

BOROUGH OF BARROW-IN-FURNESS

EXECUTIVE COMMITTEE

Meeting, Wednesday, 18th April, 2012
at 2.00 p.m. (Committee Room No. 4)

NOTE: Group Meetings at 1.15 p.m.

A G E N D A

PART ONE

1. To note any items which the Chairman considers to be of an urgent nature.
2. To receive notice from Members who may wish to move any delegated matter non-delegated and which will be decided by a majority of Members present and voting at the meeting.

3. Admission of Public and Press

To consider whether the public and press should be excluded from the meeting during consideration of any of the items on the agenda.

4. Disclosure of Interests.

A Member with a personal interest in a matter to be considered at this meeting must either before the matter is discussed or when the interest becomes apparent disclose

1. ***The existence of that interest to the meeting.***
2. ***The nature of the interest.***
3. ***Decide whether they have a prejudicial interest.***

A note on declaring interests at meetings, which incorporates certain other aspects of the Code of Conduct and a pro-forma for completion where interests are disclosed will be available at the meeting.

5. To confirm the Minutes of the meeting held on 7th March, 2012 (copy attached).
6. Apologies for Absence/Attendance of Substitute Members.

FOR DECISION

- (D) 7. To note the Minutes of the Grants Sub-Committee held on 27th March, 2012 (copy attached)
- (D) 8. Housing Self Financing.

- (D) 9. Medium Term Financial Plan 2012-2013 to 2015-2016.
- (R) 10. War Pensions Disregards.
- (D) 11. Furness Viking Hoard.
- (R) 12. Localism Act 2011 – Amended Standards Regime.
- (D) 13. Housing Market Renewal Programme – North Central Renewal Area Sub Areas A and E.
- (D) 14. Phoenix Business Centre.
- (R) 15. Pulse Fitness – Soccer Centre.

**NOTE (D) - Delegated
(R) - For Referral to Council**

Membership of Committee

Councillors

Pidduck (Chairman)
Sweeney (Vice-Chairman)
Barlow
Bell
Cassidy
Doughty
Garnett
Graham
Guselli
Richardson
Seward
Wall

For queries regarding this agenda, please contact:

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Published: 5th April, 2012.

EXECUTIVE COMMITTEE

Meeting: 7th March, 2012
at 2.00 p.m.

PRESENT:- Councillors Pidduck (Chairman), Sweeney (Vice-Chairman), Barlow, Bell, Cassidy, Doughty, Garnett, Graham, Guselli, Richardson, C. Thomson and Wall.

The Chairman informed the Committee that Mohamad Saleh, Borough Treasurer would be retiring after 21 years and 6 months service on 15th April, 2012 and requested that the Committee's thanks and appreciation for the support over the years be placed on record.

121 – The Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985 and Access to Information (Variation) Order 2006 – Urgent Item

RESOLVED:- That by reason of the special circumstances outlined below the Chairman is of the opinion that the following item of business not specified on the agenda should be considered at the meeting as a matter of urgency in accordance with Section 100(B)(4)(b) of the Local Government Act 1972.

<u>Item</u>	<u>Reason</u>
Grants to External Bodies Sub-Committee (Minute No. 133)	To enable the Borough Treasurer to write to Organisations by 31st March, 2012. The next meeting of the Committee was not scheduled to take place until 18th April, 2012.

122 – The Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985 and Access to Information (Variation) Order 2006

Discussion arising hereon it was

RESOLVED:- That under Section 100A(4) of the Local Government Act, 1972 the public and press be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 1 (Minute Nos. 135 and 136) of Part One of Schedule 12A of the said Act.

123 – Disclosure of Interests

Councillor Barlow declared a personal and prejudicial interest in the Urgent Item – Grants to External Bodies Sub-Committee (Minute No. 133). He was Honorary Treasurer of Barrow and District Disability Association, Treasurer of North Scale Residents Association and Director of Pitstop.

Councillor Doughty declared a personal and prejudicial interest in the Urgent Item – Grants to External Bodies Sub-Committee (Minute No. 133). He was Chairman of Dalton Community Association.

Councillor Garnett declared a personal and prejudicial interest in the Urgent Item – Grants to External Bodies Sub-Committee (Minute No. 133). He was Chairman of the Board of Trustees of the Citizens Advice Bureau. He left the meeting during consideration of the item regarding the Citizens Advice Bureau.

Councillor Graham declared a personal interest in Agenda Item 10 – Recycling Reward Grant (Minute No. 129). She was an Officer of Cumbria County Council.

Councillor Guselli declared a personal interest in Agenda Item 9 – Benefit Fraud Prosecution Policy (Minute No. 128), Universal Credits and Localising Council Tax (Minute No. 131) and Interim Management Arrangements for Welfare Reform (Minute No. 135). He was a Private Landlord. He also declared a personal interest in Agenda Item 10 – Recycling Reward Grant (Minute No. 129). He was a Member of Cumbria County Council.

Councillor Pidduck declared a personal interest in the Urgent Item – Grants to External Bodies Sub-Committee (Minute No. 133) in respect of Hindpool Community Base. He was a Member of the Board of Association.

Councillor Sweeney declared a personal interest in Urgent Item – Grants to External Bodies Sub-Committee (Minute No. 133) in respect of the rate relief for Non Profit Making Organisations; he was a member of the North Scale Residents Association. He also declared a personal and prejudicial interest in respect of the Other Considerations (New organisations setting up within the Borough) as he was the Vice-Chair of an organisation that could be affected (Barrow and District Credit Union Study Group).

Councillor C. Thomson declared a personal interest in the Urgent Item – Grants to External Bodies Sub-Committee (Minute No. 133). He was a Member of Barrow and District Disability Association.

124 – Minutes

The Minutes of the meeting held on 1st February, 2012 were agreed as a correct record.

125 – Apologies for Absence

An apology for absence was received from Councillor Seward.

Councillor C. Thomson substituted for Councillor Seward respectively.

126 – Housing Management Forum: Recommendations

The recommendations of the Housing Management Forum held on 1st March, 2012 were submitted for consideration.

N.B. The Minutes are reproduced as **Appendix 1** to the Minutes of this meeting.

RESOLVED:- That the recommendations of the Housing Management Forum be agreed as follows:-

Housing Maintenance Contract 2011/15

To agree to apply financial penalties to the Housing Maintenance Contract as specified in the contract.

2012 Disabled Adaptations Contract

To agree to the appointment of AB Mitchell Ltd as the Council's preferred Contractor to install Disabled Adaptations for the period 1st April, 2012 to 31st March, 2016, subject to an annual review of service delivery and customer satisfaction levels.

Survey of Tenants and Residents (STAR)

To agree to endorse the proposal to conduct the STAR survey.

Review of Garage Licence Agreements

- (i) To agree the new Garage Licence Agreements to be introduced from the start of the financial year 2012/13 for all new garage licences; and
- (ii) To agree for notice to be served on all existing garage tenancies including the new revised licence agreement with immediate effect.

Communities and Local Government (CLG) Homelessness Funding 2012

To note that the item had been withdrawn.

127 – Council Finances Report – Quarter 3 2011-2012

The Committee considered a detailed report of the Borough Treasurer regarding the financial information for quarter 3 of the financial year. It contained summary information and key data for the General Fund; Treasury Management; Capital Expenditure and Financing; Housing Revenue Account; Collection Fund; Bad Debt Provisions and Write Offs; and Reserves and Balances.

RESOLVED:- To note the information contained in the Borough Treasurer's report.

128 – Benefit Fraud Prosecution Policy

The Borough Treasurer informed the Committee that the Council had implemented a Prosecution policy in April 2001, in line with the Anti-Fraud and Corruption Strategy which ensured the Council was committed to prevent and detect any allegations of Housing and Council Tax Benefit fraud.

Following, any allegation of benefit fraud, the case was looked at on an individual basis and was scored using a referral matrix. The case would be investigated based on the level of information on the referral.

Once the case had been investigated, the summary of the case was passed to the Borough Treasurer to make a decision in line with the prosecution policy, to advise the appropriate action to be taken. That would take into account, the level of the overpayment, the period of the offence, if there were any previous offences against the Council and any mitigating circumstances.

The current policy levels were:

Amount of Overpayment	Action Taken
£100-£400	Formal caution
£400-£1,500	Administrative penalty
£1,500 +	Prosecution

Although, that policy had been reviewed periodically, the levels of the policy had remained the same. Recent changes introduced by the DWP to the Benefit system had highlighted the need to review the policy and bring it in line with the DWP guidance.

The DWP's current policy, only considered prosecution for cases where the overpayment was over £2,000 and for cases under £2,000, there was no set procedure for when a caution or admin penalty could be offered. It was currently, based on the individual case.

Under the Council's current policy, there was no allowance for discretion, which meant that if a claimant was investigated by the council and the overpayment was £1,800, it would instigate formal proceedings contrary to the DWP approach.

In addition, in April 2010, the Government had implemented the one strike policy which punished the claimant by withholding either four weeks or eight weeks benefit, in addition to any sanction that had been imposed. There had been a number of cases already where the claimant had refused the admin penalty on the basis they considered they were being penalised twice, due to the implementation of the one strike policy.

The proposed changes to the policy would be to adopt the DWP threshold of £2,000 for prosecution and below that level, discretion would be used depending on the mitigating circumstances of each case. The fraud officer would make a recommendation to the authorising Council officer on whether a formal caution or admin penalty would be appropriate. It was noted that prosecution would still be an option even though the overpayment was under the £2,000 level if the circumstances of the case warranted it.

RESOLVED:- To approve changes to the policy, as stated in the report, to take effect as from 1st April, 2012.

129 – Recycling Reward Grant

The Chief Executive informed the Committee that he had been advised by the County Council of a unilateral decision on their part to reduce the level of Recycling Reward Grant they pay the Council from the current level of £83.20 per tonne to £55 per tonne. Payments would be reduced gradually between July 2012 and March 2013. He was unable at this time to assess the financial implications for the 2012/13 budget, but the full year impact would be a loss of £285,000 - £300,000 in the Council's income.

The Council's current agreement with the County Council was informal and not legally binding, and the decision of the County cannot be challenged. A meeting had been arranged with senior County Council officers to discuss whether it was possible to mitigate against that loss of income by more efficient use of the new waste treatment plant being built on Park Road, but the Council must assume that the income would be lost and corrective action would need to be taken to further adjust the Council's budget.

There were limited options open to the Council to correct that loss of income. These appeared to be:-

- (i) Apply to the Secretary of State for grant assistance under the new Weekly Collection Support Scheme, although that would require some element of improvement in the Council's collection system to be successful.

If a bid was unsuccessful then:-

- (ii) Consider a change to fortnightly collection of residual waste in all or parts of the Borough.

- (iii) Review and reduce the overall specification for refuse collection, recycling and street cleaning.
- (iv) Reduce services elsewhere in the Council.

Officers had already begun work on a bid to the Weekly Collection Support Scheme as it was current policy to maintain weekly collections, and he sought delegated authority to submit a bid as soon as possible.

RESOLVED:- (i) To note the decision of the County Council to reduce Recycling Reward grant payments and the serious effect that would have on the Council's budget; and

(ii) To authorise Officers to submit a bid to the Weekly Collection Support Scheme to help maintain the current weekly collection and improve the overall efficiency of the Council's current arrangements.

130 – Extension to Heating, Ventilation and Air Conditioning Service Maintenance Contract

The Director of Regeneration and Community Services reminded the Committee that in February 2009 a two year contract for provision of service maintenance and repairs of the Councils Heating, Ventilation and air conditioning contract had been awarded to Integral Ltd following full competitive tender.

Four companies had made the shortlist and had submitted their bids via the chest e-portal. Integral had been judged to be best value and awarded the contract which costs £63,310 per year.

Over the last two years officers including venue managers had been happy with the level of service received and the reduction in down time to equipment being achieved. Also the annual servicing of catering gas equipment, kitchen refrigeration stores and all smaller similar service contracts had been absorbed into the service contract at no additional cost to the Council delivering a saving of approx £2,000 pa.

The contract had been advertised with the option to extend for a further two years and due to the recent testing of the market, the operator had agreed to hold their price for the extension period and the excellent service received. It was recommended that the option to extend be taken.

RESOLVED:- To approve the extension of the Heating, Ventilation and Air Conditioning Service Contract with Integral Ltd for a further two years to run until 31st January, 2013.

131 – Universal Credits and Localising Council Tax

The Borough Treasurer submitted a detailed report that highlighted the main issues arising from the proposed Government plans to change the benefits system and localising the Council Tax.

RESOLVED:- To note the report.

132 – Budget Strategy Establishment Review

The Chief Executive reminded the Committee that the budget strategy had identified the need to reduce manpower costs. The report referred to the Budget Strategy – Establishment Changes report, approved by Members on 19/10/11 and sets out how the Council would meet the shortfall that remained.

Unison comments were reported to the Committee.

RESOLVED:-

- (i) To agree to the deletion of the vacant posts, DEH 220 and DES 065;
- (ii) To agree to the deletion of DSC 030, effective from 1st January, 2013;
- (iii) To agree the compulsory redundancies of the five posts identified in the report; and
- (iv) To agree to re-instate the 12 month salary protection for re-deployment.

133 – Grants to External Bodies Sub-Committee

The Committee considered the recommendations of the Grants to External Bodies Sub-Committee. A Member suggested that the Council kept under review the funding for the Citizens Advice Bureau.

The Minutes are reproduced as **Appendix 2** to the Minutes of this meeting.

RESOLVED:- To endorse the recommendations of the Grants to External Bodies Sub-Committee.

REFERRED ITEMS

THE FOLLOWING MATTERS ARE REFERRED TO COUNCIL FOR DECISION

134 – Pay Policy Statement 2012/13

The Chief Executive informed the Committee that under Section 112 of the Local Government Act 1972, the Council had the 'power to appoint officers on such reasonable terms and conditions as the authority thinks fit'. A Pay Policy Statement

had to set out the Council's approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.

The purpose of the statement was to provide transparency with regard to the Council's approach to setting the pay of its chief officers by identifying the detail and level of remuneration of its most senior staff i.e. 'chief officers', as defined by the relevant legislation.

Once approved by full Council on 20th March, 2012, the policy statement would come into immediate effect and would be subject to review on an annual basis, the policy for the next financial year being approved by 31st March each year.

The Pay Policy Statement for 2012/13 should be seen in the context of the Council's stated intention to reduce staffing costs by £1.7m (28%) to help achieve a balanced budget in 2015/16. Of particular relevance was the agreement to reduce senior management from ten officers to six. Replacing the post of Chief Executive and two Directors with an Executive Director and Deputy Executive Director saved the Council £95,000 per year. Overall restructuring at the Chief Officer level i.e. salaries of £45,000+ would result in savings in excess of £300,000 per annum (46%).

Salaries at that level had been determined with a view to reducing costs; recognising increased responsibility and internal re-organisation as opposed to new recruitment.

RECOMMENDED:- To recommend the Council to approve the Pay Policy Statement for 2012/13.

135 – Interim Management Arrangements for Welfare Reform

The Chief Executive submitted a report that proposed interim customer service arrangements for Housing Benefit pending implementation of the Governments reform agenda.

RECOMMENDED:- To recommend the Council:-

- (i) To agree that responsibility for customer relations for benefit complaints be given to the Housing Manager and his Housing Benefit Liaison Officer; and
- (ii) To agree that ex gratia payments set out in the report be awarded and reviewed annually pending full implementation of the transfer of Housing Benefit Administration to the Department of Work and Pensions.

136 – Appointment of Electoral Registration Officer and Returning Officer

The Chief Executive reminded the Committee that with effect from 30th June, 2012 he would be taking Voluntary Redundancy from the Council. The Council had a

statutory responsibility to appoint an Electoral Registration Officer and Returning Officer which posts he currently held.

Each District Council in England was required, by Section 8(2)(a) of the Representation of the People Act 1983 to appoint an officer to be the Electoral Registration Officer for any constituency or part of a constituency within its area. That individual was responsible for the preparation and maintenance of the electoral register. Similarly, Section 35(1) of the Act required that the Council appointed an officer to be the Returning Officer for elections of district and parish councillors. The Electoral Registration Officer's responsibilities and duties were personal.

According to Section 28(1)(b) of the Act, only the ERO may act as the (Acting) Returning Officer at Parliamentary elections, the Returning Officer for these elections being the High Sheriff. It made sense, to ensure that one officer be appointed as both the ERO and RO.

In respect of the European Parliamentary Elections the lead role would be the Local Returning Officer and Regulation 6(2) of the European Parliamentary Elections Regulations 2004 (as amended) made the Acting Returning Officer for the relevant parliamentary constituency the Local Returning Officer.

It was noted that whilst these were separate appointments the Council had a duty to provide support to the appointee in the performance of his duties.

RECOMMENDED:-To recommend the Council:-

- (i) To agree that the Democratic Services Manager be appointed as Electoral Registration Officer in accordance with Section 8(2)(a) and 28(1)(b) of the Representation of the People Act 1983 with effect from 1st July, 2012;
- (ii) To agree that the Democratic Services Manager be appointed as Returning Officer in accordance the Section 35(1) of the Representation of the People Act 1983 with effect from 1st July, 2012; and
- (iii) To agree that the Democratic Services Manager received an additional payment of £1,200 a year to reflect additional responsibilities as Electoral Registration Officer effective from 1st April, 2012.

The meeting ended at 3.05 p.m.

HOUSING MANAGEMENT FORUM

Meeting: 1st March, 2012
at 2.00 p.m.

PRESENT:- Councillors Hamilton, Barlow, Derbyshire, Irwin, Murray and Pointer.

Tenant Representatives:- Mrs P. Charnley (Chairman), Mr W. McEwan, Mrs C. McFadyen, Mr A. McIntosh and Mr W. Ward.

42 – Minutes

The Minutes of the meeting held on 19th January, 2012 were taken as read and confirmed.

43 – Apologies for Absence/Changes in Membership

Apologies for absence were submitted from Councillors Burns and Williams and Mr M. Burton.

Councillor Derbyshire had attended as a substitute for Councillor Burns for this meeting only.

44 – Housing Maintenance Contract 2011/15

The Housing Manager submitted a report requesting Members to consider introducing the option of applying financial penalties to the Housing Maintenance Contract.

It was noted that on 5th November, 2011 Vinci had taken over the delivery of the Contract following a competitive tendering process.

One element of the Contract included 'performance targets' which specified the time in which repairs should be completed. The Contract also included the option to apply penalties should the target not be achieved.

The Housing Manager had reviewed the performance information available and it appeared that the targets had not been achieved. The figures in the table below were taken from the Housing Department's "Core" statistics as at 20th February, 2012 and included all responsive repair classifications:

Priority Band	Late	On Time	Total	% On Time	Target
2 Hr Emergency	20	572	592	96.7%	House mark Upper Quartile
24 Hr Emergency	63	903	966	93.5%	
Routine	451	1096	1547	71.0%	Target 96.1% (2010/11)
Urgent	244	714	958	74.5%	
Total	778	3285	4071	81.0%	

During the mobilisation of a new Contract it would be likely that performance would be affected. The Housing Manager advised that he had recently met with the

Contractor in order to review their ongoing mobilisation. It was acknowledged that performance against timescales was poor. It was also noted that this did not mean that tenants had been dissatisfied with a repair when completed, but rather they had to wait longer than was required.

The Contractor had been tasked with providing a progress report outlining a detailed action plan on how they intended to remedy the problem.

The Housing Manager advised that in view of the time that had passed since the start of the Contract, he was of the view the Contractor had had enough time to introduce their operational arrangements in order to deliver the work in the manner specified. He therefore requested Members you agree the penalty clauses specified in the Contract to be introduced from 1st April, 2012.

RECOMMENDED:- To agree to apply financial penalties to the Housing Maintenance Contract as specified in the contract.

45 – 2012 Disabled Adaptations Contract

The Housing Manager submitted a report updating Members on the tender information received for the 2012 Disabled Adaptation Contract.

It was noted that on 1st December, 2011 the Housing Management Forum had agreed to proceed with tendering of the Contract via the Cumbria Housing Partners (CHP) framework. The Contract had been valued at £300,000 per year and predominantly involved modifications to baths, showers and support handrails, with a small number of external access ramps for wheel chair users.

The CHP framework was OJEU compliant and allowed the Council to appoint a suitable Contractor for a four year period subject to satisfactory service delivery and customer satisfaction levels. The present OJEU threshold for qualifying work was £3,927,260.

It was noted that AB Mitchell Ltd was presently contracted to undertake the existing disabled adaptation work until the end of March 2012. The company presently had 100% customer satisfaction levels.

The Housing Manager advised that eleven Contractors had been invited to tender, however the Council had only received one submission from AB Mitchell Ltd and could appoint them as the preferred Contractor under the terms and conditions of the CHP framework.

As only one tender had been submitted, the Housing Manager advised that the Council had carried out a test to ensure that value for money was being obtained and concluded that as the Office of National Statistics indicated there had been a typical increase of 18% in construction prices between 2008 and 2010, and AB Mitchell Ltd had only increased their prices on the contract by 4.86%, value for money had been demonstrated.

RECOMMENDED:- To agree to the appointment of AB Mitchell Ltd as the Council's preferred Contractor to install disabled adaptations for the period 1st April, 2012 to 31st March, 2016, subject to an annual review of service delivery and customer satisfaction levels.

46 – Survey of Tenants and Residents (STAR)

The Housing Manager submitted a report informing Members of the Housing Department's proposal to undertake a tenants' satisfaction survey to enable continued promotion of tenant involvement, benchmarking of performance against other social housing providers and as a basis for action planning in respect of future service review and development.

It was noted that in early 2011, the Department for Communities and Local Government (DCLG) had signalled the end of the regulatory requirement to carry out the STATUS satisfaction survey on a prescribed basis. Under STATUS, it had been compulsory for housing providers to survey at least every three years.

Housemark, a leading provider of performance improvement services, quickly identified that many housing providers wanted to continue to survey tenants and residents on a voluntary basis and sought to provide a flexible survey based upon the main features of STATUS. Following a consultation involving 261 housing providers (including Barrow Borough Council), a survey named STAR (Survey of Tenants and Residents) had been developed.

STAR had been summarised as:-

1. A flexible survey which could be conducted in-house or by commissioning an external market research company;
2. It had a number of core questions but users could also include any of the set optional questions or alternatively include their own specifically worded questions;
3. It could be conducted across the whole stock (census) or across a sample of the stock (sampling);
4. It could be adapted to target different categories of tenants and residents, e.g. general needs, supported, older people, leaseholders; and
5. It could be undertaken using a variety of methods such as postal, face to face, telephone or on-line. Postal had been suggested as the primary method with the option to compliment this using other methods.

There were many things to be gained from undertaking the STAR survey including:-

1. It facilitated meaningful tenant involvement;
2. It enabled scrutiny of services and therefore would assist with regulatory compliance in co-regulation;
3. Results could be used to benchmark performance against other housing providers;

4. It would enable effective service review and development;
5. It would assist in promoting value for money as trends in performance could be addressed earlier; and
6. It supported good practice throughout the housing sector.

It was noted that at present, no survey was comparable to the STAR survey. However, this survey had already been adopted by many housing providers including, Local Authorities, Housing Associations and Arms Length Management Organisations (ALMOs).

The Housing Manager advised that Managers and involved tenants and residents had discussed and agreed that the figures obtained from the 2008 STATUS survey were now out of date and should not be relied upon for benchmarking performance or for service review and development. It had been agreed that STAR should be utilised to obtain an up to date view of how satisfied tenants were with the services they received.

Consideration had been given to the resources required to conduct the STAR survey (in-house versus tendering) and it had been agreed that the task would be better managed by an appropriate market research company.

As part of the budget for 2012/13, £8,000 had been allocated to conduct the survey during 2012.

Having regard to the Council's procurement procedure, three market research companies had been identified and it was proposed that they would be invited to tender for the work based upon a written specification of Housing Department requirements.

RECOMMENDED:- To agree to endorse the proposal to conduct the STAR survey.

47 – Review of Garage Licence Agreements

The Housing Manager submitted a report suggesting that a new Garage Licence Agreement be introduced from the start of the financial year 2012/13 for all new garage licences. The Agreement had been revised to reflect the Housing Income and Management Policy agreed on 3rd March, 2011 and other minor changes to reflect operating arrangements. A copy of the revised Garage Licence Agreement had been appended to the report for approval.

He reported that the Council's processes had had been revised to improve efficiency and update procedures to form one single guidance and operating manual. The Council's approach to housing management was firm but fair and aimed to sustain tenancies by working with tenants to prevent arrears, ensuring that every opportunity was given to obtain advice and assistance, and take prompt action to minimise any arrears that developed.

The preferred method of payment for Council tenancies was direct debit, due to it being efficient and offered value for money in respect of collection charges. The new

Garage Licence Agreement stated that rent payments must be made by direct debit in line with the Housing Income Management Policy. However in the case of existing occupiers, they would be encouraged to pay by Direct Debit but could remain with existing arrangements if they wished to do so.

It was also noted that in order to prioritise debt, Council tenants would become liable to lose the right to have a garage tenancy if their Council house tenancy fell into rent arrears. If the arrears were cleared then the tenant may be eligible to reapply for a garage tenancy.

RECOMMENDED:- (i) To agree the new Garage Licence Agreement to be introduced from the start of the financial year 2012/13 for all new garage licences; and

(ii) To agree for notice to be served on all existing garage tenancies including the new revised licence agreement with immediate effect.

48 – Communities and Local Government (CLG) Homelessness Funding 2012/14

RESOLVED:- To note that this item had been withdrawn.

49 – Planned Maintenance Programme 2011/12

The Housing Manager reported information relating to the Planned Maintenance Programme for 2011/12. The information is attached at **Appendix A** to these Minutes.

RESOLVED:- To note the information.

The meeting closed at 2.50 p.m.

PLANNED INVESTMENTS 2011-12

SCHEME	CONTRACTOR OR SUPPLIER	AVAILABLE BUDGET	NO OF PROPERTIES	INVOICES PAID TO DATE	START DATE	ESTIMATED COMPLETION DATE	CONTRACTOR	TARGET COST	OUT TURN ESTIMATE	COMMENTS	Leasholders affected?
REWIRES	CUMBRIA HOUSING PARTNERS	£253,000	124	£167,985	1.4.2011	Feb-12	K WILSON	£273,929	£273,929	73% Complete	No
BATHROOMS	CUMBRIA HOUSING PARTNERS	£300,000	195	£163,154	1.4.2011	Feb-12	AB MITCHELL	£253,000	£300,000	51% Complete	No
KITCHENS	CUMBRIA HOUSING PARTNERS	£750,000	314	£594,984	1.4.2011	Feb-12	AB MITCHELL	£717,000	£750,000	80% Complete	No
HEATING	CUMBRIA HOUSING PARTNERS	£850,000	300	£479,461	1.4.2011	Feb-12	AB MITCHELL INTEGRAL	£642,233	£642,233	65% Complete	No
RE-POINTING	CUMBRIA ROOFING	£150,000	50	£0	1.7.2011	31.10.2012	CUMBRIA ROOFING	£225,000	£225,000	Pre Start meeting scheduled 24.2.2012	Yes
PAINTING	CUMBRIA HOUSING PARTNERS	£200,000	492	£10,415	1.4.2011	Feb-12	GH JONES	£168,270	£168,270	70% Complete	Yes

HOUSING MAINTENANCE COMMITMENTS 2011-12

	Funding Available 2011-12	Gross COMMITMENT	Weekly Available	Gross Comm. as a % funds available
Tenant Demand Repairs	£900,000.00	£511,520.00	£17,307.69	57%
Voids	£200,000.00	£204,435.00	£3,846.15	102%
Gas Servicing	£425,000.00	£155,975.00	£8,173.08	37%
Decoration Vouchers	£35,000.00	£21,111.00	£673.08	60%
Disrepair Claims	£25,000.00	£1,014.00	£480.77	4%
Environmental Impmts	£50,000.00	£29,738.00	£961.54	59%
Disabled Adaptations	£300,000.00	£185,569.00	£5,769.23	62%
Electrical Testing	£175,000.00	£12,814.00	£3,365.38	7%
Door Entry Maintenance	£20,000.00	£31,450.00	£384.62	157%
Total	£2,205,000.00	£1,153,626.00	£40,961.54	

BOROUGH OF BARROW-IN-FURNESS
GRANTS SUB-COMMITTEE

Meeting, 27th March, 2012
at 2.00 p.m.

PRESENT:- Councillors Barlow (Chairman), Cassidy, Derbyshire, Garnett, Guselli, Husband, Maddox, Richardson and Seward.

7 – Disclosures of Interests

Councillor Barlow declared a personal interest in Agenda Item No. 7 – Award of General Grants for the Year 2011-12 (Minute No. 9) in respect of the application from St. Mary's Centre as the applicant was known to him.

Councillor Guselli declared a personal interest in Agenda Item No. 7 – Award of General Grants for the Year 2011-12 (Minute No. 9) in respect of the application from St. Mary's Centre as the applicant was known to him.

Councillor Richardson declared a personal interest in Agenda Item No. 7 – Award of General Grants for the Year 2011-12 (Minute No. 9) in respect of the application from St. Mary's Centre as the applicant was known to him.

8 – Minutes

The Minutes of the meeting held on 14th September, 2011 were taken as read and confirmed.

9 – Award of General Grants for the Year 2011-12

The Borough Treasurer reported that the general grants budget for 2011-12 was £15,360.00, less previous applications which had been approved by Members totalling £6,045; less transfer of funds to the Mayoral Visits Budget of £30 left £9,285 available for distribution.

Three applications had been received and Members had been requested to decide on the amount to be awarded, if any, to the applicants. Members were reminded the maximum award for an individual application was £1,000.

The grant applications received were as follows:-

DEE-JAY WALKER – Any Amount Requested

Dee-Jay Walker was 12 years old and had competed in motocross since the age of 6. Details of his achievements over the past 7 years had been appended to the report for information. He has competed at Club and Cumbria level, and was hoping to compete

for the British Youth 2012 Team. Financial assistance had been requested towards the cost of equipment for the 2012 season (March to October), itemised below:-

	<u>£</u>
• Race Suits (£120 x 2)	240
• Race Boots	130
• Racing Helmet	250
• Goggles (£40 x 3)	120
• Club Membership Fees x 4	70
• Club & Cumbria Race Fees (£30 ea)	960
• British Level Registration Fee	200
• British Race Fees (£75 x 6)	450
• Bike Petrol & Travel Expenses (£15 x 38 meetings)	570 estimated
	<hr/> 2,990

Further applications for funding/sponsorship had been made to various organisations, including:-

- Gemini;
- HBP;
- Oil States GB;
- Michelin Tyres; and
- Gaerne Boots

No application had been made to the Neighbourhood Forum or Barrow Sports Panel.

It was noted that this was an individual application and there were no bank balances as his parents provided the majority of the funding.

ST. MARY'S CENTRE – Any Amount Requested

This group, who meet in the Community Centre on Church Lane, Walney were requesting funds to assist with the refurbishment of the premises. The Centre was non-profit making and accommodated up to 300 persons per week involved in various group activities.

A copy of the 'Daily Diary of Users', 'Hire Charges' and 'Lettings Policy' had been appended to the report for information.

The building was over 30 years old and in disrepair and required upgrades to the following areas:-

- Windows;
- Central Heating;
- Electrics;

- Floors; and
- Toilets

Mrs Hayes (the applicant on behalf the St. Mary's Centre) had attended the meeting and made representations to the Sub-Committee. She also distributed photographs demonstrating the condition of the building.

The estimated cost for the work was as follows (All figures include VAT):-

	<u>£</u>	
• Heating & Water	4,105	Furness Heating
• Windows & Doors	30,353	Wards Ltd
• Building Work	12,345	HPP
• Flooring	2,083	MW & Schofields
• Removal of Asbestos	400	Scholfields
• Blinds	1,954	Atlas Stern
• Building Regulation Fees	267	Barrow BC.
• Table, Trolley & Ladders	1,905	GOPAK
	<hr/> 53,412	

It was noted that two additional applications for funding had been made to Waste Recycling Environmental Ltd (£50-60,000); and The Hadfield Trust (£1,500). At this stage the decision on those requests was unknown. No application had been made to the Neighbourhood Forum.

Financial Statements for the year ending 31st December, 2011 showed a deficit of £2,019 and Bank Statements had been requested. The Parochial Church Council guaranteed to subsidise the value of the shortfall in any year.

FOUR GROVES COMMUNITY ASSOC. - £1,000 Requested

This Organisation, established in 2000, was located within the Risedale Ward which was an area of high unemployment and deprivation. They opened 5 days per week and through interaction with the Agencies noted below they aimed to improve the quality of life for the people of the Borough:-

- Police – CRB Checks & Police Surgeries
- Barrow Magistrates Court – Supervised Contact Premises for Families
- Local Authority Education – ‘Building Bridges’ (School Exclusions)
- Social Services
- Probationary Service
- Building Contractors – ‘Road Show’ Consultancy Platform
- DSS – Works & Pensions Appointee

- Citizens Advice Bureau – on site advisory sessions.

It was noted that the Association had been experiencing financial difficulties and were applying to the Panel for assistance in funding their running costs and for funding towards the cost of a new gas boiler. Details of the annual running costs had been appended to the report for information, together with a copy of the works estimate from Sears Heating & Plumbing.

It was noted that no further application had been made to other Organisations for this funding, including the Neighbourhood Forum. No Financial Statements had been submitted.

RESOLVED:- To agree that grants totaling £3,000 be awarded from the budget for 2011-12 as follows:-

- Dee-Jay Walier - £1,000;
- St. Mary's Centre - £1,000; and
- Four Groves Community Association - £1,000.

10 – Award of Non Domestic Rates (NDR) Relief for the Year 2011-12

The Borough Treasurer reminded the Sub-Committee that the NDR relief budget for 2011-12 was £80,000. The remaining budget available after the NDR relief awarded at the meeting on 14th September, 2011 was £7,624.39. Nine applications amounting to £3,490.60 had been received as follows:-

<u>Non Profit Making</u>	<u>Cost to Council</u>
Lakes Gliding Club	£87.68
Signal Film	£192.15
Signal Films Ltd	£548.08
Dare Projects – Dare Dance	£152.14
West Shore Bowling Club	£636.90
Barrow AFC	£241.06
Bluebird Study Centre	£64.95
<u>Charitable Organisations</u>	<u>Cost to Council</u>
HEFF	£357.23
Thrift	£211.67
Furness Childrens Trust	£998.74

In arriving at a decision, Members were referred to the following approved terms of reference which were intended to give guidance to Members, however, it should be noted that the award of grants was at the discretion of the Sub-Committee within the limit of the available approved budget for the financial year.

1. Only local organisations should be considered for discretionary relief;
2. The percentage of the discretionary relief awarded should reflect the levels of bank balances and other resources available to the organisation; and
3. The percentage of the discretionary relief awarded should reflect the levels of bar takings generated by the organisation.

The Borough Treasurer recommended that the Sub-Committee did not approve the applications for Barrow AFC and the Bluebird Study Centre as their takings were in excess of £30,000.

RESOLVED:- (i) To agree that the following applications to the sum of £3,184.59 be approved:-

<u>Non Profit Making</u>	<u>Cost to Council</u>
Lakes Gliding Club	£87.68
Signal Film	£192.15
Signal Films Ltd	£548.08
Dare Projects – Dare Dance	£152.14
West Shore Bowling Club	£636.90
<u>Charitable Organisations</u>	<u>Cost to Council</u>
HEFF	£357.23
Thrift	£211.67
Furness Childrens Trust	£998.74

(ii) To agree that the applications from Barrow AFC and the Bluebird Study Centre be refused as their takings were in excess of £30,000.

The meeting closed at 2.10 p.m.

EXECUTIVE COMMITTEE		Part One (D) Agenda Item 8
Date of Meeting:	18th April, 2012	
Reporting Officer:	Borough Treasurer	
<p>Title: Housing Self Financing</p> <p>Summary and Conclusions:</p> <p>The Housing Subsidy system closes on the 31st March 2012. The Authority has taken out £17,089,000 of new loans at the favourable average interest rate of 2.76%. The loans are ring-fenced to the Housing Revenue Account and have been used to pay the Department for Communities and Local Government to buy out of the Housing Subsidy system.</p> <p>Recommendations:</p> <p>To note the report.</p>		

Report

The Housing Subsidy system operates as one for all the local authorities that retain housing stock. Housing Subsidy is calculated as the net of specific notional income and expenditure. For this Authority the net result was a surplus and so, the Authority paid into the Housing Subsidy system.

The Housing Subsidy system closes on 31st March 2012 and to buy out of the system, the Government modelled the next 30 years of subsidy payable and discounted that to the present. The result is that the Authority has to pay £17,089,000 to the Department for Communities and Local Government. This debt is ring-fenced to the Housing Revenue Account.

The £17,089,000 has been borrowed from the Public Works Loans Board in a series of loans that are profiled against to the funds available to repay the debt, according to the 30 year business plan. The 30 year Business Plan is the Authority's forecast for the Housing Revenue Account budget and is not the same as the Government's 30 year model.

The average interest rate for the £17,089,000 borrowed on 28th March 2012 is 2.76% and the repayment of this and the existing Housing Revenue Account debt has been built into the Housing Revenue Budget for 2012-2013 and the Authority's HRA 30 Business Plan.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no financial implications. The borrowing costs are built into the Housing Revenue Account budget for 2012-2013.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Key Priorities or Corporate Aims

The recommendation has no detrimental impact on providing good quality efficient and cost effective services.

The recommendation has no detrimental impact on the quality of housing.

The recommendation has no detrimental impact on the long term economic recovery for our community

The recommendation has no detrimental impact the built environment or public realm.

(vi) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vii) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

EXECUTIVE COMMITTEE		Part One (D) Agenda Item 9
Date of Meeting:	18th April, 2012	
Reporting Officer:	Borough Treasurer	
<p>Title: Medium Term Financial Plan 2012-2013 to 2015-2016</p> <p>Summary and Conclusions:</p> <p>The Medium Term Financial Plan incorporates the Authority's Key Priorities, the Budget Strategy – Deficit Reduction, the Authority's Budget Setting process for revenue, capital and treasury management, and the Council Tax setting. The Medium Term Financial Plan figures were approved as part of the budget report to Full Council and are unchanged. The Medium Term Financial Plan achieves a balanced budget for 2015-2016.</p> <p>Recommendations:</p> <p>To note the report.</p>		

Report

The Medium Term Financial Plan for 2012-2013 to 2015-2016 is attached at **Appendix 1**.

(i) **Legal Implications**

The recommendation has no legal implications.

(ii) **Risk Assessment**

The risks are identified within the plan.

(iii) **Financial Implications**

The recommendation has no financial implications. The forecasted Medium Term Financial Plan was approved by Full Council on 24th January 2012.

(iv) **Health and Safety Implications**

The recommendation has no implications.

(v) Key Priorities or Corporate Aims

The recommendation has no detrimental impact on providing good quality efficient and cost effective services.

The recommendation has no detrimental impact on the quality of housing.

The recommendation has no detrimental impact on the long term economic recovery for our community

The recommendation has no detrimental impact the built environment or public realm.

(vi) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vii) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil



Medium Term Financial Plan **2012-2013 to 2015-2016**

Introduction

Financial planning is a key tool for strategic management and is an aid to operational decision making. Without financial planning the Authority would be unlikely to achieve its Key Priorities or make the best use of its resources.

The Medium Term Financial Plan (MTFP) is a financial representation of the Authority's Vision and supports its' Key Priorities. The Authority's Vision is to enhance the economic and social future of the Borough to meet the needs and aspirations of the community.

The Key Priorities of the Authority are:

1. Provide good quality efficient and cost effective services while reducing overall expenditure.
2. Continue to support housing market renewal including an increase in the choice and quality of housing stock and the regeneration of our oldest and poorest housing.
3. Work to mitigate the effects of the recession and cuts in public expenditure and their impact on the local economy and secure a sustainable and long term economic recovery for our community.
4. Continue to improve and enhance the built environment and public realm, working with key partners to secure regeneration of derelict and underused land and buildings in the Borough.

This MTFP covers the period from 2012-2013 to 2015-2016. The Governments' Comprehensive Spending Review 2010 (CSR) covers the period from 2011-2012 to 2014-2015, however the level of Government support for the Authority is only known for 2011-2012 and 2012-2013.

The Medium Term Financial Plan is looking ahead to achieve a balanced budget for 2015-2016.



Medium Term Financial Plan **2012-2013 to 2015-2016**

Planning process

To ensure a robust and achievable Medium Term Financial Plan is established, the planning process covered a number of key aspects:

Leadership – leading Members and the Management Board demonstrate strong leadership of finances and strategic direction.

Key Priorities – the Medium Term Financial Plan reflects the Authority's Vision which is supported by its' Key Priorities.

Ownership – the Borough Treasurer produces and updates the Medium Term Financial Plan.

Achievement – the Borough Treasurer will monitor adherence to the Medium Term Financial Plan and will quantify and report any significant deviation to the Executive Committee and Management Board.

Risk management – the Medium Term Financial Plan includes a section setting out the financial implications of the inherent risks.

Efficiencies – the Management Board will continue to pursue efficiencies and eliminate these from the core budget. This is an on-going process.

Completeness – the Medium Term Financial Plan incorporates the Authority's Key Priorities, the Budget Strategy – Deficit Reduction, the Authority's Budget Setting process for revenue, capital and treasury management, and the Council Tax setting.



Medium Term Financial Plan **2012-2013 to 2015-2016**

MTFP 2010-2013

The MTFP has previously been published with the Authority's Annual Budget. However, because the MTFP is based on the decisions made when setting the Annual Budget and the Council Tax, it has been published as a complete document after these decisions have been made. Indicative figures for the MTFP years are submitted along with the Revenue Budget to allow Members to see the financial planning as a consequence of setting the budget items.

The Authority's last MTFP was published in February 2010. This document predated the CSR and included assumptions that were no longer valid following the CSR, including Government support held at 2010-2011 levels and a Council Tax cap of 5%.

The MTFP was not produced with the budget papers for 2011-2012 as the funding gap identified was extremely significant. Rather than produce a MTFP with a target saving to cover the funding gap, it was determined that the Budget Strategy – Deficit Reduction must be dealt with as soon as possible. In preparation for this, £1,193k of savings and reductions (efficiencies) were removed from the budget that was set for 2011-2012.



Medium Term Financial Plan **2012-2013 to 2015-2016**

The funding gap

The Government support for the Authority for 2010-2011 was £9,084k. The CSR introduced the term 'Revenue Spending Power', this is defined as the aggregate of Council Tax, Formula Grant and other Specific Grants.

The whole Revenue Spending Power was then reduced by an average of 8.9%. An additional revenue grant 'Transition Grant' is also paid where the reduction in Revenue Spending Power exceeds 8.9%. For Barrow, the reduction in Revenue Spending Power for 2011-2012 was 24.46% and after the Transition Grant awarded for 2011-2012 of £2,544k, this became 8.8%.

The Authority determined that the Transition Grant should be used to create a Restructuring Reserve that would allow the necessary changes to reach a balanced budget in 2015-2016 to be managed effectively.

In monetary terms the Government support reduced from the £9,084k received in 2010-2011 to £7,017k in 2011-2012, a reduction of £2,067k, or 22.76%. The savings and reductions that were made in anticipation of the reduction in Government support, together with additional income raised and a review of the Treasury portfolio resulted in a net deficit of £396k being funded from the Restructuring Reserve.

For 2012-2013 the Government support reduced from the 2011-2012 level to £6,205k (excluding the 2010-2011 Council Tax freeze grant), a further reduction of £812k year on year and £2,879k from the 2010-2011 level of support. The Revenue Spending Power was reduced by 23.59% for 2011-2012, which became 8.8% after the 2012-2013 Transition Grant of £2,086k.

As the Government is reducing the Revenue Spending Power for the Authority by an average of 23% over the first two years of the CSR, the same reduction has been used for the latter years as well – in cash grant terms rather than Revenue Spending Power.

Over the CSR the Authority will have lost a total of £12,775k in Government support.

Year	Grant £000	Reduction £000
2010-2011	9,084	
2011-2012	7,017	2,067
2012-2013	6,205	2,879
2013-2014	5,487	3,597
2014-2015	4,852	4,232
Total reduction		12,775

Medium Term Financial Plan 2012-2013 to 2015-2016

Budget Strategy – Deficit Reduction

Forecasting the Authority's budget requirement with the reduced Government support combined with the effects of the recession, inflation and the shortfall of income from the recycling credits not reaching 40% in 2010-2011, produces a cumulative deficit of £5,013k unless corrective action is taken:

	2011- 2012 £000	2012- 2013 £000	2013- 2014 £000	2014- 2015 £000	2015- 2016 £000
Staff pay	5,641	6,100	6,273	6,449	6,595
Other costs	11,741	12,025	12,307	12,603	£12,910
Benefits net of subsidy	122	122	122	122	122
External income	(7,176)	(7,201)	(7,201)	(7,201)	(7,201)
Internal income	(985)	(988)	(992)	(992)	(992)
Treasury items	1,532	1,609	1,752	1,848	1,944
Pension costs	1,085	1,145	1,208	1,274	1,340
Use of reserves	46	46	46	46	46
Net revenue budget	12,008	12,857	13,516	14,150	14,766
Government support	7,077	6,205	5,487	4,852	4,949
Council Tax	4,341	4,461	4,572	4,686	4,804
Revenue financing	11,418	10,666	10,059	9,539	9,753
Deficit on the year	589	2,192	3,456	4,611	5,013
Restructuring Reserve*	(589)				
Net deficit	0				

*The amount required from the Restructuring Reserve has increased by £193k for necessary budget revisions to reflect the 2010-2011 shortfall in County recycling credits £138k & parking services reimbursement £33k and a shortfall on the grounds maintenance contract £22k.

The Authority's Medium Term Financial Strategy is to balance the General Fund budget by 2015-2016. Members endorsed this Strategy at Full Council on the 24th January 2012.

The policy paper which detailed the Council's Budget Strategy was published for consultation on the 27th September 2011. It was published on the Council's website and in the local newspaper as a press release.

Medium Term Financial Plan 2012-2013 to 2015-2016

Five components of the Budget Strategy – Deficit Reduction	£000
One - Prudent use of balances Using the Transition Grant to delay and offset the impact of service reductions and fund a deficit budget up to 2015-2016.	600
Two - Efficiency measures These do not impact directly onto customers or services provided.	469
Three - Reduce staffing costs These are being generated from voluntary redundancies, deletion of vacancies and staff involved in service restructuring and an establishment review.	1,727
Four - Increasing income Government grants for the New Homes Bonus and the Council Tax Freeze grant continuing from 2011-2012. A 3.5% annual increase in the Borough element of the Council Tax. Prices for services based on the nearest alternative provider or to recover the costs of providing discretionary services. An annual review of pricing with a minimum 2.5% increase in all prices.	1,490
Five - Service reductions Reduce the support awarded to external organisations. Reduce venue running costs. Move community centres to self-management. Consider transferring Leisure Centre, Dock Museum and Forum to Leisure trust in 2015.	527
These components, together with a prudent estimate of 2% growth from economic recovery for 2014-2015 and 2015-2016 eliminate the forecasted net deficit by 2015-2016.	200
Total of Budget Strategy components	5,013

The report was presented to the Executive Committee on the 19th October 2011. Organisations with direct funding that were affected by the proposals were written to separately. All Employees and Members were also encouraged to comment. The consultation closed for the Full Council meeting on the 24th January 2012.

The public consultation included the following questions:

1. Are we right to use balances to cushion the impact of government cuts on jobs and front line services? If not how else should they be used?
2. Do you think we have achieved the correct balance between the 5 components?
3. If not which areas would you increase or decrease?
4. Are there any specific changes being proposed that you consider unacceptable?
5. Are there any other savings we have not identified that you would like to suggest?

Following the public consultation, the proposed seasonal opening of the Dock Museum was changed to reduced opening hours and full year opening.

Medium Term Financial Plan 2012-2013 to 2015-2016

General Fund revenue budget

The General Fund revenue budget incorporated the components identified in the Budget Strategy – Deficit Reduction policy paper and refined items where more up to date information was available.

The budget and MTFP projection approved by Full Council on the 28th February 2012 was:

	2011- 2012 £000	2012- 2013 £000	2013- 2014 £000	2014- 2015 £000	2015- 2016 £000
Staff pay	5,641	4,683	4,511	4,605	4,714
Other costs	11,741	11,581	11,704	11,992	12,293
Benefits net of subsidy	122	123	293	293	293
External income	(7,176)	(7,594)	(7,867)	(8,105)	(8,327)
Internal income	(985)	(966)	(966)	(968)	(971)
Treasury items	1,532	1,532	1,670	1,719	1,586
Pension costs	1,085	1,111	1,149	1,190	1,232
Use of reserves	46	(113)	116	116	116
Net revenue budget	12,008	10,357	10,610	10,843	10,936
Government support	7,077	6,489	5,771	5,136	5,233
Council Tax	4,341	4,578	4,763	4,930	5,103
Revenue financing	11,418	11,067	10,534	10,066	10,336
Deficit/(surplus) on the year	589	(710)	(76)	777	600
Restructuring Reserve	(589)	710	76	(777)	(600)
Net deficit	0	0	0	0	0



Medium Term Financial Plan 2012-2013 to 2015-2016

Council Tax

The Council Tax for 2012-2013 was set by Full Council on the 28th February 2012. The Barrow Borough Council demand on the Collection Fund to meet the 2012-2013 General Fund budget was set at £4,602,250.

Each £1 of the overall Council Tax bill belongs to:

- Cumbria County Council 74 pence;
- the Police Authority 13 pence; and,
- Barrow Borough Council 13 pence.

The Council Tax bands for the unparished Barrow borough for 2012-2013 and projected increases up to 2015-2016 are shown below; 59% of the households in the Barrow borough are in Band A:

Band	2012-2013 Council Tax – Barrow element	3.5% increase for 2013-2014	Per week the increase is	2013-2014 Council Tax – Barrow element
A	£139.28	£4.87	9 pence	£144.15
B	£162.49	£5.69	11 pence	£168.18
C	£185.71	£6.50	13 pence	£192.21
D	£208.92	£7.31	14 pence	£216.23
E	£255.35	£8.94	17 pence	£264.29
F	£301.77	£10.56	20 pence	£312.33
G	£348.20	£12.19	23 pence	£360.39
H	£417.84	£14.62	28 pence	£432.46

Band	2013-2014 Council Tax – Barrow element	3.5% increase for 2014-2015	Per week the increase is	2014-2015 Council Tax – Barrow element
A	£144.15	£5.05	10 pence	£149.20
B	£168.18	£5.89	11 pence	£174.07
C	£192.21	£6.73	13 pence	£198.94
D	£216.23	£7.57	15 pence	£223.80
E	£264.29	£9.25	18 pence	£273.54
F	£312.33	£10.93	21 pence	£323.26
G	£360.39	£12.61	24 pence	£373.00
H	£432.46	£15.14	29 pence	£447.60



Medium Term Financial Plan 2012-2013 to 2015-2016

Band	2014-2015 Council Tax – Barrow element	3.5% increase for 2015-2016	Per week the increase is	2015-2016 Council Tax – Barrow element
A	£149.20	£5.22	10 pence	£154.42
B	£174.07	£6.09	12 pence	£180.16
C	£198.94	£6.96	13 pence	£205.90
D	£223.80	£7.83	15 pence	£231.63
E	£273.54	£9.57	18 pence	£283.11
F	£323.26	£11.31	22 pence	£334.57
G	£373.00	£13.06	25 pence	£386.06
H	£447.60	£15.67	30 pence	£463.27



Medium Term Financial Plan **2012-2013 to 2015-2016**

Budget assumptions

The assumptions used in forecasting the 2012-2013 budget out to 2015-2016 are:

- Staff pay awards 2%
- Employer national insurance contributions 8%
- Grounds maintenance contract 4.5%
- Refuse, recycling and street cleaning contract 4.5%
- Revenues, benefits and customer services contract 4.5%
- Discretionary income 2.5%
- Interest earned on temporary deposits at:
 - 1% for 2013-2014
 - 1.6% for 2014-2015
 - 3.3% for 2015-2016
- Interest payable on new borrowing at:
 - 4.7% for 2013-2014
 - 5.1% for 2014-2015
 - 5.5% for 2015-2016
- Pension costs for previous employees 4.77%
- Government support reducing 11.57% but increasing 2% for 2015-2016
- Council Tax 3.5%

Medium Term Financial Plan 2012-2013 to 2015-2016

Risk

A risk assessment was carried out for the Budget Strategy prior to it being presented to the Executive Committee; the same factors apply to the Budget and MTFP figures. Risk comes from using estimation for such items as inflation, the financial markets, Government support, customer demand and the anticipation of future events:

- Staff pay
 - Reduction in establishment does not occur – **these are now identified.**
 - Pay and grading review not yet completed – **the Authority has a pay review reserve.**
 - 2% pay award for 2012-2013 to 2015-2016 may be insufficient.
 - Employers pension contributions for current staff at 12.5% may be insufficient.
 - Employers' national insurance contributions at 8% may be insufficient.
- Utility costs
 - The usage and costs of gas and electricity may be estimated too low.
 - The costs of NNDR and water rates may be estimated too low.
- Supplies and services
 - Professional fees set to reflect the reduced establishment may be insufficient.
 - Efficiency savings from discretionary headings – **£469k identified and eliminated from the 2012-2013 budget.**
- Contracted services
 - Inflation on contracted services at 4.5% may be insufficient.
 - Building cleaning contract due to be tendered during this MTFP.
 - Customer services contract specification under review to achieve savings – **these are included in the 2012-2013 budget and have been identified.**
- External income
 - Price resistance may be greater than anticipated – **15% resistance has been estimated.**
 - Allotment rents and other services may not cover the cost of delivering the service – **new prices have been set at full cost recovery for the relevant services.**
 - 2014-2015 and 2015-2016 anticipate a slight increase in income from economic growth may not materialise.
 - All fees and charges are expected to increase by at least 2.5% year on year in the MTFP.



Medium Term Financial Plan 2012-2013 to 2015-2016

- Corporate items
 - Interest rate fluctuations.
 - Cost of new borrowing – **the borrowing required to finance the Capital Programme is built into the budget and MTFP.**
 - The estimated pension costs for previous employees may be insufficient – the next triennial valuation will be for the financial years 2014-2015 to 2016-2017.
- Funding
 - Government support may be lower than estimated.
 - Council Tax increases – **the MTFP includes a 3.5% increase each year.**
- Other items not built into the MTFP as yet
 - Loss of the recycling reward grant.
 - Localising Council Tax.
 - Universal Credit.
 - Retention of Business Rates.

Medium Term Financial Plan 2012-2013 to 2015-2016

Sensitivity

The following quantify the larger MTFP risks and 1% sensitivity has been applied to illustrate the potential impact on the MTFP and provide an indication on the level of reserves that the Authority should hold to mitigate these:

- Staff pay
 - Each additional 1% pay award may cost **£50k** per year.
 - Each additional 1% employers' pension contributions for current staff may cost **£40k** per year.
 - Each additional 1% employers' national insurance contributions may cost **£40k** per year.
- Utility costs
 - Each additional 1% spend on utility costs may cost **£15k** per year.
- Contracted services
 - Each additional 1% inflation on contracted services may cost **£65k** per year.
- External income
 - Each 1% price resistance greater than anticipated may cost **£30k** per year.
 - Each 1% increase in fees and charges less than anticipated may cost **£55k** per year.
- Corporate items
 - Each 1% increase in interest rate may cost **£25k** per year.
 - Each additional 1% spend on pension costs for previous employees may cost **£15k** per year.
- Funding
 - Each 1% of Government support less than anticipated (in cash terms) may cost **£60k** per year.
 - Each 1% of Council Tax increases less than anticipated may cost **£50k** per year.

Applying a 1% adverse variance on these items produces a **£445k** shortfall on the MTFP each year, with the four years totalling **£1,780k**.

Medium Term Financial Plan 2012-2013 to 2015-2016

Capital

The Capital Programme and Financing for 2012-2013 to 2015-2016 was approved at Full Council on the 24th January 2012 and includes new borrowing as shown below, the costs of borrowing are included in the General Fund revenue budget:

	2012-2013 £000	2013-2014 £000	2014-2015 £000	2015-2016 £000
Investment				
Public housing	1,905	1,952	2,000	2,050
Private housing	700	600	600	600
Housing market renewal	1,000	1,200	0	0
Public buildings	1,286	118	100	100
Other public assets	1,292	890	1,390	1,390
Community initiatives	0	0	16	0
Retentions	25	25	25	25
Asset investment fund	197	47	349	115
Total	6,405	4,832	4,480	4,280
Financing				
Major repairs reserve	1,905	1,952	2,000	2,050
Disabled facilities grant	399	399	399	399
Lottery funding	54	0	0	0
Borrowing	2,400	1,800	1,500	1,500
Capital receipts	1,647	681	581	331
Total	6,405	4,832	4,480	4,280

The capital programme assumes new usable capital receipts of:

- 2012-2013 £481,000
- 2013-2014 £681,000
- 2014-2015 £581,000
- 2015-2016 £331,000

This totals £2,074,000 of usable capital receipts over the life of the capital programme. Usable capital receipts that are anticipated value £1,075,000, leaving £999,000 to be realised during the life of the capital programme.

Capital receipts are closely monitored as the proposed capital programme is reliant on usable capital receipts for financing each year. Where capital receipts are not achieved, projects will be reviewed and prioritised against the financing available.



Medium Term Financial Plan **2012-2013 to 2015-2016**

Treasury

The Treasury Management Strategy for 2012-2013 was approved by Full Council on the 24th January 2012. This Strategy sets out the Prudential Indicators that control all of the Authority's treasury activities, the borrowing strategy, the annual investment strategy and credit and counterparty risk management.

The borrowing requirements of the Capital Programme are included in the Treasury Management Strategy.

The Authority is required to set the maximum level of debt, beyond which external debt is prohibited. This limit can only be set or revised by Full Council. This Prudential Indicator is the Authorised Limit for External Debt; the limit and the expected external debt is shown below:

	2012-2013 £000	2013-2014 £000	2014-2015 £000	2015-2016 £000
Authorised Limit	57,000	59,000	61,000	63,000
External debt	42,204	44,004	45,504	47,004

Medium Term Financial Plan 2012-2013 to 2015-2016

Reserves and Balances

It is estimated that at the 1st April 2012, the Authority's Reserves and Balances will be:

	Balance at 1/4/2012 £000	Total £000
General Fund		
Committed reserves		
VAT & insurance	1,145	
Public buildings	500	
Pay review	176	
Ring-fenced properties	341	2,162
Available reserves		
General reserve	1,362	
Festivals	36	
Market Hall	51	
Park Vale	56	1,505
Fund balance		2,289
Total		5,956

Earmarked reserves are a means of building up funds to meet known or predicted requirements for a specific purpose. The purpose of the reserve can only be changed by the Executive Committee.

The **VAT and insurance reserve** is held to cover a number of items and is reviewed annually when the accounts are closed:

- the VAT on exempt activities that the Authority can recover is limited to 5% of the overall VAT reclaimed from HMRC, should the Authority breach that 5% by increasing the proportion of its activities that are exempt of VAT, the VAT reclaimed on the exempt activities is repayable;
- the pay and display tickets that are sold on the Authority's car parks include VAT which is paid over to the HMRC. There is an ongoing case, the Isle of Wight case, where Authorities are challenging that where there is no competition to provide car parking then the income should be outside the scope of VAT. The claims are handled by VAT specialists on a no win no fee basis;
- insurance excesses will be used for settled claims; and,
- uninsured losses.



Medium Term Financial Plan **2012-2013 to 2015-2016**

The **public buildings reserve** is to be used for major works that fall outside the routine repairs and maintenance that are included in the General Fund revenue budget. The current expectation is that this reserve will reduce by £100k per year as expenditure comes through.

The **pay review reserve** is held to cover the costs of implementing the pay and grading review for General Fund officers.

The Authority has two properties that were funded by Government grant which included the condition that the rental income from those properties be **ring-fenced** to maintain them to ensure their continuation and condition.

Setting the level of the **general reserve** is just one of several related decisions in the formulation of the medium term financial strategy and the budget for a particular year. Account should be taken of the key financial assumptions underpinning the budget and financial strategy alongside a consideration of the authority's financial management arrangements, including:

- the level of borrowing;
- debt outstanding;
- council tax collection rates;
- recent rises in the price of utilities and commodities;
- the inflation rates used in the budget;
- unexpected increases;
- volatility in the financial markets;
- the reserve is a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- the reserve is a contingency to cushion the impact of unexpected events or emergencies; and,
- once a specific purpose has been identified and an allocation from the general reserve has been agreed by the Executive Committee, the amount will be noted against the committed reserves.

The **festivals, Market Hall** and **Park Vale** reserves have been built up to cover future costs for these specific purposes. Until the reserve is committed it is technically available. If the reserve were to be used for another purpose, Executive Committee would have to approve this.

The **General Fund balance** is the prudent level maintained for potential emergencies, unexpected events or un-budgeted statutory expenditure. The Section 151 Officer (the Borough Treasurer) can authorise this type of expenditure but must report it to the Executive Committee at the earliest opportunity. The balance may be used to supplement un-budgeted expenditure that could impact on service delivery if not incurred.

Medium Term Financial Plan 2012-2013 to 2015-2016

	Balance at 1/4/2012 £000
Grants and contributions	
Committed reserves	961

Grants and contributions are the funds received in advance of the profiled spend on particular items and projects. The funding must be matched to the spend it relates to, so this reserve the timing differences. The grants and contributions are committed for particular items and projects and are not available for redistribution.

The table below summarises the reserves that the Authority estimates will be held at the 1st April 2012:

Earmarked reserves	Spoken for £000	*Available £000	Total £000
General Fund	2,162	1,505	3,667
Grants and contributions	961	0	961
Totals	3,123	1,505	4,628

*Subject to the recommendation of the Section 151 Officer to the Executive Committee, in accordance with the Reserves and Balances Policy.

Medium Term Financial Plan 2012-2013 to 2015-2016

Restructuring Reserve

When setting the 2011-2012 budgets the Authority determined that the Transition Grant receivable due to the loss in Government support should be set aside into a Restructuring Reserve. This reserve has been established to allow the Authority to manage the necessary structural changes to the core budget in order to reach a balanced budget in 2015-2016; in other words, to reduce the Authority's budget requirement down to the level that Government will support in future years.

Going into the Restructuring Reserve are the net Transition Grant for 2011-2012 and 2012-2013 and also take the net result for the General Fund for the financial years of the CSR. Going out from the Restructuring Reserve are the costs of staff redundancies, one-off costs that occur during the CSR and service restructuring costs such as the grant aid to external organisations.

The current position for the Restructuring Reserve is shown below:

	£000	£000
Transition Grant		
Due for 2011-2012	2,544	
Due for 2012-2013	2,086	4,630
Committed expenditure		
Neighbourhood Management Team funding	(50)	
CCTV funding	(263)	
2011-2012 deficit funding	(396)	
Less additional Government support for 2011-2012	49	
Staff redundancies	(1,000)	
Known one-off costs of service restructuring	(50)	
Grants to external organisations	(400)	
Deficit funding to 2015-2016	(2,400)	
Non-cyclical budget items		
Elections for 2015-2016	(60)	
Work in default 2012-2013 to 2015-2016	(40)	(4,610)
General Fund net result		
2012-2013 surplus raised for later years	(1,310)	
2013-2014 surplus raised for later years	(676)	
2014-2015 deficit on the year	117	
2015-2016 balanced budget	0	1,869
Remaining for other restructuring costs		1,879

Applying a 1% adverse variance (see **Sensitivity**) to the MTFP produces a **£445k** shortfall on the MTFP each year, with the four years totalling **£1,780k**. The level of reserves held for the Budget Strategy – Deficit Reduction will be closely monitored and reported along with the Authority's finances.



Medium Term Financial Plan 2012-2013 to 2015-2016

Housing Revenue Account

From the 1st April 2012 the Housing Subsidy system ended. The Housing Revenue Account becomes self-financing as set out in its 30 year Business Plan; the rent from the dwellings pays for the upkeep and management of the dwellings.

The Housing Revenue Account remains a ring-fenced account as determined by the Local Government Housing Act 1989.

	Balance at 1/4/2012 £000
Housing Revenue Account	
Committed reserves	
Major Repairs Reserve	199
Fund balance	1,038
Total	1,237

The **Major Repairs Reserve** is a statutory reserve that holds the balance of funding that is unspent at the 31st March 2012. This is specifically for the planned maintenance of Housing Revenue Account dwellings.

The **Housing Revenue Account balance** is the prudent level maintained for potential emergencies, unexpected events or un-budgeted statutory expenditure. The Section 151 Officer (the Borough Treasurer) can authorise this type of expenditure but must report it to the Executive Committee at the earliest opportunity. The balance may be used to supplement un-budgeted expenditure that could impact on service delivery if not incurred.

EXECUTIVE COMMITTEE	(R) Agenda Item 10
Date of Meeting: 18th April, 2012	
Reporting Officer: Borough Treasurer	
<p>Title: War Pension Disregards</p> <p>Summary and Conclusions:</p> <p>Local authorities can disregard up to the whole of a war pension under a discretionary local scheme, including War Disablement Pensions, War Widows Pensions and any corresponding pensions payable to a widower or a surviving civil partner.</p> <p>Recommendations:</p> <p>To recommend the Council to agree the continuation of this discretionary local scheme for 2012-2013.</p>	

Report

Under section 134(8)(a) and 139(6)(a) of the Social Security Administration Act, local authorities have discretion to apply an additional income disregard to war pensions (War Disablement Pension, a pension to a war widow or war widower or a similar pension paid to a surviving civil partner).

The Housing Benefit and Council Tax Benefit (War Pension Disregards) Regulations 2007 as amended, prescribe the payments which make up war pensions that may be disregarded by local authorities operating a discretionary local scheme.

Awards made under the agreed local scheme are funded by the Department of Works and Pensions by 75% and the remaining 25% is a cost to the Authority which is included as part of the overall benefits budget.

For information, the 2011-2012 War Pensions are estimated to be:

Benefit type	Number of claims	Amount of disregard	Funded by DWP 75%	Cost to the Authority 25%
Council Tax	35	£11,746	£8,809	£2,937
Council tenant rent	7	£7,128	£5,346	£1,782
Private tenant rent	16	£18,049	£13,537	£4,512
	58	£36,923	£27,692	£9,231

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no financial implications. The cost to the Authority is part the overall benefits budget for 2011-2012.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Key Priorities or Corporate Aims

The recommendation has no detrimental impact on providing good quality efficient and cost effective services.

The recommendation has no detrimental impact on the quality of housing.

The recommendation has no detrimental impact on the long term economic recovery for our community

The recommendation has no detrimental impact the built environment or public realm.

(vi) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vii) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

EXECUTIVE COMMITTEE	(D) Agenda Item 11
Date of Meeting: 18th April, 2012	
Reporting Officer: Assistant Director Community Services	
Title: Furness Viking Hoard	
Summary and Conclusions:	
To accept a donation from the Furness Maritime Trust of £19,000 for the purchase and display of the Furness Viking Hoard and that the Council acquire the Furness Hoard (through grant aid and a fundraising campaign).	
Recommendations:	
(i) To agree that the Council accept the donation of £19,000 from the Furness Maritime Trust to go towards the purchase and display of the Furness Hoard at the Dock Museum; and	
(ii) To agree that the Dock Museum starts a fundraising campaign to acquire the Furness Hoard.	

Report

The Furness Hoard was found in Easter 2011 and the find is unparalleled in this area. It changes our thinking of the Vikings and their presence in the area. It is also an enormously exciting find for the amount of local, regional and national interest that it generates.

(i) Legal Implications

The Furness Hoard would be acquired by the Dock Museum meaning that ownership ultimately lies with the Council.

(ii) Risk Assessment

The Furness Hoard has been valued at £49,500 by the valuation committee of the British Museum. The hoard would go on display at the Dock Museum in a high quality museum display case (made by Click Netherfield, the maker of the majority of the museum's display cases). The museum is warded and in our last security review (audited by Museums Libraries and Archives Council) the museum came out positively. We fulfil the security requirements for the collection at present (to national standards). We will conduct another security review to make sure that the hoard is safe whilst at the Dock Museum. Please

note that the museum's ship models are valued substantially higher than the Furness Hoard.

(iii) Financial Implications

The Dock Museum will contact the following organisations to ask for grant funding: the Fisher Foundation, Headley Trust, V&A Purchase Fund, local businesses and through a fundraising campaign. The landowner may also waive part of his purchase fee. The purchase fee of £49,500 is split equally between the landowner and the metal detectorists and will seek to receive contributions from them.

There will be a cost involved in insuring the hoard. The cost is £105.80 per annum.

(iv) Health and Safety Implications

The recommendation has no health and safety implications once the security review is carried out and any recommendations implemented.

(v) Key Priorities or Corporate Aims

The recommendation has no detrimental impact on providing good quality efficient and cost effective services.

The recommendation has no detrimental impact on the quality of housing.

The recommendation has no detrimental impact on the long term economic recovery for our community

The recommendation has no detrimental impact the built environment or public realm.

(vi) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vii) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service. Instead it will have a positive effect through the exciting display of the hoard and the educational programmes that will be developed round it.

Background Papers

Nil.

EXECUTIVE COMMITTEE	(R) Agenda Item 12
Date of Meeting: 18th April, 2012	
Reporting Officer: Monitoring Officer	

Title: Localism Act 2011 – The Amended Standards Regime

Summary and Conclusions:

There will be no requirement for the Council to have a Standards Committee once the provisions of the Localism Act take effect on 15th July 2012.

The Council's Audit Committee can take on responsibilities relating to the duty to promote and maintain high standards of conduct and alternative arrangements can be established to meet the duty to deal with complaints of breach of the code of conduct.

Recommendations:

To recommend the Council:-

1. That the Standards Committee stands down with immediate effect and the constitution be amended to make the Audit Committee responsible for promoting and maintaining high standards of conduct;
2. That the Council adopts the new code of conduct which will apply to all Cumbrian authorities;
3. That special powers to deal with the complaints against elected members and parish councillors be delegated to the Monitoring Officer, acting on consultation with an independent person where necessary;
4. That the Council work in partnership with the other Cumbrian authorities to appoint an independent person; and
5. That the Council place on record its gratitude to the 3 independent members of the Standards Committee for their commitment and enthusiasm in upholding the highest standards of conduct.

Report

Background

The Act makes fundamental changes to the system of regulation of standards of conduct for elected and co-opted members.

Whilst remaining under a statutory duty to promote and maintain high standards of conduct for its elected members, there will be no statutory requirement for the Council to have a Standards Committee.

1. Duty to promote and maintain high standards of conduct

The Audit Committee's current terms of reference include a responsibility to "maintain an overview of the Council's constitution in respect of ... codes of conduct and behaviour."

The Audit Committee's work is inextricably linked with the Council's corporate governance arrangements and, compliance with member codes of conduct are an integral part of this. The Council's constitution can be amended to place a specific responsibility on the Audit Committee to take the lead in promoting and maintaining high standards of conduct.

Recommendation 1

That Standards Committee be disestablished with immediate effect and that appropriate amendments are made to the Constitution to identify the Audit Committee as the responsible body for promoting and maintaining high standards of conduct.

2. Code of Conduct

The current term General Principles and Model Code of Conduct will be repealed and members will no longer have to give an undertaking to comply with the Code of Conduct. However, the Council will be required to adopt a new Code of Conduct governing elected and co-opted members' conduct when acting in that capacity. The new Code of Conduct must be consistent with the following seven principles:-

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

The Council has to formulate a new Code of Conduct to give effect to the seven principles.

Discussions are ongoing between all the relevant Cumbrian authorities, with a view to adopting a common Code of Conduct across the County. Draft codes have been prepared by the professional body for Monitoring Officers (ACSES) and by the LGA, but these cannot be finalised until regulations are published by Government

Recommendation 2

That the Council agrees to adopt a countywide code once it is finalised.

3. Dealing with complaints

The Act requires that the Council adopt “arrangements” for dealing with complaints for breach of code of conduct both by Borough Council members and by Parish Council members.

The Act repeals the requirements for separate Referrals Review and Hearings Sub Committees and enables the Council to establish its own process which can include delegation of decisions on complaints.

The Act does not give the Council any powers to impose sanctions such as suspension, additional training or issuing an apology. The range of actions available where a failure to comply with the code occurs is, therefore, limited to such actions as:-

- Reporting its findings to Council [or to the Parish Council] for information;
- Recommending to the Member’s Group Leader (or in the case of un-grouped members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council;
- Recommending to the Leader of the Council that the member be removed from the Committees or removed from particular Chair responsibilities;
- Instructing the Monitoring Officer to [or recommend that the Parish Council] arrange training for the member;
- Removing [or recommend to the Parish Council that the member be removed] from all outside appointments to which he/she has been appointed or nominated by the authority [or by the Parish Council];
- Withdrawing [or recommend to the Parish Council that it withdraws] facilities provided to the member by the Council, such as a computer, website and/or email and Internet access; or
- Excluding [or recommend that the Parish Council exclude] the member from the Council’s offices or other premises, with the exception of meeting rooms as necessary for attending Council, Committee and Sub-Committee meetings.

There is no requirement to put in place any Appeals mechanism against such decisions.

Under these circumstances, it is proposed that Council delegates authority to the Monitoring Officer to deal with complaints. This delegation would include:-

- decisions on whether to investigate a complaint
- if an investigation is ordered, decisions on whether the code has been breached or not
- what actions are appropriate in the event of a breach of code finding.

No finding of a failure to comply with the code can be made without consultation with the independent person (further details below):-

Recommendation 3

That powers to deal with complaints be delegated to the Monitoring Officer acting in consultation with the independent person where appropriate

4. The Independent Person

The arrangements for dealing with complaints referred to above must include provisions for the appointment of at least one independent person.

The independent person must be appointed through a process of public advertisement, application and appointment by a positive vote of a majority of all members of the Council.

We currently have three independent members on the Standards Committee. None of these will be eligible to be appointed under the new regulations – they state that no-one who has been within the last five years an elected or co-opted member of the local council may be appointed as an independent person.

The functions of the independent person are:-

- they must be consulted by the Authority before it makes a finding as to whether a member has failed to comply with the code of conduct or decides on action to be taken in respect of that member
- they may be consulted by the Authority in respect of a Standards complaint at any other stage.
- They may be consulted by a member or co-opted member of the Borough Council or of a Parish Council against whom a complaint has been made.

Discussions are taking place with the other Cumbrian authorities with a view to working together to appoint independent persons.

Recommendation 4

That the Council work in partnership with the other Cumbrian authorities to appoint an independent person.

Conclusion

The Council will want to formally acknowledge the excellent service the current independent members have provided to the Standards Committee and express its gratitude for their commitment and enthusiasm, which has enabled the Council to fulfil its obligations for upholding best practice in Standards matters.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation removes three co-optees allowances from the Members allowances budget.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Key Priorities or Corporate Aims

The recommendation has no detrimental impact on providing good quality efficient and cost effective services.

The recommendation has no detrimental impact on the quality of housing.

The recommendation has no detrimental impact on the long term economic recovery for our community

The recommendation has no detrimental impact the built environment or public realm.

(vi) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vii) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Localism Act extract

EXECUTIVE COMMITTEE		(D) Agenda Item 13
Date of Meeting:	18th April, 2012	
Reporting Officer:	Director of Regeneration and Community Services	
<p>Title: Housing Market Renewal Programme – North Central Renewal Area Sub Areas A and E</p> <p>Summary and Conclusions:</p> <p>As part of the North Central Barrow Renewal Area programme, Group Repair Schemes for sub areas A and E have been approved in principle. Members are invited to approve the scheme specific details to allow the works to proceed.</p> <p>Recommendations:</p> <ol style="list-style-type: none"> 1. To approve the development and implementation of Group Repair scheme details for Sub Areas A and E in consultation with residents and to tender the works according to the previously agreed tender list; 2. To authorise the Chief Executive to appoint Arcus Consulting to carry out the design and management of the Group Repair works; and 3. To authorise the Chief Executive to award the works contract to the lowest tender in consultation with the Chair of Executive Committee, in accordance with Contract Standing Orders. 		

1. Background

- 1.1. Council has declared North Central to be a 'Renewal Area' within the meaning of the Local Government and Housing Act 1989 as amended by the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (Minutes 73 Executive Committee 17/09/08 and 44 Council 07/10/08 refer).
- 1.2. At the time of the declaration of the Renewal Area, it was agreed to carry out Group Repair schemes in programmed areas. A previous report approved a tender list for all works of this type (Minutes 29 Executive Committee 08/07/09 and 26 Council 21/07/09 refer). This was based on the Cumbria Housing Partners procurement framework.
- 1.3. The Renewal Area has been divided into "Sub Areas" A to E. Sub Area A includes 107 properties in Thwaite Street, Brewery Street and Whitehead Street. Sub Area E includes 135 properties in Harrison Street, Lord Street, Silverdale Street, Arnside Street, Lindal Street and Crellin Street. A plan is attached at **Appendix 2**.

- 1.4. Group Repair Schemes have already been carried out in Sub Area D on Sutherland Street (42 properties at a total works cost of £708,000), and Marsh Street (17 properties at a total works cost of 296,000). These schemes face directly onto the cleared site at Arthur Street / Sutherland Street / Marsh Street.
- 1.5. The current capital programme allocates £600,000 for Group Repair works in Sub Area A and £1.1m for Group Repair works in Sub Area E.

2. Appointment of professional services

- 2.1. This Committee has previously agreed the appointment of Arcus Consulting to carry out project surveying, design, tendering and management services for the Sutherland Street and Marsh Street Group Repair schemes and the demolition works on Arthur Street, Sutherland Street and Marsh Street. Arcus were appointed through an openly advertised competitive tendering exercise, at a rate based on a percentage of works value. (Minutes 78 11/11/09 and 74 22/09/10 refer).
- 2.2. Arcus have agreed to reduce their rate by 10% to manage the Group Repair works in areas A and E. I believe that this offers very good value to the Council. I am very satisfied with the performance of Arcus and I recommend that we appoint them on this basis as an extension to their existing contract in accordance with Contract Standing Orders.

3. Group Repair works

A scheme will be developed which will include the following elements:

- Re-roofing
- Rebuilding / repairing chimney stacks
- New doors and windows (where required)
- New render to front elevation
- Replacement / repair of rear boundary walls
- New rainwater goods
- Cavity wall insulation (where required)

- 3.1. The money available to carry out this work is considerably less per property than was available for Sutherland Street and Marsh Street. This follows the end of the government's Housing Market Renewal programme. However, in strategic terms the higher expenditure on Sutherland Street and Marsh Street can be justified as these terraces adjoin the cleared site, and the improved appearance of the terraces will facilitate the redevelopment of the cleared site.
- 3.2. The aim of the Group Repair schemes will be to maximise the improvement in the appearance of the terraces within the available budget. The final scheme details will be agreed following consultation with residents and property owners whose agreement will be required for the work to proceed.

3.3. The Council has not carried out any work to a very short terrace at 119-123 Marsh Street, and I propose that this is included in the contract for the nearby Sub Area E. One of these properties (123 Marsh Street) was sold to Accent Foundation, and has been renovated by them and so will require little if any work.

3.4. It is proposed to carry out the work in both Sub Areas simultaneously, in two phases. The survey work for the first phase will start as soon as possible following approval by Members. This should allow the works on site to be carried out between late Summer 2012 and Spring 2013. The survey work for the second phase is likely to be carried out in the Autumn of 2012 to allow the works on site to commence in late Spring 2013. A more detailed programme of works will be drawn up in partnership with Arcus Consulting.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no significant implications.

(iii) Financial Implications

Adequate funding for the proposed capital expenditure is included in the Capital Programme.

(iv) Health and Safety Implications

Managing consultants have been appointed who are suitably experienced in managing health and safety. The client officer within the Council has received training appropriate to his role. Principal contractors will only be appointed if they can demonstrate suitable qualifications and capacity to fulfil their health and safety obligations.

(v) Key Priorities or Corporate Aims

The recommendation has a positive impact on providing good quality efficient and cost effective services.

The recommendation has a positive impact on the quality of housing.

The recommendation has no detrimental impact on the long term economic recovery for our community

The recommendation has a positive impact the built environment or public realm.

(vi) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

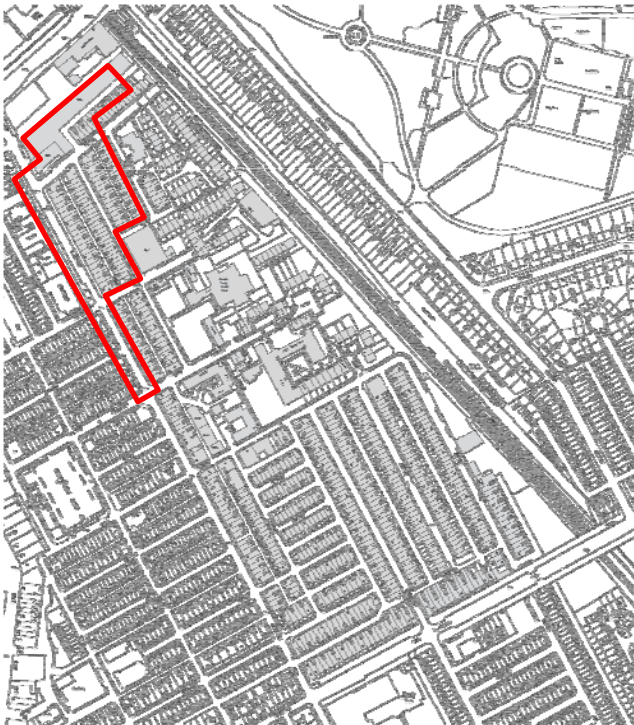
(vii) Health and Well-being Implications

The recommendation has a positive effect on the Health and Wellbeing of users of this service by improving housing conditions.

Background Papers

Nil

Sub Area A – Brewery Street



Sub Area E – Lindal Street



EXECUTIVE COMMITTEE		Part One (D) Agenda Item 14
Date of Meeting:	18th April, 2012	
Reporting Officer:	Chief Executive	
<p>Title: Phoenix Court Business Centre</p> <p>Summary and Conclusions:</p> <p>Following the lease of Waterside House to BAE Systems, the Council needs to expand the capacity at Phoenix Court Business Centre.</p> <p>Recommendations:</p> <p>To agree to allocate £75,000 from the capital contingency funds to accommodate this work.</p>		

Report

The availability of easy access office space for small businesses has reduced significantly following the lease of Waterside House to BAE Systems.

Our business centre at Phoenix Court can be modified to provide seven or eight extra units.

As this is a matter of some urgency, I have, under my delegated authority, commissioned Craig and Green Associates who are familiar with the building to prepare a design and specification for tender at a fixed fee of £2,000 plus VAT, increasing to £3,000 for on site supervision of any works implemented.

Craig and Green have provided me with an estimate of £75,000 for the works, which will increase the rental value by area to £10,000 a year.

Craig and Green will now obtain four quotations in accordance with standing orders, and I am seeking authority to use £75,000 of capital and public building contingency to implement this work as soon as possible.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

CDM regulations apply to any work.

(iii) Financial Implications

Requires £75,000 from capital contingency.

(iv) Health and Safety Implications

CDM regulations apply.

(v) Key Priorities or Corporate Aims

The recommendation will assist on providing good quality efficient and cost effective services.

The recommendation has no detrimental impact on the quality of housing.

The recommendation has no detrimental impact on the long term economic recovery for our community

The recommendation has no detrimental impact the built environment or public realm.

(vi) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vii) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Correspondence with Craig and Green.

EXECUTIVE COMMITTEE	(R) Agenda Item 15
Date of Meeting: 18th April, 2012	
Reporting Officer: Assistant Director Community Services	

Title: Pulse Fitness – Soccer Centre

Summary and Conclusions:

The original concept of Pulse fully funding the borrowing requirement of around £1.2/£1.4 Millions and managing the newly developed soccer centre site for the Borough is now not viable.

The existing AWP at the Leisure Centre is out of action due to safety problems with the surface and will require approximately £25k to be spent in remedial work in order to bring it back into use.

Pulse Fitness can develop a Soccer Centre broadly holding to the original concept at a reduced cost of £600k. The reduction would be based on fewer car parking spaces and deleting the new pavilion originally planned.

Recommendations:

To recommend the Council:-

- (i) To agree to withdraw from the Soccer Development entirely and approve remedial action to bring the AWP back into safe use (approx £25k) or
- (ii) To approve the application of Council funds to £600k to deliver a new soccer centre development and instruct the Assistant Director Community Services to develop an operating agreement with Pulse Fitness to deliver the development and manage the centre with a suitable profit sharing mechanism.

Report

The original concept of Pulse fully funding the borrowing requirement of around £1.2/£1.4 Millions and managing the newly developed soccer centre site for the Borough is now not viable. Pulse have advised us that they are unable to obtain the funding at rates of interest that would make this possible.

In response to this, the Council asked Pulse to review the design concept to see whether the capital expenditure could be reduced enough to make prudential borrowing by the Council itself an option.

Pulse have advised that they can make savings to the original concept by reducing car-parking which will involve not moving the earth bund, (a major cost) and also an additional option of not adding a pavilion, (simply refurbishing the existing building to a high specification). They have advised that this will mean the project can be delivered with the reduced car parking plus the pavilion for £1m, and without the pavilion but with the existing building being refurbished for £600k. Both of these options retain the agreed pitch configuration of 6 x 5 a side pitches and a 7 a side pitch. This means that the playing income can be maximised.

The current all weather pitch has had to be closed for safety reasons, and there is a growing imperative to return it to full use as quickly as possible. If the Council does not proceed with the Soccer Centre development, it will cost in the region of £25k to undertake maintenance to restore the AWP to safe use.

This report recommends that the Council funds the development of the AWP into a soccer centre, (without pavilion) at £600k. This will ensure that the centre is developed as quickly as possible and will not preclude adding a pavilion once a firm platform of success has been achieved.

This report recommends that Pulse Fitness is engaged to deliver the development as originally intended. Pulse have a secured design brief and obtained the necessary planning permissions. However, as the original model was based on Pulse funding their borrowing from contingent liability on the first part of any surplus, then sharing any profits beyond this with the Council to an agreed level – the basis of the future operating mechanism changes.

The aim of the Council is to provide a high-quality centre which adds to our income generating potential. This report recommends that a suitable profit sharing scheme, based on a Operation and Management Licence be agreed with Pulse: that articulates that they will run the Centre for a given period and that incentivises their share according to success.

(i) Legal Implications

The Leisure agreement is outside the scope of the application of EU procurement legislation.

(ii) Risk Assessment

Loss of income and future revenue if the development does not go ahead. The current pitch is at the end of its useful life.

(iii) Financial Implications

The approximate cost of the proposal is £600k.

(iv) Health and Safety Implications

Not Applicable.

(v) Key Priorities or Corporate Aims

The development will support the Vision statement set out in the Community Plan: “In 2024, Barrow Borough will be a prosperous, pleasant, healthy and safe environment for our children and us, and its contributory aim – Improved health for people living in the area”. It will also support Economic Regeneration, and Expand facilities and activities for young people.

(v) Equality and Diversity

The development will be dealt with in a way that fully complies with relevant legislation in this area.

Background Papers

Correspondence held by the Assistant Director of Community Services.