

MEMBERS INTERESTS 2012

A Member with a disclosable pecuniary interest in any matter considered at a meeting must disclose the interest to the meeting at which they are present, except where it has been entered on the Register.

A Member with a non pecuniary or pecuniary interest in any business of the Council must disclose the existence and nature of that interest at commencement of consideration or when the interest becomes apparent.

Where sensitive information relating to an interest is not registered in the register, you must indicate that you have an interest, but need not disclose the sensitive information.

Please tick relevant boxes

Notes

	General		
1.	I have a disclosable pecuniary interest.	<input type="checkbox"/>	<i>You cannot speak or vote and must withdraw unless you have also ticked 5 below</i>
2.	I have a non-pecuniary interest.	<input type="checkbox"/>	<i>You may speak and vote</i>
3.	I have a pecuniary interest because it affects my financial position or the financial position of a person or body described in 10.1(1)(i) and (ii) and the interest is one which a member of the public with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice my judgement of the public interest or it relates to the determining of any approval consent, licence, permission or registration in relation to me or any person or body described in 10.1(1)(i) and (ii) and the interest is one which a member of the public with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice my judgement of the public interest	<input type="checkbox"/> <input type="checkbox"/>	<i>You cannot speak or vote and must withdraw unless you have also ticked 5 or 6 below</i> <i>You cannot speak or vote and must withdraw unless you have also ticked 5 or 6 below</i>
4.	I have a disclosable pecuniary interest (Dispensation 16/7/12) or a pecuniary interest but it relates to the functions of my Council in respect of: (i) Housing where I am a tenant of the Council, and those functions do not relate particularly to my tenancy or lease. (ii) school meals, or school transport and travelling expenses where I am a parent or guardian of a child in full time education, or are a parent governor of a school, and it does not relate particularly to the school which the child attends. (iii) Statutory sick pay where I am in receipt or entitled to receipt of such pay. (iv) An allowance, payment or indemnity given to Members (v) Any ceremonial honour given to Members (vi) Setting Council tax or a precept under the LGFA 1992	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<i>You may speak and vote</i> <i>You may speak and vote</i> <i>You may speak and vote</i> <i>You may speak and vote</i> <i>You may speak and vote</i> <i>You may speak and vote</i>
5.	A Standards Committee dispensation applies (relevant lines in the budget – Dispensation 20/2/13 – 19/2/17)	<input type="checkbox"/>	<i>See the terms of the dispensation</i>
6.	I have a pecuniary interest in the business but I can attend to make representations, answer questions or give evidence as the public are also allowed to attend the meeting for the same purpose	<input type="checkbox"/>	<i>You may speak but must leave the room once you have finished and cannot vote</i>

'disclosable pecuniary interest' (DPI) means an interest of a description specified below which is your interest, your spouse's or civil partner's or the interest of somebody who you are living with as a husband or wife, or as if you were civil partners and you are aware that that other person has the interest.

Interest

Prescribed description

Employment, office, trade, profession or vocation

Any employment, office, trade, profession or vocation carried on for profit or gain.

Sponsorship

Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M.

	This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to M's knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest.
Securities	Any beneficial interest in securities of a body where— (a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and (b) either— (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

"body in which the relevant person has a beneficial interest" means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest; "director" includes a member of the committee of management of an industrial and provident society;

"land" excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income; "M" means a member of a relevant authority;

"member" includes a co-opted member; "relevant authority" means the authority of which M is a member;

"relevant period" means the period of 12 months ending with the day on which M gives notice to the Monitoring Officer of a DPI;

"relevant person" means M or M's spouse or civil partner, a person with whom M is living as husband or wife or a person with whom M is living as if they were civil partners;

"securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

'non pecuniary interest' means interests falling within the following descriptions:

- 10.1(1)(i) Any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
- (ii) Any body (a) exercising functions of a public nature; (b) directed to charitable purposes; or (c) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union), of which you are a member or in a position of general control or management;
- (iii) Any easement, servitude, interest or right in or over land which does not carry with it a right for you (alone or jointly with another) to occupy the land or to receive income.
- 10.2(2) A decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a connected person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward, as the case may be, affected by the decision.

'a connected person' means

- (a) a member of your family or any person with whom you have a close association, or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in sub-paragraph 10.1(1)(i) or (ii).

'body exercising functions of a public nature' means

Regional and local development agencies, other government agencies, other Councils, public health bodies, council-owned companies exercising public functions, arms length management organisations carrying out housing functions on behalf of your authority, school governing bodies.

A Member with a personal interest who has made an executive decision in relation to that matter must ensure any written statement of that decision records the existence and nature of that interest.

NB Section 21(13) of the LGA 2000 overrides any Code provisions to oblige an executive member to attend an overview and scrutiny meeting to answer questions.

CABINET**HELD: 17 SEPTEMBER 2013**

Start: 7.30pm

Finish: 9.10pm

PRESENT:

Councillor I Grant (Leader of the Council, in the Chair)

Councillors		<u>Portfolio</u>
Mrs Hopley		Landlord Services and Human Resources
M Forshaw		Planning and Development
A Owens		Deputy Leader & Housing (Finance), Regeneration and Estates
D Sudworth		Health, Leisure and Community Safety
D Westley		Resources and Transformation

In attendance	Ashcroft	Dereli
Councillors:	Furey	Oliver

Officers

Managing Director (People and Places) (Mrs G Rowe)
Managing Director (Transformation) (Ms K Webber)
Assistant Director Housing and Regeneration (Mr B Livermore)
Assistant Director Community Services (Mr D Tilleray)
Borough Treasurer (Mr M Taylor)
Transformation Manager (Mr S Walsh)
Head of Leisure & Cultural Services (Mr J Nelson)
Planning Policy & Implementation Team Leader (Mr P Richards)
Organisational Re-Engineering Manager (Ms K Warmington)
Principal Planning Officer (Ms G Whitfield)
Senior Benefits Investigator (Mr N Elder)
Principal Member Services Officer (Mrs S Griffiths)

23. APOLOGIES

There were no apologies for absence.

24. SPECIAL URGENCY (RULE 16 ACCESS TO INFORMATION PROCEDURE RULES)/URGENT BUSINESS

There were no items of special urgency.

25. DECLARATIONS OF INTEREST

1. Councillor Sudworth declared a pecuniary interest in agenda item 5(f) (Strategic Asset Management Project) as part owner of a property adjoining land referred to in the report. He left the meeting during consideration of this item.
2. Councillor Owens declared a pecuniary interest in agenda item 5(b) (Council Housing Lease Arrangements) as a trustee of the Birchwood Centre and he left the meeting during consideration of this item.
3. Councillor Westley declared a non-pecuniary interest in agenda item 5(f) (Strategic Asset Management Project) as a member of Lancashire County Council.

26. MINUTES

RESOLVED: That the minutes of the meeting of Cabinet held on 18 June 2013 be approved as a correct record and signed by the Leader.

27. MATTERS REQUIRING DECISIONS

Consideration was given to the reports relating to the following matters requiring decisions as contained on pages 521 – 830 and 915 - 925 of the Book of Reports.

28. COMMUNITY INFRASTRUCTURE LEVY - DRAFT CHARGING SCHEDULE

Councillor Forshaw introduced the report of the Assistant Director Planning which proposed a Community Infrastructure Levy (CIL) draft charging schedule and sought approval to commence a six week consultation on the proposals prior to it being submitted to the Planning Inspectorate for Examination in Public.

A motion which was seconded was circulated by Councillor Forshaw.

In reaching the decision below, Cabinet considered the motion from Councillor Forshaw and the details set out in the report before it and accepted the reasons contained therein.

RESOLVED: A. That the comments received from the Executive Overview and Scrutiny Committee (Appendix 4) and Planning Committee (Appendix 5) be noted and the draft schedule at Appendix 2 to the report be approved and made available for public representation for a 6 week period in September – November 2013 (the consultation period).

- B. That delegated authority be granted to the Assistant Director Planning in consultation with the Portfolio Holder for Planning & Development, to make any amendments to the draft schedule before submitting it to the Planning Inspectorate for Examination in Public, together with all the representations received during the consultation period and a statement detailing any such modifications.
- C. That call-in is not appropriate for this item as the report has been considered by the Executive Overview and Scrutiny Committee on 4 July 2013.

29. COUNCIL HOUSING LEASE ARRANGEMENTS

Councillor Mrs Hopley introduced the report of the Assistant Director Housing and Regeneration which reviewed the approach for Council housing being made available to organisations under lease arrangements.

Councillor Mrs. Hopley referred to revised appendices A and B to the report and minute 14 of the meeting of the Landlord Services Committee (Cabinet Working Group) held on 11 September 2013 which were circulated at the meeting, and she submitted a motion which was seconded and was also circulated at the meeting.

In reaching the decision below, Cabinet considered the revised appendices A and B, the Minute of the Landlord Services Committee (Cabinet Working Group), the motion from Councillor Mrs Hopley and the details set out in the report before it and accepted the reasons contained therein.

- RESOLVED:
- A. That the principle that Council housing will be leased at social rent values, with the exemption of those leases in Appendix A, and the policy approach shown in Section 5 be approved.
 - B. That exceptions to the policy of charging social rent values be considered when an organisation provides a service of social and community benefit and can demonstrate that they cannot afford to pay social rent levels.
 - C. That the Assistant Director Housing and Regeneration be given delegated authority in consultation with the Portfolio Holders for Landlord Services and Human Resources and Housing (Finance), Regeneration and Estates to enter into leases of Council dwellings where below social rents are deemed appropriate and where this delegation is used, that it be reported via a Member Update and to the Landlord Services Committee.
 - D. That the Assistant Director Housing and Regeneration be given delegated authority to obtain all necessary consents, approvals and permissions and to enter into all necessary documentation.

30. BENEFIT FRAUD SANCTIONS AND PROSECUTIONS POLICY

The Leader introduced the report of the Transformation Manager which sought approval for the proposed updated Benefit Fraud Sanction and Prosecution Policy.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: A. That the updated Benefit Fraud Sanction and Prosecution Policy as detailed at Appendix 1 to this report be approved for implementation as soon as practicably possible.
- B. That the Managing Director (Transformation) keep the Benefit Fraud Sanction and Prosecution Policy under review in light of developments to the Single Fraud Investigation Service anticipated for 2014/15 and report to Cabinet with proposed amendments to the policy when more information becomes available.
- C. That delegated authority be given to the Managing Director (Transformation) in consultation with the Leader, to vary the application of the policy and the sanctions offered in instances where it is in the public interest, or all parties concerned, or as a result of comments received from the courts in respect of prosecutions.

31. USE OF SECTION 106 MONIES IN TARLETON

Councillor Sudworth introduced the joint report of the Assistant Director Community Services/Assistant Director Planning which considered a proposal regarding the use of Section 106 monies received from housing developers for the enhancement of public open space and recreation provision within the ward of Tarleton.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: That the proposed project to provide a new English Cricket Board Approved practice cricket net available for use by the community be approved and the Section 106 commuted sum of £10,000 generated in this area be made available towards the £20,500 cost of this project.

32. ABBEY LANE PLAYING FIELDS - TRANSFER TO COMMUNITY SPORTS CLUB

Councillor Sudworth introduced the report of the Assistant Director Community Services which considered the transfer of Abbey Lane playing fields to a community sports club and the associated proposed draft community use agreement.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: A. That the Assistant Director Community Services and the Assistant Director Housing and Regeneration in consultation with the Portfolio Holder for Health, Leisure and Community Safety and the Portfolio Holder for Housing (Finance), Regeneration and Estates be authorised to:

- (i) enter into and to grant a long term lease, subject to a Community Use Agreement, at a peppercorn rent to Burscough Juniors Football Club for the changing room and pitches located at Abbey Lane playing fields, as shown edged red on the attached plan, with provision for the club to seek funding for improvements to the site with restrictions that the site should be used for multi-sport activities and not restricted to single sport use.
- (ii) identify and engage a contractor to carry out the drainage works on the site.
- (iii) take all necessary steps, enter into all necessary agreements and to obtain any consents and permissions to facilitate the scheme.

B. That call-in is not available for this item as it has previously been considered by the Executive Overview and Scrutiny Committee on the 4th July 2013.

33. STRATEGIC ASSET MANAGEMENT PROJECT

Councillor Owens introduced the report of the Assistant Director Housing and Regeneration which updated Members on the progress of the Strategic Asset Management Project and advised on the outcomes of the Skelmersdale North ward and sites at Station Approach and Churchfields in Ormskirk, and sought authority for the disposal of assets.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: A. That the contents of the report, including the work undertaken by officers to date, and the progress on the assets previously identified for disposal be noted.

B. That the Assistant Director Housing and Regeneration be authorised to take the actions recommended in Appendix A, B and C in relation to the 93 sites in the Skelmersdale North ward together with 2 Churchfields, Ormskirk, which is an opportunity site.

C. That the sites set out in Appendix D that are no longer required for their current uses as set out in that Appendix be appropriated as required for regeneration purposes for the reasons set out in the report.

- D. That the Assistant Director Housing and Regeneration be authorised to take all necessary steps to appropriate the sites referred to in Appendix D and sign the memoranda of appropriation.
- E. That planning permission be sought for residential development on land off Station Approach, Ormskirk, together with improvements to the capacity of the Ormskirk railway station car park and recreational improvements to the adjacent woodland area, as detailed in paragraph 4.3.
- F. That if planning permission is granted for the development, a report be presented in the future to include detailed options for the long term management of the car park and the nature reserve and the disposal of the residential site.
- G. That an appropriate amount of the capital receipt for the sale of the residential land referred to in resolution F above be set aside to undertake the improvements to the capacity of the Ormskirk railway station car park, together with ecological and recreational improvements to the adjacent woodland area.
- H. That the decision to determine the appropriate amount to be set aside for the improvements be delegated to the Assistant Director Housing and Regeneration, in consultation with the Portfolio Holder for Housing (Finance), Regeneration and Estates and the Portfolio Holder for Resources and Transformation
- I. That the sites set out in Appendix E be re-categorised to category 2 given the recent decision made by the Homes and Communities Agency with regard to Clawback, as detailed in paragraph 4.7.
- J. That it be acknowledged that there will be some slippage in the previously agreed Ward Mapping Delivery Plan to allow for work on the Employment Area Remodelling Project to proceed.
- K. That funding of £10,000 be made available from contingencies to enable sites designated in previous reports as '1 – Seek to Dispose' along with those identified in Appendix A, to be progressed further as detailed in paragraph 8.2.

34. SUSTAINABLE ENERGY STRATEGY

Councillor Forshaw introduced the report of the Assistant Director Planning which presented the final draft of the Sustainable Energy Strategy that would assist in the delivery of carbon reduction and improved sustainability across the Borough.

Councillor Forshaw circulated a motion which was seconded which sought amendments to Chapter 3.0 (Renewable Energy) of the draft Strategy.

In reaching the decision below, Cabinet considered the motion of Councillor Forshaw and the details set out in the report before it and accepted the reasons contained therein.

- RESOLVED: A. That the Sustainability Energy Strategy appended to this report be approved and formally adopted subject to the removal of table 3.2.2 and associated commentary.
- B. That delegated authority be given to the Assistant Director Planning, in consultation with the Portfolio Holder Planning and Development, to assist in the delivery of the Strategy.

35. SEFTON LOCAL PLAN - PREFERRED OPTIONS CONSULTATION

Councillor Forshaw introduced the report of the Assistant Director Planning which outlined a proposed response to the Sefton Local Plan – Preferred Options Consultation.

A motion which was seconded was circulated by Councillor Forshaw.

In reaching the decision below, Cabinet considered the motion of Councillor Forshaw and the details set out in the report before it and accepted the reasons contained therein.

- RESOLVED: A. That the comments received from the Planning Committee be noted, and the proposed consultation response provided at Appendix A for submission to Sefton Council be approved.
- B. That call-in is not appropriate for this item due to the deadline for consultation responses of 27 September 2013.

36. QUARTERLY PERFORMANCE INDICATORS (Q1 2013/14)

Councillor Westley introduced the report of the Transformation Manager which presented performance monitoring data for the quarter ended 30 June 2013.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: A. That the Council's performance against the indicator set for the quarter ended 30 June 2013 be noted.
- B. That the call-in procedure is not appropriate for this item as the report is being submitted to the next meeting of the Corporate & Environmental Overview & Scrutiny Committee on 24 October 2013.

37. LICENSING ACT 2003 - EARLY MORNING RESTRICTION ORDER

Councillor Sudworth introduced the report of the Assistant Director Community Services which considered a request for funding in relation to the adoption procedure for an Early Morning Restriction Order for the Ormskirk area.

Councillor Sudworth circulated a motion, which was seconded.

In reaching the decision below, Cabinet considered the motion of Councillor Sudworth and the details set out in the report before it and accepted the reasons contained therein.

RESOLVED: That the funding detailed in paragraph 7.2 of the report for use in accordance with the decision of the Licensing and Gambling Committee of 30 July 2013 be approved.

38. RISK MANAGEMENT

Councillor Westley introduced the report of the Borough Treasurer which set out details on the key risks facing the Council and how they are managed.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: That the progress made in relation to the management of the risks shown in the Key Risks Register (Appendix A) be noted and endorsed.

39. REVENUE BUDGET POSITION

Councillor Westley introduced the report of the Borough Treasurer which set out key features on revenue budget performance in relation to the General Revenue Account (GRA) and the Housing Revenue Account (HRA).

Minute no. 12 of the Landlord Services Committee (Cabinet Working Group) held on 11 September 2013 was circulated at the meeting.

In reaching the decision below, Cabinet considered the minute of the Landlord Services Committee (Cabinet Working Group) and the details set out in the report before it and accepted the reasons contained therein.

RESOLVED: A. That the outturn position for the last financial year be noted and endorsed.

B. That the financial performance in the current year to date be noted.

- C. That call in is not appropriate for this item as the report is being submitted to the next meeting of the Executive Overview and Scrutiny Committee.

40. CAPITAL PROGRAMME OUTTURN 2012/13

Councillor Westley introduced the report of the Borough Treasurer which provided a summary of the capital outturn position for the 2012/2013 financial year.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: A. That the final position, including slippage, on the Capital Programme for the 2012/2013 financial year be noted and endorsed.

- B. That call-in is not appropriate for this item as the report is being submitted to the next meeting of the Executive Overview and Scrutiny Committee on 3 October 2013.

41. CAPITAL PROGRAMME MONITORING 2013/14

Councillor Westley introduced the report of the Borough Treasurer which provided an overview of the current progress on the Capital Programme.

Minute no. 13 of the Landlord Services Committee (Cabinet Working Group) held on 11 September 2013 was circulated at the meeting.

In reaching the decision below, Cabinet considered the minute of the Landlord Services Committee (Cabinet Working Group) and the details set out in the report before it and accepted the reasons contained therein.

RESOLVED: A. That the progress on the Capital Programme as at the end of July 2013 be noted.

- B. That call-in is not appropriate for this item as the report is being submitted to the next meeting of the Executive Overview and Scrutiny Committee on 3 October 2013.

42. PARKING ENFORCEMENT

Councillor Forshaw introduced the report of the Assistant Director Community Services which advised on the revised arrangements for parking enforcement adjudication.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: A. That Cheshire East be nominated as the replacement for Manchester City Council as lead authority in relation to the Parking and Traffic Regulation Outside London (PATROL) adjudication body.
- B. That the Assistant Director Community Services be authorised to administer the decriminalised parking arrangements and agree amendments to PATROL arrangements as appropriate.
- C. That call-in is not appropriate for this item in view of the immediate deadline for a response.

43. EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1, 2 & 3 of Part 1 of Schedule 12A of that Act and as, in all the circumstances of the case, the public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

44. MATTERS REQUIRING DECISION

Consideration was given to the reports relating to the following matters requiring decision contained on pages 831 -913 of the Book of Reports.

45. ORGANISATIONAL RE-ENGINEERING - PLANNING SERVICES MANAGEMENT REPORT

Councillor Forshaw introduced the joint report of the Assistant Director Planning and the Transformation Manager which considered the findings and recommendations for savings and service improvements within Planning Services.

Councillor Forshaw circulated a motion, which was seconded.

In reaching the decision below, Cabinet considered the motion of Councillor Forshaw, the details set out in the report and the reasons contained therein.

- RESOLVED: A. That the contents of the Organisational Re- Engineering – Planning Services Management Report Appendix 1 be noted.
- B. That with the exception of recommendation 1.b, the recommendations at Appendix 2 (as commented on within column 3 of the table) be approved, subject to any additional resource requirements being agreed in the future.

- C. That a two year fixed term graduate post be created at a budgeted cost of £30,450 per annum funded from the projected favourable budget variance on planning income.

46. SKELMERSDALE TOWN CENTRE REGENERATION - PROGRESS UPDATE

The Leader introduced the report of the Assistant Director Planning which informed of progress made in relation to the Skelmersdale Town Centre Project and sought authority to proceed with certain elements of the project.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: A. That the progress be noted.
- B. That the proposed way forward set out in the report in relation to the main Town Centre scheme in terms of periodic marketing of the supermarket led scheme and the disposal of the three housing sites, be endorsed.
- C. That delegated authority be granted to the Managing Director (Transformation), in consultation with the Leader and the Portfolio Holders for Planning and Development and Housing (Finance) and Regeneration and Estates to
- i) negotiate and agree amendments to the Skelmersdale Town Centre Development Agreement to allow the housing sites at Findon, Delf Clough and Skelmersdale Sports Centre to be brought forward for development, including the obtaining/granting of all licences, easements, permissions and all other matters necessary to facilitate the development;
 - ii) agree which tender St Modwen can accept; and
 - iii) agree a revised developer role for St Modwen in the delivery of the three housing sites and a commensurate revision to the proposed developer return.

Note

No representations had been received in relation to the above items being considered in private.

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LEADER



AGENDA ITEM: 5(a)

CABINET: 12 November 2013

Report of: Assistant Director Planning

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor M Forshaw

Contact for further information: Dominic Carr (Extn. 5194)

(E-mail: dominic.carr@westlancs.gov.uk)

SUBJECT: USE OF SECTION 106 MONIES FOR THE SKELMERSDALE & UP HOLLAND DEMAND RESPONSIVE TRANSPORT SYSTEM

Wards affected: Skelmersdale/Up Holland Wards

1.0 PURPOSE OF THE REPORT

1.1 To report on how the pilot demand responsive transport system has performed since the service came into operation on the 21 May 2012 and to consider the future of the scheme.

2.0 RECOMMENDATIONS

2.1 That the changes set out in paragraph 6.4 of this report be implemented and the pilot scheme be continued for a further 9 month pilot to assess the impact of those changes.

2.2 That one months notice be given to all individuals currently on the scheme who do not meet the revised membership criteria.

2.3 That the S106 contributions received from the KRM and Walkers (Pimbo) developments be used to support this service.

3.0 BACKGROUND

- 3.1 In order to help link employment and residential areas within Skelmersdale, over the past year, the Borough Council has been operating a Demand Responsive Transport System (DRTS), removing a barrier to local people gaining employment.
- 3.2 In January 2012 Cabinet gave approval to introduce a scheme operating between residential areas in Skelmersdale and Up Holland and the Pimbo Industrial Estate using S106 commuted sums. Following the initial pilot scheme, in January 2013 Cabinet gave further approval to continue for another 9 months (i.e. until Nov 2013) but for the scheme to be reviewed after the initial 6 months. Authorisation was also given to alter the cost and operational aspects of the scheme. In order to allow sufficient time to evaluate the performance of this service a decision was taken to continue the service until the November Cabinet meeting.
- 3.3 The previous Cabinet report (Jan 2013) detailed how the service would be operated including a detailed criteria for who could use the scheme, as well as the cost of the scheme, which increased from £2 to £2.50, with the exception of those who share journeys. Changes were also made to encourage more shared journeys in an attempt to bring the overall cost of the service down.

4.0 CURRENT POSITION

- 4.1 The service started on 21 May 2012 and initially had relatively low numbers. However, as the service became established, passenger numbers steadily grew as further publicity raised awareness.
- 4.2 When Cabinet last considered the DRTS scheme (Jan 2013), due to the high number of users of the scheme (175) and the difficulty in getting shared journeys, the cost of the scheme had increased and the predicted cost of the scheme was higher than initially expected. At that time, the predicted cost of operating the scheme for a further 9 months was running at £30,745 without any further interventions being introduced.
- 4.3 The scheme is currently serving over 13 different companies on Pimbo industrial estate ranging from large multinationals to smaller local firms. Some of the firms the scheme is serving include Walkers, ASCO, Salads to Go, Hotters Shoes and Redwood, amongst others.
- 4.4 Feedback provided by the Job Centre Plus states that *“the service is promoted by all staff (at Job Centre Plus) when dealing with the unemployed, and it has proved a very popular service, ensuring people can get to their place of work on time. Without the service many of our customers would have been unable to get to jobs. We have a number of queries about it or when the service will expand to cover Stanley Industrial Estate. We have had no negative comments about the service.”*

- 4.5 A number of options were presented at the previous meeting to Cabinet to try and reduce the overall running cost of the service to a more sustainable level. These options included:
1. Raising the fare of the proposed service from £2 per journey to £2.50 or £3.
 2. Include new criteria to ensure that only those who need to use the scheme enter it.
 3. Limiting the number of passengers using the scheme and only allowing a new member (employees or unemployed people using the service to get to work/attend a job interview) to enter the scheme once a member has left.
 4. Improving the efficiency of the service further.
- 4.6 A number of financial appraisals were also included. After consideration Cabinet decided to increase the cost of the service from £2 to £2.50 with the exception of those journeys that are shared and to allow the Assistant Director Planning, in consultation with the Portfolio Holder for Planning & Development, to review and amend the Membership criteria of the proposed scheme.
- 4.7 As such, the cost was increased and officers wrote to companies with employees using the scheme, to request details of their employees using the scheme. The results of this information show that:
- The modal wage banding for those using the scheme was £12,500-£14,999
 - There were 14 members using the scheme that are earning above £17,500
- 4.8 Since Cabinet decided to increase the contribution of passengers to £2.50 in January 2013, it can be seen in Table 1 below that the cost of subsidising the scheme has been between approximately £2,700 and £3,200 per four-week period, and an average of £2,989.72 per four-week period. In order to forecast predicted costs and operational performance of the scheme for a further 12 months, the average figures for the scheme from 17 February 2013 to 3 August 2013 have been used in Table 2.

(Note for following table: As with costs in the previous report one passenger pays an additional fee as she drops her child off on the way to school. This additional fee is paid by the employee and not the scheme)

Table 1: Cost of the service from the start of operation to August 2013

Period	Dates	Mileage	Journeys	Passenger journeys	Gross Revenue (£)	Gross Cost (£)	Council Subsidy (£)	% of journeys shared
9	13/05/12 - 09/06/12	407.5	115	115	230.00	591.30	361.30	0%
10	10/06/12 - 07/07/12	1,774.0	538	538	1,076.00	2,821.50	1,745.50	0%
11	08/07/12 - 04/08/12	2,816.4	895	895	1,790.00	4,530.00	2,740.00	0%
12	05/08/12 - 01/09/12	3,442.9	1076	1150	2,300.00	5,494.90	3,194.90	6.9%
13	02/09/12 - 29/09/12	3,432.7	1033	1133	2,266.00	5,430.40	3,164.40	9.7%
1	30/09/12 - 27/10/12	3,615.9	1214	1353	2,774.40	6,122.20	3,347.80	11.4%
2	28/10/12- 24/11/12	3,318.9	1034	1129	2,311.20	5,071.90	2,760.70	9.2%
3	25/11/12- 22/12/12	4,187.3	1190	1424	2,918.20	6,511.60	3,593.40	19.7%
4	23/12/12- 19/01/13	2,920.2	848	1023	2,093.50	4,568.00	2,474.60	20.6%
5	20/01/13- 16/02/13	4,163.5	1241	1500	3,152.50	6,742.00	3,594.50	20.9%
6	17/02/13- 16/03/13	4,232.6	1299	1518	3,623.60	6,847.30	3,223.70	16.9%
7	17/03/13- 13/04/13	3,725.7	1135	1322	3,153.10	6,100.30	2,947.20	16.5%
8	14/04/13- 11/05/13	3,753.3	1118	1341	3,176.80	6,074.70	2,895.40	19.9%
9	12/05/13- 08/06/13	4,014.5	1203	1403	3,372.00	6,549.40	3,177.40	16.9%
10	09/06/13- 07/07/13	3,977.6	1185	1386	3,326.40	6,355.90	3,029.50	17%
11	08/07/13- 03/08/13	3,402.1	1074	1217	2,960.00	5,625.10	2,665.10	13.3%
Total		53,185.0	16198	18447	40,523.70	85,436.50	44,912.80	13.9%

Table 2: predicted costs of operating the service for a further 12 months

	Mileage	Journeys	Passenger journeys	Gross Revenue (£)	Gross Cost (£)	Council Subsidy (£)
Average per four-week period	3,850.97	1169	1364.5	3,268.65	6,258.78	2,989.72
Total for a further 13 four-week periods	50,062.57	15197	17,738.5	42,492.45	81,364.18	38,866.32

4.9 Table 2 shows that, without any additional interventions, the predicted cost of continuing the service for an additional 13 four-week periods (12 months) would be £38,866.

4.10 Therefore, although this scheme is providing some real benefits, it is clear that at current costs the scheme is unsustainable in the long term. In order to continue the service, costs must be significantly reduced.

5.0 EVALUATION OF HOW THE SERVICE HAS PERFORMED

5.1 From looking at the number of users of the service it is clear that this service is proving popular with employees and has helped a number of employees enter and maintain employment. Previous comments from Pepsico Walker Ltd and comments from the Job Centre Plus have helped support the case for continuing the service. However, given the cost of the service, it is clear that to continue this service a decision needs to be made to further reduce the cost.

5.2 Table 1 reveals that the number of journeys being shared has increased from originally no shared journeys, to between 16% and 21% of journeys being shared since November 2012 (with the exception of the most recent 4-week period). Although this is below the 30% expected in the last Cabinet report, this is realistic given the number of different locations and shift patterns involved. Officers at LCC are continuing to monitor this aspect of the scheme and ensure that all journeys that realistically can be shared are being shared.

5.3 Although the number of shared journeys has increased and revenue has been increased by raising the cost of the service, costs have gone up more than expected due to the fact that membership of the scheme has continued to grow. At the time of Cabinet's last decision in January 2013 the scheme had 175 members; however, since the last report membership has grown to 264 members, although not all of the members use the scheme regularly.

Costs of the project to date

- 5.4 In order to make the scheme more sustainable in the long term a further range of options needs to be considered to either reduce running costs and/or increase revenue.
- 5.5 The Council has already increased the cost of the service and could consider increasing the cost further. However, given the overall aim of the service is to help get those in most need into employment, a further cost increase could make the service less accessible to those in greatest need and as such has been ruled out. Similarly, to avoid restricting those in greatest need of the service Cabinet has previously ruled out limiting the number of passengers able to use the scheme.
- 5.6 LCC officers have already reminded the taxi operator that journeys must be booked at least 24 hours in advance, allowing sufficient time to arrange for shared journeys and have set realistic targets for the taxi operator in regards to ensuring that journeys are shared. This has reduced the number of single journeys and has helped reduce running costs. However, given that residents live in different areas and may have differing start and finish times it has proven more difficult than anticipated for journey to be shared.

6.0 FURTHER RECOMMENDED CHANGES TO THE SERVICE

- 6.1 The purpose of the DRTS scheme is to help those entering employment who would otherwise struggle to access their place of employment by other means of transport. Given that quite a number of members of the scheme are earning more than £17,500 (gross) a year, it could be considered that those members are in a position (because of their higher salary) to find alternative means of transport to work, and so do not entirely fit with the original purpose of the scheme. As such, a further change to the service could be to limit membership to those with an annual gross income of less than £17,500. This would reduce the membership somewhat and so reduce the overall cost of the service.
- 6.2 A further change to the service to make the scheme more sustainable is to limit the duration of membership. Officers believe that the first 6 months of any employment is the most critical when new employee and therefore propose that membership of the Scheme be limited to this time period. This would allow the scheme to still serve those in greatest need for a 6 month period i.e. when they start their new job, thus providing sufficient assistance to allow someone to be in a position to get to work using the scheme in the short-term while they find a longer-term solution to getting to work e.g. car or taxi sharing with a colleague, or purchase of own bike or car.
- 6.3 Officers have also approached companies whose employees are using the scheme, to ask if they would consider paying the membership for their employees. This would reduce the level of subsidy that the Council would have to contribute to the scheme. However, there appears to be little appetite for this. As such, this option has been ruled out.
- 6.4 Therefore, after careful consideration, officers believe that the only further changes to the service that would be appropriate are:

- The annual gross income of users of the scheme must be less than £17,500. It is believed that someone earning £17,500 and above should be in a position to afford their own transport. Those people already on the scheme who are earning £17,500 or more will be allowed to stay on the scheme for one further month after the date the letter is sent out to all members advising them of the change.
- People may be members of the scheme for 6 months only, from the date the original acceptance letter for the scheme was sent out to them. Those people who have already been on the scheme for 5 months or more will be allowed to stay on the scheme for one further month after the date the letter is sent out to all members advising them of the change.

6.5 Although it is extremely difficult to predict future costs and demand, it is believed that the proposed interventions will likely result in a reduction in the membership of the scheme and therefore make a noticeable reduction in the overall cost of the service. While the new membership criteria may reduce the number of users of the scheme, this should ensure that the scheme only targets those in greatest need. Ultimately, transport services such as this will always require a subsidy, but it is believed that the proposed changes will significantly reduce the overall running costs of the service and bring the cost of the service down to a more realistic and sustainable amount.

7.0 FUNDING THE SERVICE

7.1 The future subsidy for operating the service over the next 12 months, at current costs, has been predicted to cost the Council £38,866. However, with the proposed changes this figure should be significantly reduced. By introducing the above recommendations officers consider that the scheme would be tailored to specifically target those in greatest need (i.e. members of the public who are entering employment and need transportation help getting to work), whilst removing those individuals who are in a position to afford alternative transport. It is hoped the proposed changes to the service will allow the scheme to be operated in a far more sustainable manner. While the above recommendations for alterations to the service would, if taken forward, likely reduce the cost to the Council, there would still be a need to identify funding to continue to subsidise the service.

7.2 The Council has S106 funding from Walkers (£84,407) and KRM (£45,000) which would be used to fund this service.

8.0 CONCLUSIONS

8.1 Clearly, this scheme is providing real benefits to the local community by providing an affordable alternative transport solution; allowing local residents who are most in need to access the local jobs market. However, the scheme in its present form is not sustainable for more than 2-3 years. In order to extend its longevity, there is a need to make the significant changes to its operation as set out above.

8.2 I believe the proposed changes will make the scheme far more cost effective and propose that the pilot scheme be extended for a further 9 months, with a review after the initial 6 months of the success or otherwise of the revisions to the scheme. This information will then inform a subsequent report to Cabinet to decide the future of the scheme.

9.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

9.1 If successful, the Demand Responsive Transport System will meet many of the aims of the Sustainable Community Strategy. It will assist in getting people to work and will reduce the use of private cars and therefore reduce the amount of carbon emitted. Thus it will have economic, environmental and social benefits.

10.0 FINANCIAL AND RESOURCE IMPLICATIONS

10.1 The continuation of the scheme will require public subsidy to function. However, this can be funded through existing S106 monies specifically acquired for such a scheme.

11.0 RISK ASSESSMENT

11.1 There is a risk that the operating costs of the scheme will not be able to be lowered to a sustainable amount.

11.2 Some of the Section 106 funding is ring-fenced specifically for improvements to public transport within Skelmersdale and must be spent within a set timescale for schemes such as the DRTS to avoid having to be repaid to the developers.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Article.

Equality Impact Assessment

There is a significant direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account when undertaking the actions detailed within this article.

Appendices

Appendix 1- Equality Impact Assessment

Appendix 1

Equality Impact Assessment - process for services, policies, projects and strategies

<p>1. Using information that you have gathered from service monitoring, surveys, consultation, and other sources such as anecdotal information fed back by members of staff, in your opinion, could your service/policy/strategy/decision (including decisions to cut or change a service or policy) disadvantage, or have a potentially disproportionately negative effect on, any of the following groups of people:</p> <p><i>People of different ages – including young and older people</i> <i>People with a disability;</i> <i>People of different races/ethnicities/ nationalities;</i> <i>Men; Women;</i> <i>People of different religions/beliefs;</i> <i>People of different sexual orientations;</i> <i>People who are or have identified as transgender;</i> <i>People who are married or in a civil partnership;</i> <i>Women who are pregnant or on maternity leave or men whose partners are pregnant or on maternity leave;</i> <i>People living in areas of deprivation or who are financially disadvantaged.</i></p>	<p>No</p>
<p>2. What sources of information have you used to come to this decision?</p>	<p>A detailed analysis of the performance of the pilot scheme has taken place. This includes detailed spreadsheets provided by Lancashire County Council showing the operational performance of the service.</p> <p>Lancashire County Council public transport officers, the Job Centre Plus and local companies have also been consulted.</p>
<p>3. <i>How have you tried to involve people/groups in developing your service/policy/strategy or in making your decision (including decisions to cut or change a service or policy)?</i></p>	<p>As part of the evaluation of the service I have consulted with a number of organisations involved in the scheme including LCC and some of the organisations benefitting from the service.</p>
<p>4. <i>Could your service/policy/strategy or decision (including decisions to cut or change a service or policy) help or hamper our ability to meet our duties under the Equality Act 2010? Duties are to:-</i></p> <p>Eliminate discrimination, harassment and victimisation; Advance equality of opportunity (removing or minimising disadvantage, meeting the needs of</p>	<p>The proposed scheme is designed to increase accessibility within Skelmersdale in order to help people access employment and in doing so should help meet the Council's duties under the Equality Act 2010.</p>

people); Foster good relations between people who share a protected characteristic and those who do not share it.	
5. <i>What actions will you take to address any issues raised in your answers above?</i>	Not applicable



AGENDA ITEM: 5(b)

CABINET: 12 November 2013

Report of: Assistant Director Planning

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor M Forshaw

**Contact for further information: Dominic Carr (Extn. 5194)
(E-mail: dominic.carr@westlancs.gov.uk)**

SUBJECT: USE OF SECTION 106 MONIES IN SKELMERSDALE

Wards affected: Skelmersdale/Up Holland Wards

1.0 PURPOSE OF THE REPORT

- 1.1 To inform Members of the progress made into looking to provide a cycle to work scheme providing job seekers with a grant to purchase a bicycle.
- 1.2 To seek authorisation to proceed with a pilot scheme funded through S106 commuted sums.

2.0 RECOMMENDATIONS

- 2.1 That delegated power be granted to the Assistant Director Planning in consultation with the Portfolio Holder for Planning and Development to take all necessary action to set up and run a pilot 'cycle to work' scheme ("the Scheme") for a period of 9 months and to agree with possible partners, the most cost effective mechanism for administering the Scheme.
 - 2.2 That the S106 contribution from the Pepsico Walkers (Pimbo) development be used to develop and run the Scheme.
-

3.0 BACKGROUND

- 3.1 In order to help improve connectivity and help those seeking employment in Skelmersdale access work, the Borough Council has been developing a range of options to help link residential and employment areas, utilising available S106 funds. To date, these options have included the provision of new and the enhancement of existing cycle/footpaths and the setting up of a pilot Demand Responsive Transport Service (DRTS). However, in order to offer a more comprehensive range of options and to provide a level of choice, officers have been investigating the possibility of setting up a cycle to work scheme, in which job seekers, will receive a grant to assist them purchase a bike from a nominated supplier.
- 3.2 Similar cycle to work schemes have been set up by other authorities seeking to provide transport choices to job seekers, and feedback has generally been positive with many schemes reporting that they have proved popular and helped a number of people into work. There have also been secondary benefits of such schemes with health and environmental benefits being seen. Officers have met with colleagues at LCC and Merseytravel to investigate how a scheme could work in West Lancashire and look at potential benefits.

4.0 CURRENT POSITION

- 4.1 Officers have investigated a range of providers of bikes, to work with, to deliver this service from small local companies to larger organisations that may be able to provide the bikes required.
- 4.2 However, after evaluating the different services available, including the cost and given the relatively short distances involved (which should be no more than a 30 minute bike ride from any given location) it's considered that the most cost effective solution of providing such assistance to job seekers would be through the provision of a grant of £50 to purchase a reconditioned bike.
- 4.3 We are aware that there are companies who provide reclaimed bikes in and around West Lancashire and that the cost of these reclaimed bikes is normally below £50.
- 4.4 Although these bikes are reclaimed they will conform to the relevant British Standards and will be guaranteed by the company selling them. It is believed that these bikes will be more than capable of travelling the distances between Skelmersdale/ Up Holland and employment areas in Skelmersdale.
- 4.5 The introduction of the proposed one of grant to purchase a reconditioned bike would not only provide assistance to people accessing the job market it will also be supporting existing enterprises involved in the recycling of bikes thereby helping to maintain existing jobs.

- 4.6 Members of the public who use the Scheme will be strongly advised to purchase and use safety equipment such as helmets, however the decision on the use of safety equipment will ultimately be up to the individual (whilst wearing helmets is advised they are not required by law). As we are simply providing job seekers with a grant to assist them purchase a bike, there should not be any liability issues such as requiring additional insurance that needs to be considered.
- 4.7 Although officers originally considered operating a service where bikes were lent or allocated to job seekers and collected when their employment ceased, the management aspect proved to difficult to implement with particular issues over collection of bikes/storage/insurance etc. As such, it was decided that the easiest and most cost effective manner of providing a cycle scheme would be through the operation of the proposed grant scheme. The proposed grant could only be redeemed at named suppliers. The bikes would be the property of the job seeker and they would be responsible for maintenance/upkeep and security. There would be no additional grants for bikes that become damaged/are stolen.
- 4.8 In order to ensure that grants are targeted at those with genuine need, there will be a strict criteria for eligibility. This will very much reflect the criteria used in determining eligibility to access the current DRTS scheme. This criteria will include;
- Applicants cannot make the journey reasonably on the existing public transport network.
 - Applicants live within either Skelmersdale or Up Holland as defined within Map A (Appendix A)
 - Applicants require the bike in order to access employment on the Pimbo Industrial Estate.
 - Applicants gross income shall not exceed £17,500.
 - The grant can only be used for the purchase of a bike/associated H&S equipment and cannot be used for any other purpose.
 - The grant cannot be sold to any other individual.
 - The grant will be available to persons leaving the DRTS.

And also:

- Applicants have been referred to this service by Job Centre Plus or a private employment/recruitment company as somebody whom transport has presented an obstacle to entering work
- Only one grant is available to purchase a bike (enforced through the requirement of photo identification).

5.0 MANAGEMENT OF THE SCHEME

- 5.1 Users of this scheme would have to meet the eligibility criteria set out in paragraph 4.9. Officers at LCC have indicated that they could not assist with the management of this scheme and as such checking that members are eligible

and the issuing of the grants and paying grants to the nominated company would have to be done by officers at WLBC.

- 5.2 In order to ensure that the grant was being used by the individual recommended by the job centre/HR company, the applicant would have to produce photo ID at the shop providing the bikes.

6.0 ESTIMATED COSTS OF THE SERVICE

- 6.1 Given that this is a new service it is difficult to estimate how many people would take up the offer of the grant. However, as an example, costs have been calculated assuming that the take up levels will be the same as the DRTS which offers an alternative means of transport to job seekers.
- 6.2 The DRTS currently has 248 members and has been operating for over 15 months. If we assume that we had the same level of demand for the cycle to work scheme, the cost of the service would be £12,400. However, if we look at this as an annual figure the running cost would be £9,920. Although this estimated cost is far lower than the cost of the DRTS I believe that in reality the take up levels would be far lower (as cycling may not appeal to some people and in the winter months cycle usage and sales generally reduce).
- 6.3 The management of this scheme will involve checking criteria of members, issuing of grants and paying invoices. Officers will agree with possible partners, the most cost effective mechanism for administering the Scheme.

7.0 PROCURING THE SERVICE

- 7.1 Officers will contact local enterprises who they are aware provide recycled bikes and also seek further expressions of interest through newspaper advertising.

8.0 FUNDING THE SERVICE

- 8.1 The Council currently has S106 contributions from the Pimbo industrial estate and Whitemoss, which can be used to support this service. From the Walkers development we have £84,407 and from Maple View we have £12,505.
- 8.2 However, given that we are looking to operate an initial pilot scheme and Pimbo is the larger employment area it is suggested that we use developer contributions from Pimbo, and as such, the service would be limited to job seekers securing work on the Pimbo industrial estate.

9.0 CONCLUSIONS

- 9.1 Clearly, this scheme has the potential to provide some real benefits to the local community, by providing an affordable and sustainable alternative transport

solution; allowing local residents who are most in need to access the local jobs market. This service also has potential to provide social and environmental benefits

9.2 However, given the finite S106 contributions available to the Council we need to ensure it is spent on schemes that are both cost effective and deliver on the objective of assisting local people in securing employment. I therefore propose that the Council set up a pilot to run for an initial 9 month period but be reviewed after the initial 6 months, in order to allow officers time to analyse the performance of the scheme. This information will then inform a subsequent report to Cabinet to decide to either cease the service, continue it in its current form or amend the service.

9.3 In conclusion, I believe that the setting up of this scheme will build on the measures currently operated by the Council and its partners to assist people to secure employment. It also has the potential to help employers overcome recruitment and retention issues. .

10.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

10.1 If successful, this scheme should meet many of the aims of the Sustainable Community Strategy. It will assist in getting people to work and will reduce the use of private cars and therefore reduce the amount of carbon emitted. Thus it will have economic, environmental and social benefits.

11.0 FINANCIAL AND RESOURCE IMPLICATIONS

11.1 The continuation of the scheme will require public subsidy to function. However, this can be funded through existing S106 monies specifically acquired for such a scheme.

12.0 RISK ASSESSMENT

12.1 There is a risk that the operating costs of the scheme will not be able to be lowered to a sustainable amount.

12.2 Some of the Section 106 funding is ring-fenced specifically for improvements to public transport within Skelmersdale and contractually will have to be returned to developers if not spent within a set timescale for schemes such as the cycle to work scheme.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Article.

Equality Impact Assessment

There is a significant direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account when undertaking the actions detailed within this article.

Appendices

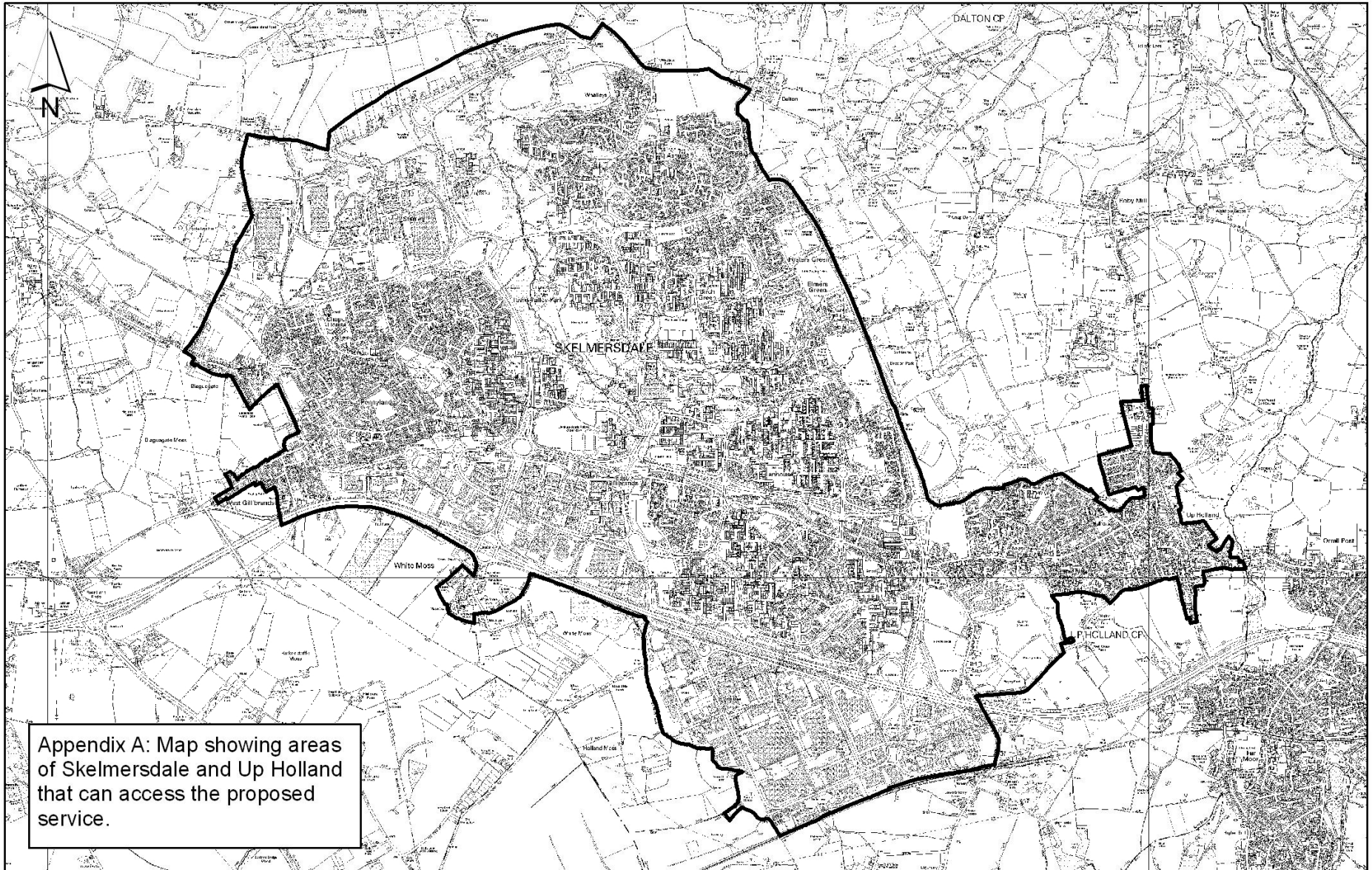
Appendix 1- Equality Impact Assessment

Appendix A- Map showing the areas that can access the proposed scheme

Appendix 1

Equality Impact Assessment - process for services, policies, projects and strategies

<p>1. Using information that you have gathered from service monitoring, surveys, consultation, and other sources such as anecdotal information fed back by members of staff, in your opinion, could your service/policy/strategy/decision (including decisions to cut or change a service or policy) disadvantage, or have a potentially disproportionately negative effect on, any of the following groups of people:</p> <p><i>People of different ages – including young and older people</i> <i>People with a disability;</i> <i>People of different races/ethnicities/ nationalities;</i> <i>Men; Women;</i> <i>People of different religions/beliefs;</i> <i>People of different sexual orientations;</i> <i>People who are or have identified as transgender;</i> <i>People who are married or in a civil partnership;</i> <i>Women who are pregnant or on maternity leave or men whose partners are pregnant or on maternity leave;</i> <i>People living in areas of deprivation or who are financially disadvantaged.</i></p>	<p>No</p>
<p>2. What sources of information have you used to come to this decision?</p>	<p>An analysis of similar schemes has taken place and officers have met with officer at LCC and Merseytravel to investigate how similar schemes have worked.</p>
<p>3. <i>How have you tried to involve people/groups in developing your service/policy/strategy or in making your decision (including decisions to cut or change a service or policy)?</i></p>	<p>As part of the evaluation of the service I have consulted with a number of organisations involved in the scheme including LCC and Merseytravel</p>
<p>4. <i>Could your service/policy/strategy or decision (including decisions to cut or change a service or policy) help or hamper our ability to meet our duties under the Equality Act 2010? Duties are to:-</i></p> <p>Eliminate discrimination, harassment and victimisation; Advance equality of opportunity (removing or minimising disadvantage, meeting the needs of people); Foster good relations between people who share a protected characteristic and those who do not share it.</p>	<p>Although some disabled people may be able to benefit from this scheme, some severely disabled people may not be able to operate a bicycle and therefore may not be able to benefit from this service.</p>
<p>5. <i>What actions will you take to address any issues raised in your answers above?</i></p>	<p>Any disabled people who need assistance getting to work and cannot use ride a bike should be able to benefit from alternative schemes such as the Demand Responsive Transport System</p>





AGENDA ITEM: 5(c)

CABINET: 12 November 2013

Report of: Borough Treasurer

Relevant Managing Director: Managing Director (People and Places)

Relevant Portfolio Holder: Councillors D Westley & Councillor A. Owens

**Contact for further information: Marc Taylor (Extn. 5092)
(E-mail: Marc.Taylor@westlancs.gov.uk)**

SUBJECT: REVENUE BUDGET MID YEAR REVIEW

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To provide a projection of the financial position on the General and Housing Revenue Accounts to the end of the financial year.

2.0 RECOMMENDATIONS TO CABINET

- 2.1 That the financial position of the Revenue Accounts be noted including the position on reserves and balances.
- 2.2 That call-in is not appropriate for this item as the report is being submitted to the next meeting of the Executive Overview and Scrutiny Committee on 28th November 2013.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

- 3.1 That the financial position of the Revenue Accounts be noted.
-
-

4.0 BACKGROUND

- 4.1 In February the Council approved budgets for the Housing and General Revenue Accounts for the current financial year. It is good practice that monitoring reports are produced on a regular basis to ensure that Members are kept informed of the position of these accounts and of any significant financial issues. This is the second monitoring report for the year and is based on information available in October 2013.

5.0 GENERAL REVENUE ACCOUNT

- 5.1 The Council has set a net revenue budget of £13.972m for the year. In total, current projections forecast that net expenditure will be £435,000 below this target, which represents a favourable variance of 3.1% against budget. The projections have been calculated on a prudent basis and experience from past years suggests that the overall position may improve further over the remainder of the year. The Appendix to this report provides further details on the performance of individual service areas.
- 5.2 The Council's Business Plan sets out a four-year process to save money and protect frontline services within a very challenging financial environment. As part of this process, the Budget that was agreed for this year included a range of savings measures including £0.5m through the Major Service Review (MSR) process. While a number of these initiatives have been delayed, the majority have been delivered on time or ahead of schedule, and as a consequence the MSR savings target should be exceeded.
- 5.3 Employee costs form a significant proportion of the Council's total budget and consequently are very important from a budget management perspective. The budget contains a corporate target for staff efficiency savings of £280,000, and the active management of staffing levels will mean that this target should be achieved by the year end.
- 5.4 The external income that the Council generates can be one of the most volatile areas of the budget, with income going up and down due to factors outside our direct control. However at the current time, while there is some variation in certain areas, income levels are generally in line with budget targets.
- 5.5 There are a number of services where income is currently performing below the budget target including Car Parks pay and display income and Market rents. However these variances are not significant in the context of the Council's overall financial position, and consequently external income levels in general are currently satisfactory.
- 5.6 There remain a number of risk areas within the budget where there is uncertainty at the current time. These areas include Pension Auto Enrolment, Individual Electoral Registration, the impact of Benefit Reform and legal challenges concerning Local Search income in previous years. These areas will continue to be closely monitored.

- 5.7 The strong financial performance that was delivered in 2012-13 has been carried forward into the current year and it can be confidently expected that the Council will achieve a surplus by the year end. This will continue our strong track record of managing financial performance to meet budget targets. It is intended that this funding will be used for a range of matters including the potential requirements of: the ICT strategy that is being developed, additional investment in the Moor Street project, the Economic Development Strategy, and Skelmersdale Town Centre Environmental Improvements. Consideration will be given to these and any other items that are identified and firm proposals reported back to Members in due course.
- 5.8 Where financial issues have been identified through the mid-year review process, and are expected to persist, they will be given further consideration through the budget setting process for 2014-15.

6.0 HOUSING REVENUE ACCOUNT (HRA)

- 6.1 The Council approved an external income budget for the HRA of £25.141m for this financial year. Right to Buy sales and void rates heavily influence the amount of income generated and these have caused a number of significant adverse impacts to date.
- 6.2 There were 20 Right to buy Sales allowed for when the budget was set, which was in line with recent trends. However due to government changes on the maximum discount allowable and the increased availability of mortgages, the number of sales at the mid year point has already exceeded the target for the year. While this has the effect of reducing HRA income it does however increase the available receipts for capital investment.
- 6.3 In respect of voids, there have been a number of issues that have impacted on void levels and turnaround in the first half of the year. A decision was taken to improve the standard of kitchens in void properties to bring them into line with those properties being improved within the capital investment programme (where required). While this is a positive new development, it has taken some time to introduce this approach and a number of problems have been encountered. An improvement plan has now been established to resolve these matters and void levels should reduce accordingly in the second half of the year. In addition, several voids have required significant structural works that has also had an adverse impact.
- 6.4 On the positive side, the active management of staffing levels combined with the higher level of professional fees being charged through to the much increased capital programme will ensure a significant favourable budget variance this year. Expenditure in other areas is being effectively controlled, and while there are a range of variances across different budget areas, there is a favourable bottom line position. This has enabled a £10,000 budget to be allocated towards extra maintenance on garages, which will enable an assessment to be made on how

much difference this extra maintenance could have on demand rates. The latest projected outturn figures forecast an overall favourable budget variance of £150,000 although there is still scope for further change to take place over the remainder of the year.

- 6.5 The District Wide Heating Service is a ring fenced account that must break even over the medium term without being subsidised, or in other words the charges for this service must cover its costs. This Service operated at a loss in 2012-13, which was met from the Heating Charges Reserve. It is expected that this reserve will need to be used again to meet a loss in the current year. Consequently consideration will need to be given to how and when charges should be increased to ensure that the Service achieves a break even position over the medium term.

7.0 RESERVES AND BALANCES

- 7.1 The Council is facing a difficult medium term financial position as are all other local authorities. However the latest financial resilience report from our External Auditors shows that the Council has a prudent level of reserves and balances that is comparable to similar authorities.
- 7.2 Further consideration will be given to this area as part of the process for drawing up the Reserves policy, which will be included in the Budget report to Council next February.

8.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 8.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder. The report has no significant links with the Sustainable Community Strategy.

9.0 RISK ASSESSMENT

- 9.1 The formal reporting of performance on the General and Housing Revenue Accounts is part of the overall budgetary management and control framework that is designed to minimise the financial risks facing the Council.
- 9.2 The projected variances contained in this report reflect current estimates of the likely difference between spending or income and budget for the full financial year. These estimates are based on current data and are subject to change as new information becomes available, and in particular external income levels can be volatile.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

Appendix 1 – General Revenue Account Projected Outturn Position

Appendix 2 - Minute of Landlord Services Committee Cabinet Working Group 6
November 2013 (to follow)

**APPENDIX 1
GENERAL REVENUE ACCOUNT PROJECTED OUTTURN POSITION**

Budget area	Net Budget £000	Variance from Budget £000	Variance %
Community Services	4,598	-70	-1.5%
Corporate Services			
- Borough Solicitor	1,198	-35	-2.9%
- Borough Treasurer	1,104	-35	-3.2%
- Transformation Manager	1,750	-30	-1.7%
Housing and Regeneration	332	-160	See note
Planning Services	1,525	-120	-7.9%
Street Scene	5,017	-75	-1.5%
Service Total	15,524	-525	-3.4%
Central Budget Items	-88	135	See note
Non Service Items	-1,465	-45	-3.1%
TOTAL BUDGET REQUIREMENT	13,971	-435	-3.1%

Table Notes

The budget figures for each Service have been updated to include capital accounting adjustments and the allocation of central budget items to services. These are technical accounting adjustments that do not affect the bottom line budget requirement, which has remained unchanged during the year at £13.971m.

Housing and Regeneration has a relatively small net budget requirement because it contains Property Services which is a support service that recharges most of its costs to other services, and also the Community Related Assets portfolio, which generates a significant amount of external income.

General

It should be recognised that some areas of the budget are within the Council's control, for example the filling of vacant posts to achieve salary savings. However other areas such as external income can be volatile where we are exposed to market forces. In addition some service areas are demand led where it can be difficult to directly control expenditure.

Community Services – Favourable variance £70,000

The financial performance of the Service is progressing well with the largest single contributory factor being managed savings on staffing. The bottom line projection for the Service is to achieve a favourable budget variance of £70,000 at the year end.

Income performance is generally good but with a number of variances. Licensing income is forecast to perform better than budget, while Pay and display income is currently below budget although this will be largely mitigated by additional income from penalty charge notices. Market income levels are currently below target, as they were last year, although the market is still expected to achieve an overall surplus. The lifeline service is progressing in line with budget targets, and this area will be reviewed in detail as part of the process for developing its business plan.

Borough Solicitor – Favourable variance £35,000

Income from Local Searches is currently performing slightly above the budget target to date, and there has also been a substantial amount of Legal Costs recovered. Expenditure is being effectively controlled and there are savings in a range of areas including Civic Admin and Supplies and Services. When all of these factors are combined it should ensure that the service has an overall favourable variance.

Borough Treasurer – Favourable variance £35,000

The new insurance contract will deliver a 12% reduction in cost while maintaining the same level of cover, and Council have previously agreed that this saving should be used to help finance the new Blue Wheelie Bin scheme.

Staffing and other costs are being effectively managed and controlled, and this should result in an overall favourable variance being delivered over the course of the year.

Transformation Manager – Favourable variance £30,000

There is a small favourable budget variance on salary costs across the Service, as well as a range of minor savings on other budget headings that have contributed to the overall positive financial performance. The level of Benefits payments will be kept under review as this is a demand led area that is not under the direct control of the Council.

Housing and Regeneration – Favourable variance £160,000

The restructuring of the Housing and Regeneration service has enabled a £60,000 saving to be made this year as previously reported in the MSR report to Council in July. There are a range of other staffing savings also being made particularly in Regeneration and Estates.

The external income being generated on the Commercial Assets Portfolio continues to hold up well in the difficult financial climate. The Investment Centre ring fenced account is expected to outturn better than the budget, although an overall loss is still expected. In line with standard business practice, the method for calculating service charges at the Investment Centre is being amended to include cover for a repairs and maintenance sinking fund in order to ensure that future maintenance requirements can be met. Meanwhile the Langtree ring fenced trading account is forecast to generate its best income levels for a number of years.

The Property Services forecast is for expenditure to match the budget for the year i.e. a budget neutral position. There are a number of spending pressures on utilities including water, gas and electricity. However tight control of other budget lines, notably repairs and maintenance, should assist in mitigating these cost pressures, to enable an overall budget neutral position to be achieved.

Planning Services – Favourable variance £120,000

Planning Application Fees and Pre-Application Advice charges are currently performing well above their targets at the mid-year point. This additional income will be sufficient to fund the 2 year fixed term graduate post that was approved at the last Cabinet meeting in September. Building Control income is also now performing in line with its target and there are additional payments due for the Housing survey works that were negotiated towards the end of the last financial year. While this increase in income has been a significant contributor to the projected favourable variance, it should be borne in mind that this income is demand led and volatile.

Savings have also been achieved through strict management of staffing and supplies and services ahead of the implementation of the recently approved Organisational Re-engineering of Planning Services and the continuing Major Services Review.

Street Scene – Favourable variance £75,000

The service is expected to achieve a favourable budget variance of £75,000 by the year end, mainly as a result of savings being generated on a range of non salary budget headings.

The budget that was set for this year included £200,000 of budget streamlining savings and these are being delivered. The new arrangements with the vehicle transport contract are progressing well. This has resulted in new vehicles becoming operational, which has afforded efficiencies on hire costs and facilitated new work arrangements. The fuel budget is on target and there has been a reduction in fuel consumption.

Central Budget and Non Service Items

This heading covers a range of corporate budgets including savings targets, treasury management, and capital charges. Central savings targets for staff efficiency improvements are held in this area. The actual savings that are made in relation to these items are contained within Services. Consequently savings made elsewhere will help to offset the adverse variances on these budget items.



AGENDA ITEM: 5(d)

CABINET: 12 November 2013

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
28 November 2013**

COUNCIL: 18 December 2013

Report of: Borough Treasurer

Relevant Managing Director: Managing Director (People and Places)

**Relevant Portfolio Holders: Councillor D Westley
Councillor A Owens**

**Contact for further information: Mrs K Samosa (Ext. 5038)
(E-mail: karen.samosa@westlancs.gov.uk)**

SUBJECT: REVISED CAPITAL PROGRAMME AND MID YEAR REVIEW 2013/2014

Wards Affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To agree a Revised Capital Programme for 2013/2014 and provide Members with an overview on the progress against it at the mid-year point.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the Revised Capital Programme, including the reprofiling, virements and budget adjustments contained within Appendix A, be approved for consideration by Council.

2.2 That the progress against the Revised Capital Programme at the mid-year point be noted.

2.3 That Call In is not appropriate for this item as the report is being submitted to the next meeting of the Executive Overview and Scrutiny Committee on 28th November and Council on 18th December.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

3.1 That the Revised Capital Programme and progress against it at the mid-year point be noted.

4.0 RECOMMENDATIONS TO COUNCIL

- 4.1 That the Revised Capital Programme, including the reprofiling, virements and budget adjustments contained within Appendix A, be approved.
 - 4.2 That progress against the Revised Capital Programme at the mid-year point be noted.
-

5.0 BACKGROUND

- 5.1 The Capital Programme is set on a three-year rolling basis and the Programmes for 2013/2014, 2014/2015 and 2015/2016 were approved by Council in February, 2013.
- 5.2 In accordance with best practice, the Capital Programme is subject to revision at the mid-year point to ensure that it is based on the latest available information and to make monitoring of the Programme more meaningful. It enables Managers to review their schemes with the most up to date information and to review the resources available. It also provides a base upon which to build future Capital Programmes.
- 5.3 Members are kept informed of the financial position of the Capital Programme through regular monitoring reports. The last such report was presented to Cabinet in September 2013 and Executive Overview and Scrutiny in October 2013 and reported on a Capital Programme of £22.814m for 2013/2014.

6.0 REVISED CAPITAL PROGRAMME

- 6.1 Heads of Service have reviewed their respective schemes and are now proposing that changes are made as a result of more up to date information that has become available. This review process has incorporated a number of considerations including:
 - re-profiling of schemes
 - changes to external funding availability
 - levels of anticipated funding required
 - anticipated levels of demand
- 6.2 The proposed changes to the 2013/2014 Programme are analysed in Appendix A and show an overall reduction of £3.311m. This comprises:
 - a reduction of £3.386m from approvals reprofiled into future years. This does not alter the total amount that will be spent on schemes, but rather the timing of when the expenditure will take place.
 - an increase of £0.517m in external funding mainly from Environment Agency Grants and Disabled Facilities Grants. This more than accommodates a reduction in capital receipt funding for Disabled Facilities Grants of £0.1m per year to reflect reduced demand. The Equality Impact Assessment in Appendix D provides more details on this change.

- an increase of £0.142m in GRA funding mainly as a result of additional monies being made available for investment following the closure of the 2012/2013 Accounts.
- a reduction of £0.879m in Housing Revenue Account schemes for a variety of reasons as set out in Appendix A. This funding is ring-fenced for the HRA and consideration will be given as to how to allocate these resources to other Housing schemes through the Budget process.
- a net increase of £0.188m in Capital receipt funding including £0.25m as first call to finance phase 2 of the blue bin scheme (as detailed in section 8 of this report) less funding no longer required for a range of schemes.
- an additional £0.107m section 106 funding approved at Cabinet for parks and recreation areas during the course of this year.

6.3 The Revised Capital Programme totals £19.503m for 2013/2014. This is analysed by Service in Appendix B along with a summary of the revised capital resources available.

6.4 This is a large Capital Programme compared to previous years which will provide a challenge to meet in full whilst obtaining good value for money for the Council.

7.0 CAPITAL EXPENDITURE

7.1 Generally, capital schemes are profiled with relatively low spending compared to budget in the early part of the financial year with increased spending as the year progresses. This reflects the fact that many new schemes have considerable lead in times, for example, because of the need to undertake the tendering process and award contracts at the start of the scheme. Other schemes are dependant on external partner funding and schemes can only begin once their funding details have been finalised. Other schemes include contract retentions or contingencies that will only be spent some time after completion of the contract. Most schemes then progress and spend in line with their approval by the year-end.

7.2 This pattern has been repeated in the current year with £4.902m (25%) of expenditure having been incurred by the mid-year. Although the percentage of budget spend is similar to that in recent years, the Programme is significantly larger and actual spend is considerably higher than previous years at this point. Comparisons to previous years' programmes are shown in Table 1:

Year	Expenditure £m	Budget £m	% Spend against Budget
2013/2014	4.902	19.503	25%
2012/2013	4.034	13.362	30%
2011/2012	3.140	12.491	25%
2010/2011	2.673	11.013	24%

7.3 Appendix C provides the Heads of Services' comments on the progress of schemes against the Revised Programme. Housing Public Sector schemes

represent 77% of the overall programme. Consequently, progress in this area will largely determine the overall spending position at the year end.

8.0 CAPITAL RESOURCES

8.1 There are sufficient resources identified to fund the 2013/2014 Revised Capital Programme as shown in Appendix B.

8.2 The main area of the capital resources budget that is subject to variation is in relation to capital receipts. These are the useable proceeds from the sale of Council assets (mainly houses under Right to Buy legislation) that are available to fund capital expenditure. These receipts can vary significantly depending on the number and value of assets sold.

8.3 In recent years, receipts from this source have fallen dramatically and the budget for usable capital receipts to be generated from Council House sales in the year is set at £0.120m from 12 sales. However, in the last quarter of 2012/2013 sales increased due to a number of factors including increased right to buy discounts and the greater availability of mortgages. This trend has continued into the current year with 25 sales being completed at the mid-year point generating £0.29m.

8.4 In addition to receipts from council house sales the Council also has a programme to sell plots of its land in line with the Strategic Asset Management Plan. £0.05m is included in the 2013/2014 Capital Programme from this source. To date, there have been 2 land sales generating £0.022m.

8.5 Useable Capital Receipts generated to date are analysed in Table 2:

Year	Estimate £'000	Actual £'000	% Received against Budget
Right to Buy Sales	120	290	242%
Land Sales	50	22	44%
Total	170	312	184%

8.6 The level of capital receipts generated so far this year already exceeds the budget target for the year by £0.142m and it is expected that this position will improve further by the year end. Consequently, it is confidently expected that the additional £0.25m required to complete Phase 2 of the Blue Wheelie Bin scheme will be available. Members are, therefore, asked to approve the expansion of this scheme, as detailed in Appendix A.

8.7 An element of the capital receipts generated from Council House sales has to be paid back to the Government. The Government has now changed these rules to enable the Council to keep a greater proportion of these sale proceeds which is a positive development. These changes are intended to take account of the outstanding debt associated with properties that are sold and to promote "one-for-one" replacement of houses that are sold. Details on these changes will be reported to Council in December.

8.8 A full review of expenditure plans and funding availability for future years will take place as part of the Budget process with a view to ensuring a balanced Programme that will be managed over a medium term timescale.

9.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

9.1 The Capital Programme includes schemes that the Council plans to implement to enhance service delivery and assets. Individual project plans address sustainability and Community Strategy issues and links to Corporate Priorities. The Capital Programme also achieves the objectives of the Prudential Code for Capital Finance in Local Authorities by ensuring capital investment plans are affordable, prudent, and sustainable. This report provides an updated position on project plans and shows progress against them.

10.0 RISK ASSESSMENT

10.1 Capital assets shape the way services are delivered for the long term and, as a result, create financial commitments. The formal reporting of performance against the Capital Programme is part of the overall budgetary management and control framework that is designed to minimise the financial risks facing the Council. Schemes within the Programme that are reliant on external contributions and/or decisions are not started until funding is secured. Other resources that are subject to fluctuation are monitored closely to ensure availability. The capital receipts position is scrutinized on a regular basis and managed over the medium term to mitigate the risk of unfunded capital expenditure.

Background Documents:

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The majority of the budget issues set out in this report have been the subject of previous reports to Committees and consequently an Equality Impact Assessment has already been prepared for them where relevant.

However, the proposed Disabled Facilities Grants changes could have a significant direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account when undertaking the actions detailed within this article.

Appendices:

- A Summary of Changes to 2013/2014 Capital Programme
- B 2013/2014 Revised Capital Programme Expenditure and Resource Budgets and Mid Year Performance
- C Heads of Service Comments
- D Equality Impact Assessment (Disabled Facilities Grants)
- E Minute of the Landlord Services Committee Cabinet Working Group held on 6 November 2013 (to follow)

SUMMARY OF CHANGES

SCHEME	REASON FOR AMENDMENT	2013/2014	2014/2015	2015/2016
		£'000	£'000	£'000
Previous Monitoring Report to Cabinet September 2013		22,814	12,750	13,780
Reprofiled Expenditure				
Culvert Debris Screens	Design phase only to be carried out in the current year. Works will then be carried out during the summer.	-9	9	
Greenshoots Regeneration	Separate report elsewhere on the Cabinet Agenda provides full information on this scheme.	-550	550	
Estates ICT System	Interface with Housing System under consideration.	-10	10	
Parish Capital Schemes	Demand led projects by the Parishes. Reprofiled to match anticipated time scale for scheme completion.	-15	15	
Contaminated Land	Funding not expected to be required this year.	-10	10	
Play Area Improvements	Re-alignment of Programme in line with the Council's Play Strategy.	-54	54	
Abbey Lane Playing Field	Contribution dependant on Partner match funding which has not yet been secured.	-75	75	
Free Tree Scheme	Re-alignment of Programme to ensure continuation of the scheme.	-2	0	2
Conservation Area Enhancements	Re-alignment of Programme to ensure continuation of the scheme.	-10	-5	15
Skelmersdale Town Centre Vision	Contingency sum for environmental works for Skelmersdale Town Centre Regeneration.	-11	11	
Empty Homes Initiative	Initiative to be reviewed as the original partner is no longer pursuing this option.	-100	100	
Renovation Grants	Reduced demand for this type of grant.	-15	15	
Disabled Facilities Grants	Reduced demand for this type of grant.	-115	115	
Energy Efficiency	Option appraisals for this scheme have not yet been completed.	-66	66	
General Sheltered Upgrades	Schemes under discussion with Planners.	-162	162	
Improvements to Binstores	Some delays due to consultation.	-36	36	
Professional Fees	Fees associated with re-profiled schemes.	-176	176	
Communal Areas	Balance on Programme to be completed in 2014/2015.	-140	140	
Findon and Firbeck	Reprofiled to reflect current position and realistic Programme to complete works.	-1,830	1,830	
		-3,386	3,369	17

SUMMARY OF CHANGES

SCHEME	REASON FOR AMENDMENT	2013/2014	2014/2015	2015/2016
		£'000	£'000	£'000
<u>Budget Virements</u>				
- Contribution to Capital Contingency	Allocation of Capital Contingency to specific projects.	-25		
- Corporate Property		25		
- ICT Infrastructure	Budget realignment to facilitate the new ICT Strategy.	-15		
- ICT Development		15		
- Heating Systems	Respective tenders different to original expectations.	75		
- Communal Heating Areas		-75		
- Bathroom Replacements	Lower than anticipated demand for bathroom replacements	-336		
- Kitchen Replacements	has facilitated additional kitchen expenditure.	336		
- General Contingency	Allocation of Capital Contingency to specific projects.	-265		
- Structural Works	Demand led works higher than originally anticipated.	62		
- Re-Roofing	Newly emerged work requiring inclusion in the Programme.	203		
- Failed Double glazing	Work completed.	-8		
- Sheltered Laundry Equipment	Demand led work lower than anticipated enabling drainage improvements to be undertaken.	-12		
- Gulleys	Work completed.	-9		
- Gutters	Work completed.	-9		
- General contingency	Work completed.	-2		
- Drainage improvements	Newly emerged work requiring inclusion in capital programme.	40		
		0	0	0

SUMMARY OF CHANGES

SCHEME	REASON FOR AMENDMENT	2013/2014	2014/2015	2015/2016
		£'000	£'000	£'000
<u>Other Adjustments</u>				
Gorsey Place Regeneration	New demolition scheme, funded from GRA contribution.	30		
Parish Capital Schemes	Previously approved grant funding that is no longer required.	-10		
Skelmersdale War Memorial	Contribution from Lancashire County Council for additional works.	5		
Blue Bin Replacement	Financing required to deliver Phase 2 of the scheme.	250		
Contaminated Land	Funding no longer required.	-8		
Parish Play Areas	Transfer to revenue to reflect the nature of expenditure.	-5		
Flood Alleviation Schemes	New scheme at Abbey Brook funded from Government Grant.	50		
Disabled Facilities Grants	Budget adjustment to reflect current reduced levels of demand.	-100	-100	-100
	Government grant awarded higher than original budget.	462		
Communal Heating	Tender lower than budget.	-109		
Bathroom Replacements	Lower demand than anticipated.	-201		
Communal Doors	Favourable contract prices secured through a re-tendering exercise.	-198		
Electrical Works	Contingency no longer required.	-119		
Professional Fees	Fees associated with reduced schemes.	-102		
Findon and Firbeck	Funding transferred from capital to revenue to meet costs associated with the scheme that are revenue in nature.	-150		
		-205	-100	-100
<u>Total Expenditure Adjustments for Approval</u>				
		-3,591	3,269	-83

SUMMARY OF CHANGES

SCHEME	REASON FOR AMENDMENT	2013/2014	2014/2015	2015/2016
		£'000	£'000	£'000
<u>Previously Approved Adjustments now included in the Capital Programme</u>				
Blue Bin Replacement	Financing required to deliver Phase 2 of the scheme.	148		
Parish Play Areas	New Play Area scheme at Down Holland utilising s106 monies	85		
Children's' Play Areas	New enhancement works to Aughton play areas utilising s106 monies.	12		
Tarleton Cricket Nets	New cricket facilities utilising s106 monies.	10		
Planning System Upgrade	Additional financing to complete the implementation of the system upgrade.	25	31	
- Findon and Firbeck - Affordable Housing	Transfer to support the grant scheme encouraging owners to take advantage of enhanced improvement package on the estate	237		
		-237		
Reimbursement of Sale of Equipment	Capital Receipts GRA funding replenished	56		
		-56		
<u>Total Expenditure Adjustments</u>		-3,311	3,300	-83
<u>Funded By:</u>				
Reprofiling		-3,386	3,369	17
Increase in Grant Funding		517		
Changes to Revenue Funding		142	31	
Changes to HRA Borrowing Funding		-879		
Additional S106 Funding		107		
Changes to Capital Receipt Funding		188	-100	-100
		-3,311	3,300	-83
<u>Revised Capital Programme</u>		19,503	16,050	13,697

2013/2014 CAPITAL PROGRAMME
EXPENDITURE AND RESOURCES BUDGET
as at MID-YEAR

Service	Budget Approval	Actual		Variance	
	£'000	£'000	%	£'000	%
EXPENDITURE					
Housing and Regeneration					
Public Sector Housing	15,082	3,845	25%	11,237	75%
Housing Strategy	657	0	0%	657	100%
Property Management	312	87	28%	225	72%
Regeneration	184	18	10%	166	90%
Community Services					
Private Sector Housing	692	418	60%	275	40%
Other Community Services	1,338	456	34%	882	66%
Planning	82	4	5%	78	95%
Street Scene	758	0	0%	758	100%
Corporate Services					
Financial Services	60	30	51%	29	49%
Transformation	338	44	13%	294	87%
	19,503	4,902	25%	14,601	75%
RESOURCES					
Capital Grants	858				
HRA	11,104				
HRA Borrowing	3,569				
GRA	1,374				
GRA Borrowing	150				
Capital Receipts	2,448				
	19,503				

REVISED CAPITAL PROGRAMME 2013/2014
HEADS OF SERVICE COMMENTS

Public Sector Housing

Appendix A sets out details on the re-profiling of £2.410m of current year's funding into the next financial year. This will not alter the total amount that will be spent but the timing of when this expenditure will be incurred.

In addition, Appendix A also provides details on budget changes that will reduce the total value of the capital programme by £0.879m. Of this, £0.150m relates to the Firbeck and Findon scheme where funding needs to be transferred from capital to revenue to meet compensation costs that cannot be capitalised. The remaining funding is ring fenced for the HRA and, consequently, consideration will be given to allocating this funding to other Housing Public Sector capital schemes as part of the budget setting process for 2014/2015.

In December 2012, Council approved the tendering of the Kitchen and Bathroom Programmes. However, the average cost of kitchens and bathrooms has since increased by 11% and 5% respectively. There are a number of factors that have contributed to the increases but the main reasons are: tenants have had the option to structurally alter the property to increase the size of their kitchen, more extensive plastering in kitchens and bathrooms, increased demand for showers with additional costs of pumps, and increased design and licence fees associated with material procurement under the Fusion 21 framework contract. However, due to the lower than expected demand for replacement bathrooms, there will be an underspend on the Bathroom Scheme this year that can be used to fund additional expenditure on Kitchens.

Additional programmes of work relating to Roofing and Drainage have emerged that were not foreseen at the time the budget was agreed. These now need to be incorporated into the programme. Accordingly, savings generated from underspends elsewhere have been transferred to finance additional expenditure on these newly emerged works.

There have been no changes to the Replacement Windows and Doors, Disabled Adaptations, Environmental Improvements, and Lifts schemes which are fully committed.

All of the remaining schemes are progressing and should be substantially completed by the end of the financial year.

REVISED CAPITAL PROGRAMME 2013/2014
HEADS OF SERVICE COMMENTS

Housing Strategy
<p>Part of this budget was transferred into the Findon and Firbeck scheme at Council in July. The balance is to be used to fund the Regenda Partnership of developing up to 77 units of Affordable Housing. It is envisaged that this scheme will also attract Housing and Community Agency funding and provide some £1.6m of inward investment to the Borough along with New Homes Bonus.</p>
Regeneration and Estates
<p>The Estates ICT budget has been reprofiled into 2014/2015 as an interface with the Housing Simdell system is being investigated. The Culvert Debris Screens will be designed during the remainder of the current year and built during next summer when there is a reduced chance of flooding. The Greenshoots project is the subject of a separate report elsewhere on the Cabinet agenda but it is anticipated that some of the approval will be spent towards the end of the financial year. Demolition works at Gorsey Place are nearing completion.</p>
Property Management
<p>The Corporate Property Programme comprises a number of projects within Property Services. Most of the projects have commenced or are soon to commence and the Programme will be largely delivered by 31st March.</p>
Community Services - Private Sector Housing
<p>Our Partner (Helena Housing) is no longer pursuing the Empty Home Initiative with the Council so the approvals have been reprofiled whilst a new initiative is investigated.</p> <p>Renovation Grants and Disabled Facility Grants are both demand led and demand for both is lower than anticipated. Both budgets have, therefore, had an element of reprofiling to finance future demand. The Disabled Facility Central Government Grant was higher than anticipated and has facilitated a reduced capital pot requirement.</p> <p>The Clearance Programme is now completed.</p>

REVISED CAPITAL PROGRAMME 2013/2014
HEADS OF SERVICE COMMENTS

Other Community Services

Contaminated Land schemes are completed for the current time and a small contingency has been reprofiled into 2014/2015.

The CCTV schemes are progressing and will be completed this financial year as will the Parish Children's Play projects. The Leisure Trust funding is part of an on-going agreement and the budget will also be fully spent.

The Play Area Improvements Budget is an ongoing Capital Programme in line with the Council's Play Strategy. Three new schemes, utilising section 106 monies, have been included in the Programme and should be completed this financial year. Three Parishes Children's' Play schemes will also be completed this year.

A new Flood Alleviation scheme at Abbey Brook has been added to the Programme and will be complete by the end of the financial year. This additional expenditure has been funded by Government Grant.

It is unlikely that Moor Street Improvements will be completed this year and a further review will take place later in the year. Sandy Lane Car Park Extension, however, will be completed this year.

Planning

The remaining approval for the Skelmersdale Town Centre/Skelmersdale Vision Project is a contingency for environmental improvements following the acquisition of land and has been reprofiled into next year.

The remaining Planning schemes are demand led and budgets on the Free Tree Scheme, Conservation Area Enhancement Grants and Buildings at Risk have been re-aligned to match anticipated demand.

The full cost of upgrading the Planning ICT System was higher than anticipated and funding has been agreed to ensure its phased completion.

Street Scene

The tender exercise for the procurement of the replacement Blue Bins is complete and an order has been placed for their acquisition. Additional funding has also been secured for Phase 2 of this scheme and significant investment should take place this year.

REVISED CAPITAL PROGRAMME 2013/2014
HEADS OF SERVICE COMMENTS

Corporate Services

Progress made on delivering Parish Capital Schemes rests with individual Parishes and is not within the direct control of the Borough Council. Part of this budget has been reprofiled into the new financial year and part has been given back to the Capital Pot.

ICT Infrastructure Development is rated at a "concerned" level in the Council's Key Risk Register, and a new ICT strategy is being drawn up to ensure that this risk is effectively controlled. Expenditure to date in this area has been limited but will increase significantly once the strategy has been put in place. Work on the new Website Content Management System has also commenced and a number of purchase orders have been raised for this project.

<p>1. Using information that you have gathered from service monitoring, surveys, consultation, and other sources such as anecdotal information fed back by members of staff, in your opinion, could your service/policy/strategy/decision (including decisions to cut or change a service or policy) disadvantage, or have a potentially disproportionately negative effect on, any of the following groups of people: <i>People of different ages – including young and older people</i> <i>People with a disability;</i> <i>People of different races/ethnicities/ nationalities;</i> <i>Men; Women;</i> <i>People of different religions/beliefs;</i> <i>People of different sexual orientations;</i> <i>People who are or have identified as transgender;</i> <i>People who are married or in a civil partnership;</i> <i>Women who are pregnant or on maternity leave or men whose partners are pregnant or on maternity leave;</i> <i>People living in areas of deprivation or who are financially disadvantaged.</i></p>	<p>The recommendations in this report would not disadvantage or have a negative effect on any of the groups listed.</p> <p>The current level of capital grant funding from Government plus a £0.1m capital pot top up is sufficient to meet current demand for adaptations in the private sector.</p> <p>The reprofiling of sums reflects the fact that although all of the funding will be committed in a financial year, some will not actually be spent during that year as some works can take months to complete e.g. extensions.</p>
<p>2. What sources of information have you used to come to this decision?</p>	<p>The report is not recommending any material changes to the scheme therefore only internal data on spend has been considered.</p>
<p>3. How have you tried to involve people/groups in developing your service/policy/strategy or in making your decision (including decisions to cut or change a service or policy)?</p>	<p>No consultation has been carried out.</p>
<p>4. Could your service/policy/strategy or decision (including decisions to cut or change a service or policy) help or hamper our ability to meet our duties under the Equality Act 2010? Duties are to:- <i>Eliminate discrimination, harassment and victimisation;</i> <i>Advance equality of opportunity (removing or minimising disadvantage, meeting the needs of people);</i> <i>Foster good relations between people who share a protected characteristic and those who do not share it.</i></p>	<p>The recommendations in this report do not hamper our ability to meet such duties.</p>
<p>5. What actions will you take to address any issues raised in your answers above</p>	<p>None at this time</p>



AGENDA ITEM: 5(e)

CABINET: 12 November 2013

Report of: Borough Solicitor

Relevant Managing Director: Managing Director (People and Places)

Relevant Portfolio Holder: Councillor I Grant

**Contact for further information: Mrs C A Jackson (Extn. 5016)
(E-mail: cathryn.jackson@westlancs.gov.uk)**

**SUBJECT: TENANT'S CASH BACK SCHEME - ITEM CONSIDERED BY
EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE**

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To advise on the decision of the Executive Overview and Scrutiny Committee, at its meeting on 3 October 2013, following consideration of the report - Tenants Cash Back Scheme, attached at Appendix A.

2.0 RECOMMENDATIONS

2.1 That the report be noted.

2.2 That a Tenant's Cash Back Scheme is not introduced.

2.3 That the Assistant Director Housing and Regeneration work with Tenants to explore further how a scheme could be developed which offered skills training to tenants as outlined at paragraph 5.3, of the attached report.

2.4 That call-in is not appropriate as it relates to an item already considered by the Executive Overview and Scrutiny Committee.

3.0 DETAILS

3.1 At its meeting on 3 October, the Executive Overview and Scrutiny Committee, considered the item 'Tenants Cash Back Scheme' and resolved as follows:

“RESOLVED: A That as a consequence of the discussion on this item it was agreed that the following comments be referred to Cabinet:

1. the recommendation to Cabinet, as set down at 3.2 of the report, “That a Tenant Cash Back Scheme is not introduced” be supported.
2. the recommendation to Cabinet, as set down at paragraph 3.3 “That the Assistant Director Housing and Regeneration work with Tenants to explore further how a scheme could be developed which offered skills training to tenants as outlined in paragraph 5.3 of the report”, be deleted.”

4.0 COMMENTS OF THE ASSISTANT DIRECTOR HOUSING AND REGENERATION

4.1 The Executive Overview and Scrutiny Committee have expressed some concerns about exploring the options of providing skills training for Tenants of our social housing.

4.2 I fully appreciate that it is not the traditional role of the Council as landlord to be a “training agency” or an agency that has the responsibility of assisting people into work or training. However, our role as landlord is changing and I would question whether we need to do more to assist out tenants. The Council has changed its Allocations and Tenure Policies to target social housing towards the most vulnerable and to house people on limited income. Additionally, tenancies generally are let for a period of 5 years when a review of circumstances is undertaken. My view as a responsible landlord should be to try and assist tenants to be in a position to “move on” and release accommodation for those that need it. Currently the Council has around 6200 properties and over 3000 people on the register to be re-housed.

4.3 The Council has major investment plans which create employment opportunities like apprenticeships which we currently support. If Members were minded to allow Officer time to explore other options of offering “skills training”, I would like to investigate a range of options that would validate some of the work we support tenants with. For example, Chairman skills for involved tenants which, if turned into an accredited training model, could give the competencies needed for employability. This may create a “win-win” situation by helping some tenants into employment and by encouraging younger tenants into participation with the Council. This is just one example that will meet the aspirations of a range of individuals including skills in decorating etc.

4.4 I have reviewed my recommendation in the light of the concerns of the Executive Overview and Scrutiny Committee but feel that this option is worthy of exploration. No work will be implemented without a further report, Member consideration and approval to changes in current arrangements. I think we should look at the benefit of supporting our tenants to achieve their potential and

some will release much needed accommodation for those less fortunate and who require this.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

- Appendix A - Report and Appendices of the Assistant Director Housing and Regeneration - Tenants Cashback Scheme.
- Appendix B – Minute of the Executive Overview and Scrutiny Committee held on 3 October 2013
- Appendix C - Minute of Landlord Services Committee Cabinet Working Group held on 6 November 2013 (to follow)



APPENDIX A

AGENDA ITEM:

Executive Overview and Scrutiny
Committee: 3rd October 2013

CABINET: 12th November 2013

Report of: Assistant Director Housing and Regeneration

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor Mrs V Hopley & Councillor A Owens

**Contact for further information: Mr B Mawson (Extn. 5245)
(E-mail: bob.mawson@westlancs.gov.uk)**

SUBJECT: TENANT'S CASHBACK SCHEME

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To advise Cabinet of the outcome of the three pilot schemes referred to in the report dated 19th March 2013 in relation to the Tenant's Cash Back Scheme.

2.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

2.1 That the report be noted

2.2 That any agreed comments be forwarded to Cabinet for consideration

3.0 RECOMMENDATIONS TO CABINET

3.1 That the report be noted.

3.2 That a Tenant's Cash Back Scheme is not introduced.

3.3 That the Assistant Director Housing and Regeneration work with Tenants to explore further how a scheme could be developed which offered skills training to tenants as outlined in paragraph 5.3 of this report.

- 3.4 That call-in is not appropriate for this item as it relates to an item already considered by the Executive Overview and Scrutiny Committee.
-

4.0 BACKGROUND

- 4.1 The report to Cabinet dated 19th March 2013 outlined the Government's plans for the introduction of a Tenant's Cash Back Scheme.
- 4.2 Details of three pilot schemes, named by the Minister for Housing and Local Government, were outlined.
- 4.3 The pilot schemes were operated by: -
- Together Housing Group (includes Hastoe Housing)
 - Home Housing Group
 - Bromford Housing Group

5.0 REPORTS ON PILOT SCHEMES

5.1 Together Housing Group

- 5.1.1 They reported that they had not prepared a final report, as CLG had not required them to do so.
- 5.1.2 They referred to the Toolkit, detailed at 7.4 in the report to Cabinet dated 19th March 2013. They had produced this toolkit, in conjunction with Bromford Housing Group and a housing consultant, as a guide for organisations.
- 5.1.3 It was noted that only 20 tenants from a targeted 2000, participated in their pilot.
- 5.1.4 They commented that when they visited one of their target estates they had noted that the improvements made with those tenants who had taken part, had been sustained.

5.2 Home Housing Group

- 5.2.1 This Group ran their pilot between November 2011 and November 2012 in three geographical areas: Coulby Newham, Middlesbrough; Egremont, Cumbria and Braintree in Essex. 136 customers signed up to take part in the pilots. 117 are still participating. Participants in two of the areas were offered up to £400 in B&Q vouchers and the other area were offered up to four weeks rent holiday. They concluded that:
- Despite the level of incentives offered it had proved difficult to attract participants

- Most improvements carried out had involved decoration and gardening. They noted this was outside of the minor repairs responsibilities set out in the scheme. They concluded that this would have had little impact on the Group's spend on repairs.
- The introduction of the rewards scheme only had a significant effect on repairs reporting behaviour by participants in the Middlesbrough area, with a much smaller reduction in the number of repairs being reported by participants in the Egremont and Braintree areas.

5.2.2 Using their learning experience from the Tenant's Cash Back pilot, and following further consultation, the Group have now incorporated the scheme in to a new customer loyalty scheme called 'Love My Home,' that rewards customers who pay their rent on time; look after their home, and contribute by being a good neighbour. Eligible customers are entered in to a draw every month, with bonus draws in December and March. To qualify, their customers must, (a) have a clear rent account for the six month period preceding each draw, (b) have kept to the terms of their tenancy agreement by looking after their home for the six month period preceding the draw, (c) have no anti-social behaviour complaints or issues open against them for the six month period preceding the draw and (d) have allowed first time access for the annual gas safety check for the current year.

5.2.3 The prizes are up to £750 each month with the bonus draws being up to £2000. They have not stated in their report how the prize amounts are calculated or how many prizes there are for each draw.

5.2.4 They say that at the time of publishing their report, 41% of their general needs customers are eligible for entry to the draws and that they are aiming to increase this to 55% over the next two years.

5.3 Bromford Housing Group

5.3.1 This Group combined the repairs element of their pilot for a Tenant's Cash Back scheme with another that included an element of housing management and called their scheme the 'Home Rewards Club.' Their customers had a choice to join either or both of the options (repairs and / or housing management).

5.3.2 Only 5% of their general needs customers (130) signed up to join the pilot. They were offered £300 per year for the repairs element, and £200 per year for the housing management element of the scheme. For the repairs element they were tasked with carrying out a series of low level repairs for themselves and for the housing management element they were responsible for dealing with low level neighbour issues, accessing their own housing advice, not using the contact centre (unless in the case of an emergency), and not needing to involve the Group to deal with such matters as arrears or low level anti-social behaviour.

5.3.3 During the period of the pilot scheme they noted that, for the customers who took part in the scheme, the average number of repairs per home fell by one, representing a 14% reduction. The average number of emergencies fell by 3.3%.

First time access for Gas Servicing also improved for customers who took part in the pilot.

- 5.3.4 From the housing management element of their scheme they reported a fall in housing contacts by 16.3% for those who took part in the scheme; complaints reduced by 88.9% and arrears for those taking part reduced by 24.2%.
- 5.3.5 They reported that the quality of repairs carried out by customers was to a good standard; there were no insurance or compensation claims, and that the Home Rewards Club was popular with those who joined.
- 5.3.6 They concluded that the Home Rewards Club was not for everyone but represents an opportunity for those who have a desire and the ability to take on more responsibility for their homes.
- 5.3.7 They say that they now intend to use their experience over the 12 month pilot period and integrate their reward offer into their mainstream services and in particular their new 'Bromford Deal.'
- 5.3.8 A brochure out-lining the 'Bromford Deal' is attached at Appendix 1.

6.0 WHERE DO WE GO FROM HERE?

- 6.1 The following is an extract from the letter written by Grant Shapps, the then Minister for Housing and Local Government, sent to all English Local Authorities in April 2012. The letter was attached as Appendix 1 to the Cabinet report dated 19th March 2013.

"There is a great deal of freedom within the new standards for landlords to design schemes, in consultation with their tenants, to meet local needs. Schemes could focus on individual tenants, but may also provide opportunities for neighbourhoods to take on shared responsibilities and to invest savings in community projects."

Clearly, as has been demonstrated by the diverse nature of the three pilots, no one common model is available for Social Landlords to follow, and perhaps that was the Minister's intention. Let each organisation develop what best suits them.

- 6.2 This therefore takes us back to the outcome of the Tenant's Task Group consultation carried out in June 2012. (Section 6 of the report to Cabinet dated 19th March 2013) The group's view was that WLBC tenants should not receive direct payments for carrying out repairs but rather have a scheme offering some training in DIY skills combined with the provision of materials that might then involve community based projects.
- 6.3 The group suggested that a pilot should be undertaken, involving a broad cross section of tenants; and that those invited to join should comply with the following criteria: -
 - Have a clear rent account (no arrears).

- Hold “House Contents” insurance. (Indicates an element of responsibility).
- Agree to keep garden up to a basic standard of tidiness.
- Keep internal decoration of their property in reasonable condition
- All repairs listed in Repairs Handbook as Tenant’s Responsibility will be in order.
- Comply with terms of Tenancy Agreement at all times.

The group’s view on the possible content of a scheme was: -

- Provision of training in basic DIY skills. West Lancashire College currently provide a 10-week (one afternoon per week) course covering basic joinery; plumbing and decorating. The course could be adapted to suit our requirements and might also include gardening advice. Also the Council will have four Contractors involved in Repair and Maintenance and the renewal of Kitchens and Bathrooms for the coming five years. It might be possible to arrange for these contractors to offer training locally in addition to the college course.
- There are potential other suppliers, including social enterprises within the borough who may be able to offer similar training and these options will also be investigated.
- The Council to provide materials free of charge for approved projects. Where tenants wanted to decorate their own property internally there could be a link to the current Paint Pack scheme.
- Gardening advice might lead to the setting up of a Garden Tool Loan scheme. Such a scheme will enable those tenants who cannot afford to purchase their own gardening equipment to maintain their gardens.
- Supervision and advice would be available when required.
- Other than the internal decoration of tenant’s own properties and repairs that are classed as Tenant Responsibility in the Repairs Handbook, all projects would be restricted to community-based repairs and to be of a “Repair” nature – no improvements.
- Tenants already have an obligation to carry out a range of repairs as detailed in the Repairs Handbook. The training provided will enable them to improve their competence.

6.4 If it is the Council’s wish that we now proceed along the lines of that set out above it is proposed that: -

- The Task Group is reconvened to identify areas offering a cross section of tenants for a pilot scheme; consider what projects might be suitable for a pilot scheme and how the scheme will proceed. They can also decide on a name for the scheme.
- The Assistant Director for Housing and Regeneration be authorised to make contact with West Lancashire College and others highlighted above to discuss the availability, costs and course content for DIY skills training.
- A budget figure for the pilot be identified.
- The optimum length of time for the pilot scheme to run be forecasted.
- A further report be brought back for consideration.
- Investigate external funding opportunities to fund the skills training element of the pilot scheme.

7.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

7.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder. The report has no significant links with the Sustainable Community Strategy.

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

8.1 There are no significant financial or resource implications arising from this report.

9.0 RISK ASSESSMENT

9.1 This item is for information only and makes no recommendations. It therefore does not require a formal risk assessment and no changes have been made to risk registers.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

Appendix 1 - A brochure outlining the 'Bromford Deal'

★ THE BROMFORD DEAL ★

Working together to make things better ★ ★ ★

We call this *Something for Something*

Being a Bromford customer is about more than just having a home and paying rent. The Bromford Community is all about helping customers to help themselves and each other.

It's about having a relationship that works.

we provide a **home** and **services** and customers agree to some things in return.

★ OUR PART OF THE DEAL ★

★ What's included? ★

We agree to provide a **home** and a **range of services** that's hard to beat.

A Home that works well and doesn't keep breaking down

A Neighbourhood that you can feel proud of

Easy to access Services online, by telephone and in person

Bromford Connect

our growing community - where customers help each other be the best they can be

★ YOUR PART OF THE DEAL ★

★ YOU CAN GET LOTS MORE DETAIL ON OUR PART OF THE DEAL BY READING OUR CUSTOMER GUIDES ★

Keeping to all your responsibilities outlined in your **Tenancy Agreement**

depending on your Tenancy this may include Reviews, to talk about how the deal is working out.

To be a **Bromford Customer** you will be agreeing to:

Take out Home Contents Insurance

This is to help you as your belongings can get damaged in things like leaks, floods or worse, and it's your responsibility to make sure you can replace them.

Let us in when we need to have access

especially for our annual property service and gas servicing. This keeps your home safe and stops things getting broken.

Look after your Home & Garden

By keeping it in at least the condition it was when moving in. If everyone does this we'll have neighbourhoods that we can all be proud of.

Make an effort to sort out differences with neighbours

We don't tolerate Anti-Social Behaviour and we deal with it swiftly. But we don't get involved in tit for tat arguments.

Agreeing to **contribute to the community** by either **working, being in training or helping others.**

To do this you can join Bromford Connect - an online community where you and your family can find local jobs and learn to do new things.

Contact us when we ask

This stops us having to chase after you and saves customers money.

All of these are important in making a tenancy a success, will be discussed in reviews & conversations we have, and may form part of your tenancy plan

A BromComms production

Tenant's Cashback Scheme

MINUTE OF EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE – 3 OCTOBER 2013

26. TENANTS CASHBACK SCHEME

Consideration was given to the report of the Assistant Director Housing and Regeneration that advised on the outcome of the three pilot schemes: Together Housing Group; Home Housing Group and Bromford Housing Group.

Members raised comments and questions in relation to:

- The number of participants involved in the pilot schemes.
- Outcome of the Tenant's Task Group work.
- Skills training for tenants.

The Deputy Assistant Director Housing and Regeneration attended the meeting and responded to questions referencing details in the report. He reported that report would be considered by Cabinet on 12 November 2013.

RESOLVED: A That as a consequence of the discussion on this item it was agreed that the following comments be referred to Cabinet:

1. the recommendation to Cabinet, as set down at 3.2 of the report, "That a Tenant Cash Back Scheme is not introduced" be supported.
2. the recommendation to Cabinet, as set down at paragraph 3.3 "That the Assistant Director Housing and Regeneration work with Tenants to explore further how a scheme could be developed which offered skills training to tenants as outlined in paragraph 5.3 of the report", be deleted.

B. That the report be noted.



AGENDA ITEM: 5(f)

Cabinet: 12th November 2013

Report of: Assistant Director Housing and Regeneration

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor Mrs V. Hopley and Councillor A. Owens

**Contact for further information: Mr B Livermore (Extn. 5200)
(E-mail: bob.livermore@westlancs.gov.uk)**

SUBJECT: HOUSING OPTION APPRAISAL

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To review the progress made since self financing was introduced in April 2012 and whether any change in direction would be beneficial at the current time.

2.0 RECOMMENDATION

2.1 That alternative options not be pursued at the current time and the situation to be reviewed in 2017.

3.0 BACKGROUND

3.1 The Government introduced changes to the way that Council Housing was financed in 2012. Previously the Housing Revenue Account (HRA), where the rents paid by tenants are accounted for, was part of a national system known as the HRA subsidy system. Some Councils paid into the system and others received a subsidy. The position in West Lancashire was that we paid in £6.8M. The formula for the subsidy system meant that year on year, a greater sum was paid in subsidy whilst those receiving help got less and less. When the system was abandoned, in 2012/13, the Government lost an income to support various housing initiatives.

- 3.2 The new system introduced in April 2012 was known as HRA self financing. After extensive consultation, Councils either received a cash settlement or a debt. Once allocated, each Local Authority was responsible for managing their "Housing Business" and would not have the safety of a national system to support them if things went wrong.
- 3.3 West Lancashire Borough Council, under the self financing regulations, were given a debt of £88M which needed to be financed by the rent stream. Additionally, our borrowing ceiling was set at £94M where we could take out additional borrowing of up to £6M if we chose to do so.

4.0 CURRENT POSITION

- 4.1 In setting the budget for 2012 onwards, key strategic decisions needed to be made that would have long term implications for the Council and its tenants.
- 4.2 Prior to the first budget being set in February 2012 for the forthcoming financial year, extensive discussions were held with tenants and political groups.
- 4.3 Broadly speaking, there were 3 priorities that had been identified for investment:
1. Reduce the backlog of repairs and carry out improvements to the housing stock
 2. Improvement to the environment
 3. Build new Council homes to assist those on the waiting list
- 4.4 The top priority by tenants and political groups was to clear the backlog of repairs and improvements. The repayment of debt was therefore structured to maximise investment in this priority. The debt of £88M was structured to pay the interest over 50 years and to repay the debt over the same period with increasing payments year on year which achieved the objective of being debt free at the end of this time.
- 4.5 The Council commissioned Savills, an experienced firm of surveyors, to undertake a stock condition survey. This identified major investment of around £60M was required to bring homes owned by the Council up to a reasonable standard. Members have approved a programme of investment that will see significant progress in addressing all the issues identified in the survey by 2018.
- 4.6 Not only have the Council been able to address an agenda to improve the vast majority of our Council homes but additionally, a major revival scheme was launched in Firbeck which will see this part of the Town Centre regenerated as part of the Skelmersdale Vision launched by the Council.
- 4.7 Without self financing, investment at this scale could not have been achieved in the short term. It is a significant and major success story for the Council.
- 4.8 Not only has investment taken place to meet tenants and Member desire to see our housing stock improved to modern day standards, but a further revival scheme is being developed. In addition, a significant investment has been made

in developing an IT strategy, which will improve efficiency. An Asset Management team has been created to ensure sustainable investment is made in our stock and the tenant involvement team has been strengthened.

- 4.9 The Council's HRA business plan is monitored as part of the Council's risk management arrangements and if corrective action proves necessary mitigate any of the risks identified, these will be taken to ensure the objectives can be achieved within a balanced HRA.

5.0 OPTION APPRAISAL

- 5.1 Whilst the Council, over the next 5 years, will make great strides forward in improving our housing stock and enhancing service delivery, I would not wish to "rest on our laurels".

- 5.2 Progress on tackling environment issues with the exception of revival areas has been relatively slow. The tenant led environments improvement budget has been successful and whilst this will continue, the significant investment required will not be able to be tackled comprehensively until after 2018.

- 5.3 Our investment plans use the total borrowing at our disposal which may preclude any investment in new homes which would assist those in housing need. There are around 3000 applicants waiting for Social Housing in the Borough.

- 5.4 There appear to be a range of options which could be explored that might address the issues of the environment and new Council homes. These are as follows:

5.4.1 Stock Transfer

- 5.4.1.1 The Government has recently issued a consultation paper on stock transfer. This makes £100M available to support this option. This could potentially mean that some debt could be "written off" making more investment potentially available to address either environmental issues or more homes for those that need them.

- 5.4.1.2 There are advantages and disadvantages for this option. These are:

(A) Advantages

- Potentially additional investment through debt being "written off".
- No "borrowing ceiling" which would enable additional borrowing to tackle investment needs.
- Become a different organisation (Co-operative, Mutual Charitable, Commercial etc.)

(B) Disadvantages

- No guarantee of debt "write off" without work being explored at risk.
- A potential distraction when the current agenda is challenging to deliver.
- Risk of a "No Vote" as in 2005.

- Will have an impact on the Council requiring further organisational change across most Council services.

5.4.1.3 Whilst this is an option currently, unless there was a possibility of a small scale transfer to facilitate another revival scheme, I think the disadvantages outweigh the benefits.

5.4.1.4 The purpose of this report is to openly discuss the options so that tenants and Members are aware of these and if necessary, can call for further work to be carried out if necessary.

5.4.2 Externalising Management

5.4.2.1 An alternative option to release financial resources would be to out source the current Landlord Services. The cost of providing the service is around £7M. Organisations that decide to outsource the service report savings typically of around 20%. This could potentially release £1.4M on an annual basis or around £42M over the lifetime of the business plan. This level of resource is significant and could be used to tackle investment in the environment and/or new homes.

5.4.2.2 There are clearly advantages and disadvantages of this option which can be summarised as follows:

(A) Advantages

- The service cost reductions could be used to meet tenant priorities.
- Outsourcing could lead to efficiencies and service improvements.
- TUPE applies so no redundancies (initially).

(B) Disadvantages

- Distraction from delivery of current agenda.
- Can unsettle staff leading to people leaving the organisation.
- No guarantee of savings until tender opened.
- Fear of reduced costs but reduced services.
- No additional borrowing capability

5.4.2.3 Currently the Council are looking to drive efficiency and service improvement through the Organisational Re-engineering (OR) transformational process. I would not wish to move forward on this option until after this process has taken the service forward. OR is due to be completed by around March 2015. Once again this is a real option and can be explored further if tenants and/or Members wished resources to be deployed on this.

5.4.3 Overall, whilst there are 2 options outlined briefly in 5.4.1 and 5.4.2 above, on balance I feel that the OR should be allowed to be completed and the IT strategy implemented to enhance existing services. I feel that exploring the alternative options at the current time will have a detrimental impact on delivery of current services and programmes. It is for this reason that I recommend that no further work be carried out on option appraisal, rather it be reviewed in 2017 when work on current programmes draw to a conclusion and the longer term position will be

clearer. The OR project will provide service improvements and efficiencies that we would want to deliver before any consideration is given to outsourcing the service.

- 5.4.4 Whilst my judgement is outlined in this report I wanted to test the appetite for change with tenants and Members.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 6.1 The preferred approach in this report will see Council housing receive the benefit of major investment making this fit for purpose. If we look at other options at this stage it could undermine our target of making value for money investment in our housing stock.
- 6.2 Improvements to environmental conditions can be made but the pace of this will be slower than possibly under the other options which have been highlighted.
- 6.3 New homes for social and affordable rent will continue to be provided via the planning system and Registered Social Landlords (RSL's) developing within the Borough.
- 6.4 My view is that if we currently explore other options like stock transfer and outsourcing of management, we will take our eye off the task in hand which is to bring our housing stock up to an excellent standard. It is for this reason that I feel we should complete our investment proposals by 2018 and then re-examine the options that are available to tackle the outstanding priorities of new homes and environmental issues.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 7.1 The Housing and Regeneration Service is going through a period of significant change. These changes include:
- Meet regulatory requirements
 - Welfare Reform
 - More focus on tenant involvement
 - New lettings on 5 year tenancies
 - New allocations policies
 - Changes to the way that people are supported in the community
 - Major £60M investment over the next 5 years
 - Introduction of mobile working
 - Improved IT
 - OR
- 7.2 There might be financial benefits in exploring Stock Transfer but further work would need to be undertaken. The main benefit would be by moving outside of the public sector, additional borrowing would be possible which could assist additional investment.

- 7.3 There are potential benefits of outsourcing the landlord services which highlight that these could be as much as £42M over the life of the Business Plan.
- 7.4 Resources are currently stretched delivering the work highlighted in 7.1 above. If Members wished to pursue stock transfer or outsourcing, then the work programme would need to be amended to compensate or additional resources would need to be allocated to take work forward. No detailed costings have been sought but it is estimated that budgets of £1M would need to be allocated for a stock transfer proposal – although an initial feasibility study could be commissioned for around £100K and £250K for outsourcing.

8.0 RISK ASSESSMENT

- 8.1 There are greater risks associated with stock transfer and outsourcing than allowing the status quo to remain.
- 8.2 Allowing the organisation to cope with the changes outlined in 7.1 above, which all have various levels of risk associated with them, allows for a period of stability.
- 8.3 Reviewing options for change in 2017 allows the potential fiscal benefits to be achieved in a managed way that will minimise risk.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is a direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account in the Recommendations contained within this report.

Appendices

Appendix A - Equality Impact Assessment
Appendix B – Minute of Landlord Services Committee (Cabinet Working Group) held on 6 November 2013 (to follow)

<p>1. Using information that you have gathered from service monitoring, surveys, consultation, and other sources such as anecdotal information fed back by members of staff, in your opinion, could your service/policy/strategy/decision (including decisions to cut or change a service or policy) disadvantage, or have a potentially disproportionately negative effect on, any of the following groups of people: <i>People of different ages – including young and older people</i> <i>People with a disability;</i> <i>People of different races/ethnicities/ nationalities;</i> <i>Men; Women;</i> <i>People of different religions/beliefs;</i> <i>People of different sexual orientations;</i> <i>People who are or have identified as transgender;</i> <i>People who are married or in a civil partnership;</i> <i>Women who are pregnant or on maternity leave or men whose partners are pregnant or on maternity leave;</i> <i>People living in areas of deprivation or who are financially disadvantaged.</i></p>	<p>Not taking advantage of funding to provide new homes could disadvantage the following groups: Young and older people People with disability People living in areas of deprivation or who are financially disadvantaged</p>
<p>2. What sources of information have you used to come to this decision?</p>	<p>Knowledge of the categories of people who apply for social housing</p>
<p>3. How have you tried to involve people/groups in developing your service/policy/strategy or in making your decision (including decisions to cut or change a service or policy)?</p>	<p>I plan to consult with tenants as the financial and service issues will impact on them most.</p>
<p>4. Could your service/policy/strategy or decision (including decisions to cut or change a service or policy) help or hamper our ability to meet our duties under the Equality Act 2010? Duties are to:- <i>Eliminate discrimination, harassment and victimisation;</i> <i>Advance equality of opportunity (removing or minimising disadvantage, meeting the needs of people);</i> <i>Foster good relations between people who share a protected characteristic and those who do not share it.</i></p>	<p>I do not believe so</p>
<p>5. What actions will you take to address any issues raised in your answers above</p>	<p>The allocations policy targets the most vulnerable and disadvantaged and will provide some protection to those groups impacted.</p>



AGENDA ITEM: 5(g)

CABINET: 12th November 2013

Report of: Assistant Director Housing and Regeneration

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor A. Owens

Contact for further information: Rachel Kneale (Extn. 2611)

Email: rachel.kneale@westlancs.gov.uk

Georgina Isherwood (Extn.5123)

Email: georgina.isherwood@westlancs.gov.uk

SUBJECT: STRATEGIC ASSET MANAGEMENT PROJECT

Wards affected: Borough Wide

1.0 PURPOSE OF THE REPORT

- 1.1 To update Members on the progress of the Strategic Asset Management Project; to advise on the outcomes of the Scott ward; and to seek authority to dispose of assets.

2.0 RECOMMENDATIONS

- 2.1 That the contents of the report, including the work undertaken by officers to date, and the progress on the assets previously identified for disposal be noted.
- 2.2 That the Assistant Director Housing and Regeneration be authorised to take the actions recommended in Appendix A in relation to the 58 sites in the Scott ward.
- 2.3 That the sites set out in Appendix D are no longer required for their current uses as set out in that Appendix and that they be appropriated as required for regeneration purposes for the reasons set out in paragraph 5.1 of this report.
- 2.4 That the details in paragraph 4.2 relating to the proposed new allotment site off Clucas Gardens be noted.

3.0 BACKGROUND

3.1 The Strategic Asset Management Project commenced in September 2010 and to date asset reviews have been completed for the following wards:

Burscough West	Ashurst
Knowsley	Parbold
Wrightington	Digmoor
Birch Green	Scarisbrick
North Meols	Aughton & Downholland
Newburgh	Derby
Skelmersdale North	

3.2 Some of the assets have development potential and, where appropriate, planning applications have been submitted to secure their enhanced value. To ensure there is no delay in marketing sites with an enhanced value anticipated to exceed the current delegation level of £20,000, authorisation for disposal has been sought as each ward is referred to Cabinet.

4.0 CURRENT POSITION

4.1 The Scott Ward required the assessment of 58 sites. The results are set out in Appendix A. There are a number of sites with potential for alternative uses, including residential development. In total 4 sites have been identified for disposal; 2 identified for future disposal and the remaining 52 sites for retention. Site SC5.1b, land to the rear of 24-28 Clucas Gardens (Appendix C), is to be retained and utilised as allotments for local residents. At Appendix B, site plans are available for the 4 sites identified for disposal.

4.2 The proposed allotment site at Clucas Gardens could be included with the existing allotments. At present the allotments are managed directly by the Council, whereas the long term goal is for the site to be self managed when a properly constituted allotment society is established and a lease granted. It is envisaged that the allotment society will take responsibility for any costs associated with bringing this land into cultivation. It is not anticipated that this site will be a statutory allotment site.

4.3 Planning Applications were submitted in June 2013 for 2 sites in the Birch Green and Ashurst Wards, both having previously received authority to be disposed. However, at the September 2013 Planning Committee Meeting, the application at Flordon in Birch Green was refused by Members, and Officers recommended that the application at Marlborough Court in Ashurst be withdrawn following a request by Members for further information.

4.4 Since the September 2013 Cabinet Meeting, work has been continuing on the marketing of sites previously approved for disposal which also have secured planning permission. Sites at Trevor Road in Burscough and Hoole Lane in Banks have both received offers, with the Hoole Lane site proceeding towards completion.

5.0 APPROPRIATION

- 5.1 The Council acquires and holds property for various statutory purposes in order to perform its functions. The process of changing the purpose for which it is held is described as appropriation. The general power to appropriate is set out in Section 122 Local Government Act 1972, which empowers the Council to appropriate land for any purposes for which it is authorised if it is no longer required of the purpose for which it is held immediately before the appropriation.
- 5.2 The current uses of some of the sites considered under the SAMP process do not provide the best use of the land/buildings. Many of these sites could be better utilised for alternative purposes, as defined in the SAMP process. These include those sites set out in Appendix D. It will be necessary to appropriate all of these sites from their current use as set out in Appendix D to regeneration purposes.

6.0 PROPOSALS

- 6.1 Appendix A sets out recommendations for the 58 sites in the Scott ward.
- 6.2 Officers will not spend time working on the assets identified within the ward to progress to pre-application and planning application stages until the start of 2014.
- 6.3 Officers will continue to consider the Wards previously identified in the Ward Mapping Delivery Plan.

7.0 SUSTAINABILITY IMPACTS

- 7.1 The outcomes of the Strategic Asset Management Project and the nature of any schemes that come out of this project will ultimately ensure a number of key objectives of the Community Strategy are met, including affordable housing, assisting young and older people, the economy and jobs and better environment, plus cross cutting themes such as reducing deprivation in our communities.

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 8.1 Securing the enhanced valuation of assets to be disposed will continue to require resources e.g. planning application fees, surveys etc. It was reported at the last Cabinet that as a long term measure there will be a need to pump prime the project by the retention of a small percentage of future capital receipts or a budget being made available from revenue resources. Further details on this will be reported back to Cabinet in due course.
- 8.2 At the start of August 2013 the full time Graduate Planner Post was vacated. This position worked primarily on the SAMP. This has left just 1 full time and 1 part time officer to work on the project. With work now underway on the Employment area remodelling, further slippage than reported at September's

meeting will occur in the delivery of the Ward Mapping Plan. Work is currently underway to replace this member of staff on a full time basis and Members will be kept updated on this matter.

9.0 RISK ASSESSMENT

9.1 As previously reported, the project has demonstrated that many of the assets held by the Council have the potential for development or for utilising in a different way. If this potential is realised, their value will be significantly enhanced either financially and / or as benefit to the community. There will be opportunities in some cases to generate capital receipts from a disposal. If the assets are not considered in a timely fashion, taking into consideration other development such as Skelmersdale Town Centre project, this could represent a significant loss of capital receipts for the Council or the reduction in value if a successful adverse possession claim is made by a third party.

10.0 CONCLUSIONS

10.1 It is important to continue to roll out the Strategic Asset Management Project across the Borough to enable all assets to be identified and assessed, but equally officers need to spend time working on assets categorised as 1 for pre-applications and planning applications, together with other work. The project will ultimately ensure the asset register is fully up to date and the ownership of all the assets is challenged to determine those that are suitable for further development are identified and progressed.

Background Documents

West Lancashire Strategic Asset Management Plan, which is available at:
www.westlancs.gov.uk/living_in_west_lancs/regeneration_projects/action_plans.aspx

Equality Impact Assessment

The previous Equality Impact Assessment undertaken for the Cabinet report prepared for the September 2010 meeting will suffice for this report as the content of the project remains the same.

Appendices

Appendix A - Scott ward asset recommendations
Appendix B – Location plans of Category 1 sites
Appendix C – Location Plan of Clucas Gardens Allotment site
Appendix D – Land to be appropriated

APPENDIX A

Strategic Asset Management – Scott Ward Recommendations

Site Ref	Site Location	Recommendation	Category
SC22.11	Land adj 84 Sephton Drive	Dispose for residential development subject to Planning	1*
SC18.2	Landscaping & highway ad to 72 Highfield Road	Dispose in Part to adjoining occupants to enable curtilage extension – retain footpath	1
SC20.03	Heskin Lane pumping station	Dispose to United Utilities	1
SC22.18	Land adj 50 Sephton Drive	Dispose – opportunity to approach adjoining land owners and develop for residential subject to Planning	1
SC5.3	Land between 17 and 19 Clucas Gardens	Dispose in future	2
SC5.4	Land between 13 and 15 Jubilee Avenue	Dispose in future	2
SC1	Playing field & Pavilion at Abbey Lane	Retain	3
SC2	Public Open Space, Pine Avenue	Retain	3
SC3	Open space at Farrington Drive	Retain	3
SC4	Allotment to the rear of 24 – 26 Owen Avenue	Retain	3
SC5.1a	Allotments adjacent to 22 Clucas Gardens	Retain	3
SC5.1b	Land to the rear of 24 – 28 Clucas Gardens	Retain and utilise as allotments	3
SC5.2	Housing properties at Scarisbrick Street, Clucas Gardens, Owen Avenue & Jubilee Avenue	Retain	3

SC6.01	Land in front of 57 – 67 Pennington Avenue	Retain	3
SC6.02	Land in front of 26 – 36 Pennington Avenue	Retain	3
SC6.03	55a Pennington Avenue	Retain	3
SC6.04	Land to the rear of 21 – 55 Pennington Avenue	Retain	3
SC6.05	Land adj 1 – 11 Pennington Avenue	Retain	3
SC6.06	Landscaping on south side of Pennington Avenue	Retain	3
SC6.07	Land to the east of 1 – 5 Pennington Avenue	Retain	3
SC6.08	Landscaping on north side of Pennington Avenue	Retain	3
SC6.09	Land to the east of 34 – 38 Pennington Drive	Retain	3
SC6.10	Pennington Court car park	Retain	3
SC6.11	Lock-up garages (1 – 9) Pennington Avenue	Retain	3
SC6.12	Land adj 2 Green Lane Avenue	Retain	3
SC6.13	Pennington Drive housing properties	Retain	3
SC7	Flats at junction of Burscough Street/Railway Road	Retain	3
SC8	Station Road/New Court Way highway land	Retain	3
SC9	New Court Way highway	Retain	3
SC10	Highway and car park at Railway Approach	Retain	3
SC11.2	Highway land at The Wheatsheaf car park	Retain	3
SC12	Land to the rear of 12 – 24 Burscough Street	Retain	3
SC13	43 Burscough Street	Retain	3
SC14	Highway to rear of 21 – 27	Retain	3

	Burscough Street		
SC15	The Stiles car park	Retain	3
SC15.01	Derby Street West housing	Retain	3
SC16	Hants Lane car park	Retain	3
SC17	Green Lane playing fields	Retain	3
SC18.1	Landscaping adjacent to 150 County Road Off Highfield Road	Retain	3
SC19	Playing Fields, Grimshaw Lane	Retain	3
SC22.01	Whittle Drive playing fields	Retain	3
SC22.02	Whittle Drive changing rooms	Retain	3
SC22.03	Whittle Drive car park	Retain	3
SC22.04	Access track to rear of 1-43 Whittle Drive	Retain	3
SC22.05	Landscaping adjacent to 2, 4 and 8 Whittle Drive	Retain	3
SC22.06	Whittle Drive landscaping to front of 47 – 75	Retain	3
SC22.07	Mawdesley Terrace play area	Retain	3
SC22.08	Car parking to front of 45 Whittle Drive	Retain	3
SC22.09	Land to the rear 85 – 91 Whittle Drive	Retain	3
SC22.10	Land in front of 2 - 24 Tyrer Road	Retain	3
SC22.12	Land front of 85 – 91 Sephton Drive	Retain	3
SC22.13	Mawdesley Terrace landscaping	Retain	3
SC22.14	Land rear of 62 – 69 Carroll Crescent	Retain	3
SC22.15	Land front of 5 – 15 Sephton Drive	Retain	3

SC22.16	Land adj 10 – 16 Scott Drive	Retain	3
SC22.17	Track rear of 60 Sephton Drive	Retain	3
SC22.19	Scott estate housing	Retain	3
SC22.20	Remaining landscaped areas within Scott Housing Estate	Retain	3

Key to scoring

1- DISPOSE - Assets which have development potential which we would seek to dispose of with or without planning permission. Assets which could be sold to adjoining owners eg pieces of land to enable curtilage extensions.
(* denotes sites believed to have a value of more than £20,000)

2 - DISPOSE IN FUTURE - Assets that have a worth which cannot be realised at the present time e.g. existing tenancy or lease agreements.

3 - RETAIN - Assets which should be retained

APPENDIX B

Location Plans for Category 1 sites



West Lancashire Borough Council

SC 22.11

LAND ADJACENT TO 84 SEPTON DRIVE, ORMSKIRK L39 1PW
DEEDS C32, C56 & HR113 LA954551 Area edged red 703 sqm

01/10/2013

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Scale 1:1,000



West Lancashire Borough Council

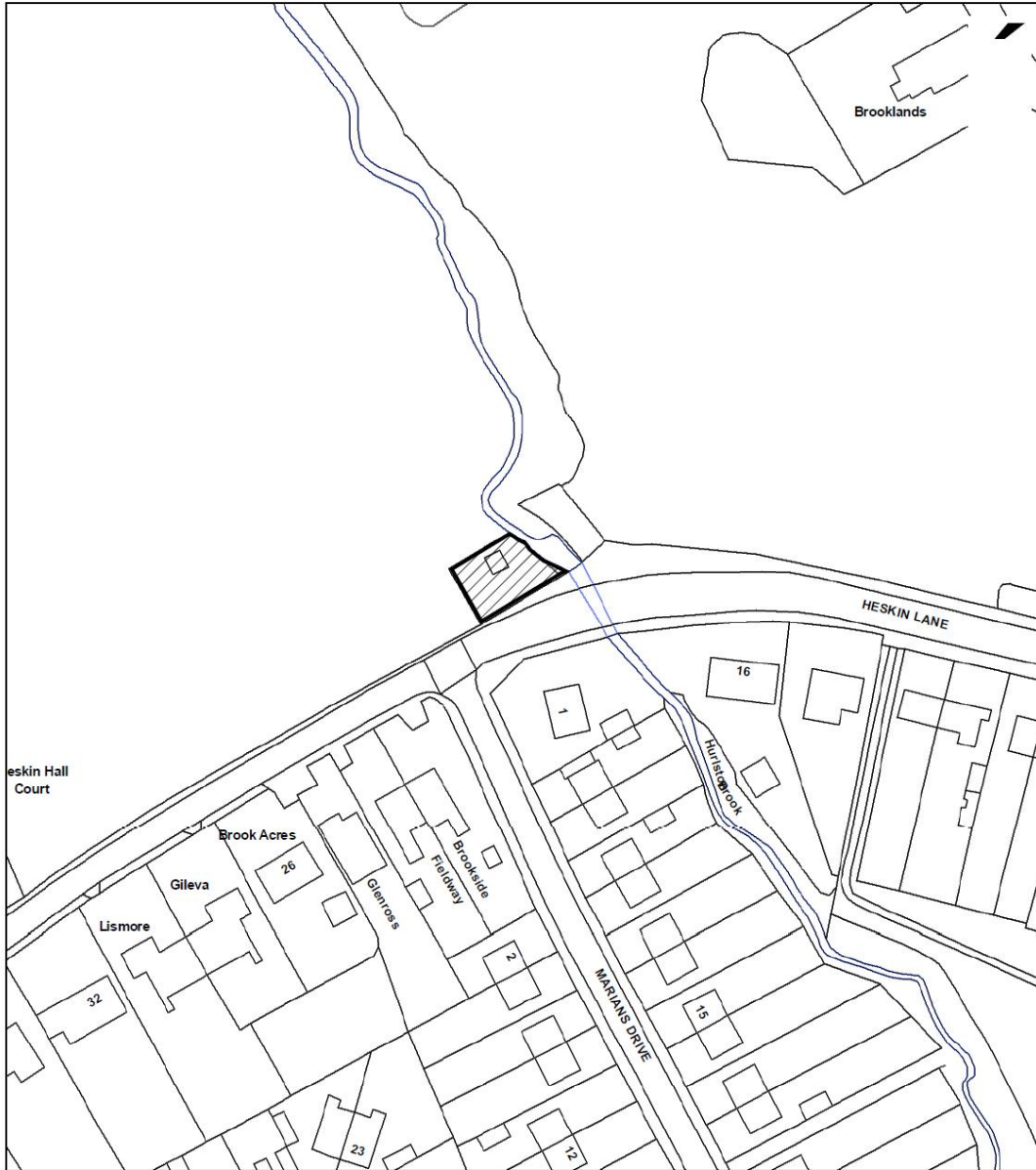
SC 18.2

LANDSCAPING AD TO 72 HIGHFIELD ROAD, ORMSKIRK
DEEDS C120 & C121 LAN105446
Area edged red 430 sqm

01/10/2013

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Scale 1:1,000



West Lancashire Borough Council

SC 20.3

PUMPING STATION AT HESKIN LANE, ORMSKIRK
DEEDS C14 & C529 LAN114491
Area edged red 193 sqm

03/10/2013

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Scale 1:1,000



West Lancashire Borough Council

SC 22.18

LAND AD TO 50 SEPHTON DRIVE, ORMSKIRK L39 1PW
DEEDS C34 & HR113 LA954551
Area coloured pink 36 sqm

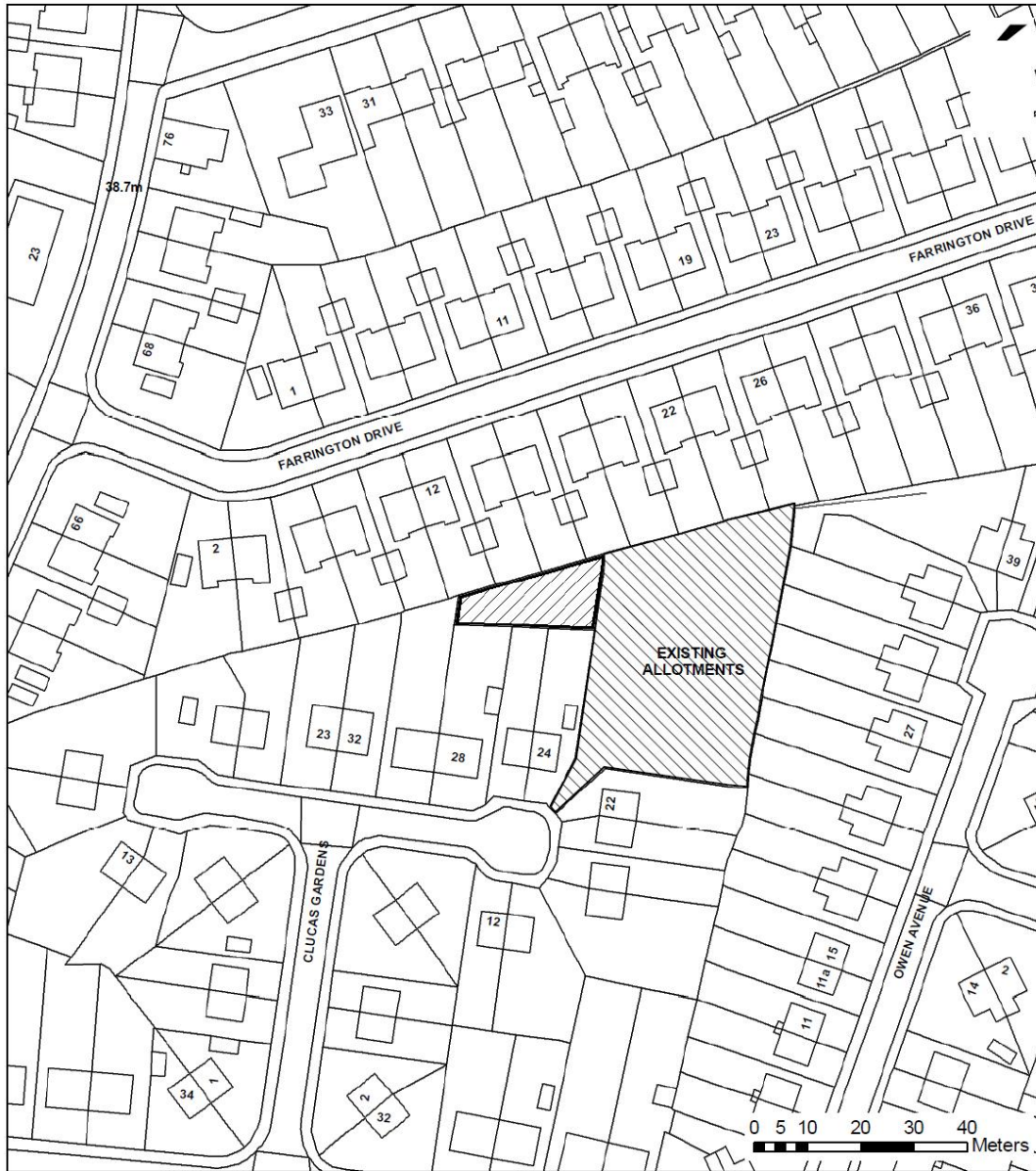
01/10/2013

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Scale 1:1,000

APPENDIX C

Location Plan of Clucas Gardens Allotment site



West Lancashire Borough Council

SC 05.1b

10/10/2013

LAND TO REAR OF 24-28 CLUCAS GARDENS, ORMSKIRK L39 1QA
DEEDS C23, C24 & HR116 LA954727 Area edged red 264 sqm

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Scale 1:1,000

APPENDIX D

Land to be Appropriated

Site Ref	Address	Current Use
SC18.2	Landscaping & Highway adj to 72 Highfield Road	Estates
SC20.03	Heskin Lane pumping Station	Estates
SC22.11	Land adj to 84 Sephton Drive	Housing
SC22.18	Land adj 50 Sephton Drive	Housing



AGENDA ITEM: 5(h)

CABINET: 12 November 2013

Report of: Assistant Director Planning

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor M Forshaw

**Contact for further information: Mr Dominic Carr (Extn. 5194)
(E-mail: dominic.carr@westlancs.gov.uk)**

SUBJECT: HIGH SPEED RAIL (HS2) CONSULTATION RESPONSE

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To inform Cabinet of the Government proposal's regarding phase two of the High Speed Rail route (HS2) and their impact on West Lancashire and to seek support to endorse the Liverpool City Region request for a direct high speed link between Liverpool and London.

2.0 RECOMMENDATION

2.1 That the proposed consultation response provided at Appendix 2 be submitted to Government in response to its High Speed Rail consultation exercise.

3.0 BACKGROUND

3.1 On 17 July the Government launched their consultation exercise on phase two of the proposed High Speed Rail route. The consultation runs between the 17 July to the 31 January 2014.

3.2 Proposals include construction of this new high speed network in two phases. Phase one will see a new train line run between London Euston to new stations at Birmingham city centre and a new interchange at Birmingham airport. The second phase of the route will see trains run between the West Midlands through to Manchester, Leeds and beyond. This new route will be integrated within the

existing rail lines, potentially allowing high speed rail lines to serve destinations including Liverpool, Preston Wigan and Crewe.

- 3.3 On 7 June officers were invited to attend a HS2 pre-consultation event hosted by Merseytravel. Attending speakers included the Merseyside authorities (who for the purposes of this report shall be known as the Liverpool City Region (LCR) partnership), Local Enterprise Partnership (LEP), HS2 team and a member of the Government's Transport Select Committee. During this event the benefits of HS2 were explained and the LCR partnership requested support to endorse their request for a direct HS2 rail link to Liverpool serving the LCR. The current plans involve HS2 trains serving Liverpool but these trains will only operate at lower speeds between Liverpool and Crewe on classic compatible lines.
- 3.4 The project's first phase would see 225mph trains running between London and the Midlands by 2026 and the second phase would see the line extended further with branches to Leeds and Manchester by 2033. Under the proposals, journey times from Manchester to London will reduce from 2h.8mins to 1h 8mins and journey times from Liverpool will reduce from 2h 8mins to 1h 36 mins. Clearly, if the link to Liverpool were to be upgraded to allow HS2 trains to travel at their usual speeds, this journey time would reduce significantly.
- 3.5 The decision on the route for phase 2 is expected by the end of 2014, followed by a bill seeking powers to construct phase 2 in the next parliament, following the May 2015 general election.

4.0 CURRENT POSITION

4.1 The main Government aims of HS2 are:

- To support wider regeneration
- To support economic growth
- To increase capacity
- To change the geography of the Country

4.2 In the Government's consultation document, 'High Speed Rail Investing in Britain's Future', the Government say that there are a number of reasons why we should invest in High Speed 2. These reasons include:

- That by 2025 the West Coast main line will be full. Under the proposals 18 trains an hour will be run by HS2 doubling capacity between London & Birmingham;
- Eight of the largest cities in England will be better connected;
- HS2 will help secure future investment with £2 being generated for every £1 invested;
- HS2 will free up capacity on the existing network and to allow for greater freight capacity helping to reduce the number of lorries on UK roads;
- Phase 2 of HS2 is forecast to support the creation of approximately 48,700-70,300 jobs, as well as 5,200-7,600 houses.
- The project should rebalance the economy, helping to link up cities in the Midland and North of England; and

- It will be possible to alter HS2 services to run on the existing HS1 route and provide a direct rail link between cities in the North and Midlands and the continent.
- 4.3 One of the main benefits of the proposed HS2 will be to free up capacity on the existing network. Without a new rail network there is a risk that existing services on the network will become slow and congested and there is a possibility services may be lost.
 - 4.4 The proposed trains for phase two of HS2 will include 18 trains per hour with 1100 seats per train and there will be two different types of trains: High Speed only trains which will only run on high speed rail lines and classic compatible trains which will run on high speed track and the existing network.
 - 4.5 The estimated cost of the plan has risen in the past few months with the overall cost predicted to be approximately £50 billion. This has caused some groups to question if the benefits of the project are still cost effective. There have also been further questions as to whether the proposed scheme will deliver the predicted benefits, with some questioning if the scheme will actually draw business away from the North.

5.0 THE POSSIBLE IMPACT FOR WEST LANCASHIRE

- 5.1 Phase 2 includes details of the route from the West Midlands to the North West, East Midlands and West Yorkshire. The proposed link will go to Manchester and Manchester airport and there will be a link to Liverpool via Crewe. However, after Crew the link will follow the existing rail line and will not be high speed. Phase 2 also includes direct links to Preston and Wigan in which HS2 trains will also use the existing West Coast mainline. This means that there will be direct links from West Lancashire to the HS2 network via the Ormskirk to Liverpool train service, the Ormskirk to Preston service, the Southport to Manchester service and the Kirkby to Wigan/Manchester service. This should provide an improvement in service between West Lancashire and some of the major cities in England, including London, helping to increase the accessibility of the Borough.
- 5.2 The Government states that the budget for HS2 will not draw from existing transport budgets and so there should be no risk that services in West Lancashire will suffer as a result of HS2 going forward. However, it will be important to ensure that this assurance is maintained so that existing services are not altered detrimentally and that we continue to push for improvements on existing lines which will connect West Lancashire to the High Speed network.
- 5.3 Despite the fact that at this moment in time there appears to be some debate over whether HS2 does actually represent value for money and can deliver the predicted benefits, the available evidence supports the case for investment in the scheme. This indicates that HS2 will deliver economic benefits to the north west as a whole, and as such, it is my view that we should support the project.
- 5.4 The Liverpool City Region (LCR) partnership have requested that we support their request for a new high speed line between Liverpool and Crewe allowing a full direct high speed link into Liverpool. As a part of the wider LCR,

improvements to rail services serving Liverpool should help provide improvements and support the economy in West Lancashire, particularly as the most frequent rail service in West Lancashire serves Liverpool and the fact that the Council are championing a number of rail improvement schemes to extend links to Liverpool. As part of the wider LCR, it is important for West Lancashire to ensure that the LCR does not become less competitive than its neighbours.

- 5.5 Members may be aware that the Council are championing the case for a direct rail line from Skelmersdale to Liverpool, as well as investigating the possibility of extending Merseyrail to serve Burscough and link to the former Burscough Curves. Officers are currently working with partners including Merseytravel, Merseyrail and Lancashire County Council to finalise a brief before appointing Network Rail to conduct further Governance for Rail Investment Projects (GRIP) work to develop the business case for the proposed Skelmersdale to Liverpool rail link. Officers have also identified a need to conduct further work to investigate the possibility of extending the Merseyrail Network to Burscough and are continuing to work with Merseytravel to investigate this option.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 6.1 The proposed extension of HS2 will not be built in West Lancashire, although the Borough will be well served by connections. The proposed benefits of the scheme meet many of the aims of the Sustainable Community Strategy including assisting in getting people back into work and reducing dependency on the car helping to reduce the amount of carbon emitted. As such, the proposal will have economic, environmental and social benefits.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 7.1 There are no significant financial or resource implications arising from this report.

8.0 RISK ASSESSMENT

- 8.1 There is a risk that the proposed HS2 may not go ahead and as such the West Coast mainline may reach capacity potentially resulting in a lack of accessibility for residents to the West Coast Mainline and a detrimental impact on economic regeneration.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Article.

Equality Impact Assessment

There is a significant direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the

results of which have been taken into account when undertaking the actions detailed within this article.

Appendices

Appendix 1- Equality Impact Assessment

Appendix 2-Proposed Consultation Response

Equality Impact Assessment - process for services, policies, projects and strategies
Appendix 1

1.	<p>Using information that you have gathered from service monitoring, surveys, consultation, and other sources such as anecdotal information fed back by members of staff, in your opinion, could your service/policy/strategy/decision (including decisions to cut or change a service or policy) disadvantage, or have a potentially disproportionately negative effect on, any of the following groups of people: <i>People of different ages – including young and older people</i> <i>People with a disability;</i> <i>People of different races/ethnicities/ nationalities;</i> <i>Men; Women;</i> <i>People of different religions/beliefs;</i> <i>People of different sexual orientations;</i> <i>People who are or have identified as transgender;</i> <i>People who are married or in a civil partnership;</i> <i>Women who are pregnant or on maternity leave or men whose partners are pregnant or on maternity leave;</i> <i>People living in areas of deprivation or who are financially disadvantaged.</i></p>	No
2.	<p>What sources of information have you used to come to this decision?</p>	Officers have attended consultation events regarding HS2 and analysed numerous Government reports regarding the scheme
3.	<p><i>How have you tried to involve people/groups in developing your service/policy/strategy or in making your decision (including decisions to cut or change a service or policy)?</i></p>	As the Council are only a consultee regarding the proposed Government scheme officers have only met with groups attending the HS2- Pre consultation event including HS2 representative, LCR representatives and Merseytravel representatives.
4.	<p><i>Could your service/policy/strategy or decision (including decisions to cut or change a service or policy) help or hamper our ability to meet our duties under the Equality Act 2010? Duties are to:-</i> Eliminate discrimination, harassment and victimisation; Advance equality of opportunity (removing or minimising disadvantage, meeting the needs of people); Foster good relations between people who share a protected characteristic and those who do not share it.</p>	The proposed scheme is designed to increase accessibility and in doing so should help meet the Council's duties under the Equality Act 2010
5.	<p><i>What actions will you take to address any issues raised in your answers above</i></p>	Not applicable



Freepost RTEL-YAZX-HAZT
Phase Two Route Consultation
PO Box 1152
HARROW
HA1 9LH

Directorate of Transformation

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Your ref: HS2
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Extension: 5194

Dear Sir/Madam,

HIGH SPEED TWO- PHASE TWO ROUTE CONSULTATION

West Lancashire Borough Council would like to thank you for providing us with the opportunity to provide comments regarding the above consultation.

The Council would like to support the proposed HS2-Phase 2 recognising the proposed wider economic benefits the proposed scheme will bring to the North West and Country generally. We would like to support the links to Manchester, Liverpool, Preston and Wigan which will provide West Lancashire with access to the high speed network.

Although we would like to support the current scheme we would also like to press for improvements to the proposed route including requesting that the full high speed network is extended alongside the classic compatible routes and in particular we would like to request that a full high speed line to Liverpool be considered, as we believe this would provide the wider Liverpool City Region (of which West Lancashire is a part) with significant economic benefits helping the LCR maintain competitive on a regional/national level.

We would also like to request that upgrades are considered to the existing rail network ensuring that links to the high speed network are maintained and enhanced. An example of this would be the provision of a rail link direct from Liverpool to Skelmersdale. As part of this proposal we also believe that it will be important to ensure that services on the classic West Coast Main line are also protected, ensuring that any loss to existing service is kept to a minimum.

Yours faithfully,

John Harrison
Assistant Director Planning

Gill Rowe LL.B (Hons) Solicitor
Managing Director (People and Places)

Kim Webber B.Sc., M.Sc.
Managing Director (Transformation)



AGENDA ITEM: 5(i)

**CABINET:
12th November 2013**

Report of: Assistant Director Housing and Regeneration

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor A. Owens

**Contact for further information: Mr Pat Whearty (Extn. 2616)
(email: Pat.whearty@westlancs.gov.uk)
Mr John Ryding (Extn. 5022)
(email: john.ryding@westlancs.gov.uk)**

SUBJECT: GREENSHOOTS PROJECT

Wards affected: Skelmersdale North

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is to obtain Members instructions in respect of how the Greenshoots Project should proceed.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the Assistant Director Housing and Regeneration be authorised to continue with the remodelling of 18-24 Gorsey Place in accordance with the option listed at paragraph 5.3.

3.0 BACKGROUND

3.1 On 12th June 2012 Cabinet instructed that uneconomic factory units at Gorsey Place, Skelmersdale should be demolished and a further report submitted to Cabinet outlining proposals for the demolition site.

- 3.2 On the 19th March 2013 a report entitled “Greenshoots Project: Remodelling of 18-24 Gorsey Place, Gorsey Place Business Park, Skelmersdale, Lancashire” was received by Cabinet. The resolution resulting from that report was that the remodelling of 18-24 Gorsey Place should be undertaken but that the project should only commence if a viable percentage of pre-lets is achieved.
- 3.3 In an attempt to establish a viable percentage of pre-lets a sign was erected at the site (following demolition of the old industrial units) and the potential availability of the proposed new industrial units was advertised on the Council’s website and on an LCC website. Furthermore, a relevant number of the Council’s existing tenants were contacted and advised of this proposed industrial development.
- 3.4 There have been two enquires from two existing tenants who are considering re-locating to new premises but nothing else.
- 3.5 Under the terms of the resolution of Cabinet of 19th March 2013 therefore a viable percentage of pre-lets has not currently been achieved.

4.0 PROPOSALS

- 4.1 The proposed new industrial units at Gorsey Place will be suitable for small and medium size enterprises (SMEs) and it is these types of organisations which the Council understood could not readily find accommodation in Skelmersdale. The Council’s usual experience is that an SME will contact the Council and require a suitable commercial unit straightaway. It would seem that such organisations do not usually work to a long-term plan and seldom know what their accommodation requirements will be over more than a six to twelve month horizon. To obtain pre-lets for the Gorsey Place development, in accordance with the Cabinet resolutions of 19th March 2013, the Council would need to sign binding legal agreements with the occupier around 18 months before the new units were actually ready for occupation. This is probably outside the normal operating experience of SMEs and probably why only two of them have expressed interest.
- 4.2 Despite the lack of interest shown to the Council’s initial marketing initiative for the Gorsey Place development, Estates Officers are confident that if the new industrial units were built at Gorsey Place they would readily attract tenants. The positive signs of an economic recovery add weight to this opinion.

5.0 OPTIONS

- 5.1 The Gorsey Place development could represent the beginnings of the rationalisation of development space within Skelmersdale and would make an initial contribution to any overall strategy which the Council ultimately produces for the economic regeneration and stimulation of West Lancashire and to the

remodelling of our industrial estates. It is hoped that a successful scheme will be able to assist in stimulating the private sector to invest in new industrial units.

5.2 The proposed development at Gorsey Place as seen by Cabinet on 19th March 2013 comprises two terraced blocks of small factory units (see Appendix A “Proposed site plan” to this report). There are two basic options identified for now taking the scheme forward.

5.3 **Option 1 – Full Development**

This first option is to build both terraced blocks of factory units in the confident expectation that there is demand for such units and that with an improving economic position that demand can only strengthen.

5.3.1 Building both terraced blocks would achieve economies of scale and would result in an area of new factory units presenting an appealing and completed appearance to would-be tenants.

5.3.2 One purpose of building these new factory units was to demonstrate to private sector landlords that such units are marketable and profitable thereby encouraging the private sector to begin similar developments. Building the complete scheme and producing an attractive new development would be in line with this ancillary objective.

5.4 **Option 2 – Phased Development**

This second option is to construct both terraced blocks but only “fit out” the first block. The second block would be completed to “shell state” only. The units in the second terraced block would only be fitted out once they were let.

5.4.1 This would have the advantage of limiting the Council’s financial exposure but would have the disadvantage of loss of economies of scale because the fit-out from shell state would only occur piecemeal when each unit was let.

5.4.2 However, with the units in the second terraced block being fitted out piecemeal, the scheme would be in a perpetual state of having building work carried out on it. This may not provide the settled environment which SME’s would prefer to allow them to get on with their day to day business.

5.4.3 The second terraced block comprising five units totalling 565 sq.m which is a little over a third of the total proposed area of the new units. If the second block was built to a shell-only specification there would be an initial saving of around £230,000. However, fitting the shells out at a later stage as the units are let is expected to add another 10% to the overall cost (i.e. £230,000 plus 10% = £253,000) because the contractors will be brought back to finish the work piecemeal. This approach, whilst looking to mitigate some of the financial risks to the Council produces a favourable financial outcome to the project if all the remaining units were let out within a two year period after the erection of the first completed terrace.

- 6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY TOGETHER WITH FINANCIAL AND RESOURCE IMPLICATIONS**
- 6.1 The Cabinet Report of the 19th March 2013 set out the financial and resource implications of the project. Subsequent to that report the following relevant factors are brought to the attention of members.
- 6.2 The Cabinet Report of the 19th March 2013 recorded that the development cost would be around £1.25m. Since that report was compiled the national economy has begun to improve and the building industry is recording increase in demand for its services; this is resulting in a significant increase in construction costs. The shortage of skilled labour is fuelling this increase in cost and with an anticipated continual increase in demand the cost of construction seems likely to spiral. It now seems likely that construction work will not commence until the second half of 2014. All this produces a substantial potential increase in cost. The £1.25m could now be as high as £1.5m.
- 6.3 The report to Cabinet on the 19th March 2013 suggested that a high BREEAM standard could be achieved for the development and the estimated cost recorded at 6.2 allows for this. In the event it will not be possible to construct the units to a high BREEAM standard because grant funding has not been able to be secured and without that grant funding the additional cost of achieving the high BREEAM standard renders the development unviable (i.e. the rents would be too high for SME's to afford).
- 6.4 Instead the units will be constructed to the standard required by Building Regulations. Whilst this is not as good as BREEAM it nevertheless provides a good environmental standard and would be the standard generally expected in modern SME accommodation. Construction to current Building Regulations will however reduce building costs by up to 20% giving a revised figure of around £1.23m (which will all be funded from Council resources due to the unavailability of grant funding). As it is anticipated that the build costs may vary between now and when any tendering procedure is undertaken, a financial evaluation will be conducted upon receipt of the tender submissions to ensure that the project is still financially viable.
- 6.5 The Cabinet report of the 19th March 2013 recorded that the Langtree Reserve Fund could be one source of finances for this project. It must be remembered that the purpose of the Langtree Reserve Fund is to facilitate economic regeneration (the prime objective of this project) and the fund will continue to earn annual income in any event. The CRA reserve was the other source of Council funding that could be used to finance the development, the remaining funds coming from borrowing from the Public Works Loan Board (PWLB).
- 6.6 It is suggested that the Council should retain the long term aim of constructing future units to a high BREEAM standard and to this end officers will endeavour to identify suitable grant funding should the Council decide at some future date

to construct additional units. The Council will not pursue the higher BREEAM standard unless the additional grant funding is secured.

7.0 RISK ASSESSMENT

- 7.1 Whilst there is a risk that if the factory units are constructed there may not be sufficient demand to produce tenants for them all, your officers believe this to be unlikely especially being in mind the way the SME market operates and the improvement in the national economic position. Members may recall that the Council built new industrial starter units in Greenhey Place, Skelmersdale in 2002. At the time no pre-lets were sought and the level of enquiries was low but officers had seen a gap in the market for good quality units of a certain size. The gap was visible from what SME's had been saying and from indepth knowledge of the local market. Officers' perception of the demand was proved correct in that the five units which were built were let within 12 months and with the exception of a few short weeks they have remained fully let since. Those five units totalled 10,000 sq.ft (929 sq.m) which plainly did not satisfy the pent-up demand but the site at Greenhey Place could not accommodate a greater number of units. It is now 11 years since the Greenhey development and officers believe that a large gap exists between the demand for units suitable for SME's and the availability of such units.
- 7.2 A greater risk may be that if these units are not built the improved economic position which is (realistically) anticipated could see a position that SMEs which want new accommodation will not find it in Skelmersdale and will locate elsewhere.
- 7.3 What is more if the Council does not construct these units a confident message will not be given to the private sector who may not then be stimulated into building factory units for rent thereby allowing Skelmersdale to continue to have a mismatch between the type of units available and those required, all of which will have a negative impact on the local economy.

Background Documents

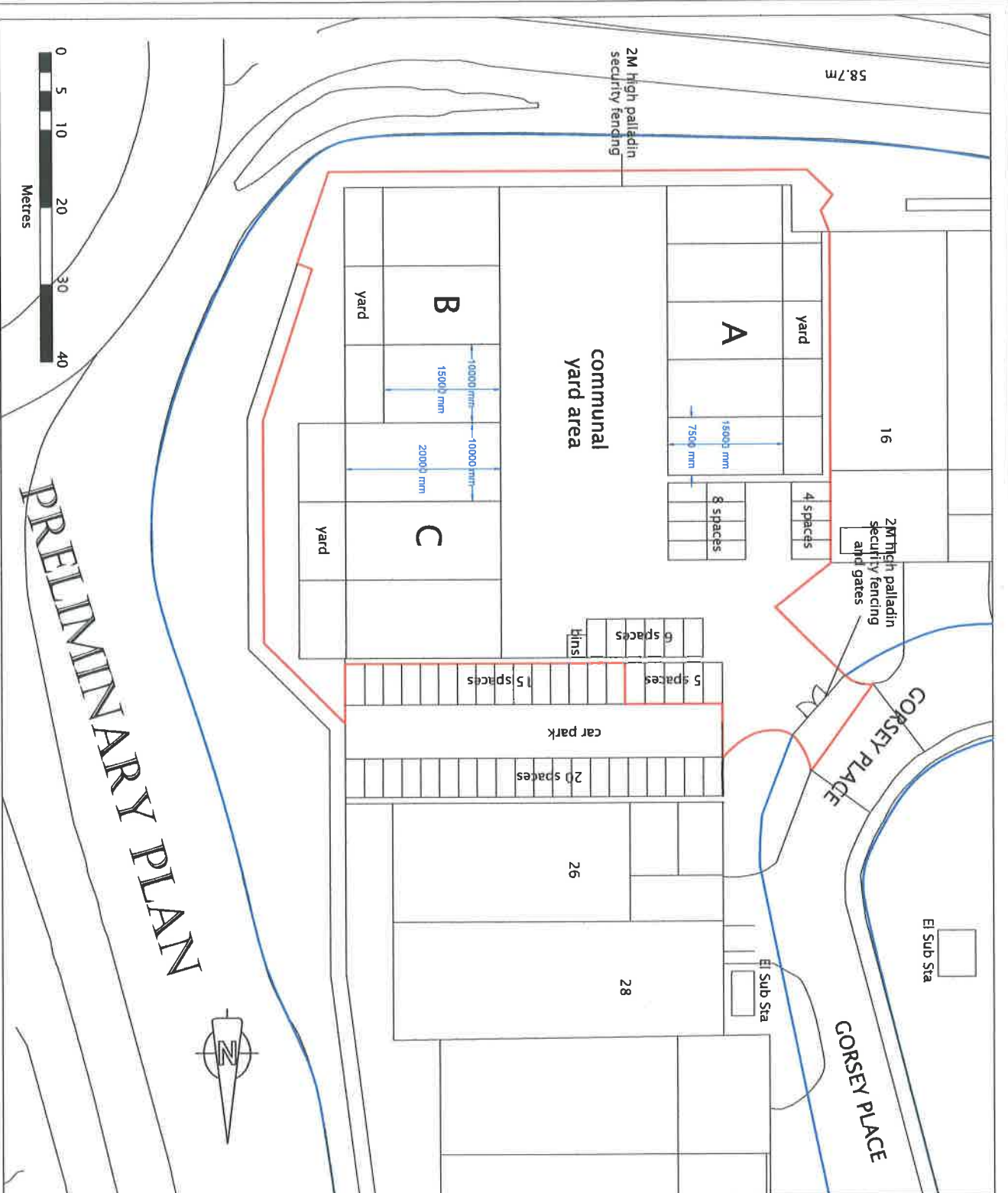
There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

Appendix A – Proposed site plan



PRELIMINARY PLAN

SCHEDULE OF UNITS

- 5 x A units @ 113M²
- 3 x B units @ 150M²
- 3 x C units @ 200M²

Parking provision

- 40 spaces in communal car park
- 18 spaces in secure parking area
- 58 spaces total

LOCATION **Corsey Place, Skelmersdale, WN8 9UP** Proposed site plan DWG NO. **E584/12** DATE **08/2012** SIZE **ISO A3** SCALE **1:500** SHEET **2 of 3**



AGENDA ITEM: 5(j)

Cabinet: 12th November 2013

Report of: Assistant Director Housing & Regeneration

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor A. Owens

**Contact for further information: Mr I Gill (Extn. 5094)
(E-mail: ian.gill@westlancs.gov.uk)**

**SUBJECT: LIVERPOOL CITY REGION SUPERPORT STUDY AND WIDER
ENGAGEMENT WITH THE LIVERPOOL LEP**

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To inform Cabinet of progress made in relation to the Liverpool City Region Superport (LCR Superport) project and on the costs and benefits of corporate membership of the LCR Local Enterprise Partnership (LEP).

2.0 RECOMMENDATIONS

2.1 That further discussions take place with the Liverpool City Region LEP regarding the benefits of Corporate Membership, or other forms of appropriate membership, and that Lancashire County Council and the Lancashire LEP be approached to see if they are willing to part fund this membership.

2.2 That delegation be given to the Assistant Director Housing & Regeneration, in consultation with the Portfolio Holder;

2.2.1 to enter into Corporate Membership, or another form of appropriate membership, of the Liverpool City Region LEP subject to appropriate budgetary provision being made and upon ongoing negotiations and to review this membership in subsequent years.

2.2.2 to enter in all other necessary documentation and agreements to facilitate the above arrangement.

3.0 BACKGROUND

- 3.1 As a result of officer attendance at a Logistics & Manufacturing conference in Liverpool on 11 June 2013, the Council has become more aware of the LCR LEP's proposals to create a LCR Superport on the back of Peel Port's proposals for a new deepwater container terminal at the Port of Liverpool (known as Liverpool2) and the reopening of the Manchester Ship Canal to freight vessels.
- 3.2 The opening of the Liverpool2 container terminal (anticipated in 2015) will open the Port of Liverpool up to receive some of the largest container vessels in the world, vessels that can currently only dock at Southampton and Felixstowe in the UK, and will tie-in with the opening of the new deepwater Panama Canal (also anticipated in 2015), thus allowing a more direct route for sea freight from Asia and the West Coast of the US to Europe. As such, it presents a tremendous opportunity to provide access to sea-freight directly into the north of England.
- 3.3 In this way, it will offer companies based in the midlands, north of England and in Scotland a much cheaper alternative to Southampton and Felixstowe given the reduced reliance on road haulage within the UK (which is far more economically and environmentally expensive per mile than transporting goods by sea). This could result in up to 50% of the UK's sea freight passing through the Port of Liverpool in due course.
- 3.4 There are obvious cost benefits for logistic and manufacturing companies to locate close to such a port, and both Peel Ports and the LCR LEP anticipate a significant demand for, in particular, modern logistics space within an hour's drive time of the Port of Liverpool in the coming years. As such, the LCR LEP has established the LCR Superport project to seek to capitalise on this demand and ensure that the City Region is ready to accommodate such demand, both in terms of available space for businesses and training of the local workforce.
- 3.5 The project effectively sees the entire City Region as part of a wider "Superport" offering a range of appropriate space to businesses that use the Port of Liverpool, appropriate infrastructure to enable these businesses to link from the City Region to the rest of the UK and Europe (i.e. motorway access, rail freight access and air freight access via Liverpool John Lennon Airport) and that provides a population with a broad skill-base, and one that will develop with the right training. This concept of seeing the whole City Region as a Superport reflects the modern way in which ports function, with not all services and businesses needing to be dockside and associated businesses being able to locate up to 40 miles away from the port and still utilise its facilities and benefit from the shared infrastructure in the wider City Region.
- 3.6 As yet, the LCR LEP have not quantified the precise level of new logistics and manufacturing space that will be required in the City Region, but it is clear that there is little space of this type left available in the City Region at the moment and so it is imperative that the LCR LEP and Local Authorities explore the opportunities for creating such space in the City Region to meet the anticipated

demand and ensure that the main benefits of the Liverpool2 container terminal are retained within the City Region.

- 3.7 While West Lancashire is not within the LCR LEP, it is very much part of the functioning economic area of the City Region, and was acknowledged as such by the Regional Spatial Strategy and within the Council's own Economy Study. In addition, the key settlements of Skelmersdale and Ormskirk are less than a 30 minute drive from the Port of Liverpool, with the access to Skelmersdale (via the M58) being especially good. As such, there is a significant opportunity for Skelmersdale and the wider West Lancashire area to benefit from the Liverpool2 container terminal and contribute to the LCR Superport project, a fact that is acknowledged by the LEP officers leading on the LCR Superport project.
- 3.8 Therefore, WLBC officers (including the Assistant Director Planning and the Deputy Assistant Director Housing & Regeneration) met with officers from the LCR LEP on 25 July to broach the subject of how West Lancashire might get involved with LCR Superport project. This meeting was very promising and the officers from the LCR LEP were very willing to discuss how West Lancashire may have greater involvement in the LCR Superport project and in other LCR LEP projects in the future given that Skelmersdale and Ormskirk are very much part of the City Region's economic area. It was acknowledged that developing a more formal working arrangement between WLBC and the LCR Superport project would be mutually beneficial.
- 3.9 In particular, aside from the opportunity for increased involvement with the LCR LEP and the Merseyside Authorities that the LCR Superport project provides, involvement with the project will also provide opportunities to raise awareness within the logistics and manufacturing markets of what West Lancashire has to offer. It will also provide links for the likes of West Lancashire College to offer relevant training to the local workforce, in the short-term help to fill the vacant Comet warehouse (and surrounding undeveloped land at XL Business Park) and the soon to be vacant Matalan premises with appropriate businesses. In the medium-term it will help to facilitate the remodelling of existing industrial estates such as Pimbo and Gillibrands with more modern, fit-for-purpose units.
- 3.10 An outline proposal (attached as Appendix A and summarised below) was received from the Liverpool LEP outlining three potential opportunities for West Lancashire to engage with the LCR Superport project and more widely with the LCR LEP, although did not contain details of costs:
- Involvement with a Study exploring the demand for distribution space in the City Region – the scope of this could be expanded to include West Lancashire and WLBC could make a financial contribution towards this study as a discrete, one-off engagement;
 - Engagement with the marketing and business development activity that the LCR Superport is facilitating – this would likely involve a small ongoing contribution to include West Lancashire in all such activity by the LCR Superport; and
 - Corporate Partner Membership of the LCR LEP – this would involve West Lancashire becoming more closely aligned with LCR LEP and WLBC

becoming a Corporate Partner, and as such make a regular contribution to the funding of the LCR LEP.

- 3.11 The Assistant Director Housing & Regeneration has further explored with the LCR LEP all the above options including the potential for Corporate Partner Membership of the LCR LEP, and more details on cost the respective costs. West Lancashire's involvement in the Superport Project and wider involvement in the Liverpool LEP has been raised at the Superport Committee and the LEP Board.

4.0 CURRENT POSITION

- 4.1 An email has been received from the Liverpool LEP which states that West Lancashire's involvement in both the Study and more widely as a Corporate Partner of the LEP was welcomed at meetings of the LEP Board and Superport Committee. Our required contribution to the Superport Distribution Space Supply and Demand Study is £6,000. Under delegated authority this funding has been found from the Major Projects Reserve, as the Study will feed directly into the evidence base for the Industrial Estates Remodelling work which is identified as a major project within the Council's latest Business Plan.
- 4.2 Details of the benefits of Corporate Membership of the Liverpool LEP has also been received and is attached as Appendix B. The cost of Corporate Membership is £21,000 per annum.

5.0 FUTURE ACTION

- 5.1 A report is being prepared for the Lancashire Chief Executive's meeting on 15th November which will suggest that either LCC or the Lancashire LEP may wish to contribute to West Lancashire's Corporate Membership, although if this is not forthcoming I am seeking a delegation to allow further discussions to take place on the best way for the Council to engage with the Liverpool LEP, including possible Corporate Membership. The funding for this could constitute a growth bid for the next financial year.
- 5.2 Whilst Corporate Membership does offer several advantages it does seem to be aimed at businesses who want to participate in the activities of the LEP. Through further discussions with the LEP it may be that another form of engagement may be more appropriate for this Council, or we may be able to gain some form of enhanced membership (for example having observer status on the LEP Board).
- 5.3 At the MP's Skelmersdale Summit meeting held in early October, there was also a discussion of the importance of the Superport to West Lancashire and the HCA and LCC have suggested that monies may be available to conduct further study work to examine in more detail how West Lancashire may benefit from the Superport. Officers will meet with these bodies to look at this in more detail as this could also assist with the industrial estate remodelling work that is just commencing.

- 5.4 It is expected that the outcome of the Superport Study will be received in November and this will be reported to Members in due course.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 6.1 Engagement with LCR LEP and the LCR Superport project will help to raise the profile of West Lancashire to businesses and so bring new employment opportunities and training opportunities to the Borough. As such, it would help to achieve some of the objectives of the Sustainable Community Strategy. It will also help to deliver some of the economic and employment land policies within the new West Lancashire Local Plan 2012-2027, and so contribute positively to the sustainability of the Borough.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 7.1 There are some financial implications arising from this report in respect of potential funding required to become a Corporate Member of the Liverpool LEP, should this be determined to be the best way forward for the Council following further discussions with the Liverpool LEP and also subject to seeing if Lancashire County Council and the Lancashire LEP may be prepared to contribute to the membership. The potential monies required (£21,000) will form part of a budget growth bid for 2014/15. The need for future membership could be reviewed after this initial period.

8.0 RISK ASSESSMENT

- 8.1 At this stage of discussions, there are no risks to the Council of engaging in further discussion with the LCR LEP. However, if the Council do not take up this opportunity to explore our involvement with the LCR LEP, there may be a risk that the Council and the Borough miss out on some significant economic opportunities in the coming years.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

Appendix A – Proposal for Liverpool City Region Superport to engage with West Lancashire Borough Council

Appendix B – Benefits of Corporate membership of the Liverpool LEP

Proposal for Liverpool City Region SUPERPORT to engage with West Lancashire Borough Council

1. Overview

The Liverpool City Region Local Enterprise Partnership (LEP) is the region's leading membership organisation committed to the economic growth of the region, representing a unique alliance of businesses and organisations.

The LEP, its members and partners, seek to stimulate business growth and job creation in Liverpool City Region by driving forward the key business sectors of the economy. These are; **SUPERPORT**, Low Carbon Economy, Knowledge Economy and Visitor Economy. More information can be found at www.liverpoollep.org

2. SUPERPORT

Built on its history as a great maritime trading centre, Liverpool City Region's ports, airport, road, rail, inland waterway and logistics assets, together comprise strategically important freight capability for the UK and Ireland. These assets coupled with the natural geography comprise **SUPERPORT**. With a further £1 billion investment in these assets in the next 3 years, including the development of Liverpool2, a deep water container facility at the Port of Liverpool, and Mersey Gateway, a 6 lane bridge across the River Mersey, Liverpool **SUPERPORT** will drive substantial economic growth in the City Region, creating over 20,000 new jobs.

Centrally positioned in the UK, and situated in the largest economic region in the UK outside of London, **SUPERPORT** is an ideal location for retailers, manufacturers and associated supply chains to take advantage of the port and population centric benefits of reducing supply chain costs, reducing carbon output and reducing lead times to market.

3. The Proposal

Following an initial meeting between Liverpool City Region LEP **SUPERPORT** and West Lancashire Borough Council on 25th July 2013 it has been proposed that collaboration could benefit both parties. West Lancashire falls within the natural employment hinterland of Liverpool City Region and it is practical to recognise and maximise the value workforces flowing in both directions offers to inward investors in all sectors.

Widening the geographical scope will also enhance the **SUPERPORT** offer with more well located distribution sites being actively marketed through our activity. In turn this will provide advantage to West Lancashire in promoting their sites to relevant markets and investors. Longer term there may be scope to further develop the relationship to mutual advantage.

4. Initial Programme

The **SUPERPORT** agenda is a natural fit between Liverpool City Region and West Lancashire due to the requirement for distribution space to fulfil the economic benefit of Liverpool2 in terms of local employment. This provides a basis for active collaboration.

To maximise the economic development and job creation potential in the City Region, sites and land need to be available for distribution warehouses for the cargo owners who will be moving goods through the City Region. Failure to understand the current supply and future demand for sites will result in cargo owners utilising space out with the City Region.

To inform the work an analysis of the projected demand for logistics facilities in the City Region and its immediate environs over a 20 year horizon is required. This will be based on an understanding of regional, national and global trends in retail and manufacturing logistics, including port and population centric logistics, together with the potential economic, environmental and operational impacts of meeting the projected demand for logistics provision; and impact of associated major infrastructure investments including Liverpool2, Mersey Gateway, 3MG, the proposed HS2 and the widening of the Panama Canal. This should be coupled with an analysis of the current and potential supply of suitable sites and buildings in the City Region and environs to inform interventions required for supply to meet this demand for space.

Geographically, **SUPERPORT** is defined by the six local authorities in the City Region: Knowsley, Liverpool, St Helens, Sefton, Halton and Wirral; however we recognise the economic benefit spreads beyond and for this study we will define it by a 1-2 hour drive from the port. Therefore it is feasible to include the immediate environs such as West Lancashire.

Furthermore there will opportunities to include West Lancashire sites in our marketing activity and promotional brochures and to attend conferences and exhibitions as part of the **SUPERPORT** promotional programme which includes a major presence at the UK leading logistics event Multimodal 2014 in April.

5. Commercial

The development and promotion of **SUPERPORT** is reliant on funding from partners so a financial contribution which reflects the input and value of joint activity is required for West Lancashire Council to actively participate in both the Demand and Supply Study and the promotion of sites and facilities to the retail, manufacturing and logistics industry. This contribution may take the form of a specific contribution to the study, marketing and business development activity, or more broadly through Corporate Partner Membership of the LEP. This will need consideration by both organisations and their respective Boards/Members.

6. Next steps

This proposal will be shared with the LEP Chair and Board for consideration, and with West Lancashire Borough Council. This will provide an opportunity to consider the implications and desirability of this proposal for each party. On the basis of a positive outcome of these considerations it will then be necessary to quickly substantiate a work programme, agree contacts and to confirm the commercial arrangement.

Corporate Membership



Accelerating growth in the City Region's economy

Liverpool City Region Local Enterprise Partnership (LCR LEP) is the most innovative in the country. It is the only LEP with a 450+ strong, fee-paying, and private sector-led Membership committed to growing the City Region's economy.

The Liverpool City Region LEP has a private sector-led Board, with political leaders representing the six Local Authority areas of Halton, Knowsley, Liverpool, Sefton, St.Helens and Wirral, and is the only body which represents the entire City Region at Government level.

By bringing together local entrepreneurs and politicians, we have been able to harness the skills and experience of a wide range of individuals who understand what it takes to establish and grow businesses, which is a prerequisite for economic growth.

Our core drivers are:

- **Strategic Economic Development**
- **Business Growth**
- **Key Growth Sectors**
(Knowledge Economy, Visitor Economy, Low Carbon, SuperPort)
- **Marketing**

A further 10 additional actions to support these key drivers have also been agreed. They include Business Support, Innovation, Entrepreneurship, Inward Investment, Lobbying & Communications, Skills, Funding and Major Projects.

The work of the LEP in the Liverpool City Region includes major initiatives to create economic growth and jobs within the private sector through large scale projects such as Liverpool SuperPort, Mersey Gateway, Daresbury Science and Innovation Campus, Liverpool Waters and Wirral Waters.

There is also an emphasis on the importance of new business formation, support for small firms and accelerated business development.

Why do Members join?

Organisations join and maintain Membership of the Liverpool City Region LEP to:

- Support a collective effort to champion and grow the Liverpool City Region economy;
- Benefit from the economic uplift derived from working in partnership and through shared market intelligence;
- Be informed of and inform the City Region's economic strategy;
- Participate in the activity undertaken by, for and with the LEP;
- Generate a return on their investment in Membership through opportunities identified and realised.

The weighting given to each of these factors will depend upon the type of organisation and the nature of their relationship with the LEP. For many, the knowledge that they are part of something that is working for the area where they conduct business and are passionate about is an important factor.

Actively engaged Members experience the following elements:

- To be able to **inform and participate** in the development and delivery of strategy/action plans in key growth sectors;
- Expansion and development of their **market intelligence**;
- Attendance at **Key Growth Sector Panels**;
- Ability to **plan** their business around key sector trends and campaigns;
- **Introductions** to business and investment opportunities;
- Opportunities to **Partner** with others to create scale;
- Have their **views represented** in the economy;
- Expansion of their business **networks**;
- **Position** their business strategically in key growth sectors;
- Partner in **collaborative marketing** opportunities and promotions, nationally and internationally;
- **Investment** proposition building and enquiry handling;
- **Access** to business and Government decision makers.

Key benefits of Corporate Membership

With 450+ members, the region's major organisations and many of its most forward thinking enterprises are committed supporters, working with us to win more business for Liverpool City Region. Members, large and small, play an important and significant role in supporting and developing Liverpool City Region LEP activities.

Participation in our Membership programme provides businesses with exclusive access to a wide range of benefits, features and opportunities.

Access opportunities

- An extensive menu of opportunities, including key sector events, panel meetings, business networks, special events, corporate hospitality, launch events and high level networking dinners.
- Access to Liverpool City Region LEP Executive Directors.
- Access to intelligence, studies and reports.
- Use of our marketing materials to support sales initiatives, including access to our image library, promotional videos and literature.
- Access to our research data via our in-house team – England's Northwest Research Service.
- Use of our complimentary Accommodation Booking Centre.
- Complimentary use of our Conference Venue finding service.

Membership support

- A programme of activity developed to meet each Member organisations specific requirements – drawn from the various activities in which Liverpool City Region LEP is engaged.
- Assignment of a dedicated Relationship Manager to understand these requirements, assist with facilitating introductions, seek potential business opportunities and ensure that Members are fully engaged and benefit, where possible, from our activity across Liverpool City Region.
- This relationship is one of mutual benefit. We know from our Members' feedback that LCR LEP Membership is important to the organisations that have joined. We know that without our Members our voice would be nowhere near as strong or unified in representation of the City Region.
- We aim to act as a conduit for our Members, offering a unique opportunity for the private sector to become involved in, and influence, the public sector policy and decision-making process.
- We provide assistance to businesses looking to develop projects that are eligible to receive ERDF funding. We assist them throughout the application process and continue to provide ERDF technical support during the delivery of projects.
- Businesses in the Liverpool City Region have a right to be heard and they can do this most effectively through the LEP.

Networking

- Networking plays a key role in our Membership structure. We can make introductions and help to connect businesses.
- Regular Member events throughout the year include corporate dinners, conferences, presentations and our AGM.
- Liverpool City Region LEP invites Members to get involved with showcasing the City Region to existing and potential investors.
- Regular electronic briefings, news and updates to keep Members informed.

Communications

- Raising the profile of Member organisations and their business success.
- Business promotion through our networks and connectivity to our commercial opportunities.
- News of new developments, awards and major events can be included in our Press Releases and newsletters where relevant.

Membership fees

Annual Executive Membership £21,000+VAT

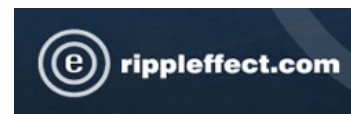
The revenue achieved through our Membership scheme is all reinvested in our work, helping us to represent the interests of our Partners and the City Region.

For further details please contact our Membership Team on 0151 237 3904.

We look forward to welcoming you into Membership of Liverpool City Region Local Enterprise Partnership.

Reassuringly in good company

A small sample of our Members:





AGENDA ITEM: 5(k)

CABINET 12 November 2013

Report of: Assistant Director Community Services

Relevant Head of Service: Managing Director (People and Places)

Relevant Portfolio Holder: Councillor M Forshaw

**Contact for further information: Mr C Brady (Extn. 5125)
(E-mail colin.brady@westlancs.gov.uk)**

SUBJECT: ORMSKIRK MARKET

Wards affected: Borough Wide

1.0 PURPOSE OF THE REPORT

1.1 To advise Members of the representations that have been made by market traders on Ormskirk Market.

2.0 RECOMMENDATION

2.1 That rather than accede to the request from market traders to remove the additional space charges currently applied as part of the market charges, the previously agreed 5% increase in market stall charges not be implemented in 2014/15 and the financial implications at paragraph 5, be noted.

3.0 BACKGROUND

3.1 West Lancashire Borough Council operates the Ormskirk Market on a Thursday and Saturday each week in Aughton Street and Moor Street, Ormskirk.

3.2 Ormskirk Market is reasonably "healthy" at the moment although traders are complaining of reduced takings and very poor weather conditions in February, March, April and May of this year have certainly not helped the situation.

3.3 Current stall availability on a Thursday and Saturday is as follows:

	Thursday	Saturday
Stalls Available*	103	103
Stalls rented to Licensed Traders	84	81
Stalls available to rent to casuals	18	21
(Number of Licensed Traders	50	49)

*Please note there is a charity stall on each market day which therefore reduces the available stalls for rent by one.

- 3.4 Recent market charges in pounds per session for stalls from April 2003 are as follows:

Year	Licensed	Casual
April 2003	21.00	21.00
April 2004	21.50	21.50
April 2005	21.50	21.50
April 2006	23.10	23.10
April 2007	23.10	23.10
April 2008	23.10	23.10
April 2009	24.10	24.10
April 2010	24.10	26.50
April 2011	24.10	26.50
April 2012	25.30	27.80
April 2013	25.30	27.80

- 3.5 Where traders can utilise additional space in front of their stalls they can opt to use this space and pay an additional charge for its use. Currently traders pay £4.50 per stall on Aughton Street and £2.25 per stall on Moor Street with annual income from the additional space charges generating approximately £9,900 per annum. Certain traders can also access electricity supply points and pay a charge of £3.00 per session for this supply.
- 3.6 As part of the 2011/12 MSR proposals, Council agreed in October 2011, to increase market rents by 5% in April 2012, with a further 5% increase being applied in April 2014. The April 2012 increase was subsequently applied. In the intervening period market traders have complained that their takings on the market have reduced and also there have been more instances of traders being unable to trade due to bad weather.
- 3.7 Members will be aware that market traders recently held a rent strike to highlight their concerns over high charges on the market in relation to their overall reducing income. Discussions were held with the traders' Committee, and as part of the suspension of this action they requested that the Council look at some way to assist them financially in these difficult trading times.

4.0 ISSUES

- 4.1 It was recognised that trade in the retail sector has declined both regionally and nationally. Furthermore in the Portas Review, published in December 2011, the Government commissioned an investigation of ways to address the retail decline

of the High Streets. The review noted that, in the future, High Streets need to be places that will develop and sustain new and existing markets and businesses. This decline in the national retail economy has adversely affected income on Ormskirk market, which is also the case in other markets and High Street across the country.

- 4.2 In a number of meetings, representatives from the Market Traders Committee have asked for a reduction in stall rents. They have been advised that in the current economic climate Members would be unlikely to agree to any reduction in current stall rental charges as this would impact adversely on the projected budget income for the market. The Committee then asked for Members to consider the removal of the additional space charges. It was agreed that a report would be presented to Cabinet to consider how traders could be best helped financially.
- 4.3 Ormskirk Market is a Charter Market, managed by WLBC and extremely important to the vibrancy and vitality of the town centre business community. As such the Council should be supportive of the market, particularly in these difficult economic times. The two market days are by far the busiest in Ormskirk town centre, with footfall being significantly increased on both days.
- 4.4 Pattern of stall take up on the market is different on a Thursday and Saturday. Stalls on a Thursday tend to be more in demand as there is not direct competition from other outdoor local markets. Saturdays on the other hand have competition from other markets operating on the same day and we therefore struggle to fill all the stalls or attract any new traders.
- 4.5 Although the daily charge of £25.30 per stall initially does not appear to be overly expensive, some traders rent up to three stalls plus additional space on a Thursday and Saturday resulting in their annual charges totalling £9,300 which equates to £179 per week.
- 4.6 It should be noted that not all traders currently use additional space at their stalls and therefore these traders would not benefit from the removal of the additional space charges. The withdrawal, however, of the proposed increase in market stall charges from 1 April 2014 would benefit all traders on the market.

5.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 5.1 As part of the 2011 MSR proposals it was agreed to increase market stall rents by 5% as from 1 April 2014 (there was no increase in charges applied in the 2013-14 financial year) and this would net an increase of approximately £12,500 per annum.
- 5.2 The loss of income from withdrawing additional space charges on the market would be in the region of £9,900 per annum.
- 5.3 Overall combined licensed / casual trader market rent income was down in the 2012 /13 financial year by £18,350. As a result the net overall market surplus was down from the anticipated budget figure of £61,190 to £50,550. There is clearly a need, however, to keep the market stall charges at a reasonable competitive level, particularly on a Saturday.

6.0 RISK ASSESSMENT

- 6.1 Income on the market is depressed due to the current economic climate affecting market stall take up. There would appear to be a fine balance in setting market charges at an appropriate level that maintains the ongoing viability of the market, helping to secure its future.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

None



AGENDA ITEM: 5(I)

CABINET 12th November 2013

Report of: Assistant Director Community Services/Borough Planner

Relevant Portfolio Holders: Councillor D. Sudworth/ Councillor M. Forshaw

**Contacts for further information: Mrs. P.F.Campbell (Ext. 5144)
(E-mail; paula.campbell@westlancs.gov.uk)**

SUBJECT: USE OF SECTION 106 MONIES IN ORMSKIRK

Wards affected: Derby Ward

1.0 PURPOSE OF THE REPORT

1.1 To consider the proposals from Ward Councillors regarding the use of Section 106 monies received by the Council, from housing developers, for the enhancement of public open space and recreation provision within the Derby Ward.

2.0 RECOMMENDATIONS

2.1 That the proposed project to open up three principal access points, new footpaths, seating and signage at Ruff Woods be approved and the Section 106 commuted sum of £25,000 generated in the Ormskirk area be made available for the project. This is to co-ordinate with existing allocation of £10,000 and anticipated grant funding for disability access.

2.2 That the proposed project to provide new shrub beds and planting to compliment existing park provision and support refurbishment of the Victorian water fountain and remedial work to dry stone wall in St Helens Park be approved and the Section 106 commuted sum of £10,000 generated in the Ormskirk area be made available for the project.

2.3 That the proposal to provide support for the development of two bowling greens on the L.C.C. owned playing fields adjacent to Ormskirk Cricket Club for the benefit of the local community be approved and the Section 106 commuted sum of £40,000 generated in the Ormskirk area be made available for the project.

3.0 BACKGROUND

- 3.1 Members will recall that under policy LE.13 of the local plan, developers must provide open space facilities as part of housing developments. Where developments are less than 20 dwellings or on sites where it is not reasonable to expect a developer to provide on-site facilities, and where there is a deficiency of open space, the Council can require a commuted sum for the provision of new or the enhancement of existing areas of public open space within its area.
- 3.2 In accordance with the decision of the Planning Committee held on January 10th 2002 the views of the relevant Parish Council/ward councillors are sought in respect of the potential use of this money.
- 3.3 In February 2011 an Officer Section 106 Agreements – Public Open Space Working Group was established to co-ordinate the receipt of the commuted sums, and report to Cabinet on proposals for the use of the S106 funding. A function of this group is to establish levels of uncommitted S106 funds across all wards, and consult with Parish Councils and ward councillors as to how this funding could be best utilised in line with the requirements of the S106 agreements.

4.0 CURRENT POSITION

- 4.1 Following consultation with Ward Councillors there are currently a range of new proposals put forward for consideration for existing Section106 funding in Derby Ward area. The proposals are set out in section 6 of this report. The funding can only be used in accordance with the terms of the related Section106 agreements for the provision of enhancement of existing areas of public open space within the localities.
- 4.2 Ward members are consulting on and considering additional proposals for Derby Ward for the remaining balance of 106 funding.
- 4.2 The Borough Planner offers the view that the proposed use of monies is in accordance with planning policy and the terms of the Section106 Agreement and consequently supports the proposals.

5.0 ISSUES

- 5.1 The proposals are in keeping with the aims of the Borough Council Play Policy and Cultural Strategy.

6.0 PROPOSALS

- 6.1 It is proposed to enhance areas within the Derby Ward as below:-
- 6.2 That the proposed project to open up three principal access points, tree maintenance, seating and signage at Ruff Woods be approved and the Section 106 commuted sum of £25,000 generated in the Ormskirk area be made

available for the project. This is to co-ordinate with existing allocation of £10,000 and anticipated grant funding for disability access.

6.3 That the proposed project to provide new shrub beds and planting to compliment existing park provision and support refurbishment of the Victorian water fountain and remedial work to dry stone wall be approved and the Section 106 commuted sum of £10,000 generated in the Ormskirk area be made available for the project.

6.4 That the proposal to provide support for the development of two bowling greens on the L.C.C. owned playing fields adjacent to Ormskirk Cricket Club for the benefit of the local community be approved and the Section 106 commuted sum of £40,000 generated in the Ormskirk area be made available for the project.

7.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

7.1 The projects will support the Council's strategic aims in respect of improving access to quality facilities, providing facilities to improve the health and quality of life of the community, and ensuring access to a wide age range.

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

8.1 The estimated total capital cost of each proposal mentioned in section 6 will be £75,000, the available funds in the derby ward are £210,000 leaving a residual 106 funding available of £135,000.

9.0 RISK ASSESSMENT

9.1 Section106 funds need to be spent in accordance with criteria set out in the related planning agreements and usually within a set time from payment. If the Council does not spend the monies in accordance with the set criteria then they will be repayable to the developer. This risk can be mitigated by assessing all project proposals prior to commencement to assure compliance, and working in partnership with the applicants to ensure criteria is adhered to.

Background Documents

None

Equality Impact Assessment

There is a direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment is required A formal equality impact assessment is attached as an Appendix 1 to this report, the results of which have been taken into account in the recommendations contained within this report.

Appendices

Appendix 1

Equality Impact Assessment – Use of Section 106 Monies in Derby Ward.

<p>1.</p>	<p>Using information that you have gathered from service monitoring, surveys, consultation, and other sources such as anecdotal information fed back by members of staff, in your opinion, could your service/policy/strategy/decision (including decisions to cut or change a service or policy) disadvantage, or have a potentially disproportionately negative effect on, any of the following groups of people: <i>People of different ages – including young and older people</i> <i>People with a disability;</i> <i>People of different races/ethnicities/ nationalities;</i> <i>Men; Women;</i> <i>People of different religions/beliefs;</i> <i>People of different sexual orientations;</i> <i>People who are or have identified as transgender;</i> <i>People who are married or in a civil partnership;</i> <i>Women who are pregnant or on maternity leave or men whose partners are pregnant or on maternity leave;</i> <i>People living in areas of deprivation or who are financially disadvantaged.</i></p>	<p>Use of Section 106 monies in the way proposed will improve access to open space facilities for all members of the community therefore the decision to support these schemes will not disadvantage or have a disproportionately negative effect on the above groups of people</p>
<p>2.</p>	<p>What sources of information have you used to come to this decision?</p>	<p>Consultation with Ward Councillors on local requirements, and assessment by Section106 Working Group (Public Open Space).</p>
<p>3.</p>	<p>How have you tried to involve people/groups in developing your service/policy/strategy or in making your decision (including decisions to cut or change a service or policy)?</p>	<p>Proposals for these schemes were received following consultation with Ward Councillors.</p>
<p>4.</p>	<p><i>Could your service/policy/strategy or decision (including decisions to cut or change a service or policy) help or hamper our ability to meet our duties under the Equality Act 2010? Duties are to:-</i> <i>Eliminate discrimination, harassment and victimisation;</i> <i>Advance equality of opportunity (removing or minimising disadvantage, meeting the needs of people);</i> <i>Foster good relations between people who share a protected characteristic and those who do not share it.</i></p>	<p>Consideration of the needs of all the community will be considered as part of the design process, therefore support for the scheme can only help our ability to meet our duties under the Equality Act 2010</p>
<p>5.</p>	<p>What actions will you take to address any issues raised in your answers above</p>	<p>Regular liaison with Ward Councillors throughout the design and implementation process will allow all issues to be considered.</p>