

BOROUGH OF BARROW-IN-FURNESS

EXECUTIVE COMMITTEE

Meeting, Wednesday, 27th July, 2016
at 2.00 p.m. (Committee Room No. 4)

NOTE: Group Meetings at 1.15 p.m.

AGENDA

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. **Declarations of Interest**

To receive declarations by Members and/or co-optees of interests in respect of items on this Agenda.

Members are reminded that, in accordance with the revised Code of Conduct, they are required to declare any disclosable pecuniary interests or other registrable interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Members may however, also decide, in the interests of clarity and transparency, to declare at this point in the meeting, any such disclosable pecuniary interests which they have already declared in the Register, as well as any other registrable or other interests.

5. To confirm the Minutes of the meeting held on 29th June, 2016 (Pages 1-10).
6. Apologies for Absence/Attendance of Substitute Members.

FOR DECISION

- (R) 7. 2016-2020 Budget Strategy (Pages 11-20).
- (R) 8. Financial Outturn 2015-2016 (Pages 21-31).

- (D) 9. Barrow Island Landscaping Project – Tender Exercise (Pages 32-34).

PART TWO

- (R) 10. 2016-2020 Budget Strategy (Pages 35-37).

NOT FOR PUBLICATION BY VIRTUE OF PARAGRAPH 1 OF PART ONE OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND ACCESS TO INFORMATION (VARIATION) ORDER 2006

- (R) 11. Enforced Sale of 2 Abbotsfield Gardens, Barrow-in-Furness (Pages 38-41).

NOT FOR PUBLICATION BY VIRTUE OF PARAGRAPH 2 OF PART ONE OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND ACCESS TO INFORMATION (VARIATION) ORDER 2006

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

Membership of Committee
Councillors

Councillors Pidduck (Chairman)
Sweeney (Vice-Chairman)
Barlow
Biggins
Brook
Cassells
Hamilton
R. McClure
Maddox
Pemberton
Roberts
Williams

For queries regarding this agenda, please contact:

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Published: 19th July, 2016.

EXECUTIVE COMMITTEE

Meeting: Wednesday 29th June, 2016
at 2.00 p.m.

PRESENT:- Councillors Pidduck (Chairman), Sweeney (Vice-Chairman), Barlow, Biggins, Brook, Hamilton, R. McClure, Maddox, Pemberton, Roberts (Items 1 to 14 only), Wall and Williams.

Also Present:- Phil Huck (Executive Director), Sue Roberts (Director of Resources) and Jon Huck (Democratic Services Manager and Monitoring Officer).

18 – Minutes

The Minutes of the meeting held on 11th May, 2016 were agreed as a correct record.

19 – Housing Management Forum: Recommendations

The recommendations of the Housing Management Forum held on 9th June, 2016 were submitted for consideration.

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

RESOLVED:- (1) That the recommendations of the Housing Management Forum be agreed as follows:-

Appointment of Representatives to Working Groups etc.

That the Members for 2016/2017 be as follows:-

Tenant Scrutiny Working Party

Council Representatives (2:1) Councillors Barlow, Heath and McEwan.
Tenant Representatives – Mr A. McIntosh, Mrs P. Charnley and Ms L. Webb.

Tenants Complaints Panel

Council Representatives (1:0) Councillor Hamilton.
Tenant Representatives – Mr A. McIntosh and Mrs M. Anderson.

Change of Use: Grange and Cartmel Crescent Community Room and Guest Bedroom

1. To agree the traditional use of the guest bedroom be suspended until a decision is made on the future of the building;
2. To consider whether there were any local groups who may consider taking on the responsibility of managing the facility subject to the use being reflective of the area in which it is situated including a dialogue with local residents; and

3. To investigate the option and costs to convert the building into two separate units of living accommodation.

Housing Related Support: County Council Grant

1. To agree the actions of the Assistant Director – Housing in acceptance of this grant following discussion with the Chairman of the Housing Management Forum;
2. To agree the principle to deliver the support targeted at Domestic Violence through Women's Community Matters subject to satisfactory terms and making a figure of up to £11,648.00 available to deliver that aspect of the Grant; and
3. To agree the principles of using the Grant to increase the support available to residents in the Councils temporary accommodation and work with the Housing Options Team to assist potentially homeless residents avoid homelessness.

Housing Management Performance Report 2015/16

1. To note the information contained in the report and the appendix; and
2. To agree Actions 1-4 for 2016/17 as follows:-
 - Action 1: Continue to concentrate efforts in identifying and supporting vulnerable tenants through the transition to Universal Credit;
 - Action 2: Reduce risk to HRA income by continuing to improve rent collection;
 - Action 3: Bid in the new responsive repairs contract to improve the % of repairs completed first time and on time and improve the turnaround of voids; and
 - Action 4: Prepare for the replacement of the Housing Management system which will improve functionality, help officers work more effectively whilst mobile and enable a self-serve facility for those tenants wishing to access the service outside of normal office hours.

Void Property Investments: Cumbria Housing Partners Contractor Selection Procedure

To note the selection criteria adopted by Procure Plus (PP) and the subsequent appointment of AB Mitchell Development Ltd as the Council's preferred contractor to undertake void property improvements via the 2014 CHP Framework.

Management of Void Properties

1. To note the information provided in the report;

2. To note the action to be taken to ensure the HRA was balanced at year end; and
3. To note and agree the ongoing development of the Council's void management processes.

Request to Purchase ad-hoc Land Adjacent to 16 Duddon Drive

To decline the request to purchase Council owned land adjoining the property because the whole portion should not be sold due to the impact on the rear garden of 1 Severn Road and to sell half would have no benefit to the Housing Service and would alter the street scene.

STAR Survey Key Findings

To note the key findings of the STAR Survey and accept the formal report.

Adelphi Court

To agree the assignment from Croftlands Housing Trust to the Richmond Fellowship.

Retrospective Request for Vehicle Crossing

To agree to not take any action in this instance to reinstate a green verge outside a property.

Request for Adaptations to a Council Property

1. To agree the request for adaptations to be carried out at an approximate cost of £12,000; and
2. To request Officers review the Disabilities Facilities Grants policy regarding funding for adaptations.

Request for Adaptations to a Council Property

1. To agree the request for adaptations to be carried out with the cost expected to be in the region of £30,000 - £35,000; and
2. To request Officers review the Disabilities Facilities Grants policy regarding funding for adaptations.

Request for Adaptations to a Council Property

1. To agree the request for adaptations to be carried out with the cost expected to be in the region of £40,000; and

2. To request Officers review the Disabilities Facilities Grants policy regarding funding for adaptations; and
- (2) To agree to send a letter of thanks to the Housing Department on the good STAR Survey Key Findings report.

20 – Lease of 242/244 Dalton Road to The Well CIC

The Executive Director reminded the Committee that the Council had agreed to let 242/244 Dalton Road to community and third sector organisations at a peppercorn rent in December 2014.

The current leaseholder Inspire Furness CIC had indicated they wished to vacate the premises on 30th June, 2016 and were currently holding over on their lease. Inspire Furness had sub-let part of the property to Love Barrow Families who were the only current users of the building. The Well CIC had asked to take on the lease of the property when Inspire Furness CIC vacated.

The Well CIC assisted people – usually ex-offenders – with recovery from drug and alcohol addiction. The Council had agreed to act as Accountable Body for their successful Public Health England grant application for a 'hub' based in 1-5 Lawson Street and acquisition of residential accommodation for their clients. The Well operated their recovery programme from the premises occupied by CADAS, but that had been withdrawn as the building needed substantial refurbishment. The Well CIC, planned to operate their recovery services from 242/244 Dalton Road until their premises at 1-5 Lawson Street became available.

Love Barrow Families would continue to occupy 242/244 Dalton Road and have no objections to The Well taking over the lease.

RESOLVED:- To agree to lease 242/244 Dalton Road to The Well CIC for a two year period on the same terms as the current lease.

21 – Additional Meeting of Executive Committee

The Executive Director informed the Committee that approval of the Borough Local Plan Publication Document was delegated to this Committee and was approaching completion in accordance with the timescale members had agreed. The Plan was a lengthy document setting out development policies and land allocations for the Borough for a 15 year period.

In order to fully consider the document, it was appropriate to call an additional meeting of the Committee solely for that purpose. To maintain the timescale towards adoption that would be held in early August.

RESOLVED:- To agree an additional meeting of the Executive Committee be held at 2.00 p.m. on 3rd August, 2016 to consider the Borough Local Plan Publication Document.

REFERRED ITEMS

THE FOLLOWING MATTERS ARE REFERRED TO COUNCIL FOR DECISION

22 – Housing Management Forum: Recommendations

Consideration was given to the recommendations of the Housing Management Forum held on 9th June, 2016.

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

Policy and Procedures with Regard to Vehicle Crossings to Properties on Council Estates

RECOMMENDED:- To recommend the Council:-

1. To note the information contained in the report;
2. To confirm that in considering requests for crossing of land the Council's Policy was to "protect green space"; and
3. To agree the Procedure note attached as an appendix to the report on how this Policy should be implemented.

23 – Piel View House

The Executive Director reminded the Committee that Piel View House was a Council owned property located in Barrow Park. The property had been occupied by the Octopus Collective since May 2010.

The Octopus Collective was a sound art and new music organisation dedicated to developing and exporting new work and acting as an incubator for emerging artists.

The Octopus Collective had offered an ongoing programme of activities including performance, education and research projects, artistic commissions and the biennial Full of Noises Festival.

As a National Portfolio Organisation, the Arts Council England (Arts Council) had encouraged the Octopus Collective to access their small capital grants fund. The purpose of the fund was to make organisations more resilient by having the right buildings and equipment to deliver their work. As a result of funding the organisations would become more sustainable and innovative, including increasing their environmental performance and reducing their carbon emissions.

The Octopus Collective had approached the Council to support their bid to develop Piel View House. In order to submit a bid a feasibility study had to be completed for the building that would be based on the needs and requirements of the Octopus Collective but within any constraints placed upon it by the Council.

The cost of the feasibility study was around £15k. The Arts Council small capital grants range from £100k to £500k. It was proposed that the Council agreed a two year rent free period to allow the Octopus Collective to be able to immediately fund the building's feasibility study in time to submit into the bidding round (September 2016). The rent foregone would be £12k – a contribution to the feasibility study of Piel View House and potential access to capital improvements of a Council property.

The Council would retain ownership of Piel View House and a long term lease to the Octopus Collective would need to be agreed, should the Arts Council funding be offered.

As the landlord of the property, the Council would need to review and agree any structural proposals for Piel View House. The Octopus Collective would be required to share the feasibility study and Arts Council bid with the Council for agreement. The Council would not expect the property to be altered in such a way that prevents future letting, should the need arise.

As the regulatory authority, the Council would require the Octopus Collective to submit to any planning, building control or other applications necessary. The decision to agree a rent free period did not prejudice any regulatory decision process that was required.

The one-off rent foregone would be funded from reserves. It was proposed that the consideration of rent free periods, rent deferrals and rent reductions be delegated to the Executive Director where there was a social or economic benefit to the Borough in doing so. Any one-off financial impact would be agreed with the Director of Resources and funded from reserves and reported back to the Committee at the first available meeting.

RECOMMENDED:-

1. To agree a two year rent free period for the Octopus Collective in Piel View House to allow a feasibility study to be undertaken for developing the building in order to submit an Arts Council England small capital grant application; and

To recommend the Council:-

2. To delegate the consideration and approval of rent free periods, rent deferrals and rent reductions to the Executive Director, where there was a social or economic benefit to the Borough in doing so.

24 – Internal Audit

The Director of Resources informed the Committee that under the provisions of the Local Government Act 1972 and subsequent legislation, the Section 151 Officer (Director of Resources) had been charged with ensuring that the Council had an effective Internal Audit service and an effective system of internal control.

The Council's Internal Audit service was contracted out to a private company until 31st March, 2017.

The Council contracted 530 days of audit and had a recurring variation to add days for testing the DWP Housing Benefit subsidy claim; the testing could take longer where additional samples were required. In previous years other specific additional work had also been requested and additional days purchased by the Section 151 Officer.

For 2015-2016, the cost of the service was £221k and 695 days were required, 530 plan days and 165 days testing the Benefit claim.

The 2016-2017 budget was £194k; 530 plan days and 86 days testing the Benefit claim (616 days in total).

As the requirement for more audit days continued and given the opportunity to review the contracted provision, rather than go back to the market immediately, she had reviewed the service delivery arrangements and she was able to provide a low risk proposal to Members.

The Committee considered the service delivery considerations which had included: Service efficiency; Reduced cost; Fit with the organisation; and Control of service delivery.

The requirement was for 3.5 full time equivalents, so these posts may be part time or job share when filled.

The current contractor would be offered TUPE and if that was not accepted, the posts would be recruited.

The benefits to the proposal were the guaranteed reduction in cost, permanent jobs created and the increase in service potential. The savings were tangible and within the Council's control to realise.

The options of going out to the market or sharing the service had been considered against the proposal and do not provide the same level or certainty of saving and would not provide any additional service potential.

RECOMMENDED:- To recommend the Council:-

1. To agree to insource the Internal Audit Service;
2. To approve the creation of the following 3.5 full time equivalent permanent posts on the establishment of the Council and delegate their final full time equivalence to the Director of Resources, following TUPE negotiations, if necessary:
 - Head of Internal Audit PO15
 - Principal Auditor PO9
 - Senior Auditor PO3

- Audit Assistant Scale 4/6

3. To approve a £5K professional fees budget for IT audit work.

25 – Minimum Revenue Provision Profile

The Committee considered a detailed report from the Director of Resources regarding Minimum Revenue Provision Profile. The report outlined work undertaken to review and amend the current profile for reducing the Council's underlying need to borrow (Capital Financing Requirement) through the annual Minimum Revenue Provision charge to revenue (MRP) in respect of capital expenditure incurred prior to 1st April, 2008 which had been funded from borrowing. That had identified short to medium term revenue benefits and sought approval.

RECOMMENDED:- To recommend the Council:-

1. To approve the re-profiling of the Council's MRP charge for reducing the underlying need to borrow for capital expenditure incurred prior to 1st April 2008; and
2. To amend the Council's MRP Policy Statement for 2016-2017 and future financial years to be:

“The MRP charge in relation to capital expenditure incurred prior to 1st April 2008 where the expenditure was funded by either supported or unsupported borrowing will be 1/50th of the balance remaining at 31st March 2016.”

26 – Flexi Time and Time Off in Lieu Policy/Overtime Payments and Time Off in Lieu for Senior Officers

The Director of Resources reminded the Committee that the Council's Flexi Time policy had been reviewed with the main change proposed allowing employees to carry over up to 16 hours credit balance at the end of an accounting period (currently eight hours) and able to take up to two days flexi leave in each accounting period (currently one day). That would enable employees to work more flexibly but managers still have discretion under the policy to limit its use.

The process for accruing lieu time, for officers working or training outside normal office hours, had been clarified and added to the Flexi Time policy. That should ensure consistency across departments. A copy of the revised policy was considered by the Committee.

Under the Council's current policy on Overtime for Senior Officers, officers were unable to claim overtime payments for the first three hours worked in excess of their standard week, and could only claim a maximum of 15 hours overtime per week. That policy had been revised to reflect that time off in lieu be treated in the same manner. A copy of the revised policy was also considered by the Committee.

The updated policies would be provided to the union for comment.

RECOMMENDED:- To recommend the Council to agree the amended policies.

27 – Licensing Regulatory Committee – Unmet Demand Survey. Hackney Carriage Vehicle Licences – Quantity Control Policy

The Executive Director reported that it had been brought to his attention that a spelling mistake had been made during the typing of Minute Nos. 101 of the Executive Committee (20th January, 2016) and 88.3 of Council (22nd March, 2016). Clarification was required as the Minutes should read Quantity Control Policy rather than Quality Control Policy.

RECOMMENDED:- To recommend the Council:-

That Minute No. 101 (2015/16) of the Executive Committee and Minute No. 88.3 (2015/16) of Council should read:

- (i) To accept the conclusion of the report, that there was no significant unmet demand; and
- (ii) To approve a Quantity Control Policy that imposed a maximum limit of 120 Hackney Carriage Vehicle Licences.

28 – Housing Service: Additional Support for Housing Maintenance Team

The Executive Director informed the Committee that the Council had previously agreed the appointment of a Building Surveyor to assist the Housing Maintenance Team. In practice the Building Surveyor had been retained to assist in the delivery of the Housing Maintenance Team's planned investments and, secondly, to assist in the management of void properties and inspections of Council property prior to orders being issued for repairs.

It had been envisaged that the appointment would be short term but practice suggested there was need for his continued retention for the remainder of the financial year.

The Housing Service had experienced an increasing amount of work to void properties, and, in addition, it had been identified the need for further on-site inspection of properties. It was also envisaged that although it was longer than expected, it would be short term and it was inappropriate to look to appoint an officer on a longer-term basis.

It was envisaged that he would work hours to reflect the work load on a week-by-week basis but would not exceed 21 hours in any one week.

At the time it was envisaged the additional support required would not become a permanent requirement and could therefore be dealt with by the appointment of a suitable building surveying company to provide the additional capacity.

The surveyor concerned had knowledge and familiarity with the Cumbria Housing Partners e-procurement systems and had been engaged on a competitive hourly rate.

RECOMMENDED:- To recommend the Council:-

1. To agree the continued retention of an existing building surveyor in the Housing Maintenance Team for a further period of up to 12 months; and
2. To agree the classification of the appointment as an 'exception' under Item 16 of the Council's Standing Orders.

29 – Housing Related Report: County Council Grant

The Executive Director informed the Committee that the purpose of the report was to seek agreement for the creation of a new post in the Homelessness Advice Team. The opportunity to strengthen the service had become possible following an offer of grant from the County Council to provide housing related support for four generic units of accommodation and two for domestic violence. The use of the grant funding had been considered by the Housing Management Forum (HMF) on 9th June, 2016.

Following the recent award of new contracts the County Council had approached the Council to provide additional short term housing-related support. A report had been considered by the HMF on making best use of the new funding.

By the creation of a new post with the title Temporary Accommodation Officer it would strengthen the support provided to residents in the Council's temporary accommodation.

On the assumption that the Committee agreed the recommendations of the HMF on 9th June, 2016; the report sought agreement for the creation of the new post.

The post would focus on the management of temporary accommodation and support for the residents. At present the ability to regularly visit such properties and provide support was limited by the capacity of the team and conflicting priorities.

The funding available would provide for the appointment of an officer for 30 hours per week for 12 months, but hopefully the funding would continue longer.

RECOMMENDED:- To recommend the Council:-

1. To agree the creation of a new post titled 'Temporary Accommodation Officer'; and
2. To agree the Post would be on Scale 4 and be for a period of twelve months with possible extension should grant funding continue to be provided.

The meeting closed at 2.45 p.m.

HOUSING MANAGEMENT FORUM

Meeting: Thursday 9th June, 2016
at 2.00 p.m.

PRESENT:- Councillors Hamilton (Chairman), Barlow, Brook, Blezard, Heath, McEwan and Thurlow.

Tenant Representatives:- Ms A. Anderson, Mr A. McIntosh, Mrs T. Metcalfe and Mrs K. Warne.

Officers Present:- Colin Garnett (Assistant Director – Housing) and Sharron Rushton (Democratic Services Officer).

38 – 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 Paragraphs 2 and (Minute Nos. 52, 53, 54) of Part One of Schedule 12A of the said Act.

39 – Minutes

The Minutes of the meeting held on 14th January, 2016 were taken as read and confirmed.

40 – Apologies for Absence/Changes in Membership

Apologies for absence were received from Councillor Cassidy and Tenant Representative, Lisa Webb.

Councillor Brook had replaced Councillor Cassidy and Theresa Metcalfe had replaced Lisa Webb for this meeting only.

41 – Appointment of Representatives to Working Groups etc.

The Executive Director reported that at the Annual Council meeting on 10th May, 2016 the allocation of seats in respect of Forums, Panels, Working Groups etc. were agreed.

The Housing Management Forum were requested to nominate Members and Tenant Representatives to the Tenant Scrutiny Working Party and the Tenants Complaints Panel for 2016/2017.

The Member representatives by proportionality indicated in the report and three Tenant representatives were required for the Tenant Scrutiny Working Party and one

Member representative by proportionality indicated in the report and two Tenant representatives were required for the Tenants Complaints Panel.

RECOMMENDED:- That the Memberships for 2016/17 be agreed as follows:-

Tenant Scrutiny Working Party

Council Representatives (2:1) Councillors Barlow, Heath and McEwan.
Tenant Representatives – Mr A. McIntosh, Mrs P. Charnley and Ms L. Webb.

Tenants Complaints Panel

Council Representatives (1:0) Councillor Hamilton.
Tenant Representatives – Mrs M. Anderson and Alan McIntosh.

42 – Change of Use: Grange and Cartmel Crescent Community Room and Guest Bedroom

The Assistant Director - Housing requested Members considered the future use of the Grange and Cartmel Community Room and “Guest Bedroom”. They were both situated in a two-storey building, in the middle of Grange and Cartmel Crescent.

This provision stemmed back to when the flats in the area were classed as “sheltered accommodation” for older people and had a resident warden, part of whose duties was to manage the communal room and guest bedroom. It was now many years since the Council moved away from employing resident wardens.

Since then, and particularly over 15 years or so, the Community Centre and guest bedroom had been “managed” by the Residents Association, with the Chair taking the lead role.

This included receiving requests for use of the guest bedroom, keeping a diary and ensuring the facility was fit for use on a day-to-day basis. The same arrangement extended to the community room.

Unfortunately the lead tenant representative from the area was now unable to continue the role she had carried out over many years. It would appear her standing down also meant the last remaining regular weekly event had also stopped. The arrangements for the guest bedroom had also come to an end.

The Centre had become the “preferred” meeting place for many forums and meetings that were tenant orientated over the years. Members agreed the arrangements that operated had been excellent and suggested the Council should write and thank the Association, and in particular the lead individual for all her work over the years.

In view of the current position with the facility it was suggested consideration be given to its future use. In seeking a solution it should be for the building as a whole and should be sympathetic to the adjoining properties.

Suggested future options included:-

1. Leave it as it is? Wait until new Tenant Representatives volunteer to take over the running of the centre.
2. Consider developing the property for residential use?
3. Consider alternative Users
4. Providing direct management by the Housing service?

The longstanding management arrangements for the Centre appeared to have come to a natural end and such was appropriate for the Council to consider its future use.

RECOMMENDED:-

1. To agree the traditional use of the guest bedroom be suspended until a decision was made on the future of the building;
2. To agree to consider whether there were any local groups who may consider taking on the responsibility of managing the facility subject to the use being reflective of the area in which it was situated including a dialogue with local residents; and
3. To agree to investigate the option and costs to convert the building into two separate units of living accommodation.

43 – Housing Related Support: County Council Grant

The Assistant Director - Housing submitted a report informing Members that following changes to the Supporting People arrangements, the County had offered the Borough Council the opportunity of funding to assist in the provision of Housing related support.

The Borough had a duty to provide a Homeless Service and the Council had a dedicated team who carried out this task. Whilst the principal objective of the team was focused on "prevention" work the Council were required to provide temporary or interim accommodation in some situations.

The Council already had arrangements in place to deliver the type of work to which the Grant applied and so following discussion with the Chair of the Housing Management Forum the Assistant Director – Housing had accepted the offer of Grant. However, it also provided the opportunity to re-consider the way in which such services were delivered.

The purpose of the grant was to assist the Borough provide housing related support linked to temporary accommodation.

In particular the objectives and the outcomes on what the Council had to report were:

- 1) Support those who were homeless or at serious risk of homelessness to have access to appropriate housing related support, to improve independence, personal resilience, health and well being and prevent representation;
- 2) Deliver the housing support linked to temporary accommodation service within the Borough; and
- 3) Provide support to people linked to the following number of units of temporary accommodation at any given time; Generic four units, Domestic Violence two Units.

Other key details attached to the grant were as follows:

- The grant was £34,944 but may vary in following years.
- The period of the arrangement would be four years with options available for either party to terminate giving one month's notice that would then end the arrangement on the following anniversary.
- The Council would be required to report every six months on outcomes.
- There were a number of other requirements such as providing the Councils policies on Equality and Diversity for example which would be matters of routine.

In considering the use of the Grant the Assistant Director - Housing made the following comments:

- Additional support was often essential to enable a person to avoid becoming homeless through to assisting them to look for their own solutions or providing the guidance for managing their home.
- Whilst this funding would be new monies, the Council already delivered to some degree the services to which it referred. One option would therefore be to accept the grant and use it to fund the Councils existing arrangements. However, operational experience indicated demand for such services would increase. The Assistant Director - Housing suggested this additional funding provided an opportunity to increase the Councils ability in terms of preventative work and support to people in temporary housing.
- In considering the matter attention was drawn to the fact that the level of funding was not "guaranteed" for four years. However, by the nature of the services in question, short term funding was often a feature of such grants or it maybe the County Council do not want to commit for longer in the current financial climate.
- With regards funding for Domestic Violence, Members were aware the Council working in collaboration with the Women's Community Matters had recently been successful in obtaining £48k of funding to assist Women's Community Matters to develop the services available for residents of the Borough. The Council had also recently agreed to identify two properties for providing temporary accommodation for victims of Domestic Violence, the residents of which would receive support

from Women's Community Matters. It was suggested that whilst the Borough Council would be the recipient of the Grant, the Council would deliver this element of the Grant in the same way.

- The Council maintained a number of properties, currently 10, for the purpose of providing temporary accommodation. The management of these properties, whilst only a small number, was challenging and time consuming. The Council also placed individuals in bed and breakfast. Arrangements for managing temporary accommodation was the responsibility of the Homeless Team but realistically there was always a challenge between giving time to managing temporary accommodation and dealing with the demand from new cases.

It was suggested that the Grant would provide the opportunity to strengthen the management of temporary accommodation and support afforded to residents in the accommodation.

The Housing Forum does not have involvement in staffing matters but should Members agree the principle of developing the service in the way described then the matter would be progressed through the appropriate channels.

Should the Council agree the acceptance of this grant the Assistant Director - Housing proposed the monies be divided pro rata to the number of units to be supported.

RECOMMENDED:-

1. To agree the actions of the Assistant Director - Housing in acceptance of this grant following discussion with the Chairman of the Housing Management Forum;
2. To agree the principle to deliver the support targeted at Domestic Violence through Women's Community Matters subject to satisfactory terms and making a figure of up to £11,648.00 available to deliver that aspect of the Grant; and
3. To agree the principles of using the Grant to increase the support available to residents in the Councils temporary accommodation and work with the Housing Options Team to assist potentially homeless residents avoid homelessness.

44 – Housing Management Performance Report 2015/16

The Assistant Director - Housing reported on the end of year performance information as shown at **Appendix A** to these Minutes.

The performance indicator report showed Housing Management's overall level of achievement against a set of benchmark targets. The benchmark was the Housemark 'median' cross sector performance scores from 2015/16.

The purpose of the report was to demonstrate the progress against the actions which had been undertaken last year and to refresh the background context which had

impacted upon the results for 2015/16. The report also outlined the Actions for the forthcoming year.

Actions for 2016/17

Action 1:	Continue to concentrate efforts in identifying and supporting vulnerable tenants through the transition to Universal Credit
Action 2:	Reduce risk to HRA income by continuing to improve rent collection
Action 3:	Bed in the new responsive repairs contract to improve the % of repairs completed first time and on time and improve the turnaround of voids
Action 4:	Prepare for the replacement of the Housing Management system which would improve functionality, help officers work more effectively whilst mobile and enable a self-serve facility for those tenants wishing to access the service outside of normal office hours

Influences for 2016/17

Rent Collection

With a loss of 1% to rent income and more movement from HB to Universal Credit the Council would look at better ways of working and preparing CX to help support changes.

CX would also enable easier and better long term asset management planning.

Voids and Empty Properties

For the period 1st April, 2015 – 31st March, 2016 rent loss for void properties was almost £150k.

- Two bedroom upper floor flats and certain areas continued to have the highest turnover and were harder to let.

The number of properties which were accepted on first offer had dropped by 10% since last year.

- Deceased and moves to the private sector continued to be the largest % of all tenancy ends -32%
- 82 voids were on Ormsgill
- 138 were 1 bed flats
- The shortest tenancies were in Abbotsmead and Lower Hindpool flats
- 1 bed flats in Newbarns North took the longest on average to let

Action 1: Reduce risk to HRA income by continuing to improve rent collection taking account of the 1% reduction in rent income and the uncertainty around the sale of high value properties and the impact that might have on revenue

Action 2: Reduce Void, Repair and Planned Maintenance expenditure whilst maintaining Decent Home standards to within revenue

Action 3: Recognise and make the most of the opportunity to improve the way the Council work through the deployment of new CX software. Develop new processes and working practices which would help the Council work more effectively and at a lower cost.

RECOMMENDED:-

1. To note the information contained in the report and at **Appendix A** to these Minutes; and
2. To agree Actions 1-4 for 2016/17 as follows:-

Action 1: Continue to concentrate efforts in identifying and supporting vulnerable tenants through the transition to Universal Credit;

Action 2: Reduce risk to HRA income by continuing to improve rent collection;

Action 3: Bed in the new responsive repairs contract to improve the % of repairs completed first time and on time and improve the turnaround of voids; and

Action 4: Prepare for the replacement of the Housing Management system which will improve functionality, help officers work more effectively whilst mobile and enable a self-serve facility for those tenants wishing to access the service outside of normal office hours.

45 – Void Property Investments: Cumbria Housing Partners Contractor Selection Procedure

The Assistant Director - Housing updated Members regarding the continued utilisation of the CHP framework as the Councils preferred investment delivery model and to note the evaluation of contractors listed for void improvements on the new 2014 CHP framework.

At the meeting held on 28th August, 2014 Members agreed to the Council's membership of CHP and its commitment to deliver investment in line with other member organisations.

Officers could advise Members that in accordance with the Council's Contract Standing orders, the use of the CHP framework and contract award fell within Officer delegation.

Members were advised that the previous arrangements for void property improvements had been issued to AB Mitchell Developments Ltd (CHP contractor) and Vinci (now Hughes Brothers) on the basis that major void improvements were generally allocated to the CHP contractor to ensure value for money was maximised.

Officers advised that the existing CHP framework recently expired and had been replaced with a new CHP framework that would run until 2018. As part of the Council's membership of CHP the Council was required to re-evaluate and re-appoint suitably qualified and experienced contractors capable of delivering void investments from 1st April, 2016.

The new OJEU compliant framework was prepared on behalf of CHP by Procure Plus and a partner company called "Realize". The new framework identified a range of key work streams that were broken down between internal and external housing components and included repairs/improvements to void properties. It also separated out the various services provided by contractors and suppliers.

Officers could advise Members that there were several locally based contractors on the new CHP framework and were, along with other contractors, eligible for selection to undertake void property improvements using one of the following methods;

- a. Direct call off
- b. Mini competition

Direct call off procedure

This procedure allowed landlords to directly select a contractor within a particular work stream based on the original OJEU evaluation procedure that took account of the contractor's cost and quality submissions.

Mini competition

This procedure allowed landlords to evaluate contractors using a range of pre determined assessment criterion that may vary from landlord to landlord.

Officers could advise Members that a mini competition was completed in February 2016 using the following assessment criteria:

1. Written submission

Contractors were required to answer questions covering the following areas:

Evaluation Criteria	Weighting
Resident Care	30%
Vulnerable Residents	5%
Delivery	25%
Health and Safety	5%
Social Value	10%

This section of the assessment contributed **75%** to the total mark.

2. Pricing document

Contractors were required to submit rates to carry out the works. It was noted that these rates would be fixed for this particular scheme and would be open for acceptance for 48 months.

This section of the assessment contributed **25%** to the total mark.

3. Preferred contractor(s) status pricing document

Fifteen contractors from the CHP framework were invited to participate in the mini competition for the void property repairs in Barrow.

The results of the void property mini competition were summarised in a report from Procure Plus which confirmed the appointment of local contractor AB Mitchell Developments Limited who was the only contractor to return the tender documentation.

RECOMMENDED:- To note the selection criteria adopted by Procure Plus (PP) and the subsequent appointment of AB Mitchell Development Ltd as the Council's preferred contractor to undertake void property improvements via the 2014 CHP Framework.

46 – Management of Void Properties 2016/17

The Assistant Director - Housing's report informed the Forum on the costs incurred to bring void properties up to standard before re-letting during 2015/16. Final accounts were to be completed but it was clear the costs for voids exceeded the budget identified for the purpose and the report sought to provide an explanation for the level of spending that was incurred and the Council's ongoing approach to balancing expenditure whilst delivering an appropriate level of service.

During 2015/16 the number of properties becoming vacant was 267. This level of vacant properties was not exceptional and was less than previous years.

However, the cost of repairs required to bring them up to a "standard" for re-letting had resulted in an overspend on the budget identified for void maintenance.

In proposing an annual HRA budget, a number of considerations were made to suggest a budget figure required, previous spend being one of those considerations. In the case of the void budget the monies identified were insufficient to deal with the level of the repairs required.

The Assistant Director - Housing had looked at the factors which may have led to this level of spend and discussed it with Officers involved in the void process.

In summary the Assistant Director - Housing suggested a number of reasons that had led to the position at the end of year:

1. Officers and this Forum had recognised the "void standard" to which the Council operated needed consideration and the Assistant Director - Housing suggested the Council under-estimated the amount of additional expenditure that maybe required.
2. Whilst the number of voids was not excessive, the number of properties becoming void that were exceptionally poor and required major works was higher than would normally be the case.

As an example of costs incurred against individual properties, there were houses that required in the region of c.£15K per property and many in the c.£5K to £10K range.

In considering what action should be taken to control maintenance costs, the Assistant Director - Housing suggested having regard to the following.

The Council monitored the reason for voids arising which ranged from tenants leaving to go to the private sector, the tenant was deceased or the property was abandoned. In short for many of the reasons the Council's opportunity to control turnover was limited, with others the Council may have some control.

For instance some voids arose following the transfer of a tenant to an alternative address. In theory when transferring a tenant should leave their existing property in an appropriate standard. However, in practice, a pragmatic approach had to be taken to look at the well being of the tenant. For instance even if a property required work, the Council looked at the tenant's circumstances and would not for instance stop a transfer, if they were moving because the property was not suitable, because of medical circumstances or to improve their financial position.

The Council do seek to recover the cost of any damage or DIY work when a tenant leaves as a "rechargeable repair". Whilst the Council do this as a matter of course the recovery of money from a tenant when they had left was difficult.

It was also the case that the housing stock was ageing. Despite the Council's cyclical maintenance and investment plans, when voids arise it would appear work such as re-plastering was becoming a more common feature. Such work generally only became apparent when a void arose.

A new void standard had now been implemented. The new standard had been welcomed by colleagues involved in the void process. It was apparent at the start of the Scrutiny Process the Council's previous void standard was a minimal standard and needed to be improved.

Whilst the new standard had increased the costs of preparing a void property for letting, the Assistant Director - Housing suggested the new standard was appropriate and should not be changed to control future expenditure.

Moving forward Officers would be looking to refine how costs were generally accounted for within the Maintenance Budget. At present the Council do charge

works completed such as upgrading a heating system, replacing a bathroom or kitchen, to the appropriate cyclical maintenance budget - not as a void cost.

The Council would be giving further consideration to the appropriateness to charge other costs currently accounted in the void budget to a cyclical maintenance budget, such as when large areas of plastering or redecoration was required.

The Council delivered void maintenance via two contractors: Hughes Bros and AB Mitchell. The Council would be discussing the process of controlling costs with the contractors and Procure Plus to ensure the contract arrangements were managed appropriately to achieve cost efficiencies.

Taking into consideration the ending of contractual arrangements with Vinci and out turns from other planned maintenance work, it would not be possible to cover the overspend from the annual HRA maintenance budget. HRA Reserves would be required to ensure the costs incurred in the Maintenance budget were met within the year.

Once the year end accounts were completed, therefore, the Director of Resources would present the accounts through the Executive Committee and recommend use of the required HRA Reserves.

In summing up, the Assistant Director - Housing suggested having regard to the age of the stock and experience during the last financial year, whilst the number of voids may be broadly similar void costs would be monitored and further consideration would be given to how costs were controlled and accounted for.

RECOMMENDED:-

1. To note the information provided in the report;
2. To note the action to be taken to ensure the HRA was balanced at year end; and
3. To note and agree the ongoing development of the Council's void management processes.

47 – Request to Purchase Ad-hoc Land Adjacent to 16 Duddon Drive

The Assistant Director - Housing's report asked Members to consider a request to purchase Council-owned land adjoining the property owned by the applicants.

Appendix C attached to the report provided images of the land in question.

The Assistant Director - Housing had delegated authority by virtue of Executive Committee 1st October, 2003 to consider and agree where appropriate sales of ad-hoc land adjoining gardens of owner-occupiers living on Council estates. Should the potential purchaser wish to appeal the Assistant Director - Housing's decision, they have the right to do so through this Forum.

It was the Council's practice in the first instance to indicate to any potential purchaser whether the Assistant Director - Housing thought it was appropriate to sell the land, prior to going through the full sale process which included arranging a valuation and the applicant seeking planning permission.

In the case of this application, the Assistant Director - Housing suggested to Members it was inappropriate to sell the land. The land in question was a portion of amenity green land that ran adjacent with the rear garden of 16 Duddon Drive (prospective purchaser) and 1 Severn Road (council owned property).

The Assistant Director - Housing commented specifically regarding two factors considered with this application:

1. It would be detrimental to sell the whole portion to the applicant because half the land was adjacent to the rear garden of the neighbouring property.
2. To sell the section adjoining the applicant's property would leave Barrow Borough Council with the responsibility and maintenance costs for the remaining portion of land. The Assistant Director - Housing had also considered the street scene once a boundary was installed to separate the land. In the future, should both properties approach the Council with a view to purchasing the respective half adjacent to each property this would be an appropriate opportunity to sell the whole portion.

RECOMMENDED:- To decline the request to purchase Council owned land adjoining the property because the whole portion should not be sold due to the impact on the rear garden of 1 Severn Road and to sell half would have no benefit to the Housing Service and would alter the street scene.

48 – STAR Survey Key Findings

The Assistant Director - Housing's report informed the Forum of the key findings following a recent tenant satisfaction survey.

In early 2011, the Department for Communities and Local Government (DCLG) signalled the end of the regulatory requirement to carry out the STATUS satisfaction survey on a prescribed basis. Under STATUS, housing providers were required to compulsory survey their tenants 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.

A new survey called STAR (Survey of Tenants and Residents) was developed. Despite it no longer being compulsory to survey tenants, the Council could see it as good practice to do so and had chosen to adopt the STAR Survey as the Council's main satisfaction survey.

The Council commissioned BMG to carry out our first STAR Survey in 2012 and the results were positive.

Action Taken

As three years had passed since the Council's first STAR Survey, they took the decision to commission a further survey to obtain a more up to date view of tenant satisfaction with the Council's services.

Following a tender process, BMG Research were selected to undertake the Council's 2015 survey. The Council opted for a sample postal survey which took place between August and November 2015.

An initial mailing of 1,500 questionnaires and letters were mailed out to tenants across all Council housing estates with two full reminder mailings going out to those customers who did not or could not respond to the initial mailing. Unfortunately the response rate was lower than expected and in order to ensure accuracy with the results, the Council decided to carry out a further mailing to 700 additional tenants. The survey closed in November. In total 483 surveys were completed from the two sets of sample, whether by post or online, representing a response rate of 22%.

In February 2016, BMG Research gave a presentation of their findings to Housing Service staff, Councillors and tenant representatives.

The full report had now been uploaded onto the Barrow Borough Council website and the key findings were featured in the tenants' Spring 2016 edition of the Housing Matters newsletter.

Key Findings

Below were some of the key findings obtained through the survey which had been compared to findings recorded in 2012.

- 90% of tenants were satisfied with the overall services provided. Satisfaction had increased by 3%;
- 91% of tenants were satisfied with the repairs and maintenance service. Satisfaction had increased by 3%;
- 91% of tenants were satisfied with the quality of their home. Satisfaction had increased by 1%;
- 86% of tenants found staff helpful. Satisfaction had increased by 1%;
- 89% of tenants were satisfied with the general condition of their homes. Satisfaction had remained the same.
- 88% of tenants felt they obtained good value for money from their rent. Satisfaction had reduced by 1%;
- 86% of tenants were satisfied with the neighbourhood as a place to live. Satisfaction had increased by 2%;
- 83% of tenants felt that Barrow Borough Council Housing Service kept them informed. Satisfaction had increased by 3%; and
- 80% of tenants thought that their landlord took account of their views. Satisfaction had increased by 1%.

Since the Council's last survey in 2012, the Council had increased satisfaction with many of its services but had also recognised that there were areas where they needed to improve.

- For example, the Council had quite high dissatisfaction levels with the complaints service. Approximately, 15% of tenants made a complaint last year and of those, 39% of tenants were dissatisfied with how their complaint was handled and 40% were dissatisfied with the final outcome of the complaint. Although there had been some improvement in satisfaction in this area, dissatisfaction levels were higher than the Council would like.
- In addition to this, the Council had some higher than expected dissatisfaction scores on local services with 16% being dissatisfied with the appearance of the neighbourhood; 17% dissatisfied with grounds maintenance; 11% dissatisfied with internal cleaning and 17% dissatisfied with external cleaning. Results had improved slightly since 2012 but were still higher than the Council would like.
- Satisfaction with the final outcome of an anti-social behaviour complaint had reduced to 34%, down 18% since 2012.

The Council would therefore be working with tenant representatives and councillors to develop a plan of action, targeted at service improvement areas which had been identified through the STAR survey. This would be reported to Housing Management Forum in due course.

RECOMMENDED:- To note the key findings of the STAR Survey and accept the formal report.

49 – Adelphi Court

The purpose of the Assistant Director - Housing's report was for Members to agree the assignment of a lease for Adelphi Court from Croftlands Housing Trust to the Richmond Fellowship.

The Borough Council agreed a lease with Croftlands Housing Trust to take over the management of Adelphi Court with the prime purpose of providing supported housing for people with mental health problems.

The lease was granted on 4th March, 2015 for a period of five years ending 3rd March, 2020.

One of the conditions of the lease was that Croftlands Housing Trust were not to assign the lease to a third party.

For Members who had been involved, they would be aware that Croftlands Housing Trust had been working alongside Richmond Fellowship for part of the time that negotiations of the lease were taking place. In order to strengthen the work of Croftlands Housing Trust it had now merged with Richmond Fellowship.

For all intents and purposes, the arrangements in place for the management and provision of accommodation at Adelphi Court would continue.

As pointed out, the original lease did not allow for assignment, but the Assistant Director – Housing requested Members to agree on this occasion that the assignment from Croftlands Housing Trust to Richmond Fellowship be agreed to ensure the continuation of this facility for the remainder of the lease period.

RECOMMENDED:- To agree the assignment from Croftlands Housing Trust to the Richmond Fellowship.

50 – Planned Investment and Planned Maintenance 2015/16 Year End Expenditure

The Assistant Director - Housing reported information relating to the Planned Investment and Planned Maintenance Programme for 2015/16. The information is attached at **Appendix B** to these Minutes.

RESOLVED:- To note the information.

51 – Retrospective Request for Vehicle Crossing

The purpose of the Assistant Director - Housing's report was to request whether the Forum considered whether action should be taken to re-instate a green verge outside a property.

RECOMMENDED:- To agree to not to take any action in this instance to reinstate a green verge outside a property.

52 – Request for Adaptations to a Council Property

The purpose of the Assistant Director - Housing's report was to consider a request for adaptations to be carried out to a Council property at an approximate cost of £12,000.

RECOMMENDED:-

1. To agree the request for adaptations to be carried out at an approximate cost of £12,000; and
2. To request Officers review the Disabilities Facilities Grants policy regarding funding for adaptations.

53 – Request for Adaptations to a Council Property

The purpose of the Assistant Director - Housing's report was to consider a request for adaptations to be carried out to a Council property with the costs expected to be in the region of £30,000 - £35,000.

RECOMMENDED:-

1. To agree the request for adaptations to be carried out with the cost expected to be in the region of £30,000 - £35,000; and
2. To request Officers review the Disabilities Facilities Grants policy regarding funding for adaptations.

54 – Request for Adaptations to a Council Property

The purpose of the Assistant Director - Housing's report was to consider a request for a single storey extension to be carried to a Council property with a cost expected to be in the region of £40,000.

RECOMMENDED:-

1. To agree the request for adaptations to be carried out with the cost expected to be in the region of £40,000; and
2. To request Officers review the Disabilities Facilities Grants policy regarding funding for adaptations.

REFERRED ITEMS

THE FOLLOWING MATTERS ARE REFERRED TO COUNCIL FOR DECISION

55 – Policy and Procedures with regard to Vehicle Crossings to Properties on Council Estates

The purpose of the Assistant Director – Housing's report was to direct the Housing Service on how it should respond when it received requests from residents to create off street parking.

The report clarified the position regarding properties that had been sold through the Right to Buy and which had restrictive covenants regarding in curtilage parking.

The report sought to confirm Council's previous approach to "protect green space" and the procedure to be adopted by Officers to deliver this Policy.

Background

When many Council estates were constructed limited provision was made for off street parking, or "in curtilage" parking.

Later estates, which included houses and flats did sometimes have parking provision as a feature of the estate design, but such facilities were normally shared parking areas in close proximity of the property.

Members would be aware a feature of many estates also included narrow estate roads and as the number of vehicles on Council estates had increased it had led to

an increase in congestion and the matter was raised as an issue with Housing Officers from time to time.

The Council in recognising the problem some years ago instigated a number of schemes, most notably on parts of North Walney, Vulcan and Roosegate which incorporated the construction of in curtilage parking in the late 1980s early 1990s. These schemes were funded by specific grants being made available by Central Government at the time.

Since then the Housing Service had only completed small scale parking improvements on a one off basis, such as extending existing parking spaces or creating new parking bays. These had generally been funded from the Area Improvement Budget which was directed by the Tenants' Forum.

In response to the problem of parking, some residents had also created in curtilage parking and this had been going on for sometime so in many areas there were examples of off-street parking.

Cumbria County Council was the Highway Authority. Should a resident in the Borough want to create in curtilage parking in most circumstances it would require the Highway Authority's approval to cross the public highway - a Highways Act 1980 Sections 171 and 184 Notice. It may also be necessary for the applicant to seek planning permission and in some instances the previous landlords consent should there be a restrictive covenant on in curtilage parking.

Following discussion with the County Council their correspondence to applicants does now make these requirements clear.

The County Council procedure does also now include checking with the Housing Service when they received an application concerning a property on a Council estate. In many instances the land to be crossed, pavement and grass verge, had been adopted so the Borough Council had more limited powers to refuse such a request, unless the Borough Council was the landowner beneath the Highway.

In approving an application to construct a Domestic Vehicular Crossing (Highways Act 1980 Sections 171 and 184) the County Council would confirm their agreement for a pavement crossing to be created. In doing so they required specific conditions to be fulfilled by the applicant and they also accepted future responsibility for the integrity of the crossing.

It was the case, however, that in some instances the green verges were in the ownership of the Borough Council and/or were not adopted highway. It was also the feature of some estates that green space was incorporated in the design of estate, no doubt as amenity space and which was a feature of the street scene.

As Members would recall, recently when advised of a request to create in curtilage parking, the hardstanding would of involved construction over a wide grassed area which had clearly been incorporated in the estate design. The Assistant Director - Housing declined the request over the Council owned land and following a request to

review the decision through the Councils democratic decision making process, the original decision was endorsed.

This provided a clear Policy statement on which to respond to future requests and was the basis of the Policy and Procedures which were attached as Appendix B to the report which sought to confirm the Policy decision and the basis on which the Procedure would be implemented in the future.

In considering the procedure note the Assistant Director - Housing made the following comments:

- The design of estates did not generally include provision for parking which had caused problems as the level of vehicle ownership had increased;
- Following consideration of the matter referred to above and following discussion with Members the Assistant Director - Housing was clear the decision was influenced by the motive to "protect green space";
- In the majority of instances the allowing of off street parking does contribute to reducing the parking and congestion problems on estate roads and to potentially improve safety for pedestrians and other car users;
- Whilst the Assistant Director - Housing had not completed an estate by estate survey to identify the congestion on estate roads, he stated there was sufficient anecdotal evidence to suggest it was a feature of many estates and assuming a continued increase in vehicle ownership would be a growing problem;
- From discussion with colleagues, it would also appear the case congestion could be influenced by location, for example near schools or other facilities which could lead to short term peaks and troughs in congestion. In others the level of ownership generally amongst residents was the route cause;
- In some instances applications for crossings were made by residents with a disability and should there be a restriction on approving such crossings it may have a detrimental impact on their potential ability to make access easier to the property;
- There were now materials available that would provide a vehicle crossing without changing the fundamental appearance of the area and allow grass to grow through, hence retaining a green area;
- Many estates did include areas of green space which the Assistant Director - Housing suggested were retained to enhance the appearance of areas;
- Where the Borough Council was the landowner, written permission would be required from Barrow Borough Council Housing Service;
- There were many locations in the Borough with pavement crossings. If adopted Highway the approval process to cross it was with the Highway Authority although more recently the Highway Authority were sharing such applications with the Housing Service. In such instances the Council would have been declining such requests if the crossing also included a green area in the Housing Services ownership and was greater than one medium car length.

The problem was common across the majority of Council estates and realistically the Assistant Director - Housing would suggest the Housing Revenue Account was not sufficiently healthy for Members to consider highway improvements without it being to the detriment of maintaining and improving the fabric and structure of residential property.

In summary, the Assistant Director - Housing suggested the opportunity for the Housing Service to successfully resolve congestion problems was limited. Whilst the Council were not the Highway Authority it had been recognised in the past the Housing Service could help to reduce the problem, but was only able to do so by use of specific grant funding. The Assistant Director - Housing suggested the approach to carrying out further work to improve parking should continue to be delivered through the Area Improvement Budget.

The procedure note sought to acknowledge the problem of congestion on estates and contributed to resolving it whilst also acknowledging the approach "to protect green space" and direct Officers when receiving future request involving Council owned land.

Restrictive covenants

It was also the case in some areas the sale of Council property included restrictive covenants to prevent the construction of garden fences to the front of properties and for parking vehicles within the curtilage without prior approval from the Council.

In practice, there were now areas of the Borough where the level of owner occupation exceeded the number of properties still in Council ownership.

From observation it was clear that in many areas, which were previously open plan, owners had constructed garden boundaries and created off street parking. This was not something to which the Housing Service had paid particular attention to over the years and in discussion with Housing Officers was not something that was raised as a concern by residents.

In the past, the Housing Service had also changed the appearance of the street scene of estates by providing boundary fencing to the front of properties. An example would be on parts of North Walney, in the Darent Avenue area.

The Assistant Director - Housing therefore suggested because of the time that had elapsed the approach to dealing with such requests should reflect what had happened over time.

Also if the vehicular crossing was on a classified road you would need planning permission before the Highway Authority was able to approve a crossing. If the crossing was within 10 metres of a junction then the application would also be refused (for reasons of safety).

The Assistant Director - Housing suggested going forward the Council do not object to requests to create in curtilage parking street parking, subject to any required crossing of land being progressed in accordance with the procedures agreed.

RECOMMENDED:- That the Executive Committee:-

1. Note the information contained in the report;
2. Confirm that in considering requests for crossing of land the Council's Policy was to "protect green space"; and
3. Agree the Procedure note attached as an appendix to the report on how this Policy should be implemented.

The meeting closed at 3.10 p.m.

EXECUTIVE COMMITTEE	Part One (R) Agenda Item 7
Date of Meeting: 27th July, 2016	
Reporting Officer: Executive Director	
<p>Title: 2016-2020 Budget Strategy</p> <p>Summary and Conclusions:</p> <p>This report sets out the 2016-2020 Budget Strategy including the detailed proposals for services. The impacts of the strategy have been forecast into the Medium Term Financial Plan which will be submitted to Government as the Council's Efficiency Plan. The projected budget deficit by 2019-2020 is £2.37m and £2.4m of cost savings and additional income have been identified, balancing the medium term finances of the Council.</p> <p>Recommendations:</p> <p>To recommend the Council:-</p> <ul style="list-style-type: none"> (i) To endorse and adopt the 2016-2020 Budget Strategy; (ii) To agree that items of non-recurring expenditure necessary to deliver the 2016-2020 Budget Strategy are funded from the Medium Term Financial Plan reserve; (iii) To agree that the outturn result during the strategy period is met from or added to the Medium Term Financial Plan reserve; (iv) To agree that £1m of the Medium Term Financial Plan reserve is set aside into the business rate volatility reserve; part of the Budget Contingency reserve; (v) To agree the service resilience recommendations set out in Section B; (vi) To agree the leisure recommendation set out in Section E; (vii) To agree the burial and cremation recommendations set out in Section G; (viii) To agree the ring-fenced properties recommendation set out in Section H; (ix) To agree the Dock Museum recommendation set out in Section I; (x) To agree the commercial estate recommendation set out in Section J; 	

- (xi) To agree the kennels recommendations set out in Section K;
- (xii) To agree the playgrounds recommendations set out in Section L;
- (xiii) To agree the allotments recommendations set out in Section M;
- (xiv) To agree the Barrow Park recommendations set out in Section N;
- (xv) To agree the conveniences recommendations set out in Section O;
- (xvi) To approve the Medium Term Financial Plan for 2016-2020; and
- (xvii) To agree that the Budget Strategy and Medium Term Financial Plan are submitted to the Department for Communities and Local Government as the Council's Efficiency Plan.

Report

Budget deficit by 2019-2020

Prior to the 2016-2017 financial settlement announcements, the 2016-2017 General Fund revenue budget was balanced to within £28k. This was a continuation of a balanced 2015-2016 budget achieved through the delivery of the Budget Strategy a year earlier in 2014-2015.

Projecting the 2016-2017 budget forward to 2019-2020 (the spending review period), based on the assumptions agreed at Full Council on the 22nd March, 2016, identifies the 2019-2020 deficit, including future service resilience, as £2.37m.

Year	2016-2017	2017-2018	2018-2019	2019-2020	Total
Budget	£11.02m	£11.42m	£11.73m	£12.06m	
Financing	£10.75m	£10.13m	£9.88m	£9.69m	
Deficit	£0.27m	£1.29m	£1.85m	£2.37m	£5.78m

The Medium Term Financial Support Reserve is insufficient to cushion General Fund beyond 2017-2018, being £2.87m at 31st March, 2016.

The £2.37m deficit builds up from the cumulative net impact of cost pressures each year. This starts with the reduction in the Revenue Support Grant in 2016/17 of £0.31m and is then impacted over the four year period by the following cost pressures and grant reductions:

- Reduced Revenue Support Grant £1.45m (£1.76m across 2016-2020)
- Ending New Homes Bonus entitlements £0.19m
- Collection Fund prior year surplus (benefit to 2016/17 only) £0.12m
- Cost pressures (staff pay and inflation) £0.89m

- Increased pension deficit funding £0.15m
- Reduced Housing Benefit administration grant £0.11m
- Future service resilience £0.15m

Together with the 2016-2017 grant reduction, these total £3.37m and the following projected increases in income reduce the net deficit to £2.37m:

- Increased Council Tax income £0.41m
- Inflated Business Rates multiplier £0.28m
- Increased service income £0.21m
- Net gain on Treasury portfolio £0.10m

In order to be in a position to mitigate the fluctuations in the Borough Council's retained share of Business Rates, it is prudent to set aside £1m into a volatility reserve. As the localisation of Business Rates progresses there is an increased risk and reliance placed on Business Rates to finance Council services; this is over and above the current fluctuations, revaluations and appeals. The purpose of the volatility reserve is to smooth the impacts on the annual budget setting for General Fund.

Service Resilience

It is essential that the Council develops resilience in its service delivery, and this is particularly important in our statutory services i.e. those we are required by law to provide. Management Board has undertaken a service by service appraisal of resilience of each of our statutory services and recognised that additional resources are required in some services. In all 7 additional posts have been identified, including mainstreaming 2 apprenticeship posts in IT and Democratic Services within General Fund. Service resilience is driven through the Council's Workforce Development Strategy and therefore focuses upon training to create professional posts within services. The proposal is included in the deficit reduction target and by 2019-2020 is estimated to cost £144k.

The entry levels proposed against all 7 posts have been considered against the requirements of the departments and the functions requiring resilience. Skills and knowledge transfer are also key factors in succession planning.

Members are asked to recommend that Council:

- Agree that the 2 three-year apprentices, approved by Council on the 1st March 2016, are amended to be permanent trainee positions on the establishment;
- Agree to create a permanent trainee position in the Finance Department to be appointed during 2017-2018, graded Scale 3 (£16,481 per annum);
- Agree to create a permanent trainee position in the Private Sector Housing appointed during 2017-2018, graded Scale 6 (£23,166 per annum);

- Agree to create a permanent trainee position in the Environmental Health Department appointed during 2017-2018, graded Scale 6 (£23,166 per annum);
- Agree to create a permanent trainee position in the Technical Services Unit appointed during 2017-2018, graded Scale 3 (£16,481 per annum); and
- Agree to create a permanent trainee position in the Street Care Team appointed during 2017-2018, graded Scale 3 (£16,481 per annum).

Budget Strategy

The deficit to be eliminated by 2020 is therefore £2.37m. This will be a huge challenge for the Council following a sustained £5m reduction in our core budget since 2011.

The Budget Strategy proposes to eliminate this deficit by a blend of increases in discretionary income, efficiency/cost cutting measures across discretionary and statutory services and a prudent use and protection of reserves.

An estimate of the timing of all proposals has been made reflecting the need to make efficiencies and generate income in the early years of the strategy. In the following Sections, the saving generated is the 2019-2020 value and the year reflects the start of benefits being realised.

To be able to deliver this strategy, it will be necessary to fund items of non-recurring expenditure. There are no estimates for this at present and it is proposed the items of non-recurring expenditure necessary to deliver the 2016-2020 Budget Strategy are funded from the Medium Term Financial Plan reserve together with the outturn result during the strategy period being met from or added to the Medium Term Financial Plan reserve.

Major Contract Renewals

Saving generated	From 2017-2018	£1.02m
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Street Cleansing

The Waste and Street Cleansing contract is out to tender during 2016-2017, with a new contract to start from 1st April, 2017. There has been some modification to the specification to eliminate duplication, remove bank holiday working, remove weed spraying and to reduce the frequency of service in less sensitive or seasonally affected areas.

Members will be notified of the tender prices in the contract award report to be presented to this committee in the autumn.

Revenues, Benefits and Customer Services

This contract ends on the 30th September, 2018 and the Council plans to maximise savings and efficiencies from the future service delivery model. The service delivery assessment will be reported to this committee at a later date.

Internal Audit

The Internal Audit contract ends on the 31st March, 2017. The service delivery options have been reviewed and were presented to this committee on the 29th June, 2016.

Leisure

Saving generated	2018-2019	£0.49m
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Council currently supports The Forum and Park Leisure centre facilities by an annual subsidy of £1.14m (excluding depreciation). Outsourcing operation would generate potential initial savings of £467,000 reducing the Council subsidy to £673,000. These are based on an exercise undertaken by consultants.

The Council is the only Cumbrian authority operating its own theatre and leisure centre. Based on early market engagement, there is an opportunity to continue these services with an external operator and achieve significant savings.

TUPE will apply to the staff and the properties would be leased for the contract duration.

Members are asked to recommend that Council agree to outsource The Forum and Park Leisure Centre.

Treasury

Saving generated	2016-2017	£0.26m
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The Council has re-profiled its debt repayment schedule to release prudential savings. The re-profiling was presented to this committee on the 29th June, 2016.

Burials and Cremations

Saving generated	2017-2018	£0.25m
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The Council's policy is to match these charges with nearest comparators. Prices have not been increased in this way for a number of years and charges have fallen behind the comparators.

Members are asked to recommend that Council:

- Endorse the policy of matching the highest burial and cremation charges of our nearest comparators;
- Agree that the next price alignment will be from 1st April, 2017; and
- Delegate the Cemeteries and Crematorium Manager to annually match the highest burial and cremation charges of our nearest comparators and apply those by 1st October each year, including October 2017.

Ring-Fenced Properties

Saving generated	2018-2019	£0.15m
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The Borough Council accrues approximately £0.15m per annum to a ring-fenced fund for the building maintenance costs of certain properties.

With the Homes and Communities Agency's permission, the Council will bring these properties and the associated income into the General Fund.

Members are asked to recommend that Council agree that the net income derived from these properties is used to fund the Council's Regeneration Service.

Dock Museum

Saving generated	From 2016-2017	£0.05m
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As Members will recall, BAE Systems are now tenants of part of the Dock Museum. The recoverable proportion of utility costs and NNDR for BAE Systems proportion of the building will be charged under the terms of the lease, generating income.

Members are asked to recommend that Council set an efficiency target of £30,420 for the Dock Museum to achieve by 2019-2020.

Commercial Estate

Saving generated	2019-2020	£0.05m
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The Council has a strong commercial property portfolio and aims to generate a contribution to the budget deficit through reducing the NNDR liability, repair and maintenance costs on empty Council properties by sale or transfer.

Members are asked to recommend that Council set an efficiency target of £48,000 to be achieved from the commercial estate by 2019-2020.

Kennels

Saving generated	2017-2018	£0.03m
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The Council currently owns and operates kennels to fulfil its statutory duty for receiving stray dogs. Council agreed to seek competitive quotes to operate the service in 2013. The proposal now is to outsource provision to another organisation within the Borough.

Members are asked to recommend that Council agree to outsource the statutory kennelling service to another organisation within the Borough from 1st April, 2017.

There are further recommendations in Part Two, Agenda Item 10.

Playgrounds

Saving generated	2017-2018	£0.03m
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The playgrounds policy and the service delivery arrangements have been reviewed.

Members are asked to recommend that Council:

- Adopt the following policy to determine which playgrounds within the Borough should be recommended for decommissioning:
 - Maintain at least 1 playground in each settlement where one currently exists.
 - Maintain all larger playgrounds as they offer a better play experience and cater for a wider range of community users.
 - Decommission the most localised (serving the immediate area) and those which appear to be least used.
 - Decommission those in the poorest condition.
- Agree that the playgrounds inspection and maintenance service is undertaken by Continental Landscapes as a variation to the existing contract; and
- Agree to set aside contract standing orders in awarding the works to Continental Landscapes.

There are further recommendations in Part Two, Agenda Item 10.

Allotments

Saving generated	2017-2018	£0.03m
------------------	-----------	--------

The Council's policy is to fully recover the cost of providing allotments in its pricing. Rents have not been increased in this way and have fallen behind the service costs. Costs have also been reviewed and should be reduced.

Members are asked to recommend that Council:

- Endorse the policy of full cost recovery for allotment rents;
- Agree that the next rent alignment will be from 1st April, 2017;
- Delegate the Assistant Director – Community Services to set the rents at full cost recovery and apply those by 1st April each year; observing the required notice period; and
- Reduce the grounds maintenance and repair costs budget by £20,000 in 2017-2018.

Barrow Park

Saving generated	From 2017-2018	£0.03m
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The Pavilion in the Park is partially unoccupied and the boating service is currently subsidised by the Council.

Members are asked to recommend that Council:

- Agree that the Pavilion be offered for commercial rent;
- Agree that the boating service subsidy is removed and the concession opportunity is put to the market; and
- Set an efficiency target of £6,630 from Barrow Park by 2019-2020.

Conveniences

Saving generated	2017-2018	£0.01m
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The outlying public conveniences within the Borough have been reviewed.

Members are asked to recommend that Council:

- Agree to operate the Roa Island public convenience seasonally; and
- Agree to close the Roanhead public convenience with immediate effect.

Medium Term Financial Plan

The Budget Strategy proposals produce a saving by 2019-2020 of £2.40m. The Medium Term Financial Plan has been updated to incorporate the Budget Strategy and is attached as **Appendix 1**.

Year	2016-2017	2017-2018	2018-2019	2019-2020	Total
Budget	£10.66m	£10.48m	£9.81m	£9.66m	
Financing	£10.75m	£10.13m	£9.88m	£9.69m	
Deficit (Surplus)	(£0.09m)	£0.35m	(£0.07m)	(£0.03m)	£0.16m

The Budget Strategy achieves the aims of eliminating the budget deficit and protects reserves.

Summary

The Budget Strategy has been published for public consultation; attached as **Appendix 2**. The Council will meet to consider the Budget Strategy on the 6th September, 2016, and consultation feedback will be presented at that meeting.

Members are recommended to agree that the Budget Strategy and Medium Term Financial Plan are submitted to the Department for Communities and Local Government as our Efficiency Plan, in order to secure the indicated multi-year settlement (**Appendix 3**) on offer:

“The Government is making a clear commitment to provide minimum allocations for each year of the Spending Review period, should councils choose to accept the offer and if they have published an efficiency plan.”

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The estimates and projections are based on the best information available and remain subject to change by factors outside the Council's control.

There is the financial risk of reduced funding where no Efficiency Plan is submitted.

(iii) Financial Implications

The financial implications are set out in the body of the report.

(iv) Health and Safety Implications

The recommendation has no significant implications.

(v) Equality and Diversity

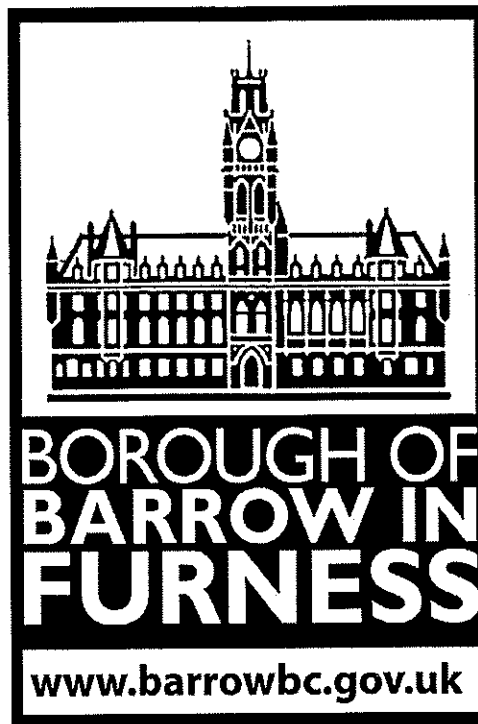
The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) 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

Version Control:	
Document Name:	Medium Term Financial Plan
Version:	19072016.1
Author:	Director of Resources
Approved by:	Executive Committee and Full Council
Date Approved:	July 2016
Review Date:	December 2019

Medium Term Financial Plan 2016-2017 to 2019-2020

A. Introduction

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

The Medium Term Financial Plan (MTFP) is a financial representation of the Council's Vision and supports its priorities.

The Council's Vision is to enhance the economic and social future of the Borough to meet the needs and aspirations of the community.

The priorities of the Council are:

- **Housing:** The Council is committed to continuing to provide a greater choice of good quality housing and regenerate the oldest and poorest housing in the Borough.
- **Regeneration and Public Realm:** The Council is committed to working with partners and service providers to enhance the built environment and public realm.
- **Local Economy:** The Council is committed to work on mitigating the effects of cuts in public spending, their impact on the local economy and working to secure a long term economic recovery for our community.
- **Service Delivery:** The Council strives to provide good quality, efficient and effective services while reducing overall expenditure.

This MTFP covers the period from 2016-2017 to 2019-2020. The level of Government support for the Council is known for 2016-2017 and the Council has taken the option of submitting an Efficiency Plan to take up the commitment for Government 'to provide minimum allocations for each year of the Spending Review period'. The MTFP is based upon those minimum allocations.

Medium Term Financial Strategy

The Medium Term Financial Strategy is the financial representation of the Budget Strategy which aims to eliminate the deficit in the core budget. This will require the continued use of reserves to set the pace of change, fund transformation and achieve long term financial resilience.

Medium Term Financial Plan **2016-2017 to 2019-2020**

B. 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.
- Priorities – the Medium Term Financial Plan reflects the Councils Vision which is supported by its Priorities.
- Ownership – the Director of Resources produces and updates the Medium Term Financial Plan.
- Achievement – the Director of Resources 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 highlights the key considerations in terms of finance and refers to the Reserves and Balances Policy for the risk assessment of financial reserves.
- 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 Council Priorities, the Budget Strategy, the Budget Setting process for revenue, capital and treasury management, and the Council Tax setting.
- Relevance – the Medium Term Financial Plan will be reviewed periodically throughout the financial year and revised for known financial impacts. This includes a review once the previous financial year outturn is known.

Medium Term Financial Plan **2016-2017 to 2019-2020**

C. The funding gap

Prior to the 2016-2017 financial settlement announcements, the 2016-2017 General Fund revenue budget was balanced to within £28k. This was a continuation of a balanced 2015-2016 budget achieved through the delivery of the Budget Strategy a year earlier in 2014-2015. The first Budget Strategy reduced the Council's core budget by £5m and this reduction has been sustained for three consecutive years.

The £5m deficit was based on a projection of the budget requirement by 2015-2016, using estimated settlement figures and budget assumptions.

The new spending review brought further reductions in the Government settlement, creating future budget deficits and thereby prompting a new Budget Strategy.

The future budget projections using the 2016-2017 budget and assumptions as a basis, identifies the 2019-2020 deficit, including future service resilience, as £2.37m.

Year	2016-2017	2017-2018	2018-2019	2019-2020	Total
Budget	£11.02m	£11.42m	£11.73m	£12.06m	
Financing	£10.75m	£10.13m	£9.88m	£9.69m	
Deficit	£0.27m	£1.29m	£1.85m	£2.37m	£5.78m

The Budget Strategy produces a saving by 2019-2020 of £2.40m.

Year	2016-2017	2017-2018	2018-2019	2019-2020	Total
Budget	£10.66m	£10.48m	£9.81m	£9.66m	
Financing	£10.75m	£10.13m	£9.88m	£9.69m	
Deficit (Surplus)	(£0.09m)	£0.35m	(£0.07m)	(£0.03m)	£0.16m

The Budget Strategy achieves the aims of eliminating the budget deficit and protecting reserves.

The Council is committed to continue to offer all current services as far as possible.

Under the Local Government Finance Act 1992, the Council is charged with setting a balanced budget by the 11th March of the preceding financial year.

Without corrective action the General Fund budget would require £5.78m of usable reserves and would leave the £2.37m deficit to recur and increase into 2020-2021 and beyond.

Medium Term Financial Plan 2016-2017 to 2019-2020

The budget projections without corrective action are:

	Core Budget 2016-2017	Projection 2017-2018	Projection 2018-2019	Projection 2019-2020
	£	£	£	£
Staff Pay	4,688,620	4,907,360	5,016,440	5,146,980
Other Staff Costs	82,570	82,570	82,570	82,570
Transport	94,550	94,550	94,550	94,550
Property	1,931,750	1,979,330	2,035,160	2,095,000
Supplies and Services	2,153,690	2,153,690	2,153,690	2,153,690
Contracts	6,734,410	6,883,880	7,054,270	7,229,300
Benefits	21,360,190	21,360,190	21,360,190	21,360,190
Benefit Grants	(21,241,030)	(21,241,030)	(21,241,030)	(21,241,030)
External Income	(6,498,400)	(6,549,690)	(6,603,650)	(6,660,290)
Direct Costs	9,306,350	9,670,850	9,952,190	10,260,960
Internal Income	(856,910)	(830,950)	(830,950)	(830,950)
Capital Charges	1,605,870	1,605,870	1,605,870	1,605,870
Indirect Costs	748,960	774,920	774,920	774,920
Net Expenditure	10,055,310	10,445,770	10,727,110	11,035,880
External Interest Earned	(80,000)	(99,000)	(127,000)	(125,000)
External Interest Paid	584,640	584,640	584,640	584,640
Minimum Revenue Provision	868,340	840,980	854,590	815,670
Depreciation Reversal	(1,605,870)	(1,605,870)	(1,605,870)	(1,605,870)
Pension Deficit Funding	1,199,750	1,248,940	1,300,150	1,353,460
Net Revenue Budget	11,022,170	11,415,460	11,733,620	12,058,780
Revenue Support Grant	(2,703,590)	(2,079,210)	(1,688,400)	(1,251,880)
Retained Business Rates	(9,616,520)	(9,805,660)	(10,094,930)	(10,417,580)
Retained Business Rates Tariff	6,332,710	6,457,270	6,647,760	6,860,230
Business Rate S31 Grants	(332,430)	(339,730)	(350,530)	(362,530)
Retained Business Rates Levy	330,930	342,200	352,300	363,560
Business Rates Pool	(154,380)	(157,410)	(162,060)	(167,240)
New Homes Bonus	(466,940)	(309,070)	(291,710)	(277,130)
Council Tax	(4,025,420)	(4,159,380)	(4,295,620)	(4,434,160)
Prior Year Council Tax Surplus	(115,600)	(83,020)	0	0
Total Revenue Financing	(10,751,240)	(10,134,010)	(9,883,190)	(9,686,730)
Deficit	270,930	1,281,450	1,850,430	2,372,050

Medium Term Financial Plan **2016-2017 to 2019-2020**

D. Budget Strategy

The deficit to be eliminated by 2020 is £2.37m. This will be a huge challenge for the Council following the sustained £5m reduction in the core budget since 2011.

The Budget Strategy proposes to eliminate this deficit by a blend of increases in discretionary income, efficiency/cost cutting measures across discretionary and statutory services and a prudent use and protection of reserves.

An estimate of the timing of all proposals has been made reflecting the need to make efficiencies and generate income in the early years of the strategy.

Item	Saving realised	2019-2020
Major contract renewals	From 2017-2018	£1.02m
Leisure outsourcing	2018-2019	£0.49m
Treasury management	2016-2017	£0.26m
Burial and cremation charges	2017-2018	£0.25m
Ring-fenced properties	2018-2019	£0.15m
Dock Museum income and efficiencies	From 2016-2017	£0.05m
Commercial estate management	2019-2020	£0.05m
Kennels outsourcing	2017-2018	£0.03m
Playgrounds review	2017-2018	£0.03m
Allotment rents and maintenance	2017-2018	£0.03m
Barrow Park efficiencies	From 2017-2018	£0.03m
Conveniences review	2017-2018	£0.01m
Total		£2.40m

The estimates and projections are based on the best information available and remain subject to change by factors outside the Council's control.

Medium Term Financial Plan 2016-2017 to 2019-2020

E. General Fund revenue budget

The Budget Strategy has been incorporated into the budget projections:

	Core Budget 2016-2017	Projection 2017-2018	Projection 2018-2019	Projection 2019-2020
	£	£	£	£
Staff Pay	4,688,620	4,919,530	4,176,140	4,285,310
Other Staff Costs	82,570	82,270	71,670	71,670
Transport	94,550	87,400	85,860	85,860
Property	1,931,750	1,946,500	1,380,930	1,387,510
Supplies and Services	2,153,690	2,117,140	1,808,920	1,800,260
Contracts	6,734,410	6,587,040	6,856,270	6,632,710
Benefits	21,360,190	21,360,190	21,360,190	21,360,190
Benefit Grants	(21,241,030)	(21,241,030)	(21,241,030)	(21,241,030)
External Income	(6,522,900)	(6,812,340)	(6,181,260)	(6,262,200)
Direct Costs	9,281,850	9,046,700	8,317,690	8,120,280
Internal Income	(856,910)	(830,950)	(830,650)	(830,650)
Capital Charges	1,605,870	1,605,870	1,605,870	1,605,870
Indirect Costs	748,960	774,920	775,220	775,220
Net Expenditure	10,030,810	9,821,620	9,092,910	8,895,500
External Interest Earned	(80,000)	(99,000)	(127,000)	(125,000)
External Interest Paid	584,640	584,640	584,640	584,640
Minimum Revenue Provision	526,440	526,440	566,300	552,590
Depreciation Reversal	(1,605,870)	(1,605,870)	(1,605,870)	(1,605,870)
Pension Deficit Funding	1,199,750	1,248,940	1,300,150	1,353,460
Net Revenue Budget	10,655,770	10,476,770	9,811,130	9,655,320
Revenue Support Grant	(2,703,590)	(2,079,210)	(1,688,400)	(1,251,880)
Retained Business Rates	(9,616,520)	(9,805,660)	(10,094,930)	(10,417,580)
Retained Business Rates Tariff	6,332,710	6,457,270	6,647,760	6,860,230
Business Rate S31 Grants	(332,430)	(339,730)	(350,530)	(362,530)
Retained Business Rates Levy	330,930	342,200	352,300	363,560
Business Rates Pool	(154,380)	(157,410)	(162,060)	(167,240)
New Homes Bonus	(466,940)	(309,070)	(291,710)	(277,130)
Council Tax	(4,025,420)	(4,159,380)	(4,295,620)	(4,434,160)
Prior Year Council Tax Surplus	(115,600)	(83,020)	0	0
Total Revenue Financing	(10,751,240)	(10,134,010)	(9,883,190)	(9,686,730)
Deficit (surplus)	(95,470)	342,760	(72,060)	(31,410)

Medium Term Financial Plan
2016-2017 to 2019-2020

F. Assumptions and Estimates

Item	Assumption
General	
Reserves	Excluded
Funded projects	Excluded
Services	No service reductions
Services	No demand-led increases assumed
Services	No alternative delivery models
Staff Pay	
Establishment	Static
Incremental advances	Employee progression and National Living Wage
Superannuation current service rate	No change
Pay award	1% on each year
Property	
Electricity, gas and water	5% increase each year
NNDR	Increase by SBRR multiplier each year
Supplies and Services	
Grants to external bodies	Transition ends with 2016-2017 and 50% awarded thereafter
CTS grant to Parishes	Fixed at 2016-2017 figures
Contracts	
Revenues, benefits and customer services contract	Increase by RPI forecast each year
Building cleaning contract	1.7% increase each year
Grounds maintenance contract	3.2% increase each year
Waste and street cleansing	1.8% increase each year
Contract renewals	No cost increase included
Contract renewals	No cost saving assumed
External Income	
Discretionary income	Income policy applied, 2.5% increase to any other items applied each year
Recycling	No reduction in tonnage
External Income	
Recycling reward scheme	3% increase in rate each year
Internal Income	
Support services charged to HRA	Not increased

Medium Term Financial Plan
2016-2017 to 2019-2020

Item	Assumption
External Interest Earned	
Temporary surplus cash	Reducing by £3m each year
Investment income rate	Based on bank rate forecasts
External Interest Paid	
PWLB interest	HRA maturing loans repaid
Borrowing (cash requirement)	No new borrowing drawn down
Minimum Revenue Provision	
Borrowing (financing only)	Based on current Capital Programme
Pension Deficit Funding	
Pension deficit funding (not ongoing superannuation)	4.1% increase each year
Total Revenue Financing	
Revenue Support Grant	From the settlement
Retained business rates	Increased by SBRR multiplier each year
Retained business rates	No loss of rateable value
Retained business rates	No impact from 2017 revaluation
Retained business rates	No exceptional increase in RV appeals
Retained business rates	No reduction in the collection rate
Retained business rates tariff	From the settlement
S31 grants for business rate reliefs	Assumed to continue
Retained business rates levy	Assumed to continue
Retained business rates pool	Pool membership continues
New Homes Bonus	No new award included
Council tax	No reduction in the collection rate
Council tax base	1% increase each year
Council tax band D	£5 increase each year
Parish precepts	Excluded
LCTRS – default scheme	Continued
Prior year Collection Fund result	2016-2017 and 2017-2018 only
All Other Items	
Not specifically mentioned above	Efficiencies will maintain the cost envelope

Medium Term Financial Plan 2016-2017 to 2019-2020

F. Reserves and Balances

The Council has a Medium Term Financial Plan support reserve which is to be used in the delivery of the Budget Strategy.

To be able to deliver the Strategy, it will be necessary to fund items of non-recurring expenditure. There are no estimates for this at present and it is proposed the items of non-recurring expenditure necessary to deliver the 2016-2020 Budget Strategy are funded from the Medium Term Financial Plan reserve together with the outturn result during the strategy period being met from or added to the Medium Term Financial Plan reserve.

In order to be in a position to mitigate the fluctuations in the Borough Council's retained share of Business Rates, it has prudently set aside £1m into a volatility reserve. As the localisation of Business Rates progresses there is an increased risk and reliance placed on Business Rates to finance Council services; this is over and above the current fluctuations, revaluations and appeals. The purpose of the volatility reserve is to smooth the impacts on the annual budget setting for General Fund.

The projected reserves over the life of the Medium Term Financial Plan are estimated to be:

	31/3/17 £m	31/3/18 £m	31/3/19 £m	31/3/20 £m
General Fund Balance	2.30	2.30	2.30	2.30
Restructuring – MTFP	1.77	1.27	1.34	1.38
Restructuring – transformation	0.42	0.32	1.22	0.12
Renewals Reserve	0.64	0.54	0.44	0.22
Insurance Reserve	0.08	0.06	0.04	0.02
Losses Reserve	0.59	0.59	0.59	0.59
Budget Contingency	2.43	1.79	1.65	1.52
Apprenticeships	0.11	0.07	0.04	0.01
Welfare Support	0.05	0.04	0.03	0.01
Ring-fenced properties	0.78	0.78	0.18	0.18
Earmarked revenue grants	0.72	0.92	0.72	0.52
Total	9.89	8.68	7.55	6.87

The movements in reserves included in these projections have been included where timing and value can be estimated. Other movements with reserves will occur across the period.

Medium Term Financial Plan
2016-2017 to 2019-2020

The Council's reserves are set out in the Reserves and Balances policy. Reserves are earmarked for specific purposes through recommendations to Full Council from the Executive Committee.

The minimum General Fund balance for 2015-2016 is £2.3 million.

The losses reserve is also held at the minimum level as the items that this covers are not included in the General Fund balance; these are different in nature and do not lend themselves to risk analysis, being fully payable if they are triggered. The losses reserve includes the partial exemption VAT threshold, the MMI scheme of arrangement and any uninsured losses.

Reserves and the General Fund balance will continue to be monitored by the Director of Resources through the quarterly Council Finances report.

Medium Term Financial Plan 2016-2017 to 2019-2020

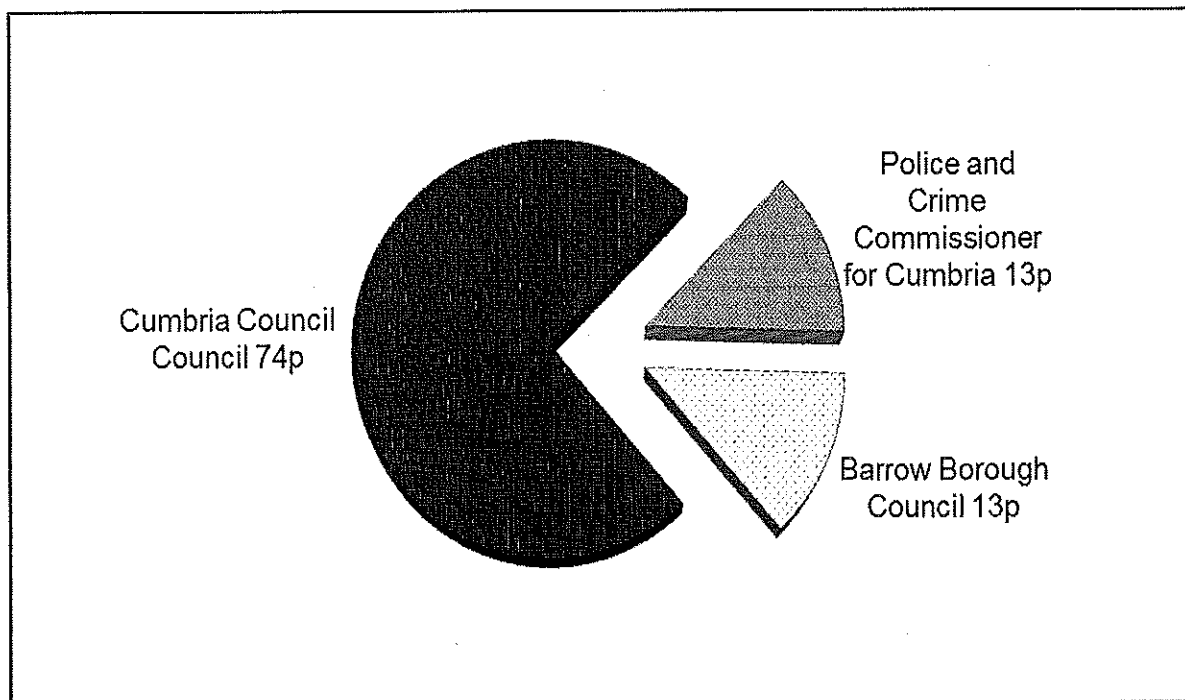
G. Council Tax

The Council Tax for 2016-2017 was set by Full Council on the 1st March, 2016. The Barrow Borough Council demand on the Collection Fund to meet the 2016-2017 General Fund budget was set at £4,025,420.

Across the whole Borough, the dwellings are split over the Council Tax bands as follows:

Band	2016-2017	Split
A	19,768	59%
B	5,455	16%
C	4,654	14%
D	2,301	7%
E	979	3%
F	234	1%
G	70	-
H	9	-
Total	33,470	100%

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



Medium Term Financial Plan
2016-2017 to 2019-2020

H. Risk

Estimates contain an element of risk from items such as inflation, the financial markets, Government support, customer demand and the anticipation of future events.

The Council's Reserves and Balances Policy sets out the risk assessment applied to estimates.

Some of the key financial considerations are:

- Allowances for inflation may be insufficient.
- Employer pension contributions may increase.
- National insurance contributions may increase.
- The staff re-grading scheme is not budgeted for.
- Usage of gas and electricity may be estimated too low.
- NNDR and water rates may change.
- Professional services may be required to support key functions.
- The possibility of driving further efficiency savings from the budget.
- Major contracts come up for consideration during the life of this Plan.
- Cash flow requirements must be constantly reviewed.
- The cost of new borrowing.
- Interest rate fluctuations.
- The next triennial pension fund valuation will apply to 2017-2020.
- It is likely that Government funding will reduce beyond current estimates.
- Continuation of the Cumbria business rates pool.
- The impact of Universal Credit and other welfare reforms.

Medium Term Financial Plan **2016-2017 to 2019-2020**

I. Capital

The Capital Programme and Financing for 2016-2017 to 2019-2020 was approved at Full Council on the 1st March, 2016.

The Capital Programme includes financing from borrowing and the revenue implications are included in the General Fund revenue budget. The usable capital receipts are anticipated, but may not materialise, so projects in future years will not be commissioned until sufficient funding is in place.

	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m
Investment				
Public housing	1.9	1.9	1.9	1.9
Private housing	0.6	0.6	0.6	0.6
Housing market renewal	1.7	0.5	0.2	0.2
Public buildings	0.2	0.2	0.2	0.2
Industrial & commercial properties	0.1	-	-	-
Other public assets	0.2	0.1	0.1	0.1
Asset investment fund	0.1	0.1	0.1	0.1
Total	4.8	3.4	3.1	3.1
Financing				
Major repairs reserve	1.9	1.9	1.9	1.9
Grants and contributions	1.5	0.6	0.6	0.6
Borrowing	0.3	0.7	0.2	0.2
Reserves	0.1	-	-	-
Capital receipts	1.0	0.2	0.4	0.4
Total	4.8	3.4	3.1	3.1

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 realised, as previously stated, projects will be reviewed and prioritised against the financing available.

Medium Term Financial Plan **2016-2017 to 2019-2020**

J. Treasury

The Treasury Management Strategy for 2016-2017 was approved by Full Council on the 1st March, 2016. This Strategy sets out the Prudential Indicators that control all of the Council'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.

CIPFA defines treasury management as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

The Council 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:

	2016-2017 £m	2017-2018 £m	2018-2019 £m	2019-2020 £m
Authorised Limit	54.0	54.0	54.0	55.0
External debt	39.5	39.5	39.5	39.5

The external debt is long term debt and is split between the General Fund and the Housing Revenue Account as follows:

	External debt £m	Average interest rate
General Fund	13.4	4.37%
Housing Revenue Account	26.1	3.32%

Medium Term Financial Plan
2016-2017 to 2019-2020

K. Housing Revenue Account

From the 1st April 2012 the Housing Subsidy system ended. The Housing Revenue Account is 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 budget for 2016-2017 was approved by Full Council on the 1st March, 2016. It is a balanced budget with a 1% rent decrease for dwellings and a 2% increase for garages.

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

The Housing Revenue Account balance at the 31st March, 2017, is projected to be £1.5 million. The minimum balance required is currently £1.2m.

The dwelling stock at the 1st April, 2016, was 2,660.



2016-2020 BUDGET STRATEGY

Barrow Borough Council is facing a £2.37m funding deficit by 2020 as a result of further Government Grant reductions.

The 2012-2016 Budget Strategy achieved a sustainable reduction in the revenue budget of £5m in our budget.

In 2010-2011 the budget was £16.5m and the Council received £9m from the Government financial settlement. By 2020 the budget will be £9.6m and the equivalent settlement will be £3.3m.

The continuing reductions and cost pressures result in the £2.37m deficit, which the Council aims to eliminate with the 2016-2020 Budget Strategy.

The Council's priorities are:

- Housing – quality and choice
- Regeneration and the Public Realm – enhancement
- Local Economy – long term security
- Service Delivery – value for money

The Council is committed to continue to offer all current services as far as possible.

The 2016-2020 Budget Strategy proposes to meet the £2.37m deficit by reducing costs, increasing income and reviewing the way services are delivered. The Council has identified proposals that together meet the £2.37m deficit. These are:

- £1.02m from major **Contract Renewals**: The Council will review the available service delivery models and contract specifications to release cost savings from Waste and Street Cleansing; Revenues, Benefits and Customer Services; and Internal Audit.
- £470,000 from **Leisure**: The Council subsidises the Forum and Park Leisure Centre by over £1m per annum. It is proposed that service provision is outsourced and that these facilities are then operated at a reduced subsidy for the Council.
- £260,000 from **Re-profiling** the Council's debt repayment schedule.
- £240,000 from **Burial and Cremation Charges**: The Council's charges have fallen behind our nearest comparators and our policy is to match those comparators. It is proposed that the charges are reset from 1st April 2017.
- £150,000 from **Rental Income**: Use £150,000 of ring fenced rental income to support regeneration work across the Borough.

2016-2020 BUDGET STRATEGY



- £50,000 from **Dock Museum**: The Council will recover a proportion of NNDR and building service costs from its tenant BAE Systems and will make other building and service efficiencies across the Strategy period.
- £50,000 from **Commercial Estate**: The Council aims to realise additional rental income and reduced NNDR and building service costs from continuing to review its commercial estate.
- £30,000 from **Kennels**: The Council operates kennels to fulfil its statutory duty for receiving stray dogs. It is proposed that service provision is outsourced.
- £30,000 from **Playgrounds**: The Council operates 34 playgrounds throughout the Borough. Members will review the playgrounds based on a policy of location, facilities and condition, recommending those for decommissioning.
- £30,000 from **Allotments**: The Council has over 800 allotments across a number of sites and currently subsidises their cost by £30k. The Council's policy is full cost recovery for the allotment service and to achieve this, there will be a reduction in grounds maintenance and repairs, together with an increase in rents charged.
- £30,000 from **Barrow Park**: The Council will make service efficiencies across the Strategy period.
- £10,000 from **Public Conveniences**: The Council proposes the closure of the toilets at Roanhead and the seasonal operation of Roa Island toilets.

Details of the proposals can be found in the 2016-2020 Budget Strategy report for the Executive Committee on the 27th July, 2016:

<http://www.barrowbc.gov.uk/about-the-council/barrow-council/council-minutes-agendas/executive-committee/>

The Council welcomes comments on how to meet the £2.37m funding deficit and suggestions on alternative ways to balance the budget. Please address comments to the Leader of the Council, Town Hall, Duke Street, Barrow-in-Furness, Cumbria, LA14 2LD or email:

Councillor D Pidduck dpidduck@barrowbc.gov.uk



Department for
Communities and
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10 March 2016

Dear Colleagues

MULTI-YEAR SETTLEMENTS AND EFFICIENCY PLANS

On 17 December I announced a historic opportunity for councils to achieve greater certainty and confidence from a 4-year budget. I see this as a key step to supporting you to strengthen your financial management, at the same time as working collaboratively with your local partners and reforming the way services are provided.

The settlement consultation process showed great support for this approach and identified a number of queries about what the offer includes and the requirements for applying to accept this offer. I have therefore set out some further details in the attached annex. But I want to reiterate that I want this offer, and the production of an efficiency plan, to be as simple and straightforward as possible, and reassure you that this is not about creating additional bureaucracy.

If you wish to apply to accept the offer you simply need to send an email or letter to MultiYearSettlements@communities.gsi.gov.uk by **5pm on Friday 14th October** and include a link to your published efficiency plan.

I do not intend to provide further guidance on what efficiency plans should contain – they should be locally owned and locally driven. But it is important that they show how this greater certainty can bring about opportunities for further savings. They should cover the full 4-year period and be open and transparent about the benefits this will bring to both your council and your community. You should collaborate with your local neighbours and public sector partners and link into devolution deals where appropriate.

Of course this offer is entirely optional. It is open to any council to continue to work on a year-by-year basis, but I cannot guarantee future levels of funding to those who prefer not to have a four year settlement.

I have been delighted by the response of councils all over the country to the offer of four year budgets and I look forward to hearing from you if you would like to avail yourself of it.

For any further queries, please contact officials at the above address.

Yours sincerely

A handwritten signature in black ink, appearing to be 'G Clark', written in a cursive style.

THE RT HON GREG CLARK MP

Annex

Conditions of the multi-year settlement

The Government will offer any council that wishes to take it up a four-year funding settlement to 2019-20. This includes:

- Common Council of the City of London
- London borough councils
- district councils
- county councils
- Council of the Isles of Scilly
- Greater London Authority
- metropolitan county fire and rescue authorities
- combined fire and rescue authorities.

The Government is making a clear commitment to provide minimum allocations for each year of the Spending Review period, should councils choose to accept the offer and if they have published an efficiency plan.

What the offer includes

On 9 February we provided summaries and breakdown figures for each year to your s151 Officer. From those figures the relevant lines that are included in the multi-year settlement offer, where appropriate, are:

- Revenue Support Grant;
- Transitional Grant; and
- Rural Services Delivery Grant allocations.

In addition, tariffs and top-ups in 2017-18, 2018-19 and 2019-20 will not be altered for reasons related to the relative needs of local authorities, and in the final year may be subject to the implementation of 100% business rates retention.

The Government is committed to local government retaining 100% of its business rate revenues by the end of this Parliament. This will give them control over an additional £13 billion of tax that they collect.

To ensure that the reforms are fiscally neutral local government will need to take on extra responsibilities and functions. DCLG and the Local Government Association will soon be publishing a series of discussion papers which will inform this and other areas of the reform debate.

The new burdens doctrine operates outside the settlement, so accepting this offer will not impact on any new burden payments agreed over the course of the four years.

The Government will also need to take account of future events such as the transfer of functions to local government, transfers of responsibility for functions between local authorities, mergers between authorities and any other unforeseen events. However, barring exceptional circumstances and subject to the normal statutory consultation process for the local government finance settlement, the Government expects these to be the amounts presented to Parliament each year.

Process for applying for the offer

Interest in accepting this offer will only be considered if a link to a published efficiency plan is received by 5pm Friday 14th October. We will provide confirmation of the offer shortly after the deadline.

Efficiency Plans

Efficiency plans do not need to be a separate document. They can be combined with Medium Term Financial Strategies or the strategy set out in the guidance (<https://www.gov.uk/government/publications/guidance-on-flexible-use-of-capital-receipts>) on how you intend to make the most of the capital receipt flexibilities if appropriate.

The Home Office will provide guidance on the criteria and sign off process for efficiency plans for single purpose Fire and Rescue authorities. All Fire and Rescue authorities, including those which are county councils, should set out clearly in their efficiency plans how they will collaborate with the police and other partners to improve their efficiency.

Process for those who do not take up the offer

Those councils that chose not to accept the offer, or do not qualify, will be subject to the existing yearly process for determining the local government finance settlement.

Allocations could be subject to additional reductions dependant on the fiscal climate and the need to make further savings to reduce the deficit.

At present we do not expect any further multi-year settlements to be offered over the course of this parliament

EXECUTIVE COMMITTEE		Part One (R) Agenda Item 8
Date of Meeting:	27th July, 2016	
Reporting Officer:	Director of Resources	
<p>Title: Financial Outturn 2015-2016</p> <p>Summary and Conclusions:</p> <p>This report contains the financial outturn for the year ended 31st March, 2016. The report includes all aspects of the Council's finances; General Fund, Housing Revenue Account, Collection Fund, Capital Programme and Treasury Management.</p> <p>Recommendations:</p> <p>To recommend the Council:-</p> <ol style="list-style-type: none"> 1. To note the financial outturn for 2015-2016; 2. To approve the reserves transactions as set out in Section G; 3. To note the annual treasury management review; and 4. To note the amounts written off under delegation in 2015-2016. 		

Report

A. Executive Summary

The headlines of the 2015-2016 accounts are set out below and detailed in the following paragraphs:

- The £5m reduction in General Fund revenue costs, achieved through the delivery of the Budget Strategy set out in 2012, was sustained into 2015-2016. The General Fund is balanced with a contribution to reserves from non-recurring underspends of £484k, £173k of which is set aside to meet the business rate retention scheme deficit held at the 31st March, 2016 of £1.301m.
- The Housing Revenue Account used some of the accumulated balance to fund housing maintenance commitments and reduced the voluntary provision to repay debt for 2015-2016.

- The authority's share of the Collection Fund for 2015-2016 is a surplus of £108k for council tax and a deficit of £935k for business rates; these are distributed in 2016-2017 and 2017-2018 along with the preceptors proportions.
- The authority's net worth has increased from £92.8m to £97.4m which is largely attributable to the decrease in the pension liability from £30.5m to £26.6m.
- Usable reserves have reduced by £1.3m.
- Capital investment of £3.2m was delivered through the capital programme for 2015-2016.

B. General Fund

The General Fund budget was revised through the year from £11.471m to £12.22m to incorporate additional revenue financing from: Coastal Communities Fund £432k, Efficiency Support Grant £141k and other grants £176k.

The actual outturn for 2015-2016 had no impact on the General Fund balance. There were variances within the service areas after year-end contributions to earmarked reserves for items reported throughout 2015-2016 and in accordance with the Reserves and Balances Policy.

- The actual outturn before movements in earmarked reserves was a surplus of £0.508m.
- The revised budget included the net use of earmarked reserves of £2.192m.
- The year-end net contribution to earmarked reserves was £2.7m.

The £2.7m net contribution calculated at the year-end is based on items reported through 2015-2016 and includes items contributed to earmarked reserves at the year-end; see **Appendix 4**.

The contributions to reserves at year-end included non-recurring savings and reductions of £484k; £173k of this has been added to cover the business rate retention scheme deficit held at 31st March, 2016, the remainder has been added to the budget contingency reserve.

All recurring savings and reductions from 2015-2016 were taken into account when setting the 2016-2017 budget. The non-recurring savings and reductions are analysed between service areas as follows:

Service Area	Additional Income £000	Reduced Expenditure £000	Total £000
Corporate, Democratic and Support Services	-	31	31
Regeneration and the Built Environment	25	113	138
Community Services	59	67	126
Revenues and Benefits	9	19	28
Corporate Amounts	(13)	24	11
<i>Cross-Service Items</i>			
Support Service recharges	99	-	99
IT network refresh and data lines review	-	25	25
Staff training and conferences	-	26	26
	179	305	484

The main items within these headings are:

Corporate, Democratic and Support Services

- Reduced expenditure
 - Procurement Officer vacancy now filled £31k
 - Legacy pension scheme contributions £16k
 - Professional fees £28k
 - Less: bad debt provision top-up £20k
 - Less: banking charges £12k
 - Less: computer hardware purchases £12k

Regeneration and the Built Environment

- Additional income
 - Building control £23k
 - Land search charges £19k
 - Housing renewal service £16k
 - Less: homeless rental income £16k
 - Less: licensing income £9k
 - Less: coast protection grant £8k
- Reduced expenditure
 - Environmental Health vacancies through the year £54k
 - Homeless support and accommodation £44k
 - Neighbourhood Warden vacancy now deleted £21k
 - Staff travel costs £8k
 - Less: professional fees £14k

Community Services

- Additional income
 - The Forum £57k
 - Park Leisure Centre £30k
 - Recycling reward £13k
 - Dock Museum property rent £35k
 - Less: Soccer Centre £27k
 - Less: pay and display £12k

- Less: parking enforcement £32k
- Less: Dock Museum room hire £5k
- Reduced expenditure
 - Utilities £44k
 - Staff pay £39k
 - NNDR £19k
 - Less: equipment £14k
 - Less: green waste recycling £12k
 - Less: buildings maintenance £9k

Revenues and Benefits

- Additional income
 - Court fees recovered £9k
- Reduced expenditure
 - Professional fees £12k
 - Supplies, services other costs £7k

Corporate Amounts

- Additional income
 - Interest on internal balances £20k
 - Less: council tax £33k
- Reduced expenditure
 - Pension deficit funding £24k

Support Service recharges

- Additional income
 - Charges to the HRA £67k
 - Charges to the Coastal Community Fund £42k
 - Less: charges to capital £10k

C. Housing Revenue Account

The original Housing Revenue Account budget was approved by full Council on 3rd March, 2015 as a balanced budget; the income matching the expenditure forecast. The revised budget was approved by full Council on the 22nd March, 2016 with an estimated contribution from the fund balance of £103k plus the settlement of the previous housing maintenance contract. The actual outturn for the Housing Revenue Account was a deficit charged to the fund balance of £868k, which is the settlement amount of the previous housing maintenance contract; this settlement relates to the agreed annual contract uplift, additional works and inflation thereon which was outstanding for the period 2011 to 2015.

Within the Account, repairs and maintenance expenditure was £745k above the budget provision and this has been funded by a £520k reduction in the voluntary revenue provision and underspends in other areas.

D. Collection Fund

The Collection Fund balance was a net deficit of £1.5m at 31st March, 2016, made up of a surplus on council tax of £0.8m and a deficit on NNDR of £2.3m. The council tax surplus is payable across 2016-2017 and 2017-2018 to Cumbria County Council, the Police and Crime Commissioner for Cumbria and the General Fund £108k; split against their 2016-2017 precepts. The NNDR deficit will be recovered from central government, Cumbria County Council and the General Fund £935k in 2016-2017 and 2017-2018. This is dealt with by precepting arrangements.

The accumulated amounts held at 31st March, 2016 for the authority are:

- £198k surplus for council tax.
- £1.301m deficit for the business rate retention scheme.

E. Capital Programme

During 2015-2016 the authority's capital expenditure was £3.2m:

Investment	Expenditure	Source	Financing
Public buildings	£0.6m	Major repairs reserve	£1.5m
Private sector housing	£0.7m	Reserves	£1.1m
Public sector housing	£1.5m	Capital grants	£0.5m
Commercial properties	£0.2m	Capital receipts	£0.1m
Other public assets	£0.2m		
Programme	£3.2m	Total	£3.2m

The capital receipts and grants received in the year and unapplied at the 31st March, 2016 are:

- Capital receipts
 - At 1st April, 2015 £0.7m
 - Plus usable receipts of £0.4m from:
 - Land at James Freel Close
 - Repaid Cluster of Empty Homes loans
 - 11 dwellings under the Right to Buy
 - Less receipts used in financing in 2015-2016 £0.1m
 - At 31st March, 2016 £1m
- Capital grants
 - At 1st April, 2015 £3.5m
 - Plus grants of £0.1m from:
 - Disabled Facilities Grant
 - Furness Maritime Trust
 - Less grants repaid in 2015-2016 £0.1m
 - Less grants used for Cluster of Empty Homes loan £1.9m
 - At 31st March, 2016 £1.6m
 - £1m of this balance relates to Clusters of Empty Homes

The remaining Barrow Island Clusters of Empty Homes grant will be defrayed in 2016-2017; the landscaping scheme is expected to commence on-site during September 2016. Completion of the Clusters of Empty Homes project continues to bring a significant number of empty properties back into use.

F. General Fund Reserves and Balances

The General Fund financial reserves during 2015-2016 were:

1/4/2015 £000		31/3/2016 £000
2,300	General Fund balance	2,300
2,870	Restructuring: Medium Term Financial Plan support	2,870
778	Restructuring: service transformation	681
1,990	Renewals reserve	1,228
100	Insurance reserve	100
631	Losses reserve	593
1,371	Budget contingency reserve	2,783
205	Apprentices reserve	160
188	Welfare support reserve	119
91	CCTV reserve	-
606	Ring-fenced properties	652
691	Earmarked revenue grants	843
11,821		12,329

G. General Fund Reserves Transactions

The reserves transactions for General Fund for 2015-2016 are (- used, + added +/- transfers):

Service transformation – reduced £97k

- Used
 - Restructuring £141k
- Transfers
 - ESG balance from budget contingency £44k

Renewals reserve – reduced £762k

- Used
 - Public buildings maintenance £109k
 - Cremator relining £52k
 - Capital programme £793k
 - ESG £63k
- Added
 - Additional commercial estate income for public buildings maintenance £167k
 - Additional cremation income for rebuild £88k

Insurance reserve – no change

- Used
 - Excesses paid £33k
- Transfers
 - From budget contingency to top-up excesses £33k

Losses reserve – reduced £38k

- Used
 - MMI Scheme of Arrangement 10% levy paid £149k
 - MMI Scheme of Arrangement levies £38k
- Transfers
 - From budget contingency for potential future MMI levies £149k

Budget contingency reserve – increased £1.412m

- Used
 - Local plan £96k
 - ESG £206k
 - KOFAC £5k
 - Local elections £35k
 - Budget variations and one-off items £183k
- Added
 - Original addition from the budget setting £89k
 - Local plan £174k
 - Business rate pool volatility £10k
 - Business rate income volatility £791k
 - Work in default £4k
 - Housing benefit excess subsidy £241k
 - Contracted services £157k
 - Treasury management £91k
 - One-off grants £201k
 - Insurance premium £27k
 - One-off service savings and reductions £311k
- Transfers
 - ESG balance to service transformation £44k
 - To insurance to top-up excesses £33k
 - To losses to cover MMI levies £149k
 - From CCTV £67k

Apprentices reserve – reduced £45k

- Used £65k
- Transferred from CCTV reserve to cover agreed new posts £20k

Welfare support reserve – reduced £69k

- Used £69k

CCTV reserve – ended

- Used £4k
- Transferred to apprentices and budget contingency £87k

Ring-fenced properties – increased £46k

- Used £91k
- Added £137k

Earmarked revenue grants – increased £152k

- Used £192k
- Added £344k

H. HRA Reserve and Balance

The Housing Revenue Account financial reserves during 2015-2016 were:

1/4/2015 £000		31/3/2016 £000
2,413	Housing Revenue Account balance	1,545
761	Major repairs reserve	1,416
3,174		2,961

I. Treasury Management

The authority managed its cash and investments in-house during 2015-2016. As at 31st March, 2016, £11m of investments and cash of £3.4m were managed in-house. The authority has 24 loans outstanding at 31st March, 2016; 19 of these, £17.1m, relate to the Housing Revenue Account self-financing settlement. The balance outstanding is £39.5m; in total, £26.1m belonging to the Housing Revenue Account and £13.4m to the General Fund. No loans are repayable in 2016-2017. The authorised limit for borrowing in 2015-2016 was £55m. These items complied with the authority's Treasury Management Strategy for 2015-2016, which was approved by full Council on 3rd March, 2015.

The annual treasury management review is attached at **Appendix 5**. The treasury transactions all complied with Council policy and no limits were breached during 2015-2016.

J. Write Offs

In the process of collecting amounts owed to the Council it is sometimes necessary to write off amounts due. All of the amounts written off during 2015-2016 are within the delegation of the Director of Resources and the amounts are:

- Council tax Borough share £26k
- Business rates Borough share £26k
- Housing rents system £62k
- Other services £42k

The bad debt provisions have been assessed at 31st March, 2016 and are sufficient to cover potential losses in amounts owed to the Council.

K. Provisions

As part of the Business Rates Retention Scheme, the Council is liable for successful appeals against business rates in the proportionate share; 50% Central Government, 40% for this Council and 10% for Cumbria County Council. The Council has a provision for unsettled appeals and at 31st March, 2016 this was £555k.

The Council also holds a provision for the 25% levy on MMI claims under the scheme of arrangement of £56k; and a provision for the costs of previous early retirements of £16k at the 31st March, 2016.

These provisions have been assessed at 31st March, 2016 and are sufficient to cover the potential liabilities of the Council.

L. Performance

Progress against the corporate objectives is attached at **Appendix 6** and the achievements for 2015-2016 are shown in the following tables.

Housing: choice and quality	Regeneration & Public Realm: enhancement
<ul style="list-style-type: none">• 95 private sector properties were refurbished with Cluster of Empty Homes funding.• The authority improved the residential frontage through the Rawlinson Street group repair scheme.• The authority published its Local Plan Preferred Options draft.• The authority agreed the release of land in its ownership for housing development.• The authority secured £48k New Lives grant to fund supported housing for female victims of domestic abuse with the Women's Community Matters.	<ul style="list-style-type: none">• The authority refurbished Thorncliffe crematorium and chapel.• The authority agreed to be the Local Trusted Organisation for the £650k Cavendish Park Pavilion and Community Room project with the Barrow Island Community Sports Trust.• The authority secured £10k to support Art Gene in forming a Coastal Community Team.• The authority committed £20k funding towards a town centre traffic management study.• Site access for Marina Village was approved through the Local Enterprise Partnership.

Local Economy: long term security	Service Delivery: value for money
<ul style="list-style-type: none"> • The authority secured £865k of Coastal Communities Fund for the supply chain project. • The authority awarded 6 shop front grants. • A Business Improvement District was agreed by the town centre retail and business community. • The Waterfront remediation work was granted planning permission. • The authority delivered support for low income families through council tax support (4,089 households), discretionary housing payments (188 recipients) and disabled facilities grants (67 grants). • The authority agreed support for Universal Credit with the DWP and the Citizens Advice Bureau. • The authority provided welfare advice and assistance to its tenants. • The authority secured £483k from Public Health England with The Well Community Interest Company (CIC). 	<ul style="list-style-type: none"> • The authority achieved and sustained the 2012-2016 Budget Strategy reductions of £5m. • Park Leisure Centre online bookings were introduced. • The Customer Services Strategy was approved. • Performance appraisals were completed for all staff. • The absence management policy was approved. • The second annual staff survey was completed. • The authority's IT network infrastructure and data lines were upgraded. • The replacement Housing Management System project was initiated. • The integrated HR and Payroll System project was initiated.

The service performance for 2015-2016 is attached as **Appendix 7**.

(i) Legal Implications

The recommendation has no significant implications.

(ii) Risk Assessment

The recommendation has no significant implications.

(iii) Financial Implications

The financial implications are set out in the body of the report.

(iv) Health and Safety Implications

The recommendation has no significant implications.

(v) Equality and Diversity

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

(vi) Health and Wellbeing Implications

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

Background Papers

Draft Statement of Accounts

Earmarked Reserve Movements 2015-2016

Reserve	Planned			Actual			Variance					
	Use	Addition	Transfers	Total	Use	Addition	Transfers	Total	Use	Addition	Transfers	Total
Service transformation	147	-	-	147	141	-	44	97	6	-	-	50
Renewals - capital slippage	1,475	-	-	1,475	908	-	-	908	567	-	-	567
Renewals - crematorium rebuild	-	-	-	-	-	88	-	88	-	88	-	88
Renewals - commercial portfolio	-	-	-	-	-	167	-	167	-	167	-	167
Renewals - others	113	-	-	113	110	-	-	110	3	-	-	3
Insurance	36	-	-	36	33	-	33	-	3	-	-	36
Losses - MMI scheme of arrangement	-	-	-	-	187	-	149	38	187	-	149	38
Contingency - local plan	-	20	-	20	-	78	-	78	-	58	-	58
Contingency - business rate retention scheme	-	-	-	-	-	791	-	791	-	791	-	791
Contingency - Furness Economic Development Forum	50	-	-	50	-	-	-	-	50	-	-	50
Contingency - non-recurring grant income	-	-	-	-	-	154	-	154	-	154	-	154
Contingency - housing benefits subsidy subject to audit	-	-	-	-	-	241	-	241	-	241	-	241
Contingency - others	425	296	-	129	440	747	159	148	15	451	159	277
Apprentices	86	-	-	86	65	-	-	45	21	-	-	41
Welfare Support	69	-	-	69	69	-	-	69	-	-	-	-
CCTV	11	-	-	11	4	-	87	91	7	-	87	80
Ring-fenced	50	150	-	100	91	137	-	46	41	13	-	54
Grants - Coastal Community Fund	-	-	-	-	-	211	-	211	-	211	-	211
Grants - Recycling Incentive	-	-	-	-	-	77	-	77	-	77	-	77
Grants - others	196	-	-	196	190	55	-	135	6	-	-	61
Total	2,658	466	-	2,192	2,238	2,746	-	508	-420	2,280	-	-2,700

Annual Treasury Management Review

The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2015-2016. This review meets the requirements of both the Code of Practice for Treasury Management and the Prudential Code for Capital Finance in Local Authorities.

The treasury position at 31st March 2016 is shown in the following tables:

General Fund	Total debt	Investments	Net debt
2015-2016			
31/3/2016 principal	£13.4m	(£11.0m)	£2.4m
Average rate	4.37%	0.68%	
Average life	28.7 years	0.43 years	
Capital Financing Requirement	£19.9m		
Under borrowed by	(£6.5m)		
2014-2015			
31/3/2015 principal	£13.4m	(£14.0m)	(£0.6m)
Average rate	4.37%	0.6%	
Average life	29.7 years	0.36 years	
Capital Financing Requirement	£22.6m		
Under borrowed by	(£9.2m)		

Housing Revenue Account	Total debt
2015-2016	
31/3/2016 principal	£26.1m
Average rate	3.32%
Average life	15.1 years
Capital Financing Requirement	£21.8m
Over borrowed by	£4.3m
2014-2015	
31/3/2015 principal	£26.1m
Average rate	3.32%
Average life	16.1 years
Capital Financing Requirement	£21.8m
Over borrowed by	£4.3m

Annual Treasury Management Review

The Borrowing Requirement and Debt

The Council's underlying need to borrow to finance capital expenditure is called the Capital Financing Requirement (CFR).

The original budget compared to the outturn is shown in the following table:

31/3/2015 Actual CFR		31/3/2016 Budget CFR	31/3/2016 Actual CFR
£22.6m	General Fund	£22.6m	£19.9m
£21.8m	Housing Revenue Account	£20.9m	£21.1m
£44.4m	Total	£43.5m	£41.0m

The General Fund Capital Financing Requirement has benefitted from not borrowing for capital financing in recent years and 2015-2016 includes the £1.9m Cluster of Empty Homes soft loan advance, repayable over 10 years.

Borrowing Outturn

No new loans were taken out, no loans matured or were repaid and no rescheduling was performed. The Council's total debt portfolio remained at £39.5m.

Investment Outturn

The Council's investment policy is governed by DCLG guidance, which has been implemented in the annual investments strategy since 2012. The policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data.

The investment activity during the year conformed to the approved strategy and the Council had no liquidity difficulties.

The Council maintained an average balance of £22.5m of internally managed funds. Invested funds and funds held for daily cashflow needs, earned an average rate of return of 0.62%; £140k. The comparable performance indicator is the average 7-day LIBID rate, which was 0.36%.

The £11m short term investments at the 31st March 2016 were held with:

Manchester; Principality; Skipton; West Bromich; Building Societies £1m
Cambridge; National Counties; Building Societies £2m
Newcastle Building Society £3m

Annual Treasury Management Review

Prudential and Treasury Indicators

During 2015-2016 the Council complied with all legislative and regulatory requirements.

In addition to the Capital Financing Requirement, the key prudential and treasury indicators detailing the impact of capital activities during the year are as set out in the following table:

2014-2015 Actual		2015-2016 Budget	2015-2016 Actual
£3.1m	Capital expenditure – General Fund	£3.6m	£1.6m
£1.9m	Capital expenditure - HRA	£1.8m	£1.6m
£39.5m	Total external debt	£39.5m	£39.5m
(£14.0m)	Investments – all under a year	(£12.0m)	(£11.0m)
£25.5m	Total net borrowing	£27.5m	£28.5m

The lower capital expenditure on General Fund primarily consists of the Maritime Streets environmental scheme, now scheduled for 2016-2017.

In order to ensure that borrowing levels are prudent over the medium term, the Council's external borrowing must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure.

Gross borrowing should not exceed the 2015-2016 Capital Financing Requirement, plus the expected changes for the next two years; this allows the Council some flexibility to borrow in advance of the immediate capital need.

The gross borrowing of £39.5m is below the 2015-2016 Capital Financing Requirement of £41m.

The authorised limit is the affordable borrowing limit required by section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level and has not done so.

The operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is above the boundary is acceptable. The limits for 2015-2016 are shown in the following table:

	General Fund	HRA	Council
Authorised limit	£18.6m	£36.4m	£55.0m
Maximum gross borrowing	£13.4m	£26.1m	£39.5m
Operational boundary	£16.9m	£26.1m	£43.0m
Average gross borrowing	£13.4m	£26.1m	£39.5m

Annual Treasury Management Review

The financing costs as a proportion of net revenue stream indicates the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream:

2014-2015 Actual		2015-2016 Budget	2015-2016 Actual
11%	General Fund	12%	10%
22%	Housing Revenue Account	18%	14%

The reduction in the HRA percentage reflects the reduced voluntary revenue provision for 2015-2016.

There is no incremental impact of capital decisions on council tax or housing rent levels to be reported.

The maturity structure of the Council's external borrowing is shown in the following table:

31/3/2015	PWLB	31/3/2016
£3m	Between 2 and 5 years	£4m
£5m	Between 5 and 10 years	£5m
£5m	Between 10 and 15 years	£4.35m
£5.85m	Between 15 and 20 years	£11.5m
£8.239m	Between 20 and 25 years	£2.239m
-	Between 25 and 30 years	-
-	Between 30 and 35 years	-
£12.39m	Between 35 and 40 years	£12.39m
-	Between 40 and 45 years	-
£39.479m		£39.479m

There were no investments beyond 364 days and all investments held at the year-end will mature by the 29 July 2016.

The Council had no exposure to variable rates in 2015-2016 as all debts and investments were held at fixed rates. The limit for exposure to fixed rates is up to 100% of the portfolio; up to 30% for variable rates.

Progress against Council Priority objectives
Housing

No.	Objective	Action	Outcome and Progress	Target	Responsible
1.1	Bring empty properties back into use.	Deliver the Clusters of Empty Homes project.	349 properties brought back into residential use by 2017. Progress to date: As at April 2016, 95 properties had been refurbished and 80 occupied. The full loan of £1.8m had been advanced to support this work. The refurbishment should be completed by the end of 2016/17. Improved properties following group repair scheme.	80 properties	Assistant Director Regeneration and Built Environment.
		Deliver group repair of properties in Rawlinson Street.	Progress to date: This project was completed 18/04/16. Improved properties following group repair scheme.	25 properties	
1.2	Improve the choice and quality of properties in the Town Centre.	Establish group repair scheme for Greengate Street.	No progress to date. This project has now been put back in the Capital Programme to 2017/18. The next phase of group repair for Rawlinson St remains in the Capital Programme for 2016/17.	2016/17	Assistant Director Regeneration and Built Environment.
		Development strategy for vacant land at Arthur Street.	Assess options for development and present to Members. Progress to date: An expression of interest has been submitted to the Homes and Communities Agency for funding to help bring the site back into use. The EO1 was submitted on 19/05/16. We have a follow-up meeting on 08/06/16.	2016/17	

No.	Objective	Action	Outcome and Progress	Target	Responsible
1.3	Adopt the Council's Local Plan.	Publication of preferred options and adoption of the Local Plan.	<p>Approved planning policies guiding the development and use of land in the Borough.</p> <p>Progress to date: The Preferred Options Draft was published in June 2015. The adoption process continues through and beyond 2016-2017 with the following steps:</p> <ul style="list-style-type: none"> • Publication Draft • Submission to Secretary of State • Public Examination • Adoption by November 2017 	November 2017	Assistant Director Regeneration and Built Environment.
1.4	Achieve and maintain the decent homes standard for the Council's housing stock.	Major improvements to dwellings failing the decent homes standard.	<p>The decent homes standard is achieved for all of the Council's housing stock.</p> <p>Progress to date: On target to complete the remaining 10 properties activity by 31st August 2016.</p>	76 properties	Assistant Director Housing.

Regeneration and Public Realm

No.	Objective	Action	Outcome and Progress	Target	Responsive
2.1	Improve the amenities of the Borough.	Review the waste collection, recycling and street cleansing strategy.	The Group focussed on the contract renewal will review the strategy for the service once the specification has been designed and the letting process has been finalised. This service strategy review will be completed during 2016.	March 2016	Assistant Director Community Services.
		Agree proposals for the crematorium refurbishment.	Refurbished crematorium building and office facilities. Progress to date: The refurbishment is due to be complete by 6 th June 2016.	September 2015 Completion March 2016	
		Agree enhanced heritage offer for the Dock Museum with BAE Systems.	Enhanced facilities and features for visitors. Progress to date: The Council and BAE Systems have received an independent consultants report setting out options to enhance the visitor experience. Once the report is agreed, a project will be formed and will be programmed for delivery during 2016.	2016/17	

No.	Objective	Action	Outcome and Progress	Target	Responsible
2.2	Improve the streetscape and central courtyard on Barrow Island.	Improve the general streetscape by introducing trees and better quality street furniture. Landscape the central courtyard and areas between adjacent blocks of flats.	<p>Improved streetscape and public realm on Barrow Island funded from the cluster of Empty Homes grant funding.</p> <p>Progress to date: A revised scheme has had to be developed. This required planning consent which was granted on 05/04/16. The revised schedule is currently with the contractor for pricing. If this is within the costs anticipated, the scheme should be able to start on site in the next few weeks.</p>	2016/17	Assistant Director Regeneration and Built Environment.

Local Economy

No.	Objective	Action	Outcome and Progress	Target	Responsible
3.1	Continue to support the Marina Village development. The Marina Village development remains a long-term aspiration of the Council.	Site assembly of remaining 3 parcels of land.	<p>Site assembly continues as purchases become available, subject to valuations being agreed.</p> <p>Progress to date: Tender period for the construction of the first new access will be in Q2 for the construction phase in Q3&Q4. Again habitat mitigation measures may delay actual commencement date on site. BBC will need to produce an up-to-date Development Strategy/Masterplan, to guide potential developers.</p> <p>There will be a need to update the priorities for 2016/17 and for the next five years 2016 -2021.</p>	2015-2016 and beyond	Executive Director.

No.	Objective	Action	Outcome and Progress	Target	Responsive
3.2	Support commercial regeneration of Barrow town centre.	Shop front grant scheme delivered.	Shop fronts and shopping streets improved. Progress to date: During 2015-2016 six shop front grants were awarded, the scheme remains open to applicants for 2016-2017.	15 shops	Executive Director.
		Support town centre partnership and BID process.	Progress to date: The Business Improvement District ballot was held on the 28 th April, 2016. The YES vote won with 77% of the votes cast. The BID Steering Committee will now form a BID Company and then the Council will prepare to raise the levy on their behalf.	2015-2016 and beyond	
3.3	Support the delivery of BAE Systems site investment programme.	Work with BAE Systems to facilitate the programme.	Opportunities for the Borough maximised.	2015-2016 and beyond	Assistant Director Regeneration and Built Environment.

3.4	Assist in the delivery of the Barrow Island Growth Scheme.	Work with Cumbria County Council to facilitate the project.	<p>Progress to date: The allotment construction works are substantially complete. Allotment holders all moved over now (lease to be signed following the final snagging process). Business Park remediation works are now at the tender award stage, with a start due in Q2. Habitat mitigation (trapping reptiles) is still on going, including preparing the receptor sites (for reptile translocation, includes 2 sites owned by BBC), this may delay the actual commencement date, but still expected to be within Q2. The area of land to be remediated will need to be reviewed to ensure the developable area of land is maximised to take into account the agreed available funding.</p> <p>Following HCA considerations, there is now a need to review the incentives available for locating businesses to Phase II of the Waterfront Business Park.</p>	<p>Commence groundworks 2016/17</p> <p>Assistant Director Regeneration and Built Environment.</p>
<p>Assist in the delivery of the Barrow Island Growth Scheme.</p> <p>Work with Cumbria County Council to facilitate the project.</p> <p>Work with Cumbria County Council to facilitate the project.</p>			<p>Assist in the delivery of the Barrow Island Growth Scheme.</p> <p>Work with Cumbria County Council to facilitate the project.</p> <p>Work with Cumbria County Council to facilitate the project.</p>	

No.	Objective	Action	Outcome and Progress	Target	Responsive
3.5	Support for low income families.	Maintain support for the Council Tax Reduction Scheme.	<p>Financial protection for those on low income.</p> <p>Progress to date: The Local Council Tax Reduction Scheme for 2016-2017 was presented approved by Full Council on the 13th October, 2015.</p> <p>Financial assistance with housing costs.</p> <p>Progress to date:</p> <p>Maximise DHP funding by assisting all tenants who meet criteria to make application to ensure all relevant information is provided to support their DHP application.</p> <p>Maximise DHP funding by assisting all homeless/potentially homeless persons presenting who meet the criteria to ensure all relevant information is provided to support their DHP application.</p>	September 2015	Management Board.
		Support discretionary housing payments.	<p>The full DWP discretionary housing payment grant of £73k was awarded in 2015-2016, topped up to £90k from the Council's welfare reserve. There were 268 awards to 188 recipients:</p> <ul style="list-style-type: none"> • 4 x benefit cap totalling £4k • 62 x LHA restriction totalling £21k • 78 x spare room subsidy totalling £24k • 124 x other awards totalling £41k 	Throughout 2015-2016	

	<p>Support disabled facilities grants.</p>	<p>Support for disabled residents to remain in their homes.</p> <p>Progress to date: DFGs continue to be delivered in line with our statutory duties. Referrals from Occupational Therapists have been much slower than in previous years (approximately 50% of the equivalent period in 2014-2015). We understand that this is due to changes in CCC internal process and are taking this up with the County Council.</p>	<p>Throughout 2015-2016</p>	
	<p>Monitor the Welfare Reform Action Plan.</p>	<p>Assist Council tenants to mitigate the impacts of welfare reform.</p>	<p>Throughout 2015-2016</p>	
	<p>Facilitate Universal Credit services in partnership with the DWP.</p>	<p>Provide effective services for those claiming Universal Credit.</p> <p>Progress to date: The Council operate under a Delivery Partnership Agreement with the DWP for 2015-2016, ensuring an effective service delivery where the Council is involved with those claiming Universal Credit.</p>	<p>Throughout 2015-2016</p>	

3.6	Review the use of capital assets to assist the development of the third sector in the Borough.	As properties become available, the future use assessment will include consideration of the third sector.	<p>Opportunity to make the best use of Council assets for the community.</p> <p>Progress to date: The Well were successful in their bid to Public Health England and secured £483k for capital investment in the Borough. The lease for 1-5 Lawson Street will be completed in 2016 and refurbishment works with then commence. The Well will also purchase a Recovery House in the Borough. Sonic Zoo industries continue to be interested in 102 Abbey Road; their exclusivity ends at the 31st May, 2016.</p>	2015-2016 and beyond	Management Board
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Service Delivery

No.	Objective	Action	Outcome and Progress	Target	Responsive
4.1	Provide future financial sustainability of the Council.	Agree a new Budget Strategy for 2016-2020.	<p>Awaiting the outcome of the Spending Review and Local Government financial settlement.</p> <p>Progress to date: The proposed draft Budget Strategy 2016-2020 has been presented to the Administration for consideration, discussion and agreement. A briefing and consultation process will then take place and any feedback will inform the Full Council adoption of the Strategy in July 2016.</p>	December 2015	Executive Director.

4.2 Improve the customer experience.	Redesign website and landing pages (residential, commercial and visitor).	Improved use of the web site. Progress to date: Wireframes for the new web design have been developed and circulated. Feedback has been given from the web group and this task is to be completed by the revised target for completion by the end of January 2016. Increase self-service online.	January 2016	Management Board.
	Introduce new online forms for services.	Progress to date: After training was provided by Ideagen in February 2016, nominated users at the Council have been migrating their relevant pages and documents into the new website. This is due for completion (and go live) middle of June 2016. Increase services available online.	September 2016	
	Review services available online to increase web usage.	Progress to date: The web group undertook an exercise to identify the importance and relevance of the service, the information gathered has been used to assist with the wireframe development. Self-service available to customers.	December 2015	
	Introduce online booking for the Park Leisure Centre facilities.	Progress to date: The online bookings implementation is complete. Work on another project related to the Leisure Centre Internet links is still ongoing but this has no effect on the online bookings.	June 2015	

		<p>Review the Customer Services Strategy.</p>	<p>Customer focussed services. Consistent service delivery. Links to web site and Web Strategy. Review the strategy for:</p> <ul style="list-style-type: none"> • Self-service opportunities; • Telephone services; • Face to face provision. 	<p>March 2016</p>	
4.3	<p>Provide greater flexibility of transparency data.</p>	<p>Implement the Comprehensive Knowledge Archive Network (online database) for transparency publishing.</p>	<p>Progress to date: This is now complete and published on the website. Publishing consistency and analysis tools available to users.</p> <p>Progress to date: CKAN is now fully up and running. It is connected to data.gov.uk and the LGA Data Inventory. There are currently 45 datasets on the portal. Documentation has been produced and training given to some members of staff. The use of CKAN will continue to be rolled out.</p>	<p>June 2015</p>	<p>Management Board.</p>

No.	Objective	Action	Outcome and Progress	Target	Responsive
4.4	Measure customer satisfaction.	<p>Review current customer satisfaction data collected in all services.</p> <p>Develop a plan to collect priority service data in relation to customer satisfaction.</p>	<p>Identify areas where information is required and review best practice across the Council.</p> <p>Progress to date: Areas identified and action being taken; this includes the feedback from Development Services open days. Additional work on gathering customer comments and user satisfaction needs to be undertaken.</p> <p>Customer satisfaction information will be reported to Members and will be used to develop services around expectations as far as possible.</p> <p>Progress to date: Additional work on gathering customer comments and user satisfaction needs to be undertaken.</p> <p>Deliver training sessions to managers and supervisors.</p>	March 2016	Management Board.
4.5	Implement the Workforce Strategy	<p>Cascade performance appraisals.</p> <p>Review absence management policies.</p>	<p>Progress to date: Virtually all staff had an appraisal for 2015-2016. The process was revised following feedback received and has commenced for 2016-2017.</p> <p>Assist management in the control of days lost to sickness.</p> <p>Progress to date: The absence management policy was reviewed during 2015-2016 and approved by Full Council on the 19th January, 2016. The policy was implemented from the 1st April, 2016, following briefing sessions for managers and all staff.</p>	From April 2015	Director of Resources.
				December 2015	

		<p>Carry out second workforce survey.</p>	<p>Survey staff to measure the impact of actions taken from the results of the first survey.</p> <p>Progress to date: The second staff survey was carried out early in 2016 and included an optional comments section in response to requests from the initial survey in 2015. The results show an improving trend where like for areas were surveyed and provided a base line for new areas included. The results were summarised and published in April 2016.</p>	<p>March 2016</p>	
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Service Performance Indicators 2015-2016

Indicator	2014-2015	2015-2016
Average time to process new housing benefit claims	17.9	16.2
Target		17.9
Average time to process new council tax support claims	17.7	16.2
Target		17.7
Average time to process changes of circumstances for housing benefit claims	5.2	4.9
Target		5.2
Average time to process changes of circumstances for council tax support claims	5.3	5.3
Target		5.3
Park Leisure centre activity numbers	248,607	279,399
Target		248,607
Dock museum visitor numbers	48,369	55,503
Target		48,369
The forum ticket sales	52,527	58,149
Target		52,527
Income from Pay and display ticket sales	£611,000	£604,332
Target		£611,000
Percentage of local land charges searches completed in 5 working days	94.0%	95.2%
Target		94.0%
Percentage of council tax collected	96.76%	96.85%
Target		96.76%
Percentage of NNDR collected	98.69%	98.73%
Target		98.69%
Average days of sickness per employee	12.32 days	9.76 days
Target		12.32 days
Right to buy sales	15 sales	11 sales
Target		15 sales
Average household recycling percentage	33.6%	31.5%
Target		33.6%
Number of disabled facilities grants	96 grants	67 grants
Target		96 grants

Indicator	2014-2015	2015-2016
Percentage of Planning applications processed; major applications in 13 weeks and others in 8 weeks		
Major	60%	61.5%
Target		60.0%
Minor	65%	60.0%
Target		65.0%
Other	80%	78.0%
Target		80.0%
Local Plan	The Preferred Options Draft was produced in June 2015. The next Draft, the Publication Draft is going to Executive Committee on 3 rd August. It is hoped the final version of the Plan will be adopted in 2017.	

EXECUTIVE COMMITTEE		Part One (D) Agenda Item 9
Date of Meeting:	27th July, 2016	
Reporting Officer:	Executive Director	
<p>Title: Barrow Island Landscaping Project – Tender Exercise</p> <p>Summary and Conclusions:</p> <p>The Landscaping project to be delivered as part of the Clusters of Empty Homes programme has been revised and repriced. This repricing exercise has been done competitively. Members are asked to approve the appointment of the lowest tender to carry out this work, subject to contract formalities being agreed.</p> <p>Recommendation</p> <p>To delegate to the Executive Director the appointment of the lowest tender from the repricing exercise as contractors for the Barrow Island Landscaping Project.</p>		

Report

1. Background

- 1.1. In May 2012, a bid was submitted to the Government's Clusters of Empty Homes Fund. This resulted in £3.442m being allocated to the Borough Council to tackle the problem of empty homes within Barrow Island Flats. Most of this funding was used to provide interest-free loans to private landlords in the neighbourhood to enable them to improve empty homes so that they can be re-occupied. However, £1.15m was reserved to improve the public realm in the vicinity of the Flats (Minute 16; 20/06/12 refers).
- 1.2. The landscaping element of the project is intended to help to make the flats more desirable and therefore more lettable by improving the physical environment around the flats. The area to be improved consists principally of the highway surrounding the flats, and three areas of open space which are either owned or leased by the Borough Council.
- 1.3. In 2013, Farrer Huxley Associates (FHA) were appointed as landscape architects for this project.
- 1.4. The contract to carry out the landscaping work was put out to tender through The Chest, the Council's procurement portal, and the Executive Director authorised to appoint the lowest tenderer, in consultation with

the Chair of this Committee (Minute 40; 30/07/14 refers). In December 2014, an "intention to appoint" letter was sent to ESH Border Construction, as the lowest tender who met the appropriate quality threshold. This was subsequently reported to Committee (Minute 116; 21/01/15 refers).

- 1.5. The tender exercise carried out in 2014 returned priced significantly higher than the project budget. It was intended to refine the contract design in consultation with ESH, aiming for a contract sum in the region of £1.35m. An additional £200,000 was made available in the capital programme (Minute 63 10/09/14 refers), and it was proposed that any additional funding required to support this contract be sourced from the recycling of repayments of a loan of £1.9m provided to Barros Trading Ltd. This loan had not been concluded at the time of the previous report to this Committee, and it was agreed that the contract with ESH should not be formally entered into until the loan agreement with Barros Trading was signed.
- 1.6. Since this time, the loan with Barros Trading has been agreed. However, it has not been possible to arrive at an acceptable scheme through direct negotiation with ESH that can deliver within the target budget. This is despite a substantial redesign that has been carried out by FHA. This redesign required a material amendment to the planning consent to be submitted and this has been agreed.
- 1.7. It was therefore decided to revert formally to ESH and to the nearest two unsuccessful contractors from the tender exercise, and request them to price the revised bill. These contractors are Thomas Armstrong and Ground Control.
- 1.8. At the time of writing, the revised prices have not been received. It is therefore recommended that the Executive Director be delegated authority to appoint the lowest tender from this repricing exercise.

(i) Legal Implications

None.

(ii) Risk Assessment

If the project is not delivered effectively, there is a risk that the objectives of the Clusters of Empty Homes programme will not be achieved.

(iii) Financial Implications

Funding for this project has been provided through the Clusters of Empty Homes Fund and provision made accordingly through the capital programme.

(iv) Health and Safety Implications

The project management arrangements will need to make appropriate provision to comply with Health and Safety legislation. In particular, the Council must comply with the Construction Design and Management Regulations 2015.

(v) Equality and Diversity

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

(vi) Health and Well-being Implications

The recommendation has a positive effect on the Health and Wellbeing of residents of the area.

Background Papers

None