



FYLDE BOROUGH COUNCIL



Meeting Agenda

Cabinet
Town Hall, Lytham St Annes
13 September 2006, 7.00pm



CABINET

MEMBERSHIP

LEADER – COUNCILLOR JOHN COOMBES

Councillor	Portfolio
TIM ASHTON	STREETSCENE
SUSAN FAZACKERLEY	CORPORATE PERFORMANCE & DEVELOPMENT
PATRICIA FIELDHOUSE	COMMUNITY & SOCIAL WELLBEING
ALBERT POUNDER	CUSTOMER RELATIONS & PARTNERSHIPS
SIMON RENWICK	CULTURE & TOURISM
PAUL RIGBY	FINANCE & EFFICIENCY
ROGER SMALL	DEVELOPMENT & REGENERATION

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CORPORATE OBJECTIVES

The Council's investment and activities are focused on achieving our five key objectives which aim to :

- Conserve, protect and enhance the quality of the Fylde natural and built environment
- Work with partners to help maintain safe communities in which individuals and businesses can thrive
- Stimulate strong economic prosperity and regeneration within a diverse and vibrant economic environment
- Improve access to good quality local housing and promote the health and wellbeing and equality of opportunity of all people in the Borough
- Ensure we are an efficient and effective council.

CORE VALUES

In striving to achieve these objectives we have adopted a number of key values which underpin everything we do :

- Provide equal access to services whether you live in town, village or countryside,
- Provide effective leadership for the community,
- Value our staff and create a 'can do' culture,
- Work effectively through partnerships,
- Strive to achieve 'more with less'.



A G E N D A

PART I - MATTERS DELEGATED

ITEM	PAGE
1. DECLARATIONS OF INTEREST: <i>If a member requires advice on Declarations of Interest he/she is advised to contact the Legal Services Executive Manager in advance of the meeting. (For the assistance of Members an extract from the pocket guide produced by the Standards Board for England is attached).</i>	4
2. CONFIRMATION OF MINUTES: <i>To confirm as a correct record the Minutes of the Cabinet meeting held on 12 July 2006.</i>	4
3. SPECIAL URGENCY (RULE 16 PROCEDURE RULES) URGENT BUSINESS: <i>To consider any items of special urgency arising</i>	4
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Declaring Interests In Meetings

Say and Stay

If the issue being discussed affects you more than other people in the area, you must **say** you have a personal interest but can **stay** and take part and vote in the meeting.

This applies if the personal interest affects either:

- You
- Your partner, relative or a friend
- Your employer, or the employer of your partner, relatives or friends
- Any corporate body in which you, your partner, relatives or friends hold shares with a nominal value of more than £5,000 or of which you or they are a director
- Any firm in which you, your relatives or friends are partners

You must also declare if discussion concerns one of the following organisations in which you, relatives or friends hold a position of control or management:

- A body where you or they are a representative or nominee of the authority
- A body exercising public functions
- A company, industrial and provident society, charity or body directed to charitable purposes
- A body which seeks to influence public opinion or policy
- A trade union or professional association

All declarations should be made at the beginning of the meeting or as soon as you are aware of the issue being discussed. You should also say if anything being discussed relates to anything you are required to declare on the register of interests.

Withdrawing From Meetings

Prejudicial interest

Wash and Go

If a member of the public, who knows all the relevant facts, would view your personal interest (see above) in the issue being discussed to be so great that it is likely to prejudice your judgement of the public interest, then you must leave the meeting. You must leave the room and cannot seek to influence any decision made.

You also have a prejudicial interest, if you are a member of an overview and scrutiny committee that is considering a decision taken by another committee of which you are a member.

There are some limited exceptions to the requirement that you withdraw from meetings if you have a prejudicial interest. You should refer to the detailed provisions of the code of conduct. If in doubt speak to your Monitoring Officer.

REPORT



REPORT OF	MEETING	DATE	ITEM NO
COMMUNITY AND CULTURAL SERVICES	CABINET	13 TH SEPTEMBER 2006	4

FUTURE MANAGEMENT OF INDOOR SPORTS/SWIMMING SERVICE AT FYLDE

A verbal report will be presented to the Cabinet following detailed consideration of the issues by the Policy and Service Review Scrutiny Committee on 30 August 2006.

The recommendations of the Scrutiny Committee were as follow:

1. That the Council a) recognises the value of the swimming pools in teaching children to swim and exercise through the educational system b) recognises the importance of providing recreational facilities to the adult population c) acknowledges that St Annes needs a swimming pool to ensure proficiency in swimming in a coastal location and to offers an all round visitor experience. Full consideration of these needs to be taken into consideration in any market testing process.
2. That the Cabinet agrees to a full market tender process being carried out based on a part-repairing lease for both St Annes Pool and Kirkham Baths.

A copy of the report considered by the Scrutiny Committee is attached at Appendix A.

REPORT



REPORT OF	MEETING	DATE	ITEM NO
COMMUNITY AND CULTURAL SERVICES	POLICY AND SERVICE REVIEW SCRUTINY COMMITTEE	30 AUGUST 2006	4

FUTURE MANAGEMENT OF INDOOR SPORTS/SWIMMING SERVICE AT FYLDE

Public item

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

Summary

To report the findings of the officers responsible for delivering the Leisure Services Project including soft market testing of leisure providers and the consultation undertaken with the general public, pool users, staff and other stakeholders. The Scrutiny Committee is asked to make their recommendations to the next meeting of the Cabinet on September 13th 2006

Recommendation

1. The Scrutiny Committee to consider the findings of the Leisure Services project and make their recommendations to Cabinet in order to determine their preferred option for future management of council operated swimming pools.

Cabinet Portfolio

The item falls within the following Cabinet portfolio:

Tourism and Culture (Councillor Simon Renwick)

Report

Background

1. At their meeting held on 10th May 2006 the Cabinet were presented with a draft project plan with the aim of reducing the subsidy per user and increase swimming participation in Fylde by reviewing the council's provision of swimming facilities. The project objectives were to:

- ◆ Review received and undertake new market consultation with potential swimming pool providers
- ◆ To provide options for council approval of the swimming pool service delivery mechanisms for swimming in Fylde.

2. In order to assist members in their decision to approve the project plan Members were provided with a short history of previous actions and decisions. This is reproduced as part of this report as appendix 1.

3. Cabinet resolved:

- ◆ That the draft project plan be approved
- ◆ That the Cabinet re-confirms its current level of commitment for the provision of urban and rural swimming facilities.

4. The Project Plan was based on advice that the council had received from the 4Ps. 4Ps is a government agency which specialises in advising public bodies on project delivery at no direct cost. Their advisor visited the Council on 20th February 2006 and makes the following observations.

The Council needs to give attention to the following:

- providing clarity of objectives
- prioritising the different strands of the project
- slowing down the discussions with the YMCA
- revisiting the business case for the project
- undertaking an options appraisal
- carrying out community/stakeholder consultation
- exploring funding options
- defining the procurement strategy
- formally market testing the project
- establishing a programme/project board to manage the change management programme

These issues have been addressed as part of the Project Plan, which identified that the three main strands of the project were:

- (i) Public consultation to establish the market need for swimming facilities and to establish whether the identified need can be met from the existing facilities or would require significant alteration or construction of a new facility.
- (ii) Market testing to identify and clarify the various options for management of the pools, options for funding and likelihood of external investment in the existing or new facilities
- (iii) Developing a leisure card

The project plan has clarified the aims and objectives of the project as described above. It has also outlined the business case.

Previous discussions with the YMCA as a preferred partner have been slowed down although the YMCA option is still under active consideration through the soft market testing process.

4Ps other recommendations – defining the procurement strategy, formally market testing and establishing a programme/project board – can only take place when the council's preferred option is known.

Methodology - Consultation

5. At its meeting held on 10th May the Cabinet considered two questions submitted by Councillors Oades and Speak which asked about the consultation process and who would be involved and sought assurances that the Policy and Services Review Scrutiny Committee would be fully involved throughout the project.
6. At its meeting held on 18th May the Policy and Services Review Scrutiny Committee considered the proposed methodology for consultation. The importance of the three main strands of the project were emphasised by the committee. Members also wished to ensure that the public consultation was transparent and undertaken on a borough wide basis. Concerns were raised about the types of questions proposed to be included in the questionnaire. Consequently the Scrutiny Committee resolved to: (i) appoint a Task and Finish Group to look at the basis of the consultation exercise and (ii) report back the findings of the three main elements of the project to the Policy and Services Review Scrutiny Committee.
7. As a result, the draft questionnaire was discussed by the Task and Finish Group on 25th May and the agreed questions formed the basis of the consultation. The questionnaire was published in the summer edition of Fylde in Focus with a circulation of 35,000 - every household in the borough. It was also posted on the front page of the council's website supported by a media campaign and a paid advertisement was taken in the Lytham St Annes Express with a circulation of 9,800. A further paid advertisement, including the questionnaire was taken in the Kirkham Advertiser. The deadline for responses was 1st August.
8. Further consultation took the form of:
 - ◆ Meeting of St Annes Pool User Group
 - ◆ Public meeting in Kirkham
 - ◆ Consultation with staff at both pools

Copies of the questionnaire were made available at these meetings and all attendees were encouraged to complete it.

9. The consultation findings are summarised in the attached appendix 2 and are discussed later in this report.

Methodology – Soft Market Testing

10. The 4Ps recommendation to engage with leisure providers to identify and clarify the various options for management of the pools, options for funding and likelihood of external investment in the existing or new facilities is a key task for the Project Team. By informally inviting a number of leading leisure management companies to visit Fylde, discuss our specific issues and tour the swimming facilities the council is able to develop a clearer understanding of its available courses of action.
11. To that end, five companies plus the Fylde Coast YMCA, were invited to meet with council officers and the Portfolio Holder. All but one accepted and these soft market testing meetings were held during June/July. The findings and advice received are summarised and are attached as appendix 3
12. In addition, officers have followed up by contacting other local authorities which have been identified by the leisure companies as good examples to follow or as experiencing pitfalls that should be avoided.

Methodology – Leisure Card

13. For some considerable time the council has identified the need for a leisure card as a mechanism for providing a co-ordinated pricing and marketing tool to be used at its pools, games sites and other leisure facilities. A leisure card allows the council to target specific groups of any type e.g. young people, residents, carers, disabled people etc with special admission rates and other benefits. It also provides marketing data and information on usage of facilities such as frequency and peak times.
14. To date officers have been piloting a leisure card scheme at St Annes pool, with the assistance of the Fylde Coast YMCA in order to test the required hardware and systems. Through the leisure pools project it has become clear that the way forward with the leisure card is directly influenced by any decision to outsource management of the pools. A leisure company may well have its own leisure card system that it would wish to introduce. For that reason this element of the project has not fully been explored until the council indicates its preference for pools management
15. Nevertheless, the pilot project at St Annes Pool is being progressed in parallel with the other project tasks.

Consultation Findings

16. The circulation of the questionnaire is detailed in paragraphs 7 and 8 of this report with every reasonable effort to ensure the widest possible coverage. All completed questionnaire received by the council up to August 7th were included in the analysis with a total number returned of 545.

17. The full results are included as an appendix. The main conclusions are shown below.

- ◆ Total number of questionnaires circulated **36,000 +** (545 returned)
- ◆ More questionnaires used Kirkham Baths (374) than St Annes Pool (210)
- ◆ Pools are mainly used for general swimming and personal fitness
- ◆ At St Annes satisfaction levels with existing facilities is generally good apart from parking and session times
- ◆ At Kirkham satisfaction levels with existing facilities is generally excellent apart from showers, catering and session times. Satisfaction with staff is high.
- ◆ Although pool length over 20m is important to many (192) a significant number thought it was not (168)
- ◆ The most important features are car parking, opening times and closeness to the facility.
- ◆ The charges are about right

18. The questionnaire gave the public an opportunity to make observations and suggestions. For ease of interpretation these have been grouped into distinct themes as indicated below:

Issue	Number of comments
Keep Kirkham Pool open	98
Invest in facilities such as gym, larger pool	63
Revise opening times	41
Revise prices (mixed opinion whether too high or low)	25
Lessons important	23
Pools/changing rooms too cold	20
Improve cleanliness	12
Revise scheduling (public swimming, lessons etc)	12
Improve parking	5
Improve changing rooms	3
General comments (inc. praise for staff)	53

A full schedule of the responses will be available at the meeting.

St Annes Pool Users Group

This is an active group of pool users with a genuine concern for the wellbeing of St Annes Pool. They have a number of issues but are primarily concerned about the future of the pool, car parking and the negative view of the pool portrayed in the press. The Community and Cultural Executive Manager attended a recent meeting to brief the group on the council's proposals. This was generally received positively and group members were urged to complete the questionnaire. The meeting was attended by approximately 30 pool users.

Public meeting – Kirkham

This was attended by the Tourism and Culture Portfolio Holder, the Community and Cultural Executive Manager and the Leisure Manager. Around 40 members of the public attended. The main area of concern was the future of Kirkham Baths. The strong message was that the group wished to see Kirkham's existing pool retained and that they were wary of the questionnaire. This second point was partly addressed by explaining that the questions had been independently set by the Policy and Service Review Scrutiny Committee.

Comment

19. The results of the questionnaire show that the response is too low to be representative of the borough population and the low number of non users makes it difficult to reliably draw conclusions as to why people do not use the pools. It could also indicate that swimming pools are not a priority with the majority of residents.

20. However, there is sufficient response to gain a valuable insight into the views of a number of pool users and to establish whether their needs can be met from the existing facilities.

21. The higher number of respondents who use Kirkham Baths could indicate a degree of campaigning in this area to ensure questionnaires were completed. Nevertheless there are still relatively few returned bearing in mind the recent perceived public outcry when Kirkham Baths was temporarily closed and which generated a 3,500 signature petition.

22. The decision whether to invest in a new build at Kirkham could be influenced by the consultation if the public required facilities that could not be accommodated within the existing building. There is a certain amount of wariness among the Kirkham population that the proposal for a new pool is merely a way of closing the existing facility. The council's decision to re-confirm its current level of commitment for rural swimming has helped to ease this fear.

23. The ultimate recommendation regarding the likelihood of a new build is dependent on other factors including the long term prognosis for the existing building and plant as well as the outcome of any formal market testing

Soft Market Testing Findings

24. The aim of the soft market testing exercise is to gather as much information as possible on the types of contract and the potential financial benefits that are available so that all possible options can be explored and a preferred course of action agreed.

25. The companies approached for information are the national market leaders in the leisure field. Each company came to Fylde for separate meetings and to tour the two council operated swimming facilities.

26. The attached account of the meetings includes information on the companies themselves, wherever provided. A summary of the salient points is shown below:

- ◆ Three types of lease could be considered depending on what the council is trying to achieve.
 - ◆ **Full repairing** – where the responsibility for the building and the service management is held by the contractor
 - ◆ **Part repairing** - where the council retains responsibility for the building and main items of plant and equipment – This is the industry norm.
 - ◆ **Standard Management arrangement** – Where the contractor is engaged to manage the service and all facility repair and maintenance is the responsibility of the council.
- ◆ Generally the greater the risk passed to the contractor – the greater the cost to the council
- ◆ Increasing utility costs are a major factor in determining contract price
- ◆ Companies can invest in facilities, including new build. However, councils can generally engage in prudential borrowing at a cheaper cost
- ◆ Longer lease periods are required if investment is made to ensure security of tenure
- ◆ Staff would be transferred under TUPE regulations on existing terms and conditions.
- ◆ Day to day contact between client and contractor is recommended
- ◆ Service Level agreement is basis of the clarity of roles and responsibilities
- ◆ Constraints on contractor will generally be reflected in contract price.
- ◆ The recent spate of outsourcing to Trust has not necessarily been successful due to lack of investment and non-comprehensive procurement procedures
- ◆ Facilities can generally benefit from economies of scale in purchasing/marketing
- ◆ Cost of contract should not be the only criterion for selection. Other criteria should be social fit and benefits i.e. adoption of existing leisure card.

If the council chooses to issue a formal invitation to tender the companies offered sound advice to be considered.

1. Know what the council wants to achieve (aims and objectives). Clarity of purpose.
(Do we want to save money or invest to increase swimming activity?)
2. Know what the council can afford/is prepared to pay.
3. Provide as much initial information as possible to ensure that submitted prices have a minimum amount of estimated contingency. This should include a full buildings conditions survey; level of investment required (i.e. do we want a new build?)
4. Give enough time for contractors to work up tender and assess liabilities.

Options Appraisal

Facilities Management

27. The council has a number of options available to it. These range from retaining the service in-house and either continuing the existing level of investment or investing in facilities and increasing marketing activity, to a full external leisure management procurement, based on a full or part repairing lease or a management arrangement.

28. The earlier, preferred partner negotiations with the Fylde Coast YMCA is also an option, although should be linked to a competitive procurement process.

29. The council has determined that its aim is to reduce subsidy per user and increase swimming participation in Fylde. It is possible that the tendering process would realise financial and investment benefits. However, in view of the probability that the council could provide investment through prudential borrowing at a cheaper cost, Members may wish to pursue this course of action and retain full control of the facilities. Any investor would require day to day management control and a significant security of tenure. The usual model - part repairing lease - would still see the council retain the risk for major plant or building failure although the day to day running costs are provided at a known cost for the period of the contract

30. It is likely that staff would benefit from externalisation as their terms and conditions would remain and their prospects of moving up within a larger leisure organisation would improve. Staff would also benefit from a period of stability following the recent uncertainty over the future of the council's swimming pools.

31. The existing pools at Kirkham and St Annes have not benefited from significant investment for a number of years. User numbers have been in decline, partly due to the national downturn in swimming but the lack of investment resulting in 'tired' facilities, lack of 'dry' activities and the reduced opening hours have been instrumental in discouraging swimmers.

32. A summary of the available options is shown:

Option	Advantages	Disadvantages
1 - Do nothing	<ul style="list-style-type: none"> ◆ Full control retained ◆ Known revenue costs 	<ul style="list-style-type: none"> ◆ Likely that plant/ buildings will deteriorate and force closure ◆ Revenue costs increasing/cost per user. ◆ User numbers decreasing ◆ Limited staff security/retention ◆ Investment may not increase pool usage nor reduce subsidy per user
2 - Retain in house and invest in new/existing facilities	<ul style="list-style-type: none"> ◆ Full control retained ◆ Greater chance of increasing user numbers ◆ Better customer satisfaction ◆ Staff security ◆ Possible new build 	<ul style="list-style-type: none"> ◆ Capital cost of investment or revenue cost of borrowing ◆ Limited opportunity for economies of scale
3 – Externalise via full repairing lease with an option to invest in new/existing facilities	<ul style="list-style-type: none"> ◆ Risk transferred to contractor (known, fixed cost) ◆ Staff security ◆ Possible new build ◆ Economies of scale ◆ Access to leisure card 	<ul style="list-style-type: none"> ◆ Expensive (may not be affordable) ◆ Loss of day to day control ◆ Long lease required ◆ Limited number of willing contractors
4 – Externalise via Part repairing lease with an option to invest in new/existing facilities	<ul style="list-style-type: none"> ◆ Industry norm (tried and tested) ◆ Shorter lease ◆ Possible savings ◆ Possible new build ◆ Economies of scale ◆ Staff security 	<ul style="list-style-type: none"> ◆ Risk/cost for plant and buildings remains with council ◆ Loss of day to day control

	<ul style="list-style-type: none"> ◆ Access to leisure card 	
5 – Externalise via management only arrangement with an option to invest in new/existing facilities	<ul style="list-style-type: none"> ◆ Shorter lease (flexible) ◆ Possible new build ◆ Probable savings ◆ Access to leisure card ◆ Economies of scale ◆ Staff security 	<ul style="list-style-type: none"> ◆ Risk/cost for plant and buildings remains with council ◆ Loss of day to day control
6 – Pursue previous preferred partner arrangement with YMCA and /or others	<ul style="list-style-type: none"> ◆ Local links ◆ Benefit to local partner ◆ Staff security ◆ Readily available ‘dry’ facilities (not located at pool) ◆ Leisure card for all YMCA facilities ◆ Fits with policy of joint working with Wyre 	<ul style="list-style-type: none"> ◆ Limited investment ◆ Not within standard LA procurement framework ◆ Limited financial savings

Kirkham Baths – retain or replace?

33. The existing pool at Kirkham is around 100 years old and, whilst still providing adequate swimming facilities, has limited options for development of the facilities. For instance, the only scope for expansion is into the adjacent baths house. The plant and structure of the building require around £170,000 of investment in the next five years which may be better utilised to contribute to a new rural pool. This element of research has been conducted in tandem with the main pools project and is attached as appendix 4. Members of the Policy and Services Scrutiny Committee may wish to make a recommendation based on this information.

Conclusion

34. The research undertaken for this report provides the council with information to enable it to make a series of decisions. Ultimately the reason for these decisions is to reduce the subsidy per user and increase swimming participation in Fylde. However, to ensure the right decisions are made this process must follow a logical, critical path.

35. At its meeting on 10th May the cabinet re-affirmed its current level of commitment for the provision of urban and rural swimming facilities. This is our starting point. The critical path of decisions should be:

- (i) Should investment be made in urban and rural swimming over and above the current level of funding?
- (ii) Should this investment be based on 'what the public wants' based on the questionnaire?
- (iii) What level of investment should be made?
- (iv) Should this investment be made into existing facilities or new build?
- (v) Should the pools be managed by the council or an external provider?
- (vi) If external, what level of management is preferred/affordable?
- (vii) How should this management be procured?
- (viii) When will the project be completed?

36. It is only when these decisions are made that the council will have the clarity of purpose required for any formal market appraisal.

37. In summary, it seems that interest in the pools is limited to the users and, with just 548 questionnaire returns, even users concerns appear to be limited. The questionnaires have largely been completed by Kirkham baths users, many of which are satisfied with the current facilities although a fitness suite would be desirable. In the public meeting at Kirkham, and in the comments received via the questionnaire there is a noticeable campaign to retain the existing pool.

38. Nevertheless pool use is generally declining and the council may consider that new facilities and other improvements highlighted in the survey, would be beneficial from a commercial perspective. The issue of programming and pool opening times has already been addressed and feedback from the public is favourable.

39. The anticipated benefits of externalising the management of the pools is not as apparent as first thought. Any investment by a leisure company requires a long security of tenure and will cost the council more in contract price. It might be cheaper for the council to borrow to invest itself. However, an external provider would bring expertise in leisure management and economies of scale in purchasing and marketing, staff recruitment and retention.

40. Members of the Policy and Service Review Scrutiny Committee may wish to recommend that the benefits of externalisation justify the considerable work required in order to attract tenders. The leisure companies would be keen to bid for the management contract, in what ever form the council considers most appropriate although a part repairing lease is the industry norm.

41. The committee may also wish to recommend that the council's additional investment in rural swimming, if any, and energy is directed towards providing a new facility. This decision could be tied into a formal management tendering

process or, if the council chooses to manage the pools in-house, form a stand alone project.

42. The key finding is that the council **must** be clear in what it wants to achieve. The actions must be sustainable and affordable if the council wishes to realise its aim of reducing the subsidy per user and increase swimming participation in Fylde by reviewing the council's provision of swimming facilities.

Implications	
Finance	One of the main aims of the review is to reduce the subsidy per user. If significant investment in the service is required at an approximate revenue cost of £80,000 per annum for each £1m borrowed over a period of 20 years this objective will be difficult to achieve.'
Legal	No further issues
Community Safety	No further issues
Human Rights and Equalities	TUPE Regulations will apply
Sustainability	No further issues
Health & Safety and Risk Management	No further issues

Report Author	Tel	Date	Doc ID
Paul Norris	(01253) 658440	14 th Aug 2006	

List of Background Papers		
Name of document	Date	Where available for inspection
Document name	none	Council office or website address

Attached documents

1. History of previous actions/decisions
2. Consultation results
3. Summaries of soft market testing meetings held with Leisure providers
4. New Pool at Kirkham? - Findings

Previous decisions

• Best Value Review

The Best Value Review of Leisure Services was undertaken during 2002/03 and the conclusion was endorsed by members in March 2003. The final report outlined the baseline position of the reviewed services and summarised its performance to date. It included a single vision for the Council's Leisure Services, which was *'to provide high quality leisure services that are strategically planned, cost effective and accessible, and that are programmed to meet the needs of all those who visit, live or work in the borough of Fylde'*. From this an improvement plan was agreed which included a number of short and long term objectives.

From the outset this review was driven by the need to 'minimise the subsidy per user' and focused on the need to find a more cost-effective option for providing the service although ten other evaluation criteria were used (rationale for provision, management rationale, business sustainability, accountability, flexibility of management, financial/management information, capital investment/service development, investment in staff, partnership/networking and leisure pass scheme/marketing). An appraisal of alternative options was undertaken against this criteria and the recommended option was that the services be provided through the mechanism of a trust as being the option most likely to deliver benefits over the range of criteria.

The Leisure and Recreation Policy Committee approved the final report and set up a Task and Finish Group to explore the feasibility of delivery of leisure service through one or more charitable trusts.

Leisure feasibility report

The Council commissioned leisure consultants, Knight, Kavanagh and Page (KKP). to investigate the various options for delivery of the council's leisure facilities through charitable trust and to assess the merits of each option. The Executive Committee considered their final report on 24th March 2005. The main outcomes from the report were:

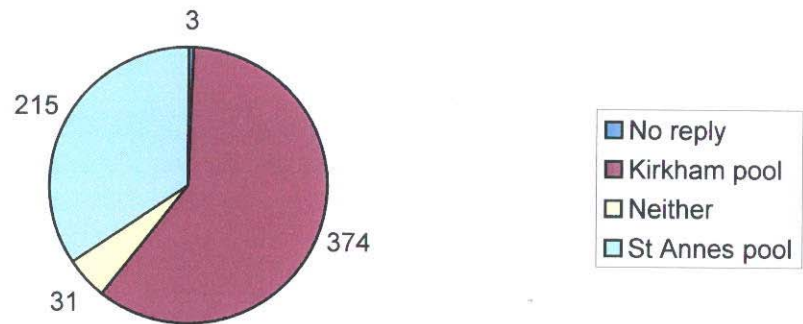
- Enter negotiations with the Fylde Coast YMCA to assess the feasibility of transferring the management of St Annes Pool.
- Commission (or manage in-house) a preliminary 'scoping study' to assess potential to fund the development of a new swimming pool for Kirkham.
- Commission a feasibility study to evaluate the options for the development of the Lowther Pavilion.
- Continue with plans to market test the grounds maintenance function.
- Consider market testing:
- The Mini-golf – either as a franchise linked to specific conditions about investment in the site or set up as a discreet business unit within Cultural Services.
- The combined amenities and café at Fairhaven as a franchise linked to specific conditions about investment in the site or setting it up as a discreet business unit within Cultural services.
- The mini-golf and Fairhaven as a collective franchise linked to specific conditions about investment in both sites or setting them up as a discreet business unit within Cultural services.

Recent situation

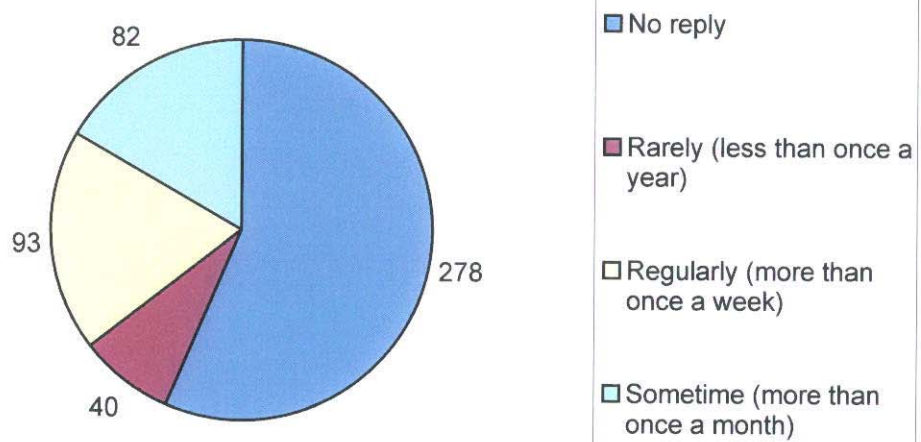
- Discussions have taken place with the Fylde Coast YMCA to establish the broad terms and content of an appropriate service level agreement. The feasibility of management of St Annes Pool by the YMCA was shown, at a probable similar cost to the council's existing revenue investment although with the added (but as yet unquantified) benefit of providing structured investment in this facility. On this basis, in December 2005 the Fylde Coast YMCA agreed, in principle, that it would be prepared to take over the management of St Annes Pool, subject to agreement by the Council
- Work has started to look at the feasibility of a replacement pool for Kirkham Baths. In parallel to the negotiations with the YMCA the Cultural Services Business Manager opened a dialogue with Lancashire County Council, identified a small pools package and initially identified a number of potential sites for a replacement pool in the rural areas. The most recent meeting held in early February established that, in principle, the County Council would consider providing land at one or other of the identified sites for the purpose of constructing a new pool. However, discussions are still at an early stage and this matter now needs to be taken forward in consultation with the user and stakeholder groups which have developed out of the recent (temporary) closure of the pool.
- The status and future management of Lowther Gardens, is influenced by the terms of the trust by which the land was gifted to the Council and is now dependent on being managed by an independent charitable trust. The Executive Committee considered the future of Lowther Gardens and resolved at its meeting on 28th September:
 1. To agree to the registration of Lowther Gardens (Including the Pavilion) with the Charities Commission as an urgent priority.
 2. To agree to the finances of Lowther Gardens and Pavilion being separated from those of the Council.
 3. To authorises the appropriate officers to explore, with the Charities Commission and interested parties, the prospect of the operation and administration of Lowther Gardens and Pavilion being transferred to a new or existing Charitable Trust.

Documents to register the land with the Charity Commission will soon be ready for submission and a dialogue has been opened with potential trustees.
- Market testing of the grounds maintenance function will be carried out late this year.
- the Asset Management Group has considered issues around Fairhaven Lake and recommended that a small officer group should be formed to look in more detail at the site. This group would take into account: St Paul's Avenue car park (considered as surplus by Cabinet), the investment required on sea defences around Granny's bay and the Lake and the potential of the site to contribute towards the Classic resort initiative.

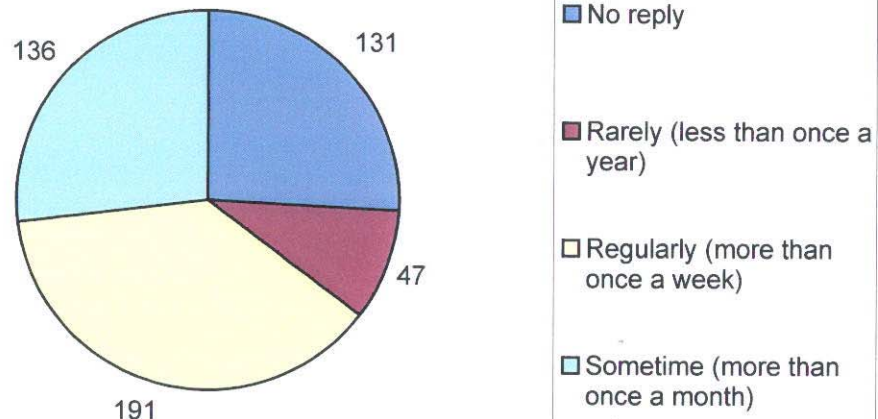
Question 8 - Does your family use?



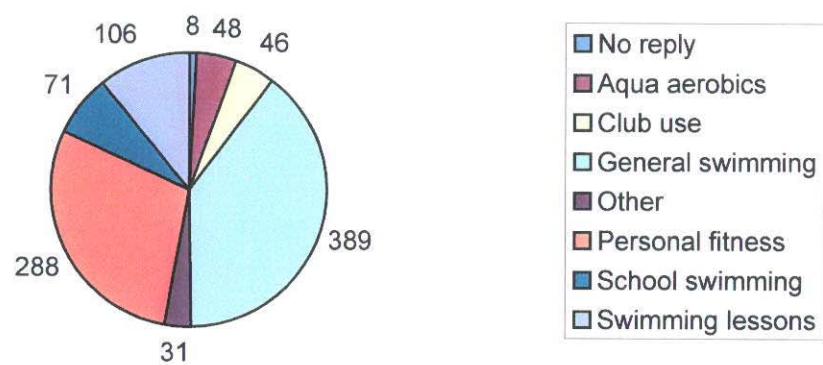
Question 9 - How often do you use the pool? (St Annes)



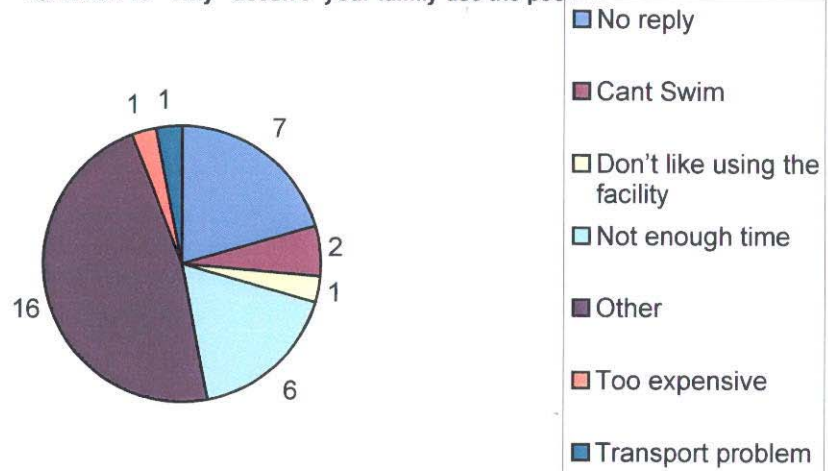
Question 10 - How often do you use the pool? (Kirkham)



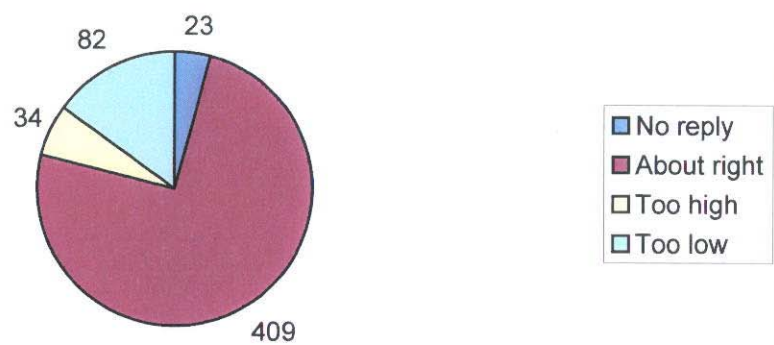
Question 11 - Why "does" your family use the pool(s)?



Question 13 - Why "doesn't" your family use the pool? (n=12)



Question 19 - Do you think that the current charges are:



Question 13 - Why doesn't your family use the pool?

No reply	7
Can't Swim	2
Don't like using the facility	1
Not enough time	6
Other	16
Too expensive	1
Transport problem	1

Question 10 - How often do you use the pool? (Kirkham)

No reply	131
Rarely (less than once a year)	47
Regularly (more than once a week)	191
Sometime (more than once a month)	136

Question 8 - Does your family use?

No reply	3
Kirkham pool	374
Neither	31
St Annes pool	215

Question 11 - Why does your family use the pools?

No reply	8
Aqua aerobics	48
Club use	46
General swimming	389
Other	31
Personal fitness	288
School swimming	71
Swimming lessons	106

Question 9 - How often do you use the pool? (St Annes)

No reply	278
Rarely (less than once a year)	40
Regularly (more than once a week)	93
Sometime (more than once a month)	82

Question 19 - Do you think the current charges are :

No reply	23
About right	409
Too high	34
Too low	82

1 = Very Dissatisfied - 5 = Very Satisfied

Question 15

How satisfied/dissatisfied are you with the current facilities of St Annes pool?

	1	2	3	4	5	No reply
Cleanliness of changing rooms & toilets	17	26	69	80	32	321
Access for the disabled	4	13	41	47	32	408
Temperature of the pool	14	23	51	68	65	324
Quality of showers	10	35	82	66	28	324
Catering						
Car parks	40	33	52	46	36	338
Staff	9	16	41	82	62	335
Swimming lessons	9	11	27	24	38	436
Opening/session times	30	33	52	58	33	339
Admission prices	9	15	49	71	71	330
Information	10	26	55	63	33	358

Question 16

How satisfied/dissatisfied are you with the current facilities of Kirkham pool?

	1	2	3	4	5	No reply
Cleanliness of changing rooms & toilets	22	39	109	116	90	169
Access for the disabled	15	28	64	70	74	294
Temperature of the pool	15	33	89	121	111	176
Quality of showers	38	81	103	92	56	175
Catering	63	76	69	43	28	266
Car parks	16	38	81	113	108	189
Staff	6	14	46	109	184	186
Swimming lessons	15	9	30	61	122	308
Opening/session times	25	44	85	104	97	190
Admission prices	17	17	45	117	165	184
Information	17	34	71	109	94	220

1 = Very Important - 5 = Not Important

Question 17

What features are important to you in the provision of swimming?

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>No reply</u>
Large pool (over 20 metres)	192	45	95	53	115	45
Fitness Suite	96	52	120	81	124	72
Close to facility	205	67	73	50	74	76
Car parking	220	83	69	51	70	52
On bus route	148	64	72	59	101	101
Facilities for disabilities	184	54	70	55	77	105
Extended sessions/opening times	215	68	71	49	73	69

Appendix 3 - Improve Swimming Pool Provision in Fylde **Summary of Meetings with Leisure Providers**

Purpose of the meetings

To explore the issues and implications of pools service delivery via leisure Management Company. The findings to be reported to the Policy and Service Review Scrutiny Committee at their special meeting held on 31st August 2006

Details of meetings

The Community and Cultural Services Executive Manager invited six companies to attend informal meetings with council representatives. All but one (Serco Group plc) accepted the invitation. All companies were given the opportunity to tour both St Annes Pool and Kirkham Baths. All the companies would take over existing staff on similar conditions under the TUPE arrangements. Summaries of the meetings are shown below.

Community Leisure Services – 20th June 2006

The meeting was attended by:

Paul Norris – Executive Manager, Community and Cultural Services

Paul Riley – Project Manager

Chris Holland – Leisure Manager

Clare Kennedy – Chief Executive CLS

Kate Flynn – Project & Research Manager CLS

Community Leisure Services have stated that they are interested in the opportunity to tender for the management of the borough's two pools. They outlined the various levels of involvement that they suggested the council might consider, namely:

Full Repairing Lease – where the responsibility for the building and the service management is held by the contractor

Part Repairing Lease – where the council retained responsibility for the building and the main items of plant and equipment

Standard Management Arrangement - Where the contractor was engaged to manage the service and all facility repair and maintenance was the responsibility of the council.

CLS stated that all contracts were different depending on what the councils wanted to get out of them and what was affordable. For instance, a full repairing lease would cost the council more in subsidy as the contractor would need to cover their risk.

CLS have a 15 year contract with Chorley Borough Council on a part repairing basis

In the event of a transfer of management the leisure staff would also be transferred under the TUPE arrangement. Their terms and conditions would remain the same.

Officers asked CLS what level of investment they might bring to the pools. Although CLS could invest the level would depend on a number of factors such as:

- ◆ The security of tenure i.e. the length of the contract. Most are for a defined period such as 10, 15, Or 20 years.
- ◆ The specific nature of the pools, condition, level of business both existing and potential
- ◆ All other aspects of the business.

CLS would bring in technical support for the pools. Officers informed them that we have existing maintenance agreements.

With regard to pricing, CLS stated that they would make recommendations as to the optimum fees and charges but ultimately FBC could determine the charges it wished to make.

The recent and continuing steep increase in energy costs would be a major factor in determining the contract price. CLS would build a percentage into the costs.

The management arrangements proposed would include:

- ◆ CLS providing a designated contract manager for day to day contact
- ◆ Strategic and partnership meetings with the client
- ◆ User groups and customer forums

Tendering

At the tender stage the council would have to undertake an in depth condition survey of the buildings and plant.

In the tender documentation we should request:

- ◆ The charges for management at the three levels indicated (Full repairing, part repairing and standard management)
- ◆ The cost of CLS investment. Including potential for dry side
- ◆ Details of service development proposed i.e. social inclusion initiatives, mystery shopper, staff development.

The council should compile a comprehensive tender pack to include a wide range of information in order that the tender price received has a minimum level of estimated contingency. They are able to provide a comprehensive list if required A pre-qualification questionnaire to all interested providers is recommended.

CLS would also be interested in tendering for the management of the council's other leisure facilities such as the mini golf.

Parkwood Leisure – 26th June 2006

The meeting was attended by:

Paul Norris – Executive Manager, Community and Cultural Services

Paul Riley – Project Manager

Chris Holland – Leisure Manager

Glen Hall – Regional Director (North) Parkwood Leisure

Parkwood Leisure is part of Parkwood Holdings which also includes Parkwood Health Care and Glendale (arboriculture).

The company runs 53 leisure sites of varying sizes, throughout the country with a £38m turnover. These are mainly public sector sites

The company operates a range of sizes of venue with a regional base in Preston. They are keen to look at the potential for investment but make the point that it is cheaper for the council to borrow money than it is for them.

Parkwood cite Staffordshire Moorlands as a good example of this.

The company offered the following advice if the council is to submit the pools to competitive tendering:

- ◆ Provide as much information as possible
- ◆ Be clear on what we want to achieve
- ◆ Don't be ambiguous

A number of authorities that pursued the Trust option in recent years are now experiencing difficulties.

Bristol in house Leisure Trust operated from 1997 to 2004. The Council, as a result of a best value review of the procurement process, took the decision to retender the Leisure service. The In house leisure trust did not make the short list, specifically because Bristol has 13 Victorian leisure sites that needed significant investment. The in house leisure trust was unable to find funds to invest.

Isle of White Council considered the formation of an in house trust at the end of an in-house 5 year contract. They used another leisure trust as consultants but their findings prompted the council to pursue the standard client/contractor model. The Council is now inviting private Leisure Companies to tender for the work. The Council is asking the Private firms to stand the cost of the condition surveys (£90,000) prior to submitting the tender even though those invited to tender may not win.

There are benefits to outsourcing the management of leisure facilities:

- ◆ Investment - although this could come at a cost to the council either in pay back of loan or increased charge levied by the management company. It would also require a long lease for security of tenure.
- ◆ Commerciality – the pools would benefit from economies of scale in procurement of services, equipment, training and from a wider staffing resource
- ◆ Growing business – promotions and marketing would be funded centrally
- ◆ Working to a clear service level agreement – so that each partner was fully aware of their own responsibilities and liabilities

Parkwood raised the issue of the cost of utilities. The recent large rises in the cost of gas and electricity will have a significant effect on the submitted contract prices.

DC Leisure – 27th June 2006

The meeting was attended by:

Paul Norris – Executive Manager, Community and Cultural Services

Paul Riley – Project Manager

Chris Holland – Leisure Manager

Ian Morey –Business Development Manager, DC Leisure

DC Leisure Management currently manages 118 facilities on behalf of 29 local authorities. Until recently the company managed Wyre Borough Council's leisure facilities through a sub-contract with Community Leisure Services.

They recommend that the council engages in a traditional 'best value' leisure contract. The length of the contract would depend on the amount of investment by the operator. For the management of the existing facility they would recommend an initial period of 8 to 10 years (with the option to extend after this period). For a new facility (Kirkham Baths) the contract could be between 15 and 25 years, depending on the investment required. DC Leisure would also require utility benchmarking on an annual basis due to the volatility of the market. DC would retain consumption risk.

DC would expect a part repairing lease on the facilities. This would qualify them for 100% NNDR relief, providing the council with significant savings.

For a new facility DC would take over the lifecycle costs over the contract term. For any existing facility the council would be responsible for structural issues, latent defects and major plant replacement and all PPM. This is accepted as an industry norm.

DC Leisure is active in the market of developing new leisure facilities and have recently engaged in

- ◆ £9.5m refurbishment of the facilities – Wandsworth
- ◆ £2.5m refurbishment – Farnborough
- ◆ £12m new facility – Elmbridge
- ◆ £12m new facility – Wolverhampton
- ◆ £22 million new/refurbishment – Amber Valley

They would be pleased to work with Fylde in developing a new swimming pool and fitness centre to replace Kirkham Baths.

DC Leisure offered the following advice if the council is to submit the pools to competitive tendering:

- ◆ Ensure the council is clear on what it wants
- ◆ Ensure the council knows its affordability through realistic business plan assumptions
- ◆ Ensure that all necessary information is included in the invitation to tender. (A list of this information was provided)

Fylde Coast YMCA – 3rd July 2006

The meeting was attended by:

Paul Norris – Executive Manager, Community and Cultural Services

Paul Riley – Project Manager

Chris Holland – Leisure Manager

John Cronin – Managing Director, Fylde Coast YMCA

David Lean – Financial Director, Fylde Coast YMCA

The YMCA had previously been identified by the council as the preferred partner in a negotiations to explore the feasibility of management of leisure facilities through charitable trust. With the revised remit to explore further opportunities the YMCA is keen to be included on a similar, more commercially focused client contractor basis.

They have recently taken over the management of Wyre Borough Council's leisure facilities

The YMCA would require a detailed condition survey of the facilities and are prepared to tender based on any model preferred by the council (i.e. full repairing, part repairing or basic facility management)

They are interested in developing a new facility in the rural area although they also made the point that the council can borrow more cheaply.

The YMCA would prefer a contract of around 15 years and consider themselves strategically well placed in view of their local operation and partnership with Wyre Borough Council

The YMCA would tender on a cost basis however they were keen to point out that cost should not be the only basis of awarding the tender. Other issues such as social fit, need and being strategically placed with Wyre contract should be used to influence preferred management company.

Sport and Leisure Management (SLM) – 11th July 2006

The meeting was attended by:

Paul Norris – Executive Manager, Community and Cultural Services
Councillor Simon Renwick – Portfolio Holder for Culture and Tourism
Paul Riley – Project Manager
Chris Holland – Leisure Manager

SLM is the longest established leisure management contractor in the UK and was established in 1987 to manage local authority leisure contracts.. The company has a portfolio of 55 leisure facilities in partnership with 18 local authorities.

Any contract would be between the council and the holding company, SLM, who would be responsible to the council for all operation of the contract. SLM would sub-contract the delivery of the service to three subsidiaries:

Food and beverage – SLM Food and Beverage Ltd
Gym and exercise – SLM Fitness and Health Ltd
All other services – SLM Community Leisure Charitable Trust

The company would require a lease on the buildings and would sublease to the Trust and would be able to deliver financial benefits including VAT and rate relief which is would invest back into the partnership:

SLM 's existing contracts are mainly on the south coast of England. They currently have no presence in the North West but are keen to establish a foothold in this region.

The company would consider a full repairing lease subject to the merits of the facility. It also depends on what the council actually wants to achieve.

The company has not yet been involved in any new builds as there are plenty of existing facilities to develop.

Some local authorities that have gone with preferred partners rather than through a procurement process are now reviewing this decision and are reverting to market testing.

SLM advised the type of information they would require in order to submit a bid. This includes:

- ◆ A full buildings condition survey
- ◆ All financial information including utility costs

- ◆ Level of investment required
- ◆ Plenty of time for the tender to be worked up, liabilities assessed and submitted (8 – 10 weeks)

SLM recognises that some council's fear loss of control but advises that they would work with the authority, through the contract and SLA to develop the service and address sensitive issues. A designated contract manager would work with the council on a daily basis and there would be regular contact through a partnership meeting with regular reviews. The Managing Director would meet with the Portfolio holder every six months to discuss strategic issues.

Note

All of the above organisations would be prepared to consider management of other council leisure facilities such as the mini golf etc.

Appendix 4 – New or existing pool at Kirkham?

A key issue in the provision of swimming facilities was initially raised as part of the Leisure feasibility report undertaken by leisure consultants Knight, Kavanagh and Page (KKP).

The recommendation was to commission (or manage in-house) a preliminary 'scoping study' to assess potential to fund the development of a new swimming pool for Kirkham.

KKP state that: *The age and condition of the Council's main indoor sport and leisure facilities – in particular Kirkham is such that, irrespective of the management vehicle employed for the service, more radical action may be required if residents of Kirkham and the surrounding area are to be afforded the opportunity to learn to, and take part in, swimming at a public, affordable non-membership based facility in their locality.*

As a result officers have started to look at the feasibility of a replacement pool for Kirkham Baths. In parallel to the negotiations with the YMCA, the Cultural Services Business Manager opened a dialogue with Lancashire County Council, identified a small pools package and initially identified a number of potential sites for a replacement pool in the rural areas. The most recent meeting held in early February established that, in principle, the County Council would consider providing land at one or other of the identified sites for the purpose of constructing a new pool.

However, any further work can only take place if the council indicates that it wishes resources to be allocated to developing a sound business case for a new pool facility in the rural area.

The information required to make this decision is outlined in this report. However, full financial details can only be provided following detailed research and when the council's preferred option for management of the pools is known. It is proposed that members consider whether they wish officers to undertake this research and report the information back at a future meeting of the Policy and Service Review Scrutiny Committee. Due to the commercially sensitive nature of the information a future report would need to be exempt.

To provide members with some information to make a recommendation to cabinet an assessment should be made of:

- ◆ Existing running costs
- ◆ Required future capital expenditure
- ◆ Efficiency savings achievable from an new pool
- ◆ Value of existing land/building
- ◆ The cost of a new pool/land
- ◆ Professional fees
- ◆ What the public wants

This report gives an initial indication of these issues, based on the councils own budget information, condition surveys, land assessment and the recent public consultation

Existing running costs

The net revenue cost of the existing Kirkham Baths, including routine maintenance is £167,000 plus central charges.

This comprises staffing, utility charges

Required future capital expenditure

Based on a summary condition report undertaken earlier this year Kirkham requires around £170,000 of investment in the next five years to bring it up to industry standard and to minimise the chance of plant or building failure requiring unscheduled closure. Members may consider that this investment is more effectively used as a contribution to a new pool.

Efficiency savings achievable from a new pool

It would be expected that a new build pool would conform to current efficiency standards with the resulting reduction in heating costs. It is also likely that a new pool would require fewer staff to operate

Value of existing land/building

The council would need to determine the full value of the land and to decide if this money could be ring-fenced to contribute to a new pool project

The cost of a new pool/land

The cost of a new pool depends largely on what standard we wish to achieve. At the Kirkham public meeting there was a call for a 25 metre pool rather than the proposed 20 metre. (The existing pool is 25 yards). The addition of other facilities such as a fitness suite, sauna etc would all have cost implications.

In soft market testing with leisure providers it was clear that, although companies would consider investing in a new build, the council was able to borrow money at more advantageous rates.

What the public wants

The public meetings at Kirkham have demonstrated a particular strength of feeling over the future of swimming in Kirkham and the rural area. Although a call has been made to retain the existing there is a certain amount of wariness among the Kirkham population that the proposal for a new pool is merely a way of closing the existing facility. The council's decision to re-confirm its current level of commitment for rural swimming has helped to ease this fear

Location of a new pool

At the public meeting, much of the debate focused on the possible locations for a new pool. To date council officers have held informal discussions with Lancashire County Council and local schools to establish whether a location on an educational site would be accepted in principle. Any possible site would need to be assessed in great detail, ground and traffic surveys carried out and outline planning permission sought. Until a decision is made to consider a new

pool as the preferred option, it is premature to engage in detailed discussions as to the merit of one site over any other – none of which may be ultimately suitable.

REPORT



REPORT OF	MEETING	DATE	ITEM NO
POLICY & PERFORMANCE	CABINET	SEPTEMBER 13 TH	5

PERFORMANCE EXCEPTION REPORT

Public item

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

Summary

The report identifies and provides details of, any exceptions in the performance against key indicators over the last two months. Exceptions include where performance is significantly below the target set for the current financial year or where factors that will have a detrimental impact on performance have been identified. The report outlines what is being done to address the performance and who is responsible for the actions.

Recommendations

1. That the Cabinet supports the actions being taken to address performance issues and that the respective Portfolio Holders also monitor progress through their briefing meetings.
2. That the Portfolio Holder for Corporate Performance and Development provides updated figures against the indicators as part of the next exception report to confirm that progress has been achieved.

Portfolio Holder

The item falls within the following Cabinet Portfolio:

Corporate Performance and Development (Councillor Susan Fazackerley).

Report

1. The key national and local performance indicators identified in Appendix 1 are monitored on a regular basis to identify any exceptions in performance. This report

only provides details of indicators that are performing below the target agreed or where there are known factors that will have a negative impact on future performance.

2. Based on the latest information available against the key performance measures which is included in Appendix 2 of this report, the following exceptions have been identified:
 - ❑ BVPI 12 Sickness and absence per employee
 - ❑ BVPI 78a The average time for processing new benefit claims
 - ❑ BVPI 78b The average time for notifying changes in circumstances for housing / council tax benefits
 - ❑ BVPI 79a The percentage of cases within a random sample for which the calculation of benefit due was correct
 - ❑ BVPI 109a The percentage of major commercial and industrial planning applications determined within 13 weeks
 - ❑ BVPI 109b The percentage minor commercial and industrial planning applications determined within 8 weeks (householder applications)
 - ❑ BVPI 109c The percentage of other planning applications determined within 8 weeks

All other key performance measures included in Appendix 1 are performing to target based on the latest information available. In almost all cases performance data is collected on a monthly basis.

Sickness & Absence

3. The latest figure available for sickness and absence show that there are currently 3.31 days per employee after one third of the financial year, this would project to a 9.93 days per employee outcome by the end of the year. The figure is also slightly down on the same time last year (3.92). The winter months traditionally see greater levels of sickness and absence therefore the target of 10.5 days is realistic, challenging and achievable.
4. The indicator has been included in this exception report because when the figures have been looked at in detail it is evident that since May 2006 there has been a marked increase in long term sickness. This has been identified at an early stage and every case is being investigated and acted upon to support the employees in question back to work. As a result of this action two of the cases have been resolved before the end of August 2006. The Portfolio Holder is monitoring closely the various cases to ensure that every possible and necessary action is being taken. Monthly performance figures and regular updates on actions taken are provided by the Head of Human Resources and the Executive Manager for Policy and Performance. The Executive Managers are working with the Human Resources team to manage the back to work process.

The Benefits Indicators

5. The latest figures for the performance in the benefits service show that three of the indicators are currently performing well below the usual performance at Fylde and currently bottom quartile when compared against all English district councils. This performance is an exception for the Benefits team in particular BVPI 78b and 79a that

had good out turns for 2005/06 year end. The reason for this drop in performance is the fact that the service has introduced a new IT system to replace a very expensive and outdated system. The implementation of the new system is part of the partnership with Blackpool and we have led the way on this.

6. The transfer to the new system required a short period where there was no operational system in place. At the same time employees were being trained and getting familiar with the new system and system bugs / glitches were being ironed out. This resulted in a significant backlog of claims. This was expected and planned for. The team are now catching up fast and the second quarter (to the end of September 2006) performance will demonstrate that the service is back on track to achieve the targets set for the current year. The Benefits Manager is providing regular updates to the Executive Manager for Finance and the Performance Improvement Overview & Scrutiny Committee is closely monitoring progress and providing support to ensure performance does improve.

The Planning Indicators

7. The latest performance figures against three of the key planning indicators shows that the Council is still behind the target figures for processing applications and performing to bottom quartile when compared against all English District councils. The Portfolio Holder for Planning, the Executive Manager and the Head of Planning provided a full report to the Performance Improvement Overview & Scrutiny Committee on July 20th 2006 to outline why the performance was down and the actions that are being taken. The impact of those actions has not yet been reflected in the figures to August 18th 2006 however, the members and officers responsible for the service are monitoring progress on a weekly basis and the weeks since the July 20th have shown marked improvement. The performance must be reported from April 1st 2006 though in line with the Audit Commission requirements.
8. Minutes of the Performance Improvement Overview & Scrutiny Committee are available on the Council web site (www.fylde.gov.uk) outlining the details of the commitment made to address this performance.

IMPLICATIONS	
Finance	There are no direct financial implications arising from this report.
Legal	There are no direct legal implications arising from this report.
Community Safety	There are no direct community safety implications arising from this report.
Human Rights and Equalities	There are no direct human rights and equalities implications arising from this report.
Sustainability	There are no direct sustainability implications arising from this report.
Health & Safety and Risk	There are no direct health & safety and/or risk management

Management	implications arising from this report.
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Report Author	Tel	Date	Doc ID
ALLAN OLDFIELD	(01253) 658576	JULY 10 TH 2006	

List of Background Papers		
Name of document	Date	Where available for inspection
Audit commission BVPIs definitions	January 2006	www.audit-commission.gov.uk/performance/guidance.asp
Audit commission BVPIs out turns	January 2006	www.audit-commission.gov.uk/performance/dataprovision.asp

List of appendices

Appendix 1: The key performance indicators first quarter out turns 2006/07.

Appendix 2: Exception Report

Appendix 1: Fylde 2006/07 BVPI Cabinet Reporting Schedule

The Cabinet has requested that any exception reports on the key PI's listed below is reported to every Cabinet meeting. In order to identify whether an exception report is required it will be necessary to report progress against these indicators in advance of each Cabinet meeting.

PI ref	BVPI Abridged Indicator Description	Responsible Officer
CORPORATE HEALTH		
8	Percentage of undisputed invoices which were paid within 30 days of receipt or within agreed payment terms.	David Bennet
9	The percentage of Council Tax collected by the Authority in the year.	Peter Sanday
10	The percentage of Non-Domestic Rates collected by the Authority in the year.	Peter Sanday
12	Number of working days/shifts lost to the Authority due to sickness absence (per FTE)	Lorraine Charlesworth
HOUSING and Related Services		
64	The number of private sector vacant dwellings returned into occupation or demolished during the financial year as a direct result of action by authority.	John Cottam
183 a)	The average length of stay in Bed and Breakfast accommodation of households that are unintentionally homeless and in priority need.	John Cottam
183 b)	The average length of stay in Hostel accommodation of households that are unintentionally homeless and in priority need.	John Cottam
202	The number of people sleeping rough within a single night within the area of the Authority.	John Cottam
Housing and Council Tax Benefit		
78 a)	Housing/Council Tax Benefit - Average time for processing new claim (calendar days)	Lance Postings
78 b)	Housing/Council Tax Benefit - Average time for processing notifications of changes in circumstances (calendar days)	Lance Postings

Environmental Services		
82 ai)	The percentage of household waste arisings which have been sent by the Authority for recycling .	Jamie Dixon
82 bi)	The percentage of household waste arisings which have been sent by the Authority for composting or treatment by anaerobic digestion .	Jamie Dixon
84 a)	Kilogrammes of household waste collected per head of authority population.	Jamie Dixon
199 a)	The proportion of relevant land and highways (%) that is assessed as having combined deposits of litter and detritus that fall below an acceptable level.	Jamie Dixon
Planning		
109 a)	The percentage of major commercial and industrial planning applications determined within 13 weeks	Mark Evans
109 b)	The percentage of minor commercial and industrial planning applications determined within 8 weeks	Mark Evans
109 c)	The percentage of other planning applications determined within 8 weeks	Mark Evans
205	The Authorities score against a 'Quality of Planning Services' checklist.	Mark Evans
Community Safety		
126	Domestic burglaries per year, per 1000 households in the Authority area.	Christine Miller
127 a)	Violent Crime per year, per 1000 population in the Authority area.	Christine Miller
127 b)	Robberies per year, per 1000 population in the Authority area.	Christine Miller
128	Vehicle crimes per year, per 1000 population in the Authority area.	Christine Miller

Local Indicator	Responsibility
The percentage of phone calls answered within 30 seconds	Joceline Greenaway
The percentage of phone calls to 01253 658658 answered during working hours	Joceline Greenaway
The percentage satisfaction with the service delivered by the customer service team	Joceline Greenaway

Local Indicator	Responsibility
The percentage of people satisfied with the length of time they had to wait when contacting the council	Joceline Greenaway
The percentage of people who felt that the level of comfort and facilities in the one stop shops were 'good' or 'very good'	Joceline Greenaway
The total number of online applications made to the Council	Alex Scrivens
The total number of online requests for service / information to the Council	Allan Oldfield
The total number of unique visitors to the web site www.fylde.gov.uk	Andy Cain
The number of days sickness and absence per employee that is not long term sickness	Lorraine Charlesworth
The number of missed bins per 100,000 collections	Jamie Dixon

Appendix 2: September 2006 Cabinet Exception Report Indicators

BVPI Indicator Description		All England 2004/05 Top	All England 2004/05 Average	All England 2004/05 Bottom	Actual for 2005/06	Target for 2006/07	Progress to date (date in brackets)
12	Number of working days/shifts per employee lost to the authority due to sickness absence	8.48 days	9.78 days	11.10 days	11.67 days	10.50 days	3.31 days (to July 31 st)
78 a)	Housing/Council Tax Benefit - Average time for processing new claim (calendar days)	28 days	35.6 days	40.6 days	43.1 days	35 days	62.7 days (to June 30 th)
78 b)	Housing/Council Tax Benefit - Average time for processing notifications of changes in circumstances (calendar days)	6.8 days	10.5 days	12.4 days	7.9 days	7.00 days	12.33 days (to June 30 th)
79 a)	Percentage of cases within a random sample for which the calculation of benefit due was correct	99%	97.56%	96.8%	98.6%	98.4%	94.4% (to June 30 th)
109a	The percentage of major planning applications determined within 13 weeks	71.25%	59.05%	46.87%	43.48%	65%	44.44% (to August 18 th)
109b	The percentage minor planning applications determined within 8 weeks (most householder applications)	75.28%	67.56%	61%	72%	75%	41.07% (to August 18 th)
109c	The percentage of other planning applications determined within 8 weeks	88.01%	82.79%	79.98%	83.27%	90%	59.06% (to August 18 th)

REPORT

REPORT OF	MEETING	DATE	ITEM NO
CONSUMER WELLBEING & PROTECTION UNIT	CABINET	13 SEPTEMBER 2006	6

FYLDE – PUBLIC HEALTH PROFILE

Public item

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

Summary

1. The North West Public Health Observatory, on behalf of the Association of Public Health Observatories, and commissioned by the Department of Health, has produced a health profile for each local authority. This forms part of the Department of Health's 'Choosing Health' commitment to improving public health. The profile for Fylde is available at www.communityhealthprofiles.info and is shown at Appendix 1.
2. Similarly the North West Public Health Observatory has contributed to the production of local alcohol profiles for each local authority area. The profile for Fylde is available at www.nwph.net/alcohol/lape/Regions.htm and is shown at Appendix 2.
3. In summary, the profiles show that life expectancy in Fylde is above the regional average, and for men, longer than the national average. However, within the Borough, there is a gap in life expectancy of 4.5 years between the poorest and most affluent areas. The numbers of people with long term mental health conditions who are actively seeking treatment is above the national average, although death rates from smoking, heart disease and stroke, and cancer are lower than the national average. However, alcohol misuse is identified as a significant problem in the Borough, and in the region as a whole. Mortality from chronic liver disease and alcohol related months of life lost are in England's top quartile, with particular increases in alcohol related hospital admissions shown from the previous year.
4. Both profiles are important records of the state of public health in the Borough, and help inform future strategies and policies which the Council may adopt.

Recommendations

1. Members recognise Fylde Borough Council's role in improving public health and consider the implications of the report on future strategies and policies.
2. Members recognise and support the role of the Local Strategic Partnership in working together to improve public health.
3. Members consider the appropriateness of a joint Fylde Borough Council and Fylde Primary Care Trust presentation to full Council on the state of public health in the Borough, to coincide with the annual publication of the local public health report.

Cabinet Portfolio

The item falls within the following Cabinet portfolio:

Community and Social Wellbeing

(Councillor Patricia Fieldhouse)

Report

Health Profile for Fylde 2006

1. The North West Public Health Observatory, on behalf of the Association of Public Health Observatories, and commissioned by the Department of Health, has produced a health profile for each local authority. This forms part of the Department of Health's 'Choosing Health' commitment to improving public health. The profile for Fylde is available at www.communityhealthprofiles.info and is shown at Appendix 1.
2. Background
 - 2.1 The Government's Choosing Health White Paper published in November 2004 by the Department of Health focused on six key priority areas: tackling health inequalities, reducing the numbers of people who smoke, tackling obesity, improving sexual health, improving mental health and well-being and reducing harm and encouraging sensible drinking.
 - 2.2 The White Paper recognised that if local communities are to take action to improve health they need clear, understandable and timely information about local needs and trends. Health profiles are designed to provide accessible information that can be linked to other local data sets and support directors of public health and local authorities in promoting health in their area. It is proposed that they will form the basis of the *Community Health* profiles, which are planned to be released around September. They will aim to highlight progress on health locally and provide targeted information so that people can understand the issues and engage in action to improve health in their local communities.
 - 2.3 Whilst Primary Care Trusts (PCTs) and local authorities will deal with local enquiries on the profiles, all other enquiries relating to data, methodology and content of the Health profiles in the North West should be directed to contactus@nwpho.org.uk.

3. Key Messages

- 3.1 Health profiles aim to provide health information about local communities for local communities. They also assist key stakeholders, such as local authorities, the National Health Service and their respective partners, to take action to improve health in their areas.
- 3.2 They are a set of indicators commissioned by the Department of Health and produced by Public Health Observatories. They give a comprehensive picture of health in each local authority area.
- 3.3 The data can and should be supplemented by locally collected health information.
- 3.4 The health profiles will be published annually. They will continue to include the current indicators shown in this first set of prototype profiles, but will also include further indicators and more detailed analysis as appropriate in the future.
- 3.5 The aim of the health profiles is to help identify areas that should be priorities for local action. A consistent, focused approach on these areas should help to improve health in the area and achieve local Public Service Agreement targets.

4. What is the “small change: Big Difference” Initiative?

- 4.1 The “small change: Big Difference” initiative encourages people to make small changes in their lifestyles to give them a better chance of living longer, healthier lives.
- 4.2 The objective of the initiative is to encourage people to take a step towards achieving the recommended healthy eating and physical activity targets, by highlighting the fact that a small but sustained change in lifestyle – taking moderate exercise and eating one extra portion of fruit or serving of vegetables every day – can make a significant difference to life expectancy. Every step towards achieving the recommended targets counts. Further information is available at www.dh.gov.uk/smallchange.

5. How do Health Profiles Link to “small change: Big Difference”?

- 5.1 As the next step in the “small change: Big Difference” initiative, the Department of Health is producing a series of easily accessible community health profiles in the autumn, which will provide local health knowledge, advice and resources. These will enable local communities to see their own particular health problems and, with government support, marshal local people, businesses and employers to help them make a difference to people’s lifestyles.

6. Where Does the National Profile fit in?

The national “Health Profile of England” will be released around September 2006, to provide a collection of national and regional data for use as a yardstick against which local areas can compare their own health profile data. The indicators used in this profile focus particularly – but not exclusively – on the six priority areas identified in the “Choosing Health” White Paper. The document will also be of interest to a much wider audience – to anyone with an interest in the profile of health and health determinants in this country.

7. Health Profile for Fylde 2006 – key points:

- 7.1 In Fylde, men can expect to live 77.1 years and women 80.8 years, both more than the regional average and for men, longer than the national average.
- 7.2 Within Fylde there is a gap in life expectancy of 4.5 years between the poorest and the most affluent areas.
- 7.3 It is estimated that 19.4% of adults in Fylde binge drink. This is lower than the regional but higher than the national average.
- 7.4 Although there is a low rate of deprivation and less violent crime than the national average there are still more than 1 in 10 children under 16 who live in “low income households” (11.7%).
- 7.5 There are fewer teenage pregnancies and GSCE achievement is good compared with national and regional averages.
- 7.6 The number of people registered with their GP as having severe long-term mental health problems and who are actively accessing treatment, is higher than the national average.
- 7.7 It is estimated that less people aged 16-74 smoke in Fylde compared to the national average.
- 7.8 The prevalence of diabetes is higher in Fylde than the national average, but at a similar level to the regional average.

(Source Association of Public Health Observatories and Department of Health, 2006)

Alcohol Profile for Fylde

- 8. The North West Public Health Observatory has similarly contributed to the production of local alcohol profiles for each local authority area. The profile for Fylde is available at www.nwph.net/alcohol/lape/Regions.htm and is shown at Appendix 2.
- 9. The data show top quartile impact of alcohol related months of life lost and mortality from chronic liver disease, plus a noticeable increase in alcohol specific hospital admissions from the previous year. Table 1 identifies certain issues of note from the report, based on the local authority ranking indicator measure.

Figure 1: Extract of Data from Alcohol Profile for Fylde

(Out of all 354 local authorities in England – 1 as the local authority experiencing the smallest impact of alcohol and 354 as that experiencing the largest impact of alcohol)

Indicator	National Rank	% Change from Last Year
Mortality from chronic liver disease – females	350	-1.22
Mortality from chronic liver disease –males	308	-11.77
Alcohol related months of life lost - females	347	
Alcohol related months of life lost - males	309	
Alcohol specific hospital admission - females	230	+29.34
Alcohol specific hospital admission - males	113	+15.87
Synthetic estimate of binge drinking	263	

(Source Association of Public Health Observatories and Department of Health, 2006)

10. This data places Fylde in the top quartile for female mortality from chronic liver disease in England (behind Blackpool, Halton, Chester-le-Street and Alnwick); the lowest mortality being identified in South Cambridgeshire and Scarborough. Similarly Fylde is in the top quartile for female alcohol related months of life lost in England (behind Blackpool, Liverpool, North Shropshire, Easington, Stoke-on-Trent, Hastings and Manchester); the lowest months of life lost identified in City of London (although low resident population will influence the data) and Cotswold. The data similarly places respective male indicators in the top quartile, with the estimate of binge drinking verging on top quartile.

Conclusion

11. Both profiles are important records highlighting the state of public health in the Borough and, with some prudent interpretation, should be used to help inform future strategies and policies which the Council may adopt. In its community leadership role, the Council can help target public health improvement by working with the Local Strategic Partnership (LSP) and others. The LSP project in Central Ward, St Anne's will provide an opportunity to geographically target health inequalities and deprivation. Similarly the Health and Wellbeing theme group of the LSP has developed its' action plan around alcohol interventions, and is currently developing an alcohol reduction strategy for the Borough.

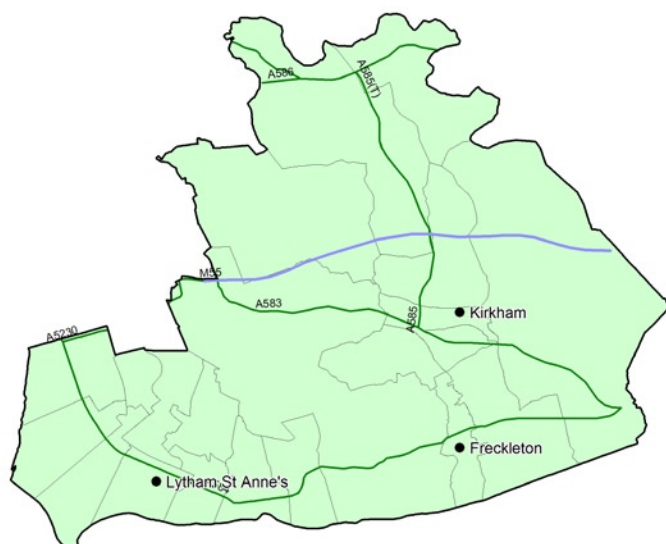
Implications	
Finance	None arising directly from this report
Legal	None arising directly from this report
Community Safety	This report supports the actions of the Crime & Disorder Reduction Partnership in tackling alcohol misuse.
Human Rights and Equalities	Inequalities in health should be addressed through targeted interventions, in order to improve the quality of life for all groups, but particularly those who are most disadvantaged.
Sustainability	Improving public health and reducing health inequalities is the basis for improving and developing sustainable communities.
Health & Safety and Risk Management	None arising directly from this report

Report Author	Tel	Date	Doc ID
Clare Platt	(01253) 658602	13 September 2006	Cabinet 13.9.06 Public Health Report

List of Background Papers		
Document	Date	Where available for inspection
Community Health Profiles	July 2006	http://www.communityhealthprofiles.info/
Local Alcohol Profiles for England	August 2006	http://www.nwph.net/alcohol/lape/

Health Profile for Fylde 2006

Introduction



Local authority health profiles are designed to show the health of people in each local authority area, and include comparisons with other similar populations. They are produced by Public Health Observatories and will be updated annually. With other local information¹ these profiles demonstrate where action can be taken to improve people's health and reduce health inequalities.

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¹e.g. Community Plans, Director of Public Health Annual Reports, Local Area Agreements.

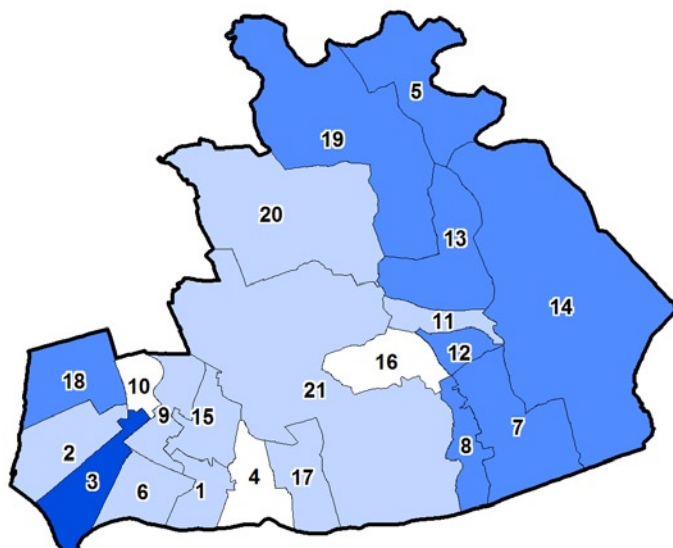
Key points

- For Fylde, 17 of the 25 indicators are better than the national average and 20 better than the regional average. Six indicators are slightly below the national and three below the regional average.
- Men can expect to live 77.1 years in Fylde and women 80.8 years both more than the regional average and for men, longer than the national average. Within Fylde, there is a gap in life expectancy of 4.5 years between the poorest and the most affluent areas- the largest gap nationally being 10.1 years and the smallest 2.7 years.
- Alcohol misuse is a significant problem in the North West. It is estimated that 19.4% of adults in Fylde binge drink. This figure is lower than the regional but higher than the national average. Less people are admitted to hospital for alcohol related conditions than both the regional and national average.

Best & worst health indicators In addition to life expectancy and alcohol,

- There is a low rate of deprivation and less violent crime than the national average.
- 11.7% of children under 16 live in "low income households", much less than the national average. There are fewer teenage pregnancies and GCSE achievement is good.
- The number of people registered with their GP as having severe long-term mental health problems who are actively accessing treatment is higher than the national average.
- It is estimated that less people aged 16-74 smoke than the national average. Death rates from smoking, heart disease and stroke, and cancer are lower than the national average.

Health inequalities – life expectancy



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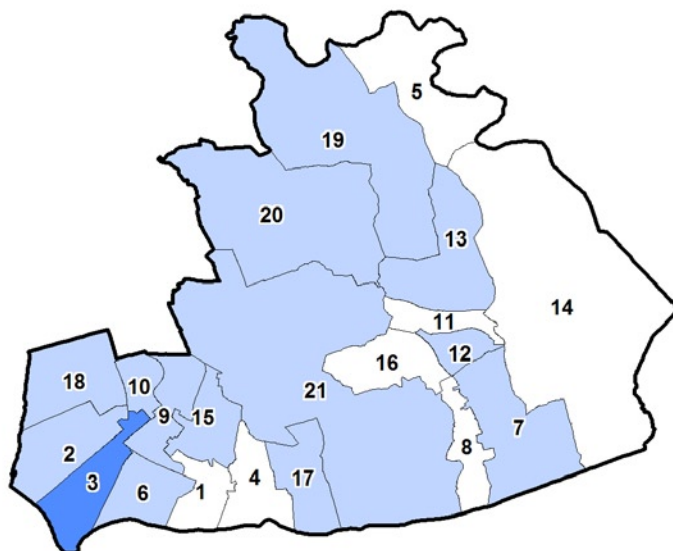
This map shows inequalities in life expectancy at birth for males and females combined, by ward. It is based on significance above and below the England average.

Comparison to England average (78.5 years) 2000-04

- Significantly lower
- Lower but not statistically significant
- Higher but not statistically significant
- Significantly higher

Life expectancy in the lowest fifth of wards is 76.5 years compared with 80.9 years for the highest fifth.

Health inequalities – deprivation



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This map shows deprivation by ward. The four categories are population-based, ie. 'most deprived 25%' refers to the most deprived wards accounting for 25% of England's population.

Index of Multiple Deprivation 2004 Ward averages

- Most deprived 25%
- Second most deprived 25%
- Second least deprived 25%
- Least deprived 25%

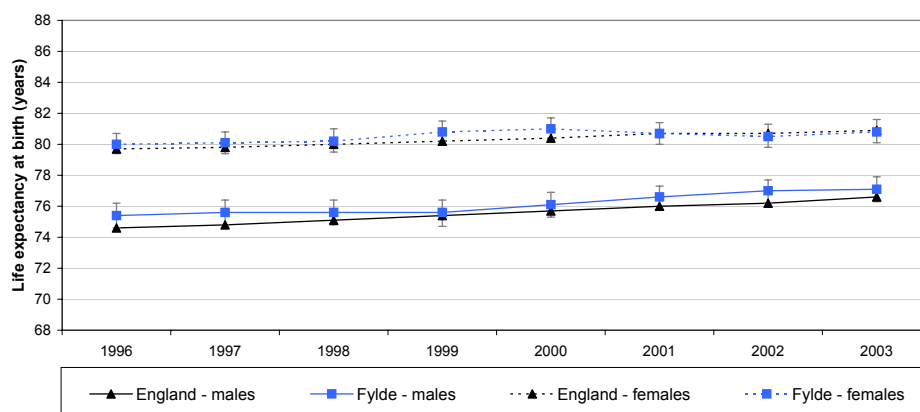
Ward legend

- | | |
|--------------------------------|-----------------------------|
| 1 Ansdell | 15 Park |
| 2 Ashton | 16 Ribby-with-Wrea |
| 3 Central | 17 St Johns |
| 4 Clifton | 18 St Leonards |
| 5 Elswick and Little Eccleston | 19 Singleton and Greenhalgh |
| 6 Fairhaven | 20 Staining and Weeton |
| 7 Freckleton East | 21 Warton and Westby |
| 8 Freckleton West | |
| 9 Heyhouses | |
| 10 Kilnhouse | |
| 11 Kirkham North | |
| 12 Kirkham South | |
| 13 Medlar-with-Wesham | |
| 14 Newton and Treales | |

Wards are Standard Table Wards, Census 2001.
Boundaries may have changed.

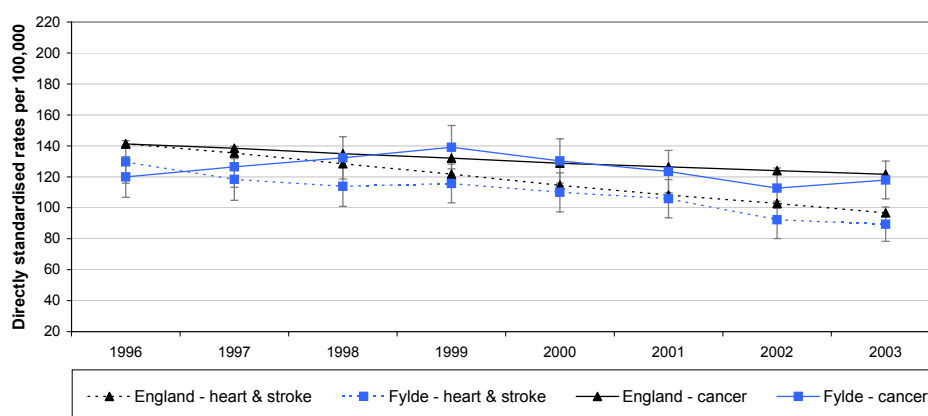
Health inequalities

Trend 1: Male and female life expectancy



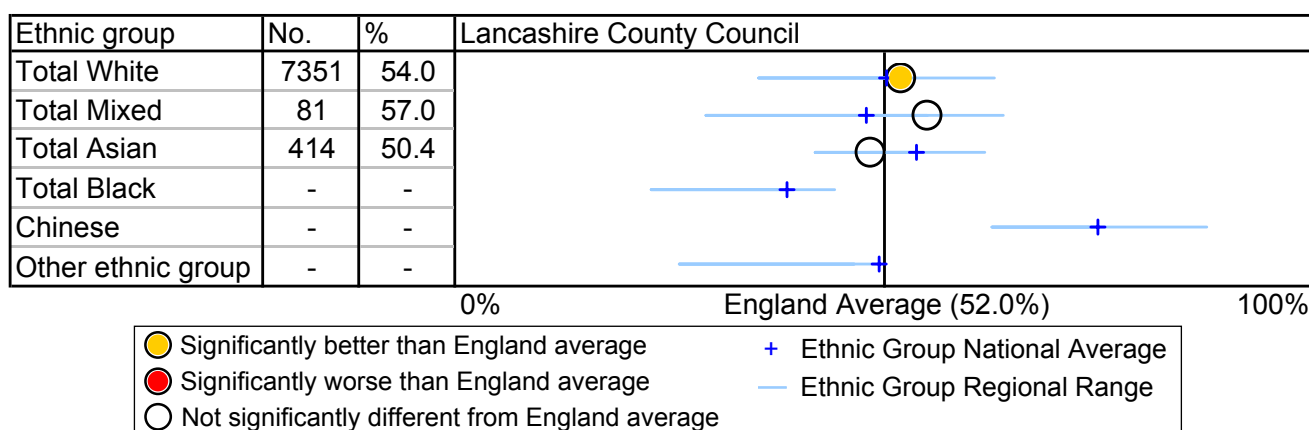
This chart compares the trends in life expectancy at birth for men and women in this area with that for England.

Trend 2: Deaths from heart disease/stroke and cancer



This chart compares the trends in deaths for all persons under 75 years due to heart disease/stroke and cancer in this area with that for England.

Health inequalities – GCSE achievement



This chart compares GCSE achievement (no. and % achieving 5 A*-C grades in 2003/04) of children in different ethnic groups in this education authority's schools to the England average for all children. Completeness of ethnicity coding varies for different indicators - GCSE achievement is one of the most complete, at 96%. Where less than 30 children in a particular ethnic group took GCSE exams the % pass rate is not shown.

Further information

You may use this prototype for non-commercial purposes provided the source (APHO and Department of Health) is acknowledged. Produced by APHO with interpretation by your regional PHO. Thanks to all partner organisations. More information at www.communityhealthprofiles.info and your regional PHO www.apho.org.uk. Also see Audit Commission Area Profiles at www.audit-commission.gov.uk/areaprofiles. 'Health Profile of England' to be available at www.dh.gov.uk. © Crown Copyright 2006.

Health summary

How to interpret:

First look at the circle which shows how this local authority is doing, compared with the England average (central line), best (right side) and worst (left side). Look at the numbers, values and time periods in the columns. Some numbers shown are totalled over more than 1 year. Red is significantly worse and amber significantly better than the England average (95% confidence intervals used for the local data). Amber may still indicate a significant public health burden. A clear circle is not significantly different from the England average. Then, compare with the regional average (+ symbol), and the range for similar areas - Coastal and countryside (— ONS Group cluster range).

Domain	Indicator	No.	Value		Fylde	Period	Notes
Our communities	Deprivation	1,350	1.8	%		2001	1,2
	Air quality*					2001	2
	Poor quality housing*			%		01.04.05	3,10
	Children in poverty*	1,503	11.7	%		2001	2
	GCSE achievement (5 A*-C)*	412	64.2	%		2004/05	
	Violent crime	873	11.5	CR1		2004/05	
	Older people supported at home*	15,048	77.6	CR2		31.03.05	4
Giving children and young people a healthy start	Smoking in pregnancy						5
	Breast feeding						5
	Obese children*						5
	Physically active children*						5
	Teenage pregnancy (under 18)*	111	29.0	CR3		2001-03	
The way we live	People who smoke*		21.7	%		2000-02	6
	Binge drinking		19.4	%		2000-02	6
	Healthy eating		28.5	%		2001-02	6
	Physically active adults						5
	Obese adults		21.6	%		2000-02	6
How long we live and what we die of	Life expectancy - Male*		77.1	yrs		2002-04	
	Life expectancy - Female*		80.8	yrs		2002-04	
	Deaths - smoking	500	112.6	DSR1		2002-04	
	Early deaths - heart disease & stroke*	277	89.4	DSR2		2002-04	
	Early deaths - cancer*	358	118.0	DSR2		2002-04	
	Infant deaths (under 1 year)*	9	5.2	CR4		2002-04	
	Road injuries and deaths*	96	5.5	CR5		2003-04	7
Health and ill health in our community	Feeling "in poor health"	7,017	7.5	DSR3		2001	
	Mental health treatment	625	0.8	%		2005	8
	Alcohol related hospital stays	526	135.1	DSR4		1998-03	
	Drug misuse treatment*	135	511.7	CR6		2004/05	9
	People with diabetes	2,787	3.6	%		2005	9
	Children's tooth decay		1.7	DMFT		2003/04	10,11
	Sexually transmitted infections						5

- Significantly better than England average
- Significantly worse than England average
- Not significantly different from England average

England Worst England Average England Best
+ Regional average — Cluster range

Notes

Full indicator information in metadata report, see www.communityhealthprofiles.info

Notes	1. No. and % of people in this area living in the 20% most deprived areas of England. 2. No significance is calculated for this indicator. 3. No data for authorities that have undertaken large scale voluntary transfer (LSVT). 4. Data only available for County/Unitary Authorities/London Boroughs; data presented at District Authority level is County data. 5. GAP indicator - no data currently available, but will be provided when it becomes available. 6. Synthetic estimates derived from the Health Survey for England. 7. New indicator - People killed or seriously injured per 100 million vehicle kilometres. 8. High rates considered 'better' as reflects better service provision. 9. High rates considered 'worse' as reflects high prevalence. 10. Data incomplete or missing for some areas. 11. DMFT: Average no. decayed, missing or filled teeth.
	* Supports PSA Targets 2005-2008.
Key	DSR1 Directly age standardised rate / 100,000 population aged 35 or over; DSR2 Directly age standardised rate / 100,000 population under 75; DSR3 Directly age standardised percentage; DSR4 Directly age standardised rate / 100,000 population; CR1 Crude rate / 1,000 population; CR2 Crude rate / 1,000 population aged 65 or over; CR3 Crude rate / 1,000 female population aged 15-17; CR4 Crude rate / 1,000 live births; CR5 Crude rate / 100 million vehicle kilometres; CR6 Crude rate / 100,000 resident population aged 15-44; CR7 Crude rate / 100,000 resident population.



Local Alcohol Profiles for England

North West



[Back to England Map](#)

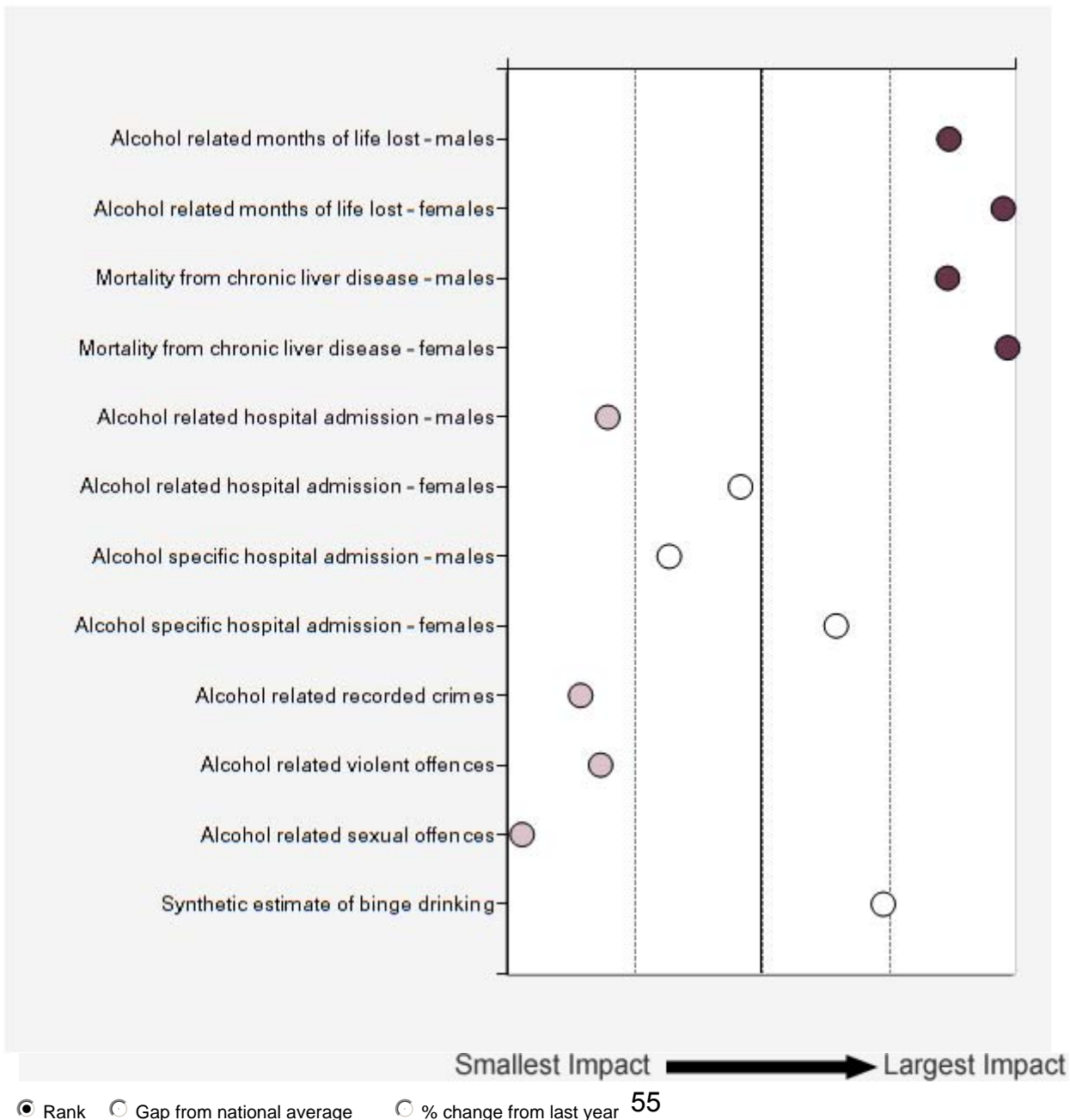
Change Local Authority

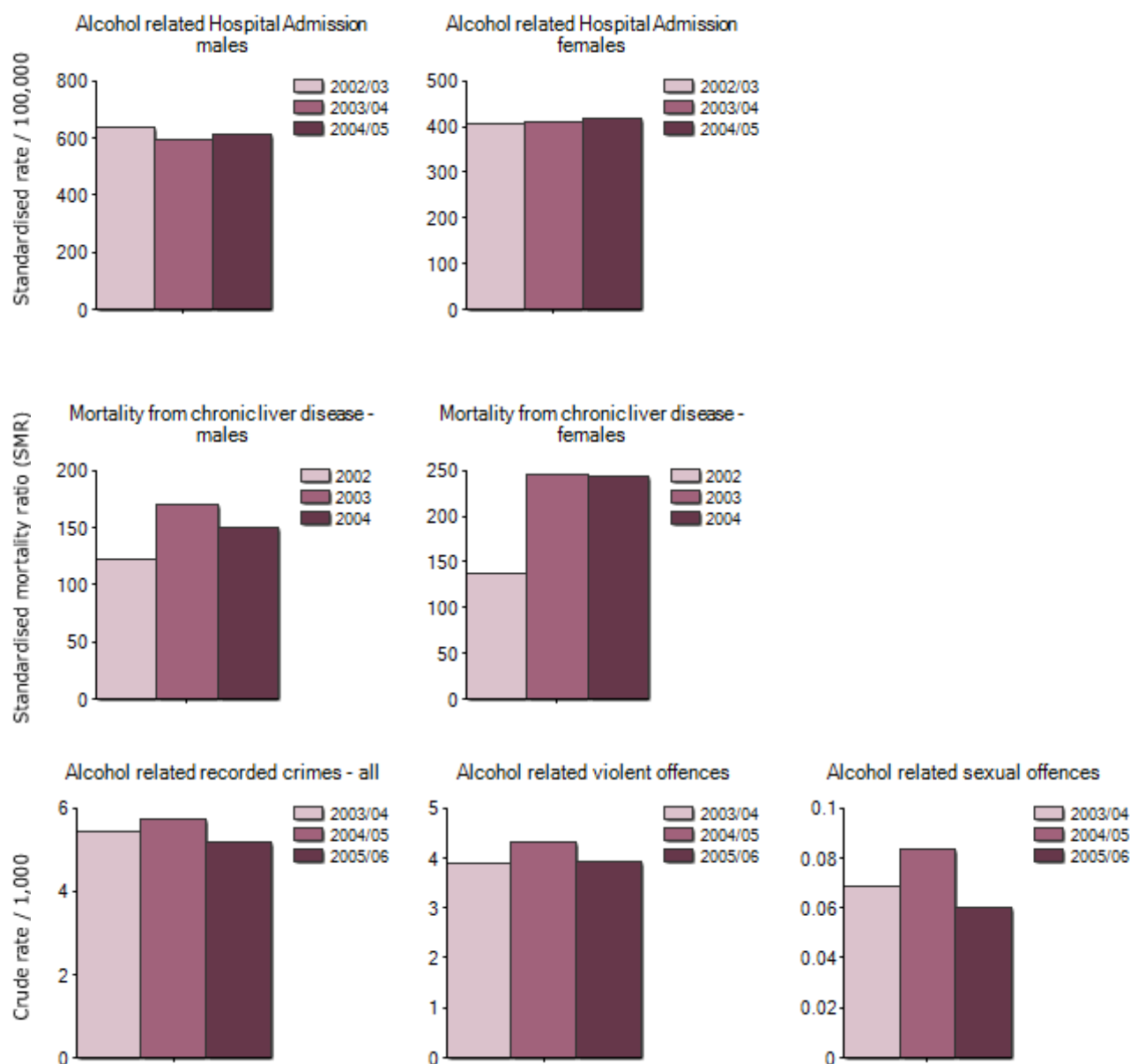
Fylde : Profile of Alcohol Related Harm

As a measure of the level of alcohol-related impact experienced, each of the 354 Local Authorities in England has been ranked by indicator. The chart shows Fylde's rank for each indicator.

[For indicator definitions see footnotes](#)

Key: Circles identify the rank position for that indicator and colours distinguish those in the lowest and highest quartiles of alcohol related impact.





Alcohol related indicators: (see footnotes)

Indicator	Measure (a)	National Rank (b)	Gap from national average (c)	% change from last year (d)
1 Alcohol related months of life lost - males	12.00	309	0.94	
2 Alcohol related months of life lost - females	8.61	347	2.29	
3 Mortality from chronic liver disease - males	149.60	308	1.20	-11.77
4 Mortality from chronic liver disease - females	242.76	350	2.85	-1.22
5 Alcohol related hospital admission - males	615.43	70	-0.99	3.12
6 Alcohol related hospital admission - females	419.51	163	-0.39	2.50
7 Alcohol specific hospital admission - males	204.42	113	-0.77	15.87
8 Alcohol specific hospital admission - females	148.97	230	0.07	29.34
9 Alcohol related recorded crimes	5.16	51	-1.18	-9.56
10 Alcohol related violent offences	3.91	65	-1.02	-9.18
11 Alcohol related sexual offences	0.06	10	-1.15	-27.82
12 Synthetic estimate of binge drinking	19.44	263	0.33	

Footnotes

Footnotes	Definition (for full explanation see methods)
Alcohol specific:	- conditions in which alcohol consumption is a contributory factor for all cases (e.g. alcoholic liver disease or alcohol overdose).
Alcohol related:	- conditions in which alcohol consumption is a contributory factor for varying proportions of cases (e.g. stomach cancer and unintentional injury); includes alcohol specific conditions.
a)	- actual indicator value as calculated in the definitions below.
b)	- rank of the indicator measure out of all 354 Local Authorities in England - 1 is the authority experiencing the smallest impact of alcohol and 354 the LA receiving the largest impact of alcohol.
c)	- relative variation from the average for England: presented as a z-score (or standard normal deviate) and

- c) - relative variation from the average for England, presented as a z score (or standard normal deviate), and calculated as the absolute difference between the local indicator value and the England average, divided by the standard deviation of all values for that indicator.
- d) - percentage change for the most recent year's measure compared with the last available year's measure.
- 1,2 - months of life lost from alcohol related conditions 2002-2004, persons aged under 75. Based on expectation of life tables (Government Actuaries Department) and death statistics (Office for National Statistics).
- 3,4 - mortality from chronic liver disease including cirrhosis (ICD10 K70, K73-K74), indirectly age-standardised ratios (SMR), 2004, all ages. Measured against an England average of 100 in 2004. (Compendium of Clinical Indicators, NCHOD).
- 5,6 - admission to hospital due to alcohol **related** conditions, age-specific rate per 100,000 population, 2004-05, all ages (NWPHO, Hospital Episode Statistics Safehaven; does not include attendance at A&E).
- 7,8 - admission to hospital due to alcohol **specific** conditions, age-specific rate per 100,000 population, 2004-05, all ages (NWPHO, Hospital Episode Statistics Safehaven; does not include attendance at A&E).
- 9,10,11 - crimes attributable to alcohol calculated from recorded crime statistics (Home Office). Alcohol attributable fractions for each crime were developed from survey data on arrestees who tested positive for alcohol (Government Strategy Unit).
- 12 - binge drinking synthetic estimates defined as adults who consume double the daily recommended maximum levels or more in a single drinking session (that is, 8 or more units of alcohol for men and 6 or more units for women). Estimates originally produced for the Department of Health (2005).



Website produced by North West Public Health Observatory, Centre for Public Health, JMU nwpho-contact@ljmu.ac.uk

REPORT



REPORT OF	MEETING	DATE	ITEM NO
LEGAL SERVICES	CABINET	13 SEP 2006	7

INDEMNITIES FOR MEMBERS SERVING ON OUTSIDE BODIES

Public item

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

Summary

Under regulations made in 2004, the council can indemnify members of the council against liabilities incurred as members of outside bodies.

The report considers the circumstances in which liabilities could arise and the scope of indemnities that could be offered.

Recommendations

1. Grant an indemnity to members of the authority in the terms set out in the Appendix in respect of appointments to outside bodies.
2. Confirm, for the avoidance of doubt, that the indemnity extends to liabilities arising before the date of this meeting as well as on and after that date.

Cabinet Portfolio

The item falls within the following Cabinet Portfolio:

Corporate Performance & Development

(Councillor Susan Fazackerley)

Report

Background

1. Members and officers of local authorities can incur personal civil and criminal liability as a result of their actions, both within the Council and as a result of their actions carried out on behalf of outside bodies. Members and officers enjoy statutory immunity from civil liability where they act within the powers of the Council in good faith and without negligence. But this immunity does not apply where they go beyond the powers of the Council or act in bad faith, nor does it apply where they are acting on outside bodies to which they may have appointed by the Council, and it does not protect them from criminal liability, for example for fraud or for corporate killing where they exercise managerial responsibilities.
2. This report covers only liabilities incurred where a councillor is acting on an outside body. The other circumstances where indemnities could be granted could be addressed in the future if required.
3. Members are frequently appointed to a wide range of outside bodies, many of which support and advance the broad objectives of the Council. When they do work on such outside bodies, they are not working within the Council and therefore would not enjoy statutory immunity from personal liability, which they enjoy when they are acting as members of the Council.
4. Under the Local Authorities (Indemnities for Members and Officers) Order 2004, authorities have had a specific statutory power to grant indemnities, to cover the potential liability of members acting on outside bodies. It is up to each Council to decide whether to grant such indemnities and to decide the extent of such indemnities. This report sets out the range of powers available to the Council and recommends the terms of such indemnities.

Manner of appointment

5. The circumstances in which a member may join an outside body will usually fall within one of four broad categories. These are (1) the Council itself makes the appointment; (2) the outside body asks the Council to make a suggestion or nomination, but the actual appointment is made by the body itself; (3) the outside body seeks to appoint someone who has connections with the local community and makes a direct invitation to the Councillor to join the organisation; and (4) the member joins a body of his own volition.
6. Under the regulations the Council may grant a member indemnity against liabilities which they incur as members of outside bodies where the appointment of the member to the outside body is "at the request of, or with the approval of, the Council or for the purposes of the Council." This definition is wide enough to cover any of the four situations set out in paragraph 5. However, it would not be prudent to indemnify members against liabilities incurred in acting on an outside body where the appointment to the body has not been made or specifically approved by the council. Accordingly, the recommended indemnity only covers the first two categories in paragraph 5.

Type of outside body

7. The risk of personal liability varies with the nature of the outside body

8. Where the member is appointed to an outside body which has a separate legal identity, such as a company or statutory authority, the member would act on behalf of the outside body, so that where he entered a contract on behalf of the outside body, it would be the outside body rather than the member who actually enters the contract and incurs the liability. In contrast, an unincorporated body, such as a members' club, has no separate legal identity. If the member enters a contract on behalf of such a body, he is, as far as the other party to the contract is concerned, personally responsible for the contract. He would need to rely on a members agreement or similar document to be reimbursed by other members of the body.
9. A councillor appointed as a director of a company by the council has the same responsibility to act in the best interests of the company as any other director. He must act with the general knowledge, skill and experience that may be reasonably be expected of a director of that company and apply his own general knowledge, skills and experience. Where functions are delegated by the directors, the directors are under a duty to supervise the discharge of those functions. A director may be liable for losses caused by failure to carry out his duties with the required care and skill.
10. Members of the council appointed as trustees have the same legal and fiduciary responsibilities as any other trustee, including joint and several liability for any money owed by the trust.
11. In some cases, statute provides protection to members. Thus, in the case of school governors, if the governing body acts in good faith and within the approved procedures and budget, the individual governors will not be liable for any losses arising from fraud or any discrepancy in the school's accounts.
12. In particular cases, the outside body can take out insurance to protect its members from any liability, which they might incur in their activities on behalf of the organisation. This is particularly so for school governing bodies and charities (if their constitutions so provide), but as a general rule NHS and central government bodies do not have such a power.

Scope for local authority indemnity

13. An indemnity provided by the council cannot cover
 - criminal liability;
 - liability arising from fraud or deliberate wrongdoing or recklessness, or
 - the costs of pursuing a defamation action.
 - liability for any action which is beyond the powers of the outside body, even if the action was taken in the honest belief that it was within that outside body's powers.
14. An indemnity can be retrospective. This means that members could be indemnified for liabilities arising before the date of today's meeting. Two members of the council may be subject to a personal liability in respect of their trusteeship of Lytham St Annes Citizens' Advice Bureau. The recommendation is that the indemnity should be retrospective.

Repayment of Sums Paid Out

15. Where an indemnity is provided in respect of defending criminal charges, the regulations require that the indemnity must be on terms that require the member to reimburse the authority if he is found guilty. This would be secured by requiring the

indemnified member to enter a contract to reimburse the council in those circumstances.

IMPLICATIONS	
Finance	There will only be financial implications in the event that the indemnities are called upon, which will only be if a councillor incurs a liability serving on an outside body. This has not happened yet, so far as we are aware.
Legal	Covered in the report
Community Safety	None arising from this report
Human Rights and Equalities	Providing indemnities will help to widen the demographic pool from which potential councillors could be drawn, as those serving on outside bodies would no longer need to be concerned about the potential financial implications of doing so. Providing indemnities would therefore be in line with the council's commitment to equalities.
Sustainability	None arising from this report
Health & Safety and Risk Management	Providing indemnities brings with it a risk that the council will someday be called on to pay money out that it would otherwise not have to. But this needs to be balanced against the disadvantages of not doing so and the relatively remote chance of the indemnity being called upon.

REPORT AUTHOR	TEL	DATE	DOC ID
Ian Curtis	(01253) 658506	18 August 2006	

LIST OF BACKGROUND PAPERS		
NAME OF DOCUMENT	DATE	WHERE AVAILABLE FOR INSPECTION
None		

Attached documents

Suggested forms of indemnity

Suggested Terms of Indemnity

1 The Council will, subject to the exceptions set out below, indemnify each of its members against any loss or damage suffered by the member or arising from his/her action or failure to act as a member of an outside body.

This indemnity will not extend to loss or damage directly or indirectly caused by or arising from:

1.1 any criminal offence, fraud or other deliberate wrongdoing or recklessness on the part of the member;

1.2 any act or failure to act by the member otherwise than as a member of an outside body.

2 The Council will, subject to the exceptions set out below, indemnify each of its members against the reasonable costs which he/she may incur in securing appropriate legal advice and representation in respect of any civil or criminal proceedings to which he/she is subject and which arise from his/her action or failure to act as a member of an outside body.

2.1 "Criminal proceedings" includes any interview or investigation by the Police, and any proceedings before a criminal court, in the United Kingdom.

2.2 This indemnity does not extend to any advice or representation in respect of any claim or threatened claim in defamation by the member.

2.3 Where any member avails him/herself of this indemnity in respect of defending him/herself against any criminal proceedings, the indemnity is subject to a condition that if, in respect of the matter in relation to which the member has made use of this indemnity the member is convicted of a criminal offence in consequence of such proceedings, and the conviction or determination is not overturned on appeal, the member shall reimburse the authority for any sums expended by the Council pursuant to the indemnity.

2.4 If the Council arranges insurance to cover its liability under this indemnity, the requirement to reimburse in Paragraph 2.3 shall apply as if references to the authority were references to the insurer.

3 For the purpose of these indemnities, a loss or damage shall be deemed to have arisen to the member as a member of an outside body if:

3.1 The act or failure to act occurred not in the discharge of the functions of the member as a member of the Council but in their capacity as a member, director, employee or other officer of another organisation, where the member is, at the time of the action or failure to act, a member, director, employee or other officer of that organisation either —

3.2.1 in consequence of his/her appointment as such by the Council; or

3.2.2 in consequence of his/her nomination for appointment as such by the authority; or

3.2.3 where the Council has specifically approved such appointment as such for the purpose of these indemnities.

4 These indemnities and undertaking will not apply if a member, without the express permission of the Council or of the appropriate officer of the Council, admits liability or negotiates or attempts to negotiate a settlement of any claim falling within the scope of the resolution.

5 These indemnities and undertaking shall apply retrospectively to any act or failure to act which may have occurred before the date on which this indemnity is given and shall continue to apply after the member has ceased to be a member of the authority as well as during his/her membership of by the Council.

REPORT



REPORT OF	MEETING	DATE	ITEM NO
FINANCE	CABINET	13 SEPT 2006	8

FINANCIAL MONITORING REPORT 2006-2007

Public item

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

Summary

This report provides an update on expenditure against the Councils revenue budget for the first quarter of the 2006/07 financial year. Capital expenditure figures are provided to the end of July.

Recommendations

1. That members approve the capital expenditure of £370,975 which represents 16% of the revised budget.
2. That members approve a revised capital programme budget of £2,405,080 incorporating the additional income outlined in the report.
3. That members note the current projected overspend of £65,000 on the revenue budget which represents 0.66% of the annual budget.

Cabinet Portfolio

The item falls within the following Cabinet portfolio:

Finance and Efficiency (Cllr Paul Rigby)

Report

1 Capital Programme

The attached appendix 1 gives summary details of expenditure by capital scheme for the first four months of the year.

- **Item 1 to 5: Regeneration**

The English Heritage schemes (Item 1) supported over the last 6 years are nearing completion with some final works and payments to be made over the next few months. As advised previously any monies remaining are to be used for a 2nd phase of public realm works in the Square.

Phase 4 of St Anne's Square Regeneration (Item 2) will be going out to tender in the coming months with all the remaining monies likely to be required.

In respect of Item 3 – Officers have gained an additional £20,000 in private sector contributions that will be used in various regeneration & conservation projects.

The market towns project (Item 5) will also involve the spending the additional funding from LCDL of £25,000, which will increase the budget to £50,000, which should be fully spent by the end of the year.

- **Item 7: Accommodation Project**

This expenditure represents the ongoing evaluation work in relation to the accommodation project and, as with last year, will be funded from reserves.

- **Item 12: Cemetery & Crematorium Improvements**

The work on relining the Crematoria is now complete and there have been a number of additional costs in relation to the new book room, which was part of the 2005/2006 capital programme.

- **Item 15: Park View Playing Fields**

Since the figures for this report were compiled, the 2nd payment on this scheme to the value of £57,000 has now been made to the contractor.

- **Item 16: Implementation of Youth Shelter Strategy**

This is the final year of a 3-year programme of creating youth facilities in and around the borough. There is a substantial budget due to the receipt of external funding from community groups in 2005/06. The officers from Cultural Services and Streetscene are currently working to spend this money.

- **Items 17 Bandstand Boating Pool & Promenade Gardens Paddling Pool**

The money from this project is linked to the classic resort scheme and the aim is to use this process to gain match funding to update and improve the facilities.

- **Item 18: Restoration of Ashton Gardens**

The Heritage Lottery fund has awarded Fylde an additional £39,300 for the planning and development stage of the Ashton Gardens project.

- Item 19: Playground Equipment

The replacement programme for playground equipment is an activity that can only be undertaken during the winter months. There is unlikely to be any expenditure in this area before December 2006.

- Item 20: Kirkham War Memorial

The work on this is now the responsibility of the Parks Team, who will be working with various agencies over the coming months to restore the Memorial.

2 Revenue Monitoring

The report presents the position after the first 3 months of the year at the end of the first quarter. Appendix 2 shows the spend by business area. The individual detailed budgets have been reviewed with relevant managers and the purpose of this report is to highlight some of the key risk areas within the budget together with any areas which are already showing signs of being significantly different from the budget.

The overall picture shows that the revenue budget could be approximately £65,000 over budget at the year end which represents 0.66% of the total net budget. The accountants will continue to scrutinise budgets with the relevant budget managers to highlight actions which can be undertaken to offset any projected overspend.

- Community and Cultural Services - Concessionary Travel

The original budget was based on the figures produced by the consultants for the introduction of the new 'free' scheme together with a contingency uplift of 10% giving a total budget of £550,000. Latest estimates show that this could be up to £80,000 overspent with £53,000 of this due to problems with implementing the relevant software on buses. This is currently being explored through the Lancashire Chief Officers group but their looks to be little option to reduce costs.

Elsewhere in Community and Cultural services income at St Annes pool is marginally up but is offset by a reduction of £6,000 at Kirkham pool,.

- Finance

The annual spend on housing and council tax benefit is estimated to be £14.5m. Based on the out-turn from 2005/06 the housing benefits budget will be underspent by £70,000 which should carry through to the year end and may increase once we have further information.

The budget includes a figure of £150,000 which is due to be received from the public service agreement via the Government and Lancashire County Council and which relates to achieving targets relating mainly to waste collection and benefits. While we are on track to achieve the targets it now appears that the grant will be split in equal portions between revenue and capital. This means that while the Council will have £75,000 more capital resources, it will be short on the revenue budget. To try and overcome this we are looking for areas of current revenue spend which it may be possible to charge to capital.

- Strategic Planning

Planning fees for the year are budgeted at £400,000 and are down by £18,000 in the first three months of the year although this is offset by employee savings.

- Legal Services

Total income for the year is budgeted at £168,000 which, at the end of the first quarter is marginally up against the budget.

- Streetscene

Income from car parks is £20,000 up on the profiled budget for the year at the end of the first quarter. In total car parks are budgeted to generate £415,000 income.

The Fylde waste collection contract and grounds maintenance operations are running to budget and the Wyre contract is covered separately.

- Employees

The Council has an annual budget for employee expenses of almost £9.3m. Overall employee costs are currently over the profiled budget by £300,000 which is due to the effect of the Wyre contract after revising figures based on the 2005/06 outturn and the first 3 months operation in 2006/07. The figures for the Wyre contract are currently being reviewed in the light of the move to the Poulton depot to ensure that the annual budget can be met.

- Debt Collection

This does not have a direct impact on the revenue budget. All invoiced income is accounted for in the budget. If it is subsequently not paid then it will have to be written off for which we hold a bad debt reserve. However if the level of debt increases greatly this reserve has to be increased from the revenue budget. The bottom line is that if we collected all debts we would not need this reserve. Over the last year we have made strenuous efforts to reduce the level of debt as verbally reported to the Council in June. This has resulted in the extensive use of a debt collection agency and we have recently increased the number which we have an agreement with to two.

Looking at the overall level of sundry debts over 30 days this has reduced from £1,054,060 at the beginning of the year to £581,000 at the beginning of July. At present all debts are being actively pursued. Where all possible recovery action has been taken if there is no chance of collecting an outstanding debt it will be written off.

Implications	
Finance	Contained in the report
Legal	None arising from this report
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability	None arising from this report

Health & Safety and Risk Management	None arising from this report
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Report Author	Tel	Date	Doc. ID
Brian White	(01253) 658566	August 2006	Financial Monitoring Q1 2006/07

LIST OF BACKGROUND PAPERS		
NAME OF DOCUMENT	DATE	WHERE AVAILABLE FOR INSPECTION
Financial monitoring papers quarter 1 2007/07		Town Hall – Finance Section

Attached documents

Capital Monitoring Appendix 1

Revenue Monitoring Appendix 2

2006/2007 Capital Programme

Appendix 1

Item Number	Scheme Title	Estimated Year of Completion	Original Budget	Revised Budget	External Funding	Net cost to Council	2006/07 Expenditure to 31st July 2006	Variance from Revised Budget	% Spend to Revised Budget
1	Heritage Economic & Technical Support Grant	Mar-06	0	75,370	47,460	27,910	16,330	59,040	21.7%
2	St. Annes Square - Completion	Mar-07	0	623,128	462,236	160,892	34,410	588,718	5.5%
3	Town Centre Funds (St. Annes & General)	Mar-07	0	94,291	94,291	0	10,040	84,251	10.6%
4	Conservation Areas / Conservation Area's Restoration Scheme	Mar-07	0	8,000	0	8,000	2,950	5,050	36.9%
5	Market Towns Project	Mar-07	0	25,000	0	25,000	0	25,000	0.0%
			0	825,789	603,987	221,802	63,730	762,059	7.7%
6	One Stop Shops / DDA Works & Improvements	Mar-07	0	16,429	0	16,429	0	16,429	0.0%
7	Accommodation Project	Mar-07	0	0	0	0	35,944	-35,944	100.0%
8	Implementing E-Government	Mar-07	0	105,806	0	105,806	49,647	56,159	46.9%
			0	122,235	0	122,235	85,591	36,644	70.0%
9	Disabled Facilities Grant	Mar-07	475,000	475,000	285,000	190,000	126,119	348,881	26.6%
10	Housing Renewal Grant	Mar-07	428,000	428,000	428,000	0	69,682	358,318	16.3%
11	Materials Recycling Facility & Defra Funding	Mar-07	0	12,601	0	12,601		12,601	0.0%
12	Cemetery and Crematorium Improvements	Mar-07	15,000	15,000	0	15,000	23,173	-8,173	154.5%
13	Pumping Station Refurbishment	Mar-07	30,000	32,591	0	32,591	450	32,141	1.4%
14	Rolling Programme of Footpath Repairs	Mar-06	0	2,311	0	2,311	0	2,311	0.0%
			948,000	965,503	713,000	252,503	219,425	746,078	22.7%
15	Park View Playing Fields	Mar-07	0	91,152	80,552	10,600	0	91,152	0.0%
16	Implement Youth Shelter Strategy	Mar-07	16,000	34,995	0	34,995	0	34,995	0.0%
17	Bandstand Boating Pool	Mar-07	0	45,000	0	45,000	0	45,000	0.0%
18	Promenade Gardens Paddling Pool	Mar-07	0	8,000	0	8,000	0	8,000	0.0%
19	Restoration of Ashton Gardens	Mar-10	60,000	88,584	88,584	0	2,230	86,354	2.5%
20	Playground Equipments	Mar-07	0	39,523	0	39,523	0	39,523	0.0%
21	Kirkham War Memorial	Mar-09	100,000	100,000	0	100,000	0	100,000	0.0%
			176,000	407,254	169,136	238,118	2,230	405,024	0.5%
	GRAND TOTALS		1,124,000	2,320,781	1,486,123	834,658	370,975	1,949,806	16.0%

REVENUE BUDGET 2006 / 2007
MONITORING PERIOD: 1st APRIL 2006 - 30th June 2006

Appendix 2

	BUDGET YR TO DATE £	FULL YEAR BUDGET £	FORECAST OUT-TURN	DIFFERENCE £
Community and Cultural Services	500,250	2,113,550	2,193,550	80,000
Consumer Wellbeing and Protection	388,490	1,844,850	1,844,850	0
Corporate Policy and Performance	-	84,220	84,220	0
Democratic Services and Member Support	405,250	1,843,070	1,843,070	0
Finance	550,990	1,506,590	1,511,590	5,000
Legal Services	(9,420)	(33,880)	(33,880)	0
Streetscene	1,311,770	3,889,770	3,869,770	(20,000)
Strategic Planning and Development	214,500	808,080	808,080	0
Executive Board	5,250	20,990	20,990	0
TOTAL NET EXPENDITURE	3,367,080	12,077,240	12,142,240	65,000
LSP CONTRIBUTION		25,000	25,000	0
DEFERRED CHARGES		(546,000)	(546,000)	0
CAPITAL CHARGES		(1,724,860)	(1,724,860)	0
INVESTMENT INCOME		(190,000)	(190,000)	0
DEBT REPAYMENT		117,000	117,000	0
GROSS BUDGET REQUIREMENT		9,758,380	9,823,380	65,000
FUNDED BY:				
REVENUE SUPPORT GRANT		5,206,390	5,206,390	0
COUNCIL TAX		4,551,990	4,551,990	0
RESOURCES AVAILABLE		9,758,380	9,758,380	0

REPORT



REPORT OF	MEETING	DATE	ITEM NO
DEPUTY CHIEF EXECUTIVE	CABINET	13 SEPT 2006	9

“EQUITABLE TAXATION?”

Public item

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

Summary

A key action in the Council's 2006-07 Corporate Plan is to complete the consultation and evaluation of an 'Equitable Taxation' approach to council tax. Much of this work was completed during 2005-06 but the Council deferred any decision on its implementation due to time constraints in setting its budget for 2006-07.

This report presents the findings of the consultation and evaluation of the 'Equitable Taxation' approach.

Recommendations

1. That members of the Cabinet note the feasibility and the likely impact of introducing an Equitable Taxation approach to council tax.
2. That the Equitable Taxation approach be developed as a budget option and presented to Council for consideration when it sets its budget for 2007-08.
3. That the parish and town councils be informed of the Council's budget timetable and advised to consider both an equitable taxation and a non-equitable taxation precept when preparing their respective budgets for 2007-08.

Portfolio Holder

This item falls within the following Cabinet portfolio:

Finance & Efficiency (Councillor Paul Rigby)

Report

Background

1. In December 2004, members of Fylde Borough Council's Executive Committee and its senior officers commenced a number of workshop sessions that were facilitated by Greengage Development Consultants and designed to develop the Council's Corporate Plan for 2005-08.
2. Through this series of workshops five key outcomes were identified together with associated actions by which the outcomes could be achieved. These key outcomes were: 1) Equitable treatment for all in the borough; 2) A balanced budget; 3) Satisfied stakeholders; 4) Officers and members working effectively together; and, 5) A Council recognised as being Good or Excellent.
3. It subsequently emerged that a review of how council tax is calculated and distributed could assist the Council in achieving both the 'equitable treatment' and the 'balanced budget' key outcomes. Consequently, included as a key, high priority action in the Council's 2005-06 Corporate Plan was the action: 'Evaluate the impact and feasibility of equitable council taxation'.
4. At its meeting of 20th July 2005 the Executive Committee approved a discussion paper and shadow budget as a basis for consultation with ward members and with the borough's town and parish councils. A copy of the discussion paper is appended to this report. A timeline of the consultation activity and reporting milestones is also appended to this report, as is a list of Frequently Asked Questions generated through the consultation process. The reporting history has been circulated as a separate document for cabinet members' reference.

Refining the Equitable Taxation Model.

5. As described in the discussion paper, the Equitable Taxation model is built on a council's powers under the 1992 Local Government Finance Act. If a borough council wishes to use these powers then it can only do so with regard to services being provided by a parish council elsewhere in the borough. Therefore, the first task in constructing the Equitable Taxation model was to identify which services were 'concurrent services' i.e. which services are being provided by both the borough council and a parish council. The next task was to identify the costs of these services on an area by area basis. From this baseline information an alternative or 'shadow' budget was developed. This was used to demonstrate the impact of the Equitable Taxation approach on an area by area basis.
6. The original model assumed that all services currently provided by parish councils would be paid for locally in all parts of the borough (either through parish precepts or through special expenses). However, there were still two further tests to be applied in order to refine the model.
7. The first involved a test as to whether the services that had been identified as being concurrent, could be treated as such in accordance with the 1992 Local Government Finance Act. This was subject to interpretation of the provisions of the Act. The views of the Audit Commission and of the Council's legal officer were

sought on this and essentially limited the model to include outdoor sports/recreation services and the maintenance of grounds.

8. The second involved a test as to which facilities the Council wished to be charged locally and which should be charged generally in the model. The Executive Committee at its meeting of 14th December 2005 resolved that all eligible services should be charged locally within the model (referred to as Option 'A'). It was also agreed that St Annes and Lytham would be treated in the model as a single tax base for the purpose of calculating any special expenses.
9. This refined model was the subject of further consultation with parish councils. It was later updated to show the impact of the Equitable Taxation approach on the 2006-07 budget where a) it was applied to an already balanced budget and b) where it was used to create a balanced budget. Both these illustrations are included in the appendix to this report.
10. The parish councils have been asked to express a view on the Equitable Taxation approach at three stages during the period of the feasibility study. Firstly, with regard to the original 05/06 model, secondly with regard to the refined 05/06 model and thirdly with regard to the updated 06/07 model. The results of the consultation with the parish councils are summarised and are appended to this report.

Evaluating the Equitable Taxation Approach

11. At the beginning of this study there were two objectives identified: 'equitable treatment' and 'a balanced budget'. It is against these twin objectives that the Equitable Taxation approach can be evaluated.
12. In terms of balancing the budget, this approach essentially means that the current level of grant paid to parish councils would be collected through the parish precept rather than through council tax. This would reduce the Council's council tax requirement by approximately £272k per year. Although this would assist the Council to balance its budget, the extent of this cannot be confirmed until the final budget papers are presented to members.
13. In terms of equitable treatment for all in the borough, the fairness of this approach is likely to be perceived differently according to how it affects different people. It is likely to be perceived as fair by those who would benefit from the change (by paying relatively less than others) and likely to be perceived as unfair by those who would not benefit from the change (by paying relatively more than others). The pros and cons of this approach as expressed in the consultation are summarised overleaf.
14. A key group in this consultation has been the town/parish councils of the borough. Of those in support of the Equitable Taxation approach there is general consensus that it does go some way to addressing what they consider to be an inherent unfairness in the current arrangements. However, although these parishes support the principle of this approach, there remains a concern regarding the extent of the subsequent council tax increases if it is implemented in 2007-08. A similar concern has been expressed by ward members.

FOR	AGAINST
<ul style="list-style-type: none"> ▪ Would address some of the equality issues raised by rural representatives ▪ Would free parish councils from dependency on grant payments and the vagaries of FBC budget ▪ Would remove the need for FBC to administer Open Spaces Grants to parish councils ▪ Would reduce payments for some areas of the borough relative to others ▪ Would help FBC balance budget with minimum service impact ▪ Would not require any change in the way that services are currently provided ▪ Would create the opportunity for locally funded service improvements in all areas of the borough ▪ Would remove the need for FBC to consider paying a S. 137 grant to St Annes on Sea Parish Council 	<ul style="list-style-type: none"> ▪ May not address all of the equality issues raised by rural representatives ▪ Would require a parish council to be accountable to its local electorate for all of its income/expenditure ▪ Would require FBC to administer Special Expenses in St Annes, Lytham and Kirkham ▪ Would increase payments for some areas of the borough relative to others ▪ May result in closure of facilities or reduction in service level in Elswick ▪ May require service level agreements for the maintenance of FBC owned land in parish areas

Implementing the Equitable Taxation Approach

15. One way of addressing this concern (at least, in part) would be for the Council to make its decision on the implementation of equitable taxation at the time it considers its 2007-08 budget. In this way the Council could compare an Equitable Taxation budget for 2007-08 with a non-Equitable Taxation budget for 2007-08 before deciding its policy on this matter. Equitable Taxation would then be treated as a budget option.
16. Unfortunately, this raises once more the same problem of timing that ultimately confounded this policy process last year: the need to synchronise the Council's budget setting timetable with that of the parish councils. The Council is likely to be setting its budget at the end of February 2007 whereas the parish councils are setting their budgets (and any precepts) in October 2006. However, if the Council implements the equitable taxation approach, the parish councils will need to include the cost of concurrent services in their respective precepts.
17. This problem of timing could be overcome if, at their respective budget setting meetings, each parish council were to consider and approve two budget options: an equitable taxation budget and a non-equitable taxation budget. The former would generate a precept that included the cost of concurrent services whilst the latter

would generate a precept that did not include the cost of concurrent services. This was the approach adopted by Ribby-with-Wrea Parish Council last year when faced with similar uncertainty regarding the introduction of equitable taxation. This approach would also allow parish councils such as Elswick, adequate time to consult with their parishioners regarding the level of future precepts.

Implications	
Finance	The impact on the council budget depends on the extent to which local charges are made through either the parish precepts (which would reduce the council budget requirement) or special expenses (which would not reduce the council budget requirement).
Legal	The Council has powers under the Local Government Finance Act 1992, to introduce the type of differential council tax described in the discussion paper.
Community Safety	No direct implications.
Human Rights and Equalities	Equitable Taxation could be used as a means of introducing a more equitable means of calculating council tax.
Sustainability	No direct implications.
Health & Safety and Risk Management	The ability to set a council tax that balances the budget is identified as a high risk in the Council's 2006/07 Risk Management Strategy.

Report Author	Tel	Date	Doc ID
Dave Joy	(01253) 658700	23 rd August 2006	

List of Background Papers		
Name of document	Date	Where available for inspection
Parish Responses	Various	Town Hall

Attached documents

1. Appendix 1 – “Equitable Taxation?” – A Discussion Paper
2. Appendix 2 – Reporting Timeline
3. Appendix 3 – Frequently Asked Questions
4. Appendix 4 – 2006/07 Budget Models
5. Appendix 5 – Summary of Parish/Town Council Responses

Equitable Taxation?

1. Why has this question arisen?

Over the past year Liaison Meetings between the Borough Council and town and parish councils have been taking place on a bi-monthly basis. The agendas for these meetings have been set by the representatives of the town and parish councils. A number of issues so discussed, pertain to the service and financial arrangements that currently exist between the Borough Council and the town and parish councils. There is a clear feeling on the part of the town and parish councils that the current arrangements are generally unfair but in particular that they favour the urban areas of the borough (Lytham St Annes). During the Borough Council's corporate planning process, this same sentiment was voiced by those members of the Borough Council's Executive Committee who represent the rural areas.

In December 2004, members of Fylde Borough Council's Executive Committee and its senior officers commenced a number of workshop sessions, facilitated by Greengage Development Consultants and designed to develop the Council's Corporate Plan for 2005-06.

Through this series of workshops five key outcomes were identified together with associated actions by which the outcomes could be achieved. These key outcomes were: 1) Equitable treatment for all in the borough; 2) A balanced budget; 3) Satisfied stakeholders; 4) Officers and members working effectively together; and, 5) A Council recognised as being Good or Excellent.

The first of these, Equitable treatment for all in the borough, was mainly about rural disenfranchisement; a feeling in the rural parts of the borough that the distribution of resources between the rural and urban areas is unfair and takes little account of service accessibility. A key action identified to address this issue involved reviewing the mechanisms by which council tax is calculated and the way the income so generated is distributed through service provision in the respective rural and urban parts of the borough.

The second key outcome was the need to produce a balanced budget. The Council has for some time balanced its budget by calling on its reserves but with the more recent fall in interest rates, this is not a sustainable solution. The government requiring council's to take on additional responsibilities but without providing additional funding has exacerbated this situation. With the government's restrictions on the extent to which council tax can be increased, the council is faced with the prospect of cutting services across the borough up to the approximate value of half a million pounds. A short-term action identified to address this issue involved selecting those service cuts that could be made with minimum impact. However, a medium-term action also identified was to look at the mechanism by which council tax is calculated.

Thus, a review of council tax and the way in which it is generated and distributed emerged as a possible means of delivering two of the Council's key corporate outcomes. This concept of finding a fairer and more efficient mechanism for generating and distributing financial resources has been branded 'Equitable Taxation'. Essentially, this is a search for a better and fairer way of doing things.

2. What are the current arrangements?

As well as collecting its own element of the council tax to fund Fylde Borough Council's service delivery, the Council also collects council tax on behalf of the County Council and the Police and

Fire authorities. This is achieved through a mechanism known as 'precepting' which is quite simply where these organisations tell the Borough Council how much council tax to levy in order to fund their service delivery. In addition the Borough Council may also collect precepts on behalf of the borough's parish and town councils. A parish precept is a local tax on the residents of a particular parish that is set by a parish or town council to fund its own activities. These activities are usually services not provided by a borough council. The parish precepts do not form part of the Borough Council's element of the council tax; they are levied in addition to this. Once collected, the Borough Council pays the precept to the parish or town council to be spent at the latter's discretion. In 2005-06, the total amount raised through parish precept is £93,507.

In the borough of Fylde, a number of services that could be provided directly by the Borough Council, are devolved to some town and parish councils. Such devolved services include amenity cleansing, bus shelter cleansing, grounds maintenance and outdoor recreation. This arrangement involves the Borough Council paying the parish or town council to provide these services either through a direct grant (Open Spaces Grant) or through the mechanism of an agency agreement. In addition the borough council makes a contribution to parish expenses, formerly known as Section 131 payments. (This is a carry over from the time when the district Rate Support Grant took account of precepts collected on behalf of parish and town councils. It was decided at that time to apportion this element of the borough council's government grant between the parished areas based on population size. Although this is no longer part of the government's formula, this payment to the parish and town councils has continued and is increased by inflation on an annual basis).

Unlike parish precepts, payments made to parish and town councils for carrying out devolved services and for parish expenses are made from the general fund of the Borough Council and are therefore paid for by all Fylde taxpayers and not just those in the locality. In 2005-06, the total amount paid to parish and town councils for the provision of devolved services and parish expenses is £296,750.

In the unparished area of the borough, namely Lytham, and in St Annes (which became parished in May 2005), all services are provided directly by the Borough Council and financed from the general fund. In the town of Kirkham, instead of receiving an Open Spaces Grant, the grounds maintenance service is provided direct by the Borough Council and so is also financed from the general fund. All Fylde taxpayers and not just those in the locality therefore pay for these services.

3. Is this the best way of doing things?

On the face of it, this would seem to be a fair way of doing things. You pay the same rate of council tax no matter where in the borough you live and everyone contributes to all borough council facilities and services regardless of where these are located. Where additional local services are provided these are paid for locally through a precept and where a parish or town council is able to achieve better value in the provision or procurement of services this is achieved through the mechanism of devolved services.

The main flaw in this way of doing things seems to centre on the question of use and accessibility. As might be expected, the scale of service provision is proportionately greater in the urban core of the borough (more people usually means more and bigger facilities and services). However, the geography of the borough is such that the urban core is not located centrally but, being a seaside resort, is located on the coastal edge of the borough. Therefore, the services and facilities provided in the urban area are not equally accessible to all residents of the borough. The implication of this is that although everyone pays for everything, not everyone is able to access everything. So, if you live in the borough's rural hinterland you may pay through your council tax for the devolved services in your own area. But, you also pay for the same services in Lytham and St Annes; services to which you may not live close enough to use. You feel that you pay the same as everyone else but that you receive less; you feel less than satisfied with this arrangement. The contrary position is less commonly voiced: that the urban resident pays for devolved services in rural areas, of which they make no use.

4. Is there an alternative way of doing things?

Yes, there is. There are provisions under the Local Government Finance Act 1992 that provide for different amounts of council tax to be calculated for different parts of a district (e.g. parished and unparished areas). In order for expenses incurred in performing any function of a district council to be 'special expenses', the function must be carried out by a district council in only part of its area, and the same function be carried out in another part of the district by a parish or town council. Unlike precepts, special expenses still form part of a borough council's element of the council tax. -

So, the costs of those services currently devolved to town and parish councils could be calculated for the urban areas and charged to those residents through the mechanism of special expenses. This would have the effect of reducing everyone's council tax, but the urban council tax payer would still be paying for devolved services in the parished areas. So, to counter this contrary position, and to create an 'equitable' situation, the cost of devolved services could be raised through parish precept rather than through council tax. This would also have the effect of reducing everyone's council tax.

In essence it would be the same amount of money being raised but instead of it all being raised through the Borough Council's council tax, the money to pay for devolved services would be raised through a combination of precept (in the parished areas) and special expenses (in the non-parished areas). On first appearances this may be a fairer way of financing services and may assist the Borough Council in setting a balanced budget without incurring major reductions in service.

5. Would this be fairer?

That's the six million-dollar question! Everyone is likely to have a different view on this depending on how it affects him or her personally. "How much will my council tax reduce by compared to how much my precept/special expenses will increase by?" "Will I be better or worse off under this alternative arrangement?" Well, there is only one way to find out and that's to punch the figures and do the calculations on an area by area basis.

As part of its Corporate Plan, the Borough Council has undertaken to produce a shadow budget for 2005-06 based on this Equitable Taxation approach. This can then be compared with the current budget and it should be clear to all what the effects of this approach would be in each area of the borough. This comparison of like with like should enable a more informed judgement of whether this alternative approach is preferable to the current situation. It will also provide a baseline against which other alternatives or variations on this theme can be compared.

It is proposed that the shadow budget be reported to the Borough Council's Executive Committee in July. There will then follow a period of consultation during which all of the borough's town and parish councils will be asked for their respective views on this alternative approach. The findings will then be reported back to the Borough Council before it commences its planning of the 2006-07 budget.

A D Joy
Executive Director
June 2005

EQUITABLE TAXATION – A SHADOW BUDGET FOR 2005/06

- Table 1. shows the costs for each of the devolved services in both the parished and non-parished areas of the borough. The table distinguishes between services provided by the parish/town councils and those provided directly by Fylde Borough Council (FBC) on an area by area basis. FBC costs include an apportionment of central overhead costs (e.g. the costs of finance or personnel staff whose work supports those staff providing the service). The table also includes the current level of precept levied by the parish/town councils so that the total amount borne by each area can be calculated.
- Table 2. illustrates the calculation of Council Tax. The calculation entitled 'Current Budget' is the actual calculation used to set this year's Council Tax. The calculation entitled 'Shadow Budget' is based on the same taxbase as the current budget but uses the Equitable Taxation approach to calculate Council Tax. The calculation is as follows:

Current Budget

- The '*Taxbase*' is calculated by adding up the total number of Band D properties, or their equivalent, in each area (e.g. a band H property is equivalent to two band D properties).
- The '*Parish Precept*' (set by the town/parish council) is then divided by the respective taxbase to give a cost per property, shown in the '*Parish Precept Band D*' column.
- FBC's net budget requirement for the year (i.e. less the Revenue Support Grant from the government) is then divided by the total taxbase to give a Council Tax cost per property, shown in the '*Borough Band D*' column.
- The '*Parish Precept Band D*' and the '*Borough Band D*' are then added together to give the total amount payable on each band D or equivalent property, shown in the '*Borough + Parish Band D*' column.

Shadow Budget

- To calculate the shadow budget the starting point is the total cost of devolved services from Table 1 (£1,593,397.35). In the parished areas these costs would be collected through the parish precept whereas in the non-parished area these costs would be collected using the 'special expenses' mechanism.
- The '*Parish Precept (or Special Expenses)*' are then divided by the '*Taxbase*' to give a new '*Parish Precept Band D*'.
- FBC's net budget for the year is now less the cost of devolved services provided through the Parish Precept or Special Expenses mechanisms and this lesser sum is now divided by the taxbase to give a new, lower, borough Council Tax, shown in the '*Borough Band D*' column.
- The shadow '*Parish Precept or Special Expenses*' and the shadow '*Borough Band D*' council tax are then added together to give the total amount payable on each band D or equivalent property, shown in the '*Borough + Parish Band D*' column.

Variance

- The '*Variance*' column shows the difference, on an area by area basis, of Council Tax (plus any parish precept) payable under the current arrangements compared to Council Tax (plus any parish precept) payable under Equitable Taxation arrangements.

Table 1. PARISH PRECEPTS & AREA COSTS OF DEVOLVED SERVICES - 2005/06

Parish/Area	Parish Precept £	FBC Grounds Maintenance £	Open Spaces Grant £	FBC Leisure Management £	FBC Street Cleaning £	Other £	Section 131 £	Parish Street Cleaning £	Parish Bus Shelters £	Total £
Warton	15,500.00		18,136.24		9,550.00		4,424.00	0.00	420.00	48,030.24
Elswick	5,000.00		31,064.80				1,284.00	4,761.00	280.00	42,389.80
Freckleton	9,450.00		69,051.20		24,100.00	450.00	7,855.00	0.00	560.00	111,466.20
Greenhalgh	1,500.00		500.00				526.00	1,988.00	140.00	4,654.00
Kirkham	5,000.00	122,000.00	0.00	6,565.00	24,100.00		8,174.00	0.00	0.00	165,839.00
Lt. Eccleston	2,460.00		5,553.76				538.00	2,615.00	70.00	11,236.76
Wesham	6,897.00		26,682.00				3,481.00	9,968.00	210.00	47,238.00
Newton	7,500.00		36,167.00				3,501.00	7,878.00	560.00	55,606.00
Ribby-w-Wrea	7,000.00		12,418.71		4,761.00		1,933.00	0.00	0.00	26,112.71
Singleton	6,000.00		2,155.00		1,000.00		1,267.00	0.00	0.00	10,422.00
Staining	12,400.00		11,300.00				2,506.00	6,338.00	210.00	32,754.00
St.Annes	10,000.00	725,810.00	0.00	-14,268.00	398,809.00		0.00	0.00	0.00	1,120,351.00
Treales	1,300.00		7,247.08		1,000.00	180.00	472.00	0.00	0.00	10,199.08
Weeton	2,000.00		3,411.36				1,454.00	1,195.00	140.00	8,200.36
Westby	1,500.00		400.00		1,000.00		1,563.00	0.00	0.00	4,463.00
Lytham		387,500.00		86,900.00	189,860.00					664,260.00
Total	93,507.00	1,235,310.00	224,087.15	79,197.00	654,180.00	630.00	38,978.00	34,743.00	2,590.00	2,363,222.15

Table 2. EQUITABLE TAXATION SHADOW BUDGET - 2005/06

Parish/Area	Taxbase	Current Budget				Shadow Budget				Variance
		Parish Precept	Parish Precept Band D	Borough Band D	Borough + Parish Band D	Parish Precept (or Special Exp.)	Parish Precept Band D	Borough Band D	Borough + Parish Band D	
Warton	1,274.08	15,500.00	12.17	146.16	158.33	48,030.24	37.70	69.33	107.03	-51.30
Elswick	433.59	5,000.00	11.53	146.16	157.69	42,389.80	97.76	69.33	167.09	9.40
Freckleton	2,117.20	9,450.00	4.46	146.16	150.62	111,466.20	52.65	69.33	121.98	-28.64
Greenhalgh	176.15	1,500.00	8.52	146.16	154.68	4,654.00	26.42	69.33	95.75	-58.93
Kirkham	2,299.63	5,000.00	2.17	146.16	148.33	165,839.00	72.12	69.33	141.45	-6.88
Lt. Eccleston	211.58	2,460.00	11.63	146.16	157.79	11,236.76	53.11	69.33	122.44	-35.35
Wesham	1,025.69	6,897.00	6.72	146.16	152.88	47,238.00	46.05	69.33	115.38	-37.50
Newton	1,037.19	7,500.00	7.23	146.16	153.39	55,606.00	53.61	69.33	122.94	-30.45
Ribby-w-Wrea	762.76	7,000.00	9.18	146.16	155.34	26,112.71	34.23	69.33	103.56	-51.78
Singleton	429.13	6,000.00	13.98	146.16	160.14	10,422.00	24.29	69.33	93.62	-66.52
Staining	862.83	12,400.00	14.37	146.16	160.53	32,754.00	37.96	69.33	107.29	-53.24
Treales	211.62	1,300.00	6.14	146.16	152.30	10,199.08	48.20	69.33	117.53	-34.77
Weeton	287.72	2,000.00	6.95	146.16	153.11	8,200.36	28.50	69.33	97.83	-55.28
Westby	548.77	1,500.00	2.73	146.16	148.89	4,463.00	8.13	69.33	77.46	-71.43
St.Annes	10,452.14	10,000.00	0.96	146.16	147.12	1,120,351.00	107.19	69.33	176.52	29.40
Lytham	7,400.23	0.00	0.00	146.16	146.16	664,260.00	89.76	69.33	159.09	12.93
Total	29,530.31	93,507.00				2,363,222.15				

“Equitable Taxation?” (ET) – Reporting/Consultation Timeline

20 th July 2005 -	Executive Committee – approve discussion paper and ET model (shadow budget) as basis for consultation.
26 th July 2005 -	District-Parish Liaison Meeting – receives ET presentation.
11 th August 2005 -	Briefing to Newton-with-Clifton Parish Council
15 th August 2005 -	Two Briefing Sessions for Ward Members
16 th August 2005 -	Briefing Session for Ward Members
22 nd August 2005 -	Briefing to Westby-with-Plumpton Parish Council
2 nd September 2005 -	Briefing Session for Ward Members
6 th September 2005 -	District-Parish Liaison Meeting – receives ET options presentation.
8 th September 2005 -	Briefing to representatives of St Annes Parish Council
19 th September 2005 -	Performance Improvement Community Forum - considers initial feedback from parish councils and ward members.
28 th September 2005 -	Executive Committee - considers feedback and resolves to hold a special meeting of the Council to consider refining the ET model.
6 th October 2005 -	Briefing to Bryning-with-Warton Parish Council
13 th October 2005 -	Briefing to Lytham ward members.
20 th October 2005 -	State of the Borough Event – ‘The Budget’.
31 st October 2005 -	Special Council meeting – meets to refine ET model. Resolves to discontinue all work on the ET approach.
21 st November 2005 -	Performance Improvement Community Forum - considers results/feedback from the State of the Borough event and makes recommendations to Executive Committee.
5 th December 2005 -	Council meeting – Notice of Motion tabled to rescind previous Council decision and accept ET Option ‘A’ (all eligible services paid for locally and Lytham and St Annes to be treated as a single tax base). Matter referred to Executive Committee for determination.
14 th December 2005 -	Executive Committee – accepts Notice of Motion. Parish councils informed and responses to ET Option ‘A’ requested.
18 th January 2006 -	Executive Committee – considers results of the State of the Borough event.
27 th February 2006 -	Council meeting – 2006-07 budget set without ET. Consultation work on ET to continue.
11 th May 2006 -	District-Parish Liaison Meeting – updated model (2006-07) presented for consultation. Responses requested.

Frequently Asked Questions

1. What does 'Equitable' mean?
In this context it means paying what is appropriate or paying for what you get. It does not mean everyone paying the same – that would be 'equal'. The current situation where everyone pays the same rate of council tax can be described as 'equal'. However, the claim, mainly from the rural areas is that the current situation is not 'equitable' in that not everyone gets what they pay for.
2. What is the purpose of the model?
The model shows the Council's budget together with the grants given to parish councils and how these are financed on an area by area basis from council tax. It then compares this with an alternative theoretical 'equitable taxation' or 'shadow' budget showing how this would be funded from a combination of council tax, precept or special expense.
3. What is the 'Variance' figure?
This is the difference on an area by area basis between what a resident pays under the current arrangements compared to what they would pay under the shadow or equitable taxation arrangements. It shows the extent to which you would be either better or worse off if the equitable taxation approach had been applied to the current year.
4. Does this model include all FBC services?
No. The 1992 Local Government Finance Act makes this approach only applicable to services that are already being provided in some part of the borough by a parish/town council; these are known as 'concurrent services'. In the case of Fylde, this mainly includes the provision, management and maintenance of open spaces and outdoor recreation facilities.
5. Why is amenity cleansing not included in the model?
The statutory duty to provide a cleansing service rests with the borough council. As the borough council is responsible for providing this service throughout the borough it is not provided by a parish council in any part of the borough and so does not meet the criteria of the 1992 Local Government Finance Act. (This is the case even where the borough council may use a parish council as its agent to deliver the service).
6. The Council Tax shown here is not the amount I paid this year. Why is that?
Council tax is banded from A to H. The model uses the mid-band (Band D) for illustrative purposes. If you paid other than Band D the figure in the model will differ from what you actually paid.
7. Do FBC costs in the model include overheads/central support costs?
Yes. These costs have been apportioned and included in the FBC costs.
8. How much in total do the parish councils currently raise through the parish precepts?
In 2006/07 the total of all parish precepts is £134,072.

9. What is the total Open Spaces Grant currently given to the parish councils?
In 2006/07 the total Open Spaces Grant paid to parish councils is £223,086.
10. What is the total of all grants paid by FBC to the parish councils?
In 2006/07 the total of all grants paid to the parish councils is £272,102.
11. Is this my Council Tax for future years?
No. This is a model of the current year only.
12. Is this the Council's budget for the future?
No. This is a model of the current year only.
13. Does this mean the end of the Council's DSOs?
No. The mechanism of delivery is unchanged in the model. All that changes is who pays for what. The model assumes 'business as usual'.
14. Would this increase the work of the town/parish clerks?
No – it shouldn't! The mechanism of delivery is unchanged in the model. All that changes is who pays for what. The model assumes 'business as usual'.
15. How could this benefit the parish councils?
Parish councils become self-sufficient and masters of their own destinies! The parish councils would be able to set their own budgets without being reliant upon and subject to the vagaries of, the FBC budget process. Also, the parishioners would only be paying for what they get.
16. In the 'Shadow' budget, why does the FBC band D Council Tax reduce?
Because the cost of 'concurrent services' is no longer being raised through the FBC council tax but rather is being raised either through parish precept (where the service is being provided by a parish council) or through special expenses (where the service is being provided by FBC). Parish Precepts and Special Expenses would appear as separate items on any future council tax bill.
17. In the 'Shadow' and 'Current' budgets the total amount of money is the same - so how does this help the Council to balance its budget?
The total amount of money being spent is the same but the costs of concurrent services are being raised through parish precepts and not through council tax; parish precepts fall outside the Government's definition/calculation of council tax. In the shadow budget FBC does not have to fund Open Spaces Grant from its council tax. FBC's requirement for council tax reduces accordingly and so helps the council balance the income it can raise through council tax with the costs of the services it provides i.e. balance its budget.
18. Would this be a way of avoiding the Government's capping limit on council tax?
YES – it would be a way of working within any cap and limiting (or possibly removing) the need for service reductions. It would help to balance the budget.
19. Does the model mean I will get a rebate on this year's Council Tax?
No. This is only a model of the current year.

20. Does the model mean that my Council Tax will go down next year?
No. This is a model of the current year only.
21. Does the model mean that my Council Tax will go up next year?
No. This is a model of the current year only.
22. In the Shadow budget are some people paying more and some people paying less for the current level of service?
Yes.
23. In the model are all so called rural areas paying less?
No. Elswick and Kirkham would be paying relatively more.
24. In the model are all so called urban areas paying more?
Yes. St Annes and Lytham would be paying relatively more.
25. For the model to work, does it require there to be a town council in Lytham?
No. Residents in Lytham would be paying for their concurrent services as a special expense to FBC rather than as a precept to a parish council. The equitable taxation approach does not require a parish council to be in existence in Lytham.
26. Have any other local authorities done this before?
Yes. Some adopted this approach when they were first created following local government reorganisation in the early seventies. Examples of those who have changed to this approach more recently include Chorley BC and Rushcliffe BC.
27. What would happen if some town/parish councils do not support this approach?
The approach is not dependent on the support of the town/parish councils. It is the borough council that has the power to provide a grant or not, to collect special expenses or not. In the absence of an Open Spaces Grant it would be for each town/parish council to determine the nature of its open space provision and how much it will raise through its parish precept in order to do so.
28. Can the Council balance its budget in other ways?
Yes. With the Government effectively placing a cap on what revenue the council can raise through council tax, the council can achieve a balanced budget by reducing its expenditure. This would necessitate a reduction in the level of service provision i.e. cuts in services.
29. What about efficiencies?
As is the case with all district councils, FBC is already making extensive efficiencies in compliance with the Governments 'Gershon' requirements. The council is on course to meet its target of £810k worth of efficiencies over a three-year period (£270k in each of three years). However, service cuts do not qualify as 'Gershon' efficiencies.
30. Has the Council decided to go ahead with this approach?
No. The decision to proceed or not has yet to be made. The work that has been done to date constitutes a feasibility study to identify what is possible and how it would impact in terms of finance and stakeholders' perceptions of equitableness.

Comparison of 2006/07 balanced budget against the equitable taxation model

Appendix 4

Note small changes to figures previously circulated due to inclusion of all up to date parish precepts

Table 1. PARISH PRECEPTS & AREA COSTS OF CONCURRENT SERVICES - 2006/07

Parish/Area	Parish Precept		FBC Grounds Leisure and Sports	Open Spaces Grant			Other	Section 131	Parish Bus Shelters	Concurrent Services Total	Parish Total Concurrent + Precepts
	£		£	£			£	£	£	£	£
Warton	15,500.00			18,136.24			300.00	4,556.72	420.00	23,412.96	38,912.96
Elswick	6,000.00			30,064.00			300.00	1,322.52	280.00	31,966.52	37,966.52
Freckleton	9,450.00			69,051.20			750.00	8,090.65	560.00	78,451.85	87,901.85
Greenhalgh	2,000.00			500.00			300.00	541.78	140.00	1,481.78	3,481.78
Kirkham	6,915.00		125,660.00	0.00			3,327.00	8,419.22	0.00	137,406.22	144,321.22
Lt. Eccleston	4,000.00			5,553.76			300.00	554.14	70.00	6,477.90	10,477.90
Wesham	6,897.00			26,682.00			300.00	3,585.43	210.00	30,777.43	37,674.43
Newton	7,500.00			36,167.00			300.00	3,606.03	560.00	40,633.03	48,133.03
Ribby-w-Wrea	7,000.00			12,418.71			300.00	1,990.99	0.00	14,709.70	21,709.70
Singleton	5,200.00			2,155.00			300.00	1,305.01	0.00	3,760.01	8,960.01
Staining	15,810.00			11,300.00			300.00	2,581.18	210.00	14,391.18	30,201.18
Treales	1,300.00			7,247.08			480.00	486.16	0.00	8,213.24	9,513.24
Weeton	2,000.00			3,411.36			300.00	1,497.62	140.00	5,348.98	7,348.98
Westby	2,000.00			400.00			300.00	1,609.89	0.00	2,309.89	4,309.89
St.Annes [Parished]	42,500.00		747,584.30	0.00			4,462.00	0.00	0.00	752,046.30	794,546.30
Lytham			399,125.00	0.00			6,550.00	0.00	0.00	405,675.00	405,675.00
Total	134,072.00		1,272,369.30	223,086.35			18,869.00	40,147.34	2,590.00	1,557,061.99	1,691,133.99

Table 2 - Comparison of 2006/07 actual charges to the Equitable Taxation model based on a balanced budget

Parish/Area	Taxbase		Current Budget				Shadow Budget				Variance
			Parish Precept	Parish Precept Band D	Borough Band D 2005/06 + 4.95%	Borough + Parish Band D	Parish Total Concurrent + Precepts	Parish Precept Band D	Borough Band D	Borough + Parish Band D	
Warton	1,276.80		15,500.00	12.14	153.39	165.53	38,912.96	30.48	100.25	130.73	-34.80
Elswick	436.35		6,000.00	13.75	153.39	167.14	37,966.52	87.01	100.25	187.26	20.12
Freckleton	2,112.97		9,450.00	4.47	153.39	157.86	87,901.85	41.60	100.25	141.85	-16.01
Greenhalgh	181.14		2,000.00	11.04	153.39	164.43	3,481.78	19.22	100.25	119.47	-44.96
Kirkham	2,305.64		6,915.00	3.00	153.39	156.39	144,321.22	62.59	100.25	162.84	6.46
Lt. Eccleston	213.03		4,000.00	18.78	153.39	172.17	10,477.90	49.19	100.25	149.44	-22.73
Wesham	1,044.79		6,897.00	6.60	153.39	159.99	37,674.43	36.06	100.25	136.31	-23.68
Newton	1,043.50		7,500.00	7.19	153.39	160.58	48,133.03	46.13	100.25	146.38	-14.20
Ribby-w-Wrea	754.29		7,000.00	9.28	153.39	162.67	21,709.70	28.78	100.25	129.03	-33.64
Singleton	427.35		5,200.00	12.17	153.39	165.56	8,960.01	20.97	100.25	121.22	-44.34
Staining	865.20		15,810.00	18.27	153.39	171.66	30,201.18	34.91	100.25	135.16	-36.51
Treales	212.08		1,300.00	6.13	153.39	159.52	9,513.24	44.86	100.25	145.11	-14.41
Weeton	278.18		2,000.00	7.19	153.39	160.58	7,348.98	26.42	100.25	126.67	-33.91
Westby	547.60		2,000.00	3.65	153.39	157.04	4,309.89	7.87	100.25	108.12	-48.92
Lytham/St.Annes Centre	17,976.98	10,490.33 7,486.65	42,500.00	2.36	153.39	155.75	1,200,221.30	66.76	100.25	167.01	11.26
Total	29,675.90		134,072.00				1,691,133.99				

Shows position if Equitable Taxation had been used to bridge a budget gap of £225,000

Note small changes to figures previously circulated due to inclusion of all up to date parish precepts

Table 1. PARISH PRECEPTS & AREA COSTS OF CONCURRENT SERVICES - 2006/07

Parish/Area	Parish Precept	FBC Grounds and Leisure, Sports	Open Spaces Grant			Other	Section 131	Parish Bus Shelters	Concurrent Services Total	Parish Total Concurrent + Precepts
	£	£	£			£	£	£	£	£
Warton	15,500.00		18,136.24			300.00	4,556.72	420.00	23,412.96	38,912.96
Elswick	6,000.00		30,064.00			300.00	1,322.52	280.00	31,966.52	37,966.52
Freckleton	9,450.00		69,051.20			750.00	8,090.65	560.00	78,451.85	87,901.85
Greenhalgh	2,000.00		500.00			300.00	541.78	140.00	1,481.78	3,481.78
Kirkham	6,915.00	125,660.00	0.00			3,327.00	8,419.22	0.00	137,406.22	144,321.22
Lt. Eccleston	4,000.00		5,553.76			300.00	554.14	70.00	6,477.90	10,477.90
Wesham	6,897.00		26,682.00			300.00	3,585.43	210.00	30,777.43	37,674.43
Newton	7,500.00		36,167.00			300.00	3,606.03	560.00	40,633.03	48,133.03
Ribby-w-Wrea	7,000.00		12,418.71			300.00	1,990.99	0.00	14,709.70	21,709.70
Singleton	5,200.00		2,155.00			300.00	1,305.01	0.00	3,760.01	8,960.01
Staining	15,810.00		11,300.00			300.00	2,581.18	210.00	14,391.18	30,201.18
Treales	1,300.00		7,247.08			480.00	486.16	0.00	8,213.24	9,513.24
Weeton	2,000.00		3,411.36			300.00	1,497.62	140.00	5,348.98	7,348.98
Westby	2,000.00		400.00			300.00	1,609.89	0.00	2,309.89	4,309.89
St.Annes [Parished]	42,500.00		0.00				0.00	0.00	0.00	42,500.00
St.Annes [Centre]		747,584.30				4,462.00			752,046.30	752,046.30
Lytham [Other Expenses]									0.00	0.00
Lytham [Centre]		399,125.00	0.00			6,550.00	0.00	0.00	405,675.00	405,675.00
Total	134,072.00	1,272,369.30	223,086.35			18,869.00	40,147.34	2,590.00	1,557,061.99	1,691,133.99

Table 2 - Comparison of 2006/07 actual charges to the Equitable Taxation model based on bridging a £225,000 budget gap

Parish/Area	Taxbase	Current Budget				Shadow Budget				
		Parish Precept	Parish Precept Band D	Borough Band D 2005/06 + 4.95%	Borough + Parish Band D	Parish Total Concurrent + Precepts	Parish Precept Band D	Borough Band D	Borough + Parish Band D	Variance
Warton	1,276.80	15,500.00	12.14	153.39	165.53	38,912.96	30.48	107.85	138.33	-27.20
Elswick	436.35	6,000.00	13.75	153.39	167.14	37,966.52	87.01	107.85	194.86	27.72
Freckleton	2,112.97	9,450.00	4.47	153.39	157.86	87,901.85	41.60	107.85	149.45	-8.41
Greenhalgh	181.14	2,000.00	11.04	153.39	164.43	3,481.78	19.22	107.85	127.07	-37.36
Kirkham	2,305.64	6,915.00	3.00	153.39	156.39	144,321.22	62.59	107.85	170.44	14.06
Lt. Eccleston	213.03	4,000.00	18.78	153.39	172.17	10,477.90	49.19	107.85	157.04	-15.13
Wesham	1,044.79	6,897.00	6.60	153.39	159.99	37,674.43	36.06	107.85	143.91	-16.08
Newton	1,043.50	7,500.00	7.19	153.39	160.58	48,133.03	46.13	107.85	153.98	-6.60
Ribby-w-Wrea	754.29	7,000.00	9.28	153.39	162.67	21,709.70	28.78	107.85	136.63	-26.04
Singleton	427.35	5,200.00	12.17	153.39	165.56	8,960.01	20.97	107.85	128.82	-36.74
Staining	865.20	15,810.00	18.27	153.39	171.66	30,201.18	34.91	107.85	142.76	-28.91
Treales	212.08	1,300.00	6.13	153.39	159.52	9,513.24	44.86	107.85	152.71	-6.81
Weeton	278.18	2,000.00	7.19	153.39	160.58	7,348.98	26.42	107.85	134.27	-26.31
Westby	547.60	2,000.00	3.65	153.39	157.04	4,309.89	7.87	107.85	115.72	-41.32
Lytham/St.Annes Centre	17,976.98	42,500.00	2.36	153.39	155.75	1,200,221.30	66.76	107.85	174.61	18.86
Total	29,675.90	134,072.00				1,691,133.99				

Parish/Town Council Responses to an 'Equitable Taxation' Approach.

In Support.

Parish/Town Council	Original 05/06 Model	Refined 05/06 Model	Updated 06/07 Model
1. Bryning-with-Warton Parish Council			RE: Equitable Taxation. Following discussions at the Parish Council of Bryning-with-Warton regarding the above, Members voted in favour of Equitable Taxation.
2. Freckleton Parish Council	Freckleton Parish Council supports the principle of Equitable Taxation and looks forward to receiving more details when the way forward has been agreed.	I write to inform you that Freckleton Parish Council agrees in principle to the concept of Equitable Taxation, but would object to any double rating that may occur in the future.	
3. Greenhalgh-with-Thistleton Parish Council			I have to inform you that Greenhalgh-with-Thistleton Parish Council support the proposals for the Equitable Taxation.
4. Medlar-with-Wesham Town Council	RE: Equitable Taxation. Following the meeting of the District/Parish Liaison Meeting at Newton-with-Clifton on 6 th September 2005, this Council have agreed in principle that you should proceed to the next stage in the matter.	This Council is in favour of the approach to equitable taxation based on Option 'A'. This Council would be agreeable to raising funds through the parish precept.	
5. Newton-with-Clifton Parish Council	The Parish Council adopted a resolution at a meeting on 1 st September 2005 in favour of equitable taxation...	Following discussions at a meeting of the Council held on Thursday 5 th January 2006, I advise that Council resolved to adopt a resolution in favour of equitable taxation subject to clarification relating to the amenity/street cleansing service.	
6. Staining Parish Council		I can confirm that this Parish Council fully supports the Equitable Taxation system. However, councillors are rather anxious to know what exactly is required and the date it is required by.	

In Support (cont.)

Parish/Town Council	Original 05/06 Model	Refined 05/06 Model	Updated 06/07 Model
7. Singleton Parish Council	Following recent discussions between Fylde and Parish Councils, Singleton Parish Council wishes to let you know that, in principle, they are in favour of differential rating.		
8. Ribby-with-Wrea Parish Council	I confirm that this Parish Council is agreeable in principle to the proposals. However, before any firm commitment can be given, the precise details of the way forward/ongoing calculations need to be known. As you will appreciate, the parish councillors remain very wary, and do not wish to commit to a situation that will in fact increase overall council tax, or will only be a short term measure of benefit. Whilst the proposals are obviously of great benefit to the Borough, the parish does not want to take on additional burdens in the absence of clear benefits to parishioners.	I refer to your letter of the 16 December 2005 and the Parish/Town meeting of the 17 January 2006, and I confirm that this Parish Council, despite reservations, is: - 1) In favour of the move to Equitable Taxation based on Option A. 2) The Parish Council is also agreeable to raising the Open Spaces Grant, Section 131, and Christmas Light funds through the Precept.	I confirm that this Parish Council remains, in principle, in favour of the introduction of the proposed equitable taxation arrangement, as long as there are not still major double taxation situations evident. The parish councillors believe that this is the opportunity to place every resident in the borough on an even playing field by “blowing away” the historic unfair council double taxation situation. Consequently, if major concessions were made to any section of the borough this parish would have to withdraw its support for the proposed scheme. It is also felt that the issue has been aired sufficiently, and like yourself, this council considers that a final scheme of arrangement should be drawn up so that a final binding decision can be made as soon as possible. If we are to follow this course parishes will start to look at their 20007/08 budgets in September.
9. Weeton-with-Preese Parish Council			I have to inform you that Weeton-with-Preese Parish Council support the proposals for the Equitable Taxation.
10. Westby-with-Plumpton Parish Council			I have to inform you that Westby-with-Plumpton Parish Council support the proposals for the Equitable Taxation.

Not In Support

Parish/Town Council	Original 05/06 Model	Refined 05/06 Model	Updated 06/07 Model
1. Elswick Parish Council		I write to inform you that at their scheduled monthly meeting for January 2006 the elected members of Elswick Parish council voted unanimously not to participate in 'Equitable Taxation' for the 2006/07 Financial year	
2. Little Eccleston with Larbreck Parish Council	Resolved to accept the principle of Equitable Taxation based on the format presented at the July meeting involving devolved services. The Parish Council will not accept the additional elements presented at the meeting on 6/9/05.	Further to your letter of 16 th December 2005 and our subsequent Parish Council meeting, please note that Little Eccleston with Larbreck Parish Council in no way supports the principle of Equitable Taxation.	
3. St Annes on Sea Parish Council	The Saint Anne's on the Sea Parish Council met last evening to consider equitable council taxation. I am to tell you that, in the Parish Council's very firm view, the mechanism proposed is neither a better nor fairer way of doing things.		
4. Treales, Roseacre and Wharles Parish Council	This Parish Council met on 7 th December 2005, discussed the subject of Equitable Taxation and decided that this Council's view is NO it does not agree with the proposal of Equitable Taxation until the Borough has addressed its deficit.	...please take our response to Equitable Taxation to be the same as per our last two correspondence on this subject i.e. this Parish Council does NOT accept Equitable Taxation in its current form.	This Parish Council is still against the Borough Council adopting the Equitable Taxation approach. The Parish Council sees it as a back door way of increasing taxes and is disappointed at being asked the same question so many times.

REPORT



REPORT OF	MEETING	DATE	ITEM NO
CHIEF EXECUTIVE	CABINET	13 TH SEPTEMBER 2006	10

CABINET PROCEDURE RULES

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

Summary

The report proposes slight amendments to the Cabinet Procedure Rules.

Recommendation

1. That the Cabinet Procedure Rules be amended to allow the submission of questions from non cabinet members up until 10am on the day prior to Cabinet meetings.
2. That all Group Leaders be invited to participate in the concurrent group meetings on the Monday evening prior to the scheduled Cabinet meetings.

Executive Portfolio

The item falls within the following Portfolio:

The Council Leader (Councillor John Coombes)

Report

1. Prior to establishing the Cabinet, members of the different political groupings had met concurrently on the Monday evening in advance of the meeting of the Executive Committee. The main purpose of these meetings was to allow all councillors an opportunity to consider and discuss informally the content and impact of the reports on the agenda. It also provided an opportunity for the different groups to formulate lines of questioning to present to the Executive Committee.
2. The Cabinet system of administration is more streamlined than the Executive Committee and provides restricted opportunity for the submission of questions from councillors who are not members of the Cabinet. This is governed by the Cabinet

Procedure Rules which are contained in the Council's Constitution at Appendix 5, Part C, paragraph 2. The content of these rules is within the decision making right of the Cabinet.

3. Since the Cabinet system of administration was adopted it has been observed that non cabinet members have little real opportunity to influence discussion on the Cabinet agenda items. This is, in part, to be because the current procedure rules require the submission of questions by a deadline which is too close to the publication of the agenda. It has also been suggested as a reason why the concurrent group meetings, referred to in paragraph 1, have not taken place since the Cabinet was established.
4. In order to go some way towards addressing both of these issues it is suggested that the Cabinet Procedure Rules be amended to allow the submission of questions from non cabinet members until 10.00 hrs on the day prior to the Cabinet Meeting. This amendment would allow relevant questions to be formulated from discussions at the concurrent group meetings if these were to be re-established. Questions would, of course, need to be relevant to items on the Cabinet agenda.

Implications	
Finance	None arising directly from 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	None arising directly from the report.
Health & Safety and Risk Management	None arising directly from the report.

Report Author	Tel	Date	Doc ID
P Woodward	(01253) 658500	13/09/2006	H/Cabinet/Sept06

Background Papers		
Name of document	Date	Where available for inspection
None		

REPORT



REPORT OF	MEETING	DATE	ITEM NO
CHIEF EXECUTIVE	CABINET	13 TH SEPTEMBER 2006	11

LOCAL GOVERNMENT REVIEW

Public Item

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

Summary

The report provides a summary of the current situation regarding proposals for the review of local government functions and structures together with an outline of discussions taking place within local government networks in Lancashire.

Recommendation

1. That the Cabinet considers the content of the report and determines an appropriate way forwards on the matter of local government review.

The item falls within the following Cabinet portfolio:

Council Leader (Councillor John Coombes)

Report

The National Picture

1. Earlier this year the then Minister of Local Government, David Miliband, announced his intention to publish a White Paper on the functions and structures of local government. Prior to this he had hosted a series of meetings in various parts of the country to gauge views on the appetite for moving to a unitary local government structure in England.
2. The White Paper was expected in June but, following the Cabinet reshuffle in May, this was delayed and is now expected to be published in October.

3. Ruth Kelly is now the Minister responsible for the Department of Communities and Local Government (DCLG) and it would appear that her personal drive for unitary local government is not as strong as David Miliband's. In recent speeches she has confirmed that a White Paper will be published in October but has indicated much less of a commitment to unitary government. The following extract from a recent speech outlines her approach:

"Some people think that local government would work much better for citizens and taxpayers if we had full unitary government everywhere. I also know that there are some areas where there is a widely held view that this is the right way to move. In such cases, where there is a broad cross-section of support for change and where our criteria are met, I won't stand in their way.

But let me also assure you that I am far more interested in outcomes for citizens than lines on maps. So we will have a short window of opportunity for that small number of councils who are keen for change and who meet our criteria to seek unitary status. But I have no desire whatsoever to create a great distraction of activity on the restructuring issue.

In the clear majority of county areas two tiers will remain and in all of these areas we will need better joint working. The status quo is not an option. I'm also clear that there is huge potential to make efficiencies and improve outcomes through councils working more effectively together and with other public services. I will set out a radical vision in our White Paper. I want it to deliver immediate moves that result in a concrete shift of powers and responsibilities."

4. The criteria for unitary status which she mentions have not yet been defined, although it has been reported that the "short window of opportunity" will be a two month period after the publication of the White Paper.
5. The current rhetoric in the local government press clearly states that there will be no changes to existing administrative boundaries and that "place shaping" and the neighbourhood agendas will be major factors in considering any submissions which are made to DCLG.

The Lancashire Picture

6. The issue of local government review has been on the agenda of recent meetings of the Lancashire Leaders and Chief Executives group. As you might expect, views and approaches are diverse and several districts have already indicated their intention to seek unitary status either alone or in partnership with others.
7. The general approach of Lancashire County Council is to work on an "enhanced two tier" arrangement. This is also the preferred position of the central Conservative Party which makes up the administration of seven out of the 12 districts in Lancashire. However, no tangible work has yet been done on defining what might be meant by "enhanced two tier" working.
8. In the meantime the following districts are undertaking preparatory work on submissions to seek some form of unitary status:
 - Preston City Council & South Ribble Borough Council,
 - Lancaster City Council

- Hyndburn Borough Council (in a model associated with the delivery of existing county-level services by Blackburn with Darwen Borough Council)

9. This throws up a number of issues for other districts in the county such as Fylde to consider:

- If any or all of the bids are successful, there will be an adverse financial and operational impact on what remains of Lancashire County Council which will be felt across the remaining two tier area,
- If any or all of the bids are successful, the County Council may rethink its preference for enhanced two tier working and seek unitary status on the County Council footprint,
- The proposed model being put forward by Hyndburn has great relevance for public service delivery in the Fylde and Wyre areas as a consequence of our relationship with Blackpool BC. Should this model gain favour with DCLG as an innovative option for a form of enhanced two tier, then Fylde and Wyre should not lose the opportunity of pursuing this option.

10. The fundamental question to consider is whether it is best to sit back and wait until the White Paper is published when all the criteria will be fully understood or whether it is prudent to enter into a dialogue with our neighbours to explore whether there could be a better way of structuring public service delivery for residents across the Fylde coast area without losing the identity of the existing councils.

11. If the 'wait and see' approach were to be taken it is unlikely that there would be sufficient time in the "short window of opportunity" referred to in Ruth Kelly's speech to build up the necessary case if the scenarios outlined in paragraph 9 were to come about.

Implications	
Finance	No direct financial implications from the report recommendation although senior officer time would need to be allocated to producing a submission if this option were to be pursued.
Legal	None arising from the report.
Community Safety	None arising from the report.
Human Rights and Equalities	None arising from the report.
Sustainability	None arising from the report.
Health & Safety and Risk Management	None arising from the report.

Report Author	Tel	Date	Doc ID
P Woodward	(01253) 658500	Sept. 2006	H/Cabinet/Sept06

List of Background Papers		
Name of document	Date	Where available for inspection
None		