

# Agenda



## FINANCE AND DEMOCRACY COMMITTEE

Date:	Monday, 20 June 2016 at 6:30 pm
Venue:	Town Hall, St Annes, FY8 1LW
Committee members:	<p>Councillor Karen Buckley (Chairman) Councillor Roger Small (Vice-Chairman)</p> <p>Councillors David Donaldson, Tony Ford JP, Angela Jacques, Kiran Mulholland, Linda Nulty, Liz Oades, Richard Redcliffe, Vince Settle, Elaine Silverwood, Richard Taylor.</p>

### Public Platform

To hear representations from members of the public in accordance with council procedure rule 11.  
To register to speak under Public Platform: see [Public Speaking at Council Meetings](#).

	PROCEDURAL ITEMS:	PAGE
1	<b>Declarations of Interest:</b> Declarations of interest, and the responsibility for declaring the same, are matters for elected members. Members are able to obtain advice, in writing, in advance of meetings. This should only be sought via the Council's Monitoring Officer. However, it should be noted that no advice on interests sought less than one working day prior to any meeting will be provided.	1
2	<b>Confirmation of Minutes:</b> To confirm the minutes, as previously circulated, of the meeting held on 6 June 2016 as a correct record.	1
3	<b>Substitute Members:</b> Details of any substitute members notified in accordance with council procedure rule 24(c).	1
	<b>DECISION ITEMS</b>	
4	<b>Medium Term Financial Strategy (MTFS) – General Fund Revenue, Capital Programme &amp; Treasury Management Outturn Position for 2015/16</b>	3 - 30
5	<b>Blackpool Airport Corridor Enterprise Zone: Business Rate Relief Policy</b>	31 - 61
6	<b>Proposal to Consider Borough Wide Weed Treatment Using Mechanical Removal</b>	62 - 73
7	<b>Universal Credit Update</b>	74 - 77
8	<b>Freckleton Memorial Gardens Community Project</b>	78 - 89
9	<b>Funded Budget Increase for Healthy New Town Pilot</b>	90 - 92
10	<b>Assets of Community Value: Listing Reviews</b>	93 - 95

<b>11</b>	<b>Elected Member Development Strategy and Working with Councillors with Disabilities Policy</b>	<b>96 - 102</b>
	<b>INFORMATION ITEMS</b>	
<b>12</b>	<b>Year End Performance 2015/16</b>	<b>103 - 106</b>

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# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
CHIEF FINANCIAL OFFICER	FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	4
<b>MEDIUM TERM FINANCIAL STRATEGY (MTFS) – GENERAL FUND REVENUE, CAPITAL PROGRAMME &amp; TREASURY MANAGEMENT OUTTURN POSITION FOR 2015/16</b>			

## PUBLIC ITEM

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

### SUMMARY

On 2<sup>nd</sup> March 2016 the Council set its budget for 2016/17 and also set a revised budget for 2015/16. This report sets out for Members the expected General Fund Revenue, Capital, and Treasury Management Outturn position for the financial year 2015/16. The report outlines the major variations between the latest approved budget and the actual outturn expenditure and quantifies the impact on the Council's reserves. The report also includes a summary of the Council's Treasury Management operations for the financial year. Work is still ongoing and some minor variations may be identified which will be reported in future Medium Term Financial Strategy (MTFS) updates.

### RECOMMENDATIONS

**The Finance and Democracy Committee is recommended to:**

1. approve the General Fund Revenue Outturn Expenditure and slippage as set out in Sections 2 to 5, and Appendix C (revenue budget slippage items);
2. approve the transfers to earmarked reserves as set out in paragraphs 2.4, 2.7 & 2.9 and as summarised in Table 1;
3. approve the Capital Outturn as set out in sections 6 to 9, the capital slippage detailed in Appendix E, and the proposed capital financing as set out in Table 5;
4. approve the Treasury Management Annual Report as set out in sections 10 to 12 and the actual Prudential Indicators set out in Appendix F; and
5. approve the virement of £100,000 from the 2016/17 planning appeals budget to the planning enforcement budget to fund any required enforcement activity at Fairfield Road, Hardhorn.

### SUMMARY OF PREVIOUS DECISIONS

The outturn position for the prior financial year is considered by members annually. There are no previous decisions in respect of the 2015/16 financial outturn.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	✓
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	✓

## REPORT

### 1. Introduction

- 1.1 The Revenue Budget Forecast Update was reported to the Finance and Democracy Committee in both November 2015 and January 2016 and to Council in December 2015 and February 2016, with the Medium Term Financial Strategy (MTFS) and budget decisions presented to full Council for approval in March 2016. This report sets out the outturn position at the end of the financial year to March 2016.

### 2. General Fund Revenue Outturn Position (including Collection Fund)

- 2.1 On the 2<sup>nd</sup> March 2016, Council approved a revised Revenue Budget net requirement of £8.673m for 2015/16. The outturn position for 2015/16 is a net requirement of £8.297m resulting in a favourable variance (before financing and slippage) of £0.376m. A £0.102m favourable variance against the budgeted total of financing received during the year has resulted in a Revenue Budget underspend, before slippage requests, of £0.478m.
- 2.2 The underspend position is summarised in Table 1 below:

**Table 1 – Estimated General Fund Revenue Outturn Position:**

	<u>Budget</u> <u>£m</u>	<u>Actual</u> <u>£m</u>	<u>Variance</u> <u>£m</u>	
Net expenditure for the year	8.673	8.297	(0.376)	(Fav)
Financing for the year	(9.966)	(10.068)	(0.102)	(Fav)
<b>Surplus of resources for the year</b>	<b>(1.293)</b>	<b>(1.771)</b>	<b>(0.478)</b>	(Fav)
Less:				
budgeted transfer to Accommodation Project Reserve	0.504	0.504	0	-
budgeted transfer to Capital Investment Reserve	0.032	0.032	0	-
budgeted transfer to Funding Volatility Reserve	3.000	3.000	0	-
budgeted transfer to/(from) General Fund balances	(2.243)	(2.243)	0	-
<b>Balance - further transfers to reserves</b>	<b>0</b>	<b>(0.478)</b>	<b>(0.478)</b>	(Fav)
<b>Analysis of further recommended transfers to reserves</b>				
- transfer to General Fund balances re slippage	0	(0.282)	(0.282)	(Fav)
- transfer Capital Investment Reserve	0	(0.196)	(0.196)	(Fav)
<b>Recommended further transfers to reserves</b>	<b>0</b>	<b>(0.478)</b>	<b>(0.478)</b>	(Fav)

- 2.3 A more detailed analysis of the General Fund Revenue Account comparing actual expenditure against the revised approved estimate, analysed by service, is set out in Appendix A. A

detailed list of the variances within services which contribute to the outturn position is set out in Appendix B.

- 2.4 There are a number of budget variances arising from slippage and other adjustments that are recommended for operational effectiveness. These items total £0.282m and are listed in Appendix C. **It is recommended that this sum is transferred to general fund balances at year end such that this expenditure can be met in 2016/17.** The underlying underspend after accounting for this slippage is therefore reduced from £0.478m to £0.196m.

One of the slippage items is in relation to Planning Appeal costs, the total slippage requested being £177k. **It is recommended that, if the slippage amount be approved, a part of the slippage for Planning Appeal costs, in the sum of £100k, be vired to the Planning Enforcement budget to fund any enforcement activity at Fairfield Road, Hardhorn should that be required.**

- 2.5 Work continues to be undertaken to interrogate and verify the nature of any budget variances in order to continue the budget rightsizing work carried out during the last financial year. The outcome of this work will be reflected in future updates of the MTFs.

**Business Rates Income (National Non-Domestic Rates – NNDR)**

- 2.6 As a consequence of the revised arrangements in respect of business rates, which came into effect from 2013/14, local authorities became liable for a share of the cost of the settlement of appeals in respect of the valuation of properties by Valuation Office Agency (VOA), that being the body which determines business rates liability. All rateable values are supposed to be reassessed every five years at a general revaluation, although the next one, which was due in 2015, has been postponed. The current rating list is based on a revaluation which took place in 2010. Many businesses within the borough, and indeed nationwide, have lodged appeals against the level of their business rating valuations. These appeals are often supported by specialist rating agents and the outcome can be backdated to the date of the appeal or the last revaluation (i.e. 2010). This scenario can result in significant in-year business rate refunds being made to businesses whose appeals are successful. The VOA have committed to reducing the backlog of appeals within the system although at 31<sup>st</sup> March 2016 most if not all of the higher value appeals remain unresolved.

The Council is required to make adequate provision to meet the estimated cost of rating appeals. As a result of the continuing scale of the potential cost to the Council arising from historic appeals it has been necessary to significantly increase the business rate appeal provision from £3.560m at 31<sup>st</sup> March 2015 to £9.613m at 31<sup>st</sup> March 2016. This judgement is based upon information held on outstanding appeals and after having taken specialist advice.

The effect of this has been to significantly reduce the amount of business rates income receivable by the Council in 2015/16. The financial forecast which was approved by Council in March 2016 assumes that for 2015/16 business rate income will be at the 'Safety Net' level (92.5% of the 'baseline' funding level as determined by central government calculated by an authority's spending need). The cost to Fylde Council of the need to increase the provision for appeals during 2015/16 puts the Council below the safety net level and receiving a grant from DCLG of £0.953m to bring the Council back to the safety net funding level.

If the cost of appeals from 2016/17 onwards is less than the amounts set-aside in the provision for this purpose it may be possible to release these sums and consequently the Council's business rates income in that year would increase accordingly.

- 2.7 The Council accounts for the Business Rates income that it collects through a 'Collection Fund'. As a result of the increase in the appeals provision, as described in paragraph 2.6 above, the total deficit on the NNDR Collection Fund at the end of 2015/16 is £5.286m. This deficit is the difference between the total amounts estimated to be paid into the Collection Fund and the actual amounts collected, net of changes in the amount of the appeals provision. This deficit is split between the Government, Lancashire County Council, the Fire Authority, and Fylde Council, with Fylde Council's share being £2.114m. The accounting arrangements mean that there are significant timing differences between when a deficit or surplus on the collection fund occurs and when the relevant payments or receipts are made to or from the relevant parties to the collection fund. In line with the guidance **it is recommended that a net contribution to the Collection Fund Deficit Reserve of £1.485m is made.** This comprises a contribution of £1.609m to cover the 15/16 deficit less a release of £0.124m relating to the 14/15 deficit, and will ensure that FBC's share of the collection fund deficit can be met when it is due.
- 2.8 The analysis of the 2015/16 financing at Appendix A includes a favourable variance of £102k in relation to government grants and council tax and business rate income. This is a separate issue to that described above and arises from the timing differences in the required accounting transactions between the Council's General Fund and the Collection Fund which is required to account separately for business rate and council tax income.
- 2.9 After allowing for slippage of £0.282 and the proposed transfer to the Collection Fund Deficit Reserve of £1.485m there remains a favourable outturn variance of £0.196m. **It is recommended that this sum of £0.196m is transferred to the Capital Investment Reserve. This will be in addition to the budgeted transfer to the reserve of £0.032m approved by Budget Council on 2<sup>nd</sup> March 2016.**

### **3. Collection Fund Outturn Position**

- 3.1 As a Council Tax and Non-Domestic Rates (NDR) Billing Authority, the Council is required by legislation to calculate the surplus or deficit for each financial year on the Collection Fund. Prior to 2013/14 the requirement was to maintain this for Council Tax only, however, as part of the Local Government Finance Act 2012 the Government implemented a Business Rates Retention Scheme from April 2013, whereby the collection and distribution of NDR is collected and distributed via the Collection Fund (distribution of NDR had previously been managed nationally).
- 3.2 For Council Tax only, there was a cumulative surplus on the fund as at 31<sup>st</sup> March 2016 of £513k. This will be shared between the Borough Council, the County Council, the Police Authority and the Fire & Rescue Authority in 2016/17 & 2017/18. The Borough Council's share of the surplus is £70k.
- 3.3 For Non-Domestic Rates only, there was a deficit on the fund as at 31<sup>st</sup> March 2016 of £5.286m. This will be shared between Central Government, the Borough Council, the County Council and the Fire & Rescue Authority in 2016/17 & 2017/18. The Borough Council's share of the deficit is 2.114m.

### **4. Statement of General Fund Revenue Balances**

- 4.1 Table 2 details the Council's General Fund Balances position, as a result of the estimated Outturn at 31<sup>st</sup> March 2016:

**Table 2 – Statement of General Fund Revenue Balances**

	<u>Budget</u>	<u>Actual</u>	<u>Variation</u>	
	<u>£m</u>	<u>£m</u>	<u>£m</u>	
Opening Balance 01/04/2015	5.443	5.443	-	
In-year surplus transferred to balances	0.757	1.039	0.282	(Fav)
Transfer to Funding Volatility Reserve	(3.000)	(3.000)	-	
<b>Closing Balance 31/03/2016</b>	<b>3.200</b>	<b>3.482</b>	<b>0.282</b>	<b>(Fav)</b>

- 4.2 The first call on revenue balances in 2016/17 is the proposed slippage of £0.282m as set out in Appendix C leaving general fund balances after allowing for these items at £3.200m.

## **5. General Fund Revenue Outturn Conclusions**

- 5.1 The favourable outturn position for revenue allows for a contribution to be made to the Capital Investment Reserve in the sum of £0.196m (as shown in table 1) and is to be welcomed.
- 5.2 The scale of outstanding Business Rate appeals has increased year-on-year and the Council is required to make suitable provision for the possibility of the repayment of business rates in the event that an appeal by a business within the borough is successful. This has had the effect of keeping business rate income below the safety net level.
- 5.3 Earlier updates of the Financial Forecast over recent years have made reference to the risks and uncertainties to which all local government has become increasingly accustomed as we remain within a period of financial austerity following the financial crisis of 2008. In response the government has continued with its policy of reducing the quantum of public sector expenditure. Fylde Council has seen the effects of this in the form of significant reductions in central government funding allocations. The greater than anticipated funding reductions that were announced as part of the 2016/17 Local Government Finance Settlement have presented the Council with a challenging financial outlook over the medium term.
- 5.4 However, over the last few years the Council has delivered efficiencies and savings which have seen general fund reserves grow to a level which allows the Council to deal with future challenges and pressures in a planned and effective way. The Council faces a number of uncertainties in the future in respect of its finances, and the current forecast has a number of high risk financial assumptions which are outside the Council's control.
- 5.5 A number of risks are significant, in particular the future of central government grant funding including income from Business Rate retention and New Homes Bonus.
- 5.6 The gap between in-year income and expenditure in the final years of the forecast will need to be addressed. However with balances at the current level and with the main risk not arising until 2018/19 the Council is well-placed to take action in the intervening period to minimise the scale of this issue. Officers and Members will be continuously monitoring all areas of concern through established budget setting procedures and will work to ensure that the Council's Revenue Budget remains robust and sustainable.

## **6. Capital Outturn 2015/16**

- 6.1 The latest approved expenditure budget in the capital programme for 2015/16 was £3.380m. After adjusting for slippage of £0.410m, the overall outturn position for 2015/16 is an in-year balanced position against the latest updated estimate (as shown in table 5).

The capital receipts surplus for the year, after taking into account of slippage, totals £13k which leaves a total underlying favourable variance at outturn of £14k.

- 6.2 The first periodic update of the Five Year Capital Programme for 2016/17 will be amended to reflect the outturn results and any other changes approved to date.
- 6.3 The financing proposals represent the most cost-effective financing to the Council and leave it with the greatest flexibility in respect of future years.

Capital expenditure for 2015/16 is detailed in table 3:

**Table 3 - Latest Estimate Compared with Outturn 2015/16**

	Notes	£m	
MTFS 03/03/16 Approved Capital Programme		3.380	
<b>Latest Estimate</b>		<b>3.380</b>	
Less Outturn Expenditure		(2.969)	
<b>Net Underspend for Year</b>		<b>0.411</b>	(Fav)
Less Slippage (as per Note 1)	1	(0.410)	
Add Capital Receipts Surplus Applied		0.013	
<b>Underlying Variance at Outturn</b>		<b>0.014</b>	(Fav)

**Note 1: Capital Schemes Slippage Requests to 2015/16** (Full slippage explanations contained in Appendix E)

	£'000
Accommodation Project – Phases 3 & 4	19
Footway Improvements	7
Lowther Pavilion Roof	3
Sand Dunes re-modelling	2
Replacement Vehicles	60
Fylde Headlands Preliminary Work	38
Repair & Renewal Flood Defences	33
Disabled Facilities Programme	46
93 St Albans Road – Compulsory Purchase Order	105
Rapid Deployment CCTV Replacement Projects	38
Woodlands Road - Ansdell – Regeneration Phase 3	19
Staining Regeneration Schemes	40
<b>Total Slippage requested</b>	<b>410</b>

Details of variances for all capital schemes are shown in Appendix D.

## **7. Usable Capital Receipts 2015/16**

- 7.1 Capital Receipts are a major component of the Council's capital financing strategy. Details of usable receipts are set out in table 4:



**Table 4 - Useable Capital Receipts 2015/16**

	Latest Estimate	Outturn	Variance +/-	
	£'000	£'000	£'000	
Opening Balance at 01/04/2015	918	918	0	
Capital Receipts received in year	177	190	(13)	(Fav)
<b>Sub Total</b>	<b>1,095</b>	<b>1,108</b>	<b>(13)</b>	<b>(Fav)</b>
Capital Receipts used in year to finance expenditure on the Accommodation Project		(746)		
<b>Closing Balance at 31/03/2016</b>		<b>362</b>		

- 7.2 The closing balance of £362k includes slippage of £19k leaving residual receipts regarding assets sold to fund the accommodation project of £343k. The balance of receipts have been set aside into a capital receipts unapplied fund in order to finance future programmed expenditure on the Accommodation Project.

## **8. Capital Financing 2015/16**

- 8.1 The proposed financing of capital expenditure is set out in table 5:

**Table 5 - Proposed Capital Financing 2015/16**

	£'000
<b>EXPENDITURE:</b>	<b>2,969</b>
<b>FINANCING:</b>	
Grants & Contributions	1,194
Capital Receipts	746
Borrowing (internal)	224
Revenue Contribution	805
<b>Total Capital Financing</b>	<b>2,969</b>

- 8.2 It should be noted that whilst £224k of expenditure incurred during the year will be financed from borrowing, no actual additional borrowing has taken place during the financial year. This expenditure has been financed by internal borrowing in the interim in line with the advice of the Council's Treasury Advisors as this is currently the most cost effective approach available to the Council as opposed to incurring additional costs associated with external borrowing.
- 8.3 Should any minor changes be identified in capital expenditure as a result of final closure work, capital financing will be adjusted as appropriate.
- ## **9. Capital Outturn – Conclusions**
- 9.1 After allowing for slippage, the outturn position has produced an underlying programme surplus of £14k compared to the latest forecast reported to Members.
- 9.2 This surplus arises from an increase in budgeted capital receipts received from New Fylde Housing – Right to Buy Receipts.

- 9.3 The outturn position will be reflected in future capital programme updates.
- 9.4 Full details of the capital outturn position on a scheme-by-scheme basis have been presented to each of the programme committees during the current meetings cycle.

## **10. Treasury Management Annual Report**

### **10.1 Summary**

This section of the report covers Treasury Management operations for the financial year to 31<sup>st</sup> March 2016.

The Local Government Act 2003 requires the Council to adopt the CIPFA (the Chartered Institute of Public Finance and Accountancy) Prudential Code and produce Prudential Indicators.

The Council's treasury activities are regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management). The Code of Practice requires authorities to report on the performance of the treasury management function.

The Prudential Indicators and Treasury Management Strategy for 2015/16 were originally approved in the Medium Term Financial Strategy 2015/16 Report to Council on 3<sup>rd</sup> March 2015. The Prudential Indicators are updated as required and changes have been approved by Council in the Mid-Year Prudential Indicators & Treasury Management Monitoring Report to Council on 14<sup>th</sup> December 2015 and the Medium Term Financial Strategy Report to Council on 2<sup>nd</sup> March 2016. The Prudential Indicators and the out-turn position for 2015/16 are shown at Appendix F.

## **11. Implications**

### **11.1 Economic Background**

The rate of growth in the UK economy slowed during 2015 with annual growth falling to 2.3% from 3% in the previous year.

CPI inflation hovered around 0.0%. The low inflation was attributed to the fall in the price of oil, the increase in sterling pushing down import prices and weaker than anticipated wage growth.

The Bank of England maintained interest rates at 0.5% and reiterated that when interest rates do begin to rise it will be gradually and limited, and below historic levels.

### **11.2 Borrowing**

In line with advice from treasury advisors the borrowing strategy is to postpone new borrowing and to utilise in-house cash balances instead (also known as internal borrowing). This is the most prudent strategy, particularly in periods when investment returns are low and counter-party risk is high. Such a strategy minimises treasury risk by reducing both external debt and in-house investments. Therefore, no new long term borrowing has been taken during the year.

Existing long term borrowing has only been undertaken for a capital purpose and the statutory borrowing limit (the Authorised Limit) of £8.3m was not breached.

The Council's borrowings at 31<sup>st</sup> March, 2016 were all at a fixed interest rate (average rate 2.93%) and are set out in Table 6.

**Table 6 – Analysis of Borrowing**

Type of Loan	Balance 31.03.16 £m
Public Works Loan Board (PWLB)	2.3
<b>Gross Borrowing</b>	<b>2.3</b>
<b>Operational Boundary</b>	<b>2.3</b>

The figures in this report are based on the actual amounts borrowed and invested and so may differ from those in the final statutory annual accounts by items such as accrued interest and other statutory accounting adjustments.

### 11.3 Investments

The security of investments is the Council's main investment objective. This is achieved by adhering to the Treasury Management Strategy approved by Council on 3<sup>rd</sup> March 2015. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

### 11.4 Internally Managed Funds

During the year, cash sums managed internally by the Council have been invested with approved banks, money market funds, Lancashire County Council and a number of other Local Authorities. The Council held an average cash balance of £18.6m of internally managed funds. The overall performance was a gross return of 0.38%, compared with a benchmark return of 0.36%. Interest earned was £70.3k compared to a revised budget of £62.7k. The level of interest from investments was in excess of the revised budget as the actual level of external investments was higher than was anticipated due to the Council benefitting from a more favourable cash-flow position.

## 12. Prudential Indicators

- 12.1 The Council complied with all of its Prudential Indicator limits for 2015/16. Details can be found in Appendix F.

## 13. Overall Conclusions

- 13.1 The favourable outturn position for revenue allows for a contribution of £0.196m to be made to the Capital Investment Reserve and is to be welcomed
- 13.2 As has been detailed within previous updates to the Financial Forecast, the Council was already facing a number of uncertainties in the future in respect of its finances and was already anticipating reductions in central government funding for future years. The greater than anticipated funding reductions that were announced as part of the 2016/17 Local Government Finance Settlement have presented the Council with a challenging financial outlook over the medium term.
- 13.3 In light of the additional challenges that are presented by the recent Finance Settlement the Council needs to continue with the approach to delivering savings and efficiencies which have helped deliver balanced budgets and contribute to reserves over recent years. Through continued focus on the importance of financial stability the Council has delivered a significant

savings programme since 2007 and has continued to significantly reduce senior management costs and other overheads. Ongoing modernisation work and business improvement will continue to make Council services more efficient, save money and maintain frontline services to customers. This work has yielded ongoing savings to help improve the Council's overall financial position over that period. For Fylde Council to continue to successfully meet the new challenges that it faces it is vital that this approach is re-doubled and that all reasonable opportunities for further cost-reduction measures and for the generation of additional income are seriously considered. Prudent financial management in previous years has provided a level of reserves which allows the necessary time to determine how this Council can best respond to the increased challenges that the future will bring.

IMPLICATIONS	
Finance	Detailed financial implications are included within the body of the report
Legal	There is a statutory requirement for the Chief Financial Officer to sign off a completed Annual Statement of Accounts for the Council by 30 <sup>th</sup> June each year, in preparation for the Council's external auditors KPMG to carry out an annual audit.
Community Safety	Not applicable
Human Rights and Equalities	Not applicable
Sustainability and Environmental Impact	Not applicable
Health & Safety and Risk Management	Not applicable

LEAD AUTHOR	TEL	DATE	DOC ID
Paul O'Donoghue, Chief Financial Officer	01253 658566	June 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Medium Term Financial Strategy 2015/16 to 2019/20	2nd March 2016	<a href="https://fylde.cmis.uk.com/fylde/MeetingsCalendar.aspx">https://fylde.cmis.uk.com/fylde/MeetingsCalendar.aspx</a>

#### Attached documents

Appendix A – General Fund Summary Revenue Expenditure & Income Account  
Appendix B – General Fund Outturn 2015/16 – Variations from Revised Estimates  
Appendix C – Revenue Budget Slippage Items requested  
Appendix D – Capital Outturn 2015/16  
Appendix E – Capital Outturn Slippage Items requested  
Appendix F – Prudential Indicators




**GENERAL FUND OUTTURN 2015/16**











Summary Revenue Account				
Outturn 2015/16				
	Latest Estimate	Outturn	Variance + Over / (Under)	Favourable / Adverse
	£'000	£'000	£'000	
<b>Net Service Expenditure</b>				
Tourism and Leisure Committee	2,070	2,005	(65)	Fav
Operational Management Committee	3,056	2,598	(458)	Fav
Environment, Health and Housing Committee	580	524	(56)	Fav
Development Management Committee	1,196	753	(443)	Fav
Finance and Democracy Committee	2,730	3,063	333	Adv
Contingency	(284)	0	284	Adv
<b>Net Cost of Services</b>	<b>9,348</b>	<b>8,943</b>	<b>(405)</b>	Fav
Contributions to / (from) other Funds	(1,021)	(918)	103	Adv
Capital Accounting Adjustments	(355)	(409)	(54)	Fav
Interest payable and similar charges	67	67	0	-
Interest and investment income	(63)	(70)	(7)	Fav
Minimum Revenue Provision	697	697	0	-
Pension accounting adjustment	0	(13)	(13)	Fav
<b>Sub-Total of Appropriations</b>	<b>(675)</b>	<b>(646)</b>	<b>29</b>	Adv
<b>Total Net Requirement (See App B, part 1 for variance details)</b>	<b>8,673</b>	<b>8,297</b>	<b>(376)</b>	Fav
<b>Financing</b>				
General Government Grants:				
- New Homes Bonus	(1,660)	(1,660)	0	-
- Other Government Grants	10	(5)	(15)	Fav
Revenue Support Grant	(1,443)	(1,443)	0	-
Council Tax Outturn (incl previous years surplus/deficit)	(5,248)	(5,211)	37	Adv
Business Rates Outturn (incl previous years surplus/deficit)	(1,625)	(1,606)	19	Adv
Business Rates - s31 Grants	0	(675)	(675)	Fav
Business Rates - Safety Net Payments Receivable	0	(953)	(953)	Fav
Recommended Transfer to Collection Fund Deficit Reserve to fully provide for the Council's share of Deficit as at 31st March 2016	0	1,485	1,485	Adv
<b>Total Net Requirement</b>	<b>(9,966)</b>	<b>(10,068)</b>	<b>(102)</b>	Fav
<b>Surplus of resources for the year</b>	<b>(1,293)</b>	<b>(1,771)</b>	<b>(478)</b>	Fav
<b>Approved Transfer to/from Reserves</b>				
Transfer to Capital Investment Reserve	32	32	0	-
Transfer to Funding Volatility Reserve	3,000	3,000	0	-
Transfer to Accommodation Project Reserve	504	504	0	-
<b>Recommended transfers to reserves</b>	<b>2,243</b>	<b>1,765</b>	<b>(478)</b>	Fav
<b>Analysis of recommended Transfers to/from Reserves:</b>				
Recommended transfer from general fund revenue balances	2,243	2,243	0	-
- transfer to general fund revenue balances re slippage	0	(282)	(282)	Fav
- transfer to Capital Investment Reserve	0	(196)	(196)	Fav
<b>Recommended transfers to reserves</b>	<b>2,243</b>	<b>1,765</b>	<b>(478)</b>	Fav
<b>Statement of General Fund Revenue Balances</b>				
<b>General Fund Revenue Balances b/f</b>	<b>(5,443)</b>	<b>(5,443)</b>	<b>0</b>	-
Recommended transfer to general fund revenue balances	2,243	1,961	(282)	Fav
<b>General Fund Revenue Balances c/f</b>	<b>(3,200)</b>	<b>(3,482)</b>	<b>(282)</b>	Fav

**Note** - this table has been provided to assist Members in understanding the outturn position. The Statutory Statement of Accounts will be in a different format to comply with the latest Code of Practice on Local Authority Accounting.

# 2015 / 16 Revenue Outturn Variance from Latest Estimates




# Appendix B











KEY:		SLIPPAGE REQUEST - UNDERSPENT AGAINST BUDGET
		UNDERSPENT AGAINST BUDGET
		OVERSPENT AGAINST BUDGET

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Key	Reason for Variance
<b>STAFFING COSTS AND AUTHORITY WIDE BUDGETS</b>							
Authority Wide	Staffing budgets, including oncosts and Recruitment costs	7,804	7,737	-67	Favourable	 	This favourable variance is as a result of a higher than anticipated level of in-year savings from staffing vacancies, net of associated recruitment costs. Of this total, slippage in the sum of £19k is requested to provide for the continuation of a post in the Development Management Team which is tasked with bringing forward development on stalled sites (see Appendix C for further details).
Authority Wide	Supplies and Services (General)	2,070	2,004	-66	Favourable		This favourable variance is as a result of cost reductions across a range of supplies and services and reflects a positive response by budget-holders to financial resource challenges.
Authority Wide	Printing and Photocopier Costs	67	38	-29	Favourable		This favourable variance is as a result of cost savings and reduced consumption of printing and copying across the Council and is a reflection of both a shift to paper-less working and a response to budget restrictions.
Utilities Costs	Utilities and Business Rates	455	446	-9	Favourable		Business rate costs have been in line with the budget and with a relatively mild winter (in temperature terms), as well as the improvements to energy-efficiency that have resulted from the Town Hall accommodation works, expenditure on heating has been lower than average and a favourable outturn variance is the consequence.
Miscellaneous Repairs & Maintenance	Miscellaneous Repairs & Maintenance	239	248	9	Adverse		Expenditure on repairs and maintenance is in excess of the budget which is an indication of the continued focus in dealing with previous under-investment in property maintenance. Given the scale of the overall maintenance budget, this variance is within reasonable tolerances for budgets of this nature. However, this is an adverse variance.
Fleet Costs	Fleet costs, incl. fuel, tyres and vehicle hire costs	625	610	-15	Favourable		This favourable outturn variance arises largely as a result of the reduction in the cost of fuel during 2015/16, offset by cost increases in vehicle repair costs and the requirement to hire additional vehicles.
<b>Sub total</b>		<b>11,260</b>	<b>11,083</b>	<b>-177</b>	<b>Favourable</b>		
<b>TOURISM AND LEISURE COMMITTEE</b>							
Coast and Countryside	Sale of Sand (sandwinning)	-165	-179	-14	Favourable		For 2014/15 the income budget for Sandwinning was increased from £75,000 to £175,000 but achieved just over £163k and the budget was consequently reduced for 2015/16. However for 2015/16 income did manage to achieve the higher estimate and the result is a favourable outturn variance. The income estimate for future years will be reviewed as part of the budget right-sizing exercise later in the year.
Grounds Maintenance External Contracts	Contribution to Overheads on External Contracts	-125	-130	-5	Favourable		Effective management of costs during the year has led to an improved outturn position across all contracts. This is a favourable outturn variance.
Lytham Library	LCC Lytham Library Contribution	-30	-40	-10	Favourable		During 2015/16 it has been necessary to carry out essential external repairs to this grade II listed building, resulting in additional contribution from LCC for their share of the cost which has led to this favourable outturn variance.
<b>Sub total</b>		<b>-320</b>	<b>-349</b>	<b>-29</b>	<b>Favourable</b>		

## 2015 / 16 Revenue Outturn Variance from Latest Estimates




## Appendix B









KEY:		SLIPPAGE REQUEST - UNDERSPENT AGAINST BUDGET
		UNDERSPENT AGAINST BUDGET
		OVERSPENT AGAINST BUDGET

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Key	Reason for Variance
<b>OPERATIONAL MANAGEMENT COMMITTEE</b>							
Fylde Waste Schemes	Replacement Waste Containers	40	52	12	Adverse		During the year it has been necessary to purchase replacement grey and green bins as existing stocks have reduced accompanied by an increased demand for full set of bins for new build properties. The result is an adverse outturn variance.
	Other Sales and Reimbursements	-35	-55	-20	Favourable		Income has been received from LCC as a contribution to the costs of the recent green bin/food waste advertising campaign and for income from the provision of replacement and new wheeled bins, for which there was no income budget. This has resulted in a favourable outturn variance.
	Household Refuse Special Collections	-25	-33	-8	Favourable		There has been additional unbudgeted income during 2015/16 resulting from increased demand for the bulky waste collection service which has produced this favourable variance.
Trade Waste Service	Grey Sacks - Sack Collection	-31	-38	-7	Favourable		There has been additional income during the year from the sale of grey trade waste sacks, resulting in a favourable outturn variance.
Land Charges	Local Land Charge Searches	-75	-70	5	Adverse		Land Charges income has been lower than the budget, largely due to the effect of competition from private search companies who also offer this service, resulting in an adverse outturn variance.
Corporate Improvement	Computer - Program Licence Charges	10	5	-5	Favourable		It was anticipated that this resource would be spent on IDOX EGRMS document imaging developments. This would include data migration, system integration, staff end user training, and corporate rollout. Unfortunately there has been several delays in key milestones being delivered for this ICT project and consequently completion dates have been pushed back by six months into the 2016/17 financial year. This item is therefore included as a slippage request.
Computer Services	Various	232	167	-65	Favourable		Slippage of this sum, which is linked to the accommodation project, is requested. The remaining funds will be spent on the integration of the network and Wi-Fi with the existing infrastructure in the Town Hall, as well as hardware and software for the new offices that were only occupied in the new financial year.
Computer Services	ICT improvement Projects	60	31	-29	Favourable		These funds were specifically allocated for three projects, one has been completed (Public Sector Network Investment - to ensure the Council remains compliant with the protocols on data sharing between central and local government) and the other two (Investment in Mobile Working Solutions & Investment in Website / Forms Integration) have made significant progress but were always going to extend beyond April 1st 2016, though it was not possible to forecast to what degree. The two remaining projects will be completed in the first half of 2016/17 financial year and slippage of this budget is requested.
Car Parks	Car Parking Fees	-562	-575	-13	Favourable		Increased patronage throughout the year has led to additional car parking income. Future years income budgets will be reviewed. This is a favourable outturn variance.
Coast Protection	Other General Repairs and Maintenance, Consultants fees	19	4	-15	Favourable		Repair works have been delayed pending the start of major works at Fairhaven and Church Scar, resulting in this favourable outturn variance, offset by the requirement to incur additional consultancy costs on coastal monitoring.

# 2015 / 16 Revenue Outturn Variance from Latest Estimates

# Appendix B




KEY:		SLIPPAGE REQUEST - UNDERSPENT AGAINST BUDGET
		UNDERSPENT AGAINST BUDGET
		OVERSPENT AGAINST BUDGET










Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Key	Reason for Variance
Footway Lighting	Other General Repairs and Maintenance	20	25	5	Adverse		During the year footway lighting features have required additional essential maintenance and repair resulting in this adverse outturn variance.
Pumping Stations	Other General Repairs and Maintenance	17	10	-7	Favourable		During the year the cost of essential maintenance and repair of pumping stations has been lower than anticipated, resulting in this favourable outturn variance.
<b>Sub total</b>		<b>-330</b>	<b>-477</b>	<b>-147</b>	<b>Favourable</b>		
<b>ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE (cont.)</b>							
Homelessness	Bed and Breakfast Accommodation	25	42	17	Adverse		Due to changes in the definition of 'vulnerability' the number of single homeless households presenting themselves, and for whom the Council have a duty to house, has increased. This has resulted in an increase in the provision of bed and breakfast accommodation and consequently an adverse outturn variance.
	Homelessness Prevention Project	109	73	-36	Favourable		These variances arise due to timing differences in the receipt of central government grant directed towards the prevention of homelessness and the incurring of costs in the delivery of those activities across a number of financial years. It is proposed that these balances are transferred into 2016/17 when the remaining balance of the grant will be used as required in accordance with the principles of the scheme. Slippage is requested in this regard.
	Lancashire Single Homelessness Project	-120	-84	36	Adverse		
	Housing Benefit/Universal Credit Repayment	-10	-17	-7	Favourable		The number of single persons claiming Housing Benefit/Universal Credit in Bed & Breakfast accommodation has increased due to changes in vulnerability definition. This also increases the contribution that the Council receives in relation to those costs, creating a favourable outturn variance.
Mortgage Repossessions	Mortgage Repossession Prevention-grants	19	1	-18	Favourable		These variances arise due to timing differences in the receipt of central government grant directed towards the prevention of mortgage repossessions and the incurring of costs in the delivery of those activities across a number of financial years. It is proposed that these balances are transferred into 2016/17 when the remaining balance of the grant will be used as required in accordance with the principles of the scheme. A slippage request has been made in this regard.
	Mortgage Repossession Prevention-loans	19	0	-19	Favourable		
	Mortgage Repossession Prevention Grant	-38	-1	37	Adverse		
Housing Standards	Disabled Facilities - Grant Fee income	-40	-48	-8	Favourable		An increase in the total value of Disabled Facilities Grants that have been awarded creates a corresponding increase in the monies that Fylde Council retains for grant administration costs, creating this favourable outturn variance.
Community Safety Initiatives	Community Safety Initiatives	74	43	-31	Favourable		Community Safety funding is now significantly diminished due to the fact that external grants are no longer being received, other than for smaller amounts of funding, for example, from the Police and Crime Commissioner. As a result the Community Safety Partnership uses the legacy funding that was passed to it by the former Local Strategic Partnership, sparingly. During 2015/16 a relatively small amount of funding has been granted to support a number of partnership projects. The intention is to utilise resources sparingly and when such usage is most effective. Consequently a slippage request has been made to transfer the remaining resource into 2016/17. It is possible that not all of this will be used in 2016/17 and a future request to transfer funding beyond 2016/17 may be made.
	Other Reimbursements	-74	-43	31	Adverse		



# 2015 / 16 Revenue Outturn Variance from Latest Estimates




# Appendix B






KEY:		SLIPPAGE REQUEST - UNDERSPENT AGAINST BUDGET
		UNDERSPENT AGAINST BUDGET
		OVERSPENT AGAINST BUDGET

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Key	Reason for Variance
Cemetery and Crematorium	Operational Running Costs, Repairs & Maintenance	176	163	-13	Favourable		Operational and maintenance costs have been lower in the year as the number of cremations undertaken has been lower than anticipated. This has resulted in a favourable outturn variance.
	Income - including Cremations and Interments	-1,235	-1,133	102	Adverse		Income budgets for this service have increased considerably in recent years as the number of burials and cremations has exceeded estimates. However, the number of both burials and cremations that were carried out during 2015/16 have been lower than that for the previous year, and lower than the increased budgets for 2015/16, resulting in an adverse outturn variance for each of these services.
Residential Park Homes Licensing	Mobile Homes - Licence Fee	0	-6	-6	Favourable		This is a new Licence fee that was introduced in 2015/16 for which no income budget was established. An income budget will be set for future years as part of the budget right-sizing exercise. This is a favourable outturn variance.
<b>Sub total</b>		<b>-1,095</b>	<b>-1,010</b>	<b>85</b>	<b>Adverse</b>		
<b>DEVELOPMENT MANAGEMENT COMMITTEE</b>							
Development Management	Advertising	16	23	7	Adverse		Applications for 'major' development are required to be advertised in the local press. As a result of the considerable number of such applications received during the year there has been a corresponding increase in the number of applications that have needed to be advertised, leading to this adverse outturn variance.
	Planning Application Fees	-903	-883	20	Adverse		Last year saw an unprecedented number of major applications for planning permission being submitted to the Council. However a number of these will be processed in 2016/17 and, as is usual, this income has been transferred to 2016/17 to meet these costs in that year. The net result is an adverse variance for 2015/16.
Planning Appeals	Planning Appeal Hearing Costs	238	61	-177	Favourable		A number of planning appeals that were expected to be heard during 2015/16 have been postponed and will now be heard during 2016/17. A slippage request in this regard has been submitted to ensure that these costs can be met in 2016/17.
Local Plan	Sustainability Appraisal	7	12	5	Adverse		Additional work to demonstrate the sustainability credentials of the Local Plan has been required as a result of consultation responses received from Natural England. This has resulted in an adverse outturn variance.
	Core Strategy Studies	10	27	17	Adverse		Additional work in regard to the need for public open space and leisure facilities has been identified following a review of recent local plan examinations elsewhere in the country. This has resulted in an adverse outturn variance.
Planning Policy	Neighbourhood Planning Costs	8	0	-8	Favourable		The work that was anticipated to be undertaken in 2015/16 has not taken place and consequently the majority of the cost has not been incurred and will now fall in 2016/17. A slippage request has been made in regard.

# 2015 / 16 Revenue Outturn Variance from Latest Estimates

# Appendix B

KEY:		SLIPPAGE REQUEST - UNDERSPENT AGAINST BUDGET
		UNDERSPENT AGAINST BUDGET
		OVERSPENT AGAINST BUDGET

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Key	Reason for Variance
Planning Policy	Advertising	15	1	-14	Favourable		Due to the delay in progressing a number of Neighbourhood Plans there has been a reduction in the need to incur expenditure in advertising costs. Costs in 2016/17 can be contained in the approved budget and therefore no request for slippage is being made. This is a favourable outturn variance.
<b>Sub total</b>		<b>-609</b>	<b>-759</b>	<b>-150</b>	<b>Favourable</b>		
<b>FINANCE AND DEMOCRACY COMMITTEE</b>							
Revenues & Benefits	Council Tax, Business Rates and Benefits costs & Allowances	-329	-251	78	Adverse		This adverse variance is a consequence of a range of factors relating to the shared revenues and benefits service, including a reduction in the scale of the housing benefits administration grant that the Council receives and a reduction in court costs recovered due to fewer cases for recovery of council tax and business rates being referred to the courts for determination.
	Council Tax Reduction Scheme - Hardship Fund	8	0	-8	Favourable		This favourable variance is as a result of the low level of hardship awards being made to claimants under the council tax reduction scheme during 2015/16. It is proposed that the remaining budget be slipped into 2016/17 to provide some budget provision for potential claimants during the new year. Slippage requested of £8K.
Electoral Registration	Electoral Registration Expenditure	93	55	-38	Favourable		These variances arise due to timing differences in the receipt of a specific grant directed towards Individual Elector Registration for the May 2016 elections and the carrying out of those activities across two financial years. It is proposed that the majority of these balances are transferred into 2016/17 when the remaining instalment of grant will be received and the corresponding activities will take place. A slippage request has been made in this regard of £38k.
	Individual Electoral Registration	-41	-3	38	Adverse		
Miscellaneous Properties	Other Rent	-110	-123	-13	Favourable		Income from property rental and from concessions is in excess of the budget causing this favourable variance. The income budget will be reviewed as part of the budget right-sizing exercise later in the year.
<b>Sub total</b>		<b>-379</b>	<b>-322</b>	<b>57</b>	<b>Adverse</b>		
<b>Other minor variances</b>				<b>-15</b>	<b>Favourable</b>		
<b>Total Variances - Net Budget Requirement</b>				<b>-376</b>	<b>Favourable</b>		

**Revenue Slippage 2015/16**  
**Requests to transfer 2015/16 Budget to 2016/17**

**Appendix C**

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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**FINANCE & DEMOCRACY COMMITTEE**

Revs & Bens Central Costs	Council Tax reduction Scheme - Hardship Fund	8	There have been few hardship awards to claimants during 2015/16. It is proposed that the remaining £7,951 available in this budget is slipped into 2016/17 to provide some budget provision for potential claimants during the new year.	A legal obligation exists to provide a hardship fund for CTRS recipients. This funding represents the resource to meet that obligation and there is no other financial resource available to meet that requirement.
Electoral Registration	Individual Elector Registration (IER)	38	IER Funding from Cabinet Office to cover the implementation costs of individual elector registration.	The slippage is required to enable the delivery of forms to householders. If this is not carried out the grant funding would be returned to the Cabinet Office.
		-38	Government Grant funding for above	Grant funding would be returned to central government.
	Sub-total	8		

**OPERATIONAL MANAGEMENT COMMITTEE**

Corporate Improvement	Computer - Program Licence Charges	5	It was anticipated that this resource would be spent on IDOX EGRMS document imaging developments. This would include data migration, system integration, staff end user training, and corporate rollout. Unfortunately there has been several delays in key milestones being delivered for this ICT project and consequently completion dates have been pushed back by six months into the 2016/17 financial year.	If the slippage were not to be approved software development and staff improvement opportunities would be lost, the full potential of the document imaging product would not be maximised and its roll-out into further areas within the Council to achieve efficiency gains would not be possible.
Computer Services	Various	65	The slippage is linked to the accommodation project. The remaining funds will be spent on the integration of the network and Wi-Fi with the existing infrastructure in the Town Hall, as well as hardware and software for the new offices that were only occupied in the new financial year.	A significant amount of the slippage has already been allocated throughout April with the next phase of the project coming to completion – this was several weeks behind schedule. If the slippage is not permitted the 2016/17 budget will not be sufficient to integrate the network and Wi-Fi or provide the necessary hardware and software for the Chaseley, Reception and One Stop phases of the accommodation project.
Computer Services	ICT improvement Projects	29	The funds were specifically allocated for three projects, one has been completed (Public Sector Network Investment - to ensure the Council remains compliant with the protocols on data sharing between central and local government) and the other two (Investment in Mobile Working Solutions & Investment in Website / Forms Integration) have made significant progress but were always going to extend beyond April 1st 2016, though it was not possible to forecast to what degree. The two remaining projects will be completed in the first half of 2016/17 financial year.	If the slippage were not to be approved the two remaining projects would not be able to be completed and the benefits of the improvement projects would not be realised.
		-29	Financing element for projects as described above.	Financing element - as above.

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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**OPERATIONAL MANAGEMENT COMMITTEE (Cont.)**

Capital Expenditure funded from the Capital Investment Reserve (Revenue)	Vehicle Purchases	60	An operational vehicle, which was being fitted to a bespoke specification, was not delivered to the Council by the year-end. Slippage is requested in this regard and the vehicle is now expected to be received in the early part of the financial year 2016/17.	If the slippage is not granted the £60k expenditure would have to be funded from the 2016/17 budget for vehicle replacements which would impact on the future years of the vehicle replacement schedule.
		-60	Financing element - as above.	Financing element - as above.
Sub-total		70		

**TOURISM & LEISURE COMMITTEE**

Management of the Arts	Arts Council 'REACH' Project 2016/17	4	Slippage of the balance of the project funding is requested to allow for the project to continue into 2016/17.	If the slippage were not approved the project would cease and the funding would have to be returned to the Arts Council.
		-4	Arts Council grant funding for above	Funding would be returned to Arts Council.
Capital Expenditure funded from the Capital Investment Reserve (Revenue)	Sand Dunes Re-modelling	2	Surveys were completed in October 2015 and the design works have been commissioned. The scheme requires stakeholder engagement and the necessary approvals prior to commencement. A detailed proposal is currently being worked-up in consultation with councillors and residents. Minor slippage in the sum of £2k is now requested for 2016/17.	If the slippage is not granted the £2k of approved works would have to be funded from the 2016/17 budget for this purpose, impacting on the scheme that could be achieved within the constrained budget.
Capital Expenditure funded from the Capital Investment Reserve (Revenue)	Lowther Roof	3	This funding represents the resource required to undertake the preparatory works for the substantive scheme programmed for 2016/17. Surveys are underway to inform a design and specification for partial re-roof. Dialogue is also taking place with the Lowther Trust over their refurbishment requirements and further development ambitions. Minor slippage in the sum of £3k is now requested for 2016/17.	If the slippage is not granted the outstanding works would have to be funded from the 2016/17 budget for this purpose, impacting on the scheme that could be achieved within the constrained budget.
Capital Expenditure funded from the Capital Investment Reserve (Revenue)	Fairhaven / Promenade Footways	7	The works in relation to this scheme have been designed and tendered. A report was presented to the Tourism and Leisure Committee in September 2015 seeking approval to the commencement of the scheme. The majority of the works have been completed. Slippage in the sum of £7k is requested for 2016/17 in relation to residual promenade footways works that will be completed early in the financial year 2016/17.	If the slippage is not granted the £7k of approved works would have to be funded from the 2016/17 budget for this purpose and would impact on the extent of future years promenade footway improvements that can be carried out.
Capital Investment Reserve	Direct Revenue Financing	-12	Financing element for the three schemes as described above.	Financing element - as above.
<b>Sub-total</b>		<b>0</b>		

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
<b>ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE</b>				
Community Grants	MOD Grants	1	Unspent MOD grant in 2015/16 to be transferred to 2016/17 to provide for the project to be delivered in that year.	If the slippage were not to be approved the project could not be delivered and the funding would need to be returned to the MOD.
		-1	MOD grant funding for above.	Grant funding would be returned to MOD.
Community Safety Initiatives	Community Safety Initiatives	31	Community Safety funding is now significantly diminished due to the fact that external grants are no longer being received, other than for smaller amounts of funding, for example, from the Police and Crime Commissioner. As a result the Community Safety Partnership uses the legacy funding that was passed to it by the former Local Strategic Partnership, sparingly. During 2015/16 a relatively small amount of funding has been granted to support a number of partnership projects. The intention is to utilise resources sparingly and when such usage is most effective. Consequently a slippage request has been made to transfer the remaining resource into 2016/17. It is possible that not all of this will be used in 2016/17 and a future request to transfer funding beyond 2016/17 may be made.	If the slippage were not to be approved future Community Safety Projects could not be delivered.
		-31	Legacy funding from former LSP for above.	At the cessation of the LSP an undertaking was given to utilise the funding for the agreed purposes. It is unclear what would be the consequence if that undertaking were not honoured.
Local Strategic Partnership	LSP Residual Monies	4	The former LSP allocated funding to allow the Community Projects Fund, which gives community grants for amounts from £500 to £2,000, to support qualifying projects. It also allocated further discretionary funding for smaller grants of up to £500. As is the case for Community Safety initiatives the intention is to utilise resources as and when such usage is most effective. Consequently a slippage request has been made to transfer the remaining resource into 2016/17.	Approval of the slippage would allow the continuation of the Community Projects Fund in 2016/17.
		-4	Legacy funding from former LSP for above.	At the cessation of the LSP an undertaking was given to utilise the funding for the agreed purposes. It is unclear what would be the consequence if that undertaken were not honoured.
Homelessness	Single Homelessness Initiatives	36	Funding for a wider initiative across Lancashire to pilot approaches to resolve issues to access housing for single homeless households. Support includes tenancy training, shared accommodation pilot, and an accommodation finding service. Additional Funding has been received to purchase 10 hours per week floating support for homeless single people with complex needs that require extra short term support to access housing, health and employment. All projects are due to end by Dec 2016.	If the slippage request were not to be approved the project would be unable to continue.
		-36	Funding for project as described above,	This is grant funding that can only be used for the projects specified.

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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## ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE (contd.)





Mortgage Repossessions	Mortgage Repossessions - Grants & Loans	37	In 2009/10 DCLG allocated £23.5k to Fylde Council to assist in preventing homelessness as a result of mortgage repossession or landlord repossession and in 2012 provided a further £30k for the same purpose. A policy is in place such that the unspent balance of funding is carried forward to be used the following year, subject to general budget pressures permitting.	If the slippage were not to be approved the mortgage repossession prevention work would not continue. As this is grant funding that can only be used for mortgage repossession prevention work the funding would need to be returned to DCLG if the slippage were not approved.
		-37	Funding for project as described above,	This is grant funding that can only be used for the projects specified.
Sub-total		0		





## DEVELOPMENT MANAGEMENT COMMITTEE




Planning Appeals	Planning Appeal Hearing Costs	177	A number of significant planning appeals received during 2015/16 will be determined at inquiries that will now be held during 2016/17 due to amended timetables issued by the Planning Inspectorate. It is also proposed that part of this slippage request would fund any further action to secure compliance with the enforcement notice relating to land at Fairfield Road, Hardhorn.	If the slippage were not approved there would not be sufficient provision for the Council to mount a robust defence of the anticipated appeals and the costs relating to the land at Fairfield Road, Hardhorn.
Development Management Team	Salaries - Basic, N.I. and Pension	19	This underspend is a result of a staff vacancy that was funded from a specific grant received from DCLG to secure the implementation of large scale planning applications. An appointment has now been made to this temporary position, commencing mid-May 2016. In order to maximise the impact of this funding, it is requested that savings resulting from the period of vacancy be used to extend the term of the appointment.	The aim of this post is specifically to bring forward stalled development sites. In so doing there will be an improvement in the Council's 5 year housing supply position, an expected increase in New Homes Bonus received and additional income in the form of Council Tax paid on the new dwellings. The slippage would permit the continuation of this work.
Planning Policy	Neighbourhood Planning Costs	8	Grant has been received from DCLG late in the financial year to assist in the preparation of Neighbourhood Development Plans. As a result, the work on the Bryning-with-Warton and St Annes Neighbourhood Development Plans which this grant funding will support, will take place in 2016/17.	If the slippage were not approved the Council would not be able to fulfil its statutory duty to support communities in the preparation of their Neighbourhood Development Plans.
Capital Expenditure funded from the Capital Investment Reserve (Revenue)	Woodlands Road Regeneration Scheme - Town Centre Phase 3	19	The scheme is almost complete as it was started within the previous financial year. The scheme remains 'on site' but the final account has not yet been settled with the contractor with a final payment due that will utilise the residual amount. This will be settled early in the financial year 2016/17.	The regeneration scheme was approved by the Council's Development Management Committee up to the full cost of £89,000. The final account payment will allow for the completion of the scheme and fulfilling the agreed contract. If the slippage were not to be approved the costs would need to be found from elsewhere.
		-19	Financing element - as above.	Financing element - as above.
Sub-total		204		
Total Revenue Slippage		282		








**CAPITAL OUTTURN 2015/16**

<b>KEY:</b>		SCHEME DELIVERED TO BUDGET DURING THE YEAR
		SCHEME UNDERSPENT AGAINST BUDGET
		SCHEME OVERSPENT AGAINST BUDGET




APPROVED SCHEMES	Financing Source	Latest Budget 2015/16 £000	Actual Outturn £000	Variance £000	Variance	See key	Slippage Requested £000	Comments
<b>FINANCE &amp; DEMOCRACY COMMITTEE CAPITAL SCHEMES</b>								
Accommodation Project - Phase 3 - East Wing Inc. Lift	Proceeds from the sale of surplus Council Assets, and the Accommodation Project Reserve	547	513	34	Underspent		34	The commencement of Phase 3 of the Accommodation Project was approved by the Finance and Democracy Committee in August 2015 and has mostly been completed in 2015/16. These works relate to the remodelling of the east wing of the Town Hall and the provision of a lift to all floors. The Finance and Democracy Committee in February 2016 approved the award of the contract to deliver Phases 4 and 5 of the project relating to the provision of a link bridge between the Town Hall and the Chasely building and the remodelling of part of the ground floor of the Town Hall to create a 'One Stop Shop' for customers/residents. These two phases will mostly be delivered in 2016/17 though there are some minor initial costs for preparatory works, amounting to £15k, that fall in 2015/16. Slippage is requested in respect of residual costs relating to Phase 3 of the project, along with a re-phasing of those costs for Phase 4 of the scheme which fall in 2015/16.
Accommodation Project - Phase 4 - Chasely Link Bridge		0	15	-15	Overspent		-15	
Accommodation Project - Phase 5 - One Stop Shop		0	0	0	On target		0	
Compliance with INSPIRE Directive	Specific Government Grant (INSPIRE)	7	7	0	On target		0	The INSPIRE directive places a legal obligation on public authorities which hold geographical data regarding the environment within their locality. The scheme was completed within the approved budget in 2015/16.
<b>Sub total</b>		<b>554</b>	<b>535</b>	<b>19</b>			<b>19</b>	




<b>OPERATIONAL MANAGEMENT COMMITTEE CAPITAL SCHEMES</b>								
Replacement Vehicles	Capital Investment Reserve / Borrowing	548	488	60	Underspent		60	An operational vehicle, which was being fitted to a bespoke specification, was not delivered to the Council by the year-end. Slippage is requested in this regard and the vehicle is now expected to be received in the early part of the financial year 2016/17.
Car Park Improvements	No external finance - funded by borrowing/general asset disposal receipts	30	30	0	On target		0	Eight new Pay & Display meters have been purchased and installed. The scheme has been completed within the approved budget in 2015/16.
Fylde Headlands Preliminary Work	Specific Government Grant (Environment Agency)	86	48	38	Underspent		38	The Project Appraisal Report has been submitted for approval by the Environment Agency Large Projects Review Group on 6th August 2015. Further work will be required during 2016/17 to continue to meet Environment Agency requirements for schemes of this scale and nature. Slippage in the sum of £38k is now requested for 2016/17.
Repair & Renewal - Flood Defences	Specific Government Grant (Environment Agency)	50	17	33	Underspent		33	The Repair & Renew Flood Resilience scheme has been extended with 4 claims been approved. Further claims may follow. Slippage is requested for any further flood claims for storms Desmond and Eva for which funding was made available from the government.
<b>Sub total</b>		<b>714</b>	<b>583</b>	<b>131</b>			<b>131</b>	




KEY:		SCHEME DELIVERED TO BUDGET DURING THE YEAR
		SCHEME UNDERSPENT AGAINST BUDGET
		SCHEME OVERSPENT AGAINST BUDGET








APPROVED SCHEMES	Financing Source	Latest Budget 2015/16 £000	Actual Outturn £000	Variance £000	Variance	See key	Slippage Requested £000	Comments
<b>TOURISM &amp; LEISURE COMMITTEE CAPITAL SCHEMES</b>								
Ashton Gardens Depot	Proceeds from the sale of surplus Council Assets	0	0	0	Re-phased		0	The scheme is currently on hold pending the disposal of the Public offices site (the works will need to be completed prior to that disposal). <b>The scheme has been re-phased into 2016/17</b> as the the disposal of that site has now yet taken place.
Snowdon Road Depot	Capital Investment Reserve	320	320	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
Hope Street Pavilion Refurbishment - Phase 2	Capital Investment Reserve/ External Donations	153	151	2	Underspent		0	This scheme has been completed within the approved budget in 2015/16 with a minor underspend.
St Annes Pool	No external finance - funded by borrowing/general asset disposal receipts	0	0	0	Re-phased		0	This represents the balance of the maintenance scheme resource which will be retained and drawn upon when required. <b>The scheme has been re-phased into 2016/17.</b>
St Annes Pool - External Works	Capital Investment Reserve/ Arts Council Grant	0	0	0	Re-phased		0	A scheme has been proposed which will be designed in-house subject to the delivery of other priority projects. Once designed there will need to be consultation with stakeholders and then dialogue with the Arts Council over match funding. <b>This scheme has been re-phased into 2016/17.</b>
Fairhaven Lake & Promenade Gardens - First round	Capital Investment Reserve	0	0	0	Re-phased		0	This scheme represented the match funding for the development of the Heritage Lottery Development Bid. Given that the first round bid was unsuccessful a report was presented in September 2015 to the Tourism & Leisure Committee outlining how the Fairhaven Masterplan can be delivered in the future. <b>This scheme has been re-phased into 2016/17.</b>
Park View Playing Field - Sand & Water Play Facility	Specific Government Grant (Coastal Communities)	272	272	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
Community Parks Improvement Programme - Frobisher Drive Play Equipment	S106 Developer Contributions	34	33	1	Underspent		0	This scheme has been completed within the approved budget in 2015/16 with a minor underspend.
Replacement Boats Fairhaven	Capital Investment Reserve	55	55	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
Promenade Footways	Capital Investment Reserve / General Asset Sale Receipts	0	0	0	On target		0	Funding for this scheme has been amalgamated into the Fairhaven Footways Improvements project below.
Fairhaven Footway Improvements	Capital Investment Reserve / General Asset Sale Receipts	55	48	7	Underspent		7	The works in relation to this scheme have been designed and tendered. A report was presented in September 2015 to the Tourism and Leisure Committee seeking approval to the commencement of the scheme. The majority of the works have been completed. Slippage in the sum of £7k is requested for 2016/17 in relation to residual promenade footways works that will be completed early in the financial year 2016/17.










KEY:		SCHEME DELIVERED TO BUDGET DURING THE YEAR
		SCHEME UNDERSPENT AGAINST BUDGET
		SCHEME OVERSPENT AGAINST BUDGET

APPROVED SCHEMES	Financing Source	Latest Budget 2015/16 £000	Actual Outturn £000	Variance £000			Slippage Requested £000	Comments
<b>TOURISM &amp; LEISURE COMMITTEE CAPITAL SCHEMES (CONT)</b>								
Lowther Pavilion Roof	Capital Investment Reserve	8	5	3	Underspent		3	This funding represents the resource required to undertake the preparatory works for the substantive scheme programmed for 2016/17. Surveys are underway to inform a design and specification for partial re-roof. Dialogue is also taking place with the Lowther Trust over their refurbishment requirements and further development ambitions. Minor slippage in the sum of £3k is now requested for 2016/17.
Fairhaven Toddlers Play Area	Capital Investment Reserve	67	67	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
Sand Dunes re-modelling at North Beach Car Park / Summerfields	Capital Investment Reserve	5	3	2	Underspent		2	Surveys were completed in October 2015. The design works have also been commissioned. The scheme will require stakeholder engagement and the necessary approvals prior to commencement. A detailed proposal is currently being worked in consultation with Councillors and Residents. Minor slippage in the sum of £2k is now requested for 2016/17.
Freckleton Memorial Park	Capital Investment Reserve	0	0	0	Re-phased		0	This scheme is phased over two years. In addition to the Council's contribution a further £80k of external funding has been secured. Furthermore the outcome of two more external bid submissions in the total sum of £50k is awaited. The outcome of those bids is anticipated for December 2015. The outcome of those bid submissions will determine the extent of the scheme. <b>The scheme has been re-phased into 2016/17.</b>
Lytham Hall	Specific Government Grant (Coastal Revival Fund)	47	47	0	On target		0	During 2015/16 the Council acted as the accountable body for a refurbishment scheme at Lytham Hall (part of a wider redevelopment initiative for the building) which was funded by a specific central government grant. The grant was passed to the Trustees of Lytham Hall, the Council having satisfied itself that all grant conditions had been met.
<b>Sub total</b>		<b>1,016</b>	<b>1,001</b>	<b>15</b>			<b>12</b>	

KEY:		SCHEME DELIVERED TO BUDGET DURING THE YEAR
		SCHEME UNDERSPENT AGAINST BUDGET
		SCHEME OVERSPENT AGAINST BUDGET

APPROVED SCHEMES	Financing Source	Updated Budget 2015/16 £000	Actual Outturn £000	Variance £000			Slippage £000	Comments
<b>ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE</b>								
Disabled Facilities Grants Programme	Specific Grant (Better Care Fund) / External Contributions / Grant repayments	617	571	46	Underspent		46	The budget for this scheme has been adjusted to reflect the slippage as approved by the Finance and Democracy Committee of 22nd June 2015, increased grant allocation, recycled grant repayments and a further contribution of £40k from New Fylde Housing in 2015/16. Slippage is requested in the sum of £46k, largely in respect of Disabled Facilities Grant works that has been approved but not yet completed and therefore cannot be paid for.
93 St Albans Road - Compulsory Purchase Order	S106 Developer Contributions	105	0	105	Underspent		105	The planned Compulsory Purchase Order (CPO) of this property has experienced delays and has not been completed during 2015/16. Slippage is requested to provide funding for the CPO in 2016/17.
Rapid Deployment CCTV Replacement Projects	Specific Grant (LSP Performance Reward Grant)	82	44	38	Underspent		38	In March 2015 the Cabinet approved that the balance of this funding will be used for the repair and replacement of CCTV cameras as and when required and that the monies may not all be required in 2015/16. As this has proven to be the case, slippage is now requested in respect of the unspent balance of £38k.
Infant Memorial Garden - Phase 2	Capital Investment Reserve / NHS & Other donations	15	17	-2	Overspent		0	This scheme has now been completed in 2015/16 with a minor overspend.
Cemetery and Crematorium - Infrastructure Works	Capital Investment Reserve	6	6	0	On target		0	This part of the scheme is for the initial design phase of the of the substantial burial ground extension works programmed for 2017/18. The design work has been undertaken within the approved budget.
Cemetery / Crematorium Pumping Station	Capital Investment Reserve	4	4	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
New memorial garden - Lytham Park Cemetery	Capital Investment Reserve	8	8	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
<b>Sub total</b>		<b>837</b>	<b>650</b>	<b>187</b>			<b>189</b>	

KEY:		SCHEME DELIVERED TO BUDGET DURING THE YEAR
		SCHEME UNDERSPENT AGAINST BUDGET
		SCHEME OVERSPENT AGAINST BUDGET

APPROVED SCHEMES	Financing Source	Updated Budget 2015/16 £000	Actual Outturn £000	Variance £000			Slippage £000	Comments
<b>DEVELOPMENT MANAGEMENT COMMITTEE</b>								
Kirkham Regeneration Scheme - Town Centre Phase 4	Capital Investment Reserve	50	50	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
Woodlands Road Regeneration Scheme - Town Centre Phase 3	Capital Investment Reserve / S106 Developer Contributions	89	70	19	Underspent		19	A report was presented to Development Management Committee in November 2015 approving commencement of the works. The scheme is almost complete. Slippage is requested for £19k in 2016/17 for the remaining works and the final account is expected to be finalised early in the financial year 2016/17 within budget.
Public Realm Regeneration - St Annes	S106 Developer Contributions	80	80	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
St Annes Regeneration Schemes	S106 Developer Contributions	0	0	0	Re-phased		0	This funding is earmarked for the next phase of St Annes Town Centre including St Annes Road South and The Crescent. A draft scheme will be prepared early 2016 for delivery during 2016/17. <b>Consequently this scheme has been re-phased into 2016/17.</b>
Lytham Regeneration Schemes	S106 Developer Contributions	0	0	0	Re-phased		0	Section 106 monies have been received and design on the scheme will commence from April 2016 with implementation later in the financial year. <b>This scheme has been re-phased into 2016/17.</b>
Staining Regeneration Schemes	S106 Developer Contributions	40	0	40	Underspent		40	This project is subject to ongoing discussions with Staining Parish Council. Discussions have continued with the Parish Council and a scheme is being progressed. Slippage is requested to provide the resource for this scheme for 2016/17.
<b>Sub total</b>		<b>259</b>	<b>200</b>	<b>59</b>			<b>59</b>	
<b>Total Expenditure</b>		<b>3,380</b>	<b>2,969</b>	<b>411</b>			<b>410</b>	

**Capital Slippage 2015/16**  
**Requests to transfer 2015/16 Budget to 2016/17**

**Appendix E**

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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**FINANCE & DEMOCRACY COMMITTEE**

Accommodation Project - Phase 3 - East Wing Inc. Lift & Phase 4 - Chaseley Link Bridge	Building Works and Improvements	19	This budget has already been committed as part of the contract. Slippage is requested as result of changes to the timings of minor aspects of the works being carried out. The slippage is in respect of residual costs relating to Phase 3 of the project and a re-phasing of some Phase 4 costs which have fallen in 2015/16, which is earlier than originally intended.	The funds have already been committed as part of the agreed contract for the works. If the slippage is not granted the cost of this would have to be met from other aspects of the works or from other means.
	<b>Sub-total</b>	<b>19</b>		

**OPERATIONAL MANAGEMENT COMMITTEE**

Replacement Vehicles	Purchase of Vehicles	60	An operational vehicle, which was being fitted to a bespoke specification, was not delivered to the Council by the year-end. Slippage is requested in this regard and the vehicle is now expected to be received in the early part of the financial year 2016/17.	If the slippage is not granted the £60k expenditure would have to be funded from the 2016/17 budget for vehicle replacements which would impact on the future years of the vehicle replacement schedule.
Fylde Headlands Preliminary Work	Building Works and Improvements	38	The Project Appraisal Report has been submitted for approval by the Environment Agency Large Projects Review Group on 6th August 2015. Further work will be required during 2016/17 to continue to meet Environment Agency requirements for schemes of this scale and nature. Slippage in the sum of £38k is now requested for 2016/17.	If the slippage is not granted the £38k of approved works would have to be funded from the 2016/17 budget for this purpose, impacting on the range and nature of the remaining preparatory work that can be carried out in that year.
Repair & Renewal - Flood Defences	Grants	33	The Repair & Renew Flood Resilience scheme has been extended with 4 claims having been approved. Further claims may follow. Slippage is requested for any further flood claims for storms Desmond and Eva for which funding was made available from the government.	The grant received from central government is to be used to pay for flood defence and remediation works at affected properties within the borough. If the slippage request was not approved, the grant would need to be repaid and affected properties would not have the works carried out.
	<b>Sub-total</b>	<b>131</b>		

**TOURISM & LEISURE COMMITTEE**

Fairhaven Footway Improvements	Building Works and Improvements	7	The works in relation to this scheme have been designed and tendered. A report was presented to the Tourism and Leisure Committee in September 2015 seeking approval to the commencement of the scheme. The majority of the works have been completed. Slippage in the sum of £7k is requested for 2016/17 in relation to residual promenade footways works that will be completed early in the financial year 2016/17.	If the slippage is not granted the £7k of approved works would have to be funded from the 2016/17 budget for this purpose and would impact on the extent of future years promenade footway improvements that can be carried out.
Lowther Pavilion Roof	Building Works and Improvements	3	This funding represents the resource required to undertake the preparatory works for the substantive scheme programmed for 2016/17. Surveys are underway to inform a design and specification for partial re-roof. Dialogue is also taking place with the Lowther Trust over their refurbishment requirements and further development ambitions. Minor slippage in the sum of £3k is now requested for 2016/17.	If the slippage is not granted the outstanding works would have to be funded from the 2016/17 budget for this purpose, impacting on the scheme that could be achieved within the constrained budget.

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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**TOURISM & LEISURE COMMITTEE (Continued)**

Sand Dunes re-modelling at North Beach Car Park / Summerfields	Building Works and Improvements	2	Surveys were completed in October 2015 and the design works have been commissioned. The scheme requires stakeholder engagement and the necessary approvals prior to commencement. A detailed proposal is currently being worked-up in consultation with councillors and residents. Minor slippage in the sum of £2k is now requested for 2016/17.	If the slippage is not granted the £2k of approved works would have to be funded from the 2016/17 budget for this purpose, impacting on the scheme that could be achieved within the constrained budget.
<b>Sub-total</b>		<b>12</b>		

**ENVIRONMENT, HEALTH & HOUSING COMMITTEE**

Disabled Facilities Grants Programme	Grants	46	This budget has been supplemented during the year by way of a contribution of £40k from New Fylde Housing which was received late in 2015/16. The slippage of £46k reflects Disabled Facilities Grant works which have been approved but for which the work has not yet been completed.	If the slippage is not granted the £46k of approved works would have to be funded from the 2016/17 budget for this purpose, limiting the number of Disabled Facilities Grants works that could be funded in the year.
93 St Albans Road - Compulsory Purchase Order	Property Purchase	105	The planned Compulsory Purchase Order (CPO) of this property has experienced delays and has not been completed during 2015/16. Slippage is requested to provide funding for the CPO in 2016/17.	The slippage is required to ensure that sufficient funding is available in 2016/17 to complete the necessary compulsory purchase of the property which has blighted the area for some time.
Rapid Deployment CCTV Replacement Projects	Equipment Purchases	38	In March 2015 the Cabinet approved that the balance of this funding will be used for the repair and replacement of CCTV cameras as and when required and that the monies may not all be required in 2015/16. As this has proven to be the case, slippage is now requested in respect of the unspent balance of £38k.	If slippage is not granted it will potentially compromise the existing provision of CCTV coverage in Fylde and subsequently deplete the number of operable cameras as those that reach the end of useful life are not able to be replaced.
<b>Sub-total</b>		<b>189</b>		

**DEVELOPMENT MANAGEMENT COMMITTEE**

Woodlands Road Regeneration Scheme - Town Centre Phase 3	Regeneration Scheme	19	A report was presented to Development Management Committee in November 2015 approving commencement of the works. The scheme is almost complete. Slippage is requested for £19k in 2016/17 for the remaining works and the final account is expected to be finalised early in the financial year 2016/17 within budget.	The slippage is required to provide for the final account payment, marking the completion of the scheme and fulfilment of the agreed contract.
Staining Regeneration Schemes	Regeneration Scheme	40	This project is subject to ongoing discussions with Staining Parish Council. Discussions have continued with the Parish Council and a scheme is being progressed. Slippage is requested to provide the resource for this scheme for 2016/17.	Relevant local Section 106 agreements provided funding for environmental enhancements in Staining and the funding cannot be used in any other location.
<b>Sub-total</b>		<b>59</b>		
<b>Total Capital Slippage</b>		<b>410</b>		

## Prudential Indicators

Prudential Indicator	Revised Indicator 2015/16 £m	Actual 2015/16 £m	Note
Authorised limit for external debt	8.3	2.3	1
Operational boundary for external debt	2.3	2.3	2
Principal sums invested > 364 days	5.0	0	
Limit on fixed interest rate debt	2.3	2.3	
Limit on variable interest rate debt	1.15	0	
Maturity structure of borrowing (Upper limits):-			
Under 12 months	70%	56.52%	
12 months – 2 years	100%	0%	
2 years – 5 years	100%	43.48%	
5 years – 10 years	100%	0%	
10 years and above	100%	0%	
External Debt – Gross Borrowing	2.3	2.3	
Investments	12.3	15.5	
Capital Expenditure	3.3	2.9	
Capital Financing Requirement	6.1	6.0	
Ratio of Financing Costs to Net Revenue Stream	7.0%	6.9%	
Incremental Impact on Capital Investment Decisions on the Council Tax	3.51	-1.31	3

Notes

1. The Authorised Limit indicator of £8.3m is set deliberately higher than the actual forecasted borrowing amount as it needs to take into account any unexpected cash movements, and becomes the Authority's statutory limit.
2. The Operational Boundary is the expected borrowing position of the Council during the year. It is not a limit and can be breached.
3. The incremental impact on Council Tax is lower than the Prudential Indicator as the Council has used in-house cash (internal borrowing) to fund capital expenditure rather than external borrowing. This is cheaper than external borrowing and minimises treasury risk (see Section 11.2).

# DECISION ITEM



REPORT OF		MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE		FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	5
<b>BLACKPOOL AIRPORT CORRIDOR ENTERPRISE ZONE: BUSINESS RATE RELIEF POLICY</b>				

## PUBLIC ITEM

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

## SUMMARY

During 2015 the government announced the creation of two new Enterprise Zones on the Fylde Coast. The first announcement was for the Blackpool Airport Corridor Enterprise Zone which overlaps the Blackpool and Fylde borough boundaries and the second announcement was for the Hillhouse Energy and Chemical Enterprise Zone, fully within the borough of Wyre.

This report presents the proposed business rate relief policy to be operated consistently across both zones. The rationale is that a joint policy will avoid unnecessary competition between the two zones and limit the displacement of businesses. The Enterprise Zone came into effect on the 1st April 2016 and it is proposed that business that meet specific qualifying criteria may receive business rates relief of up to £275,000 over a five-year term, subject to European state aid limits.

The award of business rate relief will be cost neutral to Fylde Council who will be compensated for any business rate income foregone as a result of granting reliefs through the business rate calculation and distribution methodology.

The policy has been developed by the Blackpool, Fylde and Wyre Economic Development Company which will act as the Programme Board for the two new Enterprise Zones on behalf of Lancashire Enterprise Partnership. A decision making process has been devised with an intention to create a transparent and consistent approach across the two zones. The authority to grant discretionary business rate relief rests with the billing authority for that area and the application of the policy once approved will be carried out by the Section151 officer (in Fylde that being the Chief Financial Officer).

## RECOMMENDATIONS

1. The Committee is recommended to consider and approve the Blackpool Airport Corridor Enterprise Zone Business Rate Relief Policy as attached at Appendix A.

## SUMMARY OF PREVIOUS DECISIONS

This is the first occasion on which the proposed Blackpool Airport Corridor Enterprise Zone Business Rate Relief Policy has been considered by the Finance and Democracy Committee.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	√
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	
Working with all partners ( <b>Vibrant Economy</b> )	√
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	√
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	

## REPORT

1. The creation of the Blackpool Airport Corridor Enterprise Zone was first announced by the government alongside the Chancellor's spring 2015 budget announcement and came into effect on 1<sup>st</sup> April 2016.
2. The broad aim of the Enterprise Zone to deliver economic growth on the site, including that formerly used as a commercial airport, for the benefit of the residents of the Fylde area, by encouraging new businesses to move onto the site and/or existing businesses to expand, creating highly-skilled and secure training and employment opportunities and contributing towards the general economic well-being of the area. The Enterprise Zone designation will also help secure a long term sustainable future for Blackpool Airport
3. One of the benefits to an organisation of locating their premises within an Enterprise Zone is the possible eligibility to receive Business Rate relief, up to a level as defined by EU State Aid rules, equivalent to a total sum of around £275,000 over a five-year period (i.e. c£55,000 per annum).
4. The policy has been developed by the Blackpool, Fylde and Wyre Economic Development Company and is a generic policy to be applied by Blackpool Council and Fylde Council in respect of the Blackpool Airport Corridor Enterprise Zone and by Wyre Council in respect of the Hillhouse Energy and Chemical Enterprise Zone.
5. The Blackpool, Fylde and Wyre Economic Development Company is a company limited by guarantee, and its shareholding is held equally by the three Fylde coast local authorities, Blackpool Council, and Fylde and Wyre Borough Councils.

The company has a board of directors drawn from the member authorities and the private sector, and is chaired by Ms Bev Robinson, who is Chief Executive and Principal of Blackpool and the Fylde college. In addition to the chair the current directors are:

Neil Jack	Chief Executive of Blackpool Council
Allan Oldfield	Chief Executive of Fylde Council
Garry Payne	Chief Executive of Wyre Council
Alan Cavill	Assistant Chief Executive Blackpool Council
Neil Farley	Springfield Fuels – Fylde Economic Forum
Jane Littlewood	Rabbit Patch & Chair of 'Wyred up'
Martin Long	Napthens LLP & Chair Blackpool Business Leaders
Mark Towers	Blackpool Council is the Company Secretary

A number of alternate directors have been appointed by the public sector members to deputise Chief Executives who are not available, including:



Paul Walker	Director of Development Services at Fylde Borough Council
Stephen Smith	Economic Development Officer at Fylde Borough Council
David Thow	Head of Development Management at Wyre Borough Council

It is proposed subject to formal confirmation by Lancashire LEP that the Board of the EDC will act as the Programme Board for both Blackpool Airport and Hillhouse Enterprise Zones on the LEP's behalf.

6. Fylde Council will be fully compensated for any business rate income foregone as a result of granting reliefs through the business rate calculation and distribution methodology.
7. The proposed policy is attached at Appendix A.

IMPLICATIONS	
Finance	There are no financial implications arising directly from this report. Fylde Council will be compensated for any business rate income foregone as a result of granting reliefs within the Enterprise Zone through the business rate calculation and distribution methodology.
Legal	None arising from this report
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	None arising from this report

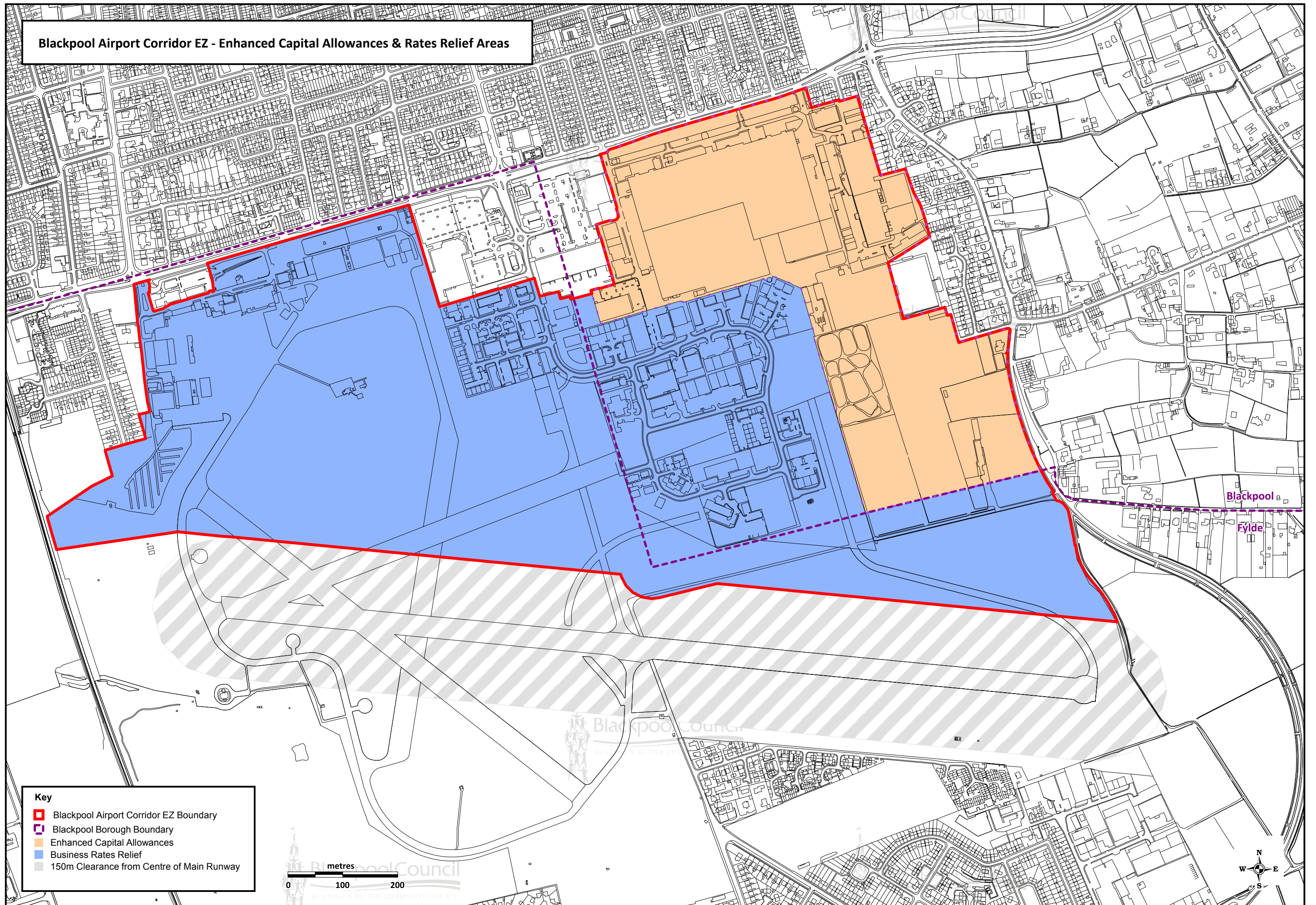
LEAD AUTHOR	TEL	DATE	DOC ID
Paul O'Donoghue Chief Financial Officer	01253 658566	June 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
none		

Attached documents

1. Map of Blackpool Airport Corridor Enterprise Zone
2. Proposed Blackpool Airport Corridor Enterprise Zone Business Rate Relief Policy.

# Blackpool Airport Corridor EZ - Enhanced Capital Allowances & Rates Relief Areas



- Key**
- Blackpool Airport Corridor EZ Boundary
  - Blackpool Borough Boundary
  - Enhanced Capital Allowances
  - Business Rates Relief
  - 150m Clearance from Centre of Main Runway

metres  
0 100 200





**Blackpool Airport Enterprise Zone**  
**Hillhouse International Business Park Enterprise Zone**

## ***Enterprise Zone Business Rates Relief Policy***

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## Contents

Document Control.....	3
Record of Amendments .....	3
Authorisation .....	4
Introduction .....	5
1. New business from outside of the Fylde Coast economic area .....	7
2. Relocated or expanding business from within the Fylde Coast economic area .....	9
3. Existing business within the Enterprise Zones .....	11
4. Micro-enterprises who occupy small hereditaments .....	13
5. Newly built unoccupied hereditaments .....	14
Application and decision making process .....	16
State Aid .....	17
Calculation and Payment of EZ Relief .....	18
Legal Framework.....	19
Periodic Reviews .....	19
Revaluation Clause.....	19
Split, Merger or Reconstitution Clause .....	19
Part Occupied Relief Clause .....	20
Insolvency or Receivership Clause .....	20
Non Payment Clause .....	20
Movement Clause .....	21
Definition of terms.....	22
Appendix 1 – Blackpool Airport site plan.....	26
Appendix 2 – Hillhouse International Business Park site plan .....	27

## Document Control

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## Record of Amendments

<b>Date</b>	<b>Amended by</b>	<b>Description of changes</b>
<i>None to date</i>		

## Authorisation

This policy is endorsed by the following key individuals:

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Organisation: Blackpool Borough Council  
Signature:

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Job Title: Chief Executive  
Organisation: Blackpool Borough Council  
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Job Title: Chief Financial Officer  
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Name: Allan Oldfield  
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Signature:

Name: Philippa Davies  
*(Clare James wef 01/07/16)*  
Job Title: Section 151 Officer  
Organisation: Wyre Borough Council  
Signature:

Name: Garry Payne  
Job Title: Chief Executive  
Organisation: Wyre Borough Council  
Signature:

Name: Edwin Booth  
Job Title: Chair  
Organisation: Lancashire Enterprise  
Partnership  
Signature:

Name: Bev Robinson  
Job Title: Chair  
Organisation: Blackpool, Fylde and Wyre  
Economic Development Company  
Signature:

## Introduction

During 2015 the Lancashire Enterprise Partnership was awarded two new Enterprise Zones on the Fylde Coast. The first was the Blackpool Airport Corridor Enterprise Zone, and the second was the Hillhouse Chemical and Energy Enterprise Zone. The Blackpool, Fylde and Wyre Economic Development Company (EDC) - which is a company limited by guarantee and is owned by the three local authorities, will provide overarching delivery and administrative support for the two Enterprise Zones.

The Enterprise Zones are situated at opposite ends of the Fylde Coast. The Blackpool Airport site is located near the coastal boundary between Blackpool and St Annes on Sea, and the Hillhouse site is located near the boundary of Fleetwood and Thornton, on the banks of the River Wyre.

The Blackpool Airport Enterprise Zone spans 144 hectares including the Blackpool Airport site, the Blackpool Business Park, Squires Gate Industrial Estate and Sycamore Trading Estate, and overlaps both the Blackpool Council and Fylde Borough Council local authority boundaries. The zone has been split into two zones as detailed in appendix 1.

The Hillhouse Enterprise Zone spans 138 hectares on the Hillhouse International Business Park, and falls within the Wyre Borough Council local authority boundary. The zone has been split into primary areas as detailed in appendix 2.

Both Enterprise Zones commence on 1<sup>st</sup> April 2016 and expire after 25 years on 31<sup>st</sup> March 2041. Local authorities are able to offer business rates relief of up to £275,000 over a period of 5 years, subject to European state aid limits, where business occupies a hereditament within the designated Enterprise Zone before 31<sup>st</sup> March 2022. This is hereinafter referred to as 'EZ Relief'.

This is a joint policy for Blackpool Borough Council, Fylde Borough Council and Wyre Borough Council (*hereinafter referred to singularly as the local authority*) and has been designed to ensure there is a uniform approach to EZ relief across the EDC area.

This policy is designed to give business and developers an early indication as to the level of EZ relief they may be able to receive. The level of relief actually granted will be decided subject to application and dependent on the individual facts presented. Whilst the Enterprise Zones seek to encourage inward investment into the area applicants should understand there is no automatic entitlement to

relief, it will not be available to all, and the relief may be granted retrospectively based on the achievement of growth targets.

Following analysis of the economic strengths of the Fylde Coast region and its potential contribution to Lancashire and the rest of the UK, the local authorities have targeted the energy sectors, advanced chemical manufacturing, aeronautics and aviation, food and drink manufacturing and the creative, digital & media and ICT sectors, whilst still offering relief to other business within certain qualifying criteria.

Dependent upon the information provided applications will be placed into one of the following five categories and decisions regarding EZ relief will be determined by the qualifying criteria specific to each category. Those categories are listed below:

1. New business from outside of the Fylde Coast economic area
2. Relocated or expanding business from within the Fylde Coast economic area
3. Existing business within the Enterprise Zones
4. Microenterprises occupying small hereditaments
5. Newly built unoccupied hereditaments

New business moving to the areas identified as orange on appendix 1 for Blackpool Airport and appendix 2 for Hillhouse International Business Park will not benefit from EZ relief. Instead new business will be encouraged to apply to HMRC for Enhanced Capital Allowance.

Any business which moves into either Enterprise Zone prior to 1<sup>st</sup> April 2016 or post-31<sup>st</sup> March 2022 will not benefit from EZ relief.

The Enterprise Zone was created to encourage private sector growth. Therefore applications for EZ Relief from public or third sector organisations are unlikely to be supported, but decisions will be made on a case by case basis. Furthermore, the local authority is unlikely to support any applications for EZ relief on retail premises in the Enterprise Zones. The only exceptions to this rule may be support facilities which promotes the Enterprise Zones image as a place of work, including but not restricted to; childcare facilities, medical facilities, automated teller machines or transport related hereditaments, but, again, decisions will be made on a case by case basis against the overall objectives of the Enterprise Zone.



## 1. New business from outside of the Fylde Coast economic area

The Fylde Coast economy is heavily dependent on two employment sectors – the visitor economy and the public sector. There is a recognised need to nurture growth in other sectors and to attract new investment that will provide sustainable jobs in the area. Therefore, in an attempt to diversify the local economy, business moving to the Enterprise Zones from outside of the Fylde Coast economic area will be invited to apply for EZ relief.

In order to receive relief the applicant must be able to demonstrate an intention to engage with the local community. This involves an intention to recruit from the local area and to source from local suppliers, evidenced by way of a business plan. This can be demonstrated by way of a plan to:

- ensure that at least 60% of the workforce will be recruited from those resident within Lancashire, **or**
- ensure at least 40% of the workforce will be recruited from those resident within the Blackpool, Fylde or Wyre local authority boundaries, **and**
- ensure that, where an existing local business is able to satisfy the applicants demands, that the applicant will endeavour to source supplies/services from, or sell/provide services to, a local business at least 50% of the time, **and**
- ensure that where the need arises, that the applicant will use local sub-contractors at least 50% of the time

Up to 100% EZ relief will be available for up to 5 financial years for applicants who occupy the hereditament and whose business is wholly or mainly engaged in the following target sectors:

### **Blackpool Airport**

- a. Energy
- b. Aeronautics and Aviation
- c. Food and Drink Manufacturing
- d. Creative, Digital & Media and ICT
- e. Vocational Education and Training

### **Hillhouse International Business Park**

- a. Advanced Chemical Manufacturing
- b. Energy
- c. Energy and Waste Recycling
- d. Vocational Education and Training

Up to 80% EZ relief will also be available to those applicants moving from outside of the Fylde Coast economic area, who occupy the hereditament and whose main business activity is to provide professional, financial or logistical support to the target sectors.

Any business moving to either Enterprise Zones from outside of the Fylde Coast economic areas but which is not directly involved in one of the target sectors as listed above, or does not provide professional, financial or logistical support to them, will be invited to make an application for EZ relief and decisions as to the level of relief granted will be made on a case by case basis.

As a general rule the local authority does not support retail development within the designated Enterprise Zones. However, the local authority will consider applications in limited circumstance where these add specific value to the operation and success of the Enterprise Zone. Where a business incorporates a trade counter an award of EZ relief will only be considered where the sales area is 10% or less of the total floor space **and** where the applicant employs 10 or more people at that hereditament. Each application will be considered on its merit against the aims and objectives of the Enterprise Zone, but any award of EZ Relief may be capped at 50%.

Applications for hereditaments which are used for temporary storage will be decided on a case by case basis.

## **2. Relocated or expanding business from within the Fylde Coast economic area**

Given the nature of the incentives available Enterprise Zones can cause high levels of displacement from other sites. To counter this, the local authority seeks to minimise potential displacement based on the targeting of specific occupier profiles, but it is anticipated that some existing business will want to relocate anyway, given the lack of suitable or modern business accommodation to meet their expansion needs.

Therefore, any business which relocates into the Enterprise Zones from a hereditament within the Fylde Coast economic area will be categorised as a 'relocated business'. Such businesses will be invited to make an application for EZ relief, but relief will only be considered if the applicant can demonstrate a desire to grow their business, evidenced by way of a detailed business plan. This can be demonstrated by way of a plan to:

- occupy a larger business premises to grow their business (as evidenced by a business plan for the achievement of increased revenue turnover) or to attract new investment, **or**
- occupy a different business premises to produce new products or adapt to new customer markets, **or**
- occupy a different business premises to achieve greater efficiencies, by way of being closer to its target skills base, closer to suppliers or customers, or to take advantage of improved transport links

Businesses which take on an additional hereditament(s) within the Enterprise Zones and who continue to occupy premises elsewhere within the Fylde Coast economic area will be categorised as an 'expanding business'.

For 'relocated business' and 'expanding business' up to 100% EZ relief will be available for up to 5 financial years for applicants who occupy the hereditament and whose business is wholly or mainly engaged in the following target sectors:

### **Blackpool Airport**

- a. Energy
- b. Aeronautics and Aviation
- c. Food and Drink Manufacturing
- d. Creative, Digital & Media and ICT
- e. Vocational Education and Training

### **Hillhouse International Business Park**

- a. Advanced Chemical Manufacturing
- b. Energy
- c. Energy and Waste Recycling
- d. Vocational Education and Training

Up to 80% relief will also be available to those same applicants moving from within the Fylde Coast economic area, who occupy the hereditament and whose main business activity is to provide professional, financial or logistical support to the above target sectors.

Awards for any relocating or expanding business whose sector is not listed above will be capped at 50% in any zone.

As a general rule the local authority does not support retail development within the designated Enterprise Zones. However, the local authority will consider applications in limited circumstance where these add specific value to the operation and success of the Enterprise Zone. Where a business incorporates a trade counter an award of EZ relief will only be considered where the sales area is 10% or less of the total floor space **and** where the applicant employs 10 or more people at that hereditament. Each application will be considered on its merit against the aims and objectives of the Enterprise Zone, but any award of EZ Relief may be capped at 50%.

Applications for hereditaments which are used for temporary storage will be decided on a case by case basis.

### 3. Existing business within the Enterprise Zones

Enterprise Zones are focused on long term economic growth rather than simply maintaining current economic activity so it is not intended that applicants can simply move their operations around the Enterprise Zones, to rebrand, restructure, or change their legal personality in order to benefit from EZ relief.

So, in order for existing business already located within the Enterprise Zone to receive EZ relief the applicant must be able to demonstrate intended growth and investment in the development of their workforce, evidenced by way of a detailed business plan. This can be demonstrated by way of a plan to:

- increase permanent workforce numbers by 30% over 5 years, **or**
- increase permanent workforce by 20% over 5 years, with 30% of the new workforce being apprentices, school/college leavers or graduates under the age of 25, **and**
- no less than 30% of the new workforce will receive work based training from an accredited training provider

Up to 100% EZ relief will be available for up to 5 financial years for applicants who satisfy the intended growth and workforce development tests and whose business is wholly or mainly involved in the following target sectors:

#### **Blackpool Airport**

- a. Energy
- b. Aeronautics and Aviation
- c. Food and Drink Manufacturing
- d. Creative, Digital & Media and ICT

#### **Hillhouse International Business Park**

- a. Advanced Chemical Manufacturing
- b. Energy
- c. Energy and Waste Recycling

Up to 80% EZ relief will also be available to those applicants who satisfy the intended growth test and whose main business activity is to provide professional, financial or logistical support to the above target sectors.

EZ relief for existing business whose sector is not listed above will be capped at 50% in any zone.

If the applicant is unable to satisfy the intended growth or investment in the development of their workforce tests then they will not be considered for EZ relief.

As a general rule the local authority does not support retail development within the designated Enterprise Zones. However, the local authority will consider applications in limited circumstance where these add specific value to the operation and success of the Enterprise Zone. Where a business incorporates a trade counter an award of EZ relief will only be considered where the sales area is 10% or less of the total floor space **and** where the applicant employs 10 or more people at that hereditament. Each application will be considered on its merit against the aims and objectives of the Enterprise Zone, but any award of EZ Relief may be capped at 50%.

Applications for hereditaments which are used for temporary storage will be decided on a case by case basis.

Where an existing business has been displaced from their ordinary hereditament as a direct result of the ongoing development of the Enterprise Zones, and the business voluntarily relocates to another hereditament within the business rate relief areas as detailed in blue on appendix 1 for Blackpool Airport or the area detailed in blue on appendix 2 in respect of Hillhouse International Business Park, the local authority will look on the circumstances favourably and award of relief of 100% EZ relief at the new hereditament, subject to state aid limits, to compensate their flexible approach in the interests of the ongoing development of the Enterprise Zones. Such business will not have to satisfy the intended growth or workforce development tests. This is only intended as a one-time award.

## **4. Micro-enterprises who occupy small hereditaments**

A micro-enterprise is a business which employs fewer than 10 people and whose annual turnover and/or annual balance sheet total does not exceed €2 million. Would-be entrepreneurs are faced with a mountain of issues to consider before starting trading, such as testing their product or service idea through market research, accessing available finance or understanding basic legal and taxation issues.

In order to provide a supportive environment for the establishment of a micro-enterprise the local authority will provide up to 100% EZ relief for such businesses for a period of up to up to 5 financial years where the business relocate to the business rate discount areas as detailed on appendices 1 and 2 from outside of the Enterprise Zones; and where the business occupies a hereditament with a rateable value of up to £15,000 from 1<sup>st</sup> April 2016, rising to £20,000 from 1<sup>st</sup> April 2017.

It is not intended that a microenterprise will occupy more than one hereditament within an Enterprise Zone, so relief applications from micro-enterprise will be limited to a single hereditament in each zone. The local authority will only accept applications from micro-enterprise on two hereditaments where the applicant has a single hereditament in each of the two Enterprise Zones and the combined rateable value does not exceed £30,000 from 1<sup>st</sup> April 2016, rising to £40,000 from 1<sup>st</sup> April 2017.

Where the rateable value exceeds the qualifying limit or the applicant does not meet the definition of a microenterprise, the applicant will not be considered for EZ relief under this provision. Instead they will have to satisfy the local connections, workforce development and/or intended growth tests as detailed in previous sections.

## 5. Newly built unoccupied hereditaments

Commercial developers are invited to apply for EZ relief on newly-built but unoccupied hereditaments following the service of a Non Domestic Rate completion notice. Successful applicants will benefit from up to 100% relief for up to 24 months when completed on or after 1<sup>st</sup> April 2016 but before 31<sup>st</sup> March 2022, subject to state aid limits. This only applies to the business rate discount areas as detailed in appendices 1 and 2.

This measure is designed to help stimulate development within the Enterprise Zones. Construction decisions take into account the risk of paying unoccupied property rates on newly built commercial property if the property does not become fully occupied straight away. Reducing this risk may incentivise some commercial property projects to go ahead that wouldn't otherwise. This will not apply to developments where the intended use will be retail.

Properties which will benefit from EZ relief will be unoccupied hereditaments that are wholly or mainly comprised of new qualifying structures completed after 1<sup>st</sup> April 2016 but before 31<sup>st</sup> March 2022.

Whilst this policy is not intended to capture properties that have been merely refurbished, it is intended to include those that have been the subject of **substantial** structural construction, so for example those properties that are built on existing foundations or built around a retained façade are eligible to apply for EZ relief.

Where a new hereditament is created as a result of a split or merger of other properties, or where the existing hereditament is altered for example with an extension, the same test will apply i.e. the hereditament must be wholly or mainly comprised of qualifying structures to benefit from the relief. It is not intended that applicants benefit from EZ relief in absence of structural changes simply because the property has split, merged or reconstituted via valuation amendments.

EZ relief will be applied to the property rather than the owner. So if a developer initially owns a hereditament that qualifies for EZ relief they will be able to sell or lease the property with the benefit of the remaining term of the relief, subject to the new applicants own state aid de-minimis limits.

Where the hereditament has been occupied, if only for a short time, there will not be any further award of EZ relief should the hereditament become unoccupied again - this is a one-time award.



There may be difficulties and delays in forecasting the level of relief applicable for new developments. This is because the valuation of hereditaments is dealt with by the Valuation Office Agency, a central government department which is separate from the local authority. Applicants are encouraged to seek an estimated rateable value from the Valuation Office Agency before making enquires with the local authority.

Multiple applications are permitted from the same developer, but the applicant should be mindful of their own state aid limits when making applications.

## Application and decision making process

Enquiries and applications for EZ relief will be made via the relevant Enterprise Zone websites at [www.blackpoolez.com](http://www.blackpoolez.com) and [www.hillhouseez.com](http://www.hillhouseez.com). The supply of supporting evidence can be sent by email to [info@bfwedc.co.uk](mailto:info@bfwedc.co.uk).

Any information supplied in connection with the application for EZ relief will be received in confidence and kept secure according to the principles of the Data Protection Act 1998. The information will be used solely in connection with the application and decision making process by the relevant local authority and the governance structure for the Enterprise Zone.

Enquiries and applications for EZ relief will be received by the Blackpool, Fylde and Wyre Economic Development Company ("EDC"). The application and supporting evidence will be verified by the EDC and then sent to the local authority to process. The responsibility for granting discretionary relief rests with the Chief Financial Officer of the local authority in which the hereditament is located.

As the decision to grant EZ relief is discretionary local authorities may refuse the application if they consider the award would not be appropriate, for example where granting EZ relief would go against the authority's wider objectives for the local area, or it may be considered not to be in the interests of the local Council Tax payer.

Each Chief Financial Officer reserves the right to award up to 100% EZ relief to any applicant from any sector who can evidence growth, subject to state aid limits, but in doing so the award would need to be in the interest of their local Council Tax payers. This is to be the exception rather than the rule.

Once the decision is made the Local Authority will notify the applicant within 7 days and a decision notice will be sent in writing.

Where an application for EZ Relief is refused, a decision notice will be sent to the applicant within 28 days of the decision, giving reasons for the refusal.

The local authority will accept an applicant's written request for a redetermination of its decision only where new and/or substantive information is presented which was not included in the original application. The Chief Financial Officer for the local authority in which the hereditament is located

will either confirm or amend their original decision. Once a redetermination has been considered there is no further appeal process. The Chief Financial Officer's decision is final.

Once a redetermination is made, a decision notice will be sent to the applicant in writing within 14 days of the re-determination.

## State Aid

Throughout this policy there is continual reference to *"up to ..% relief will be available up to state aid limits"*. This is because the award of EZ relief is subject to European de-minimis state aid limits. This is at an amount equivalent to €200,000 over 3 financial years (approximately £167,000 in April 2016).

State aid was introduced to regulate public sector intervention, with the aim of ensuring fair competition and the proper functioning of the single European market. It is believed that giving unregulated financial support to some businesses would risk distorting competition within the European common market, and hinder the long-term competitiveness of the European Union. This means that a business can only receive government support up to a maximum level and because of this we have to ask applicants detailed questions about financial support that they may have already received from the public sector.

The state aid threshold applies to all financial assistance received by a parent company / group of businesses rather than just a subsidiary, i.e. a subsidiary located in an Enterprise Zone would not be eligible for the discount if its parent company (located elsewhere) had already received up to or over the state aid limit in the three year period.

For further information on state aid, applicants should visit [www.gov.uk/guidance/state-aid](http://www.gov.uk/guidance/state-aid).

If an applicant is deemed to have breached state aid de-minimis regulations the local authority will withdraw the relief already granted and may demand immediate re-payment of the sum, including compound interest.

## Calculation and Payment of EZ Relief

The local authority is able to grant a maximum EZ relief of £275,000 over 5 financial years to applicants who occupy hereditaments within the designated Enterprise Zone, but EZ relief can only be granted subject to state aid rules. For instance, if a business has an annual business rate liability of £300,000 the local authority can only grant EZ relief in line with state aid limits which is an amount equivalent to €200,000 (approximately £167,000 in April 2016).

By default successful applicants will see the relief calculated daily and spread across 5 financial years with an annual cap of £55,000.00 in each year, but in special circumstances at the request of the applicant the local authority will consider applications for payment of the relief to be frontloaded and paid in the early years, subject to state aid limits on the day the relief is granted.

The applicable amount of state aid is based on euros, whereas EZ relief is awarded in sterling. Accordingly, for the purpose of compliance with the €200,000 threshold in the calculation of EZ relief the European Commission's reference exchange rate is used, as it is on the day that the relief is granted.

EZ relief is not a portable benefit. It is a relief that is attached to the hereditament for which it was granted, and is not transferrable to any other hereditament within or outside of the Enterprise Zone in which the application was made.

EZ relief is only applied where the hereditament is occupied or if it is newly built, and will be applied net of any other reliefs which the applicant may be entitled to. These include unoccupied property exemptions, transitional relief, and mandatory relief for charitable occupation, small business rate relief or any statutory relief schemes which come into existence during the EZ relief lifespan.

Applications for EZ relief will usually be backdated to the 1<sup>st</sup> April of the year in which the application was made.

Where only part of the hereditament falls within the designated Enterprise Zone, EZ relief will be awarded on the whole hereditament.

No applications will be considered for periods prior to 1<sup>st</sup> April 2016 or post 31<sup>st</sup> March 2022.

## **Legal Framework**

EZ relief for business located within a designated Enterprise Zone is permitted pursuant to section 47 of the Local Government Finance Act 1988, as amended by the Non-Domestic Rating (Designated Areas) Regulations 2013, as amended. The decision whether to award relief is discretionary.

European State Aid de minimis limits were introduced by Commission Regulation (EU) 1407/2013 and apply to all public bodies who administer tax relief on behalf of a European member state.

## **Periodic Reviews**

All awards of EZ relief are subject to periodic review to ensure continued compliance with the aims of this policy. Whilst there is no intention to require the repayment of the sums allowed for EZ relief - where an applicant no longer complies with the requirements as laid out in this policy the local authority will provide 12 month notice of the withdrawal of the relief.

Where a micro-enterprise receives EZ relief for occupying a small hereditament, but the business has experienced growth which would take them beyond the ordinary qualifying limits - such as employing 10 or more people at a single site or where the balance sheet exceeds the qualifying limit, the local authority will continue to award EZ relief for a further 24 months prior to the relief being withdrawn.

## **Revaluation Clause**

The Valuation Office Agency is to conduct a national revaluation of all hereditaments, effective 1<sup>st</sup> April 2017, and at regular intervals thereafter. Where the rateable value of the hereditament has increased, however caused, and where the applicant would no longer be eligible for the relief the local authority will serve a 12 month notice to adjust or withdraw the relief. During the 12 month notice period the local authority will continue to award the original level of relief, subject to state aid limits, but once the notice period has expired the original relief will be withdrawn.

## **Split, Merger or Reconstitution Clause**

For the purpose of this policy, where the hereditament has been split, merged or reconstituted by the Valuation Office Agency, the local authority will treat the revised hereditament as if it were a

new hereditament. This will cause the existing EZ relief to cease. Should the ratepayer wish to claim EZ relief after the split, merger or reconstitution they will be required to submit a new application.

The fact a property has been split, merged or reconstituted will not give rise to a fresh 5 year relief period. Any new application will take into account the number of years of any previous awards of EZ relief to ensure the maximum relief period does not exceed the original qualifying threshold for new business, relocating or expanding business, existing business, micro-enterprises or newly built unoccupied hereditaments as detailed in previous sections.

## **Part Occupied Relief Clause**

Where the ratepayer has made an application for Part Occupied Relief once EZ relief has been awarded, once the Valuation Office Agency have apportioned rate liability the local authority will treat the occupied part as if it were a new hereditament. This will cause the existing EZ relief to cease. Should the ratepayer wish to claim EZ relief after apportionment they will be required to submit a new application.

## **Insolvency or Receivership Clause**

In the event that a ratepayer becomes subject to insolvency proceedings or receivership the local authority will immediately withdraw EZ relief. This is because state aid rules provide that financial assistance cannot be provided by a public sector body where the business is in difficulty.

## **Non Payment Clause**

Where the local authority is owed outstanding sums by the applicant, a parent company of, or a subsidiary of the applicant, however caused, the local authority reserves the right to refuse an application for EZ relief until such sum is paid. This is because the local authority feels it would not be in the best interests of the local Council Tax payer to grant a discretionary relief where the local authority is still owed an outstanding sum by the applicant, a parent company of, or a subsidiary of the applicant.

In the event that the local authority has to commence future legal proceedings to recover an outstanding sum from the ratepayer, however caused, the local authority reserves the right to withdraw future relief for this ratepayer. Accordingly the local authority will provide a 12 month notice period prior to the relief being withdrawn.

## **Movement Clause**

EZ relief is a discretionary relief designed to encourage and assist economic growth. Therefore it is not permissible for a business to move in and out or within the Enterprise Zones within short and medium periods to take advantage of the relief provisions. A cumulative view will be taken of applicants and any subsidiaries and/or any linked companies when dealing with applications for relief to ensure the objectives of the Enterprise Zone are being met. This may result in applications for relief being refused.

## Definition of terms

**Advanced Chemical Manufacturing** includes the manufacture of equipment, design, construction installation, management and operation of chemical/process facilities. This policy extends to include sector logistics – including hereditaments used for research and consultancy. It is not anticipated that raw material storage facilities would be supported unless there was a compelling need for this element of the supplier chain to be in close proximity to a research and development or significant manufacturing facility.

**Aeronautics and Aviation** is to include hereditaments used for domestic and/or international passenger flights, domestic and/or international cargo flights, freighter flights, pleasure flights, aircraft maintenance – including repairs, painting, servicing, component manufacturing and conversion of older commercial airframes to freighter configuration, hangarage, training and sales/brokerage amongst other aviation focused business. This also includes temporary storage of aircraft.

**Business in difficulty.** Pursuant to s2.1 of EU Directive 2004/C22/02 a business is in difficulty where it is unable, whether through its own resources or with the funds it is able to obtain from its owner/shareholders or creditors, to stem losses which, without outside intervention by the public authorities, will almost certainly condemn it to going out of business in the short or medium term.

**Business moving from outside of the zone.** In considering the original location of the applicant their location is deemed to be where the applicant's primary office, headquarters, main business activity or registered office was held.

**Business Rates** is the commonly known name for Non Domestic Rate. Non Domestic Rate is a complex area but to surmise it is a locally administered tax which is payable for occupied land and buildings, and empty buildings which were previously used for non-domestic purposes.

**Business Rate relief** is a reduction of the rate liability granted by the local authority. For the purposes of this policy Business Rates relief is deemed to mean relief granted for business within the designated Enterprise Zone, a discretionary relief granted by the local authority pursuant to section 47 of the Local Government Finance Act 1988, as amended. This may also be referred to as 'EZ Relief'.

**Chief Financial Officer** is a generic job title used for the purpose of this policy, but the local authority may use a different job title. This job title is intended to apply to the officer with responsibility for the financial affairs of the local authority, which is a statutory position pursuant to section 151 of the Local Government Act 1972.

**Creative, Digital & Media and ICT** is a very wide area, which is to include hereditaments used wholly or mainly for film, TV, radio, computer games, publishing, music, performing/visual arts, design and cultural heritage. Digital is specifically aimed at the infrastructure and platforms through which creative content is often delivered, and ICT (Information and Communications Technology) is an umbrella term that includes all technologies for the manipulation and communication of



information. Media is to include web design, web development and digital marketing plus a range of other services including printing, brand design and electronic marketing.

**Detailed business plan** is to be provided as evidence where requested. This is the type of document normally submitted to secure financial support from a lender which demonstrates a pattern of growth in recent and future trading periods.

**Energy** is to include most, but not all, aspects of the energy sector. This includes the sourcing or production of energy, including onshore hydraulic fracturing and offshore oil or gas, but not coal. This policy extends to include sector logistics – including hereditaments used for research and consultancy and the manufacture of tools and machinery but does not include fuel distribution points, such as vehicular petrol stations, electric charge points or any facility of a similar nature. The policy includes hereditaments primarily used for the delivery of electrical installations to residential and commercial clients, and extends to include renewable energy - which is energy that comes from resources which are naturally replenished on a human timescale such as sunlight, wind, rain, tides, waves, and geothermal heat. This policy extends to include biomass energy or energy from food waste or any other energy saving technology as endorsed by the Department of Energy and Climate Change (DECC).

**Energy and Waste Recycling** is the energy recovery process of utilising energy that would normally be wasted, usually by converting it into electricity or thermal energy, and waste recycling is generally the process which captures excess heat that would normally be discharged at manufacturing facilities and converts it into electricity and steam. The list for energy waste recycling is not exhaustive but is to include any scheme pursuant to the EU Waste Framework Directive, and which has been endorsed by the Department of Energy and Climate Change (DECC).

**Enhanced Capital Allowances** allow businesses to write down the costs of qualifying plant and machinery assets against their taxable income. Under the current designation, ECAs will give a 100% first year allowance on capital expenditure on qualifying assets until 31<sup>st</sup> March 2020. A cap of €125 million<sup>2</sup> per investment has been placed on the ECAs. This is administered by HMRC.

**Enterprise Zone Business Rates Project Group** comprises operational officers from all key public sector organisations and the lead private sector developers, established to directly oversee day-to-day delivery of the EZ relief.

**Enterprise Zone Programme Board** comprises senior representatives from Lancashire County Council, Wyre Borough Council, Fylde Borough Council, Blackpool Council, UKTI, DBIS DCLG, Blackpool Fylde and Wyre EDC, and the principal developers.

**Food and Drink manufacturing** is the complex network of farmers and the industries that link to them. Those links include makers of farm equipment and chemicals, including the marketing industries that link farms to consumers, and also food and fibre processors and wholesalers. This policy does not extend to include farms or fisheries, or retailers and foodservice establishments which sell directly to visiting members of the public.

**Fylde Coast economic area** is the area within the Blackpool, Fylde and Wyre local authority boundaries which broadly consists of Blackpool, Fleetwood, Lytham St Annes, Kirkham, Warton and

Garstang. This is made up of the FY1 – FY8 post code areas, and a number of properties within the PR3 and PR4 post code areas.

**Hereditament** is the legal term used to describe property which fulfils the statutory requirements to render it subject to a rating assessment. In the main this is land or buildings used in connection with business activity.

**Insolvency.** For the purpose of this policy, insolvency is to mean any proceedings pursuant to the Insolvency Act 1986, namely bankruptcy, creditors' voluntary liquidation, compulsory liquidation, members voluntary liquidation, administration or corporate or individual voluntary arrangements.

**Local business** is one which employs people from within the Blackpool, Fylde or Wyre local authority area. As the applicant may require bespoke products or services to cater for their specific business needs, it is possible that no such business will exist in the Blackpool, Fylde or Wyre area. If that is the case, for the purpose of this policy the applicant should look to do business within the Preston or Lancaster areas primarily, and if that is not possible then look to the wider Lancashire area before dealing with any other business from any other part of the United Kingdom or abroad.

**Part Occupied relief** is a discretionary relief granted under s.44A of the Local Government Finance Act 1988 and applies where the applicant is phasing occupation into or out of a hereditament. If the local authority agrees then the hereditament will be split into two parts – the occupied part and the unoccupied part, and revised rateable values will be provided.

**Professional, Financial or Logistical support** is a very wide area, which is to include hereditaments used for research, laboratory, consultancy, regulatory, insurance, accounting, legal, HR or payroll, asset management, recruitment, business planning, procurement, supplier management, ordering, order controlling, order processing, warehousing and storage, and the provision for delivery of the finished products to the customer. Road transport operators may see a reduced award due to specific state aid rules which apply to their sector. This may also be referred to as 'supply chain'.

**Occupy (or occupied)** is to mean occupation of the main or whole of the hereditament. For the purpose of this policy the local authority will not apply EZ relief where less than half (50%) of the physical size of the hereditament is occupied by the business.

**Qualifying structures** is intended to mean foundations, and/or permanent walls, and/or permanent roofs, and completed is intended to mean when the building or part of the building of which they form part, is ready for occupation for the purpose it was constructed unless a Non Domestic Rating completion notice has been served in respect of such a building or part of a building - in which case it would be the date specified in that notice.

**Receivership** is to include fixed charge receivership and law of property act receivership.

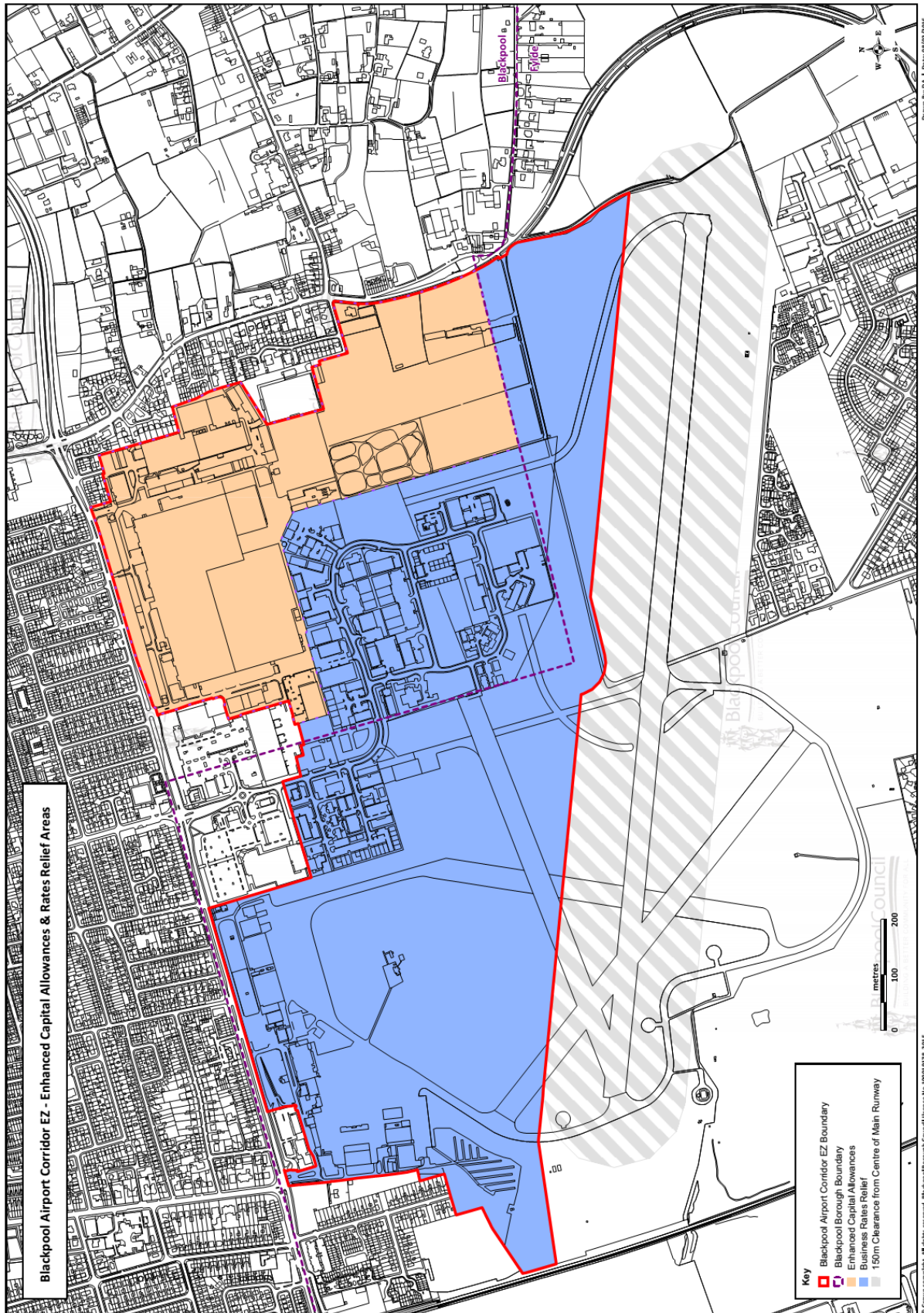
**Retail** is to include premises used for the sale of goods, the provision of services to visiting members of the public, or premises which are primarily used for the sale of food or drink to visiting members of the public. For the purpose of this policy 'retail' also includes wholesale.

**Temporary storage** is to include the storage of aircraft or related machinery on aprons or taxiways, or other airport related infrastructure, but is not extended to include the parking, sales or repair of road vehicles.

**Vocational Education and Training** is a broad concept but for the purpose of this policy it is deemed to be the process of preparing learners for jobs with a basis in manual or practical activities, traditionally non-academic and entirely related to a specific trade, occupation or vocation. For the purpose of this policy there must be a direct link between the Enterprise Zone target sectors and the training provided by the applicant.

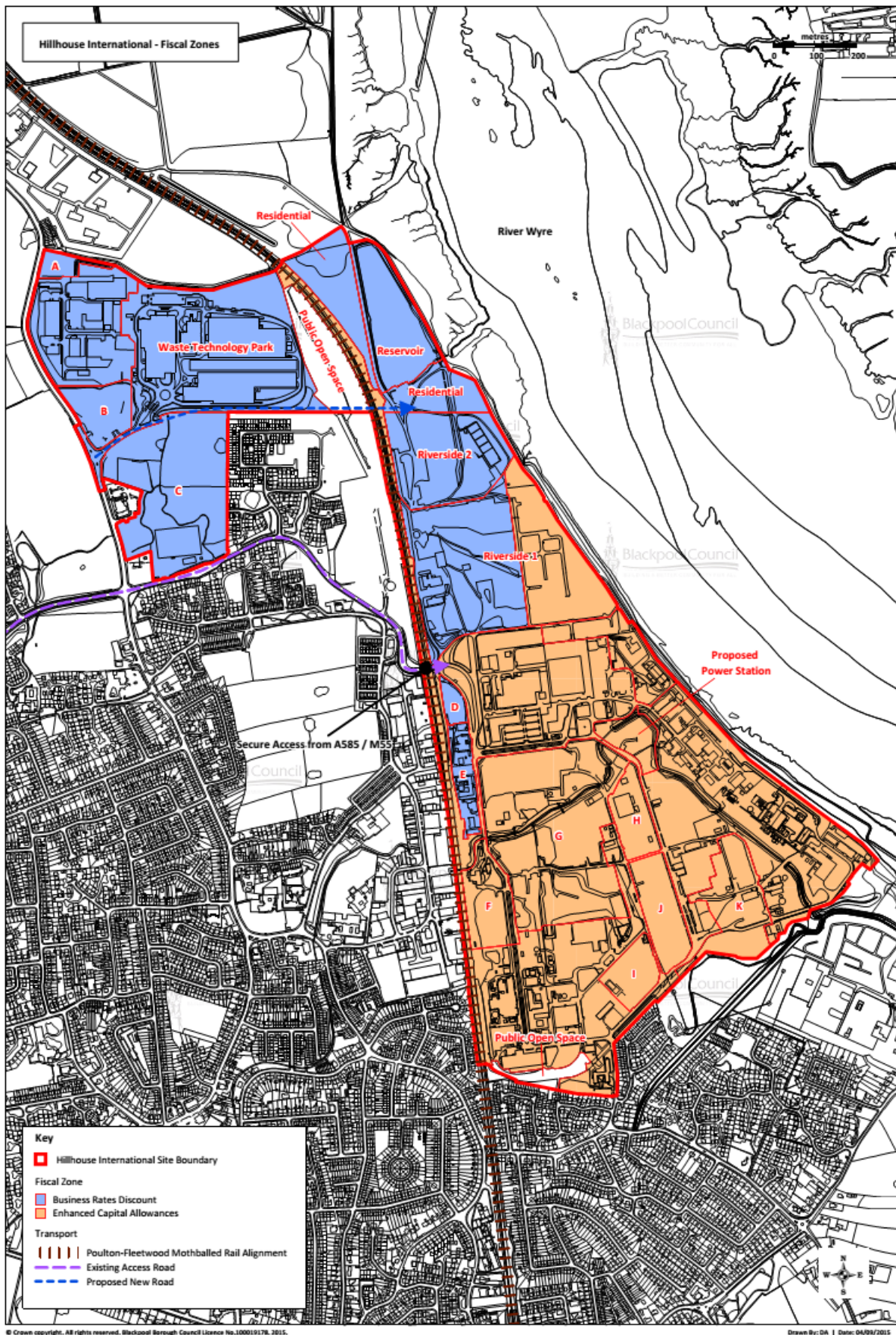
**Wholly, Main or Mainly** for the purpose of this policy is deemed to be more than half.

## Appendix 1 – Blackpool Airport site plan





## Appendix 2 – Hillhouse International Business Park site plan



# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	6
<b>PROPOSAL TO CONSIDER BOROUGH WIDE WEED TREATMENT USING MECHANICAL REMOVAL</b>			

## PUBLIC ITEM

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

### SUMMARY

This report details a proposal to consider the introduction of an in-house borough wide weed treatment process using mechanical removal as an alternative to chemical spraying. This is in response to LCC's reduction in public realm payments and challenges in maintaining the current standards of service delivery.

### RECOMMENDATION

The Finance and Democracy Committee is requested to consider the recommendations of the Operational Management Committee and to:

1. Approve capital budget increases for vehicle purchases of £56k in 2016/17, £76k in 2019/20, and a reduction of £16k in 2020/21, whilst noting that the additional financing costs will be met in full from the revenue budget for weed spraying from 2016/17 and future years;
2. Authorise the expenditure for the purchase of two Nilfisk City Ranger ride on sweepers with weed ripper attachments, to carry out the removal of weeds across Fylde.

### SUMMARY OF PREVIOUS DECISIONS

In 2014 the County Council informed Fylde Council that payments made in respect of public realm functions would be reduced over a 3 year period by a total of 25%, with 2016/17 being the final reduction in payment. The reduced payments have been reflected in the Council's Medium Term Financial Strategy with a total budget for these activities in 2016/17 of £69,875. County Council officers informed Fylde of a further 10% reduction in payment for the 2016/17 financial year to £63,000 without any prior notice, consultation or consideration of the impact on service delivery.

The Chairman of the Operational Management Committee, Councillor David Eaves, wrote to the Cabinet Member for Highways and Transport, County Councillor John Fillis, requesting that LCC reconsider their plans for a further reduction to the public realm payments however the response was unfavourable. At the Operational Management Committee meeting on the 8<sup>th</sup> March 2016 officers were tasked with considering the detailed implications of the budget reductions and investigating alternative means of service delivery to include environmentally friendly, non-chemical options.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	√
Promoting Fylde as a great destination to visit (A Great Place to Visit)	√

## REPORT

1. By virtue of Section 1(2) of the Highways Act 1980 the County Council are the Highway Authority for highways other than trunk roads in the County of Lancashire. Section 101 of the Local Government Act 1972 and Section 19 of the Local Government Act 2000 enable a local authority to arrange for the discharge of their functions by any other local authority.
2. The County Council and the Borough Council (the Council) have historically agreed to make arrangements for the undertaking of certain highway authority functions by the Council, which includes weed spraying, and have reached an understanding on various highway related matters on the terms and conditions of this agreement. In return the County Council has agreed to reimburse the Council for carrying out these duties by means of an annual payment to be made no later than 30<sup>th</sup> April for each year of the agreement. The County Council makes this annual payment to the Council in respect of the following public realm activities: verge maintenance, leaf clearance, weed control and windblown sand clearance.
3. In response to the current financial challenges facing local authorities it has been necessary for the County Council to review all service provision to meet required target reductions in spending. In 2014, the County Council advised the Council that payments made in respect of public realm activities would be reduced over a 3 year period by a total of 25%, with 2016/17 being the final reduction in payment. There was no flexibility in this proposal and there was an expectation that service standards would be maintained despite the reduced budget.
4. The agreed three year reduced public realm payments have been profiled in Fylde's Medium Term Financial Strategy with the figure of £69,875 being included in the budget for 2016/17. County Council officers informed Fylde on February 16<sup>th</sup> that a further reduction of 10% will be made for the 2016/17 financial year, to £63,000 without any prior notice, consultation or consideration of the impact on service delivery.
5. The delegated services delivered on behalf of the County Council are part of the cleansing and grounds maintenance services carried out directly by the Council and the reduction will have a corresponding adverse effect upon the Council's own service provision and resource requirements. These are high profile services maintaining the cleanliness and amenity of the borough that deliver the 'clean and green' priority. In order to sustain service standards and meet the expectation of Fylde customers unfunded revenue budget increases were included in budget proposals for weed control and verge maintenance to cover the shortfall in recent years. Even with budget increases, rising labour cost, and chemicals and equipment prices

have resulted in the need to consider changes in service delivery i.e. a reduction in weed spraying from 3 sprays to 2 sprays per annum.

6. The additional budget cut of 10% will make it impossible to continue with even 2 sprays without requesting Members to approve an unfunded budget increase. If the payment is further reduced in future the Council could be in a position where it is taking on County Council responsibilities without the corresponding resources.
7. The County Council has asked the Council to confirm the intention to continue delivering the services at the revised rate for 2016-17 whilst maintaining the standards in the County Council Highways Maintenance Plan and associated Codes of Practice that have not been revised in line with reduced budgets despite the County Council acknowledging that variations to frequency, content or work activities may be required. There has been no indication from the County Council whether further reductions to Public Realm payments will be made in future years but this remains a strong possibility. If the payment is further reduced the Council could be in a position where it is taking on County Council responsibilities without the corresponding resources.
8. The Chairman of the Operational Management Committee, Councillor David Eaves, wrote to the Cabinet Member for Highways and Transport, County Councillor John Fillis, requesting that LCC reconsider their plans for a further reduction to the public realm payments however the response was unfavourable. At the Operational Management Committee meeting on the 8<sup>th</sup> March 2016 officers were tasked with considering the detailed implications of the budget reductions and investigating alternative means of service delivery to include environmentally friendly, non-chemical options.
9. As part of the approved capital fleet replacement programme, the handheld pavement sweepers (Green Machines) are scheduled for replacement. Fylde officers have investigated and experimented with different types of equipment and machinery over recent months to find a solution that will meet the cleansing requirements while providing options for weed control.
10. The Nilfisk City Ranger is a compact ride on sweeping machine with a wide range of versatile attachments including a weed ripping brush. The weed brush efficiently removes weeds from streets and paved areas and prevents new seedlings from germinating. It is extremely manoeuvrable and hydraulically adjustable in all directions, allows the driver to vary the brush ground pressure and target specific areas. Working repeatedly with the weed brush will prevent the establishment of seedlings without using pesticides.
11. Rochdale Council are using a fleet of 4 Nilfisk City Rangers for non-chemical weed removal with excellent results. The staff are reportedly very happy with the operation of the unit which receives positive comments from local residents. Before and after photos of weed clearances in Rochdale are included as an appendix to this report together with a Rochdale case study.
12. The purchasing of 2 handheld pavement sweepers and two City Ranger weed rippers was recommended to the Operational Management Committee on the 31<sup>st</sup> May as a method for addressing town centre street cleansing issues and weed removal as an environmentally friendly alternative to chemical control.

#### **FINANCIAL IMPLICATIONS**

13. The financing option associated with this proposal essentially involves using existing revenue budgets that are allocated for weed spraying costs to meet the annual financing charges associated with the purchase of additional vehicles.



14. The Capital Financing Requirement (CFR) is a measure of the Council's 'underlying need to borrow' to provide for the capital expenditure that it incurs. The effect of the proposal to purchase the weed-removal equipment as described in this report is to increase the 2016/17 CFR by £56k, to increase the 2019/20 CFR by £76k, and to reduce the 2020/21 CFR by £16k; giving a total net increase in the CFR of £116k over the 5 year period. However given the level of cash that the Council currently holds in the form of reserves, balances and general cash-flow, in recent years these resources have been used to fund capital expenditure needs rather than the incurring of additional external debt (this is known as 'internal borrowing').
15. The appendix to this report shows the relevant capital and revenue budgets for the current position and for the proposed option, showing the full financing costs of the proposal. This solution has been worked through to support the public realm cuts in relation to Sand, Leaf and Weed clearance and no additional revenue budget has been requested for this as it is being contained within existing budgets and resources.

IMPLICATIONS	
Finance	The Finance & Democracy Committee is requested to consider the recommendations of the Operational Management Committee and to approve capital budget increases for vehicle purchases of £56k in 2016/17, £76k in 2019/20, and a reduction of £16k in 2020/21, whilst noting that the additional financing costs will be met in full from the revenue budget for weed spraying from 2016/17 and future years; and to authorise the expenditure. The proposal in the report essentially involves using existing revenue budgets allocated for weed spraying costs to meet the financing costs relating to the purchase of additional vehicles for non-chemical weed removal. Paragraph 14 of the report sets out the impact on the Council's Capital Financing Requirement.
Legal	There are no direct legal implications arising from the report
Community Safety	There are no direct community safety implications arising from the report
Human Rights and Equalities	There are no direct human rights and equalities implications arising from the report
Sustainability and Environmental Impact	There are no direct sustainability and environmental impact implications arising from the report
Health & Safety and Risk Management	There are no direct health and safety and risk management implications arising from the report

LEAD AUTHOR	TEL	DATE	DOC ID
Kathy Winstanley	01253 658634	3 <sup>rd</sup> June 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
none		

Attached document(s)

1. Before and after photographs showing weed treatment in Rochdale
2. Rochdale Nifisk case study
3. Financing proposal





















## **Nilfisk City Ranger excels at non-toxic Weed Removal**

Rochdale Council are utilising a Nilfisk City Ranger outdoor machine for non-toxic weed ripping with excellent results.

The liveried 4 wheel drive, 35 HP **City Ranger 2250** is used almost exclusively for weed ripping that was previously carried out manually.

### **Multi-functional Sub-Compact Sweepers**

The Nilfisk City Ranger 2250 is one of a fleet of articulated outdoor machines that are easily adapted for a wide range of functions. A full range of attachments provide for year round use including green maintenance, winter maintenance and street cleansing.

The attachments are quickly and easily changed in minutes, the hydraulic hoses connecting at the turn of a handle. Weed control, rotary & mulch mowing, lawn edging, hedge trimming, snow sweeping and salt & sand spreading can all be carried out by the versatile City Ranger.

### **Weed Ripping in Rochdale**

Rochdale Council had been carrying out weed control by hand before moving to mechanisation using the City Ranger 2250. Transport Procurement Officer for Rochdale Council, John King commented on the initiative; 'The weed removal tool is a world away from our previous manual methods. The performance and productivity of the machine is fantastic and has made a massive difference. The staff are very happy with the operation of the unit which consistently gets positive comments from local residents. The results are evident from the before and after photos and all achieved with no use of chemicals.

Nilfisk sales and service staff are always very helpful and we can call on them to train new staff at any time.'

The weed control tool works by scouring weeds loose and destroying new shoots. Regular brushing thereafter keeps areas weed free. The City Ranger sweeper is extremely manoeuvrable and turns in a very tight circle. Brush heads can be easily turned and angled enabling perfect results on a myriad of surfaces including cobbles, flags, slants, right angles, kerbs and around lamp posts.

A 6 metre vacuum hose is optional for nooks and crannies but the suction sweeper hopper efficiently removes all weeded material and any new seeds. Overall a highly effective solution that cleans up as it goes along.

Additional options include an integrated high pressure washer and a rear view camera.

The indispensable suction sweeper attachment is equipped with 2 front brushes as standard with 2 side brushes being optional. Each height adjustable brush has its' own water sprayer preventing the spread of dust. Both hopper and water tanks are made from rust free moulded plastic.

Nilfisk's UK outdoor division provide working demonstrations and sales support across the UK utilising directly employed Nilfisk personnel. Interested parties should contact 01768 868995 for further information.

Nilfisk are one of the world's largest manufacturers of commercial and industrial cleaning equipment. From Tub Vacs through to Grounds Maintenance and Road Sweepers, Nilfisk offers a complete and affordable solution to all cleaning challenges. [www.nilfisk.co.uk](http://www.nilfisk.co.uk)

Ends

Reader Enquiries to:

Email: [mail.uk@nilfisk.com](mailto:mail.uk@nilfisk.com)

# Current Position:

## Capital Budgets:

	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>TOTAL</u>
<u>Vehicle / Asset Life</u>	£	£	£	£	£	£
Sweeper - 1 (4 Years)	14,681				16,391	<b>31,072</b>
Sweeper - 2 (4 Years)	14,681				16,391	<b>31,072</b>
Sweeper - 3 (4 Years)	14,681				16,391	<b>31,072</b>
<b>TOTAL CAPITAL PROGRAMME BUDGETS</b>	<b>44,043</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49,173</b>	<b>93,216</b>

5 YEAR TOTAL CAPITAL FINANCING REQUIREMENT **93,216**

## Revenue Budgets:

	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>TOTAL</u>
	£	£	£	£	£	£
Cost of spraying service	30,000	30,000	30,000	30,000	30,000	<b>150,000</b>
Borrowing cost for vehicle purchases	11,773	11,773	11,773	11,977	14,260	<b>61,556</b>
Vehicle Running Costs	300	300	300	300	300	<b>1,500</b>
Public Realm - Income from LCC	-31,875	-31,875	-31,875	-31,875	-31,875	<b>-159,375</b>
<b>TOTAL NET REVENUE BUDGET</b>	<b>10,198</b>	<b>10,198</b>	<b>10,198</b>	<b>10,402</b>	<b>12,685</b>	<b>53,681</b>

5 YEAR TOTAL NET REVENUE BUDGET **53,681**



# Proposed Option:

## Capital Budgets:

	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>TOTAL</u>
<u>Vehicle / Asset Life</u>	£	£	£	£	£	£
Sweeper - 1 (4 Years)	14,331				16,391	<b>30,722</b>
Sweeper - 2 (4 Years)	14,331				16,391	<b>30,722</b>
Sweeper - Ride on 1 (3 Years)	36,000			38,000		<b>74,000</b>
Sweeper - Ride on 2 (3 Years)	36,000			38,000		
<b>TOTAL CAPITAL PROGRAMME BUDGETS</b>	<b>100,662</b>	<b>0</b>	<b>0</b>	<b>76,000</b>	<b>32,782</b>	<b>209,444</b>

5 YEAR TOTAL CAPITAL FINANCING REQUIREMENT **209,444**  
**INCREASE OVER 5 YEAR PERIOD FROM CURRENT POSITION 116,228**

	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>TOTAL</u>
	£	£	£	£	£	£
Cost of spraying service	10,000	0	0	0	0	<b>10,000</b>
Borrowing cost for vehicle purchases	16,026	33,940	33,940	34,767	35,598	<b>154,271</b>
Vehicle Running Costs	4,500	7,500	7,500	7,500	7,500	<b>34,500</b>
Public Realm - Income from LCC - adjusted	-29,040	-29,040	-29,040	-29,040	-29,040	<b>-145,200</b>
<b>TOTAL NET REVENUE BUDGET</b>	<b>1,486</b>	<b>12,400</b>	<b>12,400</b>	<b>13,227</b>	<b>14,058</b>	<b>53,571</b>

5 YEAR TOTAL NET REVENUE BUDGET **53,571**  
**SAVING OVER 5 YEAR PERIOD FROM CURRENT POSITION -110**

# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	7
UNIVERSAL CREDIT UPDATE			

## PUBLIC ITEM

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

## SUMMARY

This report outlines the details of the current implementation programme for Universal Credit provided by the Department Of Works & Pensions (DWP) and is seeking authority to extend the existing delivery partnership agreement from 1<sup>st</sup> April 2016 for a further 12 months.

## RECOMMENDATIONS

### Committee is recommended to:

1. Note the current progress of the roll out for Universal Credit.
2. Approve the negotiation with the DWP of the continuum of a Delivery Partnership Agreement to run from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2016 in respect of a number of ancillary services relating to the continuing roll-out of Universal Credit, as detailed within this report.
3. Authorise the Director of Resources to enter into any future agreements of this nature that the DWP might seek.

## SUMMARY OF PREVIOUS DECISIONS

Cabinet 25<sup>th</sup> March 2015

1. To note the progress of the roll out of Universal Credit
2. To approve the negotiation with the DWP of a Delivery Partnership Agreement to run from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016 in respect of a number of ancillary services related to the roll-out of Universal credit as detailed within the report.
3. To note that a further report would be presented to Members prior to the finalisation of any further agreement beyond 31<sup>st</sup> March 2016 in relation to services provided in support of the Universal Credit programme.

## CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	✓
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	✓
Working with all partners ( <b>Vibrant Economy</b> )	✓
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	✓
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	✓

## REPORT

### 1. Background

Universal credit was introduced in 2013 and continues to be the government's flagship welfare reform. It is expected to be fully implemented by 2021 replacing the following means tested benefits and tax credits:

- Income based Jobseeker's Allowance
- Income related Employment And Support Allowance
- Income Support
- Working Tax Credit
- Child Tax Credit
- Housing Benefit

### 2. Current Position

Universal Credit was introduced in Fylde in November 2014 and subsequently across the rest of the UK. The DWP have adopted a policy of phasing in Universal Credit starting with more simple, new cases.

Table 1 – Numbers of claimants in Fylde receiving Universal Credit – both in work/not in work

Service/Month	March 2015	March 2016
Total numbers of claimants receiving Universal Credit in Fylde (in work/not in work)	110 (20/90)	503 (208/290)

### 3. DWP Delivery Partnership Agreement

3.1 Based upon actual volumes of cases dealt with by Fylde Council staff in 2015/16, the DWP have provided us with estimates of the number of cases that we are likely to deal with between 1<sup>st</sup> April 2016 and 31<sup>st</sup> March 2017. Table 2 provides details of customers visiting Council Offices requiring access to Universal Credit access on DWP systems. This usually takes the form of on-line access to the UC application form.

Two members of the Council's Customer Services team have been provided with training by DWP in providing personal budgeting support.

Table 2 - Actual Volumes of Cases Dealt With By Council Staff 2015/16

<b>Online Access</b>	
Access Required In Council Offices	9
<b>Personal Budgeting Support</b>	
Face to Face Advice Given	8

3.2 Table 3 outlines the breakdown of the assumed total cost of Universal Credit support by Fylde Council. The volume of claimants using services will be reviewed at regular partnership meetings and funding may be increased by negotiation between the DWP and Fylde Council.

**Table 3 – Funding Estimates April 2016 to March 2017 (Figures for 2015/16 in brackets where applicable)**

<b>DP Costs</b>	<b>Cost/Volume Assumptions to March 2017</b>	<b>Payment Basis</b>	<b>Maximum cost to 31 March 2017 £</b>	<b>Revised costs to include LCTRS £</b>
On-Line supported access (Digital)	33 (144)	volumes	842	842 (3,000)
Personal Budgeting Support	29 (12)	volumes	1,465	1,465 (8,900)
Support for UC Service Centre	228 (600)	volumes	1,465	1,465 (11,900)
Support for Complex cases	11	volumes	75	75
Management Costs	£814 x 12 months	Reimburse agreed cost on a monthly basis	9,770	9,770 (TBC)
LCTRS				898
<b>Total (excluding VAT)</b>			<b>13,615</b>	<b>14,515</b> (30,700)
<b>Total (including VAT)</b>			<b>16,338</b>	<b>17,418</b> (36,840)

3.3 The DWP have provided the Council with a draft Delivery Partnership Agreement. The purpose of the agreement is to set out the relationship between DWP and the Council in supporting the continual roll-out of Universal credit.

3.4 The agreement describes the commitments made by both DWP and the Council in relation to the delivery of Universal credit support, including the funding arrangement, the management information required by the DWP, governance arrangements and the service provision to be delivered by DWP and the Council. The service provision the Council is expected to deliver (between the Revenues & Benefits Shared Service and Fylde Council Customer Services staff) is described as follows:

- Provide support to UC Service Centre staff around housing cost issues that may arise.
- Support for claimants to make a UC claim on-line.
- Support for claimants who require personal budgeting support to manage their UC payments.

- Work with DWP locally in supporting landlords.

3.5 The DWP have renewed their commitment to provide funding to enable Fylde Council to provide these service in support of Universal Credit until 31<sup>st</sup> March 2017. The DWP's model for calculating funding has taken into consideration the real levels of support provided by the Council in 2015/16 (see table 2) and estimated client volumes for 2016/17. Average salaries have been used to estimate costs.

#### 4 Summary

4.1 Universal Credit will continue to be expanded using a 'test and learn' approach across Fylde.

4.2 The key elements of the support provided by Council Staff have been agreed in discussions between Council officers and the DWP along with the Delivery Partnership Agreement until 31<sup>st</sup> March 2017.

4.3 The cost of providing these services will be reimbursed by the DWP.

IMPLICATIONS	
Finance	There are no additional financial implications to the Council as a result of the recommendations in this report. The nature of the agreement with the DWP is that any costs incurred by the Council are reimbursed in full. The reduction in funding for 2016/17 compared to 2015/16 reflects the number of actual Universal Credit clients using Council facilities.
Legal	Both parties are Data Controllers under The Data Protection Act 1998 and are joint controllers for the purposes of Universal Support. Data protection will be set out in a separate Data Sharing Agreement signed by both the Council and DWP.
Community Safety	None arising directly from this report.
Human Rights and Equalities	The DWP have produced an Equality Impact Assessment available online at <a href="http://www.gov.uk">www.gov.uk</a>
Sustainability and Environmental Impact	None arising directly from this report
Health & Safety and Risk Management	There are no additional H&S or risk implications to the Council as a result of the recommendations in this report.

LEAD AUTHOR	TEL	DATE	DOC ID
William Fisher	01253 658450	09/06/2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Universal Credit local support services framework	Updated 27/03/20016	<a href="https://www.gov.uk/government/publications/universal-credit-local-support-services-framework">https://www.gov.uk/government/publications/universal-credit-local-support-services-framework</a>
Minutes of Cabinet	25/03/2015	<a href="http://www.fylde.gov.uk/meetings/details/1192">http://www.fylde.gov.uk/meetings/details/1192</a>

# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	8
<b>FRECKLETON MEMORIAL GARDENS COMMUNITY PROJECT</b>			

## PUBLIC ITEM

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

### SUMMARY

The Friends of Freckleton Memorial Gardens have been working in partnership with Fylde and LCC officers since April 2013, on a community project to “create a fully inclusive play area and surrounding gardens for the community to enjoy within the current Freckleton Park”.

The project has followed the ten stage process of the community parks improvement programme, which has included a comprehensive consultation exercise, the production of an agreed Masterplan and funding strategy. Officers have assisted the Friends group with a number of external funding bids, in addition to their own fund raising and a grant from Freckleton Parish Council. At the Council meeting on the 30 March 2015, Council approved a capital contribution of £50,000 to the Friends of Freckleton Memorial Park, in the 2016/17 budget, to be fully funded from the Councils Capital Investment Reserve.

The report describes the funding strategy and summarises the context and details the receipt of tenders, tender assessment following the procurement process for new play facilities and associated improvement works at Freckleton Memorial Gardens.

### RECOMMENDATION

#### The Finance and Democracy Committee is recommended to:

1. Agree that the Council acts as accountable body for the additional capital budget in the sum of £122,350, fully funded from various external grants and Section 106 contributions as detailed in the report.
2. Approve a fully funded capital budget increase to the 2016/17 capital programme of £122,350, to be fully funded from the various external grants and Section 106 contributions as detailed in the report which will give a total capital budget of £172,350
3. Authorise the proposed expenditure in respect of the scheme to undertake improvements to Freckleton Memorial Gardens as detailed in the report. The approved Capital Programme for 2016/17 includes part funding of this scheme in the sum of £50,000 funded from the Capital Investment Reserve.
4. Agree the letting of the contract for the design and build of new play facilities and associated improvement works to Wicksteed playgrounds in the sum of £172,350, subject to the funded budget increase of £122,350 to the 2016/17 capital programme, being approved by the Finance & Democracy Committee.

## **SUMMARY OF PREVIOUS DECISIONS**

### **Cabinet 28<sup>th</sup> April 2010 – Community Parks Improvement Programme:**

Cabinet considered the details set out in the report before it and at the meeting and RESOLVED:

2. To agree that the Council will act as the accountable body for individual schemes and funding streams where necessary.
4. To present individual detailed reports of the remaining schemes to future meetings of Cabinet to ensure that the Council's financial regulations are satisfied.

### **Council Meeting 30 March 2015 – Budget 2015/16 Capital Scheme – Contribution to Freckleton Memorial Garden Community Project:**

Council considered the details set out in the report before it and at the meeting and RESOLVED:

To approve a capital contribution of £50,000 to the Friends of Freckleton Memorial Park Community Group subject to;

- a) The project being managed and money spent through Fylde Councils Parks Development processes,
- b) Confirmation when funding in place for the whole project before going out to tender and reporting to committee,
- c) That a time limit of two years is placed on securing the total project funding and that if the project funding has not been secured within the time limit the contribution is rescinded and returned to the capital investment reserve,
- d) Fylde Council to receive full publicity for its contribution in any publicity or communication release including on site notice boards.

### **Tourism & Leisure Committee 7 January 2016 – Freckleton Memorial Gardens Project:**

A further report will be presented to the Tourism & Leisure Committee and also the Finance & Democracy Committee to confirm that all the funding grants are secure and to summarise the details of the receipt of tender and tender evaluations and detailing all expenditure to be incurred to demonstrate full compliance with the financial and contract regulations.

### **Tourism & Leisure Committee 2 June 2016 – Freckleton Memorial Gardens Community Project:**

Following consideration of this matter it was RESOLVED to recommend to the Finance and Democracy Committee:

1. That the Council acts as accountable body for the additional capital budget in the sum of £122,350, fully funded from various external grants and Section 106 contributions as detailed in the report.
2. Approval of a fully funded capital budget increase to the 2016/17 capital programme of £122,350, to be fully funded from the various external grants and Section 106 contributions as detailed in the report which will give a total capital budget of £172,350
3. Authorise the proposed expenditure in respect of the scheme to undertake improvements to Freckleton Memorial Gardens as detailed in the report. The approved Capital Programme for 2016/17 includes part funding of this scheme in the sum of £50,000 funded from the Capital Investment Reserve.
4. Agree to the letting of the contract for the design and build of new play facilities and associated improvement works to Wicksteed playgrounds in the sum of £172,350, subject to the funded budget increase of £122,350 to the 2016/17 capital programme, being approved by the Finance & Democracy Committee.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	✓
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	✓
Working with all partners ( <b>Vibrant Economy</b> )	✓
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	✓
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	✓

## REPORT

### BACKGROUND

1. The Friends of Freckleton Memorial Gardens have been working in partnership with Fylde and LCC officers since April 2013, on a community project to “create a fully inclusive play area and surrounding gardens for the community to enjoy within the current Freckleton Park”.
2. The ‘Friends’ are a group of like- minded local residents who are passionate in their aim to improve the range and standard of recreational facilities in Freckleton Memorial Gardens. The group, in partnership with Freckleton Parish Council took the opportunity to work with officers to take the project through the ten stage process of the community parks improvement programme:
  - Set up a supporters group (Friends group with a constitution)
  - Apply to LCC for support officer from the Environmental Projects Team to assist with:
    - i. Comprehensive consultation exercises
    - ii. External funding grant assistance
  - Initial consultation with group, local residents and users to produce a design brief based on community need
  - Produce 3 concept drawings based on the design brief
  - Consult / agree / produce final Masterplan
  - Cost the project up in sections (Bill of Quantities and specifications)
  - Prepare funding strategy
  - Tender and evaluation (with community)
  - Project Management
  - Open Event / Future use /Maintenance
3. The constituted group have attended regular progress meetings with officers, elected members, stakeholders and the Parish Council during the past 3 years, and have carried out numerous public consultation events to establish local need and requirements.
4. The consultation feedback was analysed and directly informed a number of concept designs for the site prepared by Fylde Councils Landscape Design & Development Officer. Further consultation exercises and meetings were undertaken with the Town Council and local residents to agree a final Masterplan for the site.
5. Once the Masterplan was agreed, the preferred scheme was costed based on recent estimates and industry rates. The total project costs were estimated around £160K - £180K.



## SCHEME DETAILS

6. Freckleton Memorial Gardens currently has an existing children's play area. The current provision is very limited, with the equipment in poor condition. The current facility is not fully inclusive and does not meet the needs of local residents and the Parish Council, it is not adequate in either condition or provision.
7. The consultation focused on what specific facilities park users would like to see in the Gardens, and how these new facilities could be used in a cohesive way which would not be detrimental to the sympathetic nature of the Memorial Gardens.
8. The new play facilities will include a range of fully inclusive children's play equipment, including tunnels/swings/climbing apparatus/springer units/roundabout/multi-play unit and slide. The site will also benefit from a MUGA (multi use games area), and a small zip wire.
9. The project will include relevant safety surfacing, perimeter fencing, and furniture including seating, bins and signage. New drainage will be installed where necessary and the whole site will benefit from imaginative landscaping and planting.

## A COST BREAKDOWN OF THE SCHEME

<b>FRECKLETON MEMORIAL GARDENS</b>	
<b>Design Categories as described in the design brief</b>	<b>Net Figure (£)</b>
Removal of existing play equipment and safety surfacing	£ 5,817
A range of children's play equipment	£ 45,886
A MUGA with fencing of 3m high and approx. dimensions of 10m X 20m	£ 14,997
A zip-wire aimed at children up to the age of 11	£ 5,750
Appropriate safety surfacing to all elements	£ 86,574
Perimeter fencing	£ 1,503
Site furniture	£ 1,717
Imaginative landscaping	£ 3,936
Drainage system	£ 3,986
Contingency	£2,184
<b>TOTAL (Net)</b>	<b>£ 172,350</b>

## THE METHOD AND COST OF FINANCING THE SCHEME

10. In early 2015 the Friends group wrote to Fylde Council to request a £50K capital contribution towards the project. The request went to full council and the request was agreed at the meeting of 30 March 2015, and £50K is included within the approved Capital Programme for 2016/17 for this project. The offer was conditional on the group achieving the remaining funding through external bids and a contribution from the Parish Council.

11. The Friends group have undertaken numerous community events over the last 3 years to raise funding for the project. To date the group have raised around £9K. In addition, the group have secured a 10K grant from BAE and a £6K grant from LCC. Freckleton Parish Council have committed a grant of £20K to the project.
12. The 5 existing S106 contributions below have been 'ring-fenced' to the project, in agreement with the Parish Council. The total of S106 contribution is £ 14,875, relating to five developments in Freckleton. The developments and contributions are listed below:

<b>Application Number</b>	<b>Development</b>	<b>S106 Contribution</b>
08/0124	11 Lytham Rd, Freckleton	£3,400
09/0034	115 Kirkham Road, Freckleton	£1,600
09/0034	115 Kirkham Road, Freckleton	£400
11/0657	Goe Lane, Freckleton	£8,625
08/0124	11 Lytham Road, Freckleton	£850
<b>Total</b>		<b>£14,875</b>

13. The group, assisted by officers from Fylde and LCC have been successful in two further external bids, £30K from the Lancashire Environmental Fund and £32,475 from Veolia, giving a project budget of £172,350.
14. Table of internal and external grants:

<b>Source</b>	<b>Amount</b>	<b>Status</b>
Freckleton Parish Council	£20,000	Secured
BAE	£10,000	Secured
Friends of Freckleton Memorial Gardens	£9,000	Secured
LCC	£6,000	Secured
FBC	£50,000	To be granted on approval
LEF	£30,000	Secured
Veolia	£32,475	Secured
Section 106	£14, 875	To be granted on approval
<b>TOTAL</b>	<b>£172,350</b>	

## **FUTURE REVENUE BUDGET IMPACT**

15. Freckleton Memorial Gardens are owned by Freckleton Parish Council. Any additional revenue implications linked to this proposal will be met by the Parish Council. These costs have been clearly identified and agreed with the Parish Council.

## **RELEVANT VALUE FOR MONEY ISSUES**

16. In order to ensure that value for money is achieved a procurement exercise has been undertaken in accordance with the Council's contract procedure rules. Selection of the successful tenderer will be on the basis that value for money is a key consideration as well as the suitability of the new facility.

## **RISK ASSESSMENT**

17. A risk assessment has been carried out to identify and mitigate any risks associated with the project which is attached as appendix 1.

## **VIABLE ALTERNATIVES**

18. The project could have been procured and delivered by the Community group or Parish Council. However, professional assistance from Council Officers with specific regard to landscape design, procurement and project management proves to provide the best value for money, competent schemes and is the favoured delivery option by external funders.

## **PROCUREMENT PATH (AND ANY DELEGATIONS AS REQUIRED)**

19. Officers from the Parks & Greenspace Team have led the procurement process. The tender followed the 'restricted tendering procedure' using the CHEST procurement portal.
20. Quotations have been received for the provision of new play facilities and associated improvement works on a design and build basis. The suppliers were given a project value figure of £172,350 and a design brief prepared by the Landscape Design and Development Officer, which provided suppliers with comprehensive details of the essential project requirements.
21. 6 completed tenders were received and evaluated on a 70% quality and 30% cost basis.
22. The price evaluation was carried out as follows: the proposals were to be based on a budget of £172,350 including a contingency. 30 marks were awarded for quotations of £172,350. For every £1,000 variance either way 5 points were deducted.
23. The quality evaluation was carried out as follows: quality criteria formed 70% of the total, based on the following quality criteria:

• Programme, health and safety and method statement	10
• Quality of design, creativity and innovation	20
• Range of equipment and play value	20
• Landscaping, Infrastructure and drainage	5
• Education and inclusivity	5
• Added value	5
• Sustainable and eco friendly	5
<b>Quality Total</b>	<b>70</b>

24. The quality evaluation was made under the criteria listed below, and the information required from the suppliers was scored on the following basis:

<b>Score</b>	<b>Description</b>
0	The Evaluation Panel felt that none of the requirement was met or demonstrated or no response was provided.
1	The Evaluation panel felt that a few areas (20% or less) of the requirement has been met or demonstrated.
2	The Evaluation panel felt that some areas (between 21% and 59%) of the requirement has been met or demonstrated.
3	The Evaluation panel felt that most of the requirement (60% and above) has been met or demonstrated
4	The Evaluation panel felt that the requirement has been fully met or demonstrated.
5	The Evaluation Panel felt that the supplier had exceeded this requirement.

25. The quality scores are added to the price scores to identify the preferred submission. For example a price of £172,350, would be scored a maximum of 30 points, which would be added to the quality score (maximum 70 points), to give a score out of 100.

26. The result of the tender evaluation exercise is set out below. The evaluation panel comprised of officers from the Parks & Greenspace Team, Friends of Freckleton Memorial Gardens and representatives from the Town Council.

<b>Company</b>	<b>Hags SMP</b>	<b>Playdale</b>	<b>Wicksteed Playgrounds</b>	<b>Russell Play</b>	<b>Pennine Playgrounds</b>	<b>Eibe Play</b>
<b>Criteria</b>						
Price score	30	30	30	30	30	30
Programme, health and safety and method statement	6	4	6	6	4	8
Quality of design, creativity and innovation	8	8	20	12	8	12
Range of equipment and play value	8	8	20	12	8	12
Landscaping, Infrastructure and drainage	2	1	4	3	2	3
Education and inclusivity	3	2	4	2	2	2
Added value	3	0	2	1	2	4
Sustainable and eco friendly	3	1	4	3	2	3
<b>Total score</b>	<b>63</b>	<b>54</b>	<b>90</b>	<b>69</b>	<b>58</b>	<b>74</b>

27. The evaluation panel considered that the Wicksteed playgrounds submission demonstrated a better quality provision in terms of quality of design and range of play equipment. The quotation figure for the recommended submission is £172,350, including a contingency. The delivery of this project can commence on site in January 2015 and will be completed for March 2016.

## OBJECTIVES, OUTPUTS AND OUTCOMES

28. Objectives, Outputs and Outcomes:

- Provide modern, safe and innovative play facilities
- Achieve the ambitions of the local community
- Improved access for all
- Provision of additional facilities for young people
- Clean and Green – “Deliver high quality parks and open spaces”
- Great Place to Live – “Support and promote volunteers effort to improve their local community”

## DRAWINGS AND PLANS

29. A full set of drawings detailing the scheme proposals are included in Appendix 2.

## CONCLUSION

30. The proposal is to award the tender to provide and install a range of play facilities and associated improvement works as detailed in this report at Freckleton Memorial Gardens, as per the agreed tender specification to Wicksteed playgrounds, to the value of £172,350 for completion before 31st September 2016.

IMPLICATIONS	
Finance	<p>Funding for a scheme for this purpose is included within the approved Capital Programme for 2016/17 in the sum of £50k, fully financed from the Capital Investment Reserve.</p> <p>The report recommends to the Finance and Democracy Committee a funded budget increase to the 2016/17 capital programme of £122,350, to be fully funded from the various external grants and Section 106 contributions as detailed in the report to provide a total budget for 2016/17 of £172,350.</p> <p>The report requests Finance and Democracy Committee to agree to the Council acting as accountable body as detailed in the report for the additional £122,350.</p> <p>The committee is requested to authorise expenditure in 2016/17 of £172,350 in respect of the proposed scheme to construct a new play area and associated improvement works at Freckleton Memorial Gardens.</p>
Legal	None arising from this report
Community Safety	Provision of modern recreational facilities is important in terms of providing diversionary activities
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	The proposals represent the replacement of old equipment which is no longer fit for purpose. Freckleton Parish Council will be responsible for the maintenance of the new facilities.

Health & Safety and Risk Management	The quotation requests included Health and Safety information which will be developed by the successful contractor prior to starting on site to safeguard the public and contractor personnel.
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LEAD AUTHOR	TEL	DATE	DOC ID
Mark Wilde	01253 648475	13 May 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Cabinet agenda and minutes	28th April 2010	<a href="https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/485/Committee/32/Default.aspx">https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/485/Committee/32/Default.aspx</a>
Council Meeting agenda and minutes	30 March 2015	<a href="https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/411/Committee/33/Default.aspx">https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/411/Committee/33/Default.aspx</a>
Tourism & Leisure Committee agenda and minutes	7 January 2016	<a href="https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/102/Committee/18/Default.aspx">https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/102/Committee/18/Default.aspx</a>

## Appendices

1. Committee Risk Assessment
2. Detailed Design and illustration

## Appendix 1

### Committee Risk Assessment Template

Directorate: Development Services		Date of Assessment: 12 <sup>th</sup> May 2016		
Section: Parks & Greenspace		Assessment Team: Mark Wilde & Johanna Wood		
Assessment Activity / Area / Type: Construction of a play area and associated improvement works at Freckleton Memorial Gardens				
Do the hazards create a business continuity risk? No				
RISK DESCRIPTION	RISK SCORE (Likelihood x Impact)	RISK MITIGATION	RESIDUAL RISK SCORE (Likelihood x Impact)	RISK OWNER / RISK REGISTER
Increased maintenance implication for Freckleton Borough Council.	4	Freckleton Memorial Gardens are owned by Freckleton Parish Council. Any additional revenue implications linked to this proposal will be met by the Parish Council. These costs have been clearly identified and agreed with the Parish Council.	2	Mark Wilde
Failure of contractor to deliver to specification	9	Project management support from in house technical expertise and fixed price contract. All works to be completed to the detailed design and specification.	6	Johanna Wood

Possibility of personal injury to the public during the construction period.	8	A pre-contract health and safety plan will be developed by the contractor to ensure the safe operation within the site. Areas of active construction will be fenced off and information provided about safety aspects of the construction site. The contractor will carry five million pounds public liability insurance.	6	Johanna Wood
The new play area and associated improvement works fail to meet community or stakeholder aspirations.	6	The existing facility does not meet the need of the local community with regard to the condition and range of play equipment. Local residents and ward members were involved in the assessment of tenders and designs for the work.	3	Johanna Wood
Increased risks to the public as a result of the development.	6	A full risk assessment will be completed before the area is open to the public.	4	Johanna Wood
Project not delivered on time and funding not utilised.	9	Officers work closely with successful contractor to ensure timely start on site.	6	Johanna Wood
Project overspend	9	Project officer to monitor & control costs. Budget contains an element for contingencies.	6	Johanna Wood

#### Risk Likelihood

6 = Very High  
5 = High  
4 = Significant  
3 = Low  
2 = Very Low  
1 = Almost impossible

#### Risk Impact

1= Negligible  
2 = Marginal  
3 = Critical  
4 = Catastrophic

Multiply the likelihood by the impact and if the score is above 12 then mitigating action should be undertaken to reduce the risk. This action should be recorded and monitored in either a directorate or corporate risk register.



## Detailed Design and Illustration

## Appendix 2





# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
OFFICE OF THE CHIEF EXECUTIVE	FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	9
<b>FUNDED BUDGET INCREASE FOR HEALTHY NEW TOWN PILOT</b>			

## PUBLIC ITEM

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

### SUMMARY

The report provides details of the grant that has been secured from NHS England by the Healthy New Town partnership responsible for the Whyndyke Farm pilot. The partnership has secured Phase 1 funding of £149,817 that will be used to deliver the objectives of the Healthy New Town pilot. Fylde has been asked by the partnership to act as the accountable body and employing authority for the grant from NHS England.

### RECOMMENDATIONS

The Committee is requested:

1. to support the recommendation of the Environment, Health & Housing committee to approve a fully funded revenue budget increase in the sum of £149,817 in 2016/17 from NHS England to support the Healthy New Town pilot project;
2. to support the recommendation from the Environment, Health & Housing committee and approve that the Council act as the accountable body for the Healthy New Town initiative.

### SUMMARY OF PREVIOUS DECISIONS

Environment, Health & Housing Committee, June 7<sup>th</sup> 2016:

The Committee resolved:

1. to consider the Healthy New Town initiative, as described in this report, and then to recommend to the Finance & Democracy Committee the approval of a fully funded revenue budget increase in the sum of £150,000 in 2016/17 in relation to the initiative, fully funded by a grant from NHS England in the same sum; and
2. to recommend to the Finance & Democracy Committee that the Council act as the accountable body for the Healthy New Town initiative.

### CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	✓
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	✓
Working with all partners ( <b>Vibrant Economy</b> )	
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	✓
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	

## REPORT

### BACKGROUND

1. In February 2016 it was announced that the Fylde coast partnership that had bid for the Whyndyke Farm development on the border of Fylde and Blackpool to be a Healthy New Town pilot was successful. The partnership working through public health in Blackpool and Lancashire, the Fylde & Wyre Health & Wellbeing Partnership and local representatives from NHS England on the Fylde, made a bid to become one of 10 pilot locations across the country that would develop innovative communities to achieve sustained healthier living. This linked to the long term objective to reduce multiple later life illnesses amongst the population that is costing the NHS £27 billion per annum and is part of the preventative approach to creating a healthier population through a healthier environment.
2. The bid along with the proposed grant expenditure plan was included in item 7 on the Environment, Health and Housing agenda and can be accessed at:  
<https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/901/Committee/19/Default.aspx>
3. The bid was shortlisted and members of the Whyndyke Farm partnership were invited to pitch for one of the 10 pilot places at the Kings Fund headquarters. The pitch was successful and the Whyndyke Partnership was given Healthy New Town pilot status in February 2016.
4. NHS England announced that £150,000 would be made available for each pilot location in Phase 1 of the project (March 2016 to April 2017) to support the development of the vision, plans and objectives of the pilot site. The grant was made available provided the partnership could demonstrate that the funds would be used to deliver the stated outcomes in the bid.
5. The grant agreement has been approved with NHS England and includes expenditure on a Project Manager post working for the partnership until March 31<sup>st</sup> 2017, a project support post and funds for community engagement events, workshops, seminars, plans, research, marketing, promotion, signage and innovation projects with Lancaster University.
6. The partnership has requested that Fylde Council act as the accountable body for administration of the grant which includes processing payments, producing invoices and providing evidence that the funds have been spent in accordance with the terms of the agreement. The £149,817 is fully funded by NHS England and claims against the grant will only be made when expenditure has been committed in accordance with the agreement. The council has acted as accountable body on a number of projects and will receive a fee from the grant for the work.
7. The committee is asked to approve the recommendations put forward by the Environment, Health & Housing committee to support the Whyndyke Farm Healthy New Town Partnership and by including the fully funded grant from NHS England in the current financial year's budget and that Fylde Council acts as the accountable body for the administration of the grant.

IMPLICATIONS	
Finance	This report summarises the Healthy New Town initiative and requests that, following consideration of the project, the committee: - approve a fully funded revenue budget increase in the sum of £150,000 in 2016/17 in relation to the initiative, fully funded by a grant from NHS England in the same sum; and - approve that the Council act as the accountable body for the Healthy New Town initiative.
Legal	A legal agreement to secure the grant will be signed with NHS England to ensure full compliance with the grant conditions and protect the council from any financial risk
Community Safety	None directly arising from this report
Human Rights and Equalities	None directly arising from this report
Sustainability and Environmental Impact	None directly arising from this report
Health & Safety and Risk Management	None directly arising from this report

LEAD AUTHOR	TEL	DATE	DOC ID
Allan Oldfield	01253 658500	May 23 <sup>rd</sup> 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
NHS Healthy New Towns Programme	March 2016	<a href="https://www.england.nhs.uk/ourwork/innovation/healthy-new-towns/">https://www.england.nhs.uk/ourwork/innovation/healthy-new-towns/</a>
Healthy New Town – 10 Pilots	March 2016	<a href="http://www.theguardian.com/society/2016/mar/01/ten-new-healthy-towns-to-be-built-in-england">http://www.theguardian.com/society/2016/mar/01/ten-new-healthy-towns-to-be-built-in-england</a>
EHH Committee	June 7 <sup>th</sup>	<a href="http://www.fylde.gov.uk">www.fylde.gov.uk</a> (committee meetings)

# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	10
<b>ASSETS OF COMMUNITY VALUE: LISTING REVIEWS</b>			

## PUBLIC ITEM

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

### SUMMARY

The committee has the delegated authority to decide whether to include land or buildings on its list of assets of community value, following receipt of a community nomination. If land or a building is included on the list, its owner can ask for that decision to be reviewed.

Regulations require that an officer must make the decision on any review. The committee is asked to delegate power to the Director of Resources to appoint officers to carry out reviews and to take certain other procedural decisions about reviews.

### RECOMMENDATIONS

1. Delegate to the Director of Resources the power to appoint an officer to carry out any review of a decision to include land or buildings in the council's list of assets of community value; and
2. Delegate to the Director of Resources the power to decide whether a review should be by way of an oral hearing or written representations and to make any other decisions relating to the procedure of a review.

### SUMMARY OF PREVIOUS DECISIONS

None

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	√
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	√
Working with all partners ( <b>Vibrant Economy</b> )	
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	

## REPORT

### APPLICATIONS TO LIST

1. Under the Localism Act 2011 parish councils or qualifying voluntary or community bodies may nominate any land or building as an asset of community value. If the borough council agrees that the land or building is of community value, it must be listed as such.
2. Land is of community value if (in the opinion of the borough council) an actual or current use<sup>1</sup> of it furthers the social wellbeing or social interests<sup>2</sup> of the local community and it is realistic to think that there can continue to be a use of the land which will further the social wellbeing or social interests of the local community<sup>3</sup>.
3. Land is also of community value if (again in the opinion of the local authority) there has been a time in the recent past when an actual use of it furthered the social wellbeing or social interests of the local community and it is realistic to think that there is a time in the next five years when there could be a use of the land that would further the social wellbeing or social interests of the local community.
4. The effect of listing land or a building as an asset of community value is that, if the owner of the asset seeks to dispose of it, certain notification requirements and moratorium periods<sup>4</sup> will apply during which community organisations can apply to be considered as bidders.

### DECISION-MAKING AND REVIEWS

5. The power to decide on nominations for listing is delegated to this committee. Members have so far considered four nominations for listing, which have resulted in three assets of community value being listed.
6. The owner of a building or land that is listed as an asset of community value can, within eight weeks of the listing decision, ask for the decision to be reviewed. Regulations set out how and by who the review is to be conducted.
7. The review must be carried out by *“an officer of the authority of appropriate seniority who did not take any part in making the decision to be reviewed”*<sup>5</sup>. If the owner asks for it, a review must be by way of an oral hearing. Otherwise, the procedure on review is up to the council.
8. Though no decisions to list have been reviewed so far, it would be sensible to put in place the machinery for dealing with a review should one be requested. The recommendation therefore asks the committee to delegate functions relating to reviews to the Director of Resources.

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<sup>1</sup> Ancillary uses do not count.

<sup>2</sup> ‘Social interests’ includes cultural interests, recreational interests and sporting interests.

<sup>3</sup> Localism Act 2012, section 8

<sup>4</sup> An owner cannot dispose of property/land that is on the list, unless they have informed the local authority. Informing the local authority triggers the interim moratorium period. The interim moratorium period lasts for 6 weeks, during which time a community interest group can request the local authority that they be treated as a potential bidder. If the local authority receives such a request, the full moratorium period, which lasts for six months from the time the owner notified the authority of its intention to dispose, takes effect. The owner may not, subject to certain exceptions, dispose of the property during an applicable moratorium period.

<sup>5</sup> Assets of Community Value (England) Regulations 2012, schedule 2, paragraph 3.

IMPLICATIONS	
Finance	<p>There are no financial implications arising directly from this report. However, the listing of land, if and when it may occur, can give rise to a claim for compensation from the owner of the land if he has incurred loss or expense in relation to the land which would be likely not to have been incurred if the land had not been listed.</p> <p>The Council is liable for any compensation payment that may be required to be paid to owners of properties in the circumstances described above up to a limit of £20k in any financial year, with any compensation above this level being met by central government. In recognition of this new potential burden the Council has received grants from central government in the total sum of £46k. A Community Right to Bid/Challenge Reserve was created to set aside this grant to fund the costs of any future compensation that might be payable under the scheme.</p>
Legal	The review mechanism is set out in the Localism Act and regulations made under it. There is no scope for members to be involved in review decisions.
Community Safety	None arising directly from this report
Human Rights and Equalities	None arising directly from this report
Sustainability and Environmental Impact	None arising directly from this report
Health & Safety and Risk Management	None arising directly from this report

LEAD AUTHOR	TEL	DATE	DOC ID
Ian Curtis	01253 658506	7 June 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
None		

# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
MEMBER DEVELOPMENT STEERING GROUP	FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	11
<b>ELECTED MEMBER DEVELOPMENT STRATEGY AND WORKING WITH COUNCILLORS WITH DISABILITIES POLICY</b>			

## PUBLIC ITEM

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

### SUMMARY

To seek approval of the revised Elected Member Development Strategy. This document has been updated by the Member Development Steering Group to reflect current thinking and complement the Corporate Plan. For the first time, it is presented in a 'one page' format.

The Strategy forms part of the Council's on-going commitment to gain re-accreditation under the North West Charter for Elected Member Development as a Council which places a strong emphasis on supporting the development needs of elected members.

The Member Development Steering Group has also given full consideration to the 'Working with Councillors with Disabilities Policy' document which is commended to the Finance and Democracy Committee for approval.

The policy on members with disabilities sets out the arrangements that are in place to assist with the particular needs of councillors who have a disability with the aim of complying with the duties in the Equality Act 2010.

### RECOMMENDATION

1. To consider and approve the revised Elected Member Development Strategy.
2. To consider and approve the 'Working with Councillors with Disabilities' policy document.

### SUMMARY OF PREVIOUS DECISIONS

The Member Development Steering Group undertakes a regular review of its strategies.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	√
Promoting Fylde as a great destination to visit (A Great Place to Visit)	√



## REPORT

1. The revised Elected Member Development Strategy (attached at Appendix 1) has been refreshed and revised by the Council's Member Development Steering Group (MDSG) and is commended to the Finance & Democracy Committee for approval. This document has been updated to reflect current thinking and complement the Corporate Plan. For the first time, it is presented in a 'one page' format.
2. The document will be reviewed by the MDSG every other year. The Group will take account of developments in learning and development as well as feedback from recent training and development events. The revisions made are based upon the experience gained since original implementation.
3. The revised Member Development Strategy contributes to corporate priorities, and focusses on increasing member engagement to improve councillors' knowledge and skills.
4. The Strategy seeks to provide a framework for supporting members in the numerous roles which they are required to undertake both within, and outside, the Council. It also recognises the diverse roles of members. The document works in tandem with other key documents including: the Member Induction Training and Development Policy Document and the Working with Councillors with Disabilities Document. See link below:  
<http://intranet.fylde.gov.uk/resources/councillor/> The Strategy is designed to assist members in becoming fully equipped with the necessary qualities to enhance the work of the Council, the quality of its services and achieving the best outcomes for the community within Fylde. The strategies recognise the need for different forms of development, both in content and delivery.
5. The Strategy has been considered fully and commented upon by the Member Development Steering Group and the final document is presented to the Finance and Democracy Committee for consideration and approval.
6. The strategy document is an essential element of achieving and maintaining the North West Employers charter mark which the Council has attained in past years. Updating the strategy is part of the work that needs to be undertaken to achieve this aim.
7. The Member Development Steering Group has also considered the 'Working with Councillors with Disabilities Policy' Document which is attached at Appendix 2. The Elected Member Development Strategy details the arrangements that have been put in place to help all councillors to carry out their responsibilities. The policy on members with disabilities sets out the arrangements that are in place to assist with the particular needs of councillors who have a disability. This has been done in line with the Equality Act 2010 and to complement the Elected Member Development Strategy.

IMPLICATIONS	
Finance	There are no financial implications arising directly from this report.
Legal	None arising from the report.
Community Safety	None arising from the report.
Human Rights and Equalities	None arising from the report.
Sustainability and Environmental Impact	None arising from the report.
Health & Safety and Risk Management	None arising from the report.

LEAD AUTHOR	TEL	DATE	DOC ID
Lyndsey Lacey-Simone	01253 658504	31/3/16	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Minutes of the Member Development Steering Group	Feb 2016	Democratic Services

Attached documents

1. Elected Member Development Strategy
2. Working with Councillors with Disabilities

**Mission / Purpose:** To maximise the potential of elected members by developing their skills and knowledge to enable them to be fully competent in their roles.

**Vision:** For all members to have the tools and confidence to execute the business of the council.

### Values (Guiding Principles):

Member Led	Cost Effective	Needs based and tailored to individual members	Equality of Opportunity	ICT Engaged
<b>Objectives:</b>	<b>Objectives:</b>	<b>Objectives:</b>	<b>Objectives:</b>	<b>Objectives:</b>
<p><b>O1.</b> To ensure that the Member Development Steering Group (MDSG) takes a leading role in driving the MD Strategy forward and maintaining Charter status/accreditation.</p> <p><b>O2.</b> To promote and widen the Buddy Scheme.</p> <p><b>O3.</b> To champion the culture whereby elected member development is seen as a key component to the success of the organisation.</p>	<p><b>O1.</b> To devise a training plan based on the outcome of assessment of members' needs/ corporate priorities within the parameters of the budget.</p> <p><b>O2.</b> To ensure that the budget is spent / invested equitably and based on the balance of need.</p> <p><b>O3.</b> To strive for best value for training and development opportunities.</p>	<p><b>O1.</b> To ensure the training is timely and fit for purpose.</p> <p><b>O2.</b> To maximise opportunities and develop skills.</p> <p><b>O3.</b> To offer opportunities for personal development via the PDP process.</p>	<p><b>O1.</b> To champion equal access to all training resources.</p> <p><b>O2.</b> To offer appropriate and ongoing training to all members in line with the Equalities Act 2010.</p> <p><b>O3.</b> To initiative and promote relevant opportunities that can be readily adapted to meet the needs of individual members (if appropriate).</p>	<p><b>O1.</b> To maximise and make best use of ICT and advances in technology in order to meet the Council's agreed objectives.</p> <p><b>O2.</b> To ensure a fit for purpose ICT training programme.</p> <p><b>O3.</b> To champion ICT development opportunities.</p>

### The actions we plan to take to deliver our objectives

<p><b>A1.</b> To encourage member representation at North West Employers Network events.</p> <p><b>A2.</b> To schedule regular meetings of the group to ensure the delivery / review of the MDS.</p> <p><b>A3.</b> To review on-going charter status.</p> <p><b>A4.</b> To involve members in their learning and development from planning the programme to delivery and evaluation.</p>	<p><b>A1.</b> To develop a costed plan.</p> <p><b>A2.</b> To develop a plan which is timely and relevant.</p> <p><b>A3.</b> To maximise opportunities for partnership working and subsidised training opportunities.</p> <p><b>A4.</b> To further reduce the reliance for paper/print through the use of technology.</p>	<p><b>A1.</b> To review the PDP process and evaluate training.</p> <p><b>A2.</b> To identify members training needs and requirements in line with the PDP process.</p> <p><b>A3.</b> To keep members informed and up-to-date with legislation, future trends and best practice.</p> <p><b>A4.</b> To review and publicise a training programme.</p> <p><b>A5.</b> To maintain a programme of information events.</p> <p><b>A6.</b> To encourage members to take responsibility for their own development.</p>	<p><b>A1.</b> To implement 'Working with Councillors with Disabilities' Policy document.</p> <p><b>A2.</b> To develop a programme of role specific training.</p> <p><b>A3.</b> To continue to offer and promote individual training sessions to all members which can be accessed by all.</p>	<p><b>A1.</b> To continue to provide appropriate and on-going ICT support and training.</p> <p><b>A2.</b> To review and improve ICT induction / training.</p> <p><b>A3.</b> To use technology to help reduce costs and reduce reliance on paper.</p> <p><b>A4.</b> To ensure that members can meet their duties using the recommended technology solutions.</p>
<b>ACTIONS</b>	<b>ACTIONS</b>	<b>ACTIONS</b>	<b>ACTIONS</b>	<b>ACTIONS</b>



<b>Title:</b>	<b>Working with Councillors with Disabilities</b>
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## Introduction

Elected councillors are at the heart of the local authority. They set the strategy and direction of the council, take the most important decisions and lead and guide the organisation. Councillors do much of their work with individuals and bodies in their communities. However, it is also important for them to take part in council and committee meetings, where policies and priorities can be debated, discussed and decided.

As the democratically elected champions of their communities, councillors have a crucial role in articulating the views of those they represent. Some members will be appointed to particular positions, such as council leader or chairman of a committee. Fylde Council is committed to assisting persons of all backgrounds to stand for election and, if elected, to help each member to be the most effective councillor that they can.

The Local Government Association has been working with a range of local authorities and disabled councillors to encourage more disabled people to seek elected office. As the number of disabled councillors grows, there will be an increasing need for appropriate and timely support. The association has published a [guide](#) to becoming a councillor for people with disabilities.

The Member Development Strategy details the arrangements that have been put in place to help all councillors to carry out their responsibilities. This policy on members with disabilities sets out the arrangements that are in place to assist with the particular needs of councilors who have a disability.

## The law

Under the Equality Act 2010, the council has a duty to make reasonable adjustments to make sure that, as far as is reasonable, a disabled councillor has the same access to everything that is involved in carrying out the role of a councillor as a non-disabled councillor does. This may mean the removal of physical barriers, providing extra support or changing the way some things are organised.

<b>Directorate</b>		<b>Section</b>		<b>Ref. Number</b>	
<b>Authorised By</b>		<b>Job title</b>		<b>Issue Date</b>	
<b>Author</b>		<b>Job title</b>		<b>Revision No</b>	
Page 1 of 1					

The duty is a positive and proactive one to take steps to remove or reduce or prevent the obstacles a councillor faces.

In addition, as a public body, the council is subject to the Public Sector Equality Duty. This includes the duty to have regard, in exercising its functions, to the need to advance equality of opportunity between people who are disabled and those who are not. Among other things, this involves encouraging people who are disabled to participate in public life.

## Our aims

We aim to comply with the duties in the Equality Act, not just because we have to, but because we need the contributions that disabled people may be able to make as councillors, and because it is good for the make up of councils to reflect the make-up of their communities.

We will put in place actions that will help disabled people who are thinking of standing for election to the council, actions to help us to understand the individual needs of disabled councillors, and, as far as practicable, actions to address those needs.

## Actions to help disabled people who may be considering standing for election to the council

We will offer anyone who is disabled and is considering standing for election to the council the chance to discuss with a senior officer how their disability might affect the ways they could serve as a councillor and what adjustments could be made to assist them.

We will signpost any potential candidates who are disabled to other sources of assistance, for example the Government's Access to Elected Office Fund and the Local Government Association.

## Actions to help us understand the individual needs of disabled councillors

When a candidate puts in nomination papers to stand for election, we will ask them to briefly indicate whether they have a disability and, if they do, the nature of the disability. This will help us to start thinking early about the adjustments that might need to be put in place if they are disabled and are elected.

We will meet with each newly-elected councilor individually during the induction process following their election. For a disabled councilor, this will include exploring in detail with them what particular arrangements and facilities they might need to help them in their new role.

Our member development programme includes an annual invitation for each councillor to complete a questionnaire that is used to develop with them a Personal Development

Directorate		Section		Ref. Number	
Authorised By		Job title		Issue Date	
Author		Job title		Revision No	
Page 1 of 1					

Plan (“PDP”). The questionnaire will ask whether a councillor considers themselves to be disabled. This will allow support for disabled councillors to be included in the PDP, even if the councillor did not have the disability when first elected.

## Actions to address the needs of disabled councillors

To assist councillors who have a hearing impairment, we will hold council and committee meetings in premises where an induction loop is available.

To assist councillors with mobility issues, we will hold council and committee meetings in premises that are wheelchair accessible.

We will plan the ongoing refurbishment of the Town Hall to fully comply with our legal obligations under the Equality Act and to be as accessible as possible to all councillors.

We will produce committee papers in pdf format so that they can be “read aloud” by Windows and Mac operating systems.

Should it be necessary, we will produce committee papers in braille or large print.

As well as these commitments, we will work with councillors with disabilities to seek to meet their specific needs as identified by our engagement with them set out above.

## Revisiting this policy

We will aim to review this policy in the twelve months before each ordinary election to the council, and make any revisions to it that help us to better address the requirements of disabled councillors.

Directorate		Section		Ref. Number	
Authorised By		Job title		Issue Date	
Author		Job title		Revision No	
Page 1 of 1					

# INFORMATION ITEM



REPORT OF		MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE		FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	12
YEAR END PERFORMANCE 2015/16				

## PUBLIC ITEM

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

### SUMMARY OF INFORMATION

The report provides details of the key performance outcomes for the financial yearend 2015/16. Performance is reported against the targets set for the year and commentary is provided by performance exception.

### SOURCE OF INFORMATION

Finance and Democracy teams input data into the InPhase corporate online system from service based performance data.

### LINK TO INFORMATION

[www.fylde.gov.uk/performance](http://www.fylde.gov.uk/performance) - Full Corporate Performance Scorecard for Fylde Council

### WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

The performance information is relevant to the committee terms of reference and the responsibility of the committee to monitor performance of the services within its remit.

### FURTHER INFORMATION

Contact Alex Scrivens, Performance & Improvement Manager.

**Yearend Commentary by Performance Exception for the  
Finance and Democracy Committee**

**\*\*\*\*\* PERFORMANCE ABOVE TARGET \*\*\*\*\***

*Commentary is provided to explain why progress has exceeded target, with details of how this will be maintained.*

PM65 Time taken to process Housing Benefit new claims and change in circumstances was 16.57, the target is 22, and last year's comparison figure was 18.31.

*The Shared Service has managed to keep processing times better than target despite the significant impact on workloads of welfare reforms. It is hoped that the additional processing resource based at Fylde will enable this to be maintained.*

PM67: Average Speed for processing notifications of changes in circumstances was 16.13, the target is 23, and last year's comparison figure was 17.7.

*The Shared Service has managed to keep processing times better than target despite the significant impact on workloads of welfare reforms. It is hoped that the additional processing resource based at Fylde will enable this to be maintained.*

**\*\*\*\*\* PERFORMANCE BELOW TARGET \*\*\*\*\***






*Commentary is provided to explain why performance is currently not on target, with details of any corrective action*

PM05: Percentage of sickness absence as a result of long-term sickness was 40.52, the target is 30, and last year's comparison figure was 24.23.










*Although the overall level of all sickness absence was almost on target for the 2015/16 financial year the last four months of the year were dominated by the long term sickness absence of four cases. Two of the cases were very serious. The impact of four cases at once on low levels of overall sickness and low numbers of employees has been significant. Three of the four long term sickness cases had been resolved by March 31st 2016 significantly reducing the long term sickness absence, as a consequence the target will be set at 30% for 2016/17. It should be put in context that the council has one of the lowest overall sickness absence rates in the region.*



## PERFORMANCE KEY ICON STATUS

	<b>Over Performance</b> – the indicator is over performing against target
	<b>On Track</b> – the indicator is performing within tolerance of target.
	<b>Cautionary Under Performance</b> – the indicator is moderately under performing. Whilst the indicator has slipped from target it maybe a minor blip overall or minor action will remedy it.
	<b>Under Performance</b> – the indicator is under performing against target.
	<b>Missing Data</b> – the indicator is missing data, this could be due to lag in data in the way the information is collated, or because its currently unavailable.
<b>N/A</b>	<b>Not Applicable</b> – no comparable data available. This could be due to the methodology being change or being a new measure created.

# PERFORMANCE SCORECARD APRIL 2015 TO MARCH 2016

Finance and Democracy								
Local Key Performance Indicators	Frequency	Good Performance Is	APR 14 - MAR 15	APR 15 - MAR 16	Target	Status	Target for 2016/17	Changes Log
PM02: Average number of days sickness per Full Time Employee	Monthly	Smaller is Better	5.08	<b>6.22</b>	6		6	-
PM05: Percentage of sickness absence as a result of long-term sickness	Quarterly	Smaller is Better	24.23	<b>40.52</b>	30		30	-
PM14: Percentage of invoices paid within 30 days or within agreed payment terms (Corporate)	Quarterly	Bigger is Better	94.95	<b>95.07</b>	95		95	-
PM65 Time taken to process Housing Benefit new claims and change in circumstances	Quarterly	Smaller is Better	18.31	<b>16.57</b>	22		22	-
PM66: Average speed of processing new claims	Quarterly	Smaller is Better	21.91	<b>19.77</b>	21		21	-
PM67: Average Speed for processing notifications of changes in circumstances	Quarterly	Smaller is Better	17.7	<b>16.13</b>	23		23	-
PM68: Proportion of Council Tax collected	Quarterly	Bigger is Better	96.8	<b>96.4</b>	98		97.5	-
PM69: Percentage of Business Rates, which should have been received, received	Quarterly	Bigger is Better	96.3	<b>97.01</b>	98		97.5	-
PM86: Percentage of FOIs responded to within the statutory deadline of 20 days	Quarterly	Bigger is Better	99.26	<b>99.31</b>	100		100	-