to 2025/26 and outline the approach to balancing the budget.			
<b>Key Decision (Y/N)</b>	<b>N</b>	<b>Date of Notice</b>	<b>N/A</b>
<b>Exempt (Y/N)</b>	<b>N</b>		

### Report Summary

This report provides an update on the Council's general budgetary position for current and future years. Given that at the time of writing, the Local Government Settlement has not been announced, and other budgetary work is not yet scheduled for completion, the report is an interim update only primarily for information.

### Recommendations of Councillor Anne Whitehead

That Cabinet considers

- (1) The draft future years estimates as set out in the report as the latest information available, accepting that this is an interim position.
- (2) Agrees that the update be referred on to December Council for information.
- (3) Notes the Council Tax Base for 2022/23 as set out in paragraph 3.12

### Relationship to Policy Framework

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

### Conclusion of Impact Assessment(s) where applicable

<b>Climate</b>	<b>Wellbeing &amp; Social Value</b>
<b>Digital</b>	<b>Health &amp; Safety</b>
<b>Equality</b>	<b>Community Safety</b>

The content of this report has no impact in itself.

### Details of Consultation

No specific consultation around this report.

### Legal Implications

No legal implications directly arising from this report.

### Financial Implications

As set out in the report

### Other Resource or Risk Implications

No other implications directly arising from this report.

### Section 151 Officer's Comments

The Section 151 Officer contributed to this report in his role as Chief Finance Officer

<b>Monitoring Officer's Comments</b>	
The Monitoring Officer has been consulted and has no further comments.	
<b>Contact Officer</b>	Paul Thompson (Chief Finance Officer)
<b>Tel</b>	01524 582603
<b>Email</b>	<a href="mailto:pthompson@lancaster.gov.uk">pthompson@lancaster.gov.uk</a>
<b>Links to Background Papers</b>	

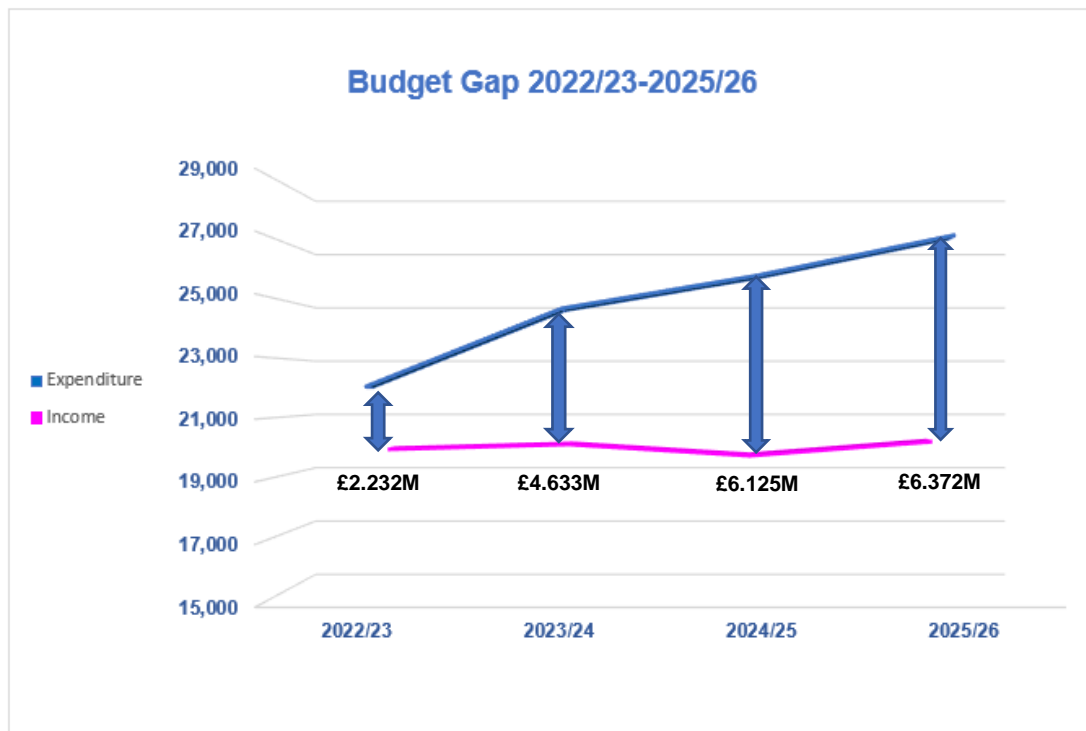
## 1.0 INTRODUCTION

- 1.1 Under the Constitution, Cabinet has responsibility for developing corporate planning proposals and a balanced budget for Council's consideration.
- 1.2 This report sets out:
- An updated budget gap analysis taking account of the latest funding outlook and other information on expenditure and income pressures.
  - A summary of the budget framework strategy
- 1.3 This report is an interim update and primarily for information.

## 2.0 UPDATED BUDGET GAP ANALYSIS

- 2.1 Officers have been working with budget holders and Executive Management Team to update the Council's Medium Term Financial position. The review considered latest available information around government funding, other income streams as well as forecast expenditure levels incorporating known budget pressures and aims to provide a baseline position.
- 2.2 It should be noted that this forecast is subject to change when more up to date information becomes available and does not reflect the ongoing work being done by Cabinet and Executive Management Team to develop savings and growth proposal, nor does it reflect the revenue impact of any revisions to the capital programme. It sets a baseline position without any further interventions in the Budget setting process. The interventions and actions being planned include:
- A short term range of savings and growth (invest to save) actions aiming to significantly reduce the 22/23 budget gap, to be brought forward in the upcoming Budget and Policy Framework;
  - A mid-term Outcomes-Based Resourcing project to realign our expenditure with core duties and priorities; and
  - A comprehensive review of our employment base, debt financing, asset base and related policies and processes.

The current budget gap for the next four years is summarised in the graph below. The graph below assumes no intervention but it does highlight the scale of the challenge facing the Council, the reasons for which are outlined in the report.



### 3.0 GOVERNMENT FUNDING PROSPECTS

3.1 Members will be aware that Local Government funding has changed significantly over recent years. Significant reductions in central funding have taken place and Revenue Support Grant which accounted for more than half of Lancaster City Council's funding in 2010/11 was £202k in 2021/22 the final year in which it was due.

3.2 As a result the Council is now almost entirely reliant on Council Tax and Business Rates with a small amount of income from some assets and services to fund net expenditure and it is therefore important to provide regular estimates of these key funding streams.

#### Comprehensive Spending Review

3.3 Government announced the outcome of its Spending Review on 25 November 2021. It has, however, abandoned its long-term Comprehensive Spending Review (CSR) due to the economic uncertainty caused by the Covid-19 pandemic and is expected to restrict funding to a one-year settlement in 2022/23.

3.4 The decision to limit this year's Spending Review to a single year, rather than the usual three or four, could be considered a sensible one. The uncertainties created by COVID-19 are too great to provide a realistic set of spending plans for the next three or four years as inevitably they will need to be revisited.

3.5 However, setting budgets for only one year significantly reduces the level of certainty needed to plan effectively and efficiently, and arguably adds to the large degree of uncertainty already hanging over both the public sector and the wider economy.

3.6 The Spending Review itself only provides useful headline messages regarding Local Government's funding prospects over the next few years but it does not provide information at individual authority level. The level of detail required for Council's to finalise their budgets will not be available until the announcement of the Local Government Finance Settlement, but at the time of writing this report it is not yet known exactly when this is due.

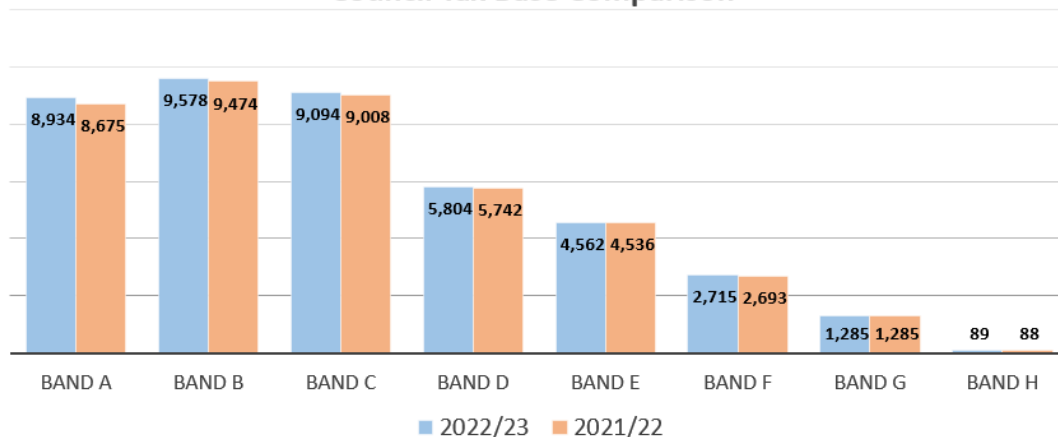
3.7 A further update will be produced for all Members once the Settlement has been announced and its impact assessed. This will be reported into January's Cabinet and Council meetings.

Local Government Finance Settlement

- 3.8 Given that the Settlement announcement is imminent, and the current level of uncertainty, there is little benefit to be gained from spending significant time on modelling different funding scenarios; real information is needed at this stage in the process.
- 3.9 Nonetheless, some preliminary high-level work has been done to update the budget scenarios, in order that we do not to lose sight of the potential risks and the challenge created by the underlying position.
- 3.10 This has taken the updated budget position and reflected several assumptions such as general inflation, the Local Government Pay Award and prospects for retained business rates and council tax yield.

Council Tax

- 3.11 Council tax is the Council's primary source of funding and is calculated by multiplying the tax base, the number of eligible residential properties (expressed in band D equivalents), by the level of the district council precept which is determined each year.
- 3.12 The tax base for 2022/23 has been calculated as 42,060 Band D equivalent properties after allowing for a collection rate of 98.68%, the same as in previous years. There has been a reduction in the numbers of void and exempt properties together with a reduction in both the numbers of accounts eligible for discounts and the Council Tax Reduction Scheme. There is also expected to be an increase in new properties for 2022/23 though this is smaller than that seen in 2021/22. From 2023/24 1% growth in the Tax base has been used for forecasting.

**Council Tax Base Comparison**

- 3.13 Government's referendum criteria which limits increases in the Council's element of Council Tax to 2% or £5, whichever is greater. For the purposes of forecasting, it has been assumed that the Council will increase council tax by £5, the maximum allowed, in each of the next three years.
- 3.14 The table below sets out Council Tax forecasts for the next four years including a sensitivity analysis showing the potential impact on council tax yield of different scenarios:

	<b>Actual 2021/22</b>	<b>Forecast 2022/23</b>	<b>Forecast 2023/24</b>	<b>Forecast 2024/25</b>	<b>Forecast 2025/26</b>
Council Tax Band D (£5 increase)	£236.95	£241.95	£246.95	£251.95	£256.95
Tax base (1% growth from 2023/24)	41,500	42,060	42,481	42,905	43,334
<b>Council Tax Income</b>	<b>£9,833,425</b>	<b>£10,176,417</b>	<b>£10,490,584</b>	<b>£10,810,017</b>	<b>£11,134,790</b>
Previous MTFS		£10,091,000	£10,403,000	£10,719,000	£11,043,773
<b>Difference Increase/(Decrease)</b>		<b>£85,417</b>	<b>£87,584</b>	<b>£91,017</b>	<b>£91,017</b>
Scenario 1 – no increase In Council tax over period Of MTFS		(£124,883)	(£337,222)	(£552,564)	(£775,673)
Scenario 2 – 1% drop in council tax collection rate		(£17,654)	(£18,669)	(£18,471)	(£21,761)
Scenario 3 – 1.5% increase in tax base growth		£85,417	£139,518	£198,312	£257,205

### Business Rates

- 3.15 Business rates is now a fundamental part of the local government finance settlement and, along with Council Tax, accounts for the majority of local government financing. Members will appreciate that despite intervention of central government through various grant funding streams and reliefs the full effects of the pandemic on businesses are not as yet entirely evident. This, along with a number of other significant uncertainties set out below make forecasting and planning extremely difficult.
- 3.16 We are one of only a small number of Councils with a nuclear power station within its boundary. The rateable value of the Heysham1 and Heysham 2 nuclear reactors accounts for over 30% of the Council's total rateable value. Although the retained business rates scheme does have a safety net mechanism in place to ensure that an authority's income does not drop below more than a set percentage of its index linked spending baseline, the Council is vulnerable to swings in income levels relating to the power station' operations.
- 3.17 The previous MTFS budgeted at a prudent baseline position as we were at height of pandemic and the impact on local business was unclear. Current information has highlighted a small amount of growth (c£400k) based on monitoring, this is now factored into the forecast for 2022/23 & 2023/24 and we will continue to monitor the position during December & January.
- 3.18 It was expected that at some point as part of government funding reviews there would be a business rates growth reset effectively removing all growth from the system by setting the business rates baseline to equal actual rates levels. To date this has not taken place and it has been assumed that this would take place in 2023/24 at the earliest. As only a small amount of growth has been modelled for 2022/23 and 2023/24 the impact of any potential reset is mitigated though it has been modelled as part of the sensitivity analysis. Heysham 1 reactor is expected to be decommissioned at some point during 2024 although the exact timing of this is not yet clear. This will have the effect of triggering a safety net payment from Central Government and so growth would only be relevant were it to be significant enough to generate rating income above the baseline.



3.19 The table below provides Business Rates forecasts for the next four years incorporating a number of assumptions and sensitivity analysis. Current forecast assumptions are:

- Income to remain in line with business rates monitoring during 2021/22 together with a 2% uplift to baseline and tariff in respect of inflation.
- Heysham 1 reactor to be decommissioned in 2024/25

	2022/23 £	2023/24 £	2024/25 £	2025/26 £
Retained Business Rates	6,288,826	6,414,602	-	-
Safety Net Payment	-	-	5,631,304	5,743,931
Renewable Energy Disregard Income	3,011,788	3,071,707	3,133,141	3,195,803
<b>Sub Total</b>	<b>9,300,614</b>	<b>9,486,309</b>	<b>8,764,445</b>	<b>8,939,734</b>
Impact of business rates element of Collection Fund forecast outturn for 2021/22	323,980			
Exceptional Deficit declared January 2021 (eligible for spreading)	(443,193)	(443,193)		
Transfer from Business Rates Retention Reserve	443,193	443,193		
<b>Net Impact on General Fund</b>	<b>9,624,594</b>	<b>9,486,309</b>	<b>8,764,445</b>	<b>8,939,734</b>
Previous MTFS	8,835,800	8,924,000	9,013,300	9,188,589
<b>Difference: Increase/(Decrease)</b>	<b>788,794</b>	<b>562,309</b>	<b>(248,855)</b>	<b>(248,855)</b>
Scenario 1: baseline & tariff frozen for a second year	1,071,246	734,371	(217,523)	(216,897)
Scenario 2: Heysham 1 decommissioned in 2023/24 Rather than 2024/25	788,794	(331,407)	(248,855)	(248,855)
Scenario 3: Baseline reset at 22/23 levels in 23/24	788,794	116,234	(248,855)	(248,855)
Scenario 4: 1% rates income growth from 23/24 onward	788,794	695,870	(248,855)	(248,855)

3.20 Monitoring will continue during November and January which may impact these forecasts. The forecasts remain a best estimate and are dependent on the final local government finance settlement

#### New Homes Bonus

3.21 New Homes Bonus is a reward grant which is calculated from Council Taxbase figures. As previously reported, the previous years rewards element of the grant is being phased out and no longer applies from 2022/23 onwards. There is a risk that the Government will seek to further reduce the grant in future years which would increase the budget gap at the Council.

3.22 The current forecast of levels of New Homes Bonus is set out in the table below. This may be impacted by the finance settlement and the latest data in respect of affordable housing supply in the district which is due to be refreshed in December 2021

	2021/22 £	2022/23 £	2023/24 £	2024/25 £	2024/25 £
Annual Reward	234,100	281,200	281,000	281,000	281,000
Previous Years Rewards	635,300	274,200	-	-	-
<b>Total</b>	<b>869,400</b>	<b>555,400</b>	<b>281,000</b>	<b>281,000</b>	<b>281,000</b>
Previous MTFS	869,400	504,300	230,000	230,000	230,000
<b>Difference Increase/(Decrease)</b>	<b>-</b>	<b>51,100</b>	<b>51,000</b>	<b>51,000</b>	<b>51,000</b>

#### 4.0 MEDIUM TERM FINANCIAL STRATEGY – CURRENT PROSPECTS TO 2025/26

4.1 Officers have undertaken a detailed review of the current and future years budgets that were reported to Council on 24 February 2021. This review included incorporating approved and known changes together with comprehensive salary and inflation reviews. In addition, the Council's General Fund capital programme is currently under review in order to reduce the number of schemes funded through unsupported borrowing. This will lessen the charges to revenue for Minimum Revenue Provision and loan interest. Headline details of the budget changes are provided in the following paragraphs and are reflected in the General Fund Revenue Budget Projections 2021/22-2025/26 table at paragraph 4.3.

##### Operational Changes

4.2 Operational changes included in the base budget for 2022/23 currently amount to an increase in expenditure of £1.032M. The Council budgets for inflation across a number of areas such as gas, electricity, water, insurance, building costs etc as well as general price inflation and seeks the appropriate indices from a number of sources. The impact of inflation increases expenditure by a further £0.086M with further adjustments made to include the potential reimbursement of national insurance contributions and increase in New Homes Bonus. A summary of these changes is given in the table below:

##### Base Budget Changes

Operational Changes	£M
Salaries	0.428
Additional cost pressures	0.401
Net Reduction in Income	0.203
<b>Sub Total</b>	<b>1.032</b>
Impact of Inflation	0.086
Settlement Estimate - reimbursement of increase in National Insurance contributions	(0.144)
Potential Increase in New Home Bonus	(0.051)
<b>Total</b>	<b>0.923</b>

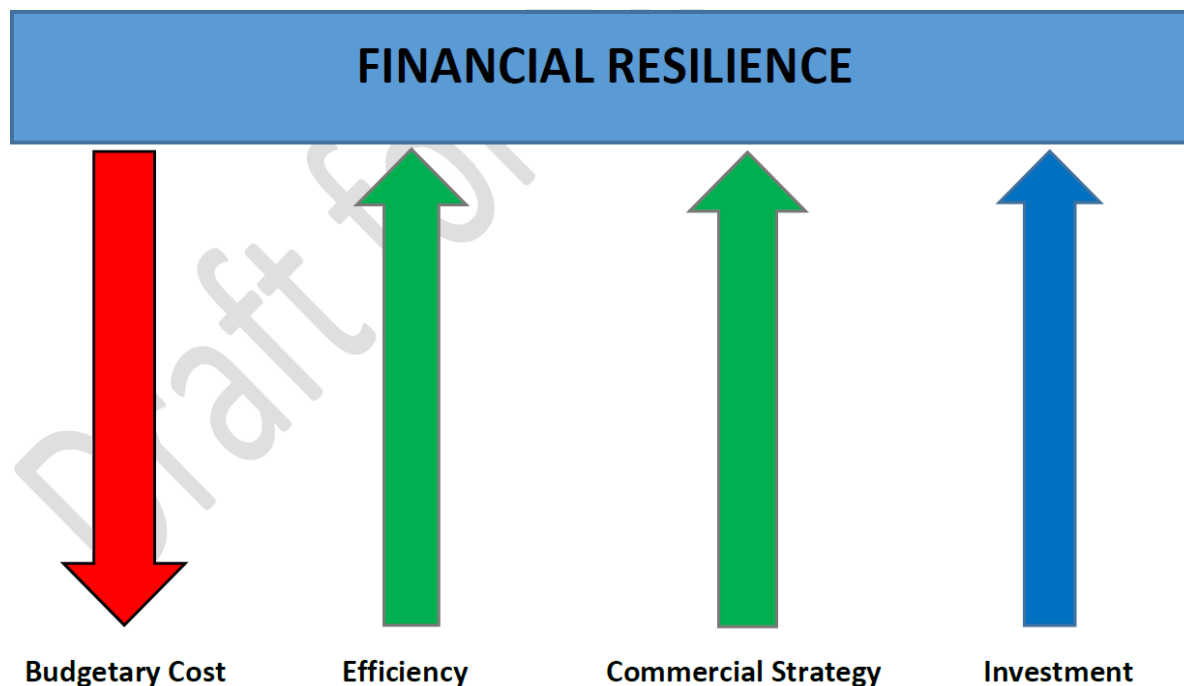
4.3 General Fund Revenue Budget Projections**General Fund Revenue Budget Projections 2021/22 to 2025/26**

For Consideration by Cabinet 7 December 2022

	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000
<b>Revenue Budget/Forecast as at 24 February 2021</b>	<b>17,774</b>	<b>21,110</b>	<b>23,550</b>	<b>24,311</b>	<b>24,311</b>
<b>Base Budget Changes</b>					
Operational Changes		1,032	1,131	1,309	1,567
Settlement Estimates		(144)	(151)	(154)	(159)
New Homes Bonus		(51)	(51)	(51)	(51)
Inflationary Impact		86	131	194	777
<b>Latest Budgetary Position</b>	<b>17,774</b>	<b>22,033</b>	<b>24,610</b>	<b>25,609</b>	<b>26,445</b>
<b>Outcomes Based Resourcing Proposals:</b>					
Savings Proposals	0	0	0	0	0
Redirection Proposals	0	0	0	0	0
Additional Resource Requirements	0	0	0	0	0
Revenue Implication of New Capital Schemes	0	0	0	0	0
Contribution (to)/from Reserves	319	0	0	0	0
<b>General Fund Revenue Budget</b>	<b>18,093</b>	<b>22,033</b>	<b>24,610</b>	<b>25,609</b>	<b>26,445</b>
<b>Core Funding:</b>					
Revenue Support Grant	(204)	-	-	-	-
Net Business Rates Income	(7,737)	(9,625)	(9,486)	(8,674)	(8,939)
<b>Council Tax Requirement</b>	<b>10,152</b>	<b>12,408</b>	<b>15,124</b>	<b>16,935</b>	<b>17,506</b>
<b>Estimated Council Tax Income -</b>					
(Increases based on £5 for 2021/22 then max allowable)	9,833	10,176	10,491	10,810	11,134
<b>Resulting Base Budget (Surplus)/Deficit</b>	<b>319</b>	<b>2,232</b>	<b>4,633</b>	<b>6,125</b>	<b>6,372</b>
<i>Original MTFS Savings Requirement</i>	<i>0</i>	<i>2,183</i>	<i>4,223</i>	<i>4,668</i>	<i>N/A</i>
<i>Change</i>	<i>+319</i>	<i>+49</i>	<i>+410</i>	<i>+1,457</i>	<i>N/A</i>

## 5.0 REALISING THE FUNDING THE FUTURE STRATEGY

5.1 In December 2018 Council adopted its Funding the Future Strategy (FtF) “a strategy for building financial resilience”. The strategy consists of 4 elements or pillars which were intended to be taken together to address the underlying structural deficit.



5.2 Each element complemented the others and in combination were designed to lead to financial resilience.

### Investing for a Return, or to Reduce Costs

5.3 In January 2019 Council approved a Property Investment Strategy which set out requirements and governance arrangements for the purchase of assets to deliver a positive contribution to the Council’s budget. In November 2020, however, HM Treasury revised the rules governing the Council’s access to PWLB borrowing to fund the acquisition of assets primarily for yield. Prior to this announcement the Council purchased assets totalling c£14M which are now delivering approximately £1M positive contribution to the Council’s revenue budget.

5.4 CIPFA has recently sought views on a number of proposals which continue to further restrict the ability of Councils to undertake what it views as speculative investments using public funds. Recent proposals may make it a statutory requirement to set aside each year an amount to repay debt, known as Minimum Revenue Provision (MRP) on commercial assets.

5.5 Members can be assured that the s151 Officer and the finance team have already adopted an approach that has ensured that this Council is already fully compliant with the potential changes and will not see any adverse impact.

### Commercial Strategy

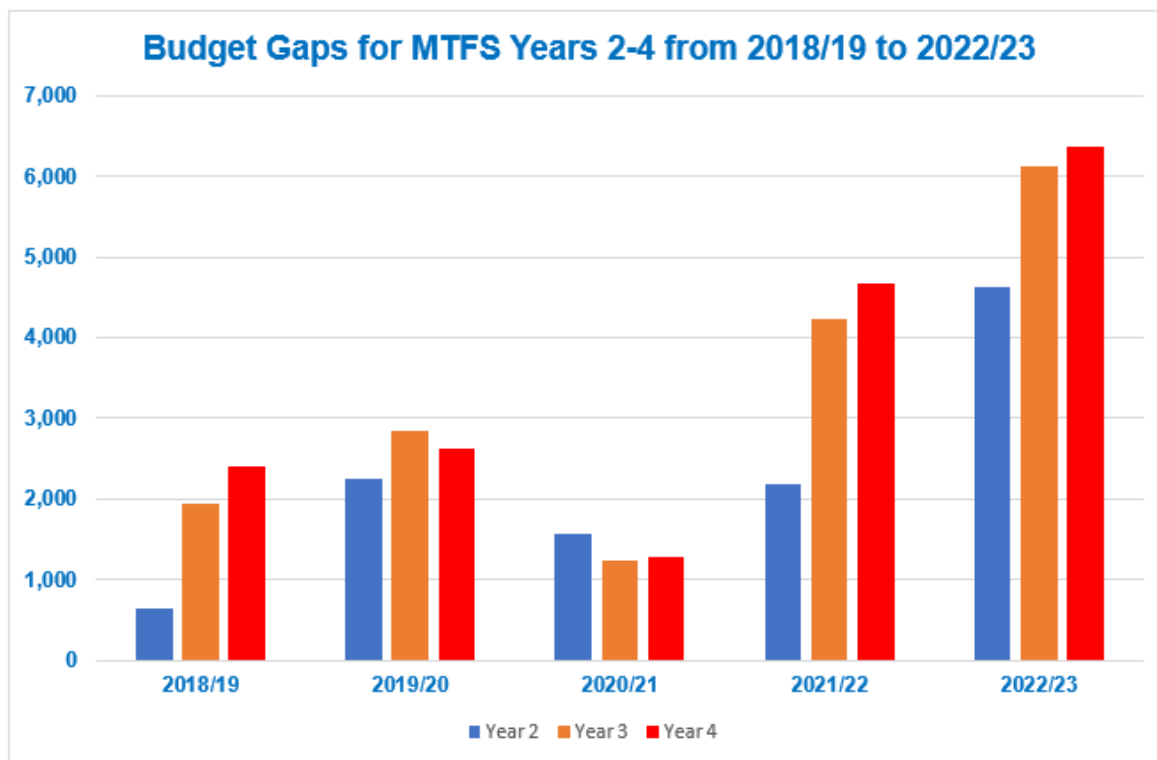
5.6 This pillar sets out to improve internally delivered services and establish new delivery models such as:

- Contracts and partnerships with other public bodies, for example, shared service arrangements.
- Contracts and joint ventures with the private sector e.g. joint ventures, outsourcing, public-private partnerships.
- New public sector and non-public entities e.g. joint commissioning boards and companies limited by shares or guarantees.

- 5.7 The Council recently extended its joint operation of Revenues and Benefits with Preston City Council and currently operates a shared Corporate Fraud Team with Fylde and Preston City Council's. In order to deliver ICT leadership and technical capacity it recently entered into a sharing agreement with Blackpool Borough Council, and to ensure there is an Internal Audit function it recently contracted with Mersey Internal Audit Agency.
- 5.8 In March 2021 the Council established More Homes for the Bay its first Local Authority Trading Company (LATCo) which, as a separate legal entity, is afforded several strategic freedoms and options not currently available to the Council.
- 5.9 Currently the Council is developing a business case which will frame the LATCo's activities, its administrative and financing arrangements. These decisions require consideration and approval by its Directors, the Shareholder Committee. Once the business plan has been agreed financial modelling can start to be undertaken to assess the value of the operation to the Council.

Pursuit of Efficiency with Vigour

- 5.10 In order to improve the efficiency of operations a programme of "Lean Reviews" were intended to re-engineer activities in order to reduce costs and improve productivity. The most recent activity in this area has been the P2P project which has delivered significant operational and process savings both within Exchequer Services and out at service. The next phase is due for rollout before the end of the financial year, with the final phase concluded in 2022/23. Other areas where re-engineering has yielded efficiencies include Human Resources and Void Management. It still remains the intention that all key service processes will be subject to review over a three year period.
- 5.11 Outcomes Based Resourcing  
This initiative originally committed to in 2018 has been delayed and had been due to commence early in the 2021/22 financial year having been set back by the Covid 19 pandemic.
- 5.12 Its intention is to ensure that funds are allocated according to a set of predefined outcomes, or priorities using a zero-based approach rather than applying incremental uplifts to an existing set of services each year. This effectively ensures that funds are directed toward the Council's key ambitions and statutory functions and away from areas which contribute less or not at all against the predetermined objectives. Given that investment opportunities are now limited this pillar of the strategy has grown in importance and will be required to appropriately target resources to key services whilst shrinking the budget gap.
- 5.13 Despite the work to date to realise the funding the future strategy the budget gap has widened as the following table shows. The impact of having to remove material levels of investment income and reduce some of the income stretch targets that had been budgeted during 2020/21 in light of the pandemic can clearly be seen below.



## 6.0 PROVISIONS, RESERVES AND BALANCES

6.1 A Council's reserves are an essential part of good financial management. They help the Council to cope with unpredictable financial pressures and plan for future spending commitments. Councils generally hold two types of reserves, "Unallocated" to meet short term unexpected cost pressures or income reductions and "Earmarked". These can be held to provide for some future anticipated expenditure for identified projects, particularly in respect of corporate priorities, address specific risks such as business rates, provide up-front costs which specifically result in future efficiencies, cost savings or increased income, or to hold funding from other bodies, mainly Government, for specified purposes.

6.2 By their nature reserves are finite and within the existing statutory and regulatory framework, it is the responsibility of the s151 Officer to advise the Council about the level of reserves that it should hold and to ensure that there are clear protocols for their establishment and use.

6.3 The 2020/21 provisional outturn has seen the Councils level of reserves increase and whilst the General Fund unallocated reserve is currently healthy if the current level of budget gaps remain it will be required to fund them, whilst still leaving a current minimum required level of £3.5M. Whilst the required level of individual reserves is assessed annually the overall impact is illustrated in the tables below

	31 March 2021 £	31 March 2022 £	31 March 2023 £	31 March 2024 £	31 March 2025 £	31 March 2026 £
<b>Unallocated Balances</b>	(7,808,400)	(5,222,400)	(4,538,400)	(3,500,000)	(3,500,000)	(3,500,000)
<b>Earmarked Reserves:</b>						
<b>To Support Revenue &amp; Capital Expenditure</b>	(6,676,200)	(1,065,100)	(765,000)			
<b>Total ring-fenced/held against risk</b>	(18,961,000)	(12,345,200)	(11,644,000)	(9,781,600)	(6,153,400)	(680,200)
<b>Total Earmarked Reserves</b>	(25,637,200)	(13,410,300)	(12,409,000)	(9,781,600)	(6,153,400)	(680,200)
<b>Total Combined Reserves</b>	(33,445,600)	(18,632,700)	(16,947,400)	(13,281,600)	(9,653,400)	(4,180,200)



6.4 The Council has plans to use £6.7M of its reserves to support feasibility work in respect of regeneration projects and housing, to finance some capital projects, to deliver the culture strategy and provide support to businesses and the vulnerable through the Covid 19 pandemic. A review is currently on going into all the planned allocations from Council reserves.

## 7.0 BALANCING THE BUDGET TO 2025/26

7.1 It must be reiterated that the current forecasts do not include any interventions by Cabinet, or Executive Management Team, however they highlight potential cumulative budget deficits over the next 4 years and so balancing the budget both in the short and the medium term will be a tough task.

7.2 The Council's FtF strategy advocates a balanced and systematic approach based on sound principles around increased income streams, commercialisation, pursuing efficiency with vigour and cost management. As outlined previously in this report progress has been made to realise this strategy, income streams have been derived from investments made prior to November 2020, a number of efficiencies have been delivered, although there remain further aspects of this agenda to explore. Utilisation of the strategic freedoms presented by the creation of LATCo's are expected to deliver returns through using our assets to best advantage, but these aspirations are more likely to be realised over the medium to longer term horizons.

7.3 A number of workshops have been held between Executive Management Team and Cabinet to explore savings and redirection proposals, ensuring that underlying cost pressures are mitigated as far as possible and that growth in service is limited to that which is strictly necessary. The Council's capital programme is being reviewed a revised governance structure developed to reduce the revenue impact of MRP and interest charges whilst facilitating delivery of the Council's priorities. To support the level of Council reserves a comprehensive review is underway.

7.4 It is now imperative that a thorough and detailed review of our cost base is undertaken through application of OBR, or other similar budget principles. This will have a particularly important part to play in driving down budget gaps from 2023/24 and beyond and in realising financial sustainability. The application of OBR across the Council will be a significant piece of work and will inevitably require an objective and sensitive approach and work is currently underway to engage external expertise to commence this work within the current financial year.

7.5 Progress against all of these areas will be reported to Members together with any implications of the Local Government Settlement as part of January update.

**8.0 DETAILS OF CONSULTATION**

8.1 As in previous years the usual high level consultation with relevant stakeholders on the budget will be undertaken prior to Budget Council in February. More specific consultation will be considered at a future meeting of the Financial Resilience Advisory Group. Consultation on council housing matters will be undertaken through the District Wide Tenants' Forum.

**9.0 OPTIONS AND OPTIONS ANALYSIS**

9.1 As the report is for consideration no alternative options are put forward, the Cabinet could make supplementary recommendations regarding any matters.



**Lancaster City Council | Report Cover Sheet**

<b>Meeting</b>	Cabinet		<b>Date</b>	7 December 2021	
<b>Title</b>	Proposal to purchase land adjacent to Mainway				
<b>Report of</b>	Director for Communities and the Environment				
<b>Purpose of Report</b>					
<p>To seek in principle support from Members for the acquisition of the redundant former Skerton High School subject to full due diligence and seek to negotiate terms of purchase with Lancashire County Council for subsequent approval.</p> <p>The acquisition of the School site plays an important component opportunity as to how best to deliver a comprehensive regeneration proposal for the Mainway estate for which a detailed option report is being finalised.</p>					
<b>Key Decision (Y/N)</b>	Y	<b>Date of Notice</b>	8 <sup>th</sup> November 2021	<b>Exempt (Y/N)- Appendix 1 and 2</b>	Y

**Report Summary**

In March 2021, Cabinet approved a course of action to pursue a detailed option appraisal to identify the most appropriate way to bring the regeneration of the Mainway Estate forward. It was acknowledged that not doing so would mean that many of the homes on Mainway would not be habitable in 3-5 years' time, and that the estate as a whole required wholesale intervention.

The work, which has involved stakeholders and residents, is being concluded and a detailed options report will be presented to Cabinet in February 2022.

As part of that work, the redundant element of the former Skerton High School, adjacent to Mainway, was identified as a key opportunity to enhance the regeneration impact of Skerton East Ward. Engagement with Lancashire County Council is now established with a clear willingness, in principle, to transfer the redundant parts of the former school site to Lancaster City Council for a capital consideration in compliance with best value principles. Other detailed physical and legal due diligence on the land and buildings is currently underway.

There will be an ongoing educational facility within the retained area of the site (the Chadwick Centre Pupil Referral Unit) by Lancashire County Council and a clear operational and logistical structure is being worked through. The main school closed in 2014/15 and therefore is within the 10-year statutory period that requires a S77 approval for disposal under the Schools Standards and Framework Act 1998 . Any acquisition will naturally be conditional on this being successfully granted.

**Recommendations of Councillors**

- (1) That Cabinet approve, in principle, the purchase of the redundant area of the former Skerton High School, that purchase being conditional on:
- a) Consent by the Secretary of State for the relevant school land transactions
  - b) Satisfactory Legal title
  - c) Satisfaction of physical due diligence to be undertaken on the land and buildings to be transferred.
  - d) Clarity on how the ongoing educational facility (the Chadwick Centre) on the retained Lancashire County Council land will operate and that all safeguarding measures have been addressed.
  - e) Terms of Purchase – yet to be agreed, although an anticipated purchase figure is detailed at Appendix 1.
- 1) A detailed paper being brought back to Cabinet addressing all the above for consideration and approval in due course.

**Relationship to Policy Framework**

**Council Priorities:**

- A Sustainable District –Climate Emergency: The design and master planning will seek to ensure that the properties are resilient to a changing climate and are fit for a zero-carbon future.
- An Inclusive and Prosperous Local Economy – through the creation of jobs and training and opportunities for local companies. The reduction of blight key location, and provision of affordable, suitable housing which enables access to employment and reduces poverty. Ensuring money is spent locally.
- Happy and Healthy Communities – proposals contribute to the well-being of tenants, tackle health inequalities and provide quality housing and green space.
- A Co-operative, Kind and Responsible Council – working in partnership and truly listening to tenant voices through consultation has supported the future designs of the estate.

Local Plan - Contributes towards the provision of housing to meet a locally identified need and opportunities to increase the choice and supply of social housing.

Housing Strategy – will link directly to the Homes Strategy for Lancaster district 2020-2025

**Conclusion of Impact Assessment(s) where applicable**

<b>Climate</b>	<b>Wellbeing &amp; Social Value</b>
<b>Digital</b>	<b>Health &amp; Safety</b>
<b>Equality</b>	<b>Community Safety</b>

The proposals set out in the report will have positive impacts particularly on climate change, equality, wellbeing/social value.

The potential acquisition of the school site will enhance the overall delivery capacity and vision for Mainway, increasing housing numbers, types of housing, local community amenity facilities and open space.

#### **Details of Consultation**

Specialist development and regeneration advice is currently being provided by Anderton Gables. Additional support is being provided by Trowers and Hamlin LLP and Savills Housing Finance Consultancy to ensure the process for a potential transfer is aligned with wider financial appraisal considerations and the structure of how an enlarged regeneration of Mainway is delivered, fully considered, and reported on.

#### **Legal Implications**

As in any land acquisition it is important that due diligence checks are made with regards to the property and the title documents. Legal services and/or external solicitors will need to be involved in the due diligence checks. If legal issues affecting the purchase arises from enquires/investigation then further legal advice may be needed on these issues.

#### **Financial Implications**

There are no direct financial implications associated with approving the purchase in principle, as per recommendation (2), a further report to Cabinet will follow with greater detail. However, the approved budget does not yet allow for any significant purchase or development costs relating to the regeneration of the Mainway estate. The full implications cannot be substantiated at this juncture, and further decisions on the future delivery of the scheme as a whole need to take place, including any options for transfer to a special purpose vehicle / LATCo.

In March 2021, Cabinet approved the use of up to £300K from the HRA Business Support Reserve in order to allow the next phase of the Mainway Project to proceed. Costs relating to the necessary due diligence and extended design concepts incorporating the Skerton School site can be managed from within this £300K, at this stage. The balance on the Business Support Reserve as of 31 March 2021 was £7.910M (subject to audit). Allowing for approved use, including property conversions to be carried out over the next three financial years, £6.751M is available to be called upon (prior to any decision on the regeneration of Mainway and subject to the 2022/23 budget setting process).

#### **Other Resource or Risk Implications**

The opportunity to acquire the redundant school site has arisen from ongoing discussions between Elected Members and Officers of the City and County Council.

There is a clear understanding of the potential the site offers in terms of delivering joint aspirations for the area.

A risk exists that should Lancaster City Council not pursue the purchase of the site then Lancashire County Council may seek to offer it on the open market.

Being able to change the whole perception, aspiration and social economic mix of Skerton East, improves substantially by bringing the school site into the main regeneration proposals.

Whilst increasing the overall quantum of money to deliver the combined sites, working with development partners would mitigate risk, reduce overall exposure, bring in commercial expertise, whilst at the same time deliver more homes, a greater mix of homes for young and old, for single residents and families. It provides a scale that can then warrant community and neighbourhood amenity. The proposed February 2022 report will consider this as well as further ongoing resident and stakeholder engagement and consultation in detail.

#### **Section 151 Officer's Comments**

This paper is clearly only seeking an in principle decision to allow officers to continue negotiations and will form part of a series of papers in the new financial year seeking a decision on the acquisition of the site, as well as future regeneration of the Mainway site and surrounding area. However, it is worth noting at this point the significant impact this site has on the viability of several of the current options available for the Mainway development. Any future papers will need to clearly articulate the risks around the s77 consent and consider aspects such as site valuation, the impact of the expected 12-18 month timescale, the potential to report back to Cabinet on a substantially different proposal as well as how that area would be redeveloped, financed, and ultimately delivered.

Currently there is no provision for the purchase of this site within the Council's Budget & Policy Framework and so as referenced by the Monitoring Officers in his comments any decision that falls outside of the Budget & Policy Framework would need Full Council approval.

#### **Monitoring Officer's Comments**

Cabinet will only be able to make the final decision if the overall transaction sits within the Budget & Policy Framework. This will only be apparent after the suggested due diligence checks contemplated by this paper. Any decision that falls outside of the Budget & Policy Framework would need Full Council approval.

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#### **Links to Background Papers**

## **1.0 Introduction**

- 1.1 On the 23<sup>rd</sup> March 2021, Lancaster City Council's Cabinet approved the next stage of the Mainway Vision and a body of work to evaluate all the options for the regeneration of the estate. It also acknowledged an extensive consultation process had been undertaken with 70% of tenants in favour of change.
- 1.2 An Options / Business plan is now being prepared to be presented back in February 2022 to enable Cabinet to understand the different solutions for the delivery of the regeneration proposals and agree any onward capital, borrowing and revenue implications.
- 1.3 Throughout summer 2021 discussions with Lancashire County Council have progressed regarding the former Skerton High School site which sits adjacent to the Mainway estate. The school once a key community asset has (aside from the neighbouring Chadwick Centre in the former Infants School) been unused since its closure circa six and a half years ago. This paper seeks an 'in principle' agreement to progress and agree Heads of Terms with Lancashire County Council for the purchase of the site with an anticipated 'up-to-price' detailed at Appendix A. Having the opportunity to bring the former Skerton High School site into the current masterplan provides the opportunity for a far more integrated way to regenerate this area of the City as well as a once in a generational opportunity to shape the development of our District.

## **2.0 Skerton High School**

2.1 The main school closed in 2014/15 after being declared surplus to requirements for educational use within Lancaster. In September 2021, the Department for Education issued revised guidance for involving the Secretary of State in land transactions. Due to the timescales the potential disposal by the County Council falls under the remit of Schools Standards and Framework Act 1998, which imposes restrictions on the disposal of educational land, coupled with additional restrictions imposed by the Academies Act 2010. Therefore acquisition of the school site is subject to a Section 77 application and subsequent approval by the Secretary of State. That application can be made by Lancashire County Council as soon as they have fulfilled certain criteria including consultation exercises, including engagement with local schools<sup>1</sup> to ensure there is no unfulfilled educational need from the Skerton site.

2.2 There is no definitive timeframe on how quickly such an application the DfE or the Secretary of State will consider the application and approve the transfer and whilst a 12–18-month timeframe would not be uncommon it should be acknowledged that dependent upon the matters to be considered this could be extended. In the interim period however, it is feasible to conditionally exchange contracts, once terms have been agreed, conditional on that approval, to secure the site.

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<sup>1</sup> Local schools which will require consultation will include primary schools within a half mile radius and secondary schools and academies within a one mile radius of the site.

### 3.0 Site Particulars

3.1 An initial indicative purchase price can be found in Appendix 1.

3.2 The draft site plan identifying the redundant parcel of land for transfer and the area of land to be retained by Lancashire County Council for ongoing Educational facilities by the Chadwick Centre can be found in Appendix 2 together with an indicative idea of the external area which needs to be retained to meet Statutory needs. These plans will need to be amended once the indepth calculations have been completed and the consultation and other matters under the section 77 application have been addressed.

3.3 Details of what could be included within the Skerton High School site boundary is currently being explored and will be detailed within the full options paper proposed for February 2022.

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

<p><b>Option 1:</b> Acquire the redundant Skerton High School site</p>
<p><b>Advantages:</b></p> <p>Integrating the school site into the Mainway proposals, increases Housing numbers; improves housing mix; delivers community amenity; provides playing fields for wider community and sports group use; improves access to and from Mainway for pedestrian / cycle and vehicles – linking the riverside to Ryelands and beyond. Enhanced placemaking and creates a real opportunity to reverse the cycle of decline and make Skerton East a place to live with one of aspiration.</p> <p>Acquiring the site establishes the control need to deliver this transformational opportunity rather than allowing the site to go to a third party who may not deliver anything on the site that meets the core priorities of the Council.</p> <p>The Delivery of the school site and Mainway will be undertaken with strategic partners who will provide expertise and capacity and help mitigate the risks of development and debt exposure.</p>
<p><b>Disadvantages:</b></p> <p>None known.</p>
<p><b>Risks:</b></p> <p>There are restrictions on the title and potential issues with the buildings – such as voids in the ground &amp; asbestos etc. All of these are being fully investigated prior to acquisition. Abnormal costs associated with any such matters will be worked through with Lancashire County Council as part of the finalisation of terms of purchase.</p>

<p>The school transfer will be conditional on Secretary of State’s approval – which is not guaranteed.</p>
<p><b>Option 2:</b> Do not acquire the School site</p>
<p><b>Advantages:</b></p> <p>Not pursuing the acquisition will reduce the scale of the project.</p>
<p><b>Disadvantages:</b></p> <p>Leaving the site as a redundant site, should Lancashire County Council not do anything with it, will impact on the ambitious and huge place making investment being proposed for Mainway.</p> <p>Should Lancashire County Council decide to dispose of the site on the open market, Lancaster City Council is then open to a risk of who buys it, what they might seek to deliver on it and significantly reduce the social, environmental and community benefits having control over the site provides.</p>
<p><b>Risks:</b></p> <p>Not having control of the school site directly undermines the potential investment in Mainway.</p>

#### 4. Officer Preferred Option (and comments)

4.1 The officer preferred option is Option 1. This is the only option that gives the Council control over the wider site and allows the Council the opportunity to then influence the significant social, environmental and economic gains possible. It has the choice at that point to deliver development proposals directly or with chosen partners, who can meet the wider Council priorities and ensure any subsequent development maximise the opportunity this site provides for the community of East Skerton.

Document is Restricted



## Lancaster City Council | Report Cover Sheet

<b>Meeting</b>	Cabinet	<b>Date</b>	7 December 2021		
<b>Title</b>	Mayor's Transport and other Civic Matters				
<b>Report of</b>	Director of Corporate Services				
<b>Purpose of Report</b>					
To seek decisions on the future provision of transport and staffing for the Mayor, including the possible sale of the Council's L50 numberplate. The report also provides an update for Cabinet on the competition bid for Lord Mayor status.					
<b>Key Decision</b>	<b>N</b>	<b>Date of Notice</b>	<b>8.11.21 (re Exempt appendix)</b>	<b>Exempt</b>	<b>PARTIALLY (appendix)</b>

<b>Report Summary</b>
<p>The contract which was in place for the supply of vehicle, chauffeuring and Mayor's Attendant services expired shortly before the pandemic began. The vehicle was a petrol car.</p> <p>There was a long period of time when the Mayor could not perform any ceremonial duties due to Covid. This is slowly lifting now, with more and more requests and invitations coming in.</p> <p>However, the Council currently has no chauffeur or attendant and no dedicated vehicle for the Mayor's use. Until a solution is found, the Democratic Support Officer for Civic and Ceremonial has acted as chauffeur and attendant and, as activities have increased, a local taxi firm with an electric vehicle have covered a few engagements with the Head of Democratic Services covering others.</p> <p>Decisions are sought on several matters and, to assist with how these decisions might fit together, the report details three of many possible solutions that might be considered for future transport for the Mayor, bearing in mind that the Council wishes to use an electric vehicle in line with the Climate Emergency.</p> <p>The report also updates Cabinet on the competition entry for Lord Mayor status.</p>

<b>Recommendations</b>
<p>(1) That Cabinet considers the matters for decision set out in paragraph 4 of the report, alongside the options provided in paragraph 5 to provide a way forward for transport and support for the Mayor at their engagements.</p> <p>(2) That the update on progress with the competition entry for Lord Mayor status be noted.</p>

<b>Relationship to Policy Framework</b>	
Corporate Plan – Clean Green and Safe Neighbourhoods. Use of an electric car to reduce the Council's impact on the environment.	
<b>Conclusion of Impact Assessment(s) where applicable</b>	
<b>Climate</b> Changing to an electric car from a petrol car will have a positive impact.	<b>Wellbeing &amp; Social Value</b>
<b>Digital</b>	<b>Health &amp; Safety</b>

Equality	Community Safety
<b>Details of Consultation</b>	
Members of the Council Business Committee have been asked to supply their comments for inclusion in this report. See paragraph 5.1	
<b>Legal Implications</b>	
None identified.	
<b>Financial Implications</b>	
<p>The current budget provision for Mayoral transport costs is £16K.</p> <p>Option 1 – this would generate a capital receipt and it is estimated that this could potentially range from £25K to £80K. It is proposed to re-direct this amount to purchase an electric vehicle and utilise a proportion of the current budget provision for transport costs to cover the salary of a part time post (0.2fte on Grade 6 c.£10Kpa) for a Chauffeur/Mayor’s Attendant, with the remaining amount being set aside for ongoing vehicle running costs plus setting aside an annual amount for the future renewal of the vehicle therefore anticipating that the option will overall be cost neutral.</p> <p>Option 2 – this would see the use of the existing electric pool cars to deliver the necessary transport arrangements plus also creating a part time post as also covered in Option 1. It is anticipated that this will be the most cost effective solution and would generate annual revenue savings estimated at £6Kpa whilst also allowing the Council to retain the ‘L50’ registration plate.</p> <p>Option 3 - it hopeful that this option can be managed from within the current budgetary provision but it will not be known until a procurement exercise has been completed.</p> <p>Should the Lord Mayor application be successful, then the budget for the Mayor might need to be increased, as was pointed out in the report to Council Business Committee. Reasons for this (new robe, increased activities, staffing support) are set out in the report. The amount of increase would be dependent on Council’s wishes regarding the role of the Lord Mayor and the budget set for Democratic Services to stay within</p>	
<b>Other Resource or Risk Implications</b>	
As set out in the report.	
<b>Section 151 Officer’s Comments</b>	
<p>The s151 Officer has been consulted and has no comments to make in regard to the disposal of the L50 registration plate and subsequent options for Mayoral transport.</p> <p>In relation to the Council’s application for Lord Mayor status Members may wish to consider the following.</p> <p>As referred to in this report and that to Council Business Committee (16<sup>th</sup> September 2021), should the Lord Mayor application be successful, then the associated budgets will require an uplift to reflect the status of the position and on-going support that will be required.</p> <p>As Members will be aware the Council is currently facing a significant budget deficit 2021/22 and beyond and as a result there is pressure to reduce in costs where possible. Any increased cost pressures will need to be clearly articulated, matched to Council priorities, and need to be factored into the current budget round, which may result in the need to reduce costs within other service areas.</p>	

<b>Monitoring Officer's Comments</b>	
The Monitoring Officer has been consulted and has no further comments to add	
<b>Contact Officer</b>	Debbie Chambers
<b>Tel</b>	Tel: 01524 582057
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<b>Links to Background Papers</b>	

## 1.0 Mayor's Transport - Background

- 1.1 Prior to May 2013, the Council employed a full time Beadle carrying out the role of Mayor's Attendant/Chauffeur. The Council leased an executive car for the Mayor fitted with the L50 number plate belonging to the Council. Over time it became clear that there was insufficient work for a full-time post. When the hours of the post were reduced, a part time Beadle was employed for a short while. However, the anti-social hours, which change from week to week, made it too difficult to plan a social life, therefore the Beadle did not stay. In view of this, it was felt that a contract would be a better option.
- 1.2 On 17 May 2013 the City Council entered into a three-year contract with a chauffeuring firm located outside the district to provide a Chauffeur/Mayor's Attendant (aka Beadle) to use the executive car leased by the City Council to take the Mayor to Council and Civic Events. The contract included the Attendant/Beadle acting as a Master of Ceremonies, where required, and conducting tours of Lancaster Town Hall. The Council paid a set hourly rate for itemised work done.
- 1.3 Not long after the contract was entered into, the lease on the executive car came to an end. The car was old and needed repairs so the option to purchase was not taken up. At that point it was agreed that the chauffeuring firm provide a suitable executive car and put the L50 plate on that car. There was an increase in the hourly rate as result. The contract included supply of a safe, to securely store the Mayoral chains when events occurred out of office hours.
- 1.4 In May 2017, the contract, which included an option to renew for a further three years, was renewed. The contract expired around the time of the pandemic.

## 2.0 L50 Number Plate

- 2.1 The L50 number plate has been the property of the Council for many years and there are no records that can be traced regarding its origin.
- 2.2 After consulting several online auction services for personalised number plates, it seems that this plate is quite valuable. (A list of estimates is provided in exempt appendix 1.) These are just estimates, however, and the actual price realised with depend on interest in the plate.
- 2.3 It does seem, however, that the plate would realise sufficient funds to purchase some type of electric car which could be used for the Mayor, if Cabinet decided this was an option it wished to pursue. It would also require a new part-time post of Chauffeur/Mayor's Attendant, which has been through job evaluation as a Grade 6. It is

envisaged that this post would be two days per week with extra hours paid if and when necessary to cover events.

- 2.4 It is worth noting that personalised plates with the letters LCC and various numbers are currently on auction sites for sale valued in the region of £200-300. If it was felt that the Mayor's car should have a distinctive plate, this could be an option.

### **3.0 Chauffeuring, support at Events and Security of the Chains**

- 3.1 When a contract was in place, this included all of the above. Currently the Mayor either attends with just the badge on a ribbon and no chains, or an officer accompanies him to make sure the chains are secure at all times their return to safe storage at the end of the event. Organisers of events, and the public attending them, expect to see the Mayor wearing the chain of office. This means that, now events are resuming, the Civic and Ceremonial Officer and Head of Democratic Services are covering more and more functions, often in the evening and at weekends. Whilst a local taxi firm with an electric car has been used, if the chains are being used, these still have to be secured by an officer at the start and end of each event. This is resource intensive and highly inconvenient for the staff concerned.
- 3.2 In 2015, officers looked at the cost of making up replica chains for the Mayor to wear, as, at that time, the Mayor was a keen cyclist and preferred to travel to events by bike. Democratic Services are seeking an up-to-date quote via a local jeweller. That figure should be available to report at the meeting, if not before. In 2015, the price quoted for a replica of the badge alone (NOT including the chains) was over £3,000 from a specialist in Civic Insignia.

### **4.0 Matters for Decision**

- 4.1 Whilst three possible options are discussed below, there are other permutations on the same themes so, for clarity, the decisions that Cabinet is asked to consider are:

**Whether or not to auction the L50 number plate.** If the decision is to auction the plate, then a reserve price would need to be agreed and a decision made about the proceeds and whether these would be used to purchase an electric car to transport the Mayor to engagements.

**Whether to seek a contractor to provide an all-inclusive service.** The tender specification would include use of a suitable electric vehicle and driver who would also act as the Mayor's attendant at events and keep the chains secure.

**Whether officers should seek to establish a part time post of Chauffeur/Mayor's Attendant.** The cost of this post would, in large part, be covered by the budget for Mayoral Transport. It is envisaged that it would be the equivalent of two days per week with the hours of work fitting with the diary engagements.

**Whether or not to use existing pool cars to transport the Mayor or purchase or lease a car solely for that purpose.** This decision would depend on having the part time post described above to drive the vehicle.

**Whether or not to purchase replica chains.** These would have none of the historic or monetary value of the real chains and could be worn by the Mayor at every event, meeting the public's expectations.

### **5.0 Possible Options and Options Analysis for the future of Mayor's transport (including risk assessment)**

**NB** *These options are not exhaustive. They illustrate three approaches that are feasible and may help with decision-making around the number plate, chauffeuring, security of chains and support for the Mayor at events.*

<p><b>Option 1:</b> To sell the number plate, buy a suitable electric car with the funds and create a new part time post of Chauffeur/Mayor's Attendant (funding to be covered by the current budget for transport).</p>
<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• This would bring the service back in house completely.</li> <li>• Changing from a petrol car to an electric car fits with the Council's priorities</li> </ul>
<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• The number plate is a valuable asset which may have sentimental value to some Councillors and residents.</li> <li>• The number plate may not raise enough money to buy a suitable vehicle.</li> </ul>
<p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• The unsocial and unpredictable hours of a Mayor's Attendant may mean that the Council does not fill the post or there is a high turnover.</li> <li>• The number plate may not sell (a reserve price would need to be put on the plate to stop its sale for an unacceptably low figure).</li> </ul>
<p><b>Option 2:</b> Create a new part time Chauffeur/Mayor's Attendant post and use the existing electric pool cars to transport the Mayor.</p>
<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• Brings the service back in house.</li> <li>• Changing from a petrol car to an electric car fits with the Council's priorities.</li> <li>• The L50 number plate can be kept, possibly on display in the Mayor's parlour</li> </ul>
<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Not an executive car, which the public are used to seeing</li> </ul>
<p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• None identified.</li> </ul>
<p><b>Option 3:</b> Go out to tender for a contractor who will provide a suitable electric car and driver who can carry out the Mayor's Attendant role as well as keep the chains secure.</p>
<p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• Saves time and money on jobs such as taxing/insuring/servicing/washing/cleaning the car. All will be done by contractor.</li> <li>• No problems about cover when the Chauffeur/Attendant is on holiday or otherwise absent. The contractor will supply cover.</li> <li>• The L50 number plate can be kept, possibly on display in the Mayor's parlour.</li> <li>• Executive car will be provided.</li> </ul>
<p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Solution needs to be found for keeping the chains secure out of office hours.</li> </ul>

**Risks:**

- There may not be any interest in tendering for the contract.

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

6.1 The officer preferred option from the three above is to try Option 3 in the first instance as the contract option has worked well in the past. It is not possible to predict how much interest there may be in the contract until it is advertised. The chains must be suitably secured, however and how this will be achieved is something that would need to be agreed confidentially with whoever is awarded the contract.

## **7.0 Consultation**

7.1 Council Business Committee has a remit of agreeing Civic and Ceremonial matters in consultation with the Mayor, therefore the Mayor and Committee Member have been consulted on the options in this report. The report is presented to Cabinet as the options discussed have budget implications which can be fed into the budget process. The Chair of the Committee has commented that whilst it would be a shame to lose the L50 number plate, it would seem sensible if it could pay for an electric limousine for Mayoral use.

## **8.0 Competition for Lord Mayor Status**

8.1 On 16 September 2021, Council Business Committee considered whether the Council should respond to an invitation from the Minister of State to enter a competition for a Lord Mayoralty and resolved:

*That the Council should submit an application for Lord Mayoralty. It should recognise that such support must embrace a commitment for the Council to invest financially in the enhanced profile of the mayoralty.*

8.2 The deadline for entries is 8 December 2021 and, at the time of drafting this report in late November, work is well underway to pull together information for the submission. The submission will showcase the whole of the district, not just Lancaster. It will highlight innovation in the area in different sectors and the collaborative working going on here, not just provide details of services, functions and buildings which City Council is responsible for.

8.3 Lancaster City Council submitted applications for a Lord Mayoralty in 1986, 1991, 2001 and 2011, but was unsuccessful on each occasion; hopefully the wider focus of the approach for this bid will have more impact.

8.4 Lord Mayors traditionally carry out more engagements than our ceremonial Mayor and invitations would come from far and wide, that than just our district or other boroughs in Lancashire. It is not unusual for a Lord Mayor to make two or more trips abroad to represent their Council during the year. There can be a significant cost to those trips and for wider travel around the country, and this did concern Council Business Committee when considering whether or not to enter the competition. However, if the Council decides on a budget for the year, then all the invitations accepted would be budgeted for, and any that were too costly would have to be declined. Currently the main support officer for the Mayor and civic events is a Democratic Support Officer with particular responsibility for Civic and Ceremonial. Working time for that post is allocated as approximately 0.5fte on Civic and Mayoral support and 0.5fte on committee clerking/Overview and Scrutiny duties. There is adequate capacity at this level for the current ceremonial Mayor, although it is always stretched in May because Annual Council has to be planned at the busiest time

for Democratic Services (May elections). Should the council be successful in the application for Lord Mayor and wish to increase Mayoral activity, by accepting invitations abroad, for example, then greater capacity would be needed. A full-time post of Lord Mayor's secretary might be required.

- 8.5 A new robe would need to be procured if Lancaster City Council won the competition, since Lord Mayors' robes are traditionally black and quite different to the robe the Council has for its civic Mayor. Initial enquiries from established suppliers have revealed that the price of a ceremonial robe for a Lord Mayor varies from around £8,000-£24,000 depending on the material used and the trim and ornamentation. However, it may be possible to make a significant saving on this by using local skills to make up the garment. This would definitely be something to explore, should Lancaster's entry be successful.

## **9.0 Conclusion**

- 9.1 Cabinet is asked to note the update on the entry for the Lord Mayor competition and to consider the decisions outlined regarding future transport and support for the Mayor at engagements and security of the chains.

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