

## Budget Proposals 2020/21 to 2024/25 (Explanatory Note)

- 1) As proposed at Informal Cabinet on 11<sup>th</sup> January, this explanatory note aims to provide further information and rationale for:
- The growth items presented in the proposed budget
  - Those matters of interest or priority for Cabinet Members which they would like to see greater priority for, but which may not be transparently evident in the Budget.

### Additional Resource Requirements

The summary in this table reflects 2021/22 budget asks to enable services to address the key areas and workloads faced as the Council works towards delivering its outcomes.

Service or Action	Summary	Impact on Priorities
Planning & Place (please see additional information on this item below)	<p>The most significant budget increase (£260K, rising slightly in future years as capacity is established) is associated with the outcomes of a review into the Planning and Place service.</p> <p>This review has identified that service capacity falls far below the benchmark levels required to ensure the effective provision of planning services to the community and to meet the volume of Planning work, both statutory, in terms of ensuring we can deliver fee paid work and in support of integrated Place-Making. The most significant budgetary aspects of this essentially enable a 60-65% increase in staff capacity for the Planning Application Team, associated with the implementation of a range of service improvements to align the service with existing demand.</p> <p>Increasing capacity is essential to maintain and secure fee income and carry out tasks to progress statutory planning applications and will, over time, provide direct returns in fee income, and substantial indirect returns on investment.</p> <p>Lean processing and an innovative approach to both recruitment and commissioning will ensure that the service is fit for purpose in all aspects of development master-planning, development management and enforcement and that they are aligned with the Council's values,</p>	<p><b>Social:</b> Planning application services are an important component of ensuring that activities taking place are aligned with our social objectives and provide an important mechanism for communities to make proposals to change their places. Increasing capacity will allow residents to experience a more efficient, effective service and help to ensure that applications are aligned with the Local Plan</p> <p><b>Economic:</b> Development is an important part of a functioning local economy, and a core engine of community wealth. However unfettered development risks significant socioeconomic and environmental harm.</p> <p>The significant energy network asset present in Lancaster means we receive and can expect a significant volume of specialist infrastructure applications in addition to our usual work as we move rapidly to a low carbon energy system and this can be a key generator of jobs, growth and affordable utilities.</p> <p><b>Environmental / Climate change:</b> An effective planning application service will enable the council to</p>

	<p>meet our social, environmental and economic objectives including the climate emergency and are fleet of foot in supporting community wealth generation.</p>	<p>ensure that applications meet their statutory and local policy objectives, and that matters around zero carbon and climate resilience impacts / direct and indirect are adequately addressed by the applicant.</p> <p><b>Governance:</b> The proposed funding is necessary to secure the ongoing provision of a statutory responsibility.</p>
Economic Development	<p>90K is proposed to be used from reserves to provide business support and recovery support. Economic Development's work has been substantially affected by priorities around the pandemic, particularly business grants, and by work to react to timescales for Local Government Reorganisation. Minor adjustments are proposed in Economic Development which will be implemented incrementally as the pandemic landscape changes. Growth proposals in Regeneration and Chief Executives budgets will release capacity within Economic Development enabling a greater focus on Arts Culture and Heritage. In the short term, additional support for pandemic business support and pandemic recovery will be drawn from reserves.</p>	<p><b>Social:</b> Growth in budgets for policy and regeneration work elsewhere release capacity with ED to be able to increase and expand work on Arts Culture and Heritage, and an inclusive, low carbon economy.</p> <p><b>Economic:</b> The Business Support roles will play a key role in ensuring that we can understand the impacts of covid and other pressures on our economy, and plan and support a successful recovery aligned with our community wealth and climate goals. The role of the Arts and Culture sector in providing community wealth and the implications of sector recovery for jobs, inward investment and culture across our geography is significant.</p> <p><b>Environmental / Climate Change:</b> there are significant opportunities around both discretionary funding and our core provision to align our business support and advice with ensuring businesses are both able to access green jobs and markets, and to align with a zero carbon economy. Increasing capacity in this area will help support this work, and it will be closely linked with work planned with the Economy</p>

		Group and Cabinet on the principles and shape of our recovery.
Property Investment and Regeneration	<p>A new role (£55K) is being established to reflect a transfer of capacity from Economic Development, while ensuring that Economic Development capacity remains viable.</p> <p>This role will support the Capital Programme, and in particular, do key work around investment and market viability. Work will be undertaken as a priority to identify the capacity required to bring forward the capital programme, and, wherever practicable, to ensure that costs are capitalised, and embedded in operating and management fees and charges. A reserves provision has been made to further support this work and develop the revised Investment Strategy.</p>	<p><b>Social:</b> The Capital Programme is a key way to introduce property, infrastructure and investment to address market failure in a way that provides stable local jobs. The programme is being realigned to strengthen priorities around community wealth (realign employment sites with local demand, address blight) and climate change (both carbon reduction and climate resilience) to create stable, secure, resilient communities.</p> <p><b>Economic:</b> the role of the Council in addressing market failure, securing and promoting range, and introducing vital infrastructure is key to a successful economy. Doing this in a way which provides direct and indirect returns on investment will enable a recycling of capital funds for community benefit.</p> <p><b>Environmental / Climate Change:</b> £16 million per annum has been identified as borrowing to finance the capital programme, and an increasing number of the proposals coming forward in the pipeline are in place to directly address zero carbon or other environmental goals. In addition to this, all future proposals will be screened for their alignment with the council's SDG and climate goals.</p>
Financial Services	As outlined above, the changes to local government funding and accounting and the increased	<b>Social:</b> The Diversification of Council Funding, increased ambition around

	<p>ambition around capital programmes has direct implications for financial services capacity, and further funding is needed to ensure the viability and resilience of the service. Work to move HR and Payroll services to a hosted service will improve the reliability and efficiency of this service, benefiting employees and reducing business continuity risks.</p>	<p>bidding and capital investments all have direct implications for finance capacity. In order to continue to provide essential services to our community there is an increasing need to account for, bid into, and secure funds from a wide range of sources</p>
Human resources	<p>A small increase (40K) is proposed in Human Resources (which includes HR services, Organisational development and Projects teams) to reflect the work they will be doing in supporting Future Workforce design, project and process excellence, and support enhanced policy, governance and productivity.</p>	<p><b>Social:</b> A well functioning HR service is critical to ensuring staff wellbeing, and ensuring that the council development the potential of its workforce and remains an employer of choice. HR capacity is also required to ensure the council's EDI, wellbeing and related ambitions (e.g. IIP) are fulfilled.</p> <p><b>Economic:</b> An effective HR function will ensure that we receive the best return on investment by aligning roles, responsibilities and performance frameworks with the council's goals. A robust Project and Programme framework will allow for investment opportunities to be more readily identified.</p> <p><b>Environmental:</b> The Projects team is material to developing carbon reduction projects, embedding climate change factors in decision making and project development. This team will also be progressing the systems work around incorporating SDGS and the capital programme. The OD team will be working to ensure we have a climate literate workforce, able to embed principles in their daily activities and that the specific skills needed in key roles are developed. Our HR team will be ensuring that</p>

		our climate commitments are embedded in our role descriptions,
Democratic Services	As with Human Resources, work on governance, and ensuring we align our support with member's ambition results in a small increase in its budget. This redresses a previous capacity reduction due to reorganisation.	<p><b>Social:</b> Team resources are essential to delivering well run elections, and ensuring that we have a robust forward plan, as well as ensuring that committees, groups and decision bodies have the support they need to run effectively. Ambitions around more inclusive democracy, community engagement (e.g. People's Jury) need to be developed and implemented as part of the wider Democratic Services Framework.</p> <p><b>Economic / Environmental:</b> Greater engagement on these matters will follow as a result of ensuring our engagement and democratic processes are effectively supported.</p>
Chief Executive's Office	<p>A funded post is proposed to support the development of strategic policies, plans and projects, working in a cross-cutting way across the Council, and with external stakeholders. This will also reduce pressures on services like Economic Development, reducing reliance on their capacity for cross cutting, strategic projects.</p> <p>A reserves provision to support commissioning and work around Local Government Reorganisation is proposed to ensure that we can play our part in shaping Lancaster City Council's place in the future of Local Government.</p>	<p>The core purpose of this role is to translate the Council's Priorities into its' policy, planning, delivery and reporting across all three priorities, and to ensure that they are progressed in an integrated way.</p> <p>The Local Government reorganisation presents a wide range of social, economic and environmental opportunities.</p>