

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		Notes
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.	<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

Employment, office, trade, profession or vocation

Sponsorship

Prescribed description

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

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.

EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE HELD: 29 NOVEMBER 2012

Start: 7.30pm

Finish: 9.05pm

PRESENT: Ashcroft (Chairman)

Councillors: Blane Gibson
Baldock J Hodson
Bell Jones
Cropper Kay
Dereli O'Toole
Mrs R Evans Pendleton
Furey Pope
Fillis Savage

Officers: Deputy Borough Treasurer (Mr M Kostrzewski)
Programme Works Manager (Mr R Hague)
Assistant Legal Services Manager (Mr L Gardner)
Principal Overview and Scrutiny Officer (Mrs C A Jackson)

In attendance
Councillor Westley (Portfolio Holder Resources and Transformation)

30. APOLOGIES

Apologies for absence were proffered on behalf of the Assistant Director Housing and Regeneration.

31. MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, Members noted the termination of membership of Councillors Gagen and Moran and the appointment of Councillors Dereli and Furey for this meeting only thereby giving effect to the wishes of the Political Groups.

32. URGENT BUSINESS

There were no items of urgent business.

33. DECLARATIONS OF INTEREST

There were no declarations of interest.

34. DECLARATIONS OF PARTY WHIP

There were no declarations of a Party Whip.

35. MINUTES

RESOLVED: That the minutes of the meeting held on 27 September 2012 be received as a correct record and signed by the Chairman.

36. RELEVANT MINUTES OF CABINET

Consideration was given to the minutes of the Cabinet meeting held on 13 November 2012.

RESOLVED: That the minutes of the meeting of the Cabinet held on 13 November 2012 be noted.

37. CALL IN ITEMS

Consideration was given to the following two called-in items.

38. CALL IN ITEM - RISK MANAGEMENT

Consideration was given to the report of the Borough Solicitor which advised that a decision in relation to the above item (minute 65 refers) had received a call in requisition signed by five members of the Committee. The report set out the reason given for the call in, together with a different decision put forward by the five Members concerned on the requisition notice.

In the ensuing discussion the following comments/questions were noted in relation to:

- The change in the presentation of the Key Risk Register information, as set down at Appendix A, particularly the use of the “cube” risk matrix.
- Methodology used to feed into the process by service areas.
- Managing the implementation of MSRs – effects and reporting mechanisms.
- Descriptions and terminology used within the information presented.
- Emerging potential risks, particularly those as a result of changes in legislation.
- Identification/presentation, performance monitoring and managing concerns in the longer term.

The Deputy Treasurer responded to questions referencing details contained in the Borough Treasurer’s report. He explained that the risk management register is designed to be a fluid document and will, consequentially, reflect risk movement up and down. It was explained that serious risks would be flagged and regular update reports on particularly areas would come forward through the established reporting processes. He further reported that a risk management training session, open to all Members had been arranged to take place prior to the meeting of Audit and Governance on 29 January 2013, on the risk management process.

RESOLVED: That the Committee does not wish to ask for a different decision and the report considered by Cabinet be noted and endorsed.

39. PUBLIC SECTOR HOUSING CAPITAL INVESTMENT - PROCUREMENT OF KITCHEN AND BATHROOM REFURBISHMENT CONTRACTS

Consideration was given to the report of the Borough Solicitor which advised that a decision in relation to the above item (minute 71 refers) had received a call in requisition signed by five members of the Committee. The report set out the reason given for the call in, together with a different decision put forward by the five Members concerned on the requisition notice.

In the ensuing discussion the following comments/questions were noted in relation to:

- Quality of Kitchens to be installed.
- Contribution by tenants to the decision making process.
- Kitchens of void properties – void standard
- Landlord Services Committee (Cabinet Working Group) – role/reporting mechanisms.

The Programme Works Manager attended the meeting and gave an overview of the processes that had led to the selection of the kitchen cabinets supplier and responded to questions referencing details as contained within the Assistant Director Housing and Regeneration report.

The Chairman made an undertaking to speak with the Leader in respect of the points raised by a Member relating to role/reporting mechanisms of the Landlord Services Committee (Cabinet Working Group).

RESOLVED: That the Committee does not wish to ask for a different decision.

40. REVENUE BUDGET MID YEAR REVIEW

Consideration was given to the report of the Borough Treasurer which provided a projection on the General and Housing Revenue Accounts to the end of the financial year.

Members raised questions/comments in relation to:

- Staff efficiency savings – role of agency staff.
- New payroll service – transfer of the operation.
- Investment Centre – involvement of Members; initiatives to seek an improved outturn financial position.
- Empty rates liability charges – demolition/transfer of some units.

RESOLVED: That the financial position of the Revenue Accounts be noted.

(Notes: 1. Councillor Fillis left the meeting during consideration of this item and was not present for the remaining items of business.
2. Councillor Baldock left the meeting following consideration of this item and was not present for the remaining items of business.)

43. REVISED CAPITAL PROGRAMME AND MID YEAR REVIEW 2012/13

Consideration was given to the report of the Borough Treasurer that detailed the revised Capital Programme for 2012/2013 and provided an overview on the progress against it at the mid-year point.

During the ensuing discussion Members raised questions/queries relating to:

- Strategic Asset Management Plan – costs incurred so far; strategy related to land sales.
- Right to Buy sales – discount cap changes.
- Use of 106 monies.
- Windows and Doors Programme – adjustments.
- Affordable Housing Development Project – timescale adjustments.

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

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Chairman

CABINET

HELD: 15 JANUARY 2013
Start: 7.30pm
Finish: 9.10pm

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

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

In attendance	Ashcroft	J. Hodson
Councillors:	Cropper	Pendleton

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)
- Borough Planner (Mr J Harrison)
- Transformation Manager (Mr S Walsh)
- Principal Planning Officer (Ms G Whitfield)
- Principal Member Services Officer (Mrs S Griffiths)

78. APOLOGIES

There were no apologies for absence.

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

There were no items of special urgency.

80. DECLARATIONS OF INTEREST

1. Councillor Sudworth declared a pecuniary interest in agenda item 5(c) (Review of Revenue Funding to Voluntary Organisations) in view of his appointment by the Council to the West Lancashire CVS, and left the meeting during consideration of this item.

81. MINUTES

RESOLVED: That the minutes of the meeting of Cabinet held on 13 November 2012 be approved as a correct record and signed by the Leader.

82. ITEM REFERRED FROM CORPORATE AND ENVIRONMENTAL OVERVIEW AND SCRUTINY COMMITTEE - COMPLAINTS MONITORING

Councillor Westley introduced the report of the Borough Solicitor which set out comments referred from the Corporate & Environmental Overview and Scrutiny Committee at its meeting held on 13 December 2012, when scrutinising the above item.

In responding to the comments of the Corporate and Environmental Overview and Scrutiny Committee Councillor Westley referred to the vast amount of interactions with customers across the entire authority and explained that it was not feasible nor practical to record verbal complaints of dissatisfaction and that it would have a negative impact on service delivery. Councillor Westley circulated a motion which was seconded.

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

- RESOLVED: A. That due to the vast number of interactions with customers across the entire Authority it is not feasible to log/detail the number of verbal complaints received.
- B. That recording this level of detail is not considered a practical option and would also have a negative impact on service delivery. In addition, the likelihood of having to invest in new software for the purpose of recording complaints is not considered good value for money, particularly within the current financial climate.

83. MATTERS REQUIRING DECISIONS

Consideration was given to the reports relating to the following matters requiring decisions as contained on pages 2245 to 2596 and 2605 to 2651 of the Book of Reports.

84. ORGANISATIONAL RE-ENGINEERING SHELTERED HOUSING REPORT

Councillor Owens introduced the report of the Assistant Director Housing and Regeneration which detailed the findings and recommendations for savings and service improvements contained within the Organisational Re-engineering (OR) Sheltered Housing Management Report.

A copy of minute no. 33 of the Landlord Services Committee (Cabinet Working Group) held on 9 January 2013 was circulated at the meeting.

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

- RESOLVED:
- A. That the implementation of option 3 at paragraph 5 and the further work identified in paragraph 6, be approved, in order to gain a clearer understanding of service costs to inform a further decision on the future service provision in late 2013. (Note, Paragraph 3.4 regarding future Lancashire County Council Supporting People funding arrangements refers).
 - B. That a further report be submitted to Cabinet when the Lancashire County Council service model and contract arrangements are known.
 - C. That the actions already taken as outlined in Appendix 1, be noted.
 - D. That the recommendations for service improvements as outlined in Appendix 2, be approved.

85. STRATEGIC ASSET MANAGEMENT PROGRAMME

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 Scarisbrick, Newburgh and Aughton and Downholland Wards.

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, be noted.
 - B. That the Assistant Director Housing and Regeneration be authorised to take the actions recommended in Appendices A ,B & C in relation to the 8 sites in the Newburgh Ward, 23 sites in the Scarisbrick Ward and the 27 sites in the Aughton and Downholland Ward.
 - C. That the site off Park Avenue, Ormskirk, referred to in section 6 of the report, be appropriated for planning purposes under the provisions of Section 122 of the Local Government Act 1972.

- D. That funds from the savings on the overall Housing and Regeneration service area staffing budget are utilised so that the small delivery team remains at full complement to ensure the project remains on target.

86. FUNDING OF VOLUNTARY & OTHER BODIES WORKING GROUP

Councillor Westley introduced the report of the Transformation Manager which considered the recommendations of the Funding of Voluntary and Other Organisations Working Group meeting on 4 December 2012 in respect of the presentations/applications received from the Voluntary Organisations in relation to the review and monitoring of funding to the Voluntary Organisations.

In reaching the decision below, Cabinet considered the details set out in the report before it and accepted the reasons contained in it and noted that the decision was subject to the budget being set in February 2013.

- RESOLVED: A. That funding be made available to the following organisations from 2013 onwards in principle and determined when the budget is set on 27 February 2013:-
- i) Age UK – Lancashire
Funding continue at current level (£12,136) per annum by way of a 3 year Service Level Agreement subject to receipt of satisfactory financial statements and confirmation that grant will be used within West Lancashire.
 - ii) West Lancashire Council for Voluntary Service
Funding continue at current level (£32,779) per annum by way of a 3 year Service Level Agreement.
 - iii) West Lancashire Dial A Ride Association
Funding continue at current level (£28,575) per annum by way of a one year Service Level Agreement, to be reviewed in October/November 2013 due to the uncertainty of LCC policy in relation to Community Transport provision and to the financial viability of the Organisation.
 - iv) Relate – Lancashire & Cumbria
Funding continue at current level (£3,545) per annum by way of a 3 year Service Level Agreement.
 - v) South & WL Foodbank
Funding continue at current level (£1,130) per annum by way of a 3 year Service Level Agreement.
 - vi) West Lancashire Disability Helpline
Funding continue at current level (£5,920) per annum by way of a 3 year Service Level Agreement.

- vii) Victim Support Lancashire
Funding continue at current level (£4,854) per annum by way of a 3 year Service Level Agreement, subject to receipt of satisfactory financial statements and confirmation that grant will be used in West Lancashire.
- B. That in relation to Lancashire West Citizens Advice Bureau funding be continued in accordance with the terms contained within the Service Level Agreement (2012-2015).

87. STATEMENT OF LICENSING POLICY REQUIRED BY THE GAMBLING ACT 2005

Councillor Sudworth introduced the report of the Assistant Director Community Services which sought approval of the revised Statement of Licensing Policy required under the Gambling Act 2005, following the public consultation exercise.

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 revised Statement of Licensing Policy at Appendix 2 be approved.
 - B. That the Assistant Director Community Services be given delegated authority to publish and administer the revised Statement of Licensing Policy before the 31st January 2013.
 - C. That-call is not appropriate for this item as the Council must publish its revised Statement of Licensing Policy by the statutory deadline of the 31st January 2013 and therefore submission to the Executive Overview and Scrutiny Committee is not possible.

88. SUSTAINABLE ENERGY STRATEGY

Councillor Forshaw introduced the report of the Borough Planner which presented the Draft Sustainable Energy Strategy that would assist in the delivery of carbon reduction and improved sustainability across the borough.

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 draft Sustainable Energy Strategy, attached as Appendix 2 to the report, be approved for consultation purposes.

- B. That members agree in principle to engage in the Climate Local initiative and commit to helping reduce carbon emissions across the Borough.

89. BUSINESS PLAN 2013/14 REFRESH

Councillor Westley introduced the joint report of the Managing Director (People and Places) and the Managing Director (Transformation) which sought approval for the "Business Plan 2013/14 Refresh".

A copy of a revised Appendix A was circulated at the meeting.

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

- RESOLVED:
- A. That the "Business Plan 2013/14 Refresh" as set out in Revised Appendix A be approved and adopted by the Council.
 - B. That delegation is granted to the Joint Managing Directors to make any final amendments to the document, prior to publication.
 - 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 on 31 January 2013.

90. QUARTERLY PERFORMANCE INDICATORS (Q2 2012/13)

Councillor Westley introduced the report of the Transformation Manager which presented performance monitoring data for the quarter ended 30 September 2012.

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 30th September 2012 be noted.
 - B. That the call-in procedure is not appropriate for the item as the report has been submitted to the Corporate and Environmental Overview and Scrutiny Committee meeting on 21st February 2013.

91. DRAFT REVENUE BUDGET 2013 - 2014

Councillor Westley introduced the report of the Borough Treasurer, which provided a summary of the current General Revenue Account budget position.

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 financial position for 2013-14 and later years be noted.
 - B. That the Portfolio Holder for Resources and Transformation be given delegated authority to submit firm proposals to Council on 27th February 2013 to enable the budget to be set.
 - C. That call-in is not appropriate for this item as it is to be submitted to the next meeting of the Executive Overview and Scrutiny Committee on 31st January 2013.

92. MEDIUM TERM CAPITAL PROGRAMME

Councillor Westley introduced the report of the Borough Treasurer which outlined a number of options for the determination of the Medium Term Capital Programme in the context of the current difficult financial climate.

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 medium term financial position be noted.
 - B. That the Portfolio Holder for Resources and Transformation be given delegated authority to submit firm proposals to Council on 27th February 2013 to enable the capital programme to be set.
 - C. That call-in is not appropriate for this item as it is to be submitted to the Executive Overview and Scrutiny Committee on 31st January 2013.

93. HIGH STREET INNOVATION FUND

Councillor Forshaw introduced the report of the Borough Treasurer which provided an update on progress with the High Street Innovation Fund and set out proposals on how the balance on this fund should be used.

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 made with existing schemes be noted.
- B. That the Borough Treasurer in consultation with the relevant Portfolio Holders be authorised to take all necessary action to apply the balance of the High Street Innovation grant remaining to the proposed uses set out in section 5 of the report.

94. WEST LANCASHIRE BOROUGH COUNCIL TENURE STRATEGY

Councillor Mrs. Hopley introduced the report of the Assistant Director Housing and Regeneration which sought approval for the publication of the West Lancashire Borough Council Tenure Strategy.

Minute no. 34 of the Landlord Services Committee (Cabinet Working Group) held on 9 January 2013 was circulated together with Responses to Consultation Document and a motion submitted by Councillor Mrs. Hopley.

In reaching the decision below, Cabinet considered the minutes of the Landlord Services Committee, the Responses to Consultation Document, the motion circulated and the details set out in the report before it and accepted the reasons contained therein.

- RESOLVED: A. That the Tenure Strategy attached as Appendix A to the report be approved for publication in January 2013, subject to the amendment of paragraph 4.12, bullet point 3, page 5, as outlined in the Consultation Response Document.
- B. That call-in is not appropriate for this item as there is a requirement for the Council to publish its Tenure Strategy in January 2013.

95. HOUSING ACCOUNT - REVENUE & CAPITAL PROGRAMME

Councillor Owens introduced the report of the Assistant Director Housing and Regeneration which provided a summary of the budget position for the Housing Account for the next financial year.

Minute no. 36 of the Landlord Services Committee (Cabinet Working Group) held on 9 January 2013 was circulated.

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

- RESOLVED: A. That the financial position for 2013-14 be noted.

- B. That this report be used for consultation purposes prior to the Council considering this matter in February 2013.
- C. That the Housing Finance Portfolio Holder be given delegated authority to submit firm proposals to Council on 27th February 2013 to enable the budget to be set.
- D. That call-in is not appropriate for this item as it is to be submitted to the next meeting of the Executive Overview and Scrutiny Committee on 31st January 2013.

96. COMMUNITY INFRASTRUCTURE LEVY - PRELIMINARY DRAFT CHARGING SCHEDULE

Councillor Forshaw introduced the report of the Borough Planner which outlined the proposed community infrastructure levy (CIL) rates as set out within the preliminary draft charging schedule (draft schedule) (appendix 1) and sought approval to commence a 6 week consultation period March – April 2013 in order to seek representations from the public and development industry regarding the proposed charging rates.

Minute no. 18 of the Local Development Framework Working Group held on 8 January 2013 and minute no. 71 of the Planning Committee held on 10 January 2013 was circulated, together with a Community Infrastructure Levy Note (précis).

In reaching the decision below, Cabinet considered the minutes of the Local Development Framework Working Group and Planning Committee, the Community Infrastructure Levy Note (précis) and the details set out in the report before it and accepted the reasons contained therein.

- RESOLVED:
- A. That a 6 week public consultation exercise be undertaken in order to seek views on the possible introduction of the proposed CIL charging schedule as set out in Appendix 1.
 - B. That the minutes of the LDF Working Group (8 January 2013) and Planning Committee (10 January 2013) be noted.
 - C. That the Community Infrastructure Levy Note (précis), be approved.

97. SKELMERSDALE & UP HOLLAND DEMAND RESPONSIVE TRANSPORT SYSTEM

Councillor Forshaw introduced the report of the Borough Planner which outlined the performance of the pilot demand responsive transport system since the service came into operation on 21st May 2012 and sought an extension of the scheme.

A motion submitted by Councillor Forshaw was circulated at the meeting.

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

- RESOLVED: A. That the existing pilot scheme be extended to operate for a further 9 months, subject to a review after an initial 6 month period by Cabinet to determine whether to continue the scheme, extend the scheme across Skelmersdale or cease the use of the scheme.
- B. That passenger fares be increased from £2.00 per journey to £2.50, but that a 50p discount per passenger be offered for any shared journeys.
- C. That delegated authority be given to the Borough Planner in consultation with the Planning Portfolio Holder to review and amend as necessary the membership criteria and operational management of the scheme.
- D. That call-in is not appropriate for this item in order to allow for continuity of the pilot scheme, and that this report be referred to the Executive Overview and Scrutiny Committee meeting on 31 January 2013 for consideration and a request that any agreed comments be forwarded to the Portfolio Holder for Planning and Development.

98. COLLECTIVE ENERGY SWITCHING

Councillor Forshaw introduced the report of the Assistant Director Community Services which sought agreement of the introduction of a Collective Energy Switching Scheme for the Borough.

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 be authorised to work with the Lancashire Energy Offices Group to develop and implement a Collective Energy Switching scheme for West Lancashire.
- B. That the Assistant Director Community Services be given delegated authority to enter into the most appropriate procedure process as selected by the Lancashire Energy Officers Group and to review and update the scheme as required in consultation with the relevant Portfolio Holder.

99. TRAFFIC REGULATION ORDERS PAY & DISPLAY PARKING, SANDY LANE & YEADON, SKELMERSDALE

Councillor Forshaw introduced the report of the Assistant Director Community Services which outlined the terms of the proposed Traffic Regulation Orders for the above car parks and sought delegated authority to deal with any objections received to the making of the Orders.

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 Traffic Regulation Orders be made in respect of the land edged black on the plans attached at Appendices 1 and 2 on the following basis:

Short Stay Car Park – Pay and Display maximum stay 2 hours @ 30p per hour

Long Stay Car Park – Pay and Display maximum stay 4 hours @ 30p per hour (shown cross hatched)

together with permit parking as detailed in paragraph 3.2 to the report

B. That the Assistant Director Community Services in consultation with the Portfolio Holder for Planning and Development be given delegated authority to deal with any objections received to the proposals for the implementation of a pay and display parking system on both the Sandy Lane and Yeadon car parks.

C. That the Assistant Director Community Services be authorised to take all the necessary steps and obtain all necessary consents to implement the order.

100. WELFARE REFORM

Councillor Mrs Hopley introduced the report of the Assistant Director Housing and Regeneration, which sought approval for a range of financial inclusion initiatives to support tenants through the planned and proposed range of Welfare Reforms.

Minute no. 35 of the Landlord Services Committee held on 9 January 2013 together with a revised recommendation was circulated at the meeting.

In reaching the decision below, Cabinet considered the minute of the Landlord Services Committee, the revised recommendation and the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: A. That an incentive scheme to promote the use of direct debit for the payment of rent be approved.

- B. That the appointment of a Financial Inclusion Officer be approved in principle, to implement and support a range of initiatives to support tenants to sustain their tenancies, subject to the budget for their post being approved by Council in February 2013.
- C. That the Assistant Director Housing and Regeneration be authorised, in principle, to assist in the facilitation of a suitable initiative of the type provided by 'Smarterbuys' and 'The Store' or similar, subject to the financing of the initiative being approved by Council in February 2013. The Assistant Director Housing and Regeneration be authorised to approve the details and enter into all necessary agreements and consents, in consultation with the relevant Portfolio Holders.
- D. The call-in is not appropriate for this item as the report being submitted to the next meeting of the Executive Overview and Scrutiny Committee.

101. 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 item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 and 4 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.

102. MATTER REQUIRING DECISIONS

Consideration was given to the report relating to the following matter requiring decision.

103. REMPLOY

Councillor Sudworth introduced the report of the Assistant Director Community Services which advised of recent developments in respect of the CCTV monitoring contract with REMPLOY and commented on the detail of the report.

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

CABINET

HELD: 15 JANUARY 2013

RESOLVED: That the Portfolio Holder for Health, Leisure and Community Safety be given delegated authority to submit firm proposals to Council on 27 February 2013 in respect of this matter.

Note

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

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LEADER



AGENDA ITEM: 8

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
31 January 2013**

Report of: Borough Solicitor

Relevant Managing Director: Managing Directors

**Contact for further information: Mrs S Griffiths (Extn 5097)
(E-mail: susan.griffiths@westlancs.gov.uk)**

SUBJECT: CALL IN ITEM – ITEM REFERRED FROM CORPORATE AND ENVIRONMENTAL OVERVIEW AND SCRUTINY COMMITTEE – COMPLAINTS MONITORING

Wards affected: Borough wide.

1.0 PURPOSE OF THE REPORT

1.1 To advise the Executive Overview & Scrutiny Committee of the reason for the call in of the decision on the above item, as set out in Minute No. 82 of the meeting of Cabinet held on 15 January 2013.

2.0 RECOMMENDATIONS

2.1 That the Committee determines whether it wishes to ask for a different decision.

2.2 That if the Committee does wish to ask for a different decision, the Committee indicates which of the options set out at paragraph 5.1 below, it wishes to pursue.

3.0 DETAILS RELATING TO THE CALL IN

3.1 The report (which was referred from the Corporate and Environmental Overview and Scrutiny Committee) attached as an Appendix to this report was considered at a meeting of Cabinet on 15 January 2013.

3.2 The decision of Cabinet reads as follows:-

“82. ITEM REFERRED FROM CORPORATE AND ENVIRONMENTAL OVERVIEW AND SCRUTINY COMMITTEE - COMPLAINTS MONITORING

Councillor Westley introduced the report of the Borough Solicitor which set out comments referred from the Corporate & Environmental Overview and Scrutiny Committee at its meeting held on 13 December 2012, when scrutinising the above item.

In responding to the comments of the Corporate and Environmental Overview and Scrutiny Committee Councillor Westley referred to the vast amount of interactions with customers across the entire authority and explained that it was not feasible nor practical to record verbal complaints of dissatisfaction and that it would have a negative impact on service delivery. Councillor Westley circulated a motion which was seconded.

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

- RESOLVED: A. That due to the vast number of interactions with customers across the entire Authority it is not feasible to log/detail the number of verbal complaints received.
- B. That recording this level of detail is not considered a practical option and would also have a negative impact on service delivery. In addition, the likelihood of having to invest in new software for the purpose of recording complaints is not considered good value for money, particularly within the current financial climate.”

3.3 The following reason for call in was given in the requisition:-

“That the responses A and B chooses to ignore verbal complaints from members of the public which is not in keeping with the recommendations of Corporate and Environmental Overview and Scrutiny Committee”

3.4 The requisition also provided a different decision which was:

“A. That the Council recognises that complaints in writing and verbal can enable the Council to improve the quality of services, reduce costs and waste. Ensuring that said services are what people want rather than what the Council will provide.

B. That the Council considers and learns from the various business models available about the importance of ensuring that services are fit for purpose by customer satisfaction interactions. That every interaction is an opportunity to improve and not a burden on the Council.”

3.5 The following Members of the Executive Overview & Scrutiny Committee signed the requisition for call-in in accordance with the provisions of Overview & Scrutiny Committee Procedure Rule 15:

Councillor Fillis
Councillor Gagen
Councillor Gibson
Councillor Savage

4.0 COMMENTS OF THE TRANSFORMATION MANAGER

- 4.1 The complaints report provides data on the number of formal complaints received across the authority each year, both within Customer Services and within each individual section, therefore providing a corporate overview. Within the Contact Centre alone, there are approximately 190,000 customer interactions each year and as can be seen from the complaints monitoring report, only a very small percentage of customers choose to escalate their enquiry.
- 4.2 Clearly, the Contact Centre does not deal with all services and many calls are received directly within 'the back offices'. Therefore recording the nature/detail of any calls within Customer Services alone would not provide a full and accurate picture of the corporate position. In addition, due to the vast amount of interactions with customers across the entire Authority (i.e. both within the Contact Centre and within other offices), it would not be feasible to log and detail the number of verbal complaints of dissatisfaction. Experience shows that the vast majority of customers simply want their enquiry dealt with speedily and informally there and then, although clearly there is the option to escalate their dissatisfaction should they so wish.
- 4.3 Recording this level of detail is therefore not considered to be practical and would have a negative impact on service delivery. It is also likely that in order to introduce this policy effectively would require investment in new/bespoke IT software.

5.0 CONCLUSION

- 5.1 Following consideration of the decision of Cabinet, the requisition for call in and the comments of the Transformation Manager, the Executive Overview & Scrutiny Committee can decide if it wishes to ask for a different decision. If the Committee does not wish to ask for a different decision then the decision of Cabinet takes immediate effect. If the Committee does wish to ask for a different decision, it may:
- a. refer the decision back to Cabinet (as the decision making body) for reconsideration, setting out the different decision; or
 - b. refer the matter to Council. If the matter is referred to Council and Council does not object, then the decision of Cabinet will take effect immediately from that Council meeting date. If the Council does object, then the decision and the objection will be referred back to Cabinet (as the decision making body) for reconsideration.
- 5.2 The Secretary of State in his Guidance recommends that Overview & Scrutiny Committees should only use the power to refer matters to the full Council if they consider that the decision is contrary to the policy framework or contrary to or not wholly in accordance with the budget.
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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

Report of the Borough Solicitor



AGENDA ITEM: 5

CABINET: 15 January 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: ITEM REFERRED FROM THE CORPORATE AND ENVIRONMENTAL
OVERVIEW AND SCRUTINY COMMITTEE – COMPLAINTS MONITORING**

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To advise on the decision of the Corporate and Environmental Overview and Scrutiny Committee, at its meeting on 13 December 2012, in relation to consideration of complaints received by the Council from April 2011 to March 2012.

2.0 RECOMMENDATIONS

2.1 That the recommendation of the Corporate and Environmental Overview and Scrutiny Committee in relation to Complaints Monitoring as detailed at paragraph 3.2 below, be considered.

2.2 That Call In is not appropriate as it relates to an item already considered by the Corporate and Environmental Overview and Scrutiny Committee.

3.0 DETAILS

3.1 The Corporate and Environmental Overview and Scrutiny Committee considered a report of the Transformation Manager on Complaints Monitoring during the period from April 2011 to March 2012, previously considered by Cabinet at its meeting on 13 November 2012.

- 3.2 In relation to Item 8 – Complaints Monitoring, Minute 48 sets down the decision of the Corporate and Environmental Overview and Scrutiny Committee:

“48. COMPLAINTS MONITORING

Consideration was given to the report of the Transformation Manager which presented data on complaints received by the Council from April 2011 to March 2012 as contained on pages 205 to 218 of the Book of Reports.

A discussion ensued in relation to the Council’s definition of a complaint; the monitoring, identification and presentation of the complaints data.

The Customer Services Manager attended the meeting and responded to questions giving an explanation of the processes involved in relation to receipt, monitoring, capture and presentation of the complaints data.

It was agreed that the provision of information in relation to verbal complaints, particularly those received by telephone, the nature of the interactions and dissatisfaction would be useful when considering complaints monitoring reports.

RESOLVED: A. That in relation to the monitoring of complaints received by the Council that the matter be referred to Cabinet with a request that future reports on complaints monitoring include an overview of the level of verbal complaints received on telephone routes into the Council to see the nature of interactions and frustrations.

B. That the report be noted.”

4.0 COMMENTS OF THE TRANSFORMATION MANAGER

- 4.1 The complaints report provides data on the number of formal complaints received across the authority each year, both within Customer Services and within each individual section, therefore providing a corporate overview. Within the Contact Centre alone, there are approximately 190,000 customer interactions each year and as can be seen from the complaints monitoring report, only a very small percentage of customers choose to escalate their enquiry.
- 4.2 Clearly, the Contact Centre does not deal with all services and many calls are received directly within ‘the back offices’. Therefore recording the nature/detail of any calls within Customer Services alone would not provide a full and accurate picture of the corporate position. In addition, due to the vast amount of interactions with customers across the entire Authority (i.e. both within the Contact Centre and within other offices), it would not be feasible to log and detail the number of verbal complaints of dissatisfaction. Experience shows that the vast majority of customers simply want their enquiry dealt with speedily and informally there and then, although clearly there is the option to escalate their dissatisfaction should they so wish.
- 4.3 Recording this level of detail is therefore not considered to be practical and would have a negative impact on service delivery. It is also likely that in order to introduce this policy effectively would require investment in new/bespoke IT software.

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: 9

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
31 January 2013**

Report of: Borough Solicitor

Relevant Managing Director: Managing Director (People and Places)

Relevant Portfolio Holder: Councillor Forshaw

**Contact for further information: Mrs S Griffiths (Extn. 5097)
(E-mail: susan.griffiths@westlancs.gov.uk)**

**SUBJECT: SKELMERSDALE & UP HOLLAND DEMAND RESPONSIVE
TRANSPORT SYSTEM - ITEM REFERRED BY CABINET TO
EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE**

Borough wide interest

1.0 PURPOSE OF THE REPORT

1.1 To consider the report entitled "Skelmersdale & Up Holland Demand Responsive Transport System" as requested by Cabinet.

2.0 RECOMMENDATION TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

2.1 That the Committee consider the "Skelmersdale & Up Holland Demand Responsive Transport System" report of the Borough Planner and any agreed comments be referred to the Portfolio Holder for Planning and Transportation.

3.0 BACKGROUND

3.1 Cabinet received a report on the Skelmersdale & Up Holland Demand Responsive Transport System at its last meeting on 15 January 2013, and resolved:-

RESOLVED:A. That the existing pilot scheme be extended to operate for a further 9 months, subject to a review after an initial 6 month

period by Cabinet to determine whether to continue the scheme, extend the scheme across Skelmersdale or cease the use of the scheme.

- B. That passenger fares be increased from £2.00 per journey to £2.50, but that a 50p discount per passenger be offered for any shared journeys.
- C. That delegated authority be given to the Borough Planner in consultation with the Planning Portfolio Holder to review and amend as necessary the membership criteria and operational management of the scheme.
- D. That call-in is not appropriate for this item in order to allow for continuity of the pilot scheme, and that this report be referred to the Executive Overview and Scrutiny Committee meeting on 31 January 2013 for consideration and a request that any agreed comments be forwarded to the Portfolio Holder for Planning and Development.

3.1 A copy of the report is attached as Appendix A.

Background Documents

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

Appendices

1. Cabinet report 15 January 2013 of the Borough Planner



AGENDA ITEM: 6(n)

CABINET: 15 January 2013

Report of: Borough Planner

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: SKELMERSDALE & UP HOLLAND DEMAND RESPONSIVE
TRANSPORT SYSTEM**

Wards affected: Skelmersdale/Up Holland Wards/Lathom South

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 an extension of the pilot scheme.

2.0 RECOMMENDATIONS

2.1 That the existing pilot scheme be extended to operate for a further 9 months, subject to a review after an initial 6 month period by Cabinet to determine whether to continue the scheme, extend the scheme across Skelmersdale or cease the use of the scheme.

2.2 That the cost of the service be increased from £2.00 per journey to £2.50.

2.3 That delegated authority be given to the Borough Planner in consultation with the Planning Portfolio Holder to review and amend if required the membership criteria and operational management of the scheme, as set out in paragraphs 5.16-5.22 of this report

3.0 BACKGROUND

- 3.1 In order to help link employment and residential areas within Skelmersdale over recent years the Borough Council has been exploring options to introduce a demand responsive transport system removing a barrier to local people gaining employment.
- 3.2 After careful consideration and discussions with Lancashire County Council, the Borough Council decided that a demand responsive transport system utilising the existing taxi network was the most cost effective way of providing this much needed transport link. By utilising the taxi network we would only be paying for 'in service' miles and would not have to pay for vehicles, infrastructure or maintenance. LCC agreed to manage the service free of charge and a criteria for who could use the service was agreed by Cabinet.
- 3.3 In January 2012 Cabinet gave approval to introduce a scheme operating between residential areas in Skelmersdale & Up Holland and the Pimbo Industrial Estate using S106 commuted sums. The scheme has been operating for over 6 months.
- 3.4 It was agreed at the previous Cabinet that the initial pilot would run for a 9 month period but start reviewing results after an initial 6 month period. By doing this it was hoped that the service could continue whilst a decision was made to, either continue the existing service, expand the service or cease operation of the service. This would also give sufficient operating time to establish what aspects of the scheme were working well and what aspects would need changing.
- 3.5 The previous Cabinet report detailed how the scheme would be operated including a detailed criteria for who could use the scheme as well as the cost of the scheme.
- 3.6 The Borough Council and Lancashire County Council entered into a Service Level Agreement which outlined the roles and responsibilities of both organisations in relation to the proposed service.
- 3.7 Before appointing an operator the proposed contract was placed on the Official Journal of the European Union (OJEU) in order to comply with contract law. This meant that any taxi company operating within the European Union could apply to be appointed as the contractor.
- 3.8 Following this process the County Council received three bids from local taxi companies. After carefully evaluating the bids submitted, the County Council appointed Skem Express Cars as the company submitted a tender offering the best value for money and delivery of service. However, the County Council reserved the right to terminate this contract.

4.0 CURRENT POSITION

- 4.1 The service started on the 21 May 2012 and initially had relatively low numbers. However, as the service became established, and with some further publicity, passenger numbers steadily grew.
- 4.2 The service now has 195 members with approximately 80 members using the scheme in an average week. Feedback from the Jobcentre Plus and Pepsico Ltd indicates the scheme has been extremely successful in helping a number of people back into work whilst also allowing people to be able to remain in work when other forms of transport have ceased. The service has received good feedback with many users saying that they could not afford to get to work without the scheme.
- 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 When the service first started 115 journeys were recorded between May and June 2012 equating to 58 return trips to work. Passenger numbers have steadily grown and we now have 1353 journeys recorded between September to October equating to approximately 677 return journeys. These results are extremely positive and show there is a real demand for this service.
- 4.5 The cost of operating the service for the initial 6 months has been £14,533. In the previous Cabinet report it was estimated that the total cost for operating the service for 9 months would be £10,233. Given how the cost of the service (due to additional passenger numbers) grew during the 6 month period it can be seen that the total cost of operating the 9 month pilot will exceed the predicted cost.
- 4.6 In the previous Cabinet report we anticipated that the annual number of journeys would be 5,604 single passenger journeys or 2,802 journeys over a 6 month period. In reality we have achieved 5,184 journeys over the initial 6 month period which is nearly double the predicted level of demand. If passenger numbers stay at existing levels this increase will be even higher. Although this demonstrates that there is a real need for this service this increase in passengers has increased the overall cost to the Council using S106 commuted funds.

Table 1: Summary of the performance of the scheme for the first 6 months of operation

Period	Dates	Total Passenger journeys	Total Rev (£)	Gross Cost (£)	Mileage	Journeys	Payment from s106 (£)
9	13/05/12 - 09/06/12	115	230.00	591.30	407.5	115	361.30
10	10/06/12 - 07/07/12	538	1,076.00	2,821.50	1,774.0	538	1,745.50
11	08/07/12 - 04/08/12	895	1,790.00	4,530.00	2,816.4	895	2,740.00
12	05/08/12 - 01/09/12	1,150	2,300.00	5,494.90	3,442.9	1,076	3,194.90
13	02/09/12 - 29/09/12	1,133	2,266.00	5,430.40	3,432.7	1,033	3,164.40
1	30/09/12 - 27/10/12	1,353	2,774.40	6,122.20	3,615.9	1,214	3,347.80
Total		5,184	10,436.40	24,990.30	15,489.3	4,871	14,553.90

(Note: During the last month of operation one passenger paid an additional fee as she drops her child off on her way to school. This additional fee is paid by the employee & not the scheme.)

- 4.7 Table 2 below shows the expected cost of the scheme for a further 9 month period based on the last month's performance, which had far high user numbers than at the beginning of the scheme. This shows a more realistic estimation of the predicted cost of the service if continued for a further 9 months. This assumes that demand and cost remain the same.

Table 2: predicted costs of the service after 9 months

Period	Total Passenger journeys	Total Rev (£)	Gross Cost (£)	Mileage	Journeys	Payment from s106 (£)
Total per month	1,353	2,706	6,122.20	3,615.90	1,214	3,416.20
TOTAL (9 Months)	12,177	24,354	55,099.80	32,543.10	10,926	30,745.80

5.0 Evaluation of how the service has performed

5.1 As this scheme was being developed, officers at the Borough & County Council were in contact with the Job Centre Plus who identified a real need for such a service to help bridge the gap that local residents face gaining employment in Skelmersdale.

5.2 As the 6 month trial period came to an end officers have again been in contact with the Job Centre Plus to seek their comments on how the proposed service is operating. Jobcentre Plus state

“All feedback has been positive. Whilst dealing with the unemployed it has been helpful to advise those who would normally have trouble getting to parts of Skelmersdale an option to get help with travel. The Jobcentre Plus regularly supplies a workforce for a local employer with shifts starting at 5am. To encourage our customers to take up the short pre-employment training plan and to find work with the employer we advise those with no transport details of the scheme. Without the scheme we would not have the same successful results in gaining employment for our customers. There has been no request for this service to operate in other areas and we have had no problems reported to the JCP regarding this scheme.”

5.3 After the initial 6 month pilot scheme came to an end the Borough Council has sought the views of Pepsico who indicated that a lot of employees are using the scheme which is running well.

5.4 It is clear to see that the numbers of people using the service have risen significantly. Having consulted with Lancashire County Council who manage the service on behalf of the Borough Council it has become clear that, although the service has proved extremely successful and helped a number of residents enter employment, there have been some issues with the operational aspect of the scheme.

5.5 Although it was originally stated that journeys must be booked at least 24 hours in advance, to allow the operator of the service enough notice to be able to work out how to best share journeys this has not always been observed. People using the service have been contacting the taxi company with little notice meaning that the taxi company cannot arrange to link up and share journeys. Therefore, there have been far more expensive individual journeys than expected.

5.6 It should be noted that this is a totally new service and therefore when trying to work out how the service should operate we used historical information and information from the Burnley Best, a similar scheme operated in East

Lancashire, which was the example for how we believed our service would operate.

5.7 We experienced far higher levels of demand than we originally anticipated. This occurred for a number of reasons.

1. The current economic climate
2. Hotters Shoes, a large employer in Skelmersdale used to operate their own bus service. However, this service ceased weeks before the Council service was introduced. Many of the staff who relied upon this service transferred to the Council service in order to maintain employment.
3. A very successful information campaign to the employers

5.8 We made an assumption that, on average, 2 passengers would share a journey. For reasons outlined above this has not occurred and subsequently the average cost per journey is far higher than expected.

Costs of the project to date

5.9 In order to make the scheme more sustainable in the long term a range of options need to be considered to either reduce running costs and/or increase revenue.

5.10 LCC officers have agreed to remind customers and the taxi company of the requirement to book journeys at least 24 hours in advance in order to give the taxi operator an opportunity to ensure that journeys can be shared. In addition they will set targets for the taxi company to ensure that as many journeys as possible are being shared. This should reduce the number of individual journeys made and significantly reduce future running costs.

5.11 In addition to ensuring that more journeys are shared there are several options to alter the future performance of the scheme.

These options include;

1. Raising the fare of the proposed service from £2 per journey to £2.50 or £3. The financial appraisal of this option can be seen below.
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 new member to enter the scheme once a member has left.
4. Improving the efficiency of the service further.

Appraisal of the 4 options to improve the future performance of the scheme

1. Increase the passenger fare

- 5.12 In the last Cabinet report officers recommended a flat fare of £2 per journey and a saver strip of £18 for 10 journeys. In order to help reduce the cost of the service to the Council, officers believe the cost can be increased from £2 to £2.50 whilst still maintaining an affordable service to the passenger. No passengers have used the saver strip.

Table 3: Illustration of the effect of an increased fare to £2.50 (9 months)

Period	Total Passenger journeys	Total Rev (£)	Gross Cost (£)	Mileage	Journeys	Payment from s106 (£)
Total per month	1,353	3,382.50	6,122.20	3,615.9	1,214	2,739.70
TOTAL (9 Month)	12,177	30,442.50	55,099.8	32,543.1	10,926	24,657.30

- 5.13 If we increase passenger fares from £2 to £2.50 and assume that demand will remain as outlined in table 2 the total cost required for the scheme to operate for 9 months will reduce from the predicted cost of £30,745.80 to £24,657.30 assuming that passenger numbers remain the same.

Table 4: Illustration of the effect of an increased fare to £3 (9 months)

Period	Total Passenger journeys	Total Rev (£)	Gross Cost (£)	Mileage	Journeys	Payment from s106 (£)
Total per month	1,353	4,059	6,122.20	3,615.9	1,214	2,063.2
TOTAL (9 Month)	12,177	36,531	55,099.80	32,543.1	10,926	18,568.8

- 5.14 If we increase the cost of fares from £2 to £3 (as illustrated in Table 4 above) and again assume that demand will remain the same the total cost required for the scheme to operate will reduce from £30,745.80 to £18,568.80.
- 5.15 It should be noted that by increasing the cost some passengers may be deterred from using the scheme. Currently a return journey to work costs £4. By raising the cost of the service a return trip to work would increase to £5 or £6 respectively. Therefore, it is recommended to increase the cost of the scheme to £2.50 opposed to £3 as this represents a more sustainable outcome for passengers and at the same time addresses revenue shortfall.

2. Changing the criteria in which members must to be eligible to use the service.

- 5.16 In order to be able to use the service a criteria was imposed upon all potential users of the service. This criteria is listed below
- 5.17 In order to become members of the scheme members of the public must demonstrate that:
- They cannot make the journey reasonably on the existing public transport network.
 - They live within either Skelmersdale or Up Holland as defined within Map A (Appendix A)
 - They are making this journey in order to access employment on the Pimbo Industrial Estate.
- And also:
- They 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; or,
 - They have been referred to the scheme by a private company's HR department as being somebody who is new to the company and cannot reasonably access work due to a lack of public transport and the County Council agree; or,
 - They have been referred to by a private company's HR department as being an existing employee who is struggling to maintain employment due to transportation difficulties. This must be because their transportation circumstances have changed i.e their shift patterns have changed and fall outside of normal public transport hours/they can no longer car share or get a lift/their hours/wages have been reduced and they can no longer afford alternative transport methods; or,
 - The individual has walking difficulties and/or is disabled and cannot reasonably access employment without this service.
- 5.18 As patronage increases there is a need to review the above criteria to make them more restrictive, to ensure that only those most in need are targeted. An additional criteria should include a salary cap to ensure that anyone earning over a set amount (which can be agreed in discussion with the companies involved) cannot use the service, and this will provide greater clarity for the HR Departments. LCC should also carry out more rigorous checks to ensure that those employees recommended by Human Resource departments meet the criteria, and a mechanism introduced for renewing/cancelling membership if an employee's circumstances change. If the Council believe that an employee can make the journey by other means including cycling/walking/bus we should reserve the right to remove them from the scheme.

3. Limiting the number of passengers who use the service

- 5.19 The scheme currently operates with 195 members. In order to ensure that costs do not spiral we could limit the number of people who are registered to use the scheme. This would give the Council total control of the overall costs of the

scheme It is recommended that the scheme is limited to no more than the current 195 members people remembering that not all members of the scheme will use the service regularly.

4. Improving the efficiency of the service

5.20 As previously mentioned not all the journeys which could have been shared have been resulting in the cost of the service being higher than predicted.. The County Council are continually auditing the journeys provided by the taxi contractor and have worked with the contractor to put as many passengers on shared journeys as possible. However, due to the wide variation in shift patterns it has not been possible to share as many journeys as originally estimated. There is some scope, however, for the number of shared journeys to be higher than those arranged by the contractor. The County Council has not paid the contractor for period 2 (28/10/12 – 24/11/12) as it believes that more journeys could have been shared and is negotiating with the contractor a revised claim based on the number of taxi journeys that would have operated had the maximum number of journeys been shared. Based on this period the County Council believes that it is reasonable to expect 20 percent of journeys to contain more than one passenger.

5.21 Officers at the Council have already met with officers at LCC to discuss possible options for improving the efficiency of the service. Meetings are being arranged with HR departments using the scheme to both ensure that only those in the most need use the service, and to encourage companies to invest in the service in the medium to long term to ensure its future viability. Officers are also intending to meet with the taxi operator to make sure that they are fully complying with the terms of the scheme and maximising shared journeys.

Table 5: Illustration of the effect of 20% of journeys are shared and a cost of £2.50

Period	Total Passenger journeys	Total Rev (£)	Gross Cost (£)	Mileage	Journeys	Payment from s106 (£)
Total (9 mths)	12,177	30,442.50	49,589.82	28,288.79	9,833.4	19,147.32

5.22 The above table has been produced as an example to show the effect that sharing journeys and increasing the cost of journeys to £2.50. The table shows that the overall cost of operating the service for 9 months with existing passenger numbers would be £19,147.32. Clearly, if we can get more shared journeys the cost of running the service will be reduced significantly. In the previous Cabinet report the projected cost of running the service for 12 months was £13,644. Although the projected figure is still higher than previously anticipated this can be attributed to the significantly higher levels of demand and

a more realistic expectation of 2 people sharing a journey and not 3 as originally anticipated.

6.0 MANAGING THE SERVICE.

6.1 The management of the service will continue to be the responsibility of the County Council with no cost to WLBC. LCC's involvement in this service will continue to incorporate the following activities

- set up the Membership list and maintain it;
- ensure the contractor operates the service in compliance with the Contract;
- calculate payments due to the contractor and pay the contractor;
- take up any complaints from the service user with the contractor;
- review the service and provide WLBC with figures and information on the service to enable WLBC to make decisions on the future of the service.

6.2 In order to ensure that the service is operating as effectively as possible the County Council will provide regular feedback to Borough officers

7.0 FUNDING THE SERVICE

7.1 The cost of the service to date has been more than originally anticipated, costing £14,553 opposed to the £10,233 anticipated. By introducing the above recommendations officers believe that they can gain further control of the costs of the service and that the scheme can be operated in a far more sustainable way.

7.2 The Borough Council will continue to look at this service and decide if the service can be extended across Skelmersdale and the surrounding area. However, this will depend upon reducing the overall running costs.

7.3 The Council has £123,625 S106 funding available from Walkers Snacks which must be spent on providing an alternative means of transport to the site located on the Pimbo industrial estate as well as other significant S106 contributions. Officers have approached Walkers and they have indicated that they are supportive of the proposal. If Cabinet are minded to approve funding for the extended pilot scheme, and subsequently decide that they would like to see the scheme rolled out across Skelmersdale and Up Holland, this funding can be pooled with other S106 funds available for improving transport infrastructure in the locality.

7.4 Although transport services such as this are never fully self sustaining the Council does have sufficient funds to maintain this service for a number of years based on current costs. However, it is hoped that by increasing revenue and reducing costs the service can be more sustainable than at present.

8.0 VIEWS OF THE BOROUGH PLANNER

- 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. From looking at the views of Jobcentre Plus it is clear that the service is currently providing tangible benefits to members of the local community in need. However, there is a financial risk with the service and due to the numbers of users costs have gone above original predictions.
- 8.2 There is a need to ensure the scheme is managed effectively. I consider that there needs to be a greater sharing of journeys and an increased charge to ensure costs are minimised. Meetings will also be held with the HR departments to make sure that only those in greatest need are using the service and to discuss a salary threshold to clarify eligibility.
- 8.3 Therefore, in order to give this scheme an opportunity to introduce measures for further financial control, I recommend that Members authorise the use of S106 commuted sums to continue the pilot scheme to run for a further 9 months, that will be reviewed after the initial 6 months. During this period officers can implement the stricter controls outlined earlier which I believe will reduce the cost of the service and to help target those with the greatest need, helping to make the service more sustainable in the long term. I believe that a 9 month scheme being reviewed after 6 months offers a realistic period in which to reduce costs and get an accurate understanding of how the service has performed once stricter measures have been put in place.
- 8.4 If the costs of the service can be controlled and the scheme can be targeted at those in need it is proposed to re evaluate how the service has operated and take a further report to Cabinet if it can be demonstrated that the service can be operated on a sustainable long term footing.

9.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 9.1 If successful the 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 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 The Section 106 funding must be spent in accordance with the terms of the related S106 agreements and some are specifically for improvements to public transport within Skelmersdale. The funds must be spent within the timescales specified with the related agreements and contractually will have to be returned to developers if not spent within those time scales.

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

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>	<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>I have also consulted with Lancashire County Council public transport officers, the Job Centre Plus and Pepsico Ltd.</p>
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>	<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>
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>	<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>
5.	<p><i>What actions will you take to address any issues raised in your answers above</i></p>	Not applicable



AGENDA ITEM: 10

CABINET: 15 January 2013

**EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE:
31 January 2013**

Report of: Assistant Director Housing and Regeneration

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor V Hopley & Councillor A Owens

**Contact for further information: L McGarry (Extn. 5233)
(E-mail: leigh.mcgarry@westlancs.gov.uk)**

SUBJECT: WELFORM REFORM

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To seek approval for a range of financial inclusion initiatives to support tenants through the planned and proposed range of Welfare Reforms.

2.0 RECOMMENDATIONS TO CABINET

2.1 That Cabinet approve an incentive scheme to promote the use of direct debit for the payment of rent

2.2 That Cabinet approve in principle the appointment of a Financial Inclusion Officer to implement and support a range of initiatives to support tenants to sustain their tenancies subject to the budget for their post being approved by Council in February 2013.

2.3 That Cabinet agree in principle of utilising the Smarterbuys and The Store initiatives subject to Council approving the finance of this initiative and the Assistant Director Housing and Regeneration in consultation with the Portfolio Holders approving the detail of the initiative.

2.4 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.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

- 3.1 That the report be considered and agreed comments, if any, be submitted to Council.
-

4.0 BACKGROUND

- 4.1 Welfare Reforms and the introduction of Universal Credit will have a profound impact on the way in which people on low income, who are reliant on benefits, including housing benefit manage their money. The full impact of these changes are at present unknown but with over 1100 West Lancashire tenants being affected by the new bedroom tax there has never been a greater need for financial inclusion and support for tenants to manage their money and have access to a range of products to enable them to adjust to their changing financial circumstances.
- 4.2 Members will be aware of the background and detail to the Welfare Reforms having attended a training session delivered by an associate of the Chartered Institute of Housing this year.

5.0 DIRECT DEBIT (DD) INCENTIVE SCHEME

- 5.1 The most cost effective way to make rent payments to the Council is by direct debit with transaction costs of 3 pence compared to Post Office transaction costs of 44 pence for payment cards. There are currently 612 tenants (approximately 10%) using the DD form of payment method. The introduction of Universal Credit and the changes to how housing benefit is paid in future, direct to the tenant, will make the use of direct debit even more advantageous to the Council and offers good value for money and continuity of income for the Council. This should be encouraged as the preferred payment method..
- 5.2 It is seen as good practice and is a common tool used by other landlords to have an incentive scheme to encourage tenants to use this method of payment. There are a variety of schemes in operation which encourage the take up of DD across the sector.
- 5.3 Having researched other social landlords using Housemark good practice data it is proposed that we offer tenants a one off payment of £10 to take up the scheme. We would also enter all those tenants who are eligible into a quarterly draw for household goods up to the value of £300. Tenants must be actively using direct debit payments at the time of the quarterly draw to be eligible.
- 5.4 The costs of start up of this incentive will initially be in the region of £7,320 to transfer all those tenants who are paying by DD onto the scheme and to cover the quarterly draw. However there will be the potential for ongoing reduced

transaction costs to the HRA as new members join the scheme bringing year on year reduction in transaction costs.

6.0 FINANCIAL INCLUSION OFFICER

- 6.1 Many tenants, particularly those living on low income, cannot access mainstream financial products such as bank accounts and low cost loans. They are more likely to use the alternative credit market and pay higher levels of interest, leading to financial and social exclusion and poverty.
- 6.2 The need for positive financial inclusion activity is being exacerbated by the impact of recession and Welfare Reform. One of the main impacts of the recession is increasing debt and an increasing demand for debt advice services. There is also a range of other impacts including increased demand for affordable credit and, therefore, increased use of illegal money lenders. Supporting financial inclusion will deliver a range of benefits that could help reduce costs and improve service efficiency and effectiveness: potential benefits may include increased payment by direct debit and reduction in rent arrears. The costs of supporting financial inclusion far outweigh the costs of not supporting it.
- 6.3 Investment in a Financial Inclusion officer is a prudent and effective means of preparing for the impact of Welfare Reform changes. The Council needs to develop links with local partners including Welcome Credit Union, Lancashire Community Finance and other voluntary and community organisations to provide a range of financial advice and support to those on low incomes to help them manage their finances and avoid high cost loan providers.
- 6.4 The Council is currently developing tenant insight, which groups tenants with similar characteristics, such as tenant's who are likely to have rent arrears This information can then be used to target resources to those tenants who are more likely to be adversely affected by the Welfare Reform changes and experience financial difficulties.
- 6.5 Other initiatives and projects to address fuel poverty are being utilised, for example grant funding has been secured to provide more energy efficient heating and a programme to switch to cheaper tariffs is in progress. It is envisaged that the Financial Inclusion Officer could support these initiatives and work closely with the Environmental Strategy Officer to deliver increased benefits to tenants.

7.0 SMARTERBUYS & THE STORE

- 7.1 Smarterbuys is a web based opportunity, similar to Groupon & KGB Deals, which offers heavily discounted / low cost essential household items to low income households, whilst providing a range of payment options that make it accessible to those without bank accounts, and providing links to affordable, responsible credit via credit unions & Community Development Finance Institutions.
- 7.2 Essentially, the aim is to offer people a credible alternative to high interest weekly payment stores and door step lenders, and to enable those people

without bank accounts to benefit from the sorts of deals that others take for granted.

- 7.3 The website www.smarterbuys.org.uk is owned and managed by the Northern Housing Consortium (NHC), a not-for-profit membership organisation for social housing providers and local authorities. Members should note that the Council is a member of the NHC.
- 7.4 The Store – is a partnership between Derwentshire Homes and Prince Bishops Community Bank (PBCB), a community bank with 3200 active members. The store currently covers the whole of County Durham but can extend its bond by affiliating organisations and therefore has the ability to operate throughout the UK.
- 7.5 A website www.thestorenortheast.com and a magazine showcase the available goods. This is distributed to social rented tenants via the landlord alongside other mail such as tenant newsletters. Tenants contact The Store directly, who then contact the relevant landlord to determine that they are currently a tenant and that they have an up to date rent account. If a loan is agreed it is conditional on the customer joining the Community Bank and part of the weekly repayment - £0.25 is held in the individual's PBCB saving account, only accessible when the loan is cleared. This encourages tenants to save. Weekly rates are less than those charged by typical weekly payment stores.
- 7.6 Opportunities for WLBC- Smarterbuys & The Store have recently agreed to create a joint venture vehicle to offer to social housing landlords on a licensed basis, which will enable housing providers to offer their tenants (and residents) sustainable access to low cost weekly payment terms on a range of household items, with a return to the landlord, and to customise this offer on a local basis. In short, the Council would purchase the scheme and provide funding to support the initiative . Detailed proposals are available on request.

8.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 8.1 Supporting our tenants many of who are on fixed low incomes and who are likely to be affected by Welfare Reform changes will help sustain tenancies and local communities.

9.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 9.1 Maintaining income levels to the HRA is crucial now it is self-financing. These initiatives will minimise the impact of Welfare Reforms and provide value for money solutions for both our tenants and the Council.
- 9.2 The financial and resource implications of these initiatives will be included in the budget setting proposals for the HRA.

10.0 RISK ASSESSMENT

10.1 Failure to prepare adequately for the introduction of Welfare Reforms will have a significant impact on the HRA and the business plan and proposed investment in tenants homes.

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 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 A 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

Appendix 2 – Minute of Landlord Services Committee (Cabinet Working Group) held on 9 January 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>The changes to service would not disadvantage or negatively affect any of the groups highlighted.</p>
<p>2. What sources of information have you used to come to this decision?</p>	<p>The changes to service recommended are to support, help and advise tenants. We have spoken directly to tenants who will be affected by Welfare Reform. We have used reports produced by the Chartered Institute of Housing, Northern Housing Consortium and DWP to come to these recommendations.</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>Tenants have been involved and consulted throughout.</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 changes would help our duties under the Equality Act 2010.</p>
<p>5. What actions will you take to address any issues raised in your answers above</p>	

CABINET: 15 JANUARY 2013

LANDLORD SERVICES COMMITTEE (CABINET WORKING GROUP) 9 JANUARY 2013
CONSULTATION ON RELEVANT DRAFT CABINET REPORTS

35. WELFARE REFORM

Consideration was given to report of the Assistant Director Housing and Regeneration that explained the range of financial inclusion initiatives to support tenants as a consequence of the proposals in relation to welfare reforms.

The Housing Operations Manager – Public Sector Housing attended the meeting and outlined the initiatives proposed namely the Direct Debit (DD) Incentive Scheme; the Financial Inclusion Officer and the Smarterbuys & The Store system.

In discussion comments and questions were raised in respect of the following:

- The pro-active approach through the appointment of a Financial Inclusion Officer to assist tenants with the impact of Welfare Reform changes and other related financial issues.
- The potential use and take up of the Smarterbuys scheme.
- The take up and use of direct debit (DD) as an alternative to rent payment through the Post Office.
- Cash transactions – alternative methods of payment.
- Availability of advice until the appointment of the Financial Inclusion Officer.
- Issues related to DHPs.

The Assistant Director Housing and Regeneration gave an explanation relating to the DHP Policy administered by One Connect and the financial implications. It was further explained that until the approval for the appointment of the Financial Inclusion Officer support and advice is available in the interim through the Housing Section Rent and Money Advice service and West Lancashire ICAN service.

As a consequence of the discussion Members of the Working Group indicated that they were happy with the initiatives being proposed.

RESOLVED: That the report be noted.



AGENDA ITEM: 11

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
31st January 2013**

Report of: Assistant Director Housing and Regeneration

Relevant Managing Director: Transformation

**Contact for further information: Mr S Jones (Extn. 5208)
(E-mail: steve.jones@westlancs.gov.uk)**

**SUBJECT: CONSULTATION - WEST LANCASHIRE BOROUGH COUNCIL -
HOUSING ALLOCATION POLICY AND TENURE POLICY**

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To seek the views of the Committee on both of the above consultation documents as part of the overall consultation process.

2.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE

2.1 That Executive Overview and Scrutiny Committee make any agreed comments to be incorporated into the report to Cabinet on the 19th March 2013.

3.0 BACKGROUND

3.1 Following publication of the Localism Act 2011 the ability to better manage social housing stock by implementing flexible tenancies was introduced. Additionally all Councils were required to publish a Tenure Strategy by January 2013 which would frame the creation of individual Tenure Policies. Members will be aware that the Council has now published its Tenure Strategy. The Strategy must be taken "due regard" of by all social housing providers that operate within the Borough.

3.2 The introduction of flexible tenancies and the types of tenures that will be offered to various housing applicants is set out in the Tenure Policy document. This

document was sent to all Councillors on the 17th December 2012 and the consultation period ends on the 22nd February 2013 prior to consideration by Cabinet and Council. These new tenures apply only to tenancies issues after the date of approval and publication by the Council. It does not apply to existing tenancies.

3.3 Additionally following legislative changes and to reflect the move to the new tenure policy the Housing Allocations Policy required updating. Again this document was sent to all Councillors on the 17th December 2012 with the same closing date for comments of the 22nd February 2013. Both consultation documents are also available on the Council's website

3.4 Members will be acutely aware that with over 3000 applicants currently on the register who require housing, many with no real prospect of being allocated accommodation. In recognition of the need to make better use of our housing stock, for those in greatest housing need, there needs to be a system which allows the Council to review the continued use of lifetime tenancies for certain groups where it is appropriate to do so. The Tenure Policy seeks to reach a balance between fairness for housing applicants, meeting the housing need of those applying and sustaining stable communities across the Borough.

4.0 KEY CHANGES

4.1 Attached are summary sheets at Appendix A which outline the key changes that will apply from both the Tenure Policy and Housing Allocation Policy

5.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

5.1 These new arrangements will create a fairer and more balanced methodology to meet housing need and maintain sustainable communities.

6.0 FINANCIAL AND RESOURCE IMPLICATIONS

6.1 The costs of meeting the changes required such as a new tenancy agreement and various system changes are provided for within the 2012/13 Housing Revenue Account.

6.2 The system will be monitored in terms of application and reviewed as appropriate in terms of impact and whether any longer term costs need to be provided to support all of the changes and these will be considered as part of the normal Council estimate cycle.

7.0 RISK ASSESSMENT

7.1 The Council must update its policies and procedures where legislative change has been enacted and where a change in policy has an impact of the wider community so that all the requirements are transparent to housing applicants.

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

An EIA will be included, in relation to both consultation documents, in the report to Cabinet on the 19th March 2013.

Appendices

Appendix A - Summary of Changes to Allocations Policy and Tenure Policy

Consultation Summary Sheet

West Lancashire Borough Councils Housing Allocations Policy Proposed Changes

Now	What we are proposing
Anyone can go on the councils housing register. Many have little prospect of getting a council home.	Restricting access to the housing register by not accepting applications the following groups. <ul style="list-style-type: none"> • Those who have been housed by the council in the last 12months. • Those who have benefited from the right to buy scheme in the last 10 years. • Tenants who have not maintained their property in accordance with the terms of their tenancy • Owner occupiers • Applicants whose household income is above £40,000 or who have savings/asset over £60,000
All applicants irrespective of where they live are accepted onto the housing register and prioritised in the same way.	Applicants who do not have a local connection with the borough will still qualify to go on the housing register, however they will not be considered for any preference.
The priority bands will remain broadly the same with just a few minor changes proposed.	<p>Band A additions</p> <ul style="list-style-type: none"> • Applicants who are being discharged from the Armed Forces who have sustained serious injury, medical condition, or disability • Foster carers whose housing prevents them from being able to provide foster care. <p>Band B additions</p> <ul style="list-style-type: none"> • Those who have served in the armed forces and are going to be discharged within 6 months • Council tenants (whose tenancy started prior to September 2011), who are underoccupying, and who have been negatively effected by the changes to Housing Benefit under the Welfare Reform Act. <p>Band C changes</p> <ul style="list-style-type: none"> • Private Tenants who have been served with a valid notice to quit <p>Band D additions</p> <ul style="list-style-type: none"> • All other private tenants • Applicants without a local connection
Housing Need and local connection to some parts of the borough is what gives people priority on the housing register.	The council will give additional priority to those who are working or making a contribution to the community in other ways, eg volunteering or training.
Currently 2 children under 10 regardless of sex are expected to share a bedroom.	As we understand the difficulties families with children too young to use bunk beds have, it is proposed that, 2 children under 5 who share a single bedroom, would be given some preference.
Currently pregnant women are awarded an additional bedroom at 20 weeks.	In line with new housing benefit regulations an additional room would only be considered

	at birth.
Currently couples with 2 children under 10 or same sex children up to 20 would only be eligible to bid on 2 bedroom properties.	To address the imbalance in numbers being able to bid on 2 and 3 bed properties, it is proposed that couples with 2 children be eligible to bid on either 2 or 3 bedroom homes.

**Consultation Summary Sheet
West Lancashire Borough Councils Tenure Policy
Proposed Changes**

Now	What we are proposing
Introductory Tenancies. 12 months	No change
Elderly (state retirement age)	No change
Secure Lifetime tenancy	
Tenants accepted for designated sheltered accommodation	No change
Secure Lifetime tenancy	
Tenants with a disability who have had a disabled adaptation to their property	No change
Secure Lifetime tenancy	
All other tenants.	Flexible/Fixed term 5 year tenancy
Flexible/Fixed term tenancies for less than 5 years after Introductory Tenancy (IT)	
Where IT extended due to anti social behaviour	Flexible/Fixed term of 2 years
If house hold statutorily overcrowded at time of review but no alternative suitable accommodation has been secured	Flexible/Fixed term of 2 years
Where a Notice Seeking Possession has been issued due to rent arrears and the Court has accepted a payment agreement which the tenant has kept to	Flexible/Fixed term of 2 years
Where a flexible /fixed Term tenancy may not be renewed	
Property is under occupied	<ul style="list-style-type: none"> • Children have moved out • Spouse, partner or cohabite has left
Property is no longer suitable for tenant's needs	<ul style="list-style-type: none"> • Property has an adaptation, suitable for a person with a disability, that is no longer required by the occupying household
Tenant's circumstances have changed	<ul style="list-style-type: none"> • Tenants(s) assessed as having sufficient income, according to the published housing allocation scheme, to be able to access suitable housing in the private sector. • A joint tenant or cohabite has left • The tenant has come into legal ownership of another home or property
Tenant and/or their advocate do not engage in the tenure review process	<ul style="list-style-type: none"> • The tenant fails to comply with their conditions of tenure
Possession proceedings have commenced or tenure obligations have been broken/breached	<ul style="list-style-type: none"> • The Council has served an Notice Seeking Possession (on mandatory or discretionary grounds) on the tenant • The Council has evidence that the tenant has carried out anti-social behaviour • The Council has evidence that the tenant has behaved unreasonably, according to the definition in the published allocation scheme
Disposal or refurbishment of property	<ul style="list-style-type: none"> • The end of the lease term for a leasehold

	<p>property</p> <ul style="list-style-type: none">• Property is identified within a master plan as suitable for demolition or major refurbishment
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AGENDA ITEM: 12

**CABINET: 15 JANUARY 2013
EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE: 31
JANUARY 2013
COUNCIL: 27 FEBRUARY 2013**

**Report of: Managing Director (People and Places)
Managing Director (Transformation)**

Relevant Portfolio Holder: Councillor Westley

**Contact for further information: Mrs G Rowe (Extn. 5002)
(E-mail: Gill.Rowe@westlancs.gov.uk)
Ms K Webber (Extn. 5005)
(E-mail: Kim.Webber@westlancs.gov.uk)**

SUBJECT: BUSINESS PLAN – 2013/14 REFRESH

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To seek approval for the “Business Plan 2013/14 Refresh” (Appendix A).

2.0 RECOMMENDATIONS TO CABINET

2.1 That the “Business Plan 2013/14 Refresh” (Appendix A) be approved and adopted by Council.

2.2 That delegation is granted to the Joint Managing Directors to make any final amendments to the document, prior to publication.

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 31 January 2013.

3.0 RECOMMENDATION TO EXECUTIVE OVERVIEW AND SCRUTINY

3.1 That the “Business Plan 2013/14 Refresh” at Appendix A to the report be considered and that any agreed comments be referred to Council on 27 February 2013 for consideration.

4.0 RECOMMENDATIONS TO COUNCIL

- 4.1 That the “Business Plan 2013/14 Refresh” at Appendix A to the report be adopted.
-
-

5.0 BACKGROUND AND CURRENT POSITION

- 5.1 In early 2011, with the support of senior officers, the Business Plan Working Group developed a strategy, the aim of which was to deliver a managed approach to balancing the budget whilst delivering the Council aims over the next four years. The Council adopted this Business Plan 2011/15 in April 2011.
- 5.2 The Business Plan 2011/15 set out the Council’s strategy to deliver its priorities and the savings that it must over a four-year period.
- 5.3 Excellent progress has been made in the first two years of the plan and the Business Plan has now been refreshed to reflect refinements in Members’ aspirations and priorities. The amended version, “Business Plan 2013/14 Refresh”, is attached as Appendix A to this report.
- 5.4 The Council’s vision, values and priorities have been updated to provide a greater strategic focus. The Joint Managing Directors’ approach to delivering the Business Plan is outlined within it, as is information about the budget and the budget strategy.
- 5.5 Progress against the Business Plan is reported through Members Updates and an Annual Report to Council.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 6.1 There are no direct implications arising from this report.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 7.1 The draft Business Plan appended to this report will ensure the Council is able to continue to pursue its objectives, within the resources available. It sets out a range of ways in which efficiency savings, income and cost reductions might be achieved in the future.
- 7.2 Officer time will continue to be required throughout the process of refining and delivering the Business Plan.

8.0 RISK ASSESSMENT

- 8.1 The development of the Business Plan and associated processes mitigates against the risks that the Council will not deliver its aspirations within a balanced budget.

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

1. "Business Plan 2013-14 Refresh" (version dated 3 January 2013)
2. Business Plan 2011-15 (Year 2 refresh, February 2012)
3. Equalities Impact Assessment



Business Plan 2011-2015

2013/14 Refresh

Council 27th February 2013

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LEADER'S STATEMENT

This is an exciting but challenging time for West Lancashire. The Council's task is to provide the best possible services within the resources available to it. At a time of shrinking public finance and with economic challenges facing the whole country we remain committed to achieving this through efficient and effective service delivery for residents and businesses of the borough.



**Leader of the Council
Councillor Ian Grant**

We do not underestimate the task. Levels of government grant have diminished and this position is potentially intensified by a reduced income in a number of areas due to the general economic climate. This has meant that the Council needs to achieve savings of around 30% over the period 2011-2015. To balance the Council's budget in this environment means constant, managed change. Doing nothing is not an option. Since the implementation of this Business Plan to guide the Council through this period of change, we have made significant inroads and identified ****£3.3 million**** of permanent savings towards the ****£5.9 million**** we anticipate is required.

Good progress on achieving our savings in 2011/12 and 2012/13 has already been made. Our track record of financial management and service performance remains a good one and I am determined we will continue in this direction. ****We have the best record in Lancashire for zero or low Council Tax increases [**].** As a result of the work undertaken as part of this Business Plan over the last 12 months, policy options identifying savings have been developed ready for implementation in 2013/14. This means that, once again, we anticipate being able to deliver our services on budget, whilst minimising the impact for customers on the standard and range of service that they receive from their Borough Council. Sustaining this beyond 2013/14 will continue to be tough. Our aspiration is to maintain performance and the range of services that we provide, but reductions in some areas are going to be necessary.

Our approach is to continue to prioritise spending carefully in line with local needs identified through listening and consulting with residents and stakeholders. Just as importantly, we will need to communicate the outcomes from this process. Innovative working, harnessing technology, and continuing our partnership working will all help maintain the momentum towards achieving the required financial efficiencies. Where appropriate, we may consider the use of reserves to allow time to produce results. Our priorities are therefore to balance our budget and, as guided by our residents and stakeholders, also to care for our borough and work towards sustainable regeneration and growth.

In delivering these priorities, we will apply the following three principles.

- **Lean** – we will continue to look for ways of providing better services at reduced cost. For example, working with partners Lancashire County Council and Wigan Council has brought dividends through economy of scale, expertise and investment power. We will also re-engineer services so that they are customer focused and as lean as possible.
- **Local** – where services are best provided locally we will work with partners. For example, we deliver grass cutting of verges and hedge trimming on behalf of Lancashire County Council. Where we can, we will continue to place emphasis on supporting the development and enhancement of the voluntary and community sectors since these sectors are often best placed to deliver services and support to local communities. An example of this is the proposed community transfers for the Civic Hall, Community Resource Centres and Ashurst Meeting Room. We will also be transparent – clear about what we spend public money on, and why.
- **Fair** – to the tax payer and to staff. We firmly believe that the best response to the reduced finance available is a managed approach to change. Our Business Plan set out a measured approach that has been maintained through its annual refresh. Each service has been studied in depth through Major Service Reviews to look at the level each service is best delivered at and where there are areas of discretion. We will continue with this successful approach. Since the Business Plan was implemented, we have become a smaller organisation and further

contraction is likely. In making these changes, we will unashamedly seek to minimise compulsory redundancy amongst staff where possible as this is better for the tax payer, for staff and for the local economy.

Although this document is our plan for the future, I would like to recognise just some of the many achievements of 2012/13, both big and small, that contributed to a successful year.

- The work behind the West Lancashire Local Plan 2012-2027 Development Plan Document concluded in October 2012. The Plan underpins future development within the borough for the next 15 years. Following an extensive consultation process, the Council submitted the Plan to the Secretary of State. It is anticipated that if the plan is considered to be sound it will be adopted in summer 2013.
- Having successfully moved to self-financing for Council housing, we began to invest £8m for 2012/13 in our housing stock, including the replacement of windows and doors in 1,200 homes.
- 2012/13 saw the successful start to a strategic partnership arrangement with Lancashire County Council and their joint venture company, One Connect Limited. The ten-year contract saves £500,000 per year. It provides fresh thinking, additional expertise and access to technological solutions that have introduced major investment and innovation in the delivery of Revenues & Benefits and ICT services to deliver the best possible service for the people of West Lancashire. In addition it has brought jobs and investment to the area.
- Following receipt of a £100,000 one-off government High Street Innovation Fund, the Council has worked with the Love Ormskirk team and the Skelmersdale Concourse Management to develop schemes to encourage empty shop units to be brought back into use and provide support for the town centres.
- West Lancashire Borough Council and the Environment Agency undertook a £2million flood alleviation project at Calico Brook (Appley Bridge) and Dock Brook (Parbold). The drainage schemes reduced the flood risk for both village communities.

- Council vehicle fleet, plant and equipment is now provided and maintained by May Gurney Ltd, through our existing workshop facilities at the Robert Hodge Centre. This resulted in new vehicle fleet bearing the refreshed corporate branding taking to our roads from September.
- Refurbishment of the Council's main offices at 52 Derby Street was completed and created a much improved working environment for staff and welcome to visitors and the public.
- Beacon Country Park retained the Green Flag award and we extended our partnership with West Lancashire Leisure Trust to include the operation of Beacon Park Golf Course.
- Environmental works were carried out on 13 benches in Skelmersdale town centre as part of a new commitment to invest £50,000 in 2012/13 in small projects that make a big difference. The benches are in the plaza close to the Concourse, the police station, library and Nye Bevan swimming pool.
- In addition, during the year we entered into an agreement with Wigan Council for the provision of a Managed Payroll Service which will save £50,000 per year.

Despite the financial challenges, the highlights above show that we have been able to make improvements over a wide range of service areas. It is clear that these challenges will remain into the foreseeable future. However, I and everyone at West Lancashire Borough Council, look forward to meeting them and continuing to deliver the services that West Lancashire deserves.



Councillor Ian Grant

MANAGING DIRECTORS' REPORT

Local government continues to operate within a period of unprecedented change and public sector spending restraint. Councils across the country have had to make tough and often unpopular decisions in order to balance their budgets whilst, as far as they can, protecting services. The medium-term future financial position facing the Council will inevitably involve further significant reductions in government grant funding, with national commentators anticipating this trend will continue until at least 2018.

We believe that in West Lancashire we are responding positively to these testing times. The management team continues to plan for the long term, thereby enabling a proactive, managed approach to dealing with the current issues. That approach first led to the development and implementation of this Business Plan which was aimed at improving efficiency, reducing costs and generating income whilst ensuring that as an organisation we focus resources on our priorities. We remain steadfast in our commitment to this strategy.

In the last 12 months our senior management team has provided experienced direction and guidance for the organisation at a time when our staff need to feel as secure, engaged and motivated as possible. We aim to ensure that staff are involved and informed about the context in which we are working, the Council's priorities, and any changes that will impact on them.

As Managing Directors, our approach over the last year has been to drive the delivery of the Business Plan through the senior team – particularly the Major Service Review process, and other key projects, designed to deliver the Council's priorities within a balanced budget. Throughout the year we have also focused on meeting and holding discussions with as many staff and Councillors as possible, and on meeting with businesses and organisations in the Borough, to discuss their needs and perspectives.

We would like to thank staff for their fantastic efforts over the past year. Our strength as a council is our capacity to work together effectively, as one council, resulting in a "Team West Lancashire" approach. As Joint Managing Directors, we will continue to emphasise:

- a strong corporate focus;
- caring about and involving staff;
- giving committed professional leadership; and
- providing the best possible services within the resources available – the wellbeing of West Lancashire is paramount.

We are confident that for the next twelve months we have the right Team and the right Plan in place to ensure we remain a Council to be proud of.



Joint Managing Directors

Kim Webber

Gill Rowe



VISION, VALUES AND PRIORITIES

The Council's vision is:

To be a Council to be proud of – delivering services that are lean, local and fair.

The Council's values are:

We will deliver our vision by continuing to be an innovative organisation which:

- prioritises customers and the services that are most important to quality of life;
- work as 'one council' to provide a joined up approach;
- is open and accountable in the way that it makes decisions;
- develops and values employees;
- promotes equality and diversity; and
- works in partnership to benefit the borough.

Our values underpin the way in which we will deliver our priorities and achieve our vision.

Our Corporate Priorities are:

- balancing the budget and providing the best possible services within the resources available;
- focussing upon sustainable regeneration and growth within the borough;
- caring for our borough by delivering the small improvements that can make a big difference.

(We will minimise uncertainty for staff and stakeholders by continuing to implement a managed approach to change and explore innovation as a means to secure further value for money.)

Our services will continue to prioritise the following, subject to affordability:

- Protect and improve the environment and keep our streets clean and tidy;
- Combat crime and the fear of crime;
- Work to create opportunities for and retain good quality jobs in particular for local people;
- To be a top performing landlord;
- Improve housing and deliver housing that meets the needs of local people, including affordable housing; and
- Provide opportunities for leisure and culture that together with other council services contribute to healthier communities.

FINANCIAL POSITION

[\[**Text to be provided once the Local Government Finance Settlement, released on 19 December, has been analysed**\]](#)

ORGANISATIONAL STRUCTURES

The Council's senior management team has remained in place throughout the year providing consistent management stability and focus to deliver this Business Plan. We have continued to review structures within services, in particular Human Resources and Housing & Regeneration, to achieve both service improvements and reduction in costs.

The Leader of the Council made refinements to Cabinet portfolios during the year and reduced the number of cabinet members from seven to six.

Organisational structures are illustrated on the following pages.

CABINET MEMBERS & PORTFOLIOS



Leader of the Council

Councillor Ian Grant

Chairman of the Cabinet; community leadership; shared services/partnership contracts; Customer Relations; ICT & Exchequer Services; Legal & Democratic Services; FOI, Press & Media Strategy; Consultation & Community Engagement Strategy; Local Strategic Partnership; Sustainable Community Strategy; management issues; corporate procurement; town twinning; liaison with County Council & Parish Councils. Street scene: fleet/garage/depot facilities, street cleansing, grounds maintenance, stores. Waste disposal & recycling: waste management, including through partnership; domestic & trade refuse service, green waste & recyclables collection, farm round.



Housing (Finance), Regeneration & Estates (and Deputy Leader)

Councillor Adrian Owens

Regeneration: external funding & inward investment; marketing the authority & borough; grants & training advice to businesses. Housing finance: self-financing business plan; corporate & commercial property portfolio management/maintenance; Asset Management Plan; Asset Register & Land Terrier; acquisition/sale of land; valuation advice; rating appeals; European Objective 2 Priority 2 funding; Investing in Business Regeneration Programme.



Planning & Development

Councillor Martin Forshaw

Planning policy; Local Development Framework; development control; building control & enforcement; Borough town centre development; Skelmersdale Vision; conservation of built & natural environment; arboricultural & landscape services; council-owned unadopted footways, highways & grit bins; liaison with utility companies/Highway Authority for highway works & transportation issues; off-street public car parking & enforcement; Ormskirk market & bus station; land drainage & coastal engineering; 'green' issues including the Council's own activities.



Health, Leisure & Community Safety

Councillor David Sudworth

Commercial safety: health promotion, food safety, health & safety enforcement. Public protection & licensing: licensing taxis, public entertainment, charities etc; dog & pest control; animal welfare. Environmental protection: pollution control, fly-tipping. Emergency planning/business continuity. Leisure Trust & Serco contracts; sports development, swimming pools, sports centres; playgrounds & community centres; arts development, Chapel Gallery; countryside service including golf course, formal parks, open spaces, rights of way & environmental improvements; outdoor recreation; children's services; voluntary sector grants. Community Safety: Community Safety Partnership; CCTV.



Resources & Transformation

Councillor David Westley

Accounting services; capital and revenue estimates and budgeting; annual statement of accounts; treasury management; internal audit; risk management & insurance; data quality; value for money; major service reviews; organisational re-engineering; corporate planning; performance management.

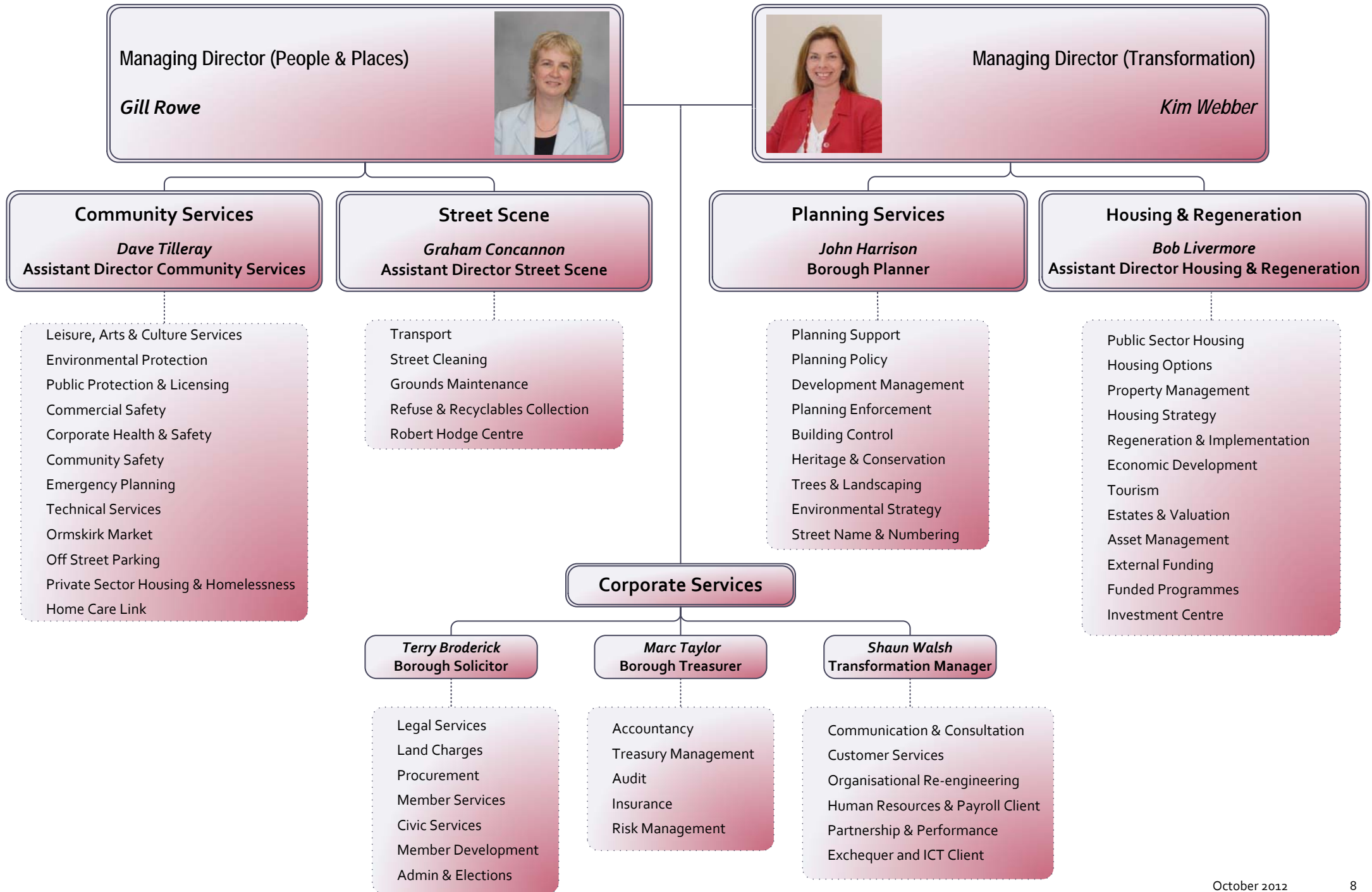


Landlord Services & Human Resources

Councillor Val Hopley

Public sector housing: repairs & maintenance, housing allocations, tenancy management, former tenant arrears, sheltered housing & tenant empowerment/participation. Private sector housing: renovation and disabled facilities grants, home energy efficiency; unfit homes; housing strategy; housing advice service; Supporting People Initiative. HR: corporate & strategic HR issues, strategy, policies & procedures; social inclusion, equality & diversity, cohesive & integrated local communities; council representative at NWLAEO meetings; council JCC; equality champion; employee development champion; health & safety champion.

SENIOR OFFICER MANAGEMENT STRUCTURE



CORE FUNCTIONS

West Lancashire is served by a County Council, Borough Council and 20 Parish Councils.

Main services provided by Lancashire County Council

Lancashire County Council is responsible for providing many of the services in the borough. Around 75% of the council tax collected in West Lancashire is spent on services that the County Council delivers.

Children and Young People

Incorporates the County Council's statutory role as a Children's Services Authority with a duty to promote co-operation and wellbeing of children and young people; make arrangements to safeguard and promote welfare; and prepare and publish a strategic plan setting out how services for children and young people will be provided.

The functions also include the County Council's powers and duties in relation to schools, including: access and school transport; school improvement and tackling failure; Special Educational Needs; school attendance; and educating excluded pupils and pupil welfare.

Adult and Community Services

Responsible for assessing the needs of vulnerable adults and their carers and securing the provision of social care services to meet these needs in line with the County Council's criteria. Also responsible for adult learning, county libraries, arts development, county museums, record office, welfare rights, coroners' and registrars' services.

Environment

Responsible for the County Council's duties and policies as Highway Authority and Planning Authority; for waste disposal, sustainable development, tourism, countryside services and the Lancashire Highways Service including highway maintenance services to the County Council and providing a grounds maintenance service to County Council property. Also

responsible for the Trading Standards Service and the County Analyst's Laboratory.

Lancashire County Commercial Group

Responsible for servicing County Council and other public service vehicles; cleaning County Council buildings; providing a catering service; providing a school crossing patrol service and providing a range of residential care services in County Council homes for the elderly, together with day care and home care services.

Main services provided by West Lancashire Borough Council

Planning Services

Responsible for all planning applications, building regulations and enforcement, as well as conservation, heritage, tree protection and planning policy.

Housing & Regeneration

Responsible for providing affordable housing, and providing housing advice services for people who are homeless. In addition, the function also undertakes the principle work of the Council in relation to creating jobs and bringing investment into the borough.

Community Services

Responsible for environmental health (including dog control, pest control, food safety, health promotion, health and safety, public health and pollution control); Community safety (including CCTV) and funding contributions for Police Community Support Officers; flood defences, shoreline management and methane monitoring.

Also responsible for country parks, the ranger service, sports pitches, playgrounds, parks and Chapel Gallery. Our pools and sports centres are run by West Lancashire Community Leisure Trust.

Street Scene

Responsible for the collection of waste and recycling from homes and cleaning all streets except the major highways. Also responsible for grass

cutting and grounds maintenance (of open spaces, parks and roadside verges).

Revenues and Benefits

West Lancashire Borough Council collects council tax and business rents that is spent by the Borough Council, Lancashire County Council, the Police and Fire Authority. One Connect Limited manages the collection on behalf of the Council. In addition, housing benefits and council tax benefits are also managed by One Connect Limited on behalf of the Council.

The Council also provides some services on behalf of Lancashire County Council. These arrangements have been put in place in areas where devolving management and resources locally has provided a more efficient service, for example the Public Realm partnership with Lancashire County Council whereby we deliver verge cutting and hedge trimming within our borough.

Main services provided by Parish Councils

West Lancashire has 20 Parish Councils and one parish meeting. These cover all of the borough except for Ormskirk and Skelmersdale. Parish Councils are financed by raising a small levy on all residential properties within a parish.

Parish Councils are a key tier of local government and provide a way of making sure services meet the needs of residents by influencing decisions that affect local people.

Parish Councils' powers include: the provision of facilities (such as allotments, leisure, bus shelters, litter bins, car parks, community centres, parks and open spaces); representation (e.g. planning applications); wellbeing (to spend on any activity which adds to the wellbeing of its community).

West Lancashire Borough Council and (signatory) Parish Councils established a Charter setting out how the Borough and Parish Councils will work together, whilst balancing the needs of the wider West Lancashire

community and recognising our respective responsibilities as autonomous, democratically elected, statutory bodies.





KEY ACTIVITIES

Workstreams

In refreshing the Business Plan for 2013/14 actions were aligned directly to the Council's priorities to provide a framework for the delivery of our vision. An outline of the actions for the forthcoming year are outlined below.

Balancing the budget and providing the best possible services within the resources available

Actions 2013-14

-  Major Service Reviews
-  Organisational Re-engineering
-  Strategic Asset Management Plan
-  Community Transfer of Facilities

In addition to the projects above, Council agreed further measures for savings in 2013/14 for example through externalising the dog warden service, extending car parking charges and reducing some grants/funding, as well as changes to internal budgets and organisational arrangements with no impact on service delivery.

Our successful *Major Service Review Programme* (MSR) examines every aspect of the Council's business to develop options for alternative forms of service delivery. It includes streamlining services and prioritising their affordability and desirability. We have now delivered and implemented years one and two of the Major Service Review process to assist in ensuring a balanced budget and cumulatively this has achieved savings of £xxx**, with around a further £xxx** already established for 2013/14. Due to its continuing effectiveness, the method will be used as the key vehicle for

delivering the necessary savings and balancing the Council's budget for the lifetime of the Business Plan. It is difficult to accurately predict the budget gap for future years, but a further MSR round will be conducted in 2013/14 in order to arrive at further policy options to be considered in 2014/15. It is however increasingly difficult to identify options that offer the level of savings needed without impacting upon service delivery.

Reviewing services also provides the information to form a strategic and targeted approach to *Organisational Re-engineering (OR)*. This is then applied to the parts of our organisation where this programme can deliver savings, whilst also considering improving service delivery and customer accessibility. There have been eight successful OR projects to date. In 2012/13 outcomes from projects were implemented in Environmental Health, Private Sector Housing and Sheltered Housing. In addition, a review of Planning Services was undertaken. Landlord Services will be a new area for re-engineering in 2013/14.

The Council aims to save around £200K through introducing a new model of *Community Transfer* for the Civic Hall (Ormskirk), Community Resource Centres (Tanhouse, Birch Green, Digmaor, and Greenhill) and Ashurst Meeting Room.








These facilities play an important role in bringing local communities together, offering a focal point for neighbourhood activities and a base for local groups. Early discussions with community groups around the potential for transfer initially sought transfer/ownership of the Community Resource Centres to existing management committees either in partnership with other groups or in an umbrella support arrangement. Notifications for expressions of interest in the community transfer of all the facilities have been published..

We are currently undertaking a strategic review of our asset holding (the *Strategic Asset Management Plan*), with a view to prioritising these assets for retention, improvement or disposal and this will provide a useful income stream and resources for future capital projects. The plan provides a framework to create a focused and sustainable property portfolio for the

future. During the year, the Council will continue to identify sites and either bring them to market for development or, where appropriate, seek an alternative use to meet local needs.

Focussing upon sustainable regeneration and growth within the Borough

Actions 2013-14

-  Skelmersdale Vision
-  Firbeck Revival
-  Land Auctions Pilot
-  Empty Homes Initiative
-  Infrastructure Delivery – Transport & Broadband
-  Remodelling Industrial Estates
-  Promoting Apprenticeships

The *Skelmersdale Vision* Town Centre Action Plan has continued to make progress in partnership with the Homes and Community Agency and St Modwen. During the year, outline planning permission ****was/nt granted**** for a mixed use development including a foodstore, cinema, restaurants, mixed commercial uses, petrol filling station, car park and youth zone along with new public realm and children's play area. Following this, work around marketing the scheme will be undertaken during 2013/14.

In early 2012, the *Firbeck Revival* initiative was approved and proposals taken forward for consultation with residents. The Skelmersdale-based project will deliver improvement to the Firbeck estate through a phased scheme that broadly covers home improvements, demolition of flats (excluding Firbeck Court) as well as property construction and redevelopment of the street scene. Initial work on this extensive project concentrated on providing energy efficiency measures to homes, as prioritised by residents during the consultation process. Key actions for

2013/14 include re-housing residents from properties listed for demolition, installing new kitchens and bathrooms on the remaining council-owned housing, and preparing a redevelopment brief for the construction of new properties. Demolition of the 3 storey flats will be carried out following the re-housing of the occupants. Residents will also be invited to take part in consultation regarding proposals for street scene improvements.

A government grant of £100K has been received and will be used to carry out the works required to progress a *Land Auctions Pilot* involving the Homes and Communities Agency and the Council. The pilot project tests the land disposal elements of a proposed national Community Land Auction model, which could potentially replace the current planning system for the provision of new houses. The pilot was initiated in 2012 and will last for a period of two years, during which time development sites will be brought forward which meet the objectives of the Local Plan. It is anticipated that the sale of at least part of the land will take place by 2014. Dependant upon which site(s) are selected, there is the potential for a significant sum of money to be raised which can then be used, through the Capital Programme, to invest in the priorities of the Council.

The New Homes Bonus is a grant paid by central government to local councils for increasing the number of homes and includes payment for long-term empty homes brought back into use. Proposals will be developed to utilise some of the existing bonus to start housing growth as well as reducing the number of empty properties through our *Empty Homes Initiative*, thereby generating further New Homes Bonus for the Council.







Although not a statutory function of the Council, engaging with partners to improve the infrastructure of the local area means that West Lancashire becomes more appealing to investors and developers. *Infrastructure Delivery* will focus on assisting improvements in transport and broadband for the area and ultimately support the wider success of the Council's priorities.

A lot of the borough's industrial estates were built 20 - 30 years ago and are no longer fit for purpose. The *Remodelling Industrial Estates* plan will improve the prospects of economic recovery for the borough by enhancing estates and making West Lancashire a more attractive option for industry. A staged progression will utilise reserves for the initial improvement works. Following the successful marketing of them, the income from new businesses will be used for further work on other estates.

Promoting Apprenticeships both within the council and throughout West Lancashire in partnership with Lancashire County Council and others will remain an important area of work.

Caring for our Borough by delivering the small improvements that can make a big difference

Actions 2013-14

-  Housing Asset Management Plan
-  Tenant environment improvement budget
-  Moor Street resurfacing
-  Local environmental improvements
-  Public Realm
-  CCTV: expanding coverage

The *Housing Asset Management Plan* (formerly Housing Improvement Programme) is another significant project being carried out within the Council's housing service. The five-year investment scheme will see through a programme of work to modernise and enhance the Council's housing stock. A programme of option appraisals will be developed for unsustainable properties and a tendering process will select contractors to carry out the work.

A *Tenant Environment Improvement Budget* of £180,000 over a three-year period has been allocated for small improvements to tenant areas, for

example parking or gardens. Tenants' groups or individual tenants are able to bid for funding. During its first year 2011/12, 42 bids were made and in its second year schemes to increase car parking facilities and improve landscaping were implemented.

A £700K project to improve Ormskirk's *Moor Street* in partnership with Lancashire County Council would carry out road resurfacing as well as environmental improvement works.

Local Environmental Improvements are being addressed through a budget of £50,000 in 2012/13, and we hope to continue this work in 2013/14. The budget has been used throughout the borough for example on street furniture, signposts, cleaning sculptures etc. The council also engages with Network Rail to facilitate the improved appearance of land, for example that covered with brambles.

The *Public Realm* agreement allows us to deliver services such as grass cutting of verges and hedge trimming on behalf of Lancashire County Council locally.

The Council made £250,000 available for *Expanding the coverage of CCTV* within the borough. In addition, under the terms of an agreement with the Local Strategic Partnership (LSP), £60,000 remaining from Performance Reward Grant funding for a CCTV upgrade project in 2011, was available for the scheme. Thirteen new cameras have been proposed for locations that have previously had no CCTV coverage. A further nine cameras have been proposed for improving and enhancing areas previously covered. Sites were finalised by Cabinet following consultation with Lancashire Constabulary, the Community Safety Partnership, CCTV operators and the LSP, as well as the results of a feasibility study. It is expected that the new cameras will be operational before the second half of 2013/14.

BUDGET STRATEGY

[**Text to be provided once the Local Government Finance Settlement, released on 19 December, has been analysed**]

[*REPRESENTATION OF BUDGET STRATEGY*]

[**Data to be provided once the Local Government Finance Settlement, released on 19 December, has been analysed**]

RESOURCE BUDGETING AND STAFFING

The Council's 2012/13 income was made up as follows

[**Data to follow**]

In 2012/13, the budget was spent as follows

[**Data to follow**]

- 1809 -
The Council is committed to ensuring staffing levels are appropriate to deliver services to agreed standards. In the current financial climate it is anticipated that the workforce will continue to reduce in size over the remainder of the current Business Plan period. To manage this process effectively and sensitively, the Council will continue to limit external recruitment appropriately and use short term temporary contracts in particular to ensure potential redeployment opportunities for staff displaced as a result of the continued Major Service Review process. The Council will continue to seek to minimise compulsory redundancies as far as possible.

CONSULTATION AND EQUALITIES

The Council has a duty to consult and involve representatives of local persons and others, where appropriate in the exercise of its functions.

In summary, this covers:

- The common law requirement for fair consultation, e.g. consultation needs to be undertaken when matters are at a formative stage and must be consistent with existing policies on consultation in particular functions.
- Responsibilities in relation to the Equality Act, which requires the Council to demonstrate that it has paid due regard to equality issues across its services and functions.
- The general 'Duty to Consult' (Section 3A of the Local Government Act 1999) which requires that in relation to its duty to secure best value an authority shall consult representatives of people who pay council tax and NNDR, service users and others with an interest in the area. The duty specifies three ways of involving that need to be considered, viz providing information, consulting or involving in another way.
- The Best Value Statutory Guidance (September 2011) sets out expectations for councils in relation to the duty to consult, including where they are considering difficult financial decisions. The guidance, which Councils must have regard to, requires councils to give at least three months' notice of funding reductions to voluntary or community organisations or small businesses; to engage organisations and service users as early as possible before making a decision on the future of a service; and make provision for organisations, service users and the wider community to put forward options on how to reshape the service or project.
- Particular statutory duties of consultation for specific matters, e.g. in relation to disposal of open space or highway matters (which supplant the more general Duty to Consult).

MONITORING OF ACTIVITIES

Business Plan Monitoring

Performance and progress against the four- year Business Plan is reported annually to the Council and the public in the form of an Annual Report.

Programme/Project Monitoring

In addition, Members receive regular reports regarding progress against the actions. This enables any issues to be identified at the earliest opportunity.

A Head of Service is identified as the 'Lead Officer' for each of the projects. Lead Officers will regularly monitor progress and performance against their projects, and report any issues to the Senior Management Team by exception.

Risk Management

The programmes contained within the Plan and the individual workstreams will be entered as high level risks on the Key Risk Register.

Cabinet receives reports against the Key Risk Register. These reports are available for call-in through the Overview and Scrutiny process, ensuring the opportunity for robust challenge regarding any issues of concern.

CONTACT FOR FURTHER INFORMATION

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Business Plan 2011-2015

2012/13 Refresh

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Leader's Statement

This is an exciting but challenging time for West Lancashire. Over the next three years, the Council faces the task of continuing to provide the best possible services within the resources available to it, at a time of shrinking public finance, and with economic challenges facing the country. Our commitment remains to provide the most efficient and effective services possible for residents and businesses in the Borough.



Cllr Ian Grant
Leader
West Lancashire
Borough Council

However, we do not underestimate the task - to balance the Council's budget, at a time when Government grant has been reduced by around 40% over 4 years - it will mean change. Already, we have made significant inroads and identified £3.3 million of permanent savings towards the £5.9 million we anticipate is required.

Our track record is a good one and I am determined we won't be complacent, and will continue to seek to move forward. We have the best record in Lancashire for zero or low Council Tax increases. As a result of the work that has been undertaken as part of this Business Plan over the last 12 months to identify savings, we have identified policy options that will mean that we anticipate that we can continue to deliver our services in 2012/13 on budget, whilst minimising the impact for customers on the standard and range of service that they receive from their Borough Council. However, our task, looking to the future, continues to be tough. Our aspiration is to maintain performance in as many frontline services as possible, but reductions in some areas are going to be necessary.

Looking ahead, our focus will be upon working towards sustainable regeneration and growth. Our emphasis will be on improvement within available resources - caring for our Borough by doing the

small things that make the biggest difference to the quality of life of the people of West Lancashire. Continuing to maximise efficiency and, concentrating resources on the areas that matter most, will continue to be our focus over the next three years.

In 2010, the Council received feedback on its housing service from a number of quarters. While there were some positive messages, there were some significant challenges. Recent feedback demonstrates that impressive improvements have been made with the assistance of tenants and staff. But we will not rest on our laurels and further improvement remains a firm priority. We have worked in partnership with developers Fawley Construction Ltd and John McCall Architects to build the first Council Houses in West Lancashire for 20 years. The £1.7 million project was jointly funded by the Council and the HCA and has delivered 17 new homes in Elmstead. It is expected that the new Housing Self Financing system that the Government is implementing from April 2012 will provide the Council with significantly more resources to invest in its housing stock and greater certainty for the future. A Housing Business Plan will be drawn up to ensure the Council invests these extra funds wisely and obtains good value for money. The changes that the national Government is bringing about to reduce inspection regimes and bureaucracy, will enable us to further hone the efficiency of our services.

We will continue to look to partnership working as a means of delivering financial efficiencies, without compromising the standard of the services received by our customers. However, service reductions are likely in some areas and we will need to prioritise spending carefully in line with local needs. We can achieve this through innovative working, harnessing technology, listening and consulting with local people and working with partners. To deliver this aspiration, we have devised a programme around three principles:

- Lean - we will continue to look for ways of providing better services at reduced cost, working with partners where economy of scale can bring dividends, and re-engineering services so that they are customer focussed and as lean as possible.
- Local - where services are best delivered locally, we will work with our partners, including the County Council, OneConnect, West Lancs Community Leisure Trust, Serco and Parish Councils to make sure decisions are locally based and focussed on what local people want. Where we can, we will continue to place emphasis on supporting the development and enhancement of the voluntary and community sectors as often these sectors are best placed to deliver services and support to local communities. And we will be transparent - clear about what we spend public money on, and why.
- Fair to the Tax Payer and to Staff - we firmly believe that the best approach is a managed approach to change in this era of reduced finance. This means that our Business Plan sets out a measured approach that will take some time to deliver. We do not intend to adopt the sort of knee-jerk approach to cuts that we have seen elsewhere. We have studied each service in depth through major service reviews to look at what level each service is best delivered at and where there are areas of discretion which are less valued by our customers. We will continue to roll out this successful programme. It is likely that in the future we will be a smaller organisation. In making this change, we will unashamedly be seeking to minimise compulsory redundancy amongst staff where we can - as this is better for the tax payer, for staff and the local economy.

The 1st November 2011 saw the start of a new era for West Lancashire as we became the first Council in the country to implement a new and innovative Joint Managing Director structure. This is a streamlined structure designed to provide the strong corporate focus that is needed to rise to the challenges that lie ahead in the next few years and deliver our Business Plan.

Following the departure of the Chief Executive, and with our two new Managing Directors at the helm, our senior management team has been streamlined, reducing costs, so as to enable a more corporate focus and flexible style of management.

Both of our new Managing Directors were integral to the development of the Business Plan in their former roles with the authority and outlined overleaf is the fresh approach that they will take to continue to deliver the excellent results of the last year. I hope you will enjoy reading our Business Plan Year 2 Refresh. I, and everyone at West Lancashire Borough Council, look forward to working with you all, shaping this next period in West Lancashire life.

Managing Directors' Review

For those in local government, as everywhere, the last few years have marked a period of unprecedented change. Councils across the country have had to make tough, but necessary, decisions to balance their budgets and, as far as they can, protect services.



Kim Webber Gill Rowe
Joint Managing Directors

With over 50 years service in local government between us, we have both been fortunate to have experienced times of growth and contraction in the public sector. More recently, we have also both been part of the management team that has been successful in planning for the difficulties on the horizon, thereby enabling a proactive managed approach to change and the Council to prepare for the challenges ahead. That approach has culminated in the development of this Business Plan and we remain steadfast in our commitment to this strategy as the way to steer this Council through the change that must be delivered over the next 3 years.

In the last 12 months, part of that change has been the restructuring of the senior management team and staff. We are acutely conscious of the effect that such a period of dramatic transition has had upon the organisation, particularly its greatest asset - the staff. We are aware that to continue to deliver our Business Plan and the services that we provide on a daily basis, our staff need to feel secure, engaged and motivated. As Joint Managing Directors, we will strive to care about and involve staff as we move forward.

We are committed to continuing to deliver the Council's Business Plan and now is the time for a fresh approach. This will involve:

- A strong corporate focus;
- Caring about and involving staff;
- Giving committed professional leadership; and
- Providing the best possible services within the resources available - the wellbeing of West Lancashire is paramount.

The Council's Vision, Values and Priorities

The Council's Vision is:

To be a Council to be proud of - delivering services that are lean, local and fair.

The Council's Values are:

We will deliver our vision by continuing to be an innovative organisation which:

- Prioritises customers and the services that are most important to quality of life;
- Work as 'one council' to provide a joined up approach;
- Is open and accountable in the way that it makes decisions;
- Develops and values employees;
- Promotes equality and diversity; and
- Works in partnership to benefit the Borough.

Our values underpin the way in which we will deliver our priorities and achieve our vision.

Our Corporate Priorities for the next three years are:

Over the next three years, we will lead the Council to achieve its vision by:

- Balancing the budget and providing the best possible services within the resources available;
- Focussing upon sustainable regeneration and growth within the Borough;
- Caring for our Borough - delivering the small improvements that can make a big difference;
- Minimising uncertainty for staff and stakeholders by continuing to implement a managed approach to change; and
- Exploring innovation as a means to secure further value for money.

Our Service Priorities are:

Subject to affordability, our Service Priorities for the next three years (2012/13 - 2014/15) are:

- Protect and improve the environment and keep our streets clean and tidy;
- Combat crime and the fear of crime;
- Work to create opportunities for and retain good quality jobs in particular for local people;
- Improve housing and deliver housing that meets the needs of local people, including affordable housing; and
- Provide opportunities for leisure and culture that together with other council services contribute to healthier communities.

Workstreams

To achieve the Council's vision, this strategy has been developed encompassing four streams of work. The first is a Shared Services Programme which involves looking at those services that might be delivered better on a wider footprint than just West Lancashire boundaries, by working with partners to deliver services. The key strand of this strategy will be to continue to work with Lancashire County Council and OneConnect Ltd, to deliver key support and back-office services. In 2011, we successfully entered into a shared service contract for the delivery of our Revenues and Benefits and ICT Services. This arrangement means that these services will be delivered at significantly reduced cost, whilst protecting staff and service quality. We are able to achieve these savings through the economies of scale that such an arrangement enables. Looking ahead, we will continue to explore options for entering into similar agreements for the delivery of our HR & Payroll, Financial Management Services and Estates Function. In addition, we will continue to work with the County Council to look at how we can make better use of our assets, for example by sharing office

accommodation. We are already seeing success in this area, as the County Council's Registration Office in Ormskirk has now relocated to a refurbished suite at 52 Derby Street. This goes to the heart of this Council's efficiency ethos, and the County Council's Locality Programme, and we will be discussing with County Council how we might assist them in delivering their services more locally and more efficiently by devolving management and resources where appropriate.

The next work stream is our Value for Money Programme. The key to this is the continuation of our successful *Major Service Review Programme*. In 2011, we examined every aspect of the Council's business to develop options for alternative forms of service delivery, streamlining services to make them more efficient and prioritise the affordability and desirability of services that we can deliver. This exercise has enabled the Council to identify savings in the region of £1.8 million in 2012/13. It is acknowledged that increasingly the level of savings that we must make will impact upon service delivery, the success of this programme in Year 1 means that we will be rolling it forward for the remaining duration of this Business Plan as the key vehicle to deliver the necessary savings and balance the Council's budget. We will also be continuing to take a strategic and targeted approach to re-engineering the parts of our organisation where this programme can deliver the most significant savings, with Housing and Planning Services being the focus of this in 2012/13.

Effective Procurement of goods, supplies and services remains a key strand of our VfM Programme and a number of tender exercises to test the market will be concluded shortly, including tenders for CCTV and Council vehicles. The application of new technology through our ICT partnership with LCC and One Connect Ltd. will release efficiency savings year on year and this will remain an important area of work. We will also look to build on the positive relationship we have with the Community Leisure Trust/Serco to see how we might achieve further improvements and efficiencies across our leisure activities.

The third work stream over the next four years is Resource Management. We are currently undertaking a strategic review of our asset holding (the *Strategic Asset Management Plan*), with a view to prioritising these assets for retention, improvement or disposal and this will provide a useful income stream and resources for future capital projects. We have undertaken projects in a number of wards across the Borough. We have undertaken a thorough refurbishment at 52 Derby Street, including the erection of a new roof for the building and use of newer technologies to make the building more energy efficient, thereby reducing running costs and its environmental impact. Effective *Human Resource Management and Development* of our staff is vital to the delivery of services.

The Council has also been looking at new ways of *generating income* by introducing an appropriate fees and charges scheme, the principle being that basic universal services should be free at point of use with appropriate charges being introduced for additional services in order to maintain their sustainability into the longer-term. A report detailing findings from the project work and proposals for change has already been received by Cabinet and we anticipate introducing these changes from April 2012.

The final stream of our strategy is to retain, where we can in the context of the financial situation, our focus on the delivery of good, basic front-line services and enhancement of the well being of the Borough. To do this we identified a number of Priority Delivery Projects. Excellent progress has been made towards completing them over the last 12 months and we will continue to pursue them in 2012/13 by:

- Working with the County Council and other partners to deliver support for enterprise and the generation of funding and inward investment to the Borough.
- Implementating the MSR 2012/13 Policy Options and undertaking further MSRs in 2013/14 and 2014/15.

- Monitoring the implementation of the new JVC partnership arrangements with LCC and OneConnect Ltd in relation to HR, Revenues and Benefits and ICT Services to ensure their success.
- Progressing the Skelmersdale Vision Town Centre Action Plan in partnership with the Homes and Community Agency and St Modwen.
- Delivering a Self Financing Business Plan for Housing.
- Implementation of the Housing Service Improvement Plan.
- Delivering an adopted Local Plan to provide the basis of a sustainable Borough going forward

Financial Review

The Council has a good track record of effective financial management and currently has a healthy financial position. Our latest Annual Audit Letter from our External Auditors concludes that:

“The Council has the capacity to deliver the scale of the spending reductions required of it. It is reviewing its strategic priorities and the cost effectiveness of its activities. It is taking a rational view of its priorities and of the short, medium and longer-term opportunities for savings”.

This letter also identifies that:

“The Council has [...] built up a sound financial standing with appropriate levels of reserves and balances approved by Members and appropriate to the strategic, operational and financial risks it faces”.

This strong financial position can also be demonstrated by:

- Over the last 10 years we have had the lowest cumulative Council Tax increase of all the Lancashire district authorities
- The latest third quarter budget monitoring of current financial year performance forecasts that we are on course to achieve a favourable budget variance at the year end.

However, looking to the future, the financial prospects for the Council are very challenging. Government grant funding has already reduced significantly and will reduce further in future years. At the same time, income from other sources is also depressed as a result of the difficult economic climate.

This financial position represents a massive challenge for the Council and the business planning process sets out how we will deal with this situation in an effective and well managed manner.

Organisational Structure

In order to meet the challenges of the future, the Council has reviewed its senior management team. We have replaced the previous model, which had a Chief Executive at the top, with one that is more streamlined and corporate, whilst at the same time more flexible, in order to provide focus and deliver this Business Plan in the most cost effective way for taxpayers. We are the first council in the country to introduce this new style of management, the structure of which is illustrated on page 9.

The Leader has also restructured his Cabinet (below) to ensure that political management arrangements are also streamlined and complement the officer structure and deliver the Council's vision.

CABINET MEMBERS & PORTFOLIOS



Leader of the Council: Councillor Ian Grant

Responsible for:

Chairman of the Cabinet; community leadership; Customer Relations; Legal & Democratic Services; Press & Media Strategy; Consultation & Community Engagement Strategy; Local Strategic Partnership; Sustainable Community Strategy; management issues; town twinning; liaison with County Council, Parish Councils.



**Portfolio Holder Housing (Finance),
Regeneration & Estates**

Councillor Adrian Owens
(Deputy Leader)

Responsible for:

Regeneration; external funding & inward investment; marketing the authority & borough; grants & training advice to businesses; housing finance; corporate & commercial property portfolio management/maintenance; Asset Management Plan; Asset Register & Land Tier; acquisition/sale of land; valuation advice; rating appeals; Lancashire Economic Partnership; Lancashire & Blackpool Tourist Board; Lancashire Rural Partnership; European Objective 2 Priority 2 funding; Investing in Business Regeneration Programme.



**Portfolio Holder
Planning & Technical Services**

Councillor Martin Forshaw

Responsible for:

Planning policy; Local Development Framework; development control; building control & enforcement; conservation of built & natural environment; arboricultural & landscape services; council-owned unadopted footways, highways & grit bins; liaison with utility companies/Highway Authority for highway works & transportation issues; off-street public car parking & enforcement; Ormskirk market & bus station; land drainage & coastal engineering; 'green' issues.



**Portfolio Holder
Health & Leisure**

Councillor Andrew Fowler

Responsible for:

Commercial safety: health promotion awareness, food safety, health & safety enforcement; public protection & licensing; environmental protection: pollution control, flytipping; emergency planning/business continuity; Leisure Trust & Serco contracts; sports development, swimming pools, sports centres; playgrounds & community centres; arts development, Chapel Gallery; countryside service including golf course, formal parks, open spaces, rights of way & environmental improvements; outdoor recreation; children's services; voluntary sector grants.



**Portfolio Holder
Resources & Transformation**

Councillor David Westley

Responsible for:

Accounting services; capital and revenue estimates and budgeting; annual statement of accounts; treasury management; internal audit; risk management & insurance; exchequer administration; information & communication technology; corporate procurement; freedom of information; value for money, including major service reviews and organisational re-engineering; performance management.



**Portfolio Holder Landlord Services &
Community Safety**

Councillor Val Hopley

Responsible for:

Public sector housing: repairs & maintenance, housing allocations, tenancy management, former tenant arrears, sheltered housing & tenant empowerment/participation; private sector housing: renovation grants, disabled facilities grants, home energy efficiency & unfit homes; housing strategy; housing advice service; Supporting People Initiative; community safety.



**Portfolio Holder
Public Realm & Human Resources**

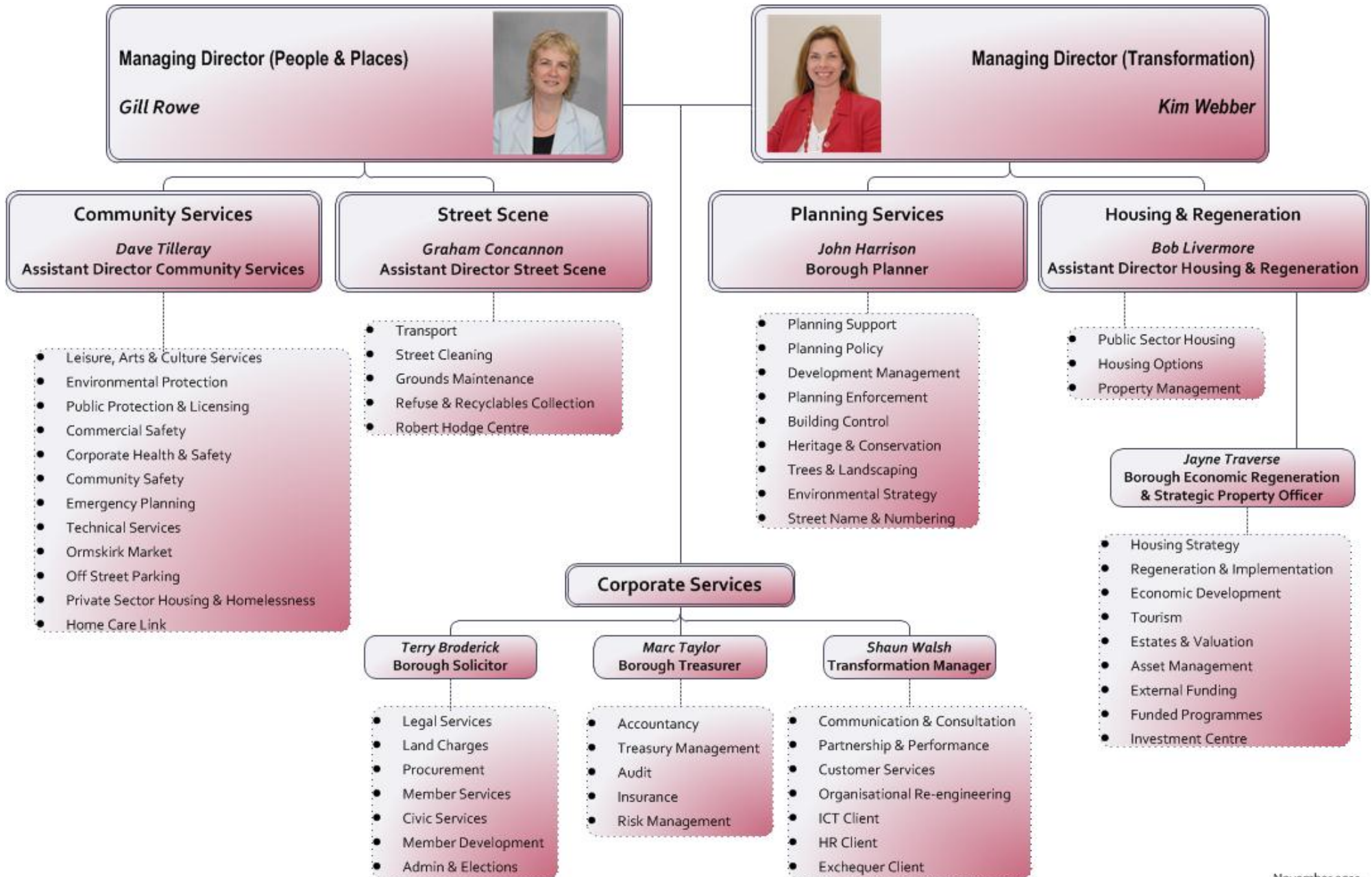
Councillor Iain Ashcroft

Responsible for:

Street scene: fleet/garage/depot facilities, street cleansing, grounds maintenance, stores; waste disposal & recycling: waste management including through partnership; green waste & recyclables collection, farm round, trade refuse services; corporate & strategic HR issues, strategy, policies & procedures; social inclusion, equality & diversity; cohesive & integrated local communities; council representative at NWLAEO meetings; council JCC; equality champion; employee development champion; health & safety champion.

November 2011

SENIOR OFFICER MANAGEMENT STRUCTURE



- 1820 -

CORE FUNCTIONS

The Council has key roles to play as both a local strategic leader and a local delivery partner. As a public body, it is crucial that the Council is transparent and accountable in all of its operations.

The services provided by the Council are determined by statute, although often there is discretion as to the level, or nature, of the service provided. The aim of this Council is to focus upon providing those services in the most advantageous way possible for local people. In some instances this will require direct delivery by the Council's workforce, in other instances delivery under contract or agreement with a private sector company or third sector organisation, and sometimes via a shared service or partnership arrangement.

Both the Council and this Business Plan are structured to deliver the key roles of strategic leader and local delivery partner as effectively

Strategic Direction and Local Leadership	
Internal Focus: <ul style="list-style-type: none"> • Shared Services • Value for Money Programming • Resource Management 	External Focus: <ul style="list-style-type: none"> • Partnership Working • Community Leadership • Strategy Development & Prioritisation
Local Delivery	
Direct Delivery: <ul style="list-style-type: none"> • Customer Services • Financial Management (partnership under discussion) • Legal/Democracy • Estates (partnership under discussion) • Planning • Housing • (aspects of) Leisure, Arts & Culture • Economic Regeneration • Environmental Health/Licensing • Grounds Maintenance (including undertaking work on behalf of LCC) 	Delivery Partner or Partnership: <ul style="list-style-type: none"> • Leisure Centres • Community Safety • Human Resources • Transport • Recycling • Street Cleansing • Refuse Collection • Exchequer Services • Council Tax • Information and Communication Technology
Accountability	
Corporate: <ul style="list-style-type: none"> • Full Council • Cabinet • Overview & Scrutiny Committees • Audit and Governance 	External: <ul style="list-style-type: none"> • Local Democracy & Elections • Freedom of Information • Statutory Publication Requirements • Transparency Agenda • Local Strategic Partnership • Tenant Scrutiny

as possible. Mechanisms are in place enabling all operations and decisions to be open to scrutiny, as robust challenge is integral to effective and accountable decision-making.

KEY ACTIVITIES

Local authorities must continue to achieve significant savings over the next three years. In 2011, we undertook a significant examination exercise of all of our services, so that we can think not only about what we can do, what services we can provide, but also about how they are provided. The latter is particularly important with regard to the functions that we are required to provide under statutory duty.

To ensure that we are providing the most appropriate services, as effectively and efficiently as possible, the Council has agreed a programme of activities to be undertaken over the next few years that are focussed upon realising the maximum value for money for residents.

In order to achieve the necessary budget approach, without compromising front line services as far as is practicable, in addition to the day to day business of the the local authority, over the next three years the following programmes will continue to be a major focus of work for the council:

- Shared Services Programme;
- Value for Money Programme;
- Resource Management; and
- Priority Delivery Projects.

Taken as a whole, these projects will deliver the Council's Budget Strategy, which is outlined in the next section. Full details, including the milestones and targets against which the Council's progress and success in achieving these will be monitored and managed, is provided in the Delivery Plan.

BUDGET STRATEGY

The Council has already identified permanent ongoing savings of around £3.3 million over the first two years of the Business Plan process. These savings will have a minimal impact on service quality and have been achieved through partnership working, improved efficiency, reprioritisation of service delivery and targeted increases in fees and charges. This position reflects the Council's lean, local and fair principles and represents a significant step forward in dealing with a very challenging financial environment.

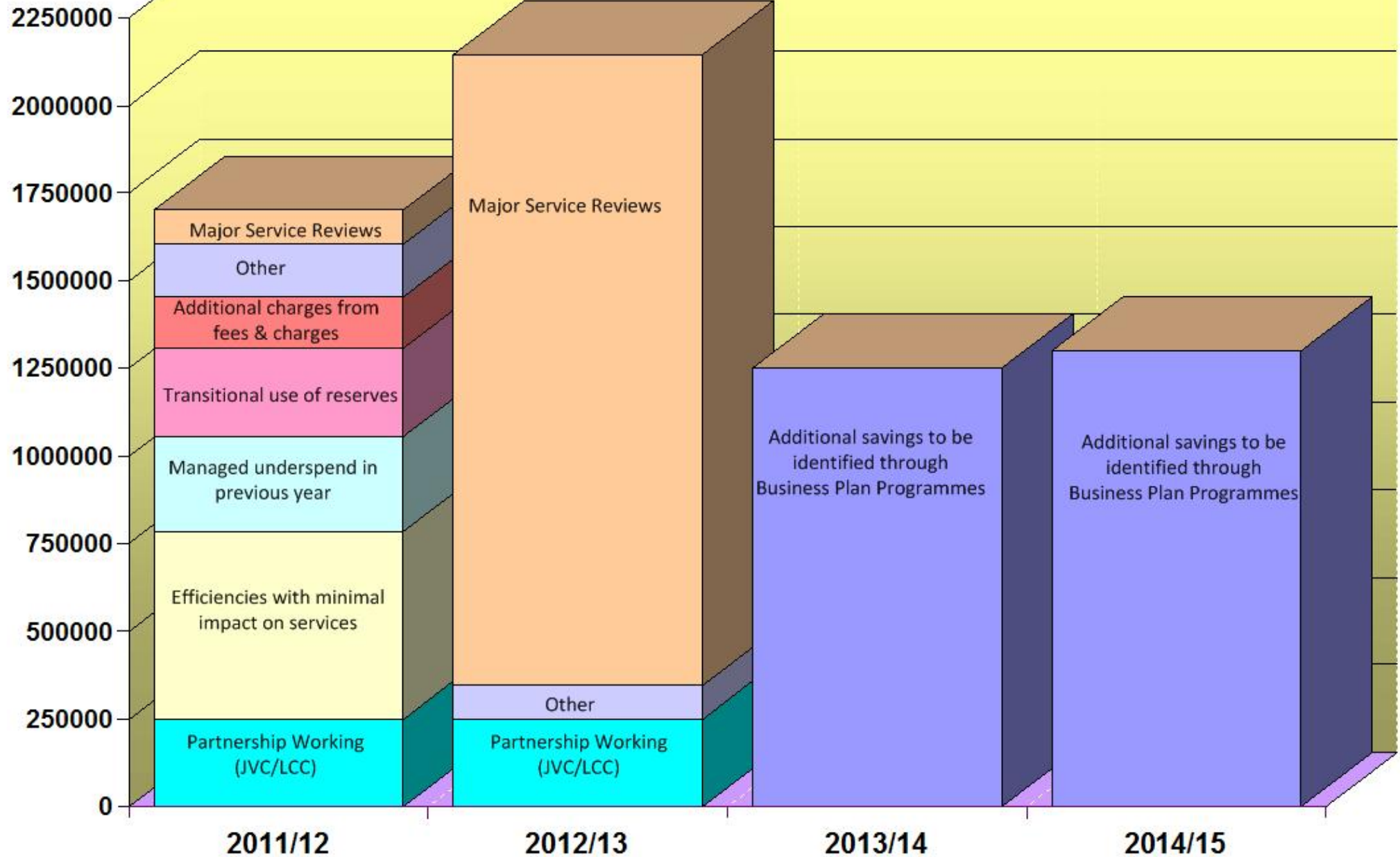
A medium term financial forecast covering the last 2 years of the Business Plan period has been prepared which compares the resources that are expected to be available to the Council and the level of spending that would be required to maintain agreed service levels. This forecast projects a budget gap between spending and available resources of £1.25 million in 2013-14 and a further £1.3 million in 2014-15. Consequently, in total there is an additional £2.55 million of savings that need to be identified in future years.

This medium term forecast is based on a number of assumptions and has been calculated on a prudent but not worst case scenario taking into account information that is currently available. However due to the inherent uncertainties involved with this type of financial projection there is scope for significant variance particularly in later years. Consequently the forecast will need to be periodically reviewed to ensure that it remains up to date. However it does provide a clear indication of the magnitude of savings that will be required.

A graphical representation of this budget strategy is shown below:

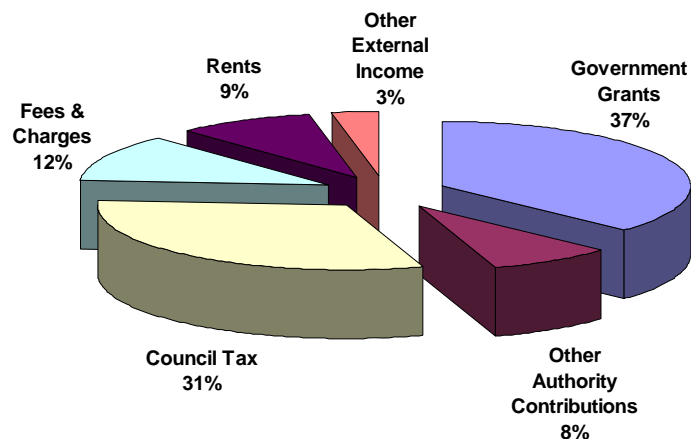
Representation of Budget Strategy

Budget gap
£2.145m (2012/13)

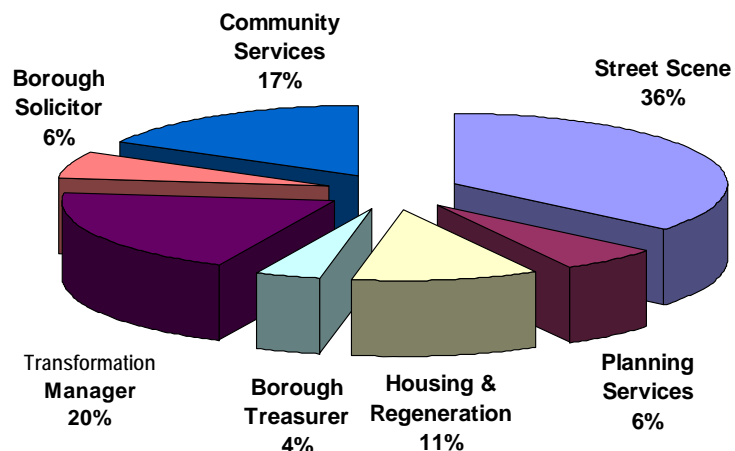


RESOURCE BUDGETING AND STAFFING

The Council's 2011/12 income was made up as follows:



In 2011/12, the budget was spent as follows:



The Council is committed to protect jobs wherever possible and is taking measured and timely actions, including limiting external recruitment; increased use of internal secondment arrangements where appropriate, systematic consideration of voluntary redundancy; reduction in the use of agency staff as appropriate; consideration of feasibility of short term temporary contracts and a reduction in the use of non-contractual overtime. It is anticipated that these actions will provide some potential redeployment opportunities for staff displaced as a result of the continued Major Service Review process, and limit compulsory redundancies as far as possible.

CONSULTATION AND EQUALITIES

The Council has a statutory duty to involve representatives of local people in exercising its functions when it considers it appropriate. The duty specifies three ways of involving that need to be covered in this consideration: providing information; consulting; or involving in another way. There is also a common law requirement for fair consultation which requires Councils to conscientiously take account of the representations of consultees.

In addition, the Council has statutory responsibilities in relation to taking account of Equality Impacts in considering new or amended policies, strategies or cessation of services. The Council will ensure it seeks to meet these important duties, informed by an Equality Impact Assessment process where appropriate.

In September 2011, the Government released a new Statutory Guidance on Best Value. The document lists a series of expectations of local authorities, should they decide to reduce or cease services that will impact upon service users or the Third Sector. The Council will have due regard to this guidance throughout the implementation of this Business Plan.

MONITORING OF ACTIVITIES.

Business Plan Monitoring

Performance and progress against the four year Business Plan is reported annually to the Council and the public in the form of an Annual Report.

Programme/Project Monitoring

In addition, the Council's Business Plan Working Group will receive regular reports regarding progress against the Delivery Plan, with Cabinet reviewing progress on a six monthly basis. This will enable any issues to be identified at the earliest opportunity.

A Head of Service is identified as the 'Lead Officer' against each of the projects contained within the Delivery Plan. Lead Officers will regularly monitor progress and performance against their projects, and report any issues to the Senior Management Team by exception.

Risk Management

The programmes contained within the Delivery Plan and the individual Priority Delivery Projects will be entered as high level risks on the Key Risk Register.

Cabinet receives reports against the Key Risk Register. These reports are available for call-in through the Overview and Scrutiny process, ensuring the opportunity for robust challenge regarding any issues of concern.

Contact for Further Information:

If you require any further information, or copies of this document in alternative formats, please contact:

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Appendix C: EIA 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> <ul style="list-style-type: none"> • <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</i> • <i>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>The plan is the year three refresh of a four year plan. It sets the priorities and vision for the council, summarising the projects to be pursued to this end. There is unlikely to be a disproportionately negative effect on any of the groups listed; the plan as a whole is aimed at maintaining performance and the range of services provided by the council. Specifically, the project Community Transfer may have a negative effect on people living in more deprived areas or who are financially disadvantaged. However, all suggested changes which are deemed significant proposals are fully consulted on in line with Major Service review processes.</p>
<p>2. What sources of information have you used to come to this decision?</p>
<p>The previous pieces of work undertaken to provide the basis for the strategy, eg. MSR Consultation 2012.</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>The original Business Plan underwent public consultation during February to March 2011. The decision is directly related to the refreshed document. The MSR Consultation 2012 (July-September) used results of the Citizen/Stakeholder Survey 2012 to inform its proposals and was subject to an EIA. Individual projects will be the subject of EIAs themselves with involvement/consultation as appropriate. No specific consultation has taken place against the Business Plan refresh for 2013/2014, however the Council's priorities are informed by the Citizen Survey which gathers views on a range of issues including the Council's budget. The survey results assist the Council in making plans to deliver services and make efficiency improvements.</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:</p> <ul style="list-style-type: none"> ▪ 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>Possibly - there could be a negative effect in terms of equality of opportunity for people in disadvantaged areas in relation to the proposed Community Transfer - wherever possible it is proposed to seek community transfer or access to alternative facilities. Further impacts may be determined during the lifetime of the Plan. Any initiatives that may impact upon equality groups will undergo their own individual EIAs.</p>
<p>5. What actions will you take to address any issues raised in your answers above?</p>
<p>Again, any initiatives that may impact upon equality groups will undergo individual EIAs. The Council needs to achieve savings and this will be increasingly difficult to achieve without impacting somehow on service delivery.</p>



Business Plan 2011-2015

2013/14 Refresh

Council 27th February 2013

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LEADER'S STATEMENT

This is an exciting but challenging time for West Lancashire. The Council's task is to provide the best possible services within the resources available to it. At a time of shrinking public finance and with economic challenges facing the whole country we remain committed to achieving this through efficient and effective service delivery for residents and businesses of the borough.



**Leader of the Council
Councillor Ian Grant**

We do not underestimate the task. Levels of government grant have diminished and this position is potentially intensified by a reduced income in a number of areas due to the general economic climate. This has meant that the Council needs to achieve savings of around 30% over the period 2011-2015. To balance the Council's budget in this environment means constant, managed change. Doing nothing is not an option. Since the implementation of this Business Plan to guide the Council through this period of change, we have made significant inroads and identified ****£3.3 million**** of permanent savings towards the ****£5.9 million**** we anticipate is required.

Good progress on achieving our savings in 2011/12 and 2012/13 has already been made. Our track record of financial management and service performance remains a good one and I am determined we will continue in this direction. We have the best record in Lancashire for zero or low Council Tax increases. As a result of the work undertaken as part of this Business Plan over the last 12 months, policy options identifying savings have been developed ready for implementation in 2013/14. This means that, once again, we anticipate being able to deliver our services on budget, whilst minimising the impact for customers on the standard and range of service that they receive from their Borough Council. Sustaining this beyond 2013/14 will continue to be tough. Our aspiration is to maintain performance and the range of services that we provide, but reductions in some areas are going to be necessary.

Our approach is to continue to prioritise spending carefully in line with local needs identified through listening and consulting with residents and stakeholders. Just as importantly, we will need to communicate the outcomes from this process. Innovative working, harnessing technology, and continuing our partnership working will all help maintain the momentum towards achieving the required financial efficiencies. Where appropriate, we may consider the use of reserves to allow time to produce results. Our priorities are therefore to balance our budget and, as guided by our residents and stakeholders, also to care for our borough and work towards sustainable regeneration and growth.

In delivering these priorities, we will apply the following three principles.

- **Lean** – we will continue to look for ways of providing better services at reduced cost. For example, working with partners Lancashire County Council and Wigan Council has brought dividends through economy of scale, expertise and investment power. We will also re-engineer services so that they are customer focused and as lean as possible.
- **Local** – where services are best provided locally we will work with partners. For example, we deliver grass cutting of verges and hedge trimming on behalf of Lancashire County Council. Where we can, we will continue to place emphasis on supporting the development and enhancement of the voluntary and community sectors since these sectors are often best placed to deliver services and support to local communities. An example of this is the proposed community transfers for the Civic Hall, Community Resource Centres and Ashurst Meeting Room. We will also be transparent – clear about what we spend public money on, and why.
- **Fair** – to the tax payer and to staff. We firmly believe that the best response to the reduced finance available is a managed approach to change. Our Business Plan set out a measured approach that has been maintained through its annual refresh. Each service has been studied in depth through Major Service Reviews to look at the level each service is best delivered at and where there are areas of discretion. We will continue with this successful approach. Since the Business Plan was implemented, we have become a smaller organisation and further

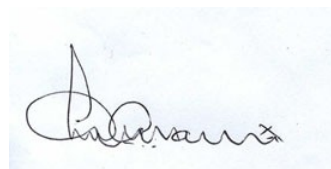
contraction is likely. In making these changes, we will unashamedly seek to minimise compulsory redundancy amongst staff where possible as this is better for the tax payer, for staff and for the local economy.

Although this document is our plan for the future, I would like to recognise just some of the many achievements of 2012/13, both big and small, that contributed to a successful year.

- The work behind the West Lancashire Local Plan 2012-2027 Development Plan Document concluded in October 2012. The Plan underpins future development within the borough for the next 15 years. Following an extensive consultation process, the Council submitted the Plan to the Secretary of State. It is anticipated that if the plan is considered to be sound it will be adopted in summer 2013.
- Having successfully moved to self-financing for Council housing, we began to invest £8m for 2012/13 in our housing stock, including the replacement of windows and doors in 1,200 homes.
- We continued the successful strategic partnership arrangement with Lancashire County Council and their joint venture company, One Connect Limited. The ten-year contract saves £500,000 per year. It provides fresh thinking, additional expertise and access to technological solutions that have introduced major investment and innovation in the delivery of Revenues & Benefits and ICT services to deliver the best possible service for the people of West Lancashire. In addition it has brought jobs and investment to the area.
- Following receipt of a £100,000 one-off government High Street Innovation Fund, the Council has worked with the Love Ormskirk team and the Skelmersdale Concourse Management to develop schemes to encourage empty shop units to be brought back into use and provide support for the town centres.
- West Lancashire Borough Council and the Environment Agency undertook a £2million flood alleviation project at Calico Brook (Appley Bridge) and Dock Brook (Parbold). The drainage schemes reduced the flood risk for both village communities.

- Council vehicle fleet, plant and equipment is now provided and maintained by May Gurney Ltd, through our existing workshop facilities at the Robert Hodge Centre. This resulted in a new vehicle fleet bearing the refreshed corporate branding taking to our roads from September.
- Refurbishment of the Council's main offices at 52 Derby Street was completed and created a much improved working environment for staff and welcome to visitors and the public.
- Beacon Country Park retained the Green Flag award and we extended our partnership with West Lancashire Leisure Trust to include the operation of Beacon Park Golf Course.
- Environmental works were carried out on 13 benches in Skelmersdale town centre as part of a new commitment to invest £50,000 in 2012/13 in small projects that make a big difference. The benches are in the plaza close to the Concourse, the police station, library and Nye Bevan swimming pool.
- In addition, during the year we entered into an agreement with Wigan Council for the provision of a Managed Payroll Service and restructured our Human Resources service which will save £50,000 per year.

Despite the financial challenges, the highlights above show that we have been able to make improvements over a wide range of service areas. It is clear that these challenges will remain into the foreseeable future. However, I and everyone at West Lancashire Borough Council, look forward to meeting them and continuing to deliver the services that West Lancashire deserves.



Councillor Ian Grant

MANAGING DIRECTORS' REPORT

Local government continues to operate within a period of unprecedented change and public sector spending restraint. Councils across the country have had to make tough and often unpopular decisions in order to balance their budgets whilst, as far as they can, protecting services. The medium-term future financial position facing the Council will inevitably involve further significant reductions in government grant funding, with national commentators anticipating this trend will continue until at least 2018.

We believe that in West Lancashire we are responding positively to these testing times. The management team continues to plan for the long term, thereby enabling a proactive, managed approach to dealing with the current issues. That approach first led to the development and implementation of this Business Plan which was aimed at improving efficiency, reducing costs and generating income whilst ensuring that as an organisation we focus resources on our priorities. We remain steadfast in our commitment to this strategy.

In the last 12 months our senior management team has provided experienced direction and guidance for the organisation at a time when our staff need to feel as secure, engaged and motivated as possible. We aim to ensure that staff are involved and informed about the context in which we are working, the Council's priorities, and any changes that will impact on them.

As Managing Directors, our approach over the last year has been to drive the delivery of the Business Plan through the senior team – particularly the Major Service Review process, and other key projects, designed to deliver the Council's priorities within a balanced budget. Throughout the year we have also focused on meeting and holding discussions with as many staff and Councillors as possible, and on meeting with businesses and organisations in the Borough, to discuss their needs and perspectives.

We would like to thank staff for their fantastic efforts over the past year. Our strength as a council is our capacity to work together effectively, as one council, resulting in a "Team West Lancashire" approach. As Joint Managing Directors, we will continue to emphasise:

- a strong corporate focus;
- caring about and involving staff;
- giving committed professional leadership; and
- providing the best possible services within the resources available – the wellbeing of West Lancashire is paramount.

We are confident that for the next twelve months we have the right Team and the right Plan in place to ensure we remain a Council to be proud of.



Joint Managing Directors

Kim Webber

Gill Rowe



VISION, VALUES AND PRIORITIES

The Council's vision is:

To be a Council to be proud of – delivering services that are lean, local and fair.

The Council's values are:

We will deliver our vision by continuing to be an innovative organisation which:

- prioritises customers and the services that are most important to quality of life;
- work as 'one council' to provide a joined up approach;
- is open and accountable in the way that it makes decisions;
- develops and values employees;
- promotes equality and diversity; and
- works in partnership to benefit the borough.

Our values underpin the way in which we will deliver our priorities and achieve our vision.

Our Corporate Priorities are:

- balancing the budget and providing the best possible services within the resources available;
- focussing upon sustainable regeneration and growth within the borough;
- caring for our borough by delivering the small improvements that can make a big difference.

(We will minimise uncertainty for staff and stakeholders by continuing to implement a managed approach to change and explore innovation as a means to secure further value for money.)

Our services will continue to prioritise the following, subject to affordability:

- Protect and improve the environment and keep our streets clean and tidy;
- Combat crime and the fear of crime;
- Work to create opportunities for and retain good quality jobs in particular for local people;
- To be a top performing landlord;
- Improve housing and deliver housing that meets the needs of local people, including affordable housing; and
- Provide opportunities for leisure and culture that together with other council services contribute to healthier communities.

FINANCIAL POSITION

The Council has a good track record of effective financial management and currently has a healthy financial position. Our latest Annual Governance Report from our External Auditors concludes that:

“the leadership team continues to take appropriate action to maintain a stable and sustainable financial position. The medium term financial plan identifies the challenges and articulates a cohesive response. The Council’s recent track record, achieving favourable variances against budget in 2010/11 and 2011/12 indicates that the savings plans and strategies have been proportionate and reasonable.”

This letter also identifies that:

“The Council has a strong financial standing, with a good level of general fund reserves [...] However, the medium term financial plan and underlying service reviews indicate that the Council is not complacent and continues to seek sustainable long term solutions”.

This strong financial position can also be demonstrated by the fact that over the last 11 years we have had the lowest cumulative Council Tax increase of all the Lancashire district authorities.

However, looking to the future, the financial prospects for the Council continue to be challenging. Government grant funding has already reduced significantly and will reduce further in future years. At the same time, income from other sources is also depressed as a result of the difficult economic climate.

This financial position represents a massive challenge for the Council and the business planning process sets out how we will deal with this situation in an effective and well managed manner.

ORGANISATIONAL STRUCTURES

The Council’s senior management team has remained in place throughout the year providing consistent management stability and focus to deliver this Business Plan. We have continued to review structures within services, in particular Human Resources and Housing & Regeneration, to achieve both service improvements and reduction in costs.

The Leader of the Council made refinements to Cabinet portfolios during the year and reduced the number of cabinet members from seven to six.

Organisational structures are illustrated on the following pages.

CABINET MEMBERS & PORTFOLIOS



Leader of the Council

Councillor Ian Grant

Chairman of the Cabinet; community leadership; shared services/partnership contracts; Customer Relations; ICT & Exchequer Services; Legal & Democratic Services; FOI, Press & Media Strategy; Consultation & Community Engagement Strategy; Local Strategic Partnership; Sustainable Community Strategy; management issues; corporate procurement; town twinning; liaison with County Council & Parish Councils. Street scene: fleet/garage/depot facilities, street cleansing, grounds maintenance, stores. Waste disposal & recycling: waste management, including through partnership; domestic & trade refuse service, green waste & recyclables collection, farm round.



Housing (Finance), Regeneration & Estates (and Deputy Leader)

Councillor Adrian Owens

Regeneration: external funding & inward investment; marketing the authority & borough; grants & training advice to businesses. Housing finance: self-financing business plan; corporate & commercial property portfolio management/maintenance; Asset Management Plan; Asset Register & Land Terrier; acquisition/sale of land; valuation advice; rating appeals; European Objective 2 Priority 2 funding; Investing in Business Regeneration Programme.



Planning & Development

Councillor Martin Forshaw

Planning policy; Local Development Framework; development control; building control & enforcement; Borough town centre development; Skelmersdale Vision; conservation of built & natural environment; arboricultural & landscape services; council-owned unadopted footways, highways & grit bins; liaison with utility companies/Highway Authority for highway works & transportation issues; off-street public car parking & enforcement; Ormskirk market & bus station; land drainage & coastal engineering; 'green' issues including the Council's own activities.



Health, Leisure & Community Safety

Councillor David Sudworth

Commercial safety: health promotion, food safety, health & safety enforcement. Public protection & licensing: licensing taxis, public entertainment, charities etc; dog & pest control; animal welfare. Environmental protection: pollution control, fly-tipping. Emergency planning/business continuity. Leisure Trust & Serco contracts; sports development, swimming pools, sports centres; playgrounds & community centres; arts development, Chapel Gallery; countryside service including golf course, formal parks, open spaces, rights of way & environmental improvements; outdoor recreation; children's services; voluntary sector grants. Community Safety: Community Safety Partnership; CCTV.



Resources & Transformation

Councillor David Westley

Accounting services; capital and revenue estimates and budgeting; annual statement of accounts; treasury management; internal audit; risk management & insurance; data quality; value for money; major service reviews; organisational re-engineering; corporate planning; performance management.

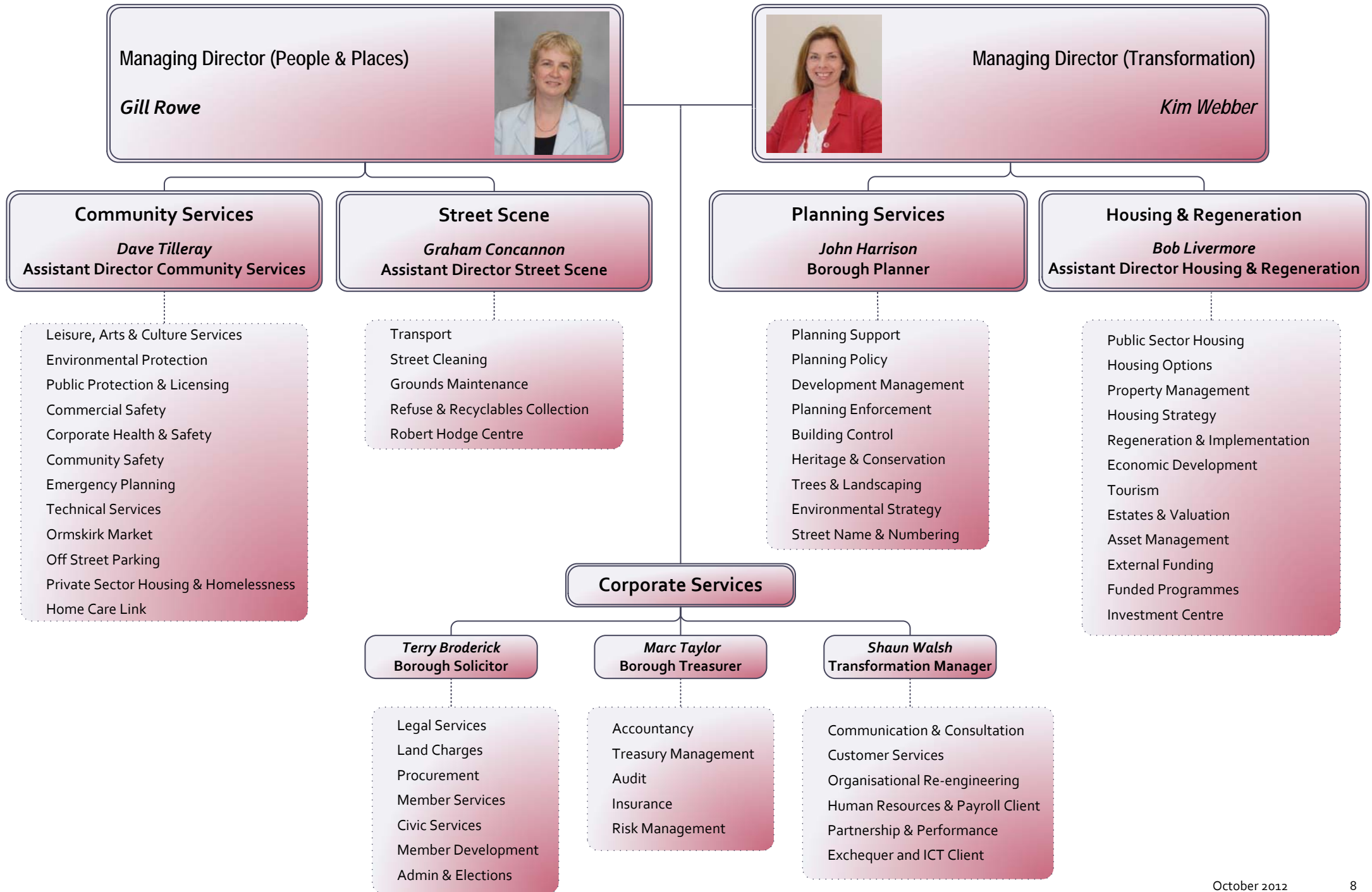


Landlord Services & Human Resources

Councillor Val Hopley

Public sector housing: repairs & maintenance, housing allocations, tenancy management, former tenant arrears, sheltered housing & tenant empowerment/participation. Private sector housing: renovation and disabled facilities grants, home energy efficiency; unfit homes; housing strategy; housing advice service; Supporting People Initiative. HR: corporate & strategic HR issues, strategy, policies & procedures; social inclusion, equality & diversity, cohesive & integrated local communities; council representative at NWLAEO meetings; council JCC; equality champion; employee development champion; health & safety champion.

SENIOR OFFICER MANAGEMENT STRUCTURE



- 1836 -

CORE FUNCTIONS

West Lancashire is served by a County Council, Borough Council, 20 Parish Councils and one Parish Meeting.

Main services provided by Lancashire County Council

Lancashire County Council is responsible for providing many of the services in the borough. Around 73% of the council tax collected in West Lancashire is spent on services that the County Council delivers.

Children and Young People

Incorporates the County Council's statutory role as a Children's Services Authority with a duty to promote co-operation and wellbeing of children and young people; make arrangements to safeguard and promote welfare; and prepare and publish a strategic plan setting out how services for children and young people will be provided.

The functions also include the County Council's powers and duties in relation to schools, including: access and school transport; school improvement and tackling failure; Special Educational Needs; school attendance; and educating excluded pupils and pupil welfare.

Adult and Community Services

Responsible for assessing the needs of vulnerable adults and their carers and securing the provision of social care services to meet these needs in line with the County Council's criteria. Also responsible for adult learning, county libraries, arts development, county museums, record office, welfare rights, coroners' and registrars' services.

Environment

Responsible for the County Council's duties and policies as Highway Authority and Planning Authority; for waste disposal, sustainable development, tourism, countryside services and the Lancashire Highways Service including highway maintenance services to the County Council and providing a grounds maintenance service to County Council property. Also responsible for the Trading Standards Service and the County Analyst's Laboratory.

Lancashire County Commercial Group

Responsible for servicing County Council and other public service vehicles; cleaning County Council buildings; providing a catering service; providing a school crossing patrol service and providing a range of residential care services in County Council homes for the elderly, together with day care and home care services.

Main services provided by West Lancashire Borough Council

Planning Services

Responsible for all planning applications, building regulations and enforcement, as well as conservation, heritage, tree protection and planning policy.

Housing & Regeneration

Responsible for providing affordable housing, and providing housing advice services for people who are homeless. In addition, the function also undertakes the principle work of the Council in relation to creating jobs and bringing investment into the borough.

Community Services

Responsible for environmental health (including dog control, pest control, food safety, health promotion, health and safety, public health and pollution control); Community safety (including CCTV) and funding contributions for Police Community Support Officers; flood defences, shoreline management and methane monitoring.

Also responsible for country parks, the ranger service, sports pitches, playgrounds, parks and Chapel Gallery. Our pools and sports centres are run by West Lancashire Community Leisure Trust.

Street Scene

Responsible for the collection of waste and recycling from homes and cleaning all streets except the major highways. Also responsible for grass cutting and grounds maintenance (of open spaces, parks and roadside verges).

Revenues and Benefits

West Lancashire Borough Council collects council tax and business rates that is spent by the Borough Council, Lancashire County Council, the Police and Fire Authority and Parish Councils. One Connect Limited manages the collection on behalf of the Council. In addition, housing benefits and council tax benefits are also managed by One Connect Limited on behalf of the Council.

The Council also provides some services on behalf of Lancashire County Council. These arrangements have been put in place in areas where devolving management and resources locally has provided a more efficient service, for example the Public Realm partnership with Lancashire County Council whereby we deliver verge cutting and hedge trimming within our borough.

Main services provided by Parish Councils

West Lancashire has 20 Parish Councils and one parish meeting. These cover all of the borough except for Ormskirk and Skelmersdale. Parish Councils are financed by raising a small levy on all residential properties within a parish.

Parish Councils are a key tier of local government and provide a way of making sure services meet the needs of residents by influencing decisions that affect local people.

Parish Councils' powers include: the provision of facilities (such as allotments, leisure, bus shelters, litter bins, car parks, community centres, parks and open spaces); representation (e.g. planning applications); wellbeing (to spend on any activity which adds to the wellbeing of its community).

West Lancashire Borough Council and (signatory) Parish Councils established a Charter setting out how the Borough and Parish Councils will work together, whilst balancing the needs of the wider West Lancashire community and recognising our respective responsibilities as autonomous, democratically elected, statutory bodies.





KEY ACTIVITIES

Workstreams

In refreshing the Business Plan for 2013/14 actions were aligned directly to the Council's priorities to provide a framework for the delivery of our vision. An outline of the actions for the forthcoming year are outlined below.

Balancing the budget and providing the best possible services within the resources available

Actions 2013-14

-  Major Service Reviews
-  Organisational Re-engineering
-  Strategic Asset Management Plan
-  Community Transfer of Facilities

In addition to the projects above, Council agreed further measures for savings in 2013/14 for example through externalising the dog warden service, extending car parking charges and reducing some grants/funding, as well as changes to internal budgets and organisational arrangements with no impact on service delivery.

Our successful *Major Service Review Programme* (MSR) examines every aspect of the Council's business to develop options for alternative forms of service delivery. It includes streamlining services and prioritising their affordability and desirability. We have now delivered and implemented years one and two of the Major Service Review process to assist in ensuring a balanced budget and cumulatively this has achieved savings of £2.5m, with around a further £0.4m already established for 2014/15.

Due to its continuing effectiveness, the method will be used as the key vehicle for delivering the necessary savings and balancing the Council's budget for the lifetime of the Business Plan. It is difficult to accurately

predict the budget gap for future years, but a further MSR round will be conducted in 2013/14 in order to arrive at further policy options to be considered in 2014/15. It is however increasingly difficult to identify options that offer the level of savings needed without impacting upon service delivery.

Reviewing services also provides the information to form a strategic and targeted approach to *Organisational Re-engineering (OR)*. This is then applied to the parts of our organisation where this programme can deliver savings, whilst also considering improving service delivery and customer accessibility. There have been eight successful OR projects to date. In 2012/13 outcomes from projects were implemented in Environmental Health, Private Sector Housing and Sheltered Housing. In addition, a review of Planning Services was undertaken. Landlord Services will be a new area for re-engineering in 2013/14.








The Council aims to save around £200K through introducing a new model of *Community Transfer* for the Civic Hall (Ormskirk), Community Resource Centres (Tanhouse, Birch Green, Digmaor, and Greenhill) and Ashurst Meeting Room.

These facilities play an important role in bringing local communities together, offering a focal point for neighbourhood activities and a base for local groups. Early discussions with community groups around the potential for transfer initially sought transfer of the Community Resource Centres to existing management committees either in partnership with other groups or in an umbrella support arrangement. Notifications for expressions of interest in the community transfer of all the facilities have been published.

We are currently undertaking a strategic review of our asset holding (the *Strategic Asset Management Plan*), with a view to prioritising these assets for retention, improvement or disposal and this will provide a useful income stream and resources for future capital projects. The plan provides a framework to create a focused and sustainable property portfolio for the future. During the year, the Council will continue to identify sites and either bring them to market for development or, where appropriate, seek an alternative use to meet local needs.

Focussing upon sustainable regeneration and growth within the Borough

Actions 2013-14

-  Skelmersdale Vision
-  Firbeck Revival
-  Land Auctions Pilot
-  Empty Homes Initiative
-  Infrastructure Delivery – Transport & Broadband
-  Remodelling Industrial Estates
-  Promoting Apprenticeships

The *Skelmersdale Vision* Town Centre Action Plan has continued to make progress in partnership with the Homes and Community Agency and St Modwen. During the year, the Council resolved to grant outline planning permission for a mixed use development including a foodstore, cinema, restaurants, mixed commercial uses, petrol filling station, car park and youth zone along with new public realm and children's play area. Following this, work around marketing the scheme will be undertaken during 2013/14.

In early 2012, the *Firbeck Revival* initiative was approved and proposals taken forward for consultation with residents. The Skelmersdale-based project will deliver improvement to the Firbeck estate through a phased scheme that broadly covers home improvements, demolition of flats (excluding Firbeck Court) as well as property construction and redevelopment of the street scene. Initial work on this extensive project concentrated on providing energy efficiency measures to homes, as prioritised by residents during the consultation process.

Key actions for 2013/14 include re-housing residents from properties listed for demolition, installing new kitchens and bathrooms on the remaining

council-owned housing, and preparing a redevelopment brief for the construction of new properties. Demolition of the 3 storey flats will be carried out following the re-housing of the occupants. Residents will also be invited to take part in consultation regarding proposals for street scene improvements.

A government grant of £100K has been received and will be used to carry out the works required to progress a *Land Auctions Pilot* involving the Homes and Communities Agency and the Council. The pilot project tests the land disposal elements of a proposed national Community Land Auction model, which could potentially replace the current planning system for the provision of new houses. The pilot was initiated in 2012 and will last for a period of two years, during which time development sites will be brought forward which meet the objectives of the Local Plan. It is anticipated that the sale of at least part of the land will take place by 2014. Dependant upon which site(s) are selected, there is the potential for a significant sum of money to be raised which can then be used, through the Capital Programme, to invest in the priorities of the Council.

The New Homes Bonus is a grant paid by central government to local councils for increasing the number of homes and includes payment for long-term empty homes brought back into use. Proposals will be developed to utilise some of the existing bonus to start housing growth as well as reducing the number of empty properties through our *Empty Homes Initiative*, thereby generating further New Homes Bonus for the Council.

Although not a statutory function of the Council, engaging with partners to improve the infrastructure of the local area means that West Lancashire becomes more appealing to investors and developers. *Infrastructure Delivery* will focus on assisting improvements in transport and broadband for the area and ultimately support the wider success of the Council's priorities.







A lot of the borough's industrial estates were built 20 - 30 years ago and are no longer fit for purpose. The *Remodelling Industrial Estates* plan will improve the prospects of economic recovery for the borough by enhancing estates and making West Lancashire a more attractive option for industry.

A staged progression will utilise reserves for the initial improvement works. Following the successful marketing of them, the income from new businesses will be used for further work on other estates.

Promoting Apprenticeships both within the council and throughout West Lancashire in partnership with Lancashire County Council and others will remain an important area of work.

Caring for our Borough by delivering the small improvements that can make a big difference

Actions 2013-14

-  Housing Asset Management Plan
-  Tenant environment improvement budget
-  Moor Street resurfacing
-  Local environmental improvements
-  Public Realm
-  CCTV: expanding coverage

The *Housing Asset Management Plan* (formerly Housing Improvement Programme) is another significant project being carried out within the Council's housing service. The five-year investment scheme will see through a programme of work to modernise and enhance the Council's housing stock. A programme of option appraisals will be developed for unsustainable properties and a tendering process will select contractors to carry out the work.

A *Tenant Environment Improvement Budget* of £180,000 over a three-year period has been allocated for small improvements to tenant areas, for example parking or gardens. Tenants' groups or individual tenants are able to bid for funding. During its first year 2011/12, 42 bids were made and in its second year schemes to increase car parking facilities and improve landscaping were implemented.

BUDGET STRATEGY

[**Text to be provided once the Local Government Finance Settlement, released on 19 December, has been analysed**]

A £700K project to improve Ormskirk's *Moor Street* in partnership with Lancashire County Council would carry out road resurfacing as well as environmental improvement works.

Local Environmental Improvements are being addressed through a budget of £50,000 in 2012/13, and we hope to continue this work in 2013/14. The budget has been used throughout the borough for example on street furniture, signposts, cleaning sculptures etc. The council also engages with Network Rail to facilitate the improved appearance of land, for example that covered with brambles.

The *Public Realm* agreement allows us to deliver services such as grass cutting of verges and hedge trimming on behalf of Lancashire County Council locally.

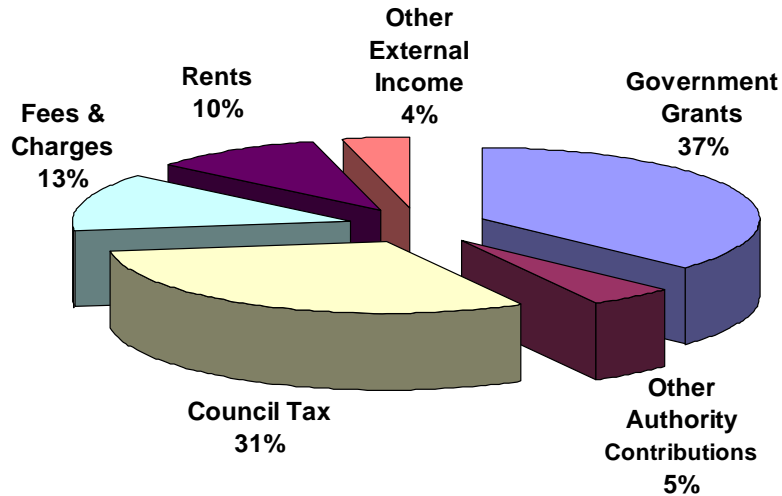
The Council made £250,000 available for *Expanding the coverage of CCTV* within the borough. In addition, under the terms of an agreement with the Local Strategic Partnership (LSP), £60,000 remaining from Performance Reward Grant funding for a CCTV upgrade project in 2011, was available for the scheme. Thirteen new cameras have been proposed for locations that have previously had no CCTV coverage. A further nine cameras have been proposed for improving and enhancing areas previously covered. Sites were finalised by Cabinet following consultation with Lancashire Constabulary, the Community Safety Partnership, CCTV operators and the LSP, as well as the results of a feasibility study. It is expected that the new cameras will be operational before the second half of 2013/14.

[*REPRESENTATION OF BUDGET STRATEGY*]

[**Data to be provided once the Local Government Finance Settlement, released on 19 December, has been analysed**]

RESOURCE BUDGETING AND STAFFING

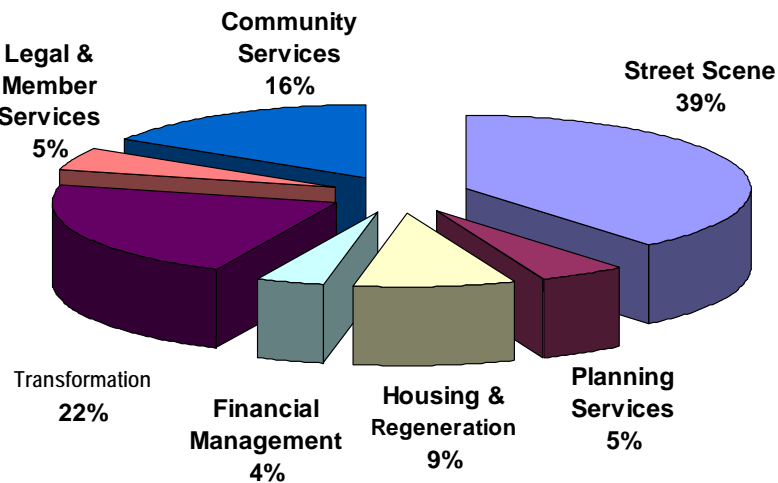
The Council's 2012/13 income was made up as follows



The Council is committed to ensuring staffing levels are appropriate to deliver services to agreed standards. In the current financial climate it is anticipated that the workforce will continue to reduce in size over the remainder of the current Business Plan period.

To manage this process effectively and sensitively, the Council will continue to limit external recruitment appropriately and use short term temporary contracts in particular to ensure potential redeployment opportunities for staff displaced as a result of the continued Major Service Review process. The Council will continue to seek to minimise compulsory redundancies as far as possible.

In 2012/13, the budget was spent as follows



CONSULTATION AND EQUALITIES

The Council has a duty to consult and involve representatives of local persons and others, where appropriate in the exercise of its functions.

In summary, this covers:

- The common law requirement for fair consultation, e.g. consultation needs to be undertaken when matters are at a formative stage and must be consistent with existing policies on consultation in particular functions.
- Responsibilities in relation to the Equality Act, which requires the Council to demonstrate that it has paid due regard to equality issues across its services and functions.
- The general 'Duty to Consult' (Section 3A of the Local Government Act 1999) which requires that in relation to its duty to secure best value an authority shall consult representatives of people who pay council tax and NNDR, service users and others with an interest in the area. The duty specifies three ways of involving that need to be considered, viz providing information, consulting or involving in another way.
- The Best Value Statutory Guidance (September 2011) sets out expectations for councils in relation to the duty to consult, including where they are considering difficult financial decisions. The guidance, which Councils must have regard to, requires councils to give at least three months' notice of funding reductions to voluntary or community organisations or small businesses; to engage organisations and service users as early as possible before making a decision on the future of a service; and make provision for organisations, service users and the wider community to put forward options on how to reshape the service or project.
- Particular statutory duties of consultation for specific matters, e.g. in relation to disposal of open space or highway matters (which supplant the more general Duty to Consult).

MONITORING OF ACTIVITIES

Business Plan Monitoring

Performance and progress against the four-year Business Plan is reported annually to the Council and the public in the form of an Annual Report.

Programme/Project Monitoring

In addition, Members receive regular reports regarding progress against the actions. This enables any issues to be identified at the earliest opportunity.

A Head of Service is identified as the 'Lead Officer' for each of the projects. Lead Officers will regularly monitor progress and performance against their projects, and report any issues to the Senior Management Team by exception.

Risk Management

The actions contained within the Plan aimed at the delivery of our vision will be entered onto service risk registers with major projects being entered onto the Key Risk Register.

Cabinet receives reports against the Key Risk Register which are available for call-in through the Overview and Scrutiny process.

CONTACT FOR FURTHER INFORMATION

If you require any further information, or copies of this document in alternative formats, please contact:

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AGENDA ITEM: 13

CABINET: 15th January 2013

**EXECUTIVE OVERVIEW AND
SCRUTINY: 31st January 2013**

Report of: Borough Treasurer

Relevant Managing Director: Managing Director (People and Places)

Relevant Portfolio Holder: Councillor D. Westley

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

SUBJECT: DRAFT REVENUE BUDGET 2013-14

Wards affected: Borough Wide

1.0 PURPOSE OF THE REPORT

1.1 To provide a summary of the current General Revenue Account budget position.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the financial position for 2013-14 and later years be noted, and consideration given to how a balanced budget can be achieved.

2.2 That the Portfolio Holder for Resources and Transformation be given delegated authority to submit firm proposals to Council on 27th February 2013 to enable the budget to be set.

2.3 That call in is not appropriate for this item as it is to be submitted to the next meeting of the Executive Overview and Scrutiny Committee on 31st January 2013.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

- 3.1 That the budget position be considered and that any comments agreed by the Committee be submitted to the Portfolio Holder for Resources and Transformation in advance of the Council meeting to be held on 27th February 2013.
-

4.0 BACKGROUND

- 4.1 The Council must set a budget before the start of each financial year, and this budget will set out the financial basis for the Council's service delivery plans. The budget that is set must enable the Council's key priorities to be delivered but must also be affordable. In addition it should comply with best practice requirements on budget setting, and meet statutory and accounting regulations. The Council meeting on the 27th February will provide all Members with the opportunity to debate and agree this budget.

5.0 LOCAL GOVERNMENT FINANCE SETTLEMENT

- 5.1 Just before Christmas, the Government announced the provisional finance settlement for local authorities for 2013-14. However as this was 2 to 3 weeks later than normal and due to the scale and complexity of changes being made, it has not been possible to fully consider all of its implications at the time of writing this report.
- 5.2 However the main feature of the settlement is that, where we have received £6.639m of formula grant funding in the current year, the equivalent figure for next year will be £6.161m. This is a reduction of £478,000 or 7.2%. This is worse than the projected loss of £380,000 or 5.7% that had been assumed in the medium term financial forecast.
- 5.3 As part of the settlement the Government also announced that we would receive formula funding of £1.038m to replace the Council Tax Benefit Subsidy that was previously provided, and that £0.05m of Prevention of Homelessness Funding would now be provided through formula grant rather than as a separate specific grant. Combining these figures produces a total Start Up Funding Assessment of £7.249m (this is the Government's view of the formula funding that should be available to the Council in order to provide services).
- 5.4 The Government will provide a Revenue Support Grant of £4.353m towards this Funding Assessment, and expects that the balance of £2.896m to be generated through the new Business Rates Retention system. A provisional estimate of business rates income for next year has been produced, and this indicates that this figure should be achieved.

- 5.5 Over the last 2 years the Government has operated a scheme where it has provided grant funding to compensate those local authorities that have not increased their Council tax. This scheme has proved popular and as a result many authorities have frozen their council tax levels over the last 2 years.
- 5.6 The Government is running a similar scheme for 2013-14, where if we freeze our council tax next year then we will receive a grant equivalent to a 1% increase in council tax (around £70,000) in both 2013-14 and 2014-15. In making a decision on whether to accept this grant, Members will need to consider the difficult financial situation facing many West Lancashire tax payers and weigh this against the need to maintain the real value of council tax income when inflation is running in excess of 2%. This grant funding would also only be temporary for 2 years and so would not help to address the Council's challenging medium term financial position.
- 5.7 For Councils that do decide to increase their Council tax, the Government have introduced powers for residents to veto any council tax increases over 2% through a local referendum. Consequently any local authority wanting to raise Council tax by more than 2% next year will have to consult the public in a referendum in order to obtain approval for this course of action.
- 5.8 The Government have announced details on the provisional New Homes Bonus grant funding for next year, where the Council will receive £393,000, which is the second highest figure in Lancashire. This grant funding is based on a net increase in the housing stock of over 200 properties, together with almost 100 long term empty properties being brought back into use. This is significantly above the estimated figure of £110,000 included in the Council's medium term financial forecast which was based on the historical trend.
- 5.9 In overall terms the Settlement will result in a reduction in funding for the Council. Further work will now take place to verify and confirm the position.

6.0 BUDGET POSITION FOR 2013-14

- 6.1 Draft estimates have now been prepared for next year that set out a provisional budget for the Council covering all areas of expenditure and income. These estimates include increases in the base budget required to roll forward agreed service levels but do not allow for any service improvements. These estimates will now be reviewed to ensure that they are robust for the purposes of the budget calculation in accordance with the requirements of the Local Government Act 2003.
- 6.2 The Council is facing a very challenging medium term financial environment in which its government grants will be significantly cut year on year. However the Major Service Review (MSR) proposals that were agreed by Council in October broadly provide sufficient savings to enable a balanced budget to be set for next year. One of the strengths of the MSR and medium term financial planning process is that it enables sufficient time to give careful consideration to proposed savings options. It is pleasing to note that the budget for next year has now been

broadly balanced, and this demonstrates how a well thought out business planning process can effectively deal with the challenging financial environment.

- 6.3 Heads of Service have identified a range of budget pressures for next year that mainly relate to unavoidable cost increases or income reductions. Members will need to carefully consider what proposals to include in the final budget to meet corporate and service objectives but also to ensure a balanced overall financial position. In line with the approach adopted in the medium term financial forecast a provision of £200,000 has been allowed for this factor in 2013-14, but its final value will depend on the political acceptability of these issues.
- 6.4 In looking at how the budget position can be balanced consideration will need to be given to a number of different factors including:
- The challenging financial position facing local authorities over the medium term
 - The acceptance of budget issues identified by Heads of Service
 - Changes to fees and charges and the level of the Council tax
 - The projected favourable variance on the current year's budget identified in the mid year review
 - The identification of further efficiency and budget savings
 - The Business Plan process
 - The Council's reserve strategy
- 6.5 The Group leaders and their financial spokespersons are currently examining in detail various budget options. A more detailed set of budget papers will be reported to the Executive Overview and Scrutiny Committee to enable a more in depth consideration of the budget position. The Council meeting will then provide an opportunity for each Political Group to put forward proposals that combine both expenditure and the means of funding it and to set the Council Tax.

7.0 MEDIUM TERM FINANCIAL POSITION

- 7.1 A recent Audit Commission report "Tough Times" highlighted the fact that local authorities face a very challenging financial environment as a result of cuts in government grant funding and reductions in other sources of income. This report estimated that around 12% of authorities were not well placed to deliver their 2012/13 budgets, and that a further 25% will cope in 2012/13 but may struggle in future years.
- 7.2 In West Lancashire we are currently in a healthy financial position where there is a projected favourable budget variance in the current year and the budget position for next year is now broadly balanced. However recent Government announcements have confirmed that local authorities will continue to face a

period of austerity with further cuts in funding expected. Consequently the medium term financial picture remains very challenging.

- 7.3 The Council's medium term financial forecast will now be updated to reflect the details of the finance settlement and other recent developments. This forecast will then inform the business plan process and in particular will identify the level of savings that will be required in future financial years.

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 consideration and reporting of the budget estimates is part of the overall budgetary management and control framework that is designed to minimise the financial risks facing the Council. This process is resource intensive for both Members and Officers but ensures that a robust and achievable budget is set.

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. A formal Equality Impact Assessment will be produced when the Council agrees the budget at its meeting in February.

Appendices

Appendix – General Revenue Account Estimates

APPENDIX

**WEST LANCASHIRE BOROUGH COUNCIL
GENERAL REVENUE ACCOUNT ESTIMATES**

NET EXPENDITURE BUDGETS	2012/2013 BUDGET	2013/2014 ESTIMATE
	£	£
SERVICE		
Community Services	4,472,280	4,527,390
Corporate Services		
- Borough Solicitor	1,255,410	1,167,520
- Borough Treasurer	1,209,610	1,103,350
- Transformation Manager	1,566,420	1,566,790
Housing and Regeneration	221,880	229,490
Planning	1,674,140	1,517,870
Street Scene	5,275,060	4,971,910
GENERAL AND UNALLOCATED ITEMS	-855,478	-607,950
Total Service Budgets	14,819,322	14,476,370
NON SERVICE ITEMS		
Treasury Management	-74,070	-74,070
Capital Charges	-1,617,770	-1,566,000
Minimum Revenue Provision	96,000	88,000
Transfer from / to Balances and Reserves	-41,985	50,000
Revenue Contribution to Capital	407,000	0
Total Non Service Items	-1,230,825	-1,502,070
Total Requirement excluding Parish Precepts	13,588,497	12,974,300



AGENDA ITEM: 14

CABINET: 15 January 2013

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
31 January 2013**

Report of: Borough Treasurer

Relevant Managing Director: Managing Director (People and Places)

Relevant Portfolio Holder: Councillor D Westley

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

SUBJECT: MEDIUM TERM CAPITAL PROGRAMME

Wards Affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To set out a number of options for determining the medium term capital programme in the context of the current difficult financial environment.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the medium term financial position be noted, and consideration given to how a balanced capital programme can be achieved.

2.2 That the Portfolio Holder for Resources and Transformation be given delegated authority to submit firm proposals to Council on 27th February 2013 to enable the capital programme to be set.

2.3 That call in is not appropriate for this item as it is to be submitted to the Executive Overview and Scrutiny Committee on 31st January 2013.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

3.1 That consideration be given to how a balanced capital programme can be set and that any comments agreed by the Committee be submitted to the Portfolio Holder for Resources and Transformation in advance of the Council meeting to be held on 27th February 2013.

4.0 BACKGROUND

- 4.1 The Council has a medium term rolling capital programme, which is reviewed and updated on a regular basis. As part of the budget setting process, a programme covering the next few years will need to be agreed by Council at its meeting in February 2013.
- 4.2 This report concentrates on the general capital programme and does not consider the HRA capital programme, which is determined through a separate process.

5.0 CAPITAL RECEIPT FUNDING

- 5.1 The main source of Council funding available to support the capital programme are receipts from the sale of assets, and at the start of this financial year there were £4.249m of capital receipts being held. In previous years the proceeds of sales of Council Houses and Land provided a significant and reliable income stream. However in recent years funding from this source has been at an historically low level, which reflects the depressed economic climate.
- 5.2 The following table shows details on sales by number and value in recent years. The usable sale proceeds reflect the amount available for new capital spending (75% of the proceeds of council house sales have had to be paid over to the government under a pooling system).

Year	Number of sales		Usable sale proceeds, £000	
	Council houses	Land sales	Council houses	Land sales
2007/08	91	4	1,181	8
2008/09	27	2	326	158
2009/10	12	2	174	43
2010/11	18	2	226	97
2011/12	10	0	123	0
2012/13 mid year	7	1	75	15

- 5.3 The government have recently changed the rules on right to buy council house sales and increased the maximum discount from £26,000 to £75,000. However this has not led to a dramatic change in the number of sales taking place but has reduced the average value of the capital receipts being generated. On a prudent basis taking account of this latest information, future receipts from council house sales have been estimated at £540,000 over the 4 year period 2012/13 to 2015/16.
- 5.4 A significant amount of work has now been completed on the Strategic Asset Management Planning process and this provides an opportunity to supply a stream of receipts for future capital spending. It has been estimated that receipts of £1,000,000 could be generated from a range of land sales in the period 2012/13 to 2015/16.

5.5 These estimates of capital receipt funding are potentially subject to significant variation as, for example, a single large asset sale could produce a large receipt and the level of future house sales is difficult to predict. However in looking at medium term financial plans it is best practice to use a prudent approach when estimating future available resources. The assumptions underlying these projections have been based on discussions with colleagues in Housing and Estates, and the estimates will also be updated on a regular basis to ensure they take account of new developments.

6.0 SPENDING REQUIREMENTS

6.1 The Council's current 3 year programme covers the period 2012-13 to 2014-15. Consequently in addition to current year budgets there are also indicative spending approvals in place for the following two years. It should be recognised, however, that as we operate a medium term capital programme, approvals that have been given for future years are indicative allocations only that are potentially subject to change.

6.2 The current value of spending approvals to be funded from capital receipts is £4.712m. A breakdown of these approvals by scheme is provided in the Appendix. In addition to the existing scheme approvals it has become normal practice in developing the rolling medium term programme to include provisional allocations for the next year of the programme (in this case 2015/16). Consequently the Appendix also contains provisional allocations of £0.852m, for ongoing capital schemes which typically receive funding each year.

7.0 OVERVIEW

7.1 The table below summarises the current position in terms of capital receipt funding and spending requirements, and identifies a small initial surplus of £225,000 before new spending requirements are taken into account.

	£000
Usable capital receipts held in April 2012	4,249
Estimate of receipts that will be generated between April 2012 and the end of the 2015-16 financial year	
- Council house sales	540
- Land sales	1,000
Existing spending approvals covering period to 2014-15	-4,712
Provisional spending approvals for 2015-16	-852
Net position	225

7.2 Based on past experience it is likely that when additional spending requirements and potential new schemes are taken into account then this will produce an overall funding gap. Consequently it is likely that there will be a need to review and realign the programme as has been the case in recent budget rounds. However this can be done over a medium term time scale as there are sufficient receipts already held by the Council to fund the programme for a number of years into the future. There is though an ongoing problem in that capital spending has continued at historical levels while capital receipts have dropped considerably.

8.0 WAY FORWARD

8.1 There are a number of options that can be used to realign the programme that essentially involve either reducing the level of current and planned future spending to match the available resources, re-profiling schemes into later years, or finding alternative sources of funding. Members will need to carefully consider what proposals to include in the final budget to meet corporate and service objectives but also to ensure a balanced overall financial position.

8.2 The Council has been very successful in attracting external capital investment over many years. Recent examples of this include the £1.7m grant funding supplied by the Environment Agency to carry out 2 flood defence schemes, and working jointly with the Homes and Communities Agency on the purchase of land as part of the Skelmersdale Vision. The Local Land Auction Pilot is also actively being pursued, which could potentially deliver significant additional funding.

8.3 However while these avenues are worthy of exploration such funding can have some considerable lead in times before issues are concluded, and there are limited opportunities with cuts in government funding and the difficult financial climate. This route can though provide additional funds to deliver schemes that might otherwise not be possible, and will be important for the future development of the programme.

8.4 A further option that could be considered is prudential borrowing to provide additional resources. This type of borrowing can be used to finance investment in long term fixed assets where it is prudent, affordable and sustainable. If the Council was to borrow £1m for 25 years, it would increase revenue costs by £81,000 per annum as a result of interest and minimum revenue provision requirements. The costs associated with this borrowing would then need to be factored into the revenue budget, and this could be difficult to achieve given that the GRA's medium term financial position.

8.5 It would also be feasible to consider using part of the current year's projected favourable budget variance on the GRA as a potential funding source for new capital schemes. This approach would though need to be considered in conjunction with the revenue budget position for next year.

8.6 Officers will work with each Political Group throughout the budget process to review the available options. The Council meeting will then provide an

opportunity for each Political Group to put forward proposals to produce a balanced capital programme.

9.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

9.1 The proper management of the Council's asset base enhances service delivery. Assets consume a high level of resources both in terms of capital investment and revenue maintenance and having a proper strategy in this area ensures that the capital base can shape the future direction of the Council.

10.0 RISK ASSESSMENT

10.1 The level of capital receipts generated by asset sales is a key risk to the future development of the programme. If receipts exceed the projections contained in this report, it would enable additional schemes to be developed. However, if receipts are below the projections, it would require reductions to be made.

10.2 Some schemes in the Programme are dependent on external partner funding. To minimise the risk of funding not being available, such schemes will only begin once their funding details have been finalised.

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 from this report does not have any direct impact on members of the public, employees, elected members and/or stakeholders. Therefore, no Equality impact assessment is required. A full Equality Impact Assessment, however, will be included in the Council report when substantive decisions on expenditure are considered.

Appendix

1. Capital receipt funding approvals

APPENDIX - CAPITAL RECEIPT FUNDING FOR INDIVIDUAL SCHEMES

SERVICE AND SCHEME	Current Allocations				Provisional Allocation
	2012/13	2013/14	2014/15	Total	2015/2016
	£'000	£'000	£'000	£'000	£'000
<u>Corporate Services</u>					
Parish Capital Schemes	45	60	30	135	30
Contribution to Capital Reserve	25			25	
I C T Infrastructure (OCL contract)	64	50	50	164	50
Electronic Document Managing & Workflow	28			28	
ICT Development Programme	61	50	50	161	50
<u>Community Services</u>					
Contaminated Land Works	0	18		18	
Environmental Health Computerised System	3			3	
Playground Improvements	30	30	30	90	30
Leisure Trust (Serco contract)	228	228	228	684	228
CCTV (Parishes)	0	70		70	
CCTV (Camera Upgrade)	350			350	
CCTV (Relocation)	4			4	
Derby Street Site works	123			123	
Empty Homes Initiative	100			100	
Clearance Programme	5	45		50	
Housing Renewal Grants/Financial Assistance	150	100	100	350	100
Disabled Facilities Grants	145	200	200	545	200
<u>Planning Services</u>					
Skelmerdale Vision	38			38	
Free Tree Scheme	3	3	3	9	
Preservation of Buildings at risk	2			2	
<u>Corporate Property</u>					
Corporate Property Investment Programme	281	164	164	609	164
Home Care Relocation	110			110	
<u>Housing and Regeneration</u>					
Affordable Housing	150	894		1,044	
Total Programme	1,945	1,912	855	4,712	852



AGENDA ITEM: 15

CABINET: 15 January 2013

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
31 January 2013**

Report of: Assistant Director Housing and Regeneration

Relevant Managing Director: Managing Director (Transformation)

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

**Contact for further information: Mr D McCulloch (Extn. 5203)
(E-mail: Darroll.mcculloch@westlancs.gov.uk)
Mr W Berkley (Extn. 5259)
(E-mail: william.berkley@westlancs.gov.uk)**

SUBJECT: HOUSING ACCOUNT – REVENUE AND CAPITAL PROGRAMME

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To provide a summary of the budget position for the Housing Account for the next financial year.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the financial position for 2013-14 be noted, and consideration given to the budget issues set out in this report.

2.2 That this report be used for consultation purposes prior to the Council considering this matter in February 2013.

2.3 That the Housing Finance Portfolio Holder be given delegated authority to submit firm proposals to Council on 27th February 2013 to enable the budget to be set.

2.4 That call in is not appropriate for this item as it is to be submitted to the next meeting of the Executive Overview and Scrutiny Committee on 31st January 2013.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

- 3.1 That the budget position be considered and that any comments agreed by the Committee be submitted to the Housing Finance Portfolio Holder in advance of the Council meeting to be held on 27th February 2013.
-

4.0 BACKGROUND

- 4.1 The HRA moved to a new self financing system at the end of March 2012. This involved making a payment to Government of £88.212m, which was financed by a range of fixed maturity loans with repayment periods ranging between 15 and 50 years, and an average interest rate of 3.47%. This new system has led to an improved financial position for the Housing Account as the debt costs of the borrowing are less than the subsidy payments of over £6m per year that had to be made to the Government under the previous system.
- 4.2 The experience of self financing to date has been one of clarity in respect of the financial arrangements, as the housing subsidy system was complex and unpredictable. This is enabling a longer term outlook in stock management issues and asset management to be developed with a better informed capital investment needs profile.

5.0 RENTAL INCOME AND SERVICE CHARGES

5.1 RENTAL INCOME

- 5.1.1 The Government has a policy that authorities should aim to achieve what is known as target rents by 2015. Target rents were set to broadly bring Local Authority rent in line with Housing Associations so that Tenants were paying a similar rent for similar properties within each locality. The target rent is based on the value of the property, the size of the property and the average regional earnings.
- 5.1.2 The Government's Self-Financing debt settlement was based on rent convergence taking place in 2015 based on rental growth of RPI +0.5% plus £2.
- 5.1.3 Consequently in line with previous years I propose to use my delegated authority to increase rents in accordance with the Government target rents formula, which is equivalent to Retail Price Index (2.6%) plus 0.5% plus £2 a week. This will mean that the overall average rent increase will be around 5.3% next year.
- 5.1.4 The Council will make a significant investment in installing new kitchens in properties over the next few years. To assist with the funding of this investment programme it is proposed that where a new kitchen is installed for a tenant, that

their rent level should be moved immediately to target level. While this means that the tenants rent level may increase above the government guideline, the tenant will be receiving a direct significant benefit for this additional increase, and it is only bringing forward the date that the target rent is achieved.

- 5.1.5 After 2015, when the Council should have achieved the individual target rent levels, then it will need to determine its own policy considering a range of different factors including government guidance and the impact of Universal Credits.

5.2 SERVICE CHARGES

- 5.2.1 Overall, service charges should cover the cost of services provided to tenants. Consequently following the custom and practice of previous years, it is proposed that service charges should be increased by the September RPI measure of 2.6%.

- 5.2.2 However work has been commissioned to look at the individual cost of service charges for blocks of flats, as some blocks are being subsidised by others and we need to move to a fairer charging policy. The service charge policy will need to identify winners and losers and the methodology of moving towards a more equitable charge for services. A report will be brought back to Cabinet on this issue once this work has been completed.

5.3 GOVERNMENT POLICY CONSIDERATIONS

- 5.3.1 In considering the above recommendations Members should be aware that the Council can determine its own rent and service charge policy and strategy. However, Members should remember that the majority of our tenants are in receipt of some form of housing benefit, and that the Government can limit the increases in benefit that tenants may receive. In the Chancellor's Autumn Statement increases in working-age benefits are to be capped to 1% a year for three years from 2014/15 and the State pension increase would increase by 2.5% in 2013/14. Whilst Officers are endeavouring to clarify how this might impact on our tenants, Members need to be aware the Chancellor's actions may adversely affect the Council's Business Plan cause difficulty for some tenants meeting these increases and the Council in collecting income.

6.0 HEATING CHARGES

- 6.1 The Council procures its Gas and Electric through a bulk purchasing arrangement with the Yorkshire purchasing organisation, which is used by many other authorities. This ensures that we receive the best possible price for our energy requirements. However the cost of Gas and Electric has risen and continues to do so.
- 6.2 Significant investment has been made by the Council in some blocks where solar panels, biomass, and air source heat pumps have been installed and heating systems changed from electric to gas. The recommendation needs to charge an appropriate charge for each individual scheme which is appropriate and that a

small levy is made on those schemes where investment has already been made which reduces the heating charge to provide capital sum to benefit the schemes where future investment is necessary and proportionately their heating charges are more expensive.

- 6.3 Work is still ongoing to determine a suitable policy at this time. A further report will be brought back to Cabinet when the review has been completed.
- 6.4 The Council's energy costs have increased by around 12%. However, in view of the Chancellor's Autumn Statement and the current level of Heating Reserve held by the Council I propose to limit the increase to 2.5% for 2013/14 pending the outcome of the Heating Charge review being considered above in paragraph 6.2.

7.0 GARAGES

- 7.1 Currently, we let 71.7% of garages which produces an income which benefits the HRA of around £359,000. There are 350 garages which remain empty and therefore there could be a significant risk involved in increasing garage rents this year, given this vacancy level.
- 7.2 Now that the asset management work of houses has been completed, it would seem an opportune time to carry out a similar study of garages. This could determine which garages should remain and which garages are surplus to requirement, where an alternative use should be considered. Tenants have recently been carrying out a review of garages which will be considered by Cabinet when the review is completed. I am therefore recommending no garage rental increases this year pending the outcome of this review which will result in a new garage strategy being developed.

8.0 REVENUE EXPENDITURE AND SAVINGS

- 8.1 Draft estimates for next year have now been prepared at Appendix A that set out a provisional budget for the Housing Revenue Account covering all areas of expenditure and income for 2013/14. These estimates include increases in the base budget required to roll forward agreed service levels but do not allow for any service improvements. These figures also allow for the increase in rents and other charges as set out above. These estimates have been reviewed to ensure that they are robust for the purposes of the budget calculation in accordance with the requirements of the Local Government Act 2003.
- 8.2 In addition to the roll over budget in continuing services, it is also important to consider new budget issues and areas for development. Officers have been considering these matters and have identified the following areas that will need to be considered as part of the budget process:
 - 1. Trainee surveyors
 - 2. Senior Housing Options Advisor
 - 3. Void Budget

4. Scanning Housing Register files
5. Day to Day Property Repairs
6. Asbestos Management
7. Size Criteria / Welfare Reform
8. Admin Support Sheltered Housing
9. Additional Change to Staff Resource
10. Annual Cleaning of Carpets / Soft furnishings – Sheltered Housing Schemes
11. Smarterbuys & the Store Scheme
12. Finlock Gutters
13. Impact of Council Tax reform
14. ICT Development Programme
15. Financial Inclusion
16. Call Monitoring Upgrade in sheltered housing
17. Additional Resources for Tenure Reform

Details of which are shown in Appendix C – Draft List of Budget Issues

- 8.3 Members will need to carefully consider these options, and any others that emerge through the budget process, and determine which proposals to include in the final budget to meet service objectives.
- 8.4 Members will recall that as part of the debt settlement the Housing Account has access to around £11.8m in reserves held by the GRA and around £3.8m in headroom borrowing it can call on for one off investment. Additionally Members approved the creation of a regeneration reserve of £97,000 in 2011-12 and a investment reserve in 2012-13 of £800,000. Members will need to consider how much of these Housing Account resources that should be used for one off investment.
- 8.5 Savings and efficiencies will be developed and analysed during 2013/14 and part of this review will involve the OR process and also management scrutiny and formulation of plans. These will be compiled and considered appropriately with Officers and Members as this strategy develops and takes shape.

9.0 CAPITAL INVESTMENT

- 9.1 Savills have produced a report detailing capital investment required to the housing stock. This has been used to form the basis of a draft plan over the next 5 years and is included as appendix B. In December tenders were opened in respect of Kitchens and Bathrooms. Appendix B includes provisional savings that may be achieved as a consequence of tendering 5 year contracts. More detailed investment plans for 2013/14, which will be informed by tender evaluation, will be included as an update in the report to Council in February.
- 9.2 There is a need to link the rent policy into the investment strategy in order to develop a robust business plan. This is because the investment strategy can only be delivered if the rental income levels that are projected are actually achieved. Agreeing the investment strategy will therefore effectively produce a

commitment to the rental policy. Members need to understand the strong link between rents and investment.

- 9.3 The investment priorities set out in Appendix B are kitchens, bathrooms, efficient heating systems, windows and doors, and at the end of the 5 year period we will have invested around £54.3m (excluding the previously approved investment in Findon & Firbeck) which will bring the stock up to a good modern standard.
- 9.4 We need to ensure our properties are sustainable and have a positive effect on the business plan. Therefore investment on properties that have a negative effect on the business plan need careful consideration. Work on some of these properties is included within the investment plan in years 4 and 5. These properties will undergo an option appraisal prior to this investment being carried out. This will involve working with tenants and Members in these areas bringing reports back to Council at appropriate times.
- 9.5 A fully worked up set up of budget proposals will be brought back to Council in February highlighting all the financial and resource implications both in terms of revenue and capital which will support the Housing Revenue Account Business Plan. These proposals will take into account the consultation with residents that will take place as part of the budget process.

10.0 SUSTAINABILITY IMPLICATIONS / COMMUNITY STRATEGY

- 10.1 Clearly the Council with its Tenants will want to ensure that the future business plan ensures that properties are brought up to a reasonable standard and that appropriate investment is able to be made at the appropriate time. The further modelling of the business plan will enable a well informed investment plan to be developed that takes into account the priorities of Tenants, the investment needs in the stock which have been considered as part of a well thought out asset management strategy. It will ensure that the rent levels reflect the needs and requirements of the stock and meet Tenant priorities.
- 10.2 The community strategy has highlighted that local people should receive good quality homes for a fair and appropriate rent. The move towards the business plan in April 2013 will ensure that the business plan takes into account these issues and if further funding is necessary then as part of the plan, this issue will be addressed.

11.0 RISK ASSESSMENT

- 11.1 The formal consideration and reporting of the budget estimates is part of the overall budgetary management and control framework that is designed to minimise the financial risks facing the Council. This process is resource intensive for both Members and Officers but ensures that a robust and achievable budget is set.

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. A formal Equality Impact Assessment will be produced when the Council agrees the budget at its meeting in February.

Appendices

1. Draft HRA Estimates
2. Draft 5 Year Investment Plan
3. Draft List of Budget Issues
4. Minute of Landlord Services Committee (Cabinet Working Group) 9 January 2013 (to follow)

WEST LANCASHIRE BOROUGH COUNCIL
DRAFT REVENUE ESTIMATES 2013/2014
HOUSING ACCOUNT

ITEM		2012/13	2013/14
		BUDGET	BUDGET
		1	2
	SUMMARY		
	EXPENDITURE	£	£
1	General Expenses HA 2.7	11,650,690	3,520,257
2	Supervision, Management & Housing Repairs & Maintenance HA 3.8	10,710,602	10,100,807
3	Total HRA Expenditure	22,361,292	13,621,064
	INCOME		
4	General Income HA 2.11	22,361,292	23,441,426
5	Transfer from Unused Reserves	0	
6	Total Income	22,361,292	23,441,426
7	HRA Resource Shortfall / (Available) HRA 1.6 plus HRA 1.7	-	(9,820,362)
8	Add: Use of negative capital financing requirement (up to £11.8m TBA)		-
9	Add: Additional Borrowing (up to £3.8m TBA)		-
10	Add: Regeneration Reserve (up to £97k TBA)		-
11	Add: Capital Investment Reserve 2012-13 (up to £800k TBA)		-
12	Less: Interest on additional borrowing (subject to external borrowing rates on item 9 TBA)		-
13	Less: Budget issues (TBA)		-
14	Less: Capital Investment Programme (year 1 appendix B £14.43m TBA)		-
15	Add Transfer from / (to) working Balance (TBA)	0	-
16	HRA net of Income and Expenditure	-	(9,820,362)
17	Working Balance		
18	Opening Balance	657,953	657,953
19	Add / (deduct): Transfer from HRA HA 1.16		-
20	Less: Transfer to HRA		
21	Closing balance	657,953	657,953

TBA - to be agreed

WEST LANCASHIRE BOROUGH COUNCIL
DRAFT REVENUE ESTIMATES 2013/2014
HOUSING ACCOUNT

ITEM		2012/13	2013/14
		BUDGET	BUDGET
GENERAL EXPENSES		1	2
		£	£
1	Housing Revenue Account Subsidy Housing Element	- -	- -
2	Premises Related Expenses	46,590	46,590
3	Contributions to Provisions for Bad Debts	125,000	125,000
4	Contingency Sum - Unavoidable Employee Related expenditure	32,000	32,000
5	Contribution to Capital Outlay	8,531,000	
6	Office Efficiencies to be allocated	-	-
7	Capital financing costs	2,916,100	3,316,667
8	Total Expenditure to Summary To HA 1.1	11,650,690	3,520,257
GENERAL INCOME			
9	Customer & Client Receipts	22,248,672	23,343,076
10	Interest receivable	112,620	98,350
11	Total Income to Summary To HA 1.4	22,361,292	23,441,426

WEST LANCASHIRE BOROUGH COUNCIL
DRAFT REVENUE ESTIMATES 2013/2014
HOUSING ACCOUNT

ITEM			2012/13	2013/14
			BUDGET	BUDGET
			1	2
	<i>SUPERVISION, MANAGEMENT & HOUSING REPAIRS & MAINTENANCE</i>			
	SUMMARY			
1	Central Administration	HA 4.8	2,276,280	2,200,630
2	Performance Improvement Team	HA 4.15	529,375	465,175
3	Rent & Money Advice	HA 4.20	634,190	626,128
4	Voids & Allocations	HA 5.8	1,712,087	1,643,908
5	Estate Management & Tenant Participation	HA 5.16	738,640	735,379
6	Property Services	HA 6.9	4,345,530	4,015,620
7	Elderly & Disabled Support	HA 6.18	474,500	413,967
8	Total Expenditure to summary	To HA 1.2	10,710,602	10,100,807

WEST LANCASHIRE BOROUGH COUNCIL
DRAFT REVENUE ESTIMATES 2013/2014
HOUSING ACCOUNT

ITEM		2012/13	2013/14
		BUDGET	BUDGET
		1	2
	<i>SUPERVISION, MANAGEMENT & HOUSING REPAIRS & MAINTENANCE</i>		
	<i>- CENTRAL ADMINISTRATION</i>		
	EXPENDITURE		
1	Employee Expenses	463,120	467,980
2	Premises Related Expenses	-	21,193
3	Transport Related Expenses	10,100	8,177
4	Supplies and Services	213,170	145,234
5	Support Services	1,699,950	1,660,219
6	<u>Total Expenditure</u>	2,386,340	2,302,803
7	INCOME	110,060	102,173
8	Net Expenditure to Summary to HA 3.1	2,276,280	2,200,630
	<i>- PERFORMANCE IMPROVEMENT</i>		
	EXPENDITURE		
9	Employee Expenses	300,435	278,604
10	Transport Related Expenses	5,920	5,605
11	Supplies and Services	345,440	146,811
12	Support Services	41,580	34,155
13	<u>Total Expenditure</u>	693,375	465,175
14	INCOME	164,000	-
15	Net Expenditure to Summary to HA 3.2	529,375	465,175
	<i>- RENT & MONEY ADVICE</i>		
	EXPENDITURE		
16	Employee Expenses	399,300	432,790
17	Transport Related Expenses	15,380	14,931
18	Supplies and Services	38,990	34,069
19	Support Services	180,520	144,338
20	Net Expenditure to Summary to HA 3.3	634,190	626,128

WEST LANCASHIRE BOROUGH COUNCIL
DRAFT REVENUE ESTIMATES 2013/2014
HOUSING ACCOUNT

ITEM		2012/13	2013/14
		BUDGET	BUDGET
		1	2
	- VOIDS & ALLOCATIONS		
	EXPENDITURE		
1	Employee Expenses	413,760	411,253
2	Premises Related Expenses	1,433,367	1,399,775
3	Transport Related Expenses	21,750	26,037
4	Supplies and Services	63,320	25,905
5	Support Services	31,210	27,820
6	<u>Total Expenditure</u>	1,963,407	1,890,790
7	INCOME	251,320	246,882
8	Net Expenditure to Summary to HA 3.4	1,712,087	1,643,908
	- ESTATE MANAGEMENT & TENANT PARTICIPATION		
	EXPENDITURE		
9	Employee Expenses	384,830	389,608
10	Premises Related Expenses	167,790	160,782
11	Transport Related Expenses	23,730	20,045
12	Supplies and Services	139,640	126,704
13	Support Services	35,000	50,600
14	<u>Total Expenditure</u>	750,990	747,739
15	INCOME	12,350	12,360
16	Net Expenditure to Summary to HA 3.5	738,640	735,379

WEST LANCASHIRE BOROUGH COUNCIL
DRAFT REVENUE ESTIMATES 2013/2014
HOUSING ACCOUNT

ITEM		2012/13	2013/14
		BUDGET	BUDGET
		1	2
	- PROPERTY SERVICES		
	ADMINISTRATION		
		£	£
1	Employee Expenses	1,459,260	1,415,630
2	Premises Related Expenses	3,293,190	3,062,442
3	Transport Related Expenses	75,740	72,330
4	Supplies & Services	121,980	129,829
5	Agency & contracted Services	51,730	51,258
6	Support Services	67,670	89,487
7	<u>Total Expenditure</u>	5,069,570	4,820,976
8	INCOME	724,040	805,356
9	Net Expenditure to Summary to HA 3.6	4,345,530	4,015,620
	- ELDERLY & DISABLED SUPPORT		
10	Employee Expenses	792,280	769,532
11	Premises Related Expenses	515,730	496,202
12	Transport Related Expenses	50,680	42,458
13	Supplies & Services	76,280	79,316
14	Agency & contracted Services	5,000	949
15	Support Services	158,850	220,277
16	<u>Total Expenditure</u>	1,598,820	1,608,734
17	INCOME	1,124,320	1,194,767
18	Net Expenditure to Summary to HA 3.7	474,500	413,967

APPENDIX 2 - DRAFT 5 YEAR INVESTMENT PROGRAMME

Year Financial Year	1 2013.14 £	2 2014.15 £	3 2015.16 £	4 2016.17 £	5 2017.18 £	TOTAL £
Asset Management Plan	Year 1	Year 2	Year 3	Year 4	Year 5	Prog total
Bathroom	2,344,653	3,447,051	2,128,980	2,416,274	2,751,062	13,088,020
Communal Doors	462,180	-	-	-	143,587	605,767
Communal Electrics	417,793	-	-	-	28,899	446,692
Communal Heating	422,139	-	-	-	110,213	532,352
Electrical	129,326	155,669	92,211	134,206	124,605	636,017
Fencing and Paving	-	-	1,521,562	1,490,357	1,593,718	4,605,637
Heating	530,602	1,576,199	1,576,791	1,680,843	630,223	5,994,658
Kitchen	3,682,921	4,151,151	2,355,605	3,578,847	3,322,806	17,091,331
Lifts	-	178,386	-	-	266,323	444,710
Mains Water	-	-	-	828,437	849,967	1,678,404
R&M	-	-	6,891	-	3,060	9,950
Roofing	-	-	1,492,251	1,619,533	1,390,224	4,502,008
Walls	-	-	813,313	878,977	851,492	2,543,782
Window and Door	945,148	1,677,906	684,935	-	-	3,307,988
Void Kitchens	613,650	629,598	645,961	662,750	679,974	3,231,933
Disabled Adaptations	674,082	691,608	709,590	728,039	746,968	3,550,288
Failed Double Glazing	10,260	10,527	10,800	11,081	11,369	54,038
Capital Contingency (Repairs)	128,250	131,585	135,006	138,516	142,117	675,473
General sheltered upgrades	102,600	105,268	108,005	110,813	113,694	540,379
Communal areas (CAT Budget)	102,600	105,268	108,005	110,813	113,694	540,379
Laundry equipment	15,390	15,790	16,201	16,622	17,054	81,057
General Structural	153,900	157,901	162,007	166,219	170,541	810,568
Gutter Cleansing	10,260	10,527	10,800	11,081	11,369	54,038
Gulley Cleansing	10,260	10,527	10,800	11,081	11,369	54,038
Potential Tender Reductions (Kitchens)	-	1,695,199	961,954	2,213,468	2,108,908	6,979,530
Potential Tender Reductions (Bathrooms)	-	991,345	612,279	1,032,054	1,128,337	3,764,016
Total Asset Management Plan	10,756,016	10,368,415	11,015,481	11,348,967	10,847,082	54,335,961
Findon & Firbeck	2,600,000	2,600,000	-	-	-	5,200,000
Professional Fees	1,068,481	1,037,473	881,238	907,917	867,767	4,762,876
Total Investment Programme	14,424,497	14,005,888	11,896,719	12,256,884	11,714,849	64,298,837

Appendix 3 - Draft List of Budget Issues

HRA BUDGET ISSUES	2013-14 £000	2014-15 £000	2015-16 £000
1 Trainee Surveyors (Apprentices) x 2 (2 years only)	36	36	0
2 Senior Housing Options Advisor	32	32	32
3 Void Budget	700	500	500
4 Scanning Housing Register Files (one off)	10	0	0
5 Day to Day Property Repairs (increase from 900k to 1,250k)	350	350	350
6 Asbestos Management	100	100	100
7 Size Criteria – Welfare Reform - transaction costs	24	24	24
- Intoduction of Direct Payment - transaction costs	4	18	35
- Two additional housing assistants in rent team (one off) to assist in collection	52	0	0
- Increase in Bad Debt Provision	250	250	250
8 Admin Support for Sheltered Housing Team	9	9	9
9 Additional/change to Staff Resource	12	12	12
10 Annual cleaning of carpets / soft furnishing in communal areas of sheltered housing schemes	20	20	20
11 Smarterbuys & the Store	30	15	15
12 Finlock Gutters (one off)	15	0	0
13 Impact of Council Tax Reform	47	47	47
14 ICT Development programme	135	135	135
15 Financial Inclusion	50	50	50
16 Call Monitoring upgrade in sheltered housing	200	200	
17 Additional Resource for Tenure Reform		30	30
Total	2,076	1,828	1,609
Permanent budget items	1,799	1,562	1,174
Temporary budget items	277	266	435

CABINET: 15 JANUARY 2013

**LANDLORD SERVICES COMMITTEE (CABINET WORKING GROUP) 9 JANUARY 2013
CONSULTATION ON RELEVANT DRAFT CABINET REPORTS**

36. HOUSING ACCOUNT - REVENUE AND CAPITAL PROGRAMME

Consideration was given to the report of the Assistant Director Housing and Regeneration that provided a summary of the budget position in relation to the Housing Account for the next financial year.

The Group Accountant Housing Finance attended the meeting making reference to details as set down in the report.

In discussion Members referred to the following:

- The impact of the Welfare Reform.
- Rental Income including issues related to increase in rents including impact on tenants and affordability.
- The proposals relating to the review of garages.

RESOLVED: That the report be noted.