



Meeting Agenda

Cabinet
Town Hall, St Annes
Wednesday 16 November 2011, 7:00pm

The main doors to the Town Hall will be open to the public at 6:45pm

This meeting will be filmed for publication on the Council web site



CABINET

MEMBERSHIP

LEADER – COUNCILLOR DAVID EAVES

Councillor	Portfolio
KAREN BUCKLEY	FINANCE & RESOURCES
SUSAN FAZACKERLEY	LEISURE & CULTURE
TREVOR FIDDLER	PLANNING & DEVELOPMENT
CHERYL LITTLE	SOCIAL WELLBEING
ALBERT POUNDER	CUSTOMER & OPERATIONAL SERVICES
THOMAS THRELFALL	ENVIRONMENT & PARTNERSHIPS

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Our Vision

Fylde Borough Council will work with partners to provide and maintain a welcoming, inclusive place with flourishing communities.

Our Corporate Objectives

- To Promote the Enhancement of the Natural & Built Environment
 - To Promote Cohesive Communities
 - To Promote a Thriving Economy
- To meet the Expectations of our Customers

The Principles we will adopt in delivering our objectives are:

- To ensure our services provide value for money
- To work in partnership and develop joint working

A G E N D A

PUBLIC PLATFORM	
To hear representations from members of the public in accordance with Cabinet procedure rules	
PROCEDURAL ITEMS	
1. DECLARATIONS OF INTEREST: If a member requires advice on Declarations of Interest he/she is advised to contact the Monitoring Officer in advance of the meeting. (For the assistance of Members an extract from the Councils Code of Conduct is attached).	4
2. CONFIRMATION OF MINUTES: To confirm as a correct record the Minutes of the Cabinet meeting held on 21 September 2011 attached at the end of the agenda.	4
URGENT ITEMS	
3. URGENT ITEMS (The Chairman will be requested to indicate whether or not he accepts that any additional item should be considered by the Cabinet as a matter of urgency, in accordance with section 100 of the Local Government Act 1972 (as amended)).	4
4. COMMUNITY FOCUS SCRUTINY COMMITTEE – RECOMMENDATIONS	8 - 15
5. POLICY DEVELOPMENT SCRUTINY COMMITTEE - RECOMMENDATIONS	16 - 22
ITEMS FOR DECISION	
6. FINANCIAL FORECAST UPDATE (INCLUDING REVENUE, CAPITAL & TREASURY MANAGEMENT) 2011/12 TO 2015/16	23 - 48
7. DATA ASSURANCE POLICY	49 - 58
8. “BOXES TO BINS” PROJECT - FEEDBACK FROM PUBLIC CONSULTATION	59 - 78
9. THE PIER FORECOURT PUBLIC REALM SCHEME & FULLY FUNDED ADDITIONS TO THE CAPITAL PROGRAMME	79 - 83

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11. ACCOMMODATION PROJECT – ASSET DISPOSALS Exempt Item – Not for Publication	85 - 102
12. LOWTHER PAVILLION Exempt Item – Not for Publication	To Follow

Personal interests

8.—(1) You have a personal interest in any business of your authority where either—

(a) it relates to or is likely to affect—

- (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—
 - (aa) exercising functions of a public nature;
 - (bb) directed to charitable purposes; or
 - (cc) 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;

- (i) any employment or business carried on by you;
 - (ii) any person or body who employs or has appointed you;
 - (iii) any person or body, other than a relevant authority, who has made a payment to you in respect of your election or any expenses incurred by you in carrying out your duties;
 - (iv) any person or body who has a place of business or land in your authority's area, and in whom you have a beneficial interest in a class of securities of that person or body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital (whichever is the lower);
 - (v) any contract for goods, services or works made between your authority and you or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi);
 - (vi) the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £25;
 - (vii) any land in your authority's area in which you have a beneficial interest;
 - (viii) any land where the landlord is your authority and you are, or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi) is, the tenant;
 - (xi) any land in the authority's area for which you have a licence (alone or jointly with others) to occupy for 28 days or longer; or
- (b) 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 relevant 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;

(2) In sub-paragraph (1)(b), a relevant person is—

- (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 (1)(a)(i) or (ii).

Disclosure of personal interests

- 9.—(1)** Subject to sub-paragraphs (2) to (7), where you have a personal interest in any business of your authority and you attend a meeting of your authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.
- (2) Where you have a personal interest in any business of your authority which relates to or is likely to affect a person described in paragraph 8(1)(a)(i) or 8(1)(a)(ii)(aa), you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business.
- (3) Where you have a personal interest in any business of the authority of the type mentioned in paragraph 8(1)(a)(viii), you need not disclose the nature or existence of that interest to the meeting if the interest was registered more than three years before the date of the meeting.
- (4) Sub-paragraph (1) only applies where you are aware or ought reasonably to be aware of the existence of the personal interest.

- (5) Where you have a personal interest but, by virtue of paragraph 14, sensitive information relating to it is not registered in your authority's register of members' interests, you must indicate to the meeting that you have a personal interest, but need not disclose the sensitive information to the meeting.
- (6) Subject to paragraph 12(1)(b), where you have a personal interest in any business of your authority and you have made an executive decision in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that interest.
- (7) In this paragraph, "executive decision" is to be construed in accordance with any regulations made by the Secretary of State under section 22 of the Local Government Act 2000(d).

Prejudicial interest generally

- 10.—**(1) Subject to sub-paragraph (2), where you have a personal interest in any business of your authority you also have a prejudicial interest in that business where 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 your judgement of the public interest.
- (2) You do not have a prejudicial interest in any business of the authority where that business—
- (a) does not affect your financial position or the financial position of a person or body described in paragraph 8;
 - (b) does not relate to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in paragraph 8; or
 - (c) relates to the functions of your authority in respect of—
 - (i) housing, where you are a tenant of your authority provided that those functions do not relate particularly to your tenancy or lease;
 - (ii) school meals or school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or are a parent governor of a school, unless it relates particularly to the school which the child attends;
 - (iii) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay;
 - (iv) an allowance, payment or indemnity given to members;
 - (v) any ceremonial honour given to members; and
 - (vi) setting council tax or a precept under the Local Government Finance Act 1992.

Prejudicial interests arising in relation to overview and scrutiny committees

- 11.—** You also have a prejudicial interest in any business before an overview and scrutiny committee of your authority (or of a sub-committee of such a committee) where—
- (a) that business relates to a decision made (whether implemented or not) or action taken by your authority's executive or another of your authority's committees, sub-committees, joint committees or joint sub-committees; and
 - (b) at the time the decision was made or action was taken, you were a member of the executive, committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph (a) and you were present when that decision was made or action was taken.

Effect of prejudicial interests on participation

- 12.—**(1) Subject to sub-paragraph (2), where you have a prejudicial interest in any business of your authority—
- (a) you must withdraw from the room or chamber where a meeting considering the business is being held—
 - (i) in a case where sub-paragraph (2) applies, immediately after making representations, answering questions or giving evidence;
 - (ii) in any other case, whenever it becomes apparent that the business is being considered at that meeting;
 unless you have obtained a dispensation from your authority's standards committee;
 - (b) you must not exercise executive functions in relation to that business; and
 - (c) you must not seek improperly to influence a decision about that business.
- (2) Where you have a prejudicial interest in any business of your authority, you may attend a meeting (including a meeting of the overview and scrutiny committee of your authority or of a sub-committee of such a committee) but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

REPORT



REPORT OF	MEETING	DATE	ITEM NO
GOVERNANCE AND PARTNERSHIPS DIRECTORATE - FOR CHAIRMAN OF THE COMMUNITY FOCUS SCRUTINY COMMITTEE	CABINET	16 NOV 2011	4

COMMUNITY FOCUS SCRUTINY COMMITTEE - RECOMMENDATIONS

Public Item

This item is for consideration in the public part of the meeting.

Summary

The Community Focus Scrutiny Committee met on 8 September 2011 and there were a number of recommendations made by the committee that Cabinet may wish to note. The minutes of the meeting (previously circulated on 12 September) are attached.

Recommendation

To consider the recommendations of the Community Focus Scrutiny Committee held on 8 September 2011.

Reasons for recommendation

To allow formal consideration of recommendations arising from the Community Focus Scrutiny Committee

Alternative options considered and rejected

None applicable as the recommendations are coming forward from the scrutiny committee.

Cabinet Portfolio(s)

The items fall within the following Cabinet portfolio(s):

Finance and Resources - Councillor Karen Buckley

Planning and Development - Councillor Dr Trevor Fiddler

Report

To consider endorsing the recommendations of the meeting of the Community Focus Scrutiny Committee which met on 8 September 2011 as detailed below.

1. Service Delivery through an Arms- Length Company – FBC Solutions Ltd Referral of Notice of Motion - Melton Grove

Recommended:

Following consideration of this matter it was RESOLVED to request that Cabinet ensures that the Scrutiny committee is updated and involved in all key stages of the process (within a 12 month period) and that the ultimate decision on this matter be made by Council.

NB As legislation does not allow Council to take executive decisions, the above must be read as reflecting the Committee's recommendation that an updated report be presented to Council for its views before any decision is taken by Cabinet.

2. Update on the 2020 Vision Document

Recommended:

1. To note the progress so far on the development and implementation of the 2012/2020 projects.
2. To recommend to Cabinet that officers pursue the delivery of the projects within the Lytham St Annes 2020 Vision and seeks funding opportunities as and where they arise to develop and deliver the projects contained within the Vision. This would include working with outside agencies and groups as appropriate.
3. To seek further information on the implications and opportunity for the delivery of the Classic Resort Concept for St Annes, including potential partnership arrangements.
4. To update the Committee of progress on the development of these projects as appropriate.
5. To endorse the use and development of the Vision Document for the consideration of design strategies/ conservation area appraisals for the town centre areas. Further it be used to help support funding bids and seek financial contributions from external sources to further the objectives of the Vision document.
6. To approve the revisions to the document in due course.

Risk Assessment

This item makes no specific recommendations. Therefore there are no risks to address.

Report Author	Tel	Date	Doc ID
Lyndsey Lacey	(01253) 658504	August 2011	CFSC Recs

List of Background Papers		
Name of document	Date	Where available for inspection
Agenda and Minutes of Community Focus Scrutiny Committee	July 2011	www.fylde.gov.uk

IMPLICATIONS	
Finance	None arising directly from this report
Legal	None arising directly from this report
Community Safety	None arising directly from this report
Human Rights and Equalities	None arising directly from this report
Sustainability	None arising directly from this report
Health & Safety and Risk Management	None arising directly from this report

Attached documents

8 September 2011 - Community Focus Scrutiny Committee minutes

Community Focus Scrutiny Committee



Date	Thursday, 8 September 2011
Venue	Town Hall, St Annes
Committee members	Councillor Kiran Mulholland (Chairman) Councillors Tim Armit, Susanne Cunningham, Charlie Duffy, David Donaldson, Gail Goodman JP, Nigel Goodrich, Kathleen Harper, Paul Hodgson, Ken Hopwood, Edward Nash, Linda Nulty, Dawn Prestwich, John Singleton JP
Officers	Phillip Woodard, Paul Drinnan, Steven Smith, Lyndsey Lacey
Other members	None
Members of the public	None

1. Declarations of interest

Members were reminded that any personal/prejudicial interests should be declared as required by the Council's Code of Conduct adopted in accordance with the Local Government Act 2000. No members declared any interests.

2. Confirmation of minutes

RESOLVED: To approve the minutes of the Community Focus Scrutiny Committee held on 28 July 2011 as a correct record for signature by the Chairman.

3. Substitute members

The following substitutions were reported under council procedure rule 22.3:

Councillor David Donaldson for Councillor Viv Willder

Councillor Charlie Duffy for Councillor Maxine Chew

Councillor Edward Nash for Councillor Christine Akeroyd

4. Service Delivery through an Arms- Length Company - FBC Solutions Ltd

The Chief Executive (Phillip Woodward) introduced the updated report. In doing so, he provided information on the background and rationale for pursuing this service delivery option and outlined the current situation on the implementation of the Cabinet decision in March together with details of a recent alternative that had emerged.

For the benefit of the new committee, members were advised that the Council had agreed in principle to the development of FBC Solutions Ltd with a view to it delivering a range of services on behalf of the Council. The Company had been established by the Council in 2007 but had not yet been developed to a trading position.

Details of the Business Case Review which included recommendations on the scope of the Company operations and governance arrangements were detailed in the report.

Mr Woodward stated that since the report to Cabinet in March, it had become apparent that further specialist legal and financial advice would be needed before the decision to launch the company as an active operational unit. He added that this advice was being sought via Lancashire County Council. In addition, an IDeA funded Local Improvement Advisor had assisted the Council in undertaking a SWOT analysis of the trading company option and details of the suggested way forward were detailed in the report.

It was further reported that since the request was made of LCC to provide further independent advice on this matter, officers of LCC had made a proposal (based on a shared service approach) to the Borough Council which presented an alternative to developing FBC Solutions Ltd into a fully trading entity. He added that as the proposal had been made very recently, the scope of the functions which would form part of a shared service had yet to be fully defined and an updated report on this matter would be presented to Cabinet at its meeting on 21 September.

Members were advised that in view of the fact that the request for additional financial and legal advice from LCC had prompted the offer from them to enter into a partnership or shared service arrangements, this advice (if and when received) could not be regarded as independent.

Councillor Singleton commented on one of the examples given as an arms-length company. In doing so, he sought clarification on the underwriting of debt arrangements of the Company together with information on its proposals for financial reporting/ risk management/VFM/ and its accountability arrangements. In addition, he sought further information on matter associated with borrowing powers contained within the Articles of Association. Mr Woodward addressed these points.

Councillor Nulty asked whether the specialist financial advice could be provided within the existing shared service arrangement. Mr Woodward indicated that this fell outside the scope of that agreement. Councillor Nulty also enquired about the Company's long term vision for attracting customers,

the proposed governance arrangements and the reasoning to defer “going live” for three years. Mr Woodward addressed these matters.

Councillor Harper asked about the viability of the company and the basis of the shared service proposals.

Councillor Armit sought further advice on the details of the Articles of Association and the guarantees on the scope of the company. He also commented on the lack of commercial skills within the company, TUPE arrangements, options for selling off the Company and the competitive market.

Councillor Duffy commented on the need to ensure that the right Articles of Association were in place. He added that an assurance should be given that the governance arrangements are adequate and appropriate and influenced by the local authority.

Councillor Hodgson enquired about the appointments to the board of directors and whether the Council would have the power to remove.

Councillor Mulholland asked about the Council’s input, control and influence of the Company. Mr Woodward stated that this would be done through the governance arrangements an option for which was outlined in the report.

Councillor Cunningham asked about key events since the concept of the Company was first proposed in 2007.

Members generally felt that as this was such an important decision, scrutiny should be involved at all key stages and ultimately, Council should make the final decision on whether FBC Solutions Ltd should be taken to a “go live” level.

Following consideration of this matter it was **RESOLVED** to request that Cabinet ensures that the Scrutiny committee is updated and involved in all key stages of the process (within a 12 month period) and that the ultimate decision on this matter be made by Council.

NB As legislation does not allow Council to take executive decisions, the above must be read as reflecting the Committee’s recommendation that an updated report be presented to Council for its views before any decision is taken by Cabinet.

(The Chairman dealt with the matter by a show of hands rather than by taking a recorded vote on it)

5. Update on the 2020 Vision Document

Paul Drinnan (Head of Regeneration and Tourism) and Steven Smith (Senior Regeneration Officer) presented an update of the 2020 Vision Document and in particular, progress on the implementation of its 2012 element in relation to the hosting of the Open.

In brief, the report highlighted funding and support issues associated with the 2012 Open and included a revised action plan (as a result of the loss of funding from the NWDA) which highlighted the present position and negotiations that had taken place in respect of the 2012 public realm projects.

To complement the above, Mr Drinnan and Mr Smith provided members with a PowerPoint presentation on the purpose of the 2020 Vision document and highlighted other key initiatives contained within the document including: Fairhaven Master Plan, Lytham Hall, Ribble Coast and Wetlands and the Classic Resort initiative.

Mr Drinnan stated that the Vision Document should continue to drive and support key projects although it may be appropriate to revise it in due course as some of the assumptions about projects had changed, some had been further developed and some required updating.

Councillor Singleton commented that the title of the 2020 Vision document should be changed to make it clear that it related to the coastal resorts of Lytham and St Annes.

Various members commented about different aspects of the 2020 vision and these were addressed by the officers concerned.

Following consideration of this matter the committee RESOLVED:

1. To note the progress so far on the development and implementation of the 2012/2020 projects.
2. To recommend to Cabinet that officers pursue the delivery of the projects within the Lytham St Annes 2020 Vision and seeks funding opportunities as and where they arise to develop and deliver the projects contained within the Vision. This would include working with outside agencies and groups as appropriate.
3. To seek further information on the implications and opportunity for the delivery of the Classic Resort Concept for St Annes, including potential partnership arrangements.
4. To update the Committee of progress on the development of these projects as appropriate.

5. To endorse the use and development of the Vision Document for the consideration of design strategies/ conservation area appraisals for the town centre areas. Further it be used to help support funding bids and seek financial contributions from external sources to further the objectives of the Vision document.
6. To approve the revisions to the document in due course.

(The Chairman dealt with the matter by a show of hands rather than by taking a recorded vote on it)

REPORT



REPORT OF	MEETING	DATE	ITEM NO
GOVERNANCE AND PARTNERSHIPS DIRECTORATE - FOR THE CHAIRMAN OF THE POLICY DEVELOPMENT SCRUTINY COMMITTEE	CABINET	16 NOVEMBER 2011	5

POLICY DEVELOPMENT SCRUTINY COMMITTEE - RECOMMENDATIONS

Public Item

This item is for consideration in the public part of the meeting.

Summary

The Policy Development Scrutiny Committee met on 29 September 2011, and there were a number of recommendations which Cabinet may wish to note.

Further recommendations will come from the Policy Development Scrutiny Committee meeting of 3 November 2011, and these will follow.

Recommendation

1. To consider and note the recommendations of the Policy Development Scrutiny Committee.

Reasons for recommendation

To allow formal consideration of recommendations arising from Policy Development Scrutiny Committee.

Alternative options considered and rejected

None applicable as the recommendations are coming forward from the scrutiny committee.

Cabinet Portfolio

The items fall within the following Cabinet portfolio(s):

Finance and Resources – Councillor Karen Buckley

Customer and Operational Services – Councillor Albert Pounder

Report

To consider endorsing the recommendations of the Policy Development Scrutiny Committee meeting of 29 September 2011 as follows:

1 Data Assurance Policy

- 1 To recommend to Cabinet that a Data Assurance policy as set out in the draft attached to the original report is adopted.

2 General Fund Budget Monitoring Report 2011/12 – Position as at Quarter Ended 30th June 2011

1. To note the current position and the comments outlined in the report.
2. To recommend to cabinet that for 2012/ 13, finance is included within the base budget to cover the cost of potential planning appeals.

3 Appointment of Car Parking Task and Finish Group

1. To appoint a time-limited Task and Finish Group to look at the matter in more detail, and to report back to a later committee and to Cabinet.
2. To appoint to the Task and Finish Group the following members:
Cllrs Fabian Craig-Wilson; Elizabeth Oades; Julie Brickles; Richard Redcliffe and Charlie Duffy.

Conclusion

There were no other specific recommendations directed to Cabinet for consideration for approval. The minutes of the meeting of the Policy Development Scrutiny Committee are attached as appendices.

Report Author	Tel	Date	Doc ID
Annie Womack	(01253) 658423	12 October 2011	PDSC Recs

List of Background Papers		
Name of document	Date	Where available for inspection
Agenda and Minutes of Policy Development Scrutiny Committee	29 September 2011	www.fylde.gov.uk

IMPLICATIONS	
Finance	None arising directly from this report
Legal	None arising directly from this report
Community Safety	None arising directly from this report
Human Rights and Equalities	None arising directly from this report
Sustainability	None arising directly from this report
Health & Safety and Risk Management	None arising directly from this report

Attached documents

1. Policy Development Scrutiny Committee minutes

Policy Development Scrutiny Committee

Date	29 Sept 2011
Venue	Town Hall, St Annes
Committee members	Councillor Fabian Craig-Wilson (Chairman) Councillor Leonard Davies (Vice-Chairman) Ben Aitken, Frank Andrews, Susan Ashton, Julie Brickles, David Chedd, Simon Cox, John Davies, David Donaldson, Charlie Duffy, Karen Henshaw JP, Edward Nash, Elizabeth Oades, Richard Redcliffe, Elaine Silverwood
Other Councillors	—
Officers	Joanna Scott, Ian Curtis, Allan Oldfield, Clare Platt, Tracy Scholes, Paul Walker, Annie Womack
Others	—

Public Platform

There were no members of the public wishing to speak

1. Declarations of interest

Members were reminded that any personal/prejudicial interests should be declared as required by the Council's Code of Conduct adopted in accordance with the Local Government Act 2000. There were no declarations.

2. Confirmation of minutes

RESOLVED: To approve the minutes of the Policy Development Scrutiny Committee meeting held on 14 July 2011 as a correct record for signature by the chairman.

3. Substitute members

There were no substitutes.

4. Data Assurance Policy

This report was introduced by Ian Curtis, Head of Governance and the council's monitoring officer. Mr Curtis explained that good practice requires the council to have policies setting out how it complies with its obligations under the Data Protection Act 1998, how it ensures data quality and how it classifies data.

Accordingly the adoption of a consolidated Data Assurance Policy was recommended in the report, to incorporate existing policies on data protection, which governs the handling of personal data; data quality, which seeks to ensure that the council uses and keeps high quality reliable and up-to-date information; and to add material on data classification which governs the sensitivity of data held.

Mr Curtis described the detail of the three elements to members. In response to questions from the committee he described circumstances in which data might be considered to be classified as sensitive and explained that any such classification required a "public interest" test.

Members asked whether there was an external review which would give assurance that our policies and practices were fit for purpose. Mr Curtis advised that there was not a formal inspection regime, but that the Information Commissioner had oversight and compliance was checked through complaints.

After the debate the committee RESOLVED:

- 1 To recommend to Cabinet that a Data Assurance policy as set out in the draft attached to the report is adopted.

5. General Fund Monitoring Report 2011/12 - Quarter Ended 30 June 2011

This report, which was introduced by Joanna Scott, Assistant Director of Finance, showed the updated position on the General Fund Revenue Budget as at 30th June 2011. The report highlighted any significant variances from the profiled latest budget and detailed the actions taken to address them.

Ms Scott provided a background for members of the budget setting and monitoring cycle and confirmed that the quarterly reports were brought to committee to provide members with awareness and understanding of the issues. There were various appendices attached to the report and she also explained their significance to members.

In particular she drew their attention to Appendix C (revenue slippage monitoring), and advised that Cllr Buckley (Portfolio Holder for Finance and Resources) had particularly asked that the committee members look at them

as those items would not be included in future quarterly reports during the year, unless some change occurred.

Ms Scott also asked that members consider Item 2 in the report, which was headed Budget Areas for Further Consideration.

It was noted that there was no provision within the budget for a contingency fund to finance potential planning appeals, which can be costly for the council. Ms Scott confirmed that was the case.

Members also asked questions about the authority of managers to make virements between their budget heads, and it was suggested that the committee might wish to be made aware of those. Ms Scott explained that each service had an overall Council approved budget for which the budget holder was responsible for which was allocated by managers to various budget heads within that service on a best estimate at the start of the year, but that they had flexibility to move their budget around in order to respond to need and changing priorities, up to a certain level as stated in the Council's Financial Procedure Rules. Mr Allan Oldfield, Director of Customer and Operational Services added that it was a management tool, that there was a process in place that had to be adhered to, that virements tended to be smaller, and that the hotspot report which members had in front of them would bring out the big issues for review by members and that is where the focus of the scrutiny should be. He further stated that if there was an overspend of any significance, that would have to be reported to full council as an unfunded budget requirement.

Members expressed concern that the quarterly budget monitoring reports were to be split between the two scrutiny committees, and expressed a preference for each report to come to the Policy Development Scrutiny Committee. The Chairman undertook to discuss the arrangements at the next Scrutiny Management Board meeting.

Ms Scott was asked whether there was a quarterly report on capital programme monitoring to the Portfolio Holder Finance & Resources and she agreed that there was, but confirmed that it did not go to scrutiny. Committee members said that they would like the Policy Development Scrutiny Committee to receive that report also.

There was some more debate and members commended Ms Scott on the clarity of the report, after which the committee RESOLVED:

1. To note the current position and the comments outlined in the report.
2. To recommend to cabinet that for 2012/13, finance is included within the base budget to cover the cost of potential planning appeals.

There was no recorded vote as the Chairman decided that the matter was not controversial.

6. Appointment of Car Parking Task & Finish Group

The Chairman reported that a request had been received from the Director of Strategic Development to appoint a Task & Finish Group to undertake a review of car parking strategy. This request had gone to the Scrutiny Management Board who had agreed that this was the correct course of action, and the matter had therefore been referred to this meeting.

The Chairman nominated some councillors to sit on the Group and the committee RESOLVED:

1. To appoint a time-limited Task and Finish Group to look at the matter in more detail, and to report back to a later committee and to Cabinet.
2. To appoint to the Task and Finish Group the following members:
Cllrs Fabian Craig-Wilson; Elizabeth Oades; Julie Brickles;
Richard Redcliffe and Charlie Duffy.

There was no recorded vote as the Chairman decided that the matter was not controversial.

REPORT



REPORT OF	MEETING	DATE	ITEM NO
MANAGEMENT TEAM	CABINET	16 TH NOVEMBER 2011	6

FINANCIAL FORECAST UPDATE (INCLUDING REVENUE, CAPITAL & TREASURY MANAGEMENT) 2011/12 TO 2015/16

Public Item

This item is for consideration in the public part of the meeting.

Summary

The report provides Members with an update of the financial forecast for the five years 2011/12 to 2015/16. It includes changes arising since the Budget was set by Council in March 2011.

Recommendations

1. That Cabinet recommends to Council to note the implications of this updated forecast.

Reasons for recommendation

A robust Medium Term Financial Forecast helps to ensure the proper administration and management of the Council's financial affairs, and helps enable the Council to achieve its Corporate Priorities and Programmes.

Alternative options considered and rejected

Not applicable - alternative implications are set out in the body of the report.

Cabinet Portfolio

The item falls within the following Cabinet portfolio:
Finance & Resources Councillor Karen Buckley

Report

1. PURPOSE OF THE FINANCIAL FORECAST UPDATE

- 1.1 This report is the mid year and preliminary forecast of the Council's future financial position and takes account of latest reserve balances, revenue and capital spending forecasts and treasury management issues. It also identifies and updates the financial risks and challenges facing the Council. It is however a forecast which continues to be against a backdrop of future financial uncertainty in public finance. The Coalition Government has announced a Local Government Grant Settlement for the two years to March 2013 and is currently consulting on new arrangements for Local Government financing beyond this date. The outcome and impact of this will not be known for some time. The assumptions set out in this forecast are the latest best estimates and will be updated as and when further information is made available
- 1.2 This latest financial forecast update is designed to:
- Present an updated five-year financial forecast for revenue and capital spending on the best information available at the time;
 - Review and update the currently identified risks;
 - Alert Members to any new specific risks;
 - Inform Members of any changes required to budgets due to external factors outside the Council's control; and,
 - Provide a basis on which Members can make future spending decisions.

2. BACKGROUND TO THE FORECAST

- 2.1 In order to 'scene set', the current financial position of the Council is summarised for Members as follows:

(i) Original Budget 2011/12

At the Council meeting on the 2nd March 2011 the budget for 2011/12 and the medium term financial forecast were agreed. The resolution included a freeze in Council Tax and a total net budget requirement of £10.986m for 2011/12. Future reserve balances at that time were forecast at the end of 2014/15 to be £750k with ongoing savings of £465k still to be identified from 2014/15 onwards. In agreeing the Original Budget for 2011/12 a number of key high level financial risks and assumptions were highlighted.

(ii) General Fund – Outturn Position 2010/11

The outturn position for 2010/11 was reported to Members in June 2011. Taking account of slippage of £297k the underlying underspend for the year was £592k.

(iii) Capital Outturn

The Capital Outturn for 2010/11 was a net under spend in year of £3k after taking £147k slippage into account.

(iv) General Fund (GF) Quarterly Budget Monitoring 2011/12

The first quarterly GF monitoring report to the end of June 2011 was presented to the Portfolio Holder (Finance & Resources) in August 2011 and scrutinised by Policy & Development Scrutiny Committee in September 2011. The report identified a number of budget areas for further attention/concern. As a result a number of changes have already been included in this latest forecast, e. g. Core Strategy re-profiling and Planning Application Income and Planning Appeal Costs.

3. THE GENERAL FUND REVENUE FORECAST

- 3.1 Appendix A sets out the original base budget forecast, agreed at the Budget Council meeting on 2nd March 2011.
- 3.2 Appendix B shows the general assumptions underpinning the base forecast, Appendix C shows the financial impact of changes to general assumptions and the impact of other significant changes that have been identified since the budget was approved. Appendix D sets out the narrative of the significant changes made to the forecast. Included in the changes are a number of items arising from the Capital Programme which are explained in the capital section of this report. The impact of all these changes are summarised at Appendix E which details the latest forecast. The forecast needs to be considered carefully in the light of the identified risks which cannot be quantified at this time but may have considerable impact on the forecast at some future point.

4. KEY AREAS OF FINANCIAL RISK TO THE GENERAL FUND REVENUE BUDGET FORECAST.

- 4.1 In considering this forecast Members should note that there are a number of significant risks.

In assessing each risk the following has been taken into account:-

High Level Risk

A potentially significant sum; a high probability of occurrence with few, if any, mitigations available to spread or defer the impact. Probable need for a major change to the forecast if this occurs.

Medium Level Risk

A potentially large sum; with medium probability of occurrence with some mitigation available to spread or defer the impact. Possible need for a change to the forecast if this occurs.

Low Level Risk

Potentially a substantial sum; with a low probability of occurrence, although some mitigation possible to spread or defer the impact. Impact should be capable of being dealt with without major forecast changes.

i) Pension Review

The triennial review of the Pension Fund took place during 2010/11 with the results being implemented from 1st April 2011. The review has increased employer contributions by 3.8% over the next three years (rising to a total contribution rate of 22% by 2013/14). Consequently, the short term risk has diminished, but in the long term pension fund costs continue to be a significant risk. National negotiations are under way following the recommendations of the Hutton Review regarding the future of public sector pensions. Although this is likely to impact more significantly on employee contributions the impact of any recommendations on employer contributions will need to be further assessed during 2011/12.

This is a low risk in the short term but a high level risk in the medium to long term.

ii) Pay Inflation

Negotiations have yet to start so the pay award for 2011/12 has not yet been agreed. The forecast includes no provision for pay award for 2011/12 and a £25.0 million minimum increase payment for employees earning less than £21k for 2012/13. A 0.5% increase is reflected in 2013/14 and 1% increase per annum thereafter. In the event of a higher pay settlement in these years there will be additional costs to the Council.

This is a medium level risk

iii) Fuel and Energy Costs

The current economic climate and volatility of prices remain a cause of concern.

This is a low level risk.

iv) Waste Management Contract

The current contractual arrangements with Wyre Borough Council for the delivery of waste management services will end in March 2012.

The contract has returned a surplus to the Council and has made a contribution to corporate overheads. This income stream will be lost to the Council and the forecast has been prepared on a prudent basis. The potential financial risks were set out in the September 2010 report to Cabinet. Some of the financial risks will be mitigated via a TUPE transfer of

staff to any new service provider and the service management and support service costs associated with the contract are being reviewed.

The Comprehensive Spending Reserve (CSR) was established at the end of 2009/ 10. Members agreed to call on this reserve to support any restructuring costs following the exit from the contract which cannot be mitigated by any other means. Based on latest overall financial position for the Council, this CSR reserve is due to be released into General Fund balances in 2013/14 (see Appendix E).

Wyre Council has recently issued a variation to the contract as a result of the significantly reduced commercial customer base. This was an anticipated variation after discussions with the officers at Wyre and as a result the financial impact has been budgeted for. The variation reduced the contract payments by £75,000 from September 1st to the end of the contract. Corresponding reductions in service delivery cost has mitigated the impact of the contract payment reduction.

Variations to the contract can be issued at any point and it is uncertain whether Wyre will issue any further variations to the contract in the final six months as they make changes in preparation for the new service provider. If any further variations are issued there could be a further reduction on the contract payments.

This is a high level risk and will reduce as the contract termination date draws closer

v) Housing & Council Tax Benefit Payments

Due to the current economic climate there has been a significant increase in the number of Housing Benefit claimants and a corresponding increase in the value of payments made. The finance team are therefore continuing to assess the financial impact this may have on the Council. These changes may result in a further forecast adjustment in a future update.

This is a medium level risk.

vi) Government Formula Grant Support

As part of the Comprehensive Spending Review (CSR) the Coalition Government committed to only two years formula grant support (2011/12 and 2012/ 13) on the basis that the grant allocation system would be reviewed as part of a "Local Government Resource Review" with a new regime in place by April 2013. The Government have made it clear that it continues to be committed to reducing public expenditure. Therefore, there is significant uncertainty on how Local Authorities will be financed by Central Government grant from April 2013. In line with the headline indications of grant settlements announced in the CSR, the forecast assumes a 7.5% annual grant reduction in 2013/14 and 2014/15 and then remains at the 2014/15 level of £3.213m for 2015/16.

This is a high level risk.

vii) Business Rate Retention

As part of the Local Government Resource Review referred to in vi) above, the Government recently issued a consultation document on proposals to fundamentally review the current regime of Central Government grant support (currently known as “formula” grant) to Local Authorities. Under these proposals Local Authorities would retain a significant proportion of business rates linked to local economic growth instead of a reliance on Central Government grant. The consultation paper sets out a wide range of potential funding options and it is currently not possible to determine how the new scheme may affect individual authorities.

This is a high level risk.

viii) Consultation Paper – Localising Support for Council Tax

The Government also recently issued a consultation document on proposals to localise Council Tax Benefit eligibility criteria, developed as part of its ongoing plans for welfare reform. Under these proposals responsibility for determining a scheme of “Support for Council Tax” will be transferred to Local Authorities. This is stated to be part of the “Localism” agenda. However, the consultation paper also states that the government is reducing the funding for this scheme by 10%. The new local schemes are intended to give Councils a greater stake in the economic future of the local area, allowing them to balance local priorities and their own financial circumstances.

The Council currently pays out Council Tax Benefit totalling £5m per annum. If the proposed change was to take place, the Council could therefore see a reduction in Council Tax Benefit Grant of approximately £500k per annum from 2013/14. For the purposes of the forecast no adjustment has been made until there is more certainty on the future arrangements.

This is a high level risk

ix) Housing Benefit and Council Tax Benefit Administration Grant

Blackpool Council delivers the revenues and benefits service to Fylde residents as part of a shared administrative arrangement, with Fylde paying Blackpool for this service on a monthly basis. Fylde then receives a combined Housing Benefit and Council Tax Benefit Administration grant of approximately £450k per annum (payable by the Department of Work & Pensions (DWP)) as a contribution towards the costs of administering Housing Benefit and Council Tax Benefit.

The shared administrative agreement with Blackpool Council notes that additional grants should be passed to the shared service where they are for service improvement or the implementation of new legislation. An

additional grant has been received and negotiations are taking place with Blackpool Council regarding this. If the additional grant is passported through to the shared service, this could result in reductions in the income assumed in the forecast of £44k in 2011/12 and £40k per annum from 2012/13 onwards.

Furthermore it is expected that this grant will reduce as it is under review as part of the Localising Support for Council Tax Consultation process.

For the purposes of the forecast no adjustment has been made until there is more certainty on the future arrangements

This is a medium level risk

x) Consultation Paper – Single Fraud Investigation Service (SFIS)

An options paper has recently been issued on the Government's new strategy for tackling fraud and error in welfare benefits, which contained a commitment to establish a Single Fraud Investigation Service (SFIS) from 2013 to investigate fraud, benefits and tax credits. The new SFIS will be formed by consolidating the benefit / tax credit fraud investigation teams across DWP, HMRC and local authorities. Consultation runs until 14 October 2011.

Preston City Council currently provides this service to FBC as part of the overall Benefit Fraud Contract. For the purposes of the forecast no adjustments have been made as it is currently uncertain as to how this contract will be delivered in the future.

This is a low level risk

xi) Income Streams

Income streams in general are under pressure as the recession and public spending cuts continue. A notable example being sandwinning. This forecast has been updated to reflect these changes.

This is a low level risk

xii) Municipal Mutual Insurance (MMI) Scheme of Arrangement 1992

A new emerging risk is the MMI Scheme of Arrangement. In 1992 MMI the principal insurer of local government avoided insolvency by entering a Scheme of Arrangement. The "arrangement" with creditors enabled MMI to pay outstanding claims on the basis that should there be insufficient assets to satisfy all claims then participating creditors would be subject to "claw back" of previously paid claims. On the basis of potential £30m share of surplus funds at the time Fylde Borough Council along with 728 other authorities participated in the scheme.

MMI Directors are committed to continue to manage the run-off efficiently and effectively and are of the view that a solvent run-off with full payment of

agreed claims can be achieved. This is dependant upon a positive legal ruling over policy cover which if not achieved MMI Directors still believe the scheme will be solvent, however a legal ruling is awaited which may significantly increase MMI liabilities and trigger the “claw back”. In the case of Fylde Borough Council the “claw back” is a maximum of £95k. No budget provision has been made for this possibility.

This is a medium level risk.

xiii) Grounds Maintenance External Contracts

The Council has a number of contracts with external clients for the provision of grounds maintenance services over varying terms. The most significant contract is now with Blackpool Coastal Housing initially agreed for a term of three years from 2011. The contract with New Fylde Housing is renewed on an annual basis. The future of this contract may be in doubt due to the incorporation of New Fylde Housing into the structure of Progress Housing Group. Officers are in discussions with New Fylde Housing about the future of this contract. Any loss of these contracts, other external contracts or other internal work, including the potential impact of the transfer of open space assets to Parish and Town Councils, will result in a reduction in income and/or operating costs, but with the possibility of residual costs remaining with the Council, unless they can be offset by other trading opportunities.

This is a medium level risk.

xiv) Changes in Council Tax Capping Regulations

Budget Council agreed a 0% Council Tax increase in 2011/12. In line with the current administration's policy and recent announcements a 0% increase (with corresponding compensating grant) has also been assumed in the forecast for 2012/13 only, with a 2.5% increase included from 2013/14 onwards. The Government has, within its Localism Bill, announced that the public will be given the power to veto excessive Council Tax rises. Any local authority (including police and fire authorities) and larger parishes setting an increase above a ceiling set by the Secretary of State and approved by the House of Commons will trigger a referendum of all registered electors in their area. The Government believe this will make local authorities much more transparent and much more accountable to local people. If Councils want to increase Council Tax beyond the specified level in any given year, they will have to make the case to the local electorate.

The impact on the Council will depend on the ceiling set by the Secretary of State compared to any future proposed Council Tax rises.

This is a low level risk.

xv) Community Infrastructure Levy (CIL)

The Community Infrastructure Levy (CIL) which came into operation in April 2011 is intended to assume the role of the traditional Section 106 Agreement. However Section 106 Agreements will continue to have a role to play on site specific development proposals. For the CIL to become operational the Core Strategy will need to be in place. Officers will be exploring infrastructure requirements as part of the work on the Local Development Framework and Core Strategy with the aim of producing, for public consultation during 2012/13, an Infrastructure Delivery Schedule and a Charging Schedule.

At this moment in time the financial implications are unknown.

This is a low level risk

xvi) Planning Appeals

There is currently no provision in the base budget for planning appeal costs and there is currently a significant degree of uncertainty in the planning system as a consequence of legal challenges against the announcements of the Secretary of State. The budgetary provision will need to be kept under review so that the Council is able to respond to any local manifestation of the ongoing legal challenges. This remains an area of uncertainty in the forecast.

This is a medium level risk.

xvii) Land Charges Fees – Personal searches

The Government has revoked the £22 personal search fee with effect from 17 August 2010. This inability to charge has an adverse effect on the Land Charges income position. There is a possibility that there could be some eligible refunds, the value of which is not known at the time of writing.

This is a medium level risk.

xviii) Land Charges Income - Inability to charge fee income

Further to item xvii) above, the charging regime has been further changed following a legal challenge to allow for access to unrefined data under the Environmental Information Regulations 2004. The demand for this service at present is low. However these arrangements may need to be further reviewed should demand increase.

The majority of local authorities are involved with this issue and a cost sharing arrangement has been established which has the advantage of enabling each authority to seek advice on its overall potential exposure, potentially limit the amount it may ultimately have to pay to the Claimants and increase the amount of any contribution from central Government,

whilst paying only a small percentage of the legal costs they would otherwise incur with separate representation.

This is a medium level risk

xix) Payroll Efficiencies

The current budget forecast which was approved by Budget Council in March 2011 assumes a saving from 'payroll efficiencies' of £150,000 in 2011/12, £300,000 in 2012/13 and £400,000 by 2013/14. Management Team have been closely monitoring this savings target, and based on information at the time of writing, the staff salary sacrifice scheme, the senior management restructure and a number of flexible retirements will deliver recurring 'payroll efficiencies' that will achieve the required savings for 2011/12 and 2012/13.

However, the commitment to review the staff salary sacrifice scheme by March 2013 and the need to achieve further savings to meet the target figure for 2013/14 will be addressed through a review of the management structures across the Council. The review will be completed with the objective to implement new managerial arrangements from April 1st 2012. The latest estimates reported to Management Team, which assume that the salary sacrifice scheme ends in March 2013, estimate that £220,000 of further payroll efficiency savings will need to be delivered from 2013/14 onwards in order to achieve the budgeted target in full. The review of management structures across the Council will include current vacancies, agency, fixed term and contracted resources.

This is a medium level risk.

xx) Lowther Gardens Trust

Further to the Cabinet meeting of 28th June 2011, a £30k subsidy has been agreed for award to the trustees of Lowther Gardens Trust (subject to conditions). There is currently no budgetary provision approval for any further subsidy above the £30k already agreed and negotiations continue with the Trustees in relation to reaching a subsidy settlement, which may be higher than the approved budget provision. As some of the conditions specified in the cabinet report remain unsatisfied there remains a risk that the proposed transfer of responsibility to the Trustees will be delayed.

This is a low level risk

5. **GENERAL FUND RESERVE AND OTHER EARMARKED RESERVES & PROVISIONS**

- 5.1 The Council carries a number of other provisions, reserves and balances which are held for two main purposes.

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing. This forms part of what is commonly referred to as 'general balances'; and,
- A contingency to cushion the impact of unexpected events or emergencies.

5.2 The Council's General Fund Reserve Balance at 31st March 2011 was £2.991m. The first call on these balances in 2011/12 is the approved slippage from 2010/11 of £297k, which brings the underlying General Fund balances position to £2.694m.

5.3 The Council has a Reserves and Balances Policy in place, which requires an annual review and approval by the Portfolio Holder (Finance & Resources). This review will take place in the coming months. If any reserves can be released they will be presented in a future financial forecast update.

6 CONCLUSIONS – GENERAL FUND REVENUE FORECAST

6.1 The Council faces a number of uncertainties in the future in respect of its finances, particularly from April 2013. The current forecast has a number of high risk financial assumptions which are outside the Council's control.

6.2 A number of risks are significant with a high probability, in particular the future of Central Government Grant Funding Consultations and localising support for Council Tax. It is not clear when the outcome of the consultations will be known but changes could be in place from April 2013. If the Localisation of Support for Council Tax consultation comes to pass then the Council could see a reduction in grant income of £500k from April 2013.

6.3 The financial situation the Council faces continues to be challenging and uncertain from 2013/14 onwards, and the gap between in year income and expenditure will need to be addressed by Members.

6.4 Cabinet and Management Team have started budget planning work and Members will face some challenging decisions to achieve a robust revenue budget in future years.

7. COLLECTION FUND

7.1 The Council is required to maintain a separate fund for the collection and distribution of amounts due in respect of Council Tax and National Non Domestic Rates (NNDR). The Collection Fund accumulated surplus balance as at 31st March 2011 was £662k. This surplus will be shared in accordance with regulations and will form part of the 2012/13 Council Tax calculation. The Council's share of the surplus is £89k. Appropriate adjustments will be made in 2012/13 to remedy this surplus.

8. THE CAPITAL PROGRAMME

8.1 The Capital Programme for the years 2011/12 to 2015/16 is updated continually for agreed changes and reported in quarterly monitoring reports to the Portfolio Holder (Finance & Resources).

- 8.2 The latest updated Capital Programme Summary is set out in Table 1. The Programme shows a surplus of financing of £1.057m. This has been updated for changes to the end of September 2011. A prudent approach is taken in preparing the programme to ensure that financing resources are only recognised when there is reasonable certainty that they will be received.

TABLE 1 - SUMMARY CAPITAL PROGRAMME

	Estimate 2011/12 £000	Estimate 2012/13 £000	Estimate 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000
Estimated Expenditure:					
Community Services	1,104	610	610	610	610
Strategic Development	824	3,030	30	30	30
Governance & Partnerships	43	0	0	0	0
Customer & Operational Services	1,273	0	0	0	0
Total Capital Payments	3,244	3,640	640	640	640
Availability of Resources	4,301	3,640	640	640	640
Total surplus (-) / shortfall in year	-1,057	0	0	0	0
Cumulative surplus (-) / shortfall	-1,057	-1,057	-1,057	-1,057	-1,057

- 8.3 Capital schemes are directly linked with the Council's priorities as delivered through a series of key Programmes and via detailed Service Delivery Plans. Major items of enhancement or renewal are identified via the Council's Asset Management Plan and work is underway to review and update this.
- 8.4 The Council submitted a capitalisation bid in 2011/12 for Statutory Redundancy Costs and a approval has been granted by the Government up to the value of £250k. This gives the Council the option to capitalise redundancy costs which would otherwise fall on the Revenue Budget. A capitalisation bid in 2011/12 for Pension Strain cost was not approved, so any pension strain costs arising will fall on the Revenue Budget. In capitalising redundancy costs there will be an impact on the revenue budget by spreading the impact over the twenty year loan period. Utilising this option would be subject to a business case review and would require Member approval. It is expected that a maximum of £150k would be required.

8.5 Financing the Capital Programme

The Council finances the Capital Programme from a variety of sources. These include:-

- (i) Specific Capital Grant Allocations (from government);
- (ii) Disabled Facilities Grants subsidy (from government);
- (iii) Capital Receipts;
- (iv) External Funding (such as Heritage Lottery Funding);
- (v) Prudential Borrowing/Leasing; and,
- (vi) Revenue Funding.

- 8.6 Members should note the current balanced position on the Capital Programme.

9. VEHICLE PURCHASES

- 9.1 The Council has an agreed Service Modernisation Strategy for Operational Services in place which includes a vehicle replacement programme. This programme includes replacement costs in this current year up to the total value of approximately £650k.
- 9.2 It is within the delegations of the Section 151 Officer to determine how this replacement programme is best financed and a financial business case will be prepared. At the time of writing it is highly likely that it will be cheaper for the Council to borrow rather than lease replacement vehicles which are being reviewed as part of the Modernisation Strategy. The cost of the borrowing will be fully financed from existing revenue budgets (as current vehicles are leased the base revenue budget is already approved and in place). If the borrowing requirement exceeds the approved Prudential Indicator Levels approved by the Council in March 2011, then a further report will need to be brought to Council.

10. KEY AREAS OF FINANCIAL RISK TO THE CAPITAL PROGRAMME

The following risks are still relevant in respect of the Capital Programme:

10.1 (i) Accommodation

The accommodation project is currently included in the programme with the scheme being self-financing from capital receipts from the sale of 3 sites (St David's Road Depot, Derby Road, Wesham site and The Public Offices). If either the estimated cost of the refurbishment, the capital receipts achieved or the phasing of this scheme changes, there could be revenue implications i.e. costs of displacing staff / vehicles and equipment which would be reported to Members and reflected in future revenue budget forecasts accordingly. Actual asset sales and receipts are dependent on market conditions and cannot be predicted with certainty. This results in an inherent risk in the forecast level of programmed resources particularly in the current year of the programme. An update report on this project will be provided to members in November 2011.

This is a high level risk

(ii) Project Slippage

Any areas of slippage in the Capital Programme must be addressed in future years to ensure that there is no loss of external grant arising due to conditions associated with specific grant awards within specified timescales.

This is a medium level risk.

(iii) Other Capital Receipts

The approved programme for 2011/12 onwards assumes “Right to Buy” receipts of £25k per annum. Future receipts are dependent on prevailing market conditions and values cannot be predicted with certainty. This will be monitored and reviewed during the year and adjusted accordingly in future quarterly monitoring reports, along with the impact this may have on the financing of the programme.

This is a medium level risk.

(iv) Government Grants

The only grant expenditure contained in the current capital programme forecast beyond the current year relates to Disabled Facilities Grants (DFG). The receipt of this grant will always depend on future government decisions. The grant settlements stated from 2011/12 to 2015/16 are currently estimates and are only confirmed in the year they are due. Any fluctuation in government grants will have a direct impact on the level of Capital Programme work that can be undertaken. The Council currently finances DFG schemes with a 40% capital investment which has been reflected in this capital programme forecast.

This is a medium level risk.

(v) Capital Investment in St. Annes Pool

As part of the arrangement with the YMCA for the operation of the pool, the Council undertook to provide Capital support in the event of major works, repair or breakdown and a provision of £153k is included in the programme for this eventuality. This estimate is based on the currently known condition of the premises, plant and equipment and remains an ongoing risk.

This is a medium level risk

(vi) Sale of Clifton (Lytham) Housing Association Ltd

At the time of writing the report the final accounts for Clifton (Lytham) Housing Association Ltd are currently being finalised and agreed. The £1.357m capital receipt may need to be adjusted to reflect outstanding repair and maintenance liabilities in progress at the time of the sale and the final cash position for the company at the time of the sale.

This is a low level risk

11. CONCLUSIONS – CAPITAL PROGRAMME

- 11.1 The current Capital Programme as updated is showing a surplus of £1.057m, (which includes a level of approved Prudential borrowing) which is mainly due to the capital receipt arising from the recent sale of the Council's interest in Clifton (Lytham) Housing Association Ltd. The programme contains limited capital investment beyond 2011/12.

- 11.2 There are a number of priority areas beginning to emerge across the Council's property asset portfolio that may require further investment in the medium term. Members will have a choice in considering the Capital Programme going forward and options to consider could be to add in new capital schemes up to the surplus position at no additional revenue cost or to reduce the overall level of borrowing, which would result in a reduction in spend in the overall Revenue Budget.
- 11.3 Cabinet and Management Team are currently examining in detail the options available. The future capital programme and the associated financing will be subject to discussion with Members during the coming months in the lead up to the annual budget setting process for 2012/13. Meanwhile the capital expenditure position will be closely monitored.
- 11.4 Any additional expenditure which is not fully funded by external finance would require the generation of capital receipts or further borrowing. The latter would place further pressure on the Revenue Budget from the consequent repayment costs.
- 11.5 It is good practice to maintain a surplus in capital resource to mitigate the risks to the programme.

12. TREASURY MANAGEMENT

- 12.1 The Treasury Management Strategy and Prudential Indicators were approved by Council on 2nd March 2011.
- 12.2 The treasury activities and Prudential Indicators are monitored closely and are reported on a quarterly basis to the Portfolio Holder for Finance & Resources.
- 12.3 Revisions to the regulatory framework of treasury management during 2009 introduced a requirement for Councils to receive a mid-year treasury review report. This report will be scrutinised by Audit Committee on 10th November 2011 and presented to Council on 28th November 2011.

13. KEY AREAS OF FINANCIAL RISKS FOR TREASURY MANAGEMENT

- 13.1 There are a number of potential areas of significant risk associated with Treasury Management activities.
- (i) Unexpected movement in cash flow;
 - (ii) Difference between actual interest rate and rates used in the forecast; and,
 - (iii) Security of monies invested with counterparties

14. CONCLUSIONS - TREASURY

- 14.1 Investment rates available in the market have continued at historically low levels and are expected to remain low for some time. The Council will continue to aim to achieve the optimum return on investments commensurate with proper levels of security and liquidity that have been approved by Members.

15. OVERALL CONCLUSIONS ON THE LATEST FINANCIAL FIVE YEAR FORECAST UPDATE

- 15.1 External pressures outside the Council's control are being experienced by all local authorities. Instructions remain in place that Officers should not commit to any unnecessary expenditure and this may result in an under spend this year.
- 15.2 Given the significant uncertainty and turbulence of the current economic climate and potential Government spending cuts in future years further revisions to the figures and assumptions in this update will be necessary over the coming months.
- 15.3 At this point the finances of the Council are robust to the end of 2012/13 but in light of the recent Consultation Papers, significant savings may again be needed from future budget cycles.
- 15.4 The Council's priorities for improvement remain. However, for the time being at least the Council needs to be prudent and continue with the overall strategy, making any minor changes it feels are relevant, but be cognisant of current uncertainties.

Report Author	Tel	Date	Doc ID
Joanna Scott, Section 151 Officer	(01772) 906059	November 2011	

List of Background Papers		
Medium Term Financial Strategy Update, Including General Fund, Capital Programme and Treasury Management for 2010/11 – 2014/15	Budget Council meeting 2 nd March 2011	www.fylde.gov.uk
Medium Term Financial Strategy (MTFS) – Outturn Position For 2010/11 (Including General Fund, Capital Programme & Treasury Management)	Cabinet meeting 28 th June 2011	www.fylde.gov.uk
Capital Programme 1 st Quarter Update Report	Portfolio Holder (Finance & Resources) Meeting 17 th August 2011	
General Fund Budget Monitoring Report, 1 st Quarter	Portfolio Holder (Finance & Resources) Meeting 17 th August 2011	

Attached documents

1. Appendix A – Forecast approved at Council on 2nd March 2011
2. Appendix B – Schedule of general assumptions underpinning the forecast
3. Appendix C – Schedule of unavoidable changes to the forecast
4. Appendix D – Narrative on unavoidable changes to the forecast and specific assumptions to support Appendix C
5. Appendix E – Updated latest forecast position

IMPLICATIONS	
Finance	The financial implications are set out in the body of the report.
Legal	None arising directly from the report.
Community Safety	None arising directly from the report.
Human Rights and Equalities	None arising directly from the report.
Sustainability and Environmental Impact	None arising directly from the report.
Health & Safety and Risk Management	None arising directly from the report.

General Fund Budget Forecast Position 2010/11 to 2014/15						
	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	Adv (A)/ Fav (F)
Forecast Approved at Council 1st March 2010	11,449	11,276	11,062	11,062	11,062	
Unavoidable changes	- 626	48	360	244	274	(F)
Savings	- 58	- 338	- 675	- 730	- 790	(F)
Savings target - still to be identified in 14/15					- 465	(F)
Forecast Budget Requirement	10,765	10,986	10,747	10,576	10,081	
Financed by:						
Government Grant - NNDR	5,116	3,330	} 3,756	} 3,474	} 3,213	
Government Grant - RSG	743	1,029				
Sub Total - Government Grant	5,859	4,359	3,756	3,474	3,213	
Council Tax (incl annual Tax Base Increases & Collection Fund Surplus/Deficit)	5,507	5,647	5,803	5,993	6,188	
Indicative Council Tax Freeze grant		139	139	139	139	
New Homes Bonus - Cabinet forecast		279	417	417	417	
Forecast Financing	11,366	10,424	10,115	10,023	9,957	
Call on Reserves	- 601	562	632	553	124	
General Fund Reserves						
Balance of General Fund Reserves b/f	1,500	2,101	1,539	907	874	
In Year Use of Ringfenced & Other Earmarked Reserves:						
- CSR reserve released to maintain minimum balances				520		
Less transfer to/from(-) reserves in year	601	- 562	- 632	- 553	- 124	
Forecast Reserves at Year End	2,101	1,539	907	874	750	
Band D Council Tax (Excl Parish Precepts)	£186.29	£186.29	£190.95	£195.72	£200.61	
Council Tax Increase	4.99%	0.00%	2.50%	2.50%	2.50%	

General Assumptions

The forecast has been prepared on the basis of the following assumptions:

- General Prices Inflation – a freeze or cash limiting of all general revenue expenditure budgets with the exception of pay, fuel & utility budgets;
- No provision for pay award for 2011/12 and a £250 m inimum increase payment for employees earning less than £21k for 2012/13. A 0.5% increase is reflected in 2013/14 and 1% increase per annum thereafter;
- Employers Pension Contribution increases by 3.8% over next three years, rising to 22% by end of 13/14 in line with the Triennial Pension Review;
- Council tax increase - 0% in 2011/12 in line with Budget Council of March 2011, 0% in 2012/13, 2.5% increase per annum thereafter;
- Council T ax Compensation G rant – assumes continuation of £ 139k per annum i n 2011/ 12 t o 2015/ 16 and additional grant of £139k in 2012/13 only;
- Government Grant Support – two year grant settlement for 201 1/12 and 2012/13 reflected, then assumes 7.5% annual grant reduction in 2013/14 and 2014/15 and then remains at the 2014/15 level of £3.213m for 2015/16;
- New Homes Bonus – assumes grant for six years in line with current legislation. Based on latest information the forecast reflects £279k in 2011/12 rising to £549k for all future years;

- Fees and Charges – 0% increase in all years, budget holders to review in line with policy and any changes to fees & charges to be agreed with relevant Portfolio Holder by end of November 2011; and
- Concessionary Fares – responsibility transferred to Lancashire County Council from 01/04/11 therefore no financial impact on the Council.

Appendix C

Schedule of Unavoidable Forecast Changes

		Additional Forecast Impact						
		11/12 £000	12/13 £000	13/14 £000	14/15 £000	15/16 £000	ADVERSE / FAVOURABLE / NEUTRAL	
(i)	SLIPPAGE:							
	Slippage from 2010/11 - approved at Cabinet 28th June 2011	297	0	0	0	0	ADVERSE	
(ii)	OTHER ITEMS APPROVED BY MEMBERS SINCE THE COUNCIL MEETING 2ND MARCH 2011:							
	Budget for Planning Applications for Town & Parish Councils - recommended by Cabinet - 20th July 2011	3	3	3	3	3	ADVERSE	
	Disband the role of Member Champions - recommended by Cabinet - 20th July 2011	-2	-3	-3	-3	-3	FAVOURABLE	
	Re-phasing of core strategy budget - approved by Cabinet 21st September 2011	-182	68	35	79	0	NEUTRAL	
	Rent of Fairhaven Cottage - approved by Cabinet 21st September 2011	0	-7	-7	-7	-7	FAVOURABLE	
	STAFFING COSTS:							
(iii)	Assumed 1% pay award in respect of 2015/16	0	0	0	0	89	ADVERSE	
(iv)	Additional budget requirement re in-year redundancy and pension strain costs	88	0	0	0	0	ADVERSE	
	OTHER UNAVOIDABLE FORECAST CHANGES:							
(v)	Accommodation review - impact of delay in previously assumed asset disposal timescales	21	24	0	0	0	ADVERSE	
(vi)	Investment income - interest receivable from investment of cash balances and reserves	10	63	85	53	53	ADVERSE	
(vii)	Borrowing costs in relation to approved capital expenditure	-135	11	21	9	-17	FAVOURABLE	
(viii)	Additional cost re elector enquiry re pool tendering exercise	9	0	0	0	0	ADVERSE	
(ix)	Paper shredding - new approach to dealing with confidential waste	0	-2	-2	-2	-2	FAVOURABLE	
(x)	Proms event - additional income	-5	-3	0	0	0	FAVOURABLE	
(xi)	Vehicle fuel usage savings from review of waste collection routes/rounds	0	-25	-25	-25	-25	FAVOURABLE	
(xii)	Government Connect subscription	0	-15	-15	-15	-15	FAVOURABLE	
(xiii)	Removal of accommodation booking fee income budget (no income collected)	3	3	3	3	3	ADVERSE	
(xiv)	Litterbins - additional one-off cost	9	0	0	0	0	ADVERSE	
(xv)	Changes to electoral registration service (incl postal vote refresh and personal registration)	10	10	10	10	10	ADVERSE	
(xvi)	Legal Services - budget requirement re annual subscriptions to online legal resources	8	8	8	8	8	ADVERSE	
(xvii)	Top slice from Performance Reward Grant	-8	0	0	0	0	FAVOURABLE	
(xviii)	Legal fees - Pontins case	10	0	0	0	0	ADVERSE	
(xix)	Windmill - accelerated spend due to storm damage	15	-15	0	0	0	NEUTRAL	
(xx)	INCOME STREAMS:							
	Income from sandwinning	-10	0	13	13	13	ADVERSE	
	Additional VAT refund	-9	0	0	0	0	FAVOURABLE	
	Additional income from cremations	-20	-30	-30	-30	-30	FAVOURABLE	
		Total	112	90	96	96	80	ADVERSE

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The following notes relate to specific adjustments made to the Forecast set out in Appendix C

(i) Slippage

Slippage of budgets totalling £297k relating to underspends in 2010/11 approved by Cabinet at June's meeting.

(ii) Items approved by members since Budget Council of 2nd March 2011

The forecast has been updated to reflect the items listed in point (ii) of Appendix C which have been recommended or approved by members since the forecast was approved at Council in March.

(iii) Pay Award 2015/16

The forecast has been updated to reflect an estimated 1% pay award in respect of 2015/16.

(iv) Redundancy and Pension Strain Costs

The previously approved forecast included provision for £50k per annum from 2011/12 to 2013/14 inclusive in respect of redundancy and other severance costs. The forecast has been updated to reflect the additional costs estimated to be incurred in 2011/12 in respect of early retirements and voluntary redundancies approved in order to generate recurring "payroll efficiencies", including the one-off costs in respect of the management team restructure recently approved by Council.

(v) Accommodation Review

The previously approved forecast assumed savings would be achieved during 2011/12 from the rationalisation of the Council's accommodation. The forecast included a note that any delay in disposing of sites earmarked for sale would affect the achievement of the savings. Negotiations in respect of asset disposals are ongoing and the forecast has been updated to reflect the delay in achieving the savings.

(vi) Investment Income on Cash Balances and Deterioration in Base Rate Forecast

The forecast has been updated to reflect the reduced level of investment interest estimated to be received on cash balances and reserves which the Council invests as part of daily treasury management activities. The main reason for the reduction is the deterioration in the bank base rate forecast over the life of the forecast.

(vii) Borrowing Costs

The forecast has been updated to reflect the latest estimated cost of borrowing required in order to fund expenditure approved within the capital programme. The one-off saving in 2011/12 is as a result of the decision to delay borrowing in the short term and to use internal cash balances to fund capital expenditure.

(viii) Additional Cost re Elector Enquiry

The forecast has been updated to reflect the costs incurred and paid to the Council's external auditors KPMG in responding to an enquiry into the tendering process adopted in re-opening and operating St Annes Swimming Pool.

(ix) Paper Shredding

The forecast has been updated to reflect the savings achieved by adopting a new approach to dealing with confidential waste.

(x) Proms Event

The forecast has been updated to reflect the latest estimated income receivable in respect of the Lytham Proms event.

(xi) Vehicle Fuel savings

The forecast has been updated to reflect the estimated fuel savings which will be achieved as a result of a review of existing waste collection routes.

(xii) Government Connect

The cost of this subscription can be met from existing revenue budgets.

(xiii) Accommodation Booking Fee Income

The forecast has been updated to reflect the fact that no income is generated from accommodation booking fees.

(xiv) Litterbins

The forecast has been updated to reflect the one-off additional cost of litter bins incurred during 2011/12.

(xv) Changes to the electoral registration service

The forecast has been updated to reflect the estimated additional cost of the first statutory review of postal vote registration and the personal registration.

(xvi) Legal services – online subscriptions

This budget covers the cost of online subscriptions to legal resources which ensure that Council's legal service can access appropriate information and function effectively. The forecast change is to properly reflect the cost of these subscriptions. The budget in previous years has not done this, and money has had to be vired from elsewhere.

(xvii) Performance reward grant

The forecast has been updated to reflect the additional income receivable in 2011/12 from performance reward grant.

(xviii) Legal fees

The forecast has been updated to reflect the cost of a prosecution in respect of a fatality arising from Legionnaires Disease at the former Pontins Holiday Centre. The cost of successful prosecutions is usually ordered to be paid by the defendant. However, the defendant company is in liquidation and would not be ordered to pay costs.

(xix) Windmill

The forecast has been updated to reflect the accelerated spend from 2012/13 into 2011/12 in respect of repairing the windmill sails damaged by storms during autumn 2011.

(xx) Adjustments to income forecasts:

- Income from sandwinning – additional income is forecast in 2011/12, whilst estimates for future years remain flat.
- Vat refund – the Council has received an additional VAT refund in claims being pursued with HMRC
- Income from cremations – additional income forecasts in respect of a combination of increased activity and increased fees and charges.

Appendix E

Latest General Fund Budget Forecast 2011/12 to 2015/16

	2011/12	2012/13	2013/14	2014/15	2015/16	Adverse / Favourable
	£000	£000	£000	£000	£000	
Forecast approved March 2011	10,986	10,747	10,576	10,081	10,081	
Reversal of "Unidentified savings" included in previous forecast				465	465	Adverse
Unavoidable forecast changes - per Appendix C	112	90	96	96	80	Adverse
Forecast Budget Requirement	11,098	10,837	10,672	10,642	10,626	
Financed by:						
Government Grant - NNDR	3,330	} 3,756	} 3,474	} 3,213	} 3,213	
Government Grant - RSG	1,029					
Sub Total - Government Grant	4,359	3,756	3,474	3,213	3,213	
Council Tax (incl annual Tax Base Increases & Collection Fund Surplus/Deficit)	5,647	5,661	5,847	6,038	6,235	
Other grants						
Council Tax Freeze grant	139	278	139	139	139	
New Homes Bonus - forecast	279	549	549	549	549	
Forecast Financing	10,424	10,244	10,009	9,939	10,136	
Call on Reserves	674	593	663	703	490	
General Fund Reserves						
Balance of General Fund Reserves b/f	2,991	2,317	1,724	1,581	878	
In Year Use of Ringfenced & Other Earmarked Reserves:						
- CSR reserve released to maintain minimum balances			520			
Savings still to be identified					362	
Less transfer to/from(-) reserves in year	- 674	- 593	- 663	- 703	- 490	
Forecast Reserves at Year End	2,317	1,724	1,581	878	750	
Band D Council Tax (Excl Parish Precepts)	£186.29	£186.29	£190.95	£195.72	£200.61	
Council Tax Increase	0.00%	0.00%	2.50%	2.50%	2.50%	

REPORT



REPORT OF	MEETING	DATE	ITEM NO
GOVERNANCE AND PARTNERSHIPS	CABINET	16 NOV 2011	7

DATA ASSURANCE POLICY

Public item

This item is for consideration in the public part of the meeting.

Summary

Good practice suggests that the council ought to have policies setting out how it complies with its obligations under the Data Protection Act 1998, how it ensures data quality and how it classifies data. The council has existing policies on data protection and data quality.

The report recommends the adoption of a consolidated Data Assurance Policy, which would incorporate the existing policies on data protection and data quality and add material on data classification.

Recommendation

1. Adopt a Data Assurance Policy as set out in the draft attached to the report.

Cabinet brief

The item falls within the following Cabinet brief:

Finance and Resources: Councillor Karen Buckley

Report

1. The Data Protection Act 1998 imposes duties on persons who hold “personal data”, as defined in the act. “Personal data” includes many manual records as well as

information held on computer systems. The act requires the council to comply with the eight data protection principles in dealing in any way with personal data.

2. Like most organisations, the council has adopted a Data Protection Policy setting out how it will comply with its obligations. The policy is intended to assist persons working in the organisation to know how they are expected to deal with personal data. It also helps provide assurance to external bodies that the council takes its obligations seriously and is complying with them.
3. The council has also adopted a Data Quality Policy. The policy aims to ensure that the council uses and keeps only high quality, reliable and up-to date information. Decisions underpinned by such data are likely to be better decisions than those where the information base is of poor quality, unreliable or outdated.
4. It is increasingly considered good practice for organisations to adopt policies for classifying data that they hold. Data classification policies divide data depending on the level of its sensitivity. They encourage a person producing or handling data to consider the level of its sensitivity when it is produced or handled, and promote consistency across the organisation.
5. Rather than maintaining three separate policies for data protection, data quality and data classification, it is recommended that the operative parts of the existing Data Protection Policy and Data Quality Policy be combined and supplemented by guidance on data classification. The resulting Data Assurance Policy would be a one-stop reference source for all matters within the remit of the two previous policies and data classification.
6. A draft Data Assurance Policy is attached for members to consider. The policy has previously been considered by the Policy Development Scrutiny Committee, which recommended that the cabinet adopt it on behalf of the council.

IMPLICATIONS	
Finance	None
Legal	Contained in the report
Community Safety	None
Human Rights and Equalities	The Data Protection Act is an important element in the protection of personal privacy.
Sustainability	None
Health & Safety and Risk Management	The consolidated policy will help the council to comply with its obligations and prove that it complies with them.

REPORT AUTHOR	TEL	DATE	DOC ID
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Ian Curtis	(01253) 658506	7 October 2011	
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LIST OF BACKGROUND PAPERS		
NAME OF DOCUMENT	DATE	WHERE AVAILABLE FOR INSPECTION
Data Protection Policy	May 2007	Town Hall, Lytham St Annes
Data Quality Policy	January 2008	Town Hall, Lytham St Annes
Information Commissioner's website		www.ico.gov.uk

Attached documents

Draft Data Assurance Policy



Data Assurance Policy

Document Record

Release: Version 1
Date:
Author: Ian Curtis
Ownership: Governance & Partnerships Directorate

Document History

This is a new policy approved in XXXXXX. It replaces the previous Data Quality Policy and Data Protection Policy.

Document Location

A copy of the policy is available on the Fylde Borough Council web site and intranet.

The original master copy is stored on the network drive belonging to the Head of Governance.

Revision History

Date of next revision: July 2013

Revision Date	Previous version number	Previous revision date	Summary of changes

Approvals

This policy requires the following approvals:

Cabinet or portfolio-holding cabinet member (obtained xxxxxxx)

Distribution

This policy has been notified to every employee at Fylde Borough Council who has responsibility for any service delivery data or information.

Section 1: Introduction

- 1.1 Good quality information supports good quality decision-making. So good quality information is essential to Fylde Borough Council. This policy sets out (in [section 3](#)) how the council ensures the quality of the information that it uses.
- 1.2 The council does not have a free hand in deciding what it does with the information that it keeps and uses. Under the Freedom of Information Act 2000, there is a presumption that all of the information held by the council should be available to the public on request. The council can only refuse a request for information in certain circumstances set out in the act. Conversely, under the Data Protection Act 1998, the council can only process personal data in accordance with that act.
- 1.3 This policy therefore also describes (in [section 4](#)) how the council complies with its obligations under the Data Protection Act to properly protect the information that it holds and (in [section 5](#)) the steps it has taken to make it easier to know how particular items of information should be dealt with.
- 1.4 This policy applies to all staff. As a matter of good practice, agencies and individuals working with the Council, and who either provide information to the council or have access to personal information held by the council, will be expected to have read this policy and comply with those parts that apply to them. Directorates who deal with such external partners should ensure that they agree to do so.

Section 2: Definitions

Personal Data

Any information relating to a living individual who can be identified from that information or from that data and other information in possession of the data controller. This includes expression of opinion about the individual, and of the intentions of the data controller in respect of that individual.

Sensitive Personal Data

Personal data that relates to racial or ethnic origin, political opinions, religious beliefs, trade union membership, health, sex life, criminal convictions. Sensitive personal data is subject to much stricter conditions of processing.

Data Controller

Any person (or organisation) who makes decisions with regard to particular personal data, including decisions regarding the purposes for which personal data is processed and the way in which it is processed. The Council is the data controller for the purposes of this policy

Data Subject

A person who is the subject of personal data.

Processing

Virtually anything that can be done to data, including accessing, altering and destroying it.

Third Party

Any individual/organisation other than the data subject, the data controller (the Council) or its agents.

Section 3: Data Quality

- 3.1 Every employee has a responsibility for information quality whenever they record, use or publish information. Directors have an overall responsibility for making sure that their directorate has appropriate practices and procedures for ensuring the quality of information recorded, used or published by their directorate. Recording information includes making a record of it on paper, electronically or by any other media. Using information includes making decisions based on it, or presenting it (for example, as part of a report) to somebody else. Publishing it means making it available to the public or a section of the public.
- 3.2 Good quality information is **accurate**, **available** and **useful**.
Accurate:
 - 3.3 If the information is factual, it should be true insofar as the person recording it and the person using it can reasonably ascertain. If the information is opinion, it should represent the true and reasonable view of the person providing it and should be identifiable as opinion in the context it is used.
 - 3.4 There should be enough information for the purpose, but not too much. Incomplete information can sometimes be misleading. But presenting too much information can lead to confusion.**Available:**
 - 3.5 If information is not available, it might as well not be kept. Information is only available if it is both physically accessible and searchable.

- 3.6 Information is searchable if there is some system for finding it and (where appropriate) finding out what is in it. This need not be electronic, and could include manual catalogues or indexes. But it should not be left to the memory of individuals, as individuals can forget or leave the council.
- 3.7 Information is only available if someone has not taken it away. So there should be appropriate processes to ensure the security of information. These will vary depending on the information involved. However, there are specific legal requirements about security of personal data. These are dealt with in more detail under section 4 (data protection).

Useful:

- 3.8 Information is only useful if it is up-to-date for the purposes for which it is to be used and can be understood.
- 3.9 Modern technology makes it easier to access up-to date information and less necessary to keep a local copy of it. For example, it will rarely be necessary to keep a paper copy of a statutory instrument or government circular. The current versions of those documents are readily available online, and consulting them there will reduce the risk of inadvertently using outdated versions. The same applies to this policy. Information should always be checked for accuracy before it is published or used.
- 3.10 Information that cannot be understood by its audience is not useful. Highly technical information should be summarised or accompanied by an explanation if it is intended for a lay audience.

Section 4: Data Protection

- 4.1 The Council is committed to protecting the rights and privacy of individuals (including customers, staff and others) in accordance with the Data Protection Act. The Council needs to process certain information about its staff, customers and other individuals it has dealings with for administrative purposes (e.g. to recruit and pay staff, to carry out its functions, and to comply with legal obligations). To comply with the law, information about individuals must be collected and used fairly, stored safely and securely and not disclosed to any third party unlawfully.
- 4.2 This part of the policy sets out what you need to do to help the council comply with its legal obligations. It does not repeat the whole of the law about data protection. You can get advice that is more detailed from the Head of Governance, who is the Council's lead officer for data protection.
- 4.3 The Council has to register with the Information Commissioner as a body that holds personal data. The Head of Governance keeps the Council's registration up to date. Details of the Council's registration are published on the [Information Commissioner's website](#). The entry lists all of the purposes for which the council processes data. If you intend to process data for purposes not included in the Council's registration, you should seek advice from the Head of Governance.

Data Protection Principles

- 4.4 You must only process personal data in accordance with the eight data protection principles. These are contained in the Data Protection Act and summarised here:
 1. **Personal data shall be processed fairly and lawfully.**
Those responsible for processing personal data must make reasonable efforts to ensure that data subjects are informed of the identity of the data controller, the purpose(s) of the processing, any disclosures to third parties that are envisaged and an indication of the period for which the data will be kept.
 2. **Personal data shall be obtained for specific and lawful purposes and not processed in a manner incompatible with those purposes.**
Data obtained for specified purposes must not be used for a purpose that differs from those.
 3. **Personal data shall be adequate, relevant and not excessive in relation to the purpose for which it is held.**
Information which is not strictly necessary for the purpose for which it is obtained should not be collected. If data is given or obtained which is excessive for the purpose, it should be immediately deleted or destroyed.
 4. **Personal data shall be accurate and, where necessary, kept up to date.**
Data which is kept for a long time must be reviewed and updated as necessary. No data should be kept unless it is reasonable to assume that they are accurate.
 5. **Personal data shall be kept only for as long as necessary.** (see the section on [Retention and Disposal of Data](#))
 6. **Personal data shall be processed in accordance with the rights of data subjects under the Data Protection Act.** (see the section on [Data Subjects Rights](#))

7. **Appropriate technical and organisational measures shall be taken against unauthorised or unlawful processing of personal data and against accidental loss or destruction of data.** (see the section on [Security of Data](#))
8. **Personal data shall not be transferred to a country or a territory outside the European Economic Area unless that country or territory ensures an adequate level of protection for the rights and freedoms of data subjects in relation to the processing of personal data.** *Data must not be transferred outside of the European Economic Area (EEA) - the EU Member States together with Iceland, Liechtenstein and Norway - without the explicit consent of the individual. You should be particularly aware of this when publishing information on the Internet, which can be accessed from anywhere in the globe. This is because transfer includes placing data on a web site that can be accessed from outside the EEA.*

Data Subject Rights

4.5 Data Subjects have the following rights concerning personal data about them:

- To make subject access requests regarding the nature of information held and to whom it has been disclosed.
- To prevent processing likely to cause damage or distress.
- To prevent processing for purposes of direct marketing.
- To be informed about mechanics of automated decision taking process that will significantly affect them.
- Not to have significant decisions that will affect them taken solely by automated process.
- To sue for compensation if they suffer damage by any contravention of the Act.
- To take action to rectify, block, erase or destroy inaccurate data.
- To request the Commissioner to assess whether any provision of the Act has been contravened.

Processing Personal Data

4.6 The Council can generally only collect use or disclose data if one of the conditions summarised in this section applies:

- It is necessary in connection with a contract with the data subject
- It is necessary so that the Council can comply with a legal obligation (except a contract)
- It is necessary to protect the vital interests of the data subject: that is, a medical emergency
- It is necessary for the administration of justice
- It is necessary to perform a statutory function
- It is necessary to perform a public function on the public interest
- It is necessary for the legitimate interests of the council or a third party to whom the data is disclosed – but this must be balanced against the legitimate interests of the data subject
- The data subject has given their active consent

4.7 If you are in any doubt about whether data can be processed in a particular way, get advice from your manager or the Head of Governance

Security of Data

4.8 You must make sure that any personal data (on others) which you deal with is kept securely and is not disclosed to any unauthorised third party (see the section on [Disclosure of Data](#) for more detail).

- 4.9 All personal data should be accessible only to those who need to use it. You should form a judgement based upon the nature of the information in question, but always consider keeping personal data:
- in a lockable room with controlled access, or
 - in a locked drawer or filing cabinet, or
 - if computerised, password protected, or
 - on disks which are themselves kept securely.
- 4.10 Take care that PCs and laptops are not visible except to authorised staff and that computer passwords are kept confidential. Do not leave PC screens unattended without password protected screen-savers. Don't leave manual records where they can be seen by unauthorised personnel.
- 4.11 Put appropriate security measures in place for deleting or disposing of personal data. Shred manual records or dispose of them as "confidential waste". Wipe clean or destroy hard drives of redundant PCs before disposal.
- 4.12 This policy also applies to staff who process personal data "off-site". Off-site processing presents a potentially greater risk of loss, theft or damage to personal data. Take particular care when processing personal data at home or in other locations outside the Council's offices.

Rights of Access to Data

- 4.13 Data subjects can request access any personal data about which the Council holds about them. If you receive a request, you should ask for it to be put in writing and either:
- refer the request to the Head of Governance, or
 - if the request is specific to information that you control, disclose it (but only after making sure that the person requesting it is the data subject)
- 4.14 The Council reserves the right to charge a fee for data subject access requests (currently £10). Any such request must be complied with within 40 days of receipt of the written request and, where appropriate, the fee. There are some exemptions to the right to access personal data. If you feel that an exemption may apply, contact the Head of Governance.
- 4.15 The right to request access applies to any personal data held about a person. However, if the data is not kept or ordered by reference to individuals, the data subject would normally have to say what data they wish to see. The Council could refuse the request if complying with it exceeds a cost limit set by government.

Disclosure of Data

- 4.16 The Council must ensure that personal data is not disclosed to unauthorised third parties, which include family members, friends, government bodies, and in certain circumstances, the Police. You should exercise caution when asked to disclose personal data held on another individual to a third party. For instance, it would usually be appropriate to disclose a colleague's work contact details in response to an enquiry regarding a particular function for which they are responsible. However, it would not usually be appropriate to disclose a colleague's work details to someone who wished to contact them regarding a non-work related matter. Nor would it be appropriate to give home contact information. The important thing to bear in mind is whether or not disclosure of the information is relevant to, and necessary for, the conduct of Council business. Best practice, however, would be to take the contact details of the person making the enquiry and pass them onto the member of staff concerned.
- 4.17 As well as the conditions listed in [4.6](#), there are some other specific instances where disclosure to a third party is allowed. These concern national security, crime and taxation and regulatory activity. If any issue arises about these, or if in doubt, ask for advice from your executive manager or the Head of Legal Services.
- 4.18 There are some other exemptions not listed here which would be unlikely ever to arise.

Retention and Disposal of Data

- 4.19 The Council discourages the retention of personal data for longer than they are required. It is good practice to have a system of reviewing data at pre-determined intervals to make sure that it is still needed for one of the purposes it was collected for. If it is not, it should be deleted. We cannot keep personal data just in case it may be useful in the future.

- 4.20 Guidelines for data about staff are set out below. Units should develop similar short practice notes about data retention in their own fields of activity.
- 4.21 Considerable amounts of data are collected on current staff. However, once a member of staff has left the Council, it will not be necessary to retain all the information held on them. Some data will be kept for longer periods than others. In general, electronic staff records containing information about individual members of staff are kept indefinitely and information would typically include name and address, positions held, leaving salary. Other information relating to individual members of staff will be kept by the Personnel Department for 6 years from the end of employment. Information relating to Income Tax, Statutory Maternity Pay etc will be retained for the statutory time period (between 3 and 6 years).
- 4.22 Units should regularly review the personal files of individual staff members.
- 4.23 Information relating to unsuccessful applicants in connection with recruitment to a post must be kept for 12 months from the interview date. Human Resources may keep a record of names of individuals that have applied for, be short-listed, or interviewed, for posts indefinitely. This is to aid management of the recruitment process.
- 4.24 You must only dispose of personal data of in a way that protects the rights and privacy of data subjects (e.g., shredding, disposal as confidential waste, secure electronic deletion).

Section 5: Data classification

- 5.1 The council has adopted a simple classification system to make it easier to identify how information that it holds should be treated. The system is intended to reflect the statutory position under the Data Protection Act 1998 and the Freedom of Information Act 1990. The council considers that any advantages of introducing a more complex system of classification would be outweighed by the burden of implementing such a system.
- 5.2 The classifications are:
- **Personal Information:** This is information that is personal data or sensitive personal data as defined under the Data Protection Act 1998. In other words, it is information that the council cannot (except with the consent of the data subject or in certain other limited circumstances) disclose
 - **Excluded Information:** This is information that, on an application for disclosure under the Freedom of Information Act 2000, would be likely to be withheld from disclosure under any of the exemptions other than the exemption applicable to personal data. In other words, it is information that the council may, but need not, disclose.
 - **Unrestricted Information:** This is information that, on an application under the Freedom of Information Act 2000, the council would be obliged to disclose.
- 5.3 From the implementation of this policy, employees will be encouraged to discreetly mark Personal and Excluded Information so that users of that information will be alerted to its status. Unrestricted Information may also be marked as such. Marking an item of information as Personal, Excluded or Unrestricted will not be conclusive of its status. An employee using any information must always consider the principles set out in this policy, as well as the requirements of the Data Protection Act 1998.
- 5.4 Where an item is marked as Excluded Information, it must not normally be published or disclosed without first giving full consideration to how the council's interests (or the interests of any other person who might be affected by the publication or disclosure) might be affected if it was published or disclosed.
- 5.5 Where an item is marked as Personal Information, it must not be published or disclosed (except to the data subject) without the approval of the relevant head of service.

Section 6: Monitoring and Review

- 6.1 The council's Management Team will monitor and keep this policy under review. They will judge its success by the following criteria:
- The quality of information available to decision-makers
 - Compliance with the council's obligations as data controller under the Data Protection Act 1998
 - The balance between the advantages secured by the policy and the burdens imposed by it.

REPORT



REPORT OF	MEETING	DATE	ITEM NO
CUSTOMER & OPERATIONAL SERVICES	CABINET	NOVEMBER 16 TH 2011	8

“BOXES TO BINS” PROJECT - FEEDBACK FROM PUBLIC CONSULTATION

Public item

This item is for consideration in the public part of the meeting.

Summary

The report provides details of the recent public consultation exercise undertaken on various options for the roll out of the replacement wheeled bins for recycling services across Fylde, based on the pilot scheme recently implemented in Staining. The report suggested a preferred option and also outlines the budgetary requirements for the project.

Recommendations

1. That the Cabinet notes the feedback from the success of the scheme in Staining, from the comments of the Overview and Scrutiny Committee and from the public consultation exercise on the “Boxes to Bins” project.
2. That, based on the feedback from recommendation 1, the Cabinet determine the preferred “Boxes to Bins” option and decide whether the 140, 180 or 240 litre wheeled bin is to be used as the standard for the replacement of the green box and the white sack / blue bag.
3. That the Cabinet approve the provision of the 360 litre wheeled bin to reduce the required number of bins for properties in multiple occupation or residential apartments.
4. That the Cabinet recommend to Council their preferred option, and for Council to approve an addition to the capital programme in respect of the bin purchases, fully funded from revenue savings as detailed in the report.

Reasons for the recommendations

The recommendations are proposed to achieve the following objectives:

- To increase the level of customer satisfaction with the collection service
- To reduce the number of complaints received about the collection service
- To provide greater capacity and thereby increase the level of recycling across the borough to meet national targets
- To generate savings from the service that can be invested to further improve the service
- To generate savings from the service that can contribute to the Council's general revenue funding
- To reduce the amount of litter and spillages generated by using boxes and sacks
- To remove the inconvenience to residents experienced by the boxes and sacks and reduce manual handling requirement
- To significantly reduce the container replacement rate and associated cost and resources
- To improve the operational efficiency of the service saving on fuel and resources through reduced vehicle movements
- To support the ongoing modernisation with collection arrangements that can accommodate future additional recyclable material

Alternative Options Considered and Rejected

A number of alternative options have been considered and consulted upon and have been detailed in previous reports to Cabinet (July 2011).

Portfolio Holder

Customer & Operational Services: Councillor Albert Pounder.

Finance and Resources: Councillor Karen Buckley.

REPORT

Background

1. At the Cabinet meeting on July 20th 2011 a number of service development options were presented to Members to bring about improvements to the Council's waste collections service and to increase recycling rates. In summary the options were as follows:

Option One - 240L W/B to replace Box (free of charge)

2. Option One is to build on the success of the blue bin pilot project in Staining and to provide a 240 litre blue bin to every household in the borough free of charge. The blue bin would be used to collect the dry recyclable material that is currently placed in the green box. Residents will have the option to retain the existing box, or in most cases boxes they have, and put them to one of the many multiple uses already identified. This option will require the Kerbsider vehicles to be replaced by Twin Pack vehicles that are capable of collecting all the dry recyclable material at once removing the need for two vehicles resulting in operational service efficiencies.

Option Two - 240L W/B to replace Box (free of charge) & 240L W/B to replace White Sack (chargeable)

3. Making changes to collection services requires a great deal of time and resource particularly in planning and communicating the changes. The white sacks, in fact any bag or sack used to collect cardboard and paper has proven to be impractical and unsightly. The weather often gives rise to problems with sacks or bags and residents have required several to accommodate all the material. Option 2 is the same as Option 1 but with residents having the option to purchase a brown bin to replace the white sack / blue bag for paper and cardboard.

Option Three - 240L W/B to replace Box & 240L W/B to replace White Sack (free of charge)

4. The Council may face a challenge for charging separately for a brown bin and it could create a two tier service delivery system that discriminates against the less wealthy members of the local community and may lead to unforeseen replacement costs for the Council. Option 3 seeks to address this by proposing that all residents are offered a 240 litre brown bin for the collection of cardboard and paper free of charge. Even with both bins being provided free of charge there is a saving to be made from the service changes.
5. The report was also considered by the Council's Policy Development Scrutiny Committee which identified a preference for Option 3 in the report and recommended this to the Cabinet.
6. At the meeting of the Cabinet in July it was resolved as follows:-
 - a) To support the proposed service delivery improvements to the waste collection service.
 - b) That, details of the experience and feedback from the Staining pilot exercise be published and circulated as widely as possible.
 - c) That, having regard to the feedback from the Overview and Scrutiny Committee, appropriate public consultation is undertaken across the Borough regarding the proposals.
 - d) That, following the public consultation, the preferred option is taken forwards through the budget preparations for 2012/13.

7. The options consulted on as part of the additional survey were:

- Whether respondents would prefer a blue wheeled bin instead of the green boxes
- Whether respondents would prefer a brown wheeled bin instead of the white sack / blue bag
- The opportunity was taken to assess the level of satisfaction with the existing service

Consultation Feedback

8. The public consultation exercise has now been concluded. A copy of the questions and a summary of the feedback from this (together with a resume of the experience from the Staining pilot exercise) are attached at Appendix A.
9. The recycling service is one of the primary services delivered by the Council that has a direct impact on every resident of the borough and which attracts diverse opinions and views. However, most residents appreciate the recycling service offered and regularly participate in recycling as evidenced by participation monitoring and daily feedback through the customer service team and online over the last few years.
10. Feedback from the consultation exercise has been mixed. Although levels of satisfaction with the existing box and sack are low a number of residents expressed reservations about replacing them with wheeled bins. However, other residents wanted to have the benefit of a more secure and more convenient wheeled bin with increased capacity for recyclable materials.
11. Clear evidence has been gathered over the last few years that indicate the green box and the white sack / blue bag are unpopular containers. Almost 5000 (14 per day) replacement green boxes and sacks are requested each year costing the Council over £10,000 per annum in direct costs and a further £10,000 in process and delivery costs.
12. The greatest frustration voiced by residents is the inconvenience of the boxes and sacks as well as the unsightly scene before and after collection. The box and the sack are very poor containers in windy conditions resulting in the recycled material being blown around, littering the local community and increasing replacement rates. Customer service records over the last two years demonstrate that issues with the box and the sack are the most common complaints.
13. The other key driver in considering the replacement of existing containers has been the changes in the processing of recycled materials. This has presented the opportunity to change the type of vehicle used to make collections and significantly reduce the running cost of the service by almost £250,000 per annum. The savings generated by this change could be used to improve the collection service and still deliver recurring budget savings to be used to improve other service areas and reduce future costs. This approach is essential to sustain future public services.

14. The Cabinet requested a bespoke survey be carried out to check the levels of satisfaction with the existing containers used for recycling and the level of support for wheeled bins to replace them. The information from this survey along with the existing data and the findings from the pilot project in Staining will be used to inform the potential roll-out of the project across the borough.
15. The questions included in Appendix A were part of a survey of 3500 households selected at random and available on the website to complete online. A total of 1553 questionnaires were completed with the key findings listed below:
- 46.6% rated the green box service as 'excellent' or 'good'
 - 28% of residents require more than one green box
 - 8.5% don't use the green box service at all
 - Only 46.4% indicated reservations in having a wheeled bin instead of the box
 - 68% rated the white sack / blue bag collection service as 'excellent' or 'good'
 - 40% of residents require more than one sack / bag
 - 7.5% don't use the white sack service at all
 - Only 43.6% indicated reservations in having a wheeled bin instead of the sack / bag
 - 7.9% of respondents felt the street cleanliness was 'poor' or 'very poor' after the collection service

Conclusions Drawn from the Consultation

16. The findings of the survey are consistent with previous consultation exercises that have been used to inform decisions about the service. In 2009 a survey of 1149 residents about proposed changes to the collection of cardboard listed the following three options:
- To provide no container and collect cardboard as side waste
 - To provide a large hessian sack for the cardboard
 - To provide a wheeled bin for the cardboard
17. The outcome was that 36% of residents wanted a wheeled bin, 28% would have preferred no container at all and 31% preferred the hessian sack. Despite only 31% preferring the sack and the challenges with the limited size and regular loss of the sack, 68% of residents now rate the current service as 'excellent' or 'good'. This supports the fact that residents do adjust and accommodate change even if they had initial apprehensions.

18. This is consistent with consultation feedback when changes have been made to the waste collection service, in that there is no clear preference for one particular option. However, when the changes become embedded and the benefits recognised the new service soon becomes accepted as the norm. The vast majority of residents would not want to replace their grey or green bins for black sacks but when the bins were first proposed the research showed that approximately one third were in favour, one third were against and one third had no preference.
19. The decision in 2009 to provide a sack for cardboard recycling was also partly based on financial and logistical reasons and was preferable to no container at all.
20. The current opportunity to change collection vehicles to modern, rear lift twin-pack vehicles that can accommodate wheeled bins was not financially viable two years ago. The modernisation of the service as well as a revision of vehicle leasing arrangements mean that it is now possible to renew and upgrade the existing recycling service within existing revenue budget provision.
21. Table 1 below provides an updated summary of the cost and saving between the existing service and option 3 (two 240 litre wheeled bins replacing the boxes and the sacks) that was preferred by the Scrutiny Committee in July 2011 and endorsed by the Cabinet. The table includes the alternatives within option 3 based on the different size of bins.

Table 1: Service Budget Comparison Current Service & Option 3 Alternatives

	Year 1 2012/13	Year 2 2013/14	Year 3 2014/15	Ongoing
Current Service Cost	£744,496	£744,496	£744,496	£744,496
Proposed Service Cost – 240 litre bin (original option 3)	£735,808	£726,308	£664,423	£637,357
Proposed Service Cost – 140 litre bin alternative	£699,063	£689,563	£627,678	£627,678
Proposed Service Cost – 180 litre alternative	£733,512	£724,012	£662,127	£662,127
Projected Savings – 240 litre	£8,688	£18,188	£80,073	£80,073
Projected Savings – 140 litre	£45,433	£54,933	£116,818	£116,818
Projected Savings – 180 litre	£10,984	£20,484	£82,369	£82,369

22. An important part of the consultation process is the many views forwarded to elected members, passed to officers and posted online. The primary concern is

the size and the number of wheeled bins that would be required, with a number of households expecting to experience difficulty in accommodating additional bins. This is consistent with the concerns raised when the wheeled bin service was first introduced in Fylde.

23. In order to mitigate some of these concerns and facilitate the widest possible participation in the scheme across the borough a range of bin sizes are available including 140 litre bins, 180 litre, 240 litre (the current grey and green bin are this size) and 360 litre bin. The twin pack vehicle is able to lift any of these bins and members are asked to consider which size of bin might be preferable to use as a standard issue bin to replace the box and sack. Samples of all four bins will be available to view at the Cabinet meeting. Cabinet are asked to consider which size of bin should be provided as the standard to replace boxes and sacks, the alternatives include; the 240 litre as per the original option 3; the 140 litre; or the 180 litre.

24. In considering these alternatives the following information should be taken into consideration:

- 240 litre wheeled bins are the industry standard used by the majority of Authorities
- Nine of the top ten performing authorities use 240 litre wheeled bins for recycling
- Smaller wheeled bins can frequently blow over when empty with higher instances of bins falling in to the back of the wagon increasing replacement rates
- In some authorities where the 140 litre bin has been the standard a large number of residents have requested a second bin or a larger bin to accommodate their recycling needs - this was the case in a neighbouring authority which led to increased cost and a change to a larger standard bin
- The top performing Lancashire authorities Chorley and South Ribble use the 240 litre as standard
- A combination of bin sizes is possible but the savings from economies of scale could be reduced if the vast majority of bins are not the same size – the greater the variety / options the greater the cost
- Apartments and homes of multiple occupations could be offered fewer 360 litre bins as opposed to one per household unit of any smaller size this would require careful management based on experience with shared bins but would significantly reduce the visual impact of numerous bins
- Residents that cannot accommodate additional bins will need to remain on a box and sack arrangement with slave bins used to collect the material

- The 240 litre bin provides the additional capacity necessary to recycle materials likely to be collected in future including tetra pack, juice cartons and yoghurt pots
- The use of a better quality, larger and weighted hessian sack for card and paper would reduce the capital cost but consideration would need to be given to annual replacement rates and policy i.e. the prospect of a charge levied for replacement sacks

25. There is no 'one-size-fits-all' solution to collecting waste and officers are committed to working with residents when implementing any service delivery improvements. The proposed replacement of the box and the sacks will achieve a number of significant benefits for the residents including:

- Increased level of customer satisfaction with the waste collection and recycling service
- Reduced number of complaints received about the collection service
- Increased level of recycling across the borough contributing to the national and regional targets set for the Council
- Reduce the volume of waste sent for landfill disposal resulting in further reductions in cost
- Savings from the current service that can be invested to further improve the service or contribute to the Council's general revenue funding
- Reduced amount of litter generated by using boxes and sacks
- Remove the inconvenience to residents experienced by the boxes and sacks and reduce manual handling requirements
- Reduce the container replacement rate and associated cost and resources
- Improve the operational efficiency of the service, saving on fuel and vehicle costs through reduced vehicle movements
- To support the ongoing modernisation with collection arrangements that can accommodate future additional recyclable material

26. On the basis of the analysis and the experience in other local authorities it is officer's recommendation that 240 litre bin is provided as the standard replacement for both boxes and sacks.

Financial Implications

27. The project will be financed by way of an 'invest to save' scheme applied when investment in a service results in future revenue savings equivalent or greater than the investment. For this particular scheme, revenue savings will be

generated immediately, but an up-front capital investment is required. The cost of the service is within the existing revenue budget.

28. The capital investment will be financed from the existing service revenue budget provision (approved within the current MTFS) to fund the capital financing (debt charges and interest repayments on borrowing) required to procure the replacement vehicles and additional wheeled bins. The revenue budget and savings associated with each alternative are included within Table 1.
29. The service changes for each of the above options would require four new twin bodied rear loading vehicles at a cost of £170,000 per vehicle, a total capital cost of £680,000. These will replace six existing kebsider vehicles and one RCV. The capital cost of the wheeled bins is set out in Table 2 based on various bin size options from firm tender prices.

Table 2: Capital Requirement – Wheeled Bins

Standard Provision – Bin Size	Capital Cost
240L Bins – 27,500 (P), 140L Bins – 2,500 (P), 360L – 2,500 (MOB's)	£1,339,300
140L Bins – 30,000 (P), 360L – 2,500 (MOB's)	£1,070,500
180L Bins – 30,000 (P), 360L – 2,500 (MOB's)	£1,322,500

30. The up-front capital funding required for the project (vehicles and bins) would be fully financed from within existing revenue budgets. There would be no requirement for any additional revenue to fund any of the above options. The improvements will reduce the service delivery running costs and realise savings as outlined in Table 1 for each of the 3 alternatives.
31. In line with financial procedure rules, Full Council approval is required for the purchase of the bins as the project requires an up-front capital investment of more than £250,000.
32. The provision of a 140 litre bin requires the lowest capital expenditure outlay and generates the largest level of revenue budget savings; however this option does not include any allowance for additional bins that may be required to accommodate the full range of recyclables generated by some households.
33. Table 3 below provides a detailed summary of the total (vehicles and bins) annual capital financing cost over seven years (Vehicles) and ten years (Bins) respectively that would be required to finance each of the alternative bin options.

Table 3: Total Capital Financing Cost (Bins and Vehicles)

Option	Capital Expenditure (Bins and Vehicles)	Debt charges and interest repayments on borrowing
240L Bins – 27,500 (P), 140L Bins – 2,500 (P), 360L – 2,500 (MOB's)	£2,019,300	£301,577
140L Bins – 30,000 (P), 360L – 2,500 (MOB's)	£1,750,500	£264,832
180L Bins – 30,000 (P), 360L – 2,500 (MOB's)	£2,002,500	£299,281

34. The Council will therefore need to borrow/lease between £1,750,500 and £2,019,300 (depending upon which bin option is chosen) in order to finance the capital expenditure identified in Table 3 above, with the debt repayment/lease costs being met from existing budget provision. The Council has an existing Capital Financing Requirement (CFR) i.e. need to borrow of £7.6m in respect of capital expenditure previously approved by Members. The additional need to borrow/lease identified in this report will therefore take the Council's Capital Financing Requirement (CFR) to between £9.35m and £9.6m, depending upon which bin option is chosen. It is within the delegations of the Council's Section 151 officer to determine how this capital expenditure is best financed and a business case will be prepared nearer the time of purchase (expected during early 2012/13).

35. Appendix B of the report provides a detailed breakdown of the current operating cost of the service and the operating cost based on the three alternative bin sizes. The tables in Appendix B demonstrate the affordability of the project within existing budgets and highlight the savings that will be achieved.

IMPLICATIONS	
Finance	The financial implications are outlined in the main body of the report.
Legal	There are no direct legal implications arising from the report.
Community Safety	There are no direct community safety implications.
Human Rights and Equalities	There may be some indirect impact if any of the containers were offered through optional charging. The potential adverse impact on those residents with lower incomes

	would need to be part of an equality impact assessment.
Sustainability	The change to alternative containers for dry recyclable material will support additional recycling volumes and reduced waste for disposal.
Health & Safety and Risk Management	There are no direct health and safety or risk management implications arising from the report.

Report Author	Tel	Date	Doc ID
ALLAN OLDFIELD	(01253) 658576	OCTOBER 31 ST 2011	

List of Background Papers		
Name of document	Date	Where available for inspection

List of appendices

Appendix A – Consultation Feedback

Appendix B – Finance Details

Appendix A – Consultation Feedback

Results of the Staining 240 litre Wheeled Bin Trial

Each household in the Staining trial was issued a 240 ltr bin as the service standard. In order to mitigate concerns a limited number of 140 ltr bins were available for elderly/single person households. Residents were requested to trial the 240 ltr bin for three collection cycles to determine if the capacity was suitable. Less than five households, representing 0.5% on the scheme, requested and were issued a smaller bin. Some households in Staining have requested extra bins, with one household requiring three 240 ltr bins for the volume of recyclate being generated. The scheme proved extremely successful, surpassing targets and the results will provide a basis for on-going scheme improvements.

Increased Recycling Rate

- The combined composting and recycling rate increased from 42% at the start of the trial to 45% at the end of the 6 months; an overall recycling rate increase of 7%
- The comingled recycling rate increased from 10.5% to 14.2%; an increase of 26%

Increased Participation Rate

- Participation at the start of the trial was 86.5% in the green boxes
- Average participation measured across the 6 months was 90.9%
- Participation during post trial monitoring reached 94% with the bins

Satisfaction Survey – Box

- 62% of householders surveyed rated the kerbside box scheme as good/excellent
- 66% regarded street cleanliness higher than average
- 25% rated street cleanliness as poor or very poor, especially on windy days when light materials such as plastic bottles blew about as a result of over full containers and the absence of a box lid.

- Several residents commented that the boxes were too small to accommodate the full range of recyclable materials generated; and many resorted to taking excess materials to local bring banks or the HWRC centre between collections, once the box reached capacity.

Satisfaction Survey – Bin

- 81% of householders surveyed rated the wheeled bin scheme as good/excellent
- 70% regarded street cleanliness higher than average
- 5% rated street cleanliness as poor or very poor, a 20% reduction compared to the box collection
- Manoeuvrability, additional capacity and ease of use were found to be the most favourable characteristics of the bins
- 15% admitted that the enclosed container motivated them to recycle a greater range of materials and some items not previously presented in the open kerbside box
- 8% benefitted from the bin being stored outside
- A number of residents indicated that the wheeled bins had sufficient capacity for all recyclable material generated and there was no longer a requirement to dispose of excess materials at the HWRC.
- 55% of residents indicated they would prefer an additional wheeled bin for paper and cardboard.

Summary

The results of the Staining trial support the conclusions that the provision of 240L wheeled bins for the collection of dry recyclate will enhance recycling rates and boost customer satisfaction. Residents have highlighted a number of wheeled bins features that reduce inconvenience for the user and stimulate increased recycling including:

- Improved manoeuvrability and ease of use;
- Additional capacity to accommodate household recyclables;
- Reduced material storage issues;
- Increased range of materials recycled; and
- Reduced spillages and littering on collection and windy days

The Additional Survey

The data below show the full results for every question of the survey. The base elements shows the total number of residents who completed the survey and the no reply elements shows how many residents choose not to answer the question.

1553 residents completed the survey which was available between 26th July 2011 and the 31st August 2011. This includes those residents who completed the paper survey, online version and random telephone samples.

Question 1 - How would you rate the green box service?

Base	1553
No reply	511
Excellent	246
Good	478
Average	209
Poor	71
Very Poor	38

Question 2 - How many green boxes do you present per collection?

Base	1553
No reply	38
0	131
1	954
2	320
3+	110

Question 3- Would you prefer a wheeled bin (instead of box) for the collection of glass, cans and plastic bottles?

Base	1553
No reply	60
Yes	523
No	722
No preference	248

Question 4 - How would you rate the white/blue sack service?

Base	1553
No reply	22

Excellent	500
Good	558
Average	263
Poor	114
Very Poor	96

Question 5 - How many white/blue sacks do you present per collection?

Base	1553
No reply	100
0	116
1	726
2	452
3+	159

Question 6 - Would you prefer a wheeled bin (instead of sack) for the collection of paper and cardboard?

Base	1553
No reply	68
Yes	514
No	678
No preference	293

Question 7 - How would you rate the cleanliness of your street after collection i.e. the amount of spillages?

Base	1553
No reply	19
Excellent	480
Good	626
Average	304
Poor	97
Very Poor	27

Question 8 - Type of property?

Base	1553
No reply	47

Terrace	230
Semi- detached	575
Detached	410
Bungalow	291

Question 9 - Number of residents in property?

Base 1553

No reply	36
1	366
2-3	785
4-5	272
6+	94

Customer comments included on returns – Summary of main comments

I am always losing the sack / bag	56
The sack / bag is not big enough	53
The green box is not big enough	49
I am always losing the green box	48
People would recycle more if they had a bin	38
Wheeled bin would be better / bigger / stronger	34
The street is unclean after collections	23
There will be too many bins	15
I have no room for an extra two bins	15
I have no room for an extra bin	14
There should be a choice of bin sizes	7
Don't waste money on new bins	4

APPENDIX B

CURRENT BUDGETED SERVICE

1 Twin Pack plus 4 Kerbsider rounds

		Year 1 2012-13	Year 2 2013-14	Year 3 2014-15	Totals
Uplift			0%	0%	
Labour					
Drivers	5	£ 105,360	£ 105,360	£ 105,360	£ 316,080
Loaders	10	£ 183,730	£ 183,730	£ 183,730	£ 551,190
Spare Drivers	2	£ 42,144	£ 42,144	£ 42,144	£ 126,432
Spare Loaders	1	£ 18,373	£ 18,373	£ 18,373	£ 55,119
PPE	£200	£ 3,600	£ 3,600	£ 3,600	£ 10,800
Coms	£150	£ 750	£ 750	£ 750	£ 2,250
Training		£ -	£ -	£ -	£ -
Implementation - supervision etc.		£ -	£ -	£ -	£ -
		£ 353,957	£ 353,957	£ 353,957	£ 1,061,871
Vehicles					
1 Twin Pack, 4 Kerbsiders & 1 Spare Kerbsider, 1 RCV					
Hire / Lease		£ 187,343	£ 187,343	£ 187,343	£ 562,029
Fuel		£ 79,325	£ 79,325	£ 79,325	£ 237,975
Tyres		£ 9,000	£ 9,000	£ 9,000	£ 27,000
Licenses etc...		£ 6,100	£ 6,100	£ 6,100	£ 18,300
Bartec		£ 4,500	£ 4,500	£ 4,500	£ 13,500
Agrippa		£ 2,975	£ 2,975	£ 2,975	£ 8,925
Insurance		£ 9,680	£ 9,680	£ 9,680	£ 29,040
FMS Materials		£ 36,500	£ 36,500	£ 36,500	£ 109,500
FMS Servicing & Repairs		£ 36,566	£ 36,566	£ 36,566	£ 109,698
		£ 371,989	£ 371,989	£ 371,989	£ 1,115,967
Containers					
Replacement White Sacks	35,000 £ 0.20	£ 7,000	£ 7,000	£ 7,000	£ 21,000
Replacement Green Boxes	£ 3.30	£ 11,550	£ 11,550	£ 11,550	£ 34,650
	£ 0	£ 0	£ -	£ -	£ 0
		£ 18,550	£ 18,550	£ 18,550	£ 55,650
Promotion					
Leaflet	35,000 £ -	£ -	£ -	£ -	£ -
	£ -	£ -			£ -
	£ -	£ -			£ -
Contamination sticker	£ -	£ -	£ -	£ -	£ -
		£ -	£ -	£ -	£ -
Total		£ 744,496	£ 744,496	£ 744,496	£ 2,233,488
Contribution to overheads		£ -	£ -	£ -	£ -
		£ 744,496	£ 744,496	£ 744,496	£ 2,233,488

OPTION 1 - 240L Bins - 27500 (P), 140L Bins - 2500 (P), 360L - 2500 (MOB's)

3 Twin Pack Rounds

		Year 1 2012-13	Year 2 2013-14	Year 3 2014-15	Totals
Uplift			0%	0%	
Labour					
Drivers	3	£ 63,216	£ 63,216	£ 63,216	£ 189,648
Loaders	6	£ 110,238	£ 110,238	£ 110,238	£ 330,714
Spare Drivers	1	£ 21,072	£ 21,072	£ 21,072	£ 63,216
Spare Loaders	1	£ 18,373	£ 18,373	£ 18,373	£ 55,119
PPE	£200	£ 2,200	£ 2,200	£ 2,200	£ 6,600
Coms	£150	£ 450	£ 450	£ 450	£ 1,350
Training		£ -	£ -	£ -	£ -
Implementation - supervision etc.		£ -	£ -	£ -	£ -
		£ 215,549	£ 215,549	£ 215,549	£ 646,647
Vehicles					
3 Twin Pack, 1 Spare Twin Pack (Borrow over 7 years)	£ 29,624	£ 118,496	£ 118,496	£ 118,496	£ 355,488
Fuel	£ -	£ 55,000	£ 55,000	£ 55,000	£ 165,000
Tyres	£ 1,500	£ 6,000	£ 6,000	£ 6,000	£ 18,000
Licenses etc...	£ 1,100	£ 4,400	£ 4,400	£ 4,400	£ 13,200
Bartec	£ 750	£ 3,000	£ 3,000	£ 3,000	£ 9,000
Agrippa	£ 850	£ 3,400	£ 3,400	£ 3,400	£ 10,200
Insurance	£ -	£ 9,680	£ 9,680	£ 9,680	£ 29,040
FMS Materials	£ 6,500	£ 26,000	£ 26,000	£ 26,000	£ 78,000
FMS Servicing & Repairs	£ -	£ 36,566	£ 36,566	£ 36,566	£ 109,698
Cost to pay remaining 4 Kerbsider leases	£ -	£ 61,885	£ 61,885	£ -	£ 123,769
		£ 324,427	£ 324,427	£ 262,542	£ 911,395
Containers					
Cost to buy containers over 10 years (Borrow over 10 years)		£ 183,082	£ 183,082	£ 183,082	£ 549,246
		£ 183,082	£ 183,082	£ 183,082	£ 549,246
Promotion					
2 Leaflets	£ 0.10	£ 7,000	£ 1,400	£ 1,400	£ 9,800
Bin Sticker	£ 0.05	£ 1,750	£ 350	£ 350	£ 2,450
Roashows	£ 500.00	£ 2,500	£ -	£ -	£ 2,500
Contamination sticker	£ 0.75	£ 1,500	£ 1,500	£ 1,500	£ 4,500
		£ 12,750	£ 3,250	£ 3,250	£ 19,250
Total		£ 735,808	£ 726,308	£ 664,423	£ 2,126,538
Contribution to overheads		£ -	£ -	£ -	£ -
		£ 735,808	£ 726,308	£ 664,423	£ 2,126,538
Savings		8,688	18,188	80,073	106,950

OPTION 2 - 140L Bins - 30000 (P), 360L - 2500 (MOB's)

3 Twin Pack Rounds		Year 1 2012-13	Year 2 2013-14	Year 3 2014-15	Totals
Uplift			0%	0%	
Labour					
Drivers	3	£ 63,216	£ 63,216	£ 63,216	£ 189,648
Loaders	6	£ 110,238	£ 110,238	£ 110,238	£ 330,714
Spare Drivers	1	£ 21,072	£ 21,072	£ 21,072	£ 63,216
Spare Loaders	1	£ 18,373	£ 18,373	£ 18,373	£ 55,119
PPE	£200	£ 2,200	£ 2,200	£ 2,200	£ 6,600
Coms	£150	£ 450	£ 450	£ 450	£ 1,350
Training		£ -	£ -	£ -	£ -
Implementation - supervision etc.		£ -	£ -	£ -	£ -
		£ 215,549	£ 215,549	£ 215,549	£ 646,647
Vehicles					
3 Twin Pack, 1 Spare Twin Pack (Borrow over 7 years)	£ 29,624	£ 118,496	£ 118,496	£ 118,496	£ 355,488
Fuel	£ -	£ 55,000	£ 55,000	£ 55,000	£ 165,000
Tyres	£ 1,500	£ 6,000	£ 6,000	£ 6,000	£ 18,000
Licenses etc...	£ 1,100	£ 4,400	£ 4,400	£ 4,400	£ 13,200
Bartec	£ 750	£ 3,000	£ 3,000	£ 3,000	£ 9,000
Agrippa	£ 850	£ 3,400	£ 3,400	£ 3,400	£ 10,200
Insurance	£ -	£ 9,680	£ 9,680	£ 9,680	£ 29,040
FMS Materials	£ 6,500	£ 26,000	£ 26,000	£ 26,000	£ 78,000
FMS Servicing & Repairs	£ -	£ 36,566	£ 36,566	£ 36,566	£ 109,698
Cost to pay remaining 4 Kerbsider leases	£ -	£ 61,885	£ 61,885	£ -	£ 123,769
		£ 324,427	£ 324,427	£ 262,542	£ 911,395
Containers					
Cost to buy containers over 10 years		£ 146,337	£ 146,337	£ 146,337	£ 439,011
(Borrow over 10 years)		£ 146,337	£ 146,337	£ 146,337	£ 439,011
Promotion					
35,000					
2 Leaflets	£ 0.10	£ 7,000	£ 1,400	£ 1,400	£ 9,800
Bin Sticker	£ 0.05	£ 1,750	£ 350	£ 350	£ 2,450
Roashows	£ 500.00	£ 2,500	£ -	£ -	£ 2,500
Contamination sticker	£ 0.75	£ 1,500	£ 1,500	£ 1,500	£ 4,500
		£ 12,750	£ 3,250	£ 3,250	£ 19,250
Total		£ 699,063	£ 689,563	£ 627,678	£ 2,016,303
Contribution to overheads		£ -	£ -	£ -	£ -
0%		£ 699,063	£ 689,563	£ 627,678	£ 2,016,303

Savings 45,433 54,933 116,818 217,185

* No allowance has been made for additional bin requests to accommodate the range of recyclables generated from some households

OPTION 3 - 180L Bins - 30000 (P), 360L - 2500 (P)

3 Twin Pack Rounds		Year 1 2012-13	Year 2 2013-14	Year 3 2014-15	Totals
Uplift			0%	0%	
Labour					
Drivers	3	£ 63,216	£ 63,216	£ 63,216	£ 189,648
Loaders	6	£ 110,238	£ 110,238	£ 110,238	£ 330,714
Spare Drivers	1	£ 21,072	£ 21,072	£ 21,072	£ 63,216
Spare Loaders	1	£ 18,373	£ 18,373	£ 18,373	£ 55,119
PPE	£200	£ 2,200	£ 2,200	£ 2,200	£ 6,600
Coms	£150	£ 450	£ 450	£ 450	£ 1,350
Training		£ -	£ -	£ -	£ -
Implementation - supervision etc.		£ -	£ -	£ -	£ -
		£ 215,549	£ 215,549	£ 215,549	£ 646,647
Vehicles					
3 Twin Pack, 1 Spare Twin Pack (Borrow over 7 years)	£ 29,624	£ 118,496	£ 118,496	£ 118,496	£ 355,488
Fuel	£ -	£ 55,000	£ 55,000	£ 55,000	£ 165,000
Tyres	£ 1,500	£ 6,000	£ 6,000	£ 6,000	£ 18,000
Licenses etc...	£ 1,100	£ 4,400	£ 4,400	£ 4,400	£ 13,200
Bartec	£ 750	£ 3,000	£ 3,000	£ 3,000	£ 9,000
Agrippa	£ 850	£ 3,400	£ 3,400	£ 3,400	£ 10,200
Insurance	£ -	£ 9,680	£ 9,680	£ 9,680	£ 29,040
FMS Materials	£ 6,500	£ 26,000	£ 26,000	£ 26,000	£ 78,000
FMS Servicing & Repairs	£ -	£ 36,566	£ 36,566	£ 36,566	£ 109,698
Cost to pay remaining 4 Kerbsider leases	£ -	£ 61,885	£ 61,885	£ -	£ 123,769
		£ 324,427	£ 324,427	£ 262,542	£ 911,395
Containers					
Cost to buy containers over 10 years (Borrow over 10 years)		£ 180,786	£ 180,786	£ 180,786	£ 542,358
		£ 180,786	£ 180,786	£ 180,786	£ 542,358
Promotion					
2 Leaflets	£ 0.10	£ 7,000	£ 1,400	£ 1,400	£ 9,800
Bin Sticker	£ 0.05	£ 1,750	£ 350	£ 350	£ 2,450
Roashows	£ 500.00	£ 2,500	£ -	£ -	£ 2,500
Contamination sticker	£ 0.75	£ 1,500	£ 1,500	£ 1,500	£ 4,500
		£ 12,750	£ 3,250	£ 3,250	£ 19,250
Total		£ 733,512	£ 724,012	£ 662,127	£ 2,119,650
Contribution to overheads	0%	£ -	£ -	£ -	£ -
		£ 733,512	£ 724,012	£ 662,127	£ 2,119,650

Savings 10,984 20,484 82,369 113,838

* No allowance has been made for additional bin requests to accommodate the range of recyclables generated from some households

REPORT



REPORT OF	MEETING	DATE	ITEM NO
STRATEGIC DEVELOPMENT SERVICES	CABINET	16 TH NOVEMBER 2011	9

THE PIER FORECOURT PUBLIC REALM SCHEME & FULLY FUNDED ADDITIONS TO THE CAPITAL PROGRAMME

This item is for consideration in the public part of the meeting.

Summary

Further to the previous report to Cabinet (23rd March 2011), this report provides details of additions to the capital programme which are fully funded by contributions from Fylde Vision, the Local Strategic Partnership for Fylde. The schemes to be added to the capital programme comprise a proposed public realm scheme for The Pier Forecourt and other public realm improvement schemes as detailed in the report.

Recommendations

The Cabinet is asked to approve;

1. Additions to existing schemes within the capital programme totalling £95,000 (as detailed in paragraph 2 of the report), fully funded by a contribution of £95,000 from Fylde Vision, the Local Strategic Partnership for Fylde.
2. The scheme detail of the Pier Forecourt Public Realm Improvement Scheme from within these budgets in accordance with the details outlined in this report.

Cabinet Portfolio

The item falls within the following Cabinet portfolio: Planning & Development, Councillor Dr. Trevor Fiddler

Report

1. Background

1.1 On 23rd March 2011 the Cabinet approved the item '2020 Regeneration Vision and the 2012 Open Golf Action Plan'. This item gave a detailed report of the consultation process undertaken before the publication of the 'Lytham St Annes 2020 Vision'. This document outlined several public realm projects for the short and medium term that would benefit the visitor economy. In addition this item also gave an overview of the '2012 Open Golf Outline Action Plan' a jointly published plan with Lancashire County Council.

1.2 Within this action plan eleven projects affecting the public realm were identified with the recommendation that when further details were available and prior to any expenditure a fully detailed report on each scheme would be presented to Cabinet. This report provides those details for the Pier Forecourt Public Realm Improvement Project.

1.3 This report also provides the opportunity to request the transfer of funding already allocated by Fylde Vision, the Local Strategic Partnership to the Council. The details of this are outlined in the body of this report.

2. Contribution from Fylde Vision, the Local Strategic Partnership

2.1 Using their funding application procedures, Fylde Vision have approved funding totalling £95,000 towards Fylde Borough Council's capital programme. The following additions to the Council's Capital Programme are therefore required, fully funded by the £95,000 contribution from the LSP:

1.	St Annes 2012	£70,000
	Pier Forecourt & Promenade Improvement Project	£55,000
	Station improvements	£15,000
2.	Ansdell 2012	£10,000
	Station improvements	£10,000
3.	Lytham 2012	£15,000
	Station improvements	<u>£15,000</u>
		£95,000

3. Pier Forecourt & Promenade Improvement Project

3.1 In accordance with section 6 of the Cabinet report of 23rd March 2011 costing, procurement and implementation of the project will be done in partnership with Lancashire County Council. The plan attached at appendix item 1 has been produced jointly with Lancashire County Council.

3.2 Lancashire County Council has estimated that to deliver these works would cost £74,932.50.

3.2.1 Capital Works	£65,650.00
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Overheads (@5%)	£3,282.50
Design & Supervision	<u>£6,000.00</u>
	£74,932.50

4. The Method and Cost of Financing the Scheme

4.1 To fund the Pier and Promenade public realm scheme the following method of financing is proposed;

4.3.1 The proposed public realm scheme is to be funded from £20,000 already allocated to the project within the Capital Programme under St Annes 2012 (Z086).

4.3.2 The use of £55,000 from Fylde Vision to the Capital Programme under St Annes 2012 (Z086).

5. The Future Revenue Budget Impact

5.1 The proposed public realm scheme would have a neutral impact upon the future revenue budgets of Fylde Borough Council. All land affected would remain the property of Lancashire County Council or private land owners. Any alterations, e.g. lighting features will be the responsibility of either Lancashire County Council or the private land owners.

6. Relevant Value for Money Issues

6.1 The works have been specified by using accepted public realm materials within the budget available and is being procured through the commissioning framework at Lancashire County Council. Issues relating to the cost effectiveness of this procurement path were considered in the Cabinet report of 23rd March 2011.

7. Risk Assessment

7.1 Land ownership – Agreement has been reached with the land owners; Lancashire County Council and The Pier Company Ltd.

7.3 Cost overrun – This scenario would occur should the outturn costs of the scheme far exceed those amounts referred to in this report. This risk would be managed by reducing the scope of the project by a proportionate amount to cover cost overruns.

8. Viable Alternatives

8.1 In developing this scheme the Council has undertaken widespread public consultation and in-dept consultation through the Partnership arrangements in place to accommodate the Open Golf Championship 2012. Furthermore under the Destination Presentation sub-group project meetings have taken place with relevant stakeholders such as the St Annes on the Sea Town Council, Friends of the Peace and Sensory Garden and St Annes in Bloom. The proposed public realm scheme has the support of these groups, the Council has received no objections nor has it prepared any alternatives.

9. Details of the Procurement Path

9.1 Procurement will be as detailed in the Cabinet report of 23rd March 2011; a partnership arrangement with Lancashire County Council.

10. Objectives, Outputs and Outcomes

10.1 The objectives, outputs and outcomes of the project have been detailed in the Council's Regeneration Framework.

11. Drawings & Plans

11.1 Relevant drawings and plans are attached to this report.

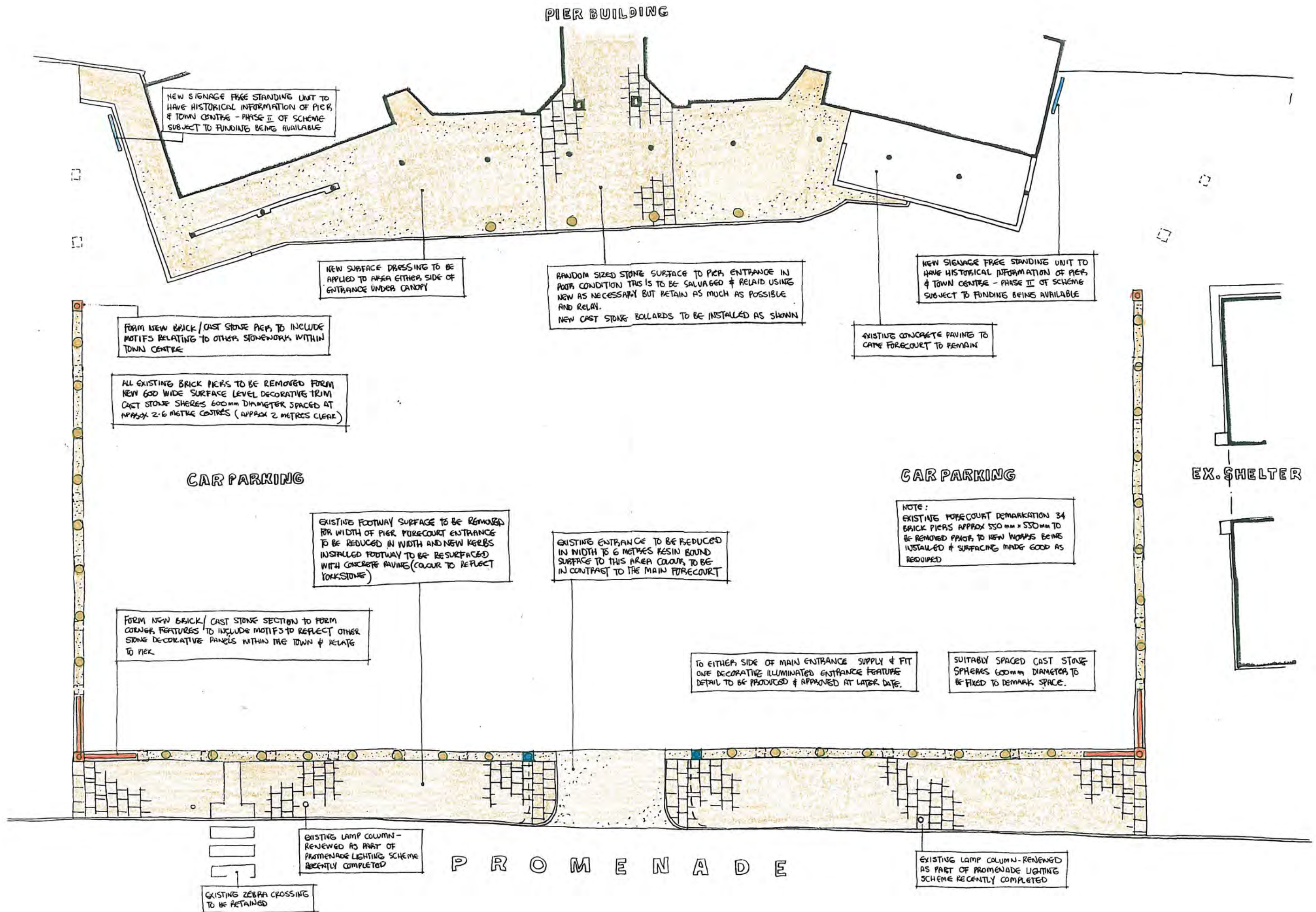
Report Author	Tel	Date	Doc ID
Paul Drinnan	(01253) 658434	24 th October 2011	

List of Background Papers		
Name of document	Date	Where available for inspection
Report to Cabinet: Item 15 – 2020 Regeneration Vision and the 2012 Open Golf Action Plan	23/03/2011	http://www.fylde.gov.uk/meetings/details/907/

Attached documents

1. The Pier Forecourt – Public Realm Proposal

IMPLICATIONS	
Finance	Detailed in the body of the report
Legal	Detailed in the body of the report
Community Safety	None identified
Human Rights and Equalities	None identified
Sustainability and Environmental Impact	Detailed in the body of the report
Health & Safety and Risk Management	None identified



PROPOSED ENHANCEMENT - ST. ANNES PIER FORECOURT.

SCALE 1:100

DRAWN: CB. DATE: FEBRUARY 2011
 REVISION: A: AMENDED TO REDUCE COSTS
 & COMMENTS FROM PIER
 Removal

REPORT



REPORT OF	MEETING	DATE	ITEM NO
GOVERNANCE & PARTNERSHIPS	CABINET	16 NOVEMBER 2011	10

EXCLUSION OF THE PUBLIC -
(1) ACCOMMODATION PROJECT – ASSET DISPOSALS
(2) LOWTHER PAVILLION

Public Item

This item is for consideration in the public part of the meeting.

Recommendation

1. Members are invited to consider passing a resolution concerning the exclusion of the public from the meeting in accordance with the provisions of Section 100(A)(4) of the Local Government Act 1972 on the grounds that the business to be discussed is exempt information as defined in paragraph 3 of Schedule 12A of the Act.

Cabinet



Date:	Wednesday, 21 September 2011
Venue:	Town Hall, St Annes
Committee members:	Councillor David Eaves (Leader) Councillor Susan Fazackerley (Deputy Leader) Councillors Dr. Trevor Fiddler, Karen Buckley, Cheryl Little, Albert Pounder, Thomas Threlfall
Other Councillors:	Councillors Christine Akeroyd, Fabian Craig Wilson, David Chedd, Viv Wilder, Leonard Davies, Linda Nulty
Officers:	Phillip Woodward, Joanna Scott, Clare Platt, Allan Oldfield, Tracy Scholes, David Gillett, Mark Evans, Paul Rogers, Marcus Judge
Members of the public:	2 Members of the public were present

1. Declarations of interest

Members were reminded that any personal/prejudicial interests should be declared as required by the Council's Code of Conduct adopted in accordance with the Local Government Act 2000.

Councillor Albert Pounder declared a personal interest in item 14 relating to the disposal of the freehold interest in two areas of open space to Staining parish council and remained in the meeting, and a personal and prejudicial interest in item 16 relating to the lease of Fairhaven cottage and withdrew from the meeting during consideration of this item.

2. Confirmation of minutes

RESOLVED: To approve the minutes of the Cabinet meeting held on 28 July 2011 as a correct record for signature by the Chairman.

David Eaves (Leader) drew Cabinet's attention to a plan and vision which has been put forward by Lytham Heritage group for Lytham windmill and the adjacent boathouse. He informed the meeting that the group had made a short presentation to Cabinet members and he was of the view that it was an interesting and exciting concept. The group would be submitting a lottery bid in November with the outcome of that bid in March next year. The basis of the bid would be to restore the whole of the Windmill into a working museum with the main features being the turning of the sails of the Windmill and in the boathouse to reconstruct with visual aids the Mexico disaster. He added that the concept was in its early stages and that a report would be submitted to Cabinet in due course.

3. Urgent items

There were no urgent items of business.

4. Community Focus Scrutiny Committee - Recommendations

Councillor Christine Akeroyd (Vice Chairman of the Community Focus Scrutiny Committee) presented the recommendations made by the Committee at its meeting held on 28 July (previously circulated). Cabinet noted that the recommendations from the meeting held on 8 September had not yet been circulated and would therefore be considered at the next Cabinet meeting.

Councillor Karen Buckley (Portfolio Holder for Finance and Resources) requested clarification on the recommendation relating to Item 5 - Care and Repair (Fylde and Wyre) and in particular the proposed extension to the existing year by year arrangement. She accepts that it would bring the Care and Repair support in line to other bodies in receipt of financial support from the Council. She wanted to be assured however that because there was uncertainty in government funding beyond the funding received for the current and following years that as contained in other Service Level Agreements, a break clause is included. Councillor Akeroyd informed Cabinet that Scrutiny Committee was aware that a break clause would be included.

The scrutiny committee recommended the following to Cabinet for approval:

1. **Referral of Notice of Motion - Melton Grove**

1. To appoint a time limited task and finish group comprising the Chairman and Vice-Chairman of Committee and Councillors Tim Armit, Maxine Chew, Ken Hopwood, John Singleton and Peter Wood to undertake a detailed review of matters associated with the disposal of Melton Grove, Ansdell.
2. To report on the findings to the October 6 meeting of the committee.

2. **Proposed in depth Review - Exploratory On Shore Shale Gas Drilling**

1. To agree to the scoping document.
2. To establish a task and finish group to conduct a review on shale gas drilling activities within the borough and that the group comprise: Chairman and Vice-Chairman of Committee and Councillors Tim Armit, Susan Ashton, Susanne Cunningham, Ken Hopwood, Richard Redcliffe and John Singleton.
3. To report on the findings by the December 1 meeting of the Committee.

Cabinet may like to note that Councillor Nigel Goodrich will replace Councillor John Singleton on the group following his interest in the matter.

3. Medium Term Financial Strategy (MTFS) Outturn Position 2010/11 (including General Fund, Capital Programme and Treasury Management)

1. To note the report and convey the committee's thanks and appreciation to the finance team for the work done in a timely manner during a challenging period.

4. Annual Report - Age UK Lancashire

1. To note the report and thank Mrs Kelday for the excellent presentation and her attendance at the meeting.

5. Annual Report - Care and Repair (Fylde and Wyre)

1. To note the report
2. That Michelle Lee, Care and Repair Project Manager be thanked for attending and reporting to committee.
3. To recommend to Cabinet that the Council's financial support to the Fylde Care and Repair Service be considered for an extended period beyond the existing year by year arrangement.

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED to note and approve the recommendations made by the Community Focus Scrutiny Committee held on 28 July subject to the comments of Councillor Buckley referred to above in relation to the funding of Care and Repair and that the recommendations of the meeting held on the 8 September will be considered at the next Cabinet meeting.

5. Joint Meeting of the Community Focus Scrutiny Committee and Policy and Development Committee - Recommendations

Councillor Cheryl Little referred to the recommendations made by the Joint Scrutiny Committee at its meeting held on 26 July 2011 (previously circulated) and welcomed detailed consideration by Scrutiny on the important issue of the consultation by Lancashire police in respect of the estates review consultation which would affect the lives of people in the Fylde community. She referred to the fact that the Joint meeting had recognised the wider implications of police resource cuts and had therefore put forward two recommendations. In considering the recommendations put forward by the Joint meeting, she proposed that recommendation 1 be approved with the addendum that there should be no further reductions in front line policing as a result of cuts in expenditure in line with the Community Safety Partnership's decision as set out in paragraph 6 on page 28 of the agenda.

The Joint Scrutiny Committee recommended the following for approval:

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED that Cabinet endorses the recommendations of scrutiny in the following terms:

1. Front Counter and Estates Review Consultation

That Cabinet is not content with the closures but accepting changes and likely to occur would ask:

- That communications are improved in terms of promoting to the public how they should contact the police in terms of emergencies and non emergencies
- That the decision to close Lytham Police Station be deferred until 2014 when the current lease is due for review to assess at that time whether the need for the savings is still warranted

2. Police Spending Reductions in General

Whilst noting the concerns of the scrutiny committee, Cabinet would request the Lancashire Constabulary to do everything possible to ensure that there are no further reductions in front line services as a result of spending reductions in line with the decision of the Community Safety partnership

6. Cabinet's Timetable for Developing Budget Proposals 2012/13

The Section 151 Officer (Joanna Scott) presented a report which set out a budget timetable to be adopted which complies with the budget and policy framework rules, statutory deadlines and facilitated early billing for Council Tax. She emphasised in line with the constitution and statutory deadlines Cabinet needed to set out the key dates for developing the budget proposals. A timetable for this was set out at Appendix A to the report which concluded in March 2012. The dates had been built around the precepting authorities shown in paragraph 1.2 on page 31. There was however the possibility that some of these dates may be changed, although this had not happened in previous years, which would have an impact on the timetable but would not affect the Council's meeting in March 2012. She drew Cabinet's attention to consultations which were still on going and opposition briefings which had not yet been finalised.

Councillor Buckley in supporting the recommendation in the report, requested that some training be given to Councillors with regard to budget via the Learning Hour process.

In reaching its decision, Cabinet considered the details set out before it and at the meeting and RESOLVED that the Budget Timetable for 2012/13 be adopted and that Learning Hours be scheduled for all Councillors with regard to budget processes during December/January.

7. Three Tier Forum

Prior to consideration of the matter, the Leader of the Council (Councillor David Eaves) made reference to questions received from Councillor Chedd and Councillor Nulty. Councillor Chedd was invited to the table and asked the following questions:

1. *"Will the Borough Council representation on the three tier forum be politically balanced and if not, why not?"*
2. *"What is meant by dual positions in Para 3"*

3. *“What is the source of the information in the final paragraph of the report concerning parish representation at the LALC, as this is incorrect?”*

The Chief Executive (Phillip Woodward) informed Cabinet that Councillor Nulty, who was not present at the meeting, had submitted similar questions which picked up on the points raised by Councillor Chedd and asked that these points be addressed by Director of Governance and Partnerships (Tracy Scholes) when answering those questions.

The Director of Governance and Partnerships (Tracy Scholes) presented a report regarding an invitation by Lancashire County Council for this Council to participate in a Three Tier Forum for Fylde. The Forum would have representatives from across the three tiers of local government and could discuss areas of mutual concern. Six Borough representatives would be sought and appointed by Council. Mrs. Scholes also outlined that the advent of the Forum also presented the opportunity for the Borough to review how it engaged with Town and Parish Councils. Lancashire County Council conducted its liaison through the Fylde Branch of the Lancashire Association of Local Councils and it was suggested that the Borough Council could conduct its future dialogue through the same forum in order to maximise the benefits of three tier working.

With reference to Councillor Chedd’s questions, Tracy Scholes gave the following replies in the order of the questions above:

1. Unlike the former Lancashire Locals, the Three Tier Forum is not a formal committee and therefore political balance will not apply. (If it did the balance would be 4 conservatives and 2 independents).
2. The Borough Council is able to appoint whoever it wishes to represent it on the Three Tier Forum.
3. One of the parish representatives was omitted on the list of those Town and Parish Councils who were not formal members of LALC. Mrs . Scholes apologised for this oversight.. Clarification required as to what part incorrect. Information obtained in telephone discussions with Clerk to LALC and County colleagues.

Mrs. Scholes referred to the questions received from Councillor Nulty. She was of the view that the first question about dual positions was given in the answer to question 2 above. She read out the following question also received from Councillor Nulty:

“At point 4 – I feel the process should be that firstly all Parishes/Town Councils should be contacted directly to ensure that ALL are made aware of this. After this liaison should be through our Borough/Town/Parish Liaison group as this includes all Parishes/Towns by invitation, and is attended by most. LALC is a member only group and many have chosen not to join due to the costs involved. Although the Open Forum at the beginning of each LALC meeting is a step forward I still feel this would NOT reach all, as it would involve Members having to travel to a meeting for possibly only half an hour, instead of this being part of a full meeting. I hope you will reconsider these points?”

Tracy Scholes replied stating that there was the open forum at the beginning of each LALC meeting to enable those Councils who were not members of LALC to be engaged in the process. Also, as outlined in the report the Council’s commitment to partnership working with Town and Parish Councils and remained undiminished. However in order to fully

effect the working of three tier forum, future liaison between the Borough and Town and Parish councils would be best undertaken by the same forum with which the County Council chooses to engage.

In supporting the three tier forum Councillor Threlfall advocated a trial of the forum for an initial period of one year.

Councillor Chedd took the view that the dual position aspect of forum representation had not been clarified. He considered that because of this grey area, the representation for Borough Councillors to the forum could be a small pool of Councillors if interpreted in a disadvantageous way.

Tracy Scholes suggested that in order to clarify this matter that it should be noted within the minutes that appointments to the Three Tier Forum could be made from Borough Councillors who also held a Town or Parish Council seat. Councillor Chedd agreed that this would be helpful.

Phillip Woodward referred to a letter from the County Council which sets out the timescale for the implementation of the proposals. There would be briefing sessions with Town and Parish Councils early October with more direct briefings with District Councils in late October with the Three Tier Forum being up and running by the end of November. He was of the view that the November Council would be the target to agree this Council's nominations to the Forum.

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED:

1. To agree to participate in the Three Tier Forum for Fylde and seek the appointment of six Borough representatives from the whole membership of the Council (including members who are also members of Town and Parish council) at the next appropriate Council meeting
2. To continue the Borough Council's commitment to partnership working with the Town and Parish Councils via the Fylde LALC to ensure that a more targeted three tier dialogue is entered into and to consult with the Fylde LALC thereon
3. To review the effectiveness of the Three Tier Forum after a 12 month period to ensure that value is being achieved through membership thereof

8. Supporting the Homebuyer Market - Local Authority Mortgage Scheme (LAMS)

Councillor Dr Trevor Fiddler presented a report the purpose of which was to consider the Council's participation in a scheme to assist first time buyers. He welcomed the proposals whereby the Council participates in a scheme to assist first time buyers. He made reference to a previous housing needs survey which highlighted the plight of people having difficulty in getting onto the property ladder. He reminded cabinet that this Council has policies in place to support affordable rented housing but the Council has never been able to put in place solutions to provide low cost market housing. He considered that the Lams scheme will provide the balance between the Council's policies and delivering housing. He considered also that the risk element of people defaulting on the mortgages was remote based on the fact that the financial support that will be given would minimise the mortgage aspect. He hoped that the risk factor which applies to the Council would not hinder the progress of the scheme.

Councillor Buckley referred to an article in the "Inside Housing" magazine which stated that mortgage arrears cases were down 4 per cent on last year according to figures produced by the Financial Services Authority so that if this were a trend then they should be borne in mind when considering the risk factor.

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED:

1. To approve in principle participation in the LAMS scheme and undertake further work as required.
2. To approve a revenue budget virement of £3,000 to finance the initial expenditure as outlined in the report.
3. To report back to Cabinet on the outcome of the further work to facilitate an informed decision about participation in the scheme at a later date.

9. Rural Housing Need Survey - Singleton Parish

Councillor Dr Trevor Fiddler presented a report of the rural housing survey undertaken in Singleton Parish earlier in the year. The report was the first rural housing needs survey to be completed. It was the intention to complete a further survey in a second parish in 2011 and develop a programme for all parishes for the completion of similar surveys in future years.

He thanked David Gillett, Head of Housing Services, for producing the report and recognised the amount of work which was needed to carry out the survey. He reminded Cabinet that the survey had been carried out to improve its approach to community engagement which there was a need to strengthen in the light of the Core Strategy. Officers were endeavouring to roll out the survey methodology to other parishes. He emphasised that the survey was an important piece of evidenced based work which would complement the community engagement work of the Core Strategy.

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED:

1. To approve the Singleton Housing Need Survey and recommendations.
2. To recognise the work and support of Singleton Parish Council in the production of the survey report.
3. To endorse further work with the relevant town / parish councils to undertake local housing need surveys across the Borough.
4. That the findings of the survey be used, as appropriate, as evidence to support and inform future work in connection conservation area/ management planning work for Singleton and in the context of future potential discussions with other interested parties, including the Village Trust.

10. Core Strategy Timetable and Budget

Prior to consideration of the matter, the Leader of the Council (Councillor David Eaves) made reference to a question received from Councillor Nulty.

Phillip Woodward informed Cabinet that Councillor Nulty was not present and that he would read the question to the meeting as follows:

"Can we have an assurance that we will now have the correct staffing structure with enough capacity to carry this important piece of work forward, uninterrupted by other priorities? Also, that every effort will be made to keep to this timetable and to speed it up if this is at all possible? This is vital to every part of the Borough and I hope will be given the highest priority?"

Councillor Dr Trevor Fiddler replied stating that the importance of the work is highlighted by quoting from the recent National Planning Policy Framework (NPPF) as follows:

"permissions will be allowed when a plan is absent, silent or indeterminate or when planning policies are out of date"

He stated that the planning timetable indicates that the final adoption date was December 2014. He quoted from the NPPF because over the next three to four years the Council is likely to be vulnerable to applications from developers where the protection of the countryside is an issue. With regard to the capacity to deliver, the Council has never had allocated sufficient resources to promote the development of the Core Strategy. The Planning Advisory Service had identified these weaknesses. On the timetable issue he informed Cabinet that there would be every endeavour to speed the process up where possible. The recommendation suggested that the Cabinet receives update reports on a quarterly basis to keep track of the process. Recently the Local Development Steering Group met to consider the appropriate level of new housing provision in the Borough and in support of that exercise there would be the preparation of the preferred options as shown in Appendix 2 to the report and if that could be brought forward that would help the Council deal effectively with applications for housing development. In an effort to accelerate the processes the council had appointed an additional planning officer with appropriate experience to take the processes forward.

The Assistant Director Planning Services (Mark Evans) presented the report which proposed a revised timetable and resource plan for delivery of the Core Strategy. He informed Cabinet that the Core Strategy was an extremely important development plan document for the Borough, would identify strategic sites in the Borough for future development, would point development to the right areas and would assess infrastructure and investment need. He informed Cabinet that the stage had been reached whereby a tangible plan could be moved forward with the evidence base being almost completed so that important progress could be made. When the plan was in place development in Fylde would be plan led and hopefully there would be fewer planning appeals.

Councillor Buckley referred to the resource plan at Appendix 3 to the report. She asked was all the expenditure necessary and that every opportunity would be taken to minimise the cost. She asked how much had already been spent or committed in 2011/12.

Mark Evans informed Cabinet that the costs associated with the two staffing appointments had been spent, the Renewable Energy Study had been committed and was a reduced amount due to joint commissioning with the other Councils, the Bio-Diversity Study would be commissioned later in the year, the Transport Evidence Base was still to be commissioned, the Housing Needs Study (the majority to be carried out in-house) and the Housing Viability Study was about to be commissioned, the employment Land Study was about to be commissioned, the Sustainability Appraisal Scoping Report Update had been completed and part of the money for the Barrister has been spent. Some of the commissioning had been put on hold previously due to the possibility of changes in legislation or policies. He emphasised that the timetable shown in Appendix 2 had been updated recently and the officers were now in a position to move the timetable forward. He

assured Cabinet that every effort would be made to minimise expenditure throughout the timetable.

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED:

1. That Cabinet agrees the revised timetable and resource plan detailed in Appendices 2 and 3 of the report.
2. That the timetable be used for project managing the Core Strategy and is posted on the Council's website and that the Cabinet receive update reports on a quarterly basis detailing progress against the project plan.
3. That the revised phasing of the expenditure as identified in Appendix 3 of the report be reflected in the next update of the Council's financial forecast.

11. Planning Appeals - Funded Budget Increase

The Assistant Director Planning Services (Mark Evans) presented a report which provided information on planning appeals currently being dealt with and identified how they can be funded. He emphasised that the current planning appeal budget was nil and that traditionally the consultants budget in general development control budgets has been used to finance planning appeals. With uncertainty nationally and locally in respect of national planning guidance, the Regional Strategy having been revoked and then re-introduced after legal challenges and the move forward with the Core Strategy, there have been more appeals received than usual. He explained where savings may be achieved in future appeals costs and where there may well be call on additional funding in relation to some of the appeals set out in paragraphs 3 and 4 on page 105.

Councillor Dr Trevor Fiddler referred to the uncertainty regarding government strategies in relation to planning laws and guidance, that these factors were not helping or giving confidence to the Council when defending planning application decisions.

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED to note the number and cost of planning appeals in the system and agrees to the creation of a budget in 2011/12 for the cost of planning appeals in the sum of £80k, fully funded from additional planning application fee income received in 2011/12 to date.

12. Service Delivery Through Arms-Length Company - FBC Solutions Ltd

The Chief Executive (Phillip Woodward) presented a report which provided a picture of the current situation in relation to the company established by the Council in 2007 (FBC Solutions Ltd.) but which had not yet been developed to a trading position. He informed Cabinet that an approach had been made to Lancashire County Council to provide specialist legal and financial advice with a view to the Council making a decision on whether to go live with the Company. The County Council responded by agreeing that although the County Council was capable of providing the advice requested, they suggested an alternative proposal that both Councils enter into a shared service agreement for delivering public realm and environmental type services. On the basis of that suggestion, the view was taken that the specialist advice that LCC might now give might not be completely impartial and independent. He referred to the Community Focus Scrutiny Committee meeting that had taken place earlier in September (the Minutes of which would be brought to the next Cabinet meeting) with a recommendation from that meeting that Scrutiny should have more engagement on the matter during the next 12 months before FBC Solutions goes live. The necessary financial and legal advice can still be sought externally but would carry an estimated cost of £20,000. However, it would also

be feasible for the Company and go live early in 2012 or from 1 April 2012 as an option. The alternative would be to put the Company on hold and consider the shared services option with the County Council and the benefits this might bring to Fylde. Finally, the Council could consider the advice given in Appendix B to the report which is an assessment by a Local Improvement Advisor from the Local Government Association. This assessment considers that the business case could be refined and developed further before the company goes live whilst all the services which could form part of the company operations could be brought together under one management area for a period of time prior to 'going live' with the Company. He suggested that Cabinet may want to reconsider an appropriate period in recommendation 2 in the light of Community Focus Scrutiny comments of a 12 month timescale.

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED:

1. That the proposal outlined in paragraph 7 of Appendix B of the report (to develop an internal trading unit which brings together the relevant council services under one management structure as a pre-cursor to launching FBC Solutions Ltd as a trading entity) is implemented as part of the current management review.
2. That the internal trading unit described in recommendation 1 is charged, during its first 18 - 24 months of operation, with developing a business and marketing plan for FBC Solutions Ltd, which address those matters listed in paragraph 7 of Appendix B, such that the Company is able to launch itself as a trading entity, subject to the further approval of Cabinet.
3. That further discussions are held with officers of Lancashire County Council to explore the scope and potential for the shared service activity outlined in paragraphs 10 - 14 of the report and that further reports on this matter are presented to Cabinet at the appropriate time.

13. LCC Local Transport Implementation Plan

The Chief Executive (Phillip Woodward) presented a report regarding a consultation from Lancashire County Council in relation to the Draft Lancashire Transport Implementation Plan 2011-14. The Plan contained details of the proposed investment priorities of the County Council on highway and transportation matters in each district in the County for the next three years. The consultation asked for comments on the proposed priorities. He emphasised that paragraph 2 in the report summarised the main elements in the plan and this Council had been asked to comment on those issues. Lancashire County Council had indicated that despite the short consultation period and the closing date for comments as 12 September, it would consider any comments from this meeting.

Cabinet members expressed disappointment in the short consultation period and that there was very little detail of the impact on Fylde. It was suggested that the report be noted and that Scrutiny be asked to have a close look at it.

Councillor Buckley was of the view that this was a matter which the Three Tier Forum should be considering.

Councillor Dr Trevor Fiddler agreed that the consultation period was too short to consider the important issues in the Plan

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED:

1. That the report be noted and that no further comments be made at this point.

2. That the appropriate Scrutiny Committee be requested to consider in depth the Draft Lancashire Transport Implementation Plan 2011-14.
3. That Lancashire County Council be requested to refer the Plan to the Three Tier Forum for consideration.

14. Disposal of the Freehold Interest in Two Areas of Open Space to Staining Parish Council

Gary Sams (Principal Estates Surveyor) presented a report regarding two areas of public open space in the village of Staining which were owned by the Borough Council. The areas had been maintained by Staining Parish Council at their own expense for many years, and they had now requested that the legal title be transferred.

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED that the freehold interest in land at Staining Rise and Meadow Park be transferred to Staining Parish Council, subject to advertising the transfer and considering any objections.

14. Exclusion of the Public

RESOLVED: That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business, on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act.

15. Lease of Fairhaven Cottage

The Principal Estates Surveyor (Gary Sams) presented a report regarding the proposed lease of Fairhaven Cottage. A report had been considered at the July Cabinet meeting regarding the matter and it was resolved "to make appropriate arrangements to advertise in the press the vacant property to invite further interest in the property for the next two months and to present a further updated report to cabinet after this period".

In reaching its decision, Cabinet considered the details set out in the report before it and at the meeting and RESOLVED That, the party referred to in the report be granted a three month option to lease Fairhaven Cottage on the terms set out in the heads of terms attached to the report.

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