

# **BOROUGH OF BARROW-IN-FURNESS**

## **EXECUTIVE COMMITTEE**

Meeting, Wednesday, 7th March, 2018  
at 2.00 p.m. (Committee Room No. 4)

**NOTE:** Group Meetings at 1.15 p.m.

### **A G E N D A**

#### **PART ONE**

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

3. Admission of Public and Press

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

4. 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 7th February, 2018 (Pages 1-26).
6. Apologies for Absence/Attendance of Substitute Members.

#### **FOR DECISION**

- (R) 7. Council Finances and Performance (Pages 27-33).
- (R) 8. Treasury Management Strategy Statement (Pages 34-35).
- (R) 9. Pay Policy 2018/19 (Pages 36-37).

- (D) 10. Updated Local Development Scheme (LDS) and Submission of the Local Plan (Pages 38-40).
- (R) 11. Reviewing the Member Development Strategy (Pages 41-42).
- (R) 12. General Data Protection Regulation Policy (Pages 43-44).
- (D) 13. Thorncliffe Crematorium - Replacement of Existing Cremators (Pages 45-49).
- (D) 14. Borough Kennels – Staff Hours (Pages 50-51).
- (R) 15. Environmental Health Delegations (Pages 52-53).
- (R) 16. Pay and Regrading Review (Pages 54-56).

## **PART TWO**

- (R) 17. Establishment Matters.

**NOT FOR PUBLICATION BY VIRTUE OF PARAGRAPHS 1 & 2 OF PART  
ONE OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972  
AND ACCESS TO INFORMATION (VARIATION) ORDER 2006**

- (R) 18. Essential User Allowance.

**NOT FOR PUBLICATION BY VIRTUE OF PARAGRAPHS 1 & 2 OF PART  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  
D. Roberts  
Williams

**For queries regarding this agenda, please contact:**

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## EXECUTIVE COMMITTEE

Meeting: Wednesday 7th February, 2018  
at 2.00 p.m.

PRESENT:- Councillors Pidduck (Chairman), Sweeney (Vice-Chairman), Barlow, Biggins, Brook, Burns, Hamilton (Items 1 - 14 only), McLeavy (Items 1 - 10 only), R. McClure, W. McClure, Maddox and Wall.

Also Present:- Phil Huck (Executive Director), Susan Roberts (Director of Resources), Colin Garnett (Assistant Director - Housing) (Items 1 to 7 only), Jon Huck (Democratic Services Manager and Monitoring Officer) and Sandra Kemsley (Democratic Services Officer).

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

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

| <u>Item</u>   | <u>Reason</u>  |
|---|--|
| Off Street Parking Places - New Traffic Regulation Order (TRO) for Council owned Car Parks and Land (Minute No. 103). | To enable the TRO to be advertised with the omission included. |

### **95 – 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 item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 1 & 2 (Minute No. 109) of Part One of Schedule 12A of the said Act.

### **96 – Declarations of Interest**

Councillor Burns declared an Other Registrable Interest in Agenda Item 10 - Budget Proposals 2018/19. She is the lead Member for Children and Social Care on Cumbria County Council.

### **97 – Minutes**

The Minutes of the meeting held on 29th November and the special meeting held on 18th December, 2017 were agreed as a correct record.

## **98 – Apologies for Absence**

Apologies for absence were received from Councillors Cassells, Pemberton, D. Roberts and Williams.

Councillors Burns, McLeavy, W. McClure and Wall had substituted for Councillors Cassells, Pemberton, D. Roberts and Williams for this meeting only.

## **99 – Housing Management Forum: Recommendations**

The recommendations of the Housing Management Forum held on 18th January, 2018 were submitted for consideration.

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

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

### **Housing Maintenance Investment Programme 2018/19**

1. To note progress on achieving and maintaining the Decent Homes Standard;
2. To agree the annual investment profile shown at Appendix B of the report;
3. To agree continued delivery through Procure Plus; and
4. To note the newly arising investment works identified in the report.

### **Fire Risk Assessments 2018/19**

1. To agree to install new heat detectors and interlinked smoke alarms to all flats above shops or commercial outlets;
2. To agree a policy to introduce a quarterly inspection regime for communal areas and access walkways including recording and monitoring of refuse storage facilities and enforcement of fire safety prohibition notices;
3. To agree to install new interlinked smoke alarms to all two storey flats with communal or walkway/balcony access arrangements;
4. To install new emergency lighting to all flats with walkway/balcony access arrangements;
5. To agree to install new interlinked smoke detectors to all flats where the bedroom exits into the lounge or where the exit route from a flat was down a stairway which was separated from the hallway;

6. To agree to provide each block of flats serviced by a communal or walkway/balcony access arrangements with an escape route and muster point notice;
7. To agree a policy to replace existing flat entrance door and fire escape route doors with new fire retardant doors that offer a minimum of 30 minutes fire protection when flats become void;
8. To agree a policy not to install firefighting equipment (Extinguishers, Blankets etc.) to blocks of flats with communal or walkway/balcony access arrangements and to advise Residents to sound the alarm, evacuate and ring the Fire Service;
9. To agree that Officers review and discuss these fire safety concerns to the affected shops on a case by case basis; and
10. To endorse Officers' view that the existing interlinked smoke detection systems were an adequate means of raising the alarm should a fire be detected and that break glass points were not required.

## **100 – Council Finances and Performance**

The Committee considered a detailed report of the Director of Resources regarding the Council finances and performance for the period ended 30th September, 2017. The report had included the General Fund, Capital Programme, Treasury Management, Reserves and Balances and the Housing Revenue Account.

RESOLVED:- To note the financial and non-financial performance information contained within the report of the Director of Resources.

## **101 – Grant Certification Audit**

The Director of Resources informed the Committee that under the provisions within the Local Audit and Accountability Act 2014 (Act) the Council had opted to join a national collective scheme led by Public Sector Audit Appointments Limited (PSAA), for the appointment of external auditors.

The Council had received confirmation of its appointed auditors on 19th December, 2017, as Grant Thornton (UK) LLP. That contract had covered the audit of the accounts for a five year period, 2018-2019 to 2022-2023. The PSAA audit contract did not cover certification work, such as the Housing Benefit subsidy claim, as the PSAA had no power under the Act to make certification arrangements. The Council must procure its own grant certification auditors within the parameters set by the Department for Work and Pensions (DWP).

Councils could make an appointment through a normal procurement process or directly approach the appointed auditor for the general (accounts) audit to also conduct the grant certification work.

The Council was required to formally inform the DWP of its audit arrangements by 28th February, 2018 (before 1st March, 2018). Failure to appoint by the deadline would lead to the Housing Benefit subsidy being withheld until an appointment was confirmed.

The option to procure through tendering or obtaining quotations had been discounted as it would incur cost and may lead to a second auditor being appointed. The preferred option was a direct appointment which would retain a single external auditor for the Council and provide a more efficient audit service with all work being carried out by the same auditor.

The indicative certification fee for 2017-2018 was £16,168. It was not possible to confirm that figure as final as the audit work for the 2017-2018 subsidy claim was carried out in the Autumn of 2018.

RESOLVED:-

1. To approve the direct appointment of the Council's appointed auditor, Grant Thornton (UK) LLP, for grant certification work; and
2. To delegate to the Director of Resources the authority to negotiate and enter into a contract with the appointed auditor for the grant certification work for the same term as the contract awarded through Public Sector Audit Appointments Limited.

## **102 – Review of Purposes and Use of The Forum**

The Executive Director reminded the Committee that at its meeting on 26th July, 2017 it had resolved to remove The Forum from the Leisure Outsourcing offer and undertake a review of the purposes and use of The Forum building with a view to reducing the subsidy the Council currently provided towards the running costs of the facility.

Following that decision, Officers, Forum staff and Members had met on several occasions to discuss the review and agreed that a booking fee should be charged on all ticket sales and that the discount on room bookings should be reviewed alongside expenditure reductions, concessionary subsidies, recoverable charges and budgeted income from shows.

Following Councils decision to in-source its Revenues and Benefits Service, it was proposed, subject to technical studies, to operate that service from The Forum. Initial assessment was that it would require The Gateway Room, The Green Room, Rydal Room and ancillary storage and facilities. The estimated contribution to The Forum from General Fund for use of that space was £60,000. That income would be offset by reduced income from room bookings. It was also proposed to convert the exhibition space on the ground floor of The Forum to lettable space and undertake changes to the layout of The Studio to maximise room hire income.

The current catering contract had expired in June, 2017 and had been extended on a monthly basis following agreement at this Committee on 28th June, 2017. The current contractor had agreed to extend their contract for the period until 31st March, 2019. That period would allow the catering contract to be re-tendered.

Subject to advice on the specification of the contract, it was proposed to pass more of the operational costs to the contractor, including NNDR, utilities and rent.

To tender the service the Council would need to engage consultants to advise upon:-

- (i) The form, term and scope of the tender;
- (ii) The minimum level of rent payable;
- (iii) The evaluation process; and
- (iv) Viability of an income share trigger.

RESOLVED:-

1. To agree to extend the current catering contract with Elixir to 31st March, 2019;
2. To agree to tender catering for The Forum with a commencement date of 1st April, 2019; and
3. To agree, subject to technical assessments, to use the areas of The Forum set out in the report for offices.

### **103 – Off Street Parking Places - New Traffic Regulation Order (TRO) for Council Owned Car Parks and Land – Supplementary Report**

The Committee was reminded that a report to revise the Traffic Regulation Order had been submitted to this Committee on 29th November, 2017. The report contained an omission, outlined below, that would be added to the consultation papers.

The inclusion of the below tariff on the following car parks: Fell Street; Hall Street; Oldham Street and Whittaker Street:-

| Duration   | Tariff   |
|------------|----------|
| 20 minutes | 40 pence |

Approval had been given by Full Council on 23rd January, 2018, to revise the current Order (TRO 2013) in accordance with the requirements of the Local Authorities Traffic Regulation Order (Procedure) (England and Wales) Regulations 1996 and authorisation for the Executive Director to make a new Order.

It was intended that the new Order would take effect from 1st April, 2018; TRO 2018.

In making a new Order the Council was required to publish a notice of proposal in the local newspaper, consult with the local Highway Authority and serve notice on all statutory consultees. A minimum of 21 days was required for consultation responses.

Any objections received must be given due consideration and modifications made if necessary prior to the Order being made and brought into force.

RESOLVED:- To agree that the omission within The Council of the Borough of Barrow-in-Furness (Off-Street Parking Places) Order 2018 (“TRO 2018”) be corrected prior to the required consultation.

## REFERRED ITEMS

### THE FOLLOWING MATTERS ARE REFERRED TO COUNCIL FOR DECISION

#### **104 – Housing Management Forum: Recommendations**

Consideration was given to the recommendations of the Housing Management Forum held on 18th January, 2018.

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

#### **Housing Revenue Account 2018/2019**

RECOMMENDED:- To recommend the Council:-

1. To note the information provided in the report;
2. To note the Expected Outturn Budget for 2017/18 of a deficit of £37,900;
3. To note the balances on the Expected Outturn Budget for 2017/18;
4. To agree the basis on which the 2018/19 draft Budget had been proposed in 3.1 to 3.7 of the report;
5. To agree the creation of an Operational Reserve as described at 4.2 of the report;
6. To agree the garage increase of 2% at point 5 of the report;
7. To agree or note others outlined in 6.1, 6.2 and 6.5 of the report re: changes for resale enquiries;
8. To agree the introduction of administration charges for Leaseholders;
9. To agree the continuation of the Service Level Agreement with ASB Action Ltd and waive the normal procurement requirement in those instances;
10. To agree the ongoing role of the HSRWG to consider action required to maintain a balanced HRA; and
11. To agree the approach to matters raised in 7.2, 7.3, 7.4, 7.5, 7.6 and 7.7 of the report.

#### **105 – Budget Proposals 2018-19**

The Committee considered a detailed report from the Director of Resources regarding the General Fund budget proposals budget proposals for 2018-2019 and the decisions associated with budget setting. The report contained matters relating to the General Fund revenue account, General Fund and Housing Revenue Account establishment matters, the Capital Programme and financial reserves.



RECOMMENDED:- To recommend the Council:-

1. To set the 2018-2019 General Fund revenue budget as £10,520,410 including £104,140 for parish precepts, an increase of 2.99% on all Council Tax bands and the addition to reserves of £171,350;
2. To agree the principle of Council Tax exemption for care leavers and the delegation to the Director of Resources of the Cumbria-wide policy;
3. To agree the introduction of a booking fee for the Forum and the delegation to the Venue Manager of fee setting in line with the current price setting for the Forum;
4. To agree the delegation to the Assistant Director – Community Services of setting the kennel fees;
5. To agree that fees and charges not currently delegated to officers were increased by 2.5%;
6. To agree the creation of a permanent full time Senior Advice Officer on Scale 6/SO1 within the Homeless Section at no additional cost to the General Fund, funded by additional external grant;
7. To agree the creation of a permanent full time Housing Options Support Officer on Scale 4/5 within the Homeless Section at no additional cost to the General Fund, funded by additional external grant;
8. To agree the creation of a permanent full time Leisure Client Officer on Scale PO6, reporting to the Assistant Director – Community Services;
9. To agree the creation of a permanent full time Housing Project Assistant on Scale 3 within the Housing Revenue Account which had no additional cost to the Housing Revenue Account as the addition was compensated by a separate post deletion;
10. To agree the creation of a permanent full time Contract Supervisor on Scale 6/SO1 within the Housing Maintenance Section which had no additional cost to the Housing Revenue Account as the addition was compensated by a reduction in external professional fees;
11. To approve the movements in General Fund earmarked reserves which total a net use of £1,057,470 including the contribution made from the 2018-2019 budget setting;
12. To approve the Capital Programme for 2017-2018 to 2020-2021 which totals £19.28m; and
13. To approve the creation of a General Reserve for the Housing Revenue Account and to establish that in 2017-2018 from the current fund balance would be set as £1m at 31st March, 2018.

## **106 – HR Policies / References Policy**

The Director of Resources informed the Committee that HR Policies had been reviewed and updated on a regular basis to ensure they were in line with current legislation and best practice. To speed up the process and to prevent Members being over-burdened with significant amounts of details in relation to HR Policies, it was proposed that the Director of Resources had delegated authority to approve and implement all new and revised HR Policies; reporting these to Management Board.

The Council's References Policy had been revised to simplify the process and to confirm that the HR Department was responsible for all incoming and outgoing references related to recruitment and employees.

RECOMMENDED:- To recommend the Council:-

1. To approve the delegation of approval and implementation of HR Policies as set out in the report; and
2. To approve the revised References Policy and Procedure.

## **107 – Revision to the Development Service Manager (Planning) Delegation**

The Committee was informed that recent legislation had placed greater emphasis upon Planning Authorities to improve determination rates for all types of planning applications. To meet that challenge the Planning Section had carried out an extensive overall of its back office systems and made substantial efficiency savings. As local resources became tighter, and the planning system more complex, it was necessary to reconsider the current Scheme of Delegations for the Development Services Manager (Planning), the role of the Planning Panel, and whether redefining the Planning Panel role would aid future determination rates.

In the current Agreement, planning applications could only be reported to the Panel where non material comments were made and in the case of submissions for Prior Approvals or Larger Homes Extensions, where any representation was received. That had resulted in a number of planning applications, mainly householder submissions for modest proposals that had attracted material comments from neighbours, (which were often rooted in private interests or neighbour disputes) going before Committee.

Additionally such applications could exceed their statutory eight week limit due to the committee meeting cycle.

Conversely there were occasions when Major applications may attract no objections and no adverse consultee representations, and these had been determined by Officers. Following a meeting with the Chairman and Vice Chairman of the Planning Committee it had been agreed that it was more appropriate for Members to make these determinations. In the interests of transparency, the Planning Committee should be aware of these Major applications, together with the issues around the proposals, which could have wider implications associated with the Councils broad objectives as published in the Council Plan (2017-2020). These issues could be robustly debated thus increasing Member involvement in the process and making better use of Committee time.

Allowing objectors and applicants to speak at Committee was recognised as a fundamental part of the democratic process and there was no proposal to alter that part of the system. The “Calling In” procedure available to Members also remained unchanged.

Recently, there had been a limited number of Panel meetings due to the constraints of the Agreement. It was proposed to redefine the role of the Panel, not only in order to improve determination rates, but also to free up Committee time. The improvements were fairly modest but should help towards raising determination times in line with government targets.

The amended delegation was considered by the Committee.

**RECOMMENDED:-** To recommend the Council approve the amendments to Section G Part 3(2) Responsibility for functions Scheme of Delegations to Officers within the Constitution of the Council for the Development Services Manager (Planning).

### **108 – Review and Appointment of Hackney Carriage Stands in the Borough – Licensing Regulatory Committee**

The Committee were informed that at the Licensing Regulatory Committee on 7th September, 2017 Members had agreed the proposed hackney carriage stands outlined in a report, subject to any representations and / or objections received during the consultation period.

The recommendation had been referred to this Committee from the meeting of the Licensing Regulatory Committee held on 25th January, 2018, where Members had considered the objections and consultation responses.

A Local Authority could adopt areas on streets or private land as stands for hackney carriages under section 63 Local Government (Miscellaneous Provisions) Act 1976 (“the Act”), subject to consent being given from the highway authority, notification to the Chief of Police and the consideration of any objections or representations received within the consultation period.

Cumbria County Council had given consent to appoint the hackney carriage stands as proposed, with the exception of a new stand on Market Street, Dalton in Furness.

The Chief of Police had noted the Council’s intentions to appoint the Hackney Carriage Stands but made no objection.

A notice of proposal had been placed in the North West Evening Mail on Friday 3rd November, 2017 providing a 28 day consultation period, running until Friday 1st December, 2017.

The Committee considered an amended schedule of Hackney Carriage Stands.

**RECOMMENDED:-**To recommend the Council to approve the proposed Hackney Carriage Stands as detailed in the amended schedule.

## **109 – Establishment Matters**

The Director of Resources submitted a report that set out the posts to be deleted which had been identified as part of the budget setting for 2018-2019.

RECOMMENDED:- To recommend the Council:-

1. To delete post ITD008 IT Support Officer from the Council's establishment;
2. To delete post HOP007 Operations Project Officer from the Council's establishment;
3. To delete post HOP010 Housing Officer from the Council's establishment;
4. To delete post HOP011 Housing Officer from the Council's establishment;
5. To delete post HOP018 Housing Officer part time from the Council's establishment; and
6. To delete post HSG002 Community Involvement Manager from the Council's establishment.

The meeting closed at 3.50 p.m.

**HOUSING MANAGEMENT FORUM**

Meeting: Thursday 18th January, 2018  
at 2.00 p.m.

PRESENT:- Councillors Hamilton (Chairman) and Barlow.

Tenant Representatives:- Mrs M. Anderson, Mr M. Gray, Mr E. Lynch and Mr A. McIntosh.

Officers Present:- Colin Garnett (Assistant Director - Housing), Paula Westwood (Democratic Services Officer - Member Support) and Katie Pepper (Democratic and Electoral Apprentice).

**26 – Minutes**

The Minutes of the meeting held on 2nd November, 2017 were taken as read and confirmed.

**27 – Housing Maintenance Investment Programme 2018/19**

The Assistant Director - Housing had submitted a report with the purpose of agreeing the expenditure profile for 2018/2019. The proposed profile and priorities had been based on the agreed Five-year Asset Management Strategy 2015 and made reference to the findings of the 2014 Stock Condition Survey.

He reported that the principles adopted in the 2018/19 proposed programme continued with the previously agreed targets as set out in the 2015 Asset Management Plan (AMP) which had been agreed by Members at the Housing Management Forum meeting held on 27th August, 2015 and sought to ensure:-

- The Council maintained the Decent Homes Standards.
- The aspirations of Tenants were considered and incorporated within the Programme.
- To work collaboratively with other housing providers and contractors to improve delivery of planned and responsive repair services.
- Ensure properties were safe, energy efficient and weatherproof; and
- Investments were prioritised on a just in time and worst-first basis.

He advised Members that Officers would need to undertake a further detailed survey of the condition of the housing stock and related assets in 2020.

**1. Progress during the Current Year 2017/18**

The progress of works during the current year had been presented as follows:-

## **Decent Homes Standard (DHS)**

Of the 76 non decent properties identified in the 2014 Stock Condition Survey, 71 now met the standard but 5 properties remained non-compliant due to Tenant refusals (3 No) or that work was scheduled to be completed (2 No) in the next financial year.

## **Planned Maintenance**

Delivery of planned investments and major works transferred from Cumbria Housing Partners to Procure Plus during 2017/18. The arrangements continued to be an effective delivery method in terms of value for money, compared with historical costs. The new arrangements with Procure Plus Holdings offered additional savings on fees and continued to deliver efficiencies through streamlined management, administration and monitoring of the contracts. Members had been requested to note that the delivery of investments via Procure Plus Holdings offered additional social value benefits throughout the borough.

- Phase 4 of Roosegate re-roofing and rendering works were 100% complete;
- Dalton cavity wall and wall tie replacement works were 100% complete;
- External painting improvements were 100% complete;
- Bathroom improvements were 40% complete;
- Heating improvements were 52% complete;
- Rewire improvements were 75% complete;
- Yew Tree estate roofing works were 25% complete; and
- Craven Park Court roofing works were 50% complete.

Whilst all work streams shown above were expected to be completed by the end of the financial year, there was an ongoing problem with the Walney rendering as there were a number of supplementary works identified that required Officers to consult further with Leaseholders.

The 2017/18 window installation works were presently on hold due to ongoing cost clarification matters with the Contractor and Procure Plus Holdings.

Both schemes were not expected to re-commence until the new financial year.

## **2. Suggested Investment Profiles for 2018/19**

The proposed investment profile for 2018/19 had been attached as an appendix to the report.

The profile followed the “sustainable” investment model shown in the 2015 Asset Management Plan and built on existing priorities to upgrade external components such as roofs and external wall finishes. Heating and electrical circuits continued to receive significant investment whilst the trend to spend less on kitchen and bathroom improvements would continue for the foreseeable future.

There had been some newly arising maintenance needs identified with regard to the following work streams;

- Fire Risk Assessments;
- Re-Roofing (Greengate estate);
- Re Pointing works (Newbarns estate); and
- Radon Gas (Dalton, Askam and Lindal).

The HRA baseline model allocation for 2018/19 was based on an asset portfolio containing 2,590 (Forecast at 1/4/2018) properties:

|   |                   |
|---|-------------------|
| Maintenance Allowance (per property £1281.14) | £3,318,157        |
| Major Works (per property £744.40)            | £1,928,000        |
| <b>Total</b>                                  | <b>£5,246,157</b> |

Members had been requested to note that Officers would be conducting a detailed performance review of the responsive repairs and gas Contractors during 2018/19 in conjunction with Procure Plus Holdings. It was anticipated that the review would be undertaken in late spring/early summer and the findings of the review would be reported to Members in early autumn 2018.

### **3. Progressing the Planned Investment Works**

Over the next year, major investment works would continue to be delivered through the existing arrangement with Procure Plus.

Members had been requested to note that the 2018/19 program included some newly arising investment needs that which had not been identified in the 2014 stock condition survey as follows:-

- **Fire Risk Assessments**

Following the fire at Grenfell, Officers had undertaken a detailed fire risk assessment of all Council owned flats with communal access arrangements to identify potential fire risk hazards. The survey also included analysis of housing shops and additional fire risks that may exist due to the location of living accommodation and its close proximity to light industrial cooking facilities.

A detailed summary of the fire risk assessment findings had been included in the Fire Risk Assessment report contained in Agenda Item No. 9 (Minute No. 28 refers).

- **Re-Roofing** (Greengate estate)

Since the 2014 Stock Condition Survey there had been a significant number of repetitive minor roof repairs on this estate. This was evidenced by the numerous lead straps that were present on some elevations and was linked to the general age and condition of the slate covering, nails and battens. Members' agreement had been requested to re-roof the estate over a 3 year period.

There were a small number of Leaseholders on the Greengate estate who would be affected by the re-roofing works.

- **Re-Pointing Works** (Newbarns estate)

There were large areas of the Newbarns estate which had a mix of facing brick and render facades. Some elevations required extensive re-pointing works in order to maintain adequate weather protection. Members' agreement had been requested to re-point the affected properties on the estate over a 2 year period.

There were a number of Leaseholders on the Newbarns estate who would be affected by the re-pointing works.

- **Radon Gas** (Dalton, Askam and Lindal)

Officers had identified a contingency budget (£100,000) to carry out any essential works identified during the Radon Gas testing programme to be conducted by Public Health England.

It was anticipated that Members would be provided with a detailed report of the Radon Gas test results in August 2018 regarding the recommendations from Public Health England and any arising improvement required.

**RECOMMENDED:-**

1. To note progress on achieving and maintaining the Decent Homes Standard;
2. To agree the annual investment profile which had been appended to the report and is included at **Appendix A** to these Minutes;
3. To agree continued delivery through Procure Plus; and
4. To note the newly arising investment works identified in the report.

**28 – Fire Risk Assessments 2018/19**

The Assistant Director - Housing submitted a report to provide Members with an update on the findings of the recent Fire Risk Assessment report and sought Members' approval to introduce a number of key priorities and actions regarding fire safety in communal areas, flats and shops premises.

He advised that following a joint fire safety inspection with Cumbria Fire Service in August 2017, Officers had sought quotations from suitably qualified Fire Safety Consultants to undertake a detailed review of the Council's housing assets with regard to fire safety in order to ensure compliance with the Council's statutory duties under the Regulatory Reform (Fire Safety) Order 2005 (FSO).

He reported that a total of 114 premises had been inspected. The survey had included all of the Council's two and three storey flats that were accessed via a communal access area or via a walkway or balcony arrangement as well as all of the housing owned shops and commercial premises.



He advised that the Fire Safety Consultants had provided a detailed report for each asset and advised that the Council should periodically review fire safety arrangements and ensure a fire risk assessment was undertaken every time there was a significant modification to the design, layout or use of the affected buildings.

This report pulled together the key findings and recommendations that were common across all two and three storey blocks accessed via a communal access area or via a walkway or balcony arrangement. Members had been requested to note that there were some recommendations which were specific to individual blocks that required an individual response to Residents or Leaseholders; e.g. a Resident had installed their own PVCu flat entrance door that was failing fire safety standards.

Fire safety risks had been classified in line with the table shown below:-

| Risk Summary                 |        | Potential severity of harm |               |              |
|------------------------------|--------|----------------------------|---------------|--------------|
|                              |        | Slight Harm                | Moderate Harm | Extreme Harm |
| Likelihood of fire occurring | Low    | Trivial                    | Tolerable     | Moderate     |
|                              | Medium | Tolerable                  | Moderate      | Substantial  |
|                              | High   | Moderate                   | Substantial   | Intolerable  |

The highest priority risks had been shown as INTOLERABLE and SUBSTANTIAL and Members had been requested to bear that in mind when prioritising improvements.

Other categories of fire safety risk include Moderate; Tolerable and Trivial.

In general terms the report had highlighted 12 key issues with varying degrees of risk, summarised as follows:-:

1. Shops (especially with cooking facilities) should have a heat detector and interlinked smoke alarm to ensure the flats above shop premises would be aware of a serious fire; **INTOLERABLE RISK**
2. Stairways should be kept free from fire risks especially vehicles that contained flammable liquids or batteries. **SUBSTANTIAL RISK**
3. In ground and first floor blocks, smoke detection should be installed in the stairways and interlinked with detectors in individual flats to give occupants early warning of a fire affecting their only escape route; **MODERATE RISK**
4. Where the only exit from a bedroom was through the lounge there should be interlinked detectors in the lounge and hallway; **MODERATE RISK**
5. All flats with walkway/balcony escape routes should be fitted with emergency lighting arrangements; **MODERATE RISK**
6. Where the exit route from a flat was down a stairway which was separated from the hallway there should be interlinked smoke detectors in the stairway/hallway; **MODERATE RISK**
7. All flats should have a fire route notice detailing the action to be taken in the event of a fire; **TOLERABLE RISK**
8. Provision to be made to ensure bins were kept in a secure area away from buildings, particularly escape routes; **TOLERABLE RISK**
9. High fire risk areas should be separated from escape routes by fire resisting construction to a minimum of 30 minutes; **TOLERABLE RISK**
10. All replacement fire resisting doors should be positively self-closing (not rising butt hinges) and include intumescent strips and cold smoke seals;

## TOLERABLE RISK

11. New blocks or replacement doors should not include letter boxes in doors unless they have been tested to BS: 476; **TOLERABLE RISK**
12. Communal entrances should have a general purpose extinguisher, this should be secured in a box to stop malicious usage; **TOLERABLE RISK**

In addition to the 12 key risks outlined above, the Fire Safety Consultant's report had also made reference to a MODERATE RISK that was associated with a general lack of break glass alarm points near the main exit doors from stairways. The primary function of the break glass was to allow Residents to warn others of a developing fire. Members had been requested to note that many of the Council's communal areas were subject to frequent vandalism to the communal security doors and CCTV equipment. In view of that, it was likely that break glass alarms would become additional focal points for vandals and as such may lead to an increase in nuisance calls to the Fire Service.

Officers had suggested that the present interlinked smoke detection systems in three storey flats and the proposed installation of interlinked smoke detectors in two storey flats accessed via a communal access area or via a walkway or balcony arrangement provided sufficient fire notification for Residents without the need for additional break glass provisions.

The report also highlighted a number of supplementary recommendations that related specifically to the layout, emergency lighting and means of escape arrangements to individual shops. These issues had arisen as a result of unrecorded and in some cases unauthorised alterations to the shop premises over many years.

Members had been requested to agree that Officer's review and discuss these fire safety concerns to the affected shops on a case by case basis. They had also been requested to note that a budget provision of £125,000 had been allocated in the 2018/19 investment programme to undertake fire safety improvements and had been requested to endorse and agree the following suggested approach and implementation timetable:-

| WORK REQUIRED   | ESTIMATED COST                                       | TIME FRAME        |
|---|--|-------------------|
| Install new heat detectors and interlinked smoke alarms to all flats above shops or commercial outlets  | £30,000  | April – June 2018 |
| Agree a policy to introduce a quarterly inspection regime for communal areas and access walkways including recording and monitoring of refuse storage facilities and enforcement of fire safety prohibition notices | NIL<br>(Conducted In-House by Mobile Caretaker Unit) | February 2018     |
| Install new interlinked smoke alarms to all two storey flats with communal or walkway/balcony access arrangements   | £60,000  | April – June 2018 |

|  |   |                   |
|--|---|-------------------|
| Install new break glass alarm points to all three storey flats   | £10,000                                       | April – June 2018 |
| Install new emergency lighting to all flats with walkway/balcony access arrangements   | £15,000                                       | April – June 2018 |
| Install new interlinked smoke detectors to all flats where the bedroom exits into the lounge or where the exit route from a flat is down a stairway which is separated from the hallway  | £5,000  | April – June 2018 |
| Provide each block of flats serviced by a communal or walkway/balcony access arrangements with an escape route plan and muster point notice  | £500  | February 2018     |
| Agree a policy to replace existing flat entrance doors and fire escape route doors with new fire retardant doors that offer a minimum of 30 minutes fire protection when flats become void   | £25,000 pa<br>(Funded from HRA – Void budget) | April 2018        |
| Agree a policy not to install firefighting equipment (Extinguishers, Blankets etc.) to blocks of flats with communal or walkway/balcony access arrangements and to advise residents to sound the alarm, evacuate and ring the fire service | NIL   | February 2018     |
| Endorse the Officers view that the existing interlinked smoke detection systems provide an adequate means of raising the alarm should a fire be detected and that break glass points were not required.                                    | NIL   | N/A               |

**RECOMMENDED:-**

1. To agree to install new heat detectors and interlinked smoke alarms to all flats above shops or commercial outlets;
2. To agree a policy to introduce a quarterly inspection regime for communal areas and access walkways including recording and monitoring of refuse storage facilities and enforcement of fire safety prohibition notices;
3. To agree to install new interlinked smoke alarms to all two storey flats with communal or walkway/balcony access arrangements;
4. To install new emergency lighting to all flats with walkway/balcony access arrangements;
5. To agree to install new interlinked smoke detectors to all flats where the bedroom exits into the lounge or where the exit route from a flat was down a stairway which was separated from the hallway;

6. To agree to provide each block of flats serviced by a communal or walkway/balcony access arrangements with an escape route and muster point notice;
7. To agree a policy to replace existing flat entrance door and fire escape route doors with new fire retardant doors which offered a minimum of 30 minutes fire protection when flats become void;
8. To agree a policy not to install firefighting equipment (Extinguishers, Blankets etc.) to blocks of flats with communal or walkway/balcony access arrangements and to advise Residents to sound the alarm, evacuate and ring the Fire Service;
9. To agree that Officers review and discuss these fire safety concerns to the affected shops on a case by case basis; and
10. To endorse Officers' view that the existing interlinked smoke detection systems were an adequate means of raising the alarm should a fire be detected and that break glass points were not required.

## **29 – Planned Investment and Planned Maintenance 2017/18**

The Assistant Director - Housing submitted information relating to the Planned Investment and Planned Maintenance Programme for 2017/18. The information is attached at **Appendix B** to these Minutes.

RESOLVED:- To note the information.

|                       |
|-----------------------|
| <b>REFERRED ITEMS</b> |
|-----------------------|

|   |
|---|
| <b>THE FOLLOWING MATTERS ARE REFERRED TO COUNCIL FOR DECISION</b> |
|---|

## **30 – Housing Revenue Account 2018/19**

The Assistant Director - Housing had submitted a report with the purpose agreeing a Housing Revenue Account (HRA) Budget for the 2018/19 financial year. His report provided details about the Expected Outturn Budget and balances for the current year.

Whilst there were a significant number of factors considered in drafting a HRA budget, a major factor had been the fall in income because of the Government's rent Policy to reduce social rents by 1% over a four year period. With that and continued Right to Buy, the reduction of income had been estimated at £500k over the 2018/19 and 2019/20 financial years.

At the last meeting on 2nd November, 2017, Members had agreed to reduce expenditure by £265k. Proposals within the Assistant Director's report provided the opportunity to reduce further the expenditure of the HRA in 2018/19 by a further £200k.

It was understood that the Government had indicated that at the end of the current four-year rent policy, social rents would be allowed to increase by CPI plus 1%.

Members had been requested to note whilst that offered some good news, the income would remain challenged with the continued sale of Council properties through Right to Buy, increasing costs and inflation generally.

The Assistant Director - Housing suggested the Council needed to remain focused on controlling expenditure with the objective of ensuring there was adequate provision to maintain the stock, provide services which reflected the aspirations of Tenants and had regard to the reducing property base. He also requested Members to note that ongoing adjustments to the establishment may be required to ensure effective or efficient delivery of services. Whilst downsizing of the establishment had been agreed, he advised of two areas of the Service where additional staffing input or changes to existing staffing was required to deliver the necessary services, in particular Homelessness Services and the Maintenance Team. The Housing Management Forum does not have responsibility for establishment matters so a report would be presented to the next Executive Committee to consider these proposals. The proposals did not add any cost to the overall HRA but would be funded by new grants or alternative use of existing resources.

He reported that the savings already agreed had resulted in some downsizing of teams. The new arrangements were bedding in and early indications were colleagues were adjusting to the new arrangements.

### 1. **Expected Outturn Budget 2017/18**

The outturn for the year forecasted a net deficit of £37,900.

### 2. **Balance on the Expected Outturn for 2017/18**

The above was likely to result in the following movement in balances.

|     |   |                          |
|-----|---|--------------------------|
| 2.1 | Major Repair Reserve balance as at 31 March 17  | £1,194,586               |
|     | Windows Scheme for 17-18 deferred               | £150,000                 |
|     | Revised Reserve balance as at 31 March 2018     | <b><u>£1,344,586</u></b> |
| 2.2 | Housing Revenue Account balance 31 March 17     | £1,443,736               |
|     | Forecast deficit                                | (£37,900)                |
|     | Estimated Balance at year end                   | £1,405,836               |
| 2.3 | Voluntary Repayment Provision as at 31 March 17 | £5,632,520               |
|     | Forecast Provision 2017/18                      | £870,010                 |
|     | Provision at year end                           | <b><u>£6,502,530</u></b> |

### 3. **HRA Budget 2018/19 Proposal**

The proposed budget for 2018/19 had been appended to the report and the following factors had been taken into account:

- 3.1 A further reduction of 1% on rental income for residential property.
- 3.2 The housing stock had been re-valued in the year resulting in an increase in depreciation costs.
- 3.3 Reductions in expenditure of £265k agreed at the previous meeting on 2nd November 2017 had been incorporated.
- 3.4 The set aside costs for the voluntary repayment of debt (our mortgage) had again been re-assessed, and because we had put more aside in previous years could be reduced by £140k\*
- 3.5 New grants for the delivery of the Homeless Reduction Act enabled some costs of homelessness to be covered by the grants reducing expenditure required by the HRA of £45k.\*

\* Target for reducing expenditure over two years c£500k, if the above were agreed this would result in agreed reductions in expenditure of £450k.

- 3.6 A contingency of £50k had been retained in the draft budget to which is referred to below.
- 3.7 Bad debt provision increased by £35k over the £91k calculated budget.

The result of the above actions provided a draft budget which allowed for the creation of an Operational Reserve Budget.

#### 4. Dwelling Rents

- 4.1 The effect on rents of the 1% reduction would be as follows:-

|                 | 52 Weeks      | 48 Weeks      | Average Rent decrease<br>over 48 weeks<br><b>82p</b> |
|-----------------|---------------|---------------|--|
| 2016/17         | £76.13        | £82.48        |  |
| 2017/18         | £75.36        | £81.65        |  |
| <b>2018/19</b>  | <b>£74.61</b> | <b>£80.83</b> |  |
| <b>Decrease</b> | <b>1%</b>     | <b>1%</b>     |  |

- 4.2 Moving forward, the expenditure within the HRA had been agreed through the democratic process but it was the case that occasions arose which resulted in under and over spends within the account. It had been suggested in order for the HRA to be managed effectively it would be appropriate to operate an “Operational Reserve” which provided the opportunity for the Director of Resources to manage budget volatility as and when required within the parameter of the overall agreed budget. A figure of £200k had been identified for that purpose for 2018/19, as referred to above, which was the benefit to the HRA of implementing the required budget reductions in a timely manner. The HRA fund balance would be assessed

by the Director of Resources; the minimum fund balance and reserve would be established.

## **5. Garage Charges**

The Council had discretion to set the appropriate rent for garages. During the current year, garage rents had increased by 2% and there did not appear to be any difficulty in attracting new occupiers when they become vacant. It was therefore proposed garage rents increase again in 2018/19 by 2%.

|               | No. | 2016/17  | 2% inc<br>2017/18 | 2% inc<br>2018/19 | Increased revenue<br>2018/19 |
|---------------|-----|----------|-------------------|-------------------|------------------------------|
| Garage rate 1 | 27  | £6.96    | £7.10             | £7.24             | £4,511                       |
| Garage rate 2 | 451 | £9.60    | £9.79             | £9.99             |                              |
| Total         | 478 | £216,840 | £221,135          | £225,646          |                              |

## **6. Additional considerations**

### **6.1 Service and Facility Charges for dispersed and furnished property**

The future funding of service charges would change at some point with the rollout of Universal Credit. However, additional cost was still incurred for the provision of such accommodation and it had been suggested the charges remained the same until the future funding of such accommodation becomes clearer.

### **6.2 Service charges e.g. communal area cleaning**

Agree Officers increase charges as necessary to reflect any increases in contractual arrangements for the delivery of the service. Charges to be adjusted as and when necessary to reflect recovery of the cost of provision with no additional administrative charges.

### **6.3 Charges for enquiries in respect of re-sale of former Council Property**

From time to time the Council would receive enquiries from third parties involved in the process of re-selling ex-Council property. Moving forward Members had been requested to agree the introduction of a charge for recovering the cost in replying to such enquiries. Officers would progress that in time for introduction early in the new financial year.

### **6.4 Charges for the administration of leases**

It was the Council's practice to recharge Leaseholders for a range of costs incurred by the Council in managing leasehold property. In short the recharges were "at cost" so did not include any reward for the service, e.g. the actual cost of the insurance for the property or a repair. However, the Council had not previously included any charge for the cost of administering the lease.

Members had been requested to agree in principle that Officers would investigate and progress the option to introduce such charges, identify the cost and look to introduce such charges at the appropriate time.

## **6.5 Adelphi Court**

The property was leased to the Richmond Fellowship (previously Croftlands Trust) as a supported housing scheme and under the terms of the lease it was recommended the annual rent of £40,000 remained the same for 2018/19.

## **6.6 ASB Action Ltd - Service Level Agreement 2018/19**

Effective management of anti-social behaviour was a key component of the Housing Service achieving its aim to provide well-maintained homes and estates where people choose to live.

ASB Action Ltd offered a specialised service which focused on assisting social housing providers to deal with such issues including specialized legal advice at short notice for a fixed fee ensuring value for money.

Members had been recommended to agree a further annual Service Level Agreement with ASB Action Ltd, and suspend the requirement to obtain alternative estimates. The cost of a 10-day Service Level Agreement including training was £4,785 plus VAT.

## **7. Priorities for the Year**

During the financial year there were a number of key factors which would impact on the service, summarised as follows:-

### **7.1 Maintain a balanced Housing Revenue Account**

As referred to elsewhere in this Report the Housing Service Review Working Group (HSRWG) had identified a significant reduction in expenditure agreed at the meeting on the 2nd November 2017 and further proposals had been included in this draft budget. Should those be agreed it would go a considerable way to meet the estimated reductions in expenditure required to implement the annual 1% rent reduction.

It was understood that the Government had now proposed after the end of the current rent Policy, they would allow social Landlords to increase rents by CPI plus 1%. Whilst that was positive news, it did not change the fact that the number of properties continued to decline and there would be a need for ongoing financial prudence, remodelling or consideration of the future delivery models for service delivery.

**Action:** The HSRWG would continue to meet to consider actions to maintain a balanced HRA.



## 7.2 Introduction of New Housing Management System

Officers continued to progress the introduction of the new CX system. The go live date had to be delayed until the 10<sup>th</sup> November and had to be “staged” to reflect the practicalities of introducing the new system. It had been unfortunate that key personnel involved in the planning stages had left the Council during the implementation and with them, the knowledge they had acquired over the course of the Project. Work was ongoing to remedy the ongoing outstanding issues with Stage 1 and it was envisaged these matters would take some time to complete before progressing on to Stage 2 implementation. This would require ongoing external support and a contingency had been included within the draft budget to ensure that could continue.

**Action:** The delivery of the CX system would remain a key priority across the service during 2018/19.

## 7.3 Welfare Changes and Income Collection

The roll out of Universal Credit would commence in July 2018. Members were aware of the changes that would introduce and whilst Officers had and continued to prepare for its introduction, it was clear it would be a significant risk to the Councils income and become a more significant feature of the work of the Operations Team particularly.

**Action:** Operations would continue to prepare and adopt best practice to minimise the risk to the income of the service.

## 7.4 Introduction of the Homeless Reduction Act

Increased responsibilities for Housing Authorities from April 2018 required increased focus on “prevention”, engagement with potentially homeless families/persons at an earlier stage and increased “case management” over a longer period. Indications were that additional staffing resources would be required and the Council would receive new grant funding to assist with implementation.

**Action:** This Forum does not have the remit to consider matters of establishment. This had been provided for information only and possible changes would be progressed to the Housing Options Team through the Executive Committee.

## 7.5 Housing Maintenance Team

Agenda Item No. 8 (Minute No. 27) had I had identified a number of matters pertinent to the maintenance services but, again for the sake of completeness, Members had been requested to note that the Assistant Director - Housing would be making proposals to the Executive Committee for changes to the Maintenance Team establishment to resolve capacity issues and build resilience into the team.

In addition, the team were currently trialling a new software system in conjunction with Procure Plus Holdings to make use of mobile videoing to share the condition of vacant property and agree repairs with a Contractor. During the testing stage it

was about improving communications however, it may provide options for further service development once the usability of the system had been proven. Provision had been included within the Maintenance Budget for that purpose.

**Action:** Agree the continued development of the mobile video facility as a service improvement in the management of void property and note that changes with the establishment would be progressed via the Executive Committee as above.

## **7.6 Water Rates Collection**

During deliberations at Tenants' Forum and the HSRWG it had been agreed to continue collection of Water Rates for a further year which had been progressed. The matter would need to be re-considered next financial year as to whether it should remain a longer term arrangement but needed to be considered against a potential loss of a further c£200k should the Council stop doing so.

## **7.7 Rent collection weeks**

At the meeting on 2nd November, 2017 it had been agreed to consult on whether the Council should move to a 52/53 weekly collection arrangement. It was agreed to consult Tenants on the basis we would go with the majority of responses. There was a disappointing rate with only 35 completed returned votes with only 12 in favour of the change. Based on our published intention of going with the majority, although only a small return it was suggested that the Council remained with a 48 week collection.

## **Summary**

The proposed budget provided assurance that the Council could respond to the ongoing reduction of income in the next two years.

The creation of the 'Operational Reserve Fund' provided a provision for flexibility in the service but also to ensure a balanced budget over the following financial year (2018/19) should further reductions or efficiencies not be identified.

Achieving that had required considerable support from colleagues to adjust to new ways of working. Moving forward our principles would be:-

1. Simplifying processes wherever possible;
2. Flexibility in teams to build in resilience; and
3. Making maximum use of the CX system when fully operational.

The above efficiencies would become a focus for the culture of the service to achieve the long-standing objective of the Housing Service to "provide homes and communities where people choose to live".

Officers would continue to work with the HSRWG to consider the direction and options for the future delivery of the Service.

RECOMMENDED:-

1. To note the information provided through the Report;
2. To note the Expected Outturn Budget for 2017/18 of a deficit of £37,900;
3. To note the balances on the Expected Outturn Budget for 2017/18;
4. To agree the basis on which the 2018/19 draft Budget had been proposed in 3.1 to 3.7 of the report;
5. To agree the creation of an Operational Reserve as described at Point 4.2 of the report;
6. To agree the garage increase of 2% as detailed at Point 5 of the report;
7. To agree or note others outlined in 6.1, 6.2 and 6.5 of the report re: changes for resale enquiries;
8. To agree the introduction of administration charges for Leaseholders;
9. To agree the continuation of the Service Level Agreement with ASB Action Ltd and waive the normal procurement requirement in those instances;
10. To agree the ongoing role of the HSRWG to consider action required to maintain a balanced HRA; and
11. To agree the approach to matters raised in 7.2, 7.3, 7.4, 7.5, 7.6 and 7.7 of the report.

The meeting closed at 2.42 p.m.



# 2018/19 MAINTENANCE BUDGET

# APPENDIX A

Total Budget £5,246,157

## Routine Property Repairs

|          |                                   |
|----------|-----------------------------------|
| £995,492 | Tenant Demand Repairs             |
| £250,934 | Preliminary Costs                 |
| £100,000 | Major Works(Tenant Led)           |
| -£10,000 | <i>Rechargeable Repair Income</i> |
| -£8,209  | <i>Leasehold Repairs Income</i>   |

## Void Property Repairs

|          |                       |
|----------|-----------------------|
| £429,827 | Void Property Repairs |
| £83,645  | Preliminary Costs     |

£1,841,688

## Cyclical Repairs

|          |                              |
|----------|------------------------------|
| £302,106 | Gas Servicing/Breakdown      |
| £19,176  | Door Entry Maintenance       |
| £180,000 | External Decoration (PP)     |
| £61,000  | Electrical Testing           |
| £11,528  | TV Aerials                   |
| £40,000  | Consultancy Fees             |
| £7,800   | Legal Fees                   |
| -£15,641 | <i>Service Charge Income</i> |

£605,969

## Major Improvement Work

|           |                                |
|-----------|--------------------------------|
| £100,000  | Disabled Adaptations           |
| £15,000   | Asbestos Surveys               |
| £30,000   | Decoration (After Major Works) |
| £20,000   | Fencing and Gates              |
| £320,000  | Rerendering (Walney) (PP)      |
| £172,500  | Re-Pointing (NEWBARNs) (PP)    |
| £40,000   | Communal Lighting (PP)         |
| £10,000   | Communal Painting (PP)         |
| £20,000   | Garage Improvements            |
| £8,000    | Shop Improvements              |
| £5,000    | Community Centres              |
| £5,000    | EEB Improvements               |
| £125,000  | Fire Risk Assessment Works     |
| £100,000  | Contingency                    |
| -£100,000 | <i>Service Charge Income</i>   |

£870,500

## MRA - Capitalised Improvement Work

|          |  |
|----------|--|
| £306,000 | Rewires (PP)                             |
| £420,000 | Heating and Insulation (PP)              |
| £207,000 | Bathrooms (PP)                           |
| £50,000  | Kitchens (PP - VOIDS)                    |
| £200,000 | Window and Door Replacements (PP)        |
| £120,000 | Re-Roofing Houses (DAL) (PP)             |
| £450,000 | Re-Roofing Houses/Flats (Greengate) (PP) |
| £25,000  | Flat Roofing Houses (ROO) (PP)           |
| £150,000 | Re-Roofing Flats (Hindpool) (PP)         |

PP = Procure Plus

£1,928,000

## APPENDIX B

| SCHEME  | PROCUREMENT TYPE         | AVAILABLE BUDGET | EXPENDITURE TO DATE | ESTIMATED START DATE | ESTIMATED COMPLETION DATE | CONTRACTOR      | COMMENTS  | Leasholders affected? |
|---|--------------------------|------------------|---------------------|----------------------|---------------------------|-----------------|---|-----------------------|
| RE-ROOFING AND POINTING WORKS<br>ROOSEGATE ESTATE PHASE 4 | CUMBRIA HOUSING PARTNERS | £490,000         | £ 357,382           | 1.4.2017             | 1.4.2018                  | DLP Roofing     | 100% COMPLETE   | No                    |
| WINDOW & DOOR REPLACEMENTS<br>VARIOUS HOUSING AREAS       | CUMBRIA HOUSING PARTNERS | £200,000         | £ -                 | 1.4.2017             | 1.4.2018                  | TOP NOTCH       | 0% COMPLETE (DISPUTE WITH CONTRACTOR)                         | No                    |
| WALNEY RENDER & DAMP PROOFING WORKS                       | CUMBRIA HOUSING PARTNERS | £234,000         | £ 497               | 1.4.2017             | 1.4.2018                  | DLP Roofing     | PILOT BLOCK COMMENCED DECEMBER 2017<br>ADDITIONAL CONSULATION | No                    |
| DALTON CAVITY WALL TIE REPLACEMENTS                       | CUMBRIA HOUSING PARTNERS | £150,000         | £ 24,729            | 1.4.2017             | 1.4.2018                  | DLP Roofing     | 80% COMPLETE AWAITING INVOICES FOR HANDOVER                   | No                    |
| CRAVEN PARK COURT RE-ROOFING                              | CUMBRIA HOUSING PARTNERS | £120,000         | £ 759               | 1.10.2017            | 1.4.2018                  | DLP Roofing     | ON SITE   | Yes                   |
| YEW TREE ESTATE RE-ROOFING                                | CUMBRIA HOUSING PARTNERS | £240,000         | £ 1,404             | 1.10.2017            | 1.4.2018                  | DLP Roofing     | ON SITE 10% COMPLETE  | Yes                   |
| COMMUNAL ENTRANCE LIGHTING                                | CUMBRIA HOUSING PARTNERS | £40,000          | £ 6,545             | 1.11.2016            | 1.4.2018                  | GEORGE JONES    | ON SITE   | Yes                   |
| COMMUNAL ENTRANCE PAINTING                                | CUMBRIA HOUSING PARTNERS | £10,000          | £ -                 | 1.11.2017            | 1.4.2018                  | GEORGE JONES    | ON SITE   | Yes                   |
| GARAGE IMPROVEMENTS                                       | CUMBRIA ROOFING          | £75,000          | £ 590               | 1.4.2017             | 1.4.2018                  | CUMBRIA ROOFING | GARAGE SITES IDENTIFIED<br>WORKS DUE TO START 2018            | No                    |
| REWIRES   | CUMBRIA HOUSING PARTNERS | £306,000         | £ 245,236           | 1.4.2017             | 1.4.2018                  | K WILSON        | 75% COMPLETE  | No                    |
| BATHROOMS   | CUMBRIA HOUSING PARTNERS | £126,000         | £ 419               | 1.8.2017             | 1.4.2018                  | WRIGHT BUILD    | ON SITE   | No                    |
| HEATING   | CUMBRIA HOUSING PARTNERS | £420,000         | £ 316,799           | 1.4.2017             | 1.4.2018                  | AFM GAS Ltd     | 52% COMPLETE  | No                    |
| PAINTING  | CUMBRIA HOUSING PARTNERS | £180,000         | £ 95,800            | 1.4.2017             | 1.4.2018                  | G JONES         | 100% COMPLETE   | Yes                   |

### HOUSING MAINTENANCE COMMITMENTS 2017-18

|                        | Funding Available | EXPENDITURE TO DATE | Weekly Available | Gross Comm. as a % funds available |
|------------------------|-------------------|---------------------|------------------|------------------------------------|
| Tenant Demand Repairs  | £ 1,394,575       | £ 498,219           | £ 26,819         | 36%                                |
| Voids                  | £ 480,038         | £ 311,282           | £ 9,232          | 65%                                |
| Gas Servicing          | £ 293,000         | £ 209,453           | £ 5,635          | 71%                                |
| Decoration Vouchers    | £ 30,000          | £ 22,114            | £ 577            | 74%                                |
| Environmental Impmts   | £ 25,000          | £ 9,614             | £ 481            | 38%                                |
| Disabled Adaptations   | £ 250,000         | £ 84,622            | £ 4,808          | 34%                                |
| Electrical Testing     | £ 81,000          | £ 19,419            | £ 1,558          | 24%                                |
| Door Entry Maintenance | £ 19,176          | £ 14,490            | £ 369            | 76%                                |

|   |                              |   |
|---|------------------------------|---|
| <b>EXECUTIVE COMMITTEE</b>  |                              | <b>Part One<br/>(R)<br/>Agenda<br/>Item<br/>7</b> |
| <b>Date of Meeting:</b>   | <b>7th March, 2018</b>       |   |
| <b>Reporting Officer:</b>   | <b>Director of Resources</b> |   |
| <p><b>Title: Council Finances and Performance</b></p> <p><b>Summary and Conclusions:</b></p> <p>This report sets out the Council finances and performance for the period ended 31st December, 2017. The report includes the General Fund, Capital Programme, Treasury Management, Reserves and Balances and the Housing Revenue Account.</p> <p><b>Recommendations:</b></p> <p>To recommend that Council approve the 2017-2018 revised budget as £10,046,410.</p> |                              |   |

## **Report**

### **A. General Fund Revenue Budget**

The General Fund budget for 2017-2018 at the end of quarter 2 was £10,001,760, using £394,030 from the Medium Term Financial Support reserve to balance.

The budget has increased by £44,650 to £10,046,410 from the anticipated receipt of these New Burden grants:

- Brownfield register £14,450; funding temporary staff costs
- Self-build register £30,000; funding temporary staff costs

These are statutory registers produced by Development Services.

The budget remains balanced using £429,830 from the Medium Term Financial Support reserve; increased for waste services costs to fund services that are required but are outside the contract sum.

### **Expenditure and Funding Analysis**

The budget monitoring in-year is now formatted to match the Statement of Accounts and is displayed as an Expenditure and Funding Analysis.

The objective of the Expenditure and Funding Analysis is to demonstrate how the funding available to the Council has been used in providing services in

comparison with the resources consumed or earned in accordance with generally accepted accounting practices. The analysis also shows how resources are allocated for decision making purposes between the Council's directorates.

The current budget is presented as the Expenditure and Funding Analysis in Table 1:

| Division   | Reported for resource management | Reserves     | Net before reserves | Accounting to funding basis | Net expenditure |
|--|----------------------------------|--------------|---------------------|-----------------------------|-----------------|
|  | £000                             | £000         | £000                | £000                        | £000            |
| Resources  | 3,646                            | 481          | 4,127               | 0                           | 4,127           |
| Community services   | 3,835                            | 177          | 4,012               | 394                         | 4,406           |
| Regeneration & built environment                                 | 361                              | 683          | 1,044               | 212                         | 1,256           |
| Central services   | 2,082                            | 251          | 2,333               | 0                           | 2,333           |
| <b>Net cost of services</b>                                      | <b>9,924</b>                     | <b>1,592</b> | <b>11,516</b>       | <b>606</b>                  | <b>12,122</b>   |
| Other income and expenditure                                     | (10,459)                         | (7)          | (10,466)            | 1,772                       | (8,694)         |
| <b>(Surplus)/deficit on provision of services</b>                | <b>(535)</b>                     | <b>1,585</b> | <b>1,050</b>        | <b>2,378</b>                | <b>3,428</b>    |
| <b>Items excluded from the Expenditure and Funding Analysis:</b> |                                  |              |                     |                             |                 |
| Reversal of depreciation   |                                  |              |                     |                             | (1,595)         |
| Pension deficit funding  |                                  |              |                     |                             | 373             |
| Reserves within provision of services                            |                                  |              |                     |                             | (1,585)         |
| Reserves outside provision of services                           |                                  |              |                     |                             | (621)           |
| <b>Total (balanced budget)</b>                                   |                                  |              |                     |                             | <b>0</b>        |

The items excluded in the "accounting to funding basis" column are those that are not reported for resource management or decision making; capital accounting, pension fund items and collection fund prior year items. There are further items dealt with at year end such as asset valuation adjustments and accrued leave that are not included in the revenue budget, so do not require exclusion during the year.

The variance on the provision of services at quarter 3 (April to December) is presented in Table 2:

| Division  | Profiled current budget | Net actual expenditure | Variance   |            |
|---|-------------------------|------------------------|------------|------------|
|   | £000                    | £000                   | £000       |            |
| Resources   | 1,843                   | 1,840                  | 3          | 0%         |
| Community services                                | 2,126                   | 2,000                  | 126        | 6%         |
| Regeneration & built environment                  | 355                     | 236                    | 119        | 34%        |
| Central services                                  | 1,952                   | 1,936                  | 16         | 1%         |
| <b>Net cost of services</b>                       | <b>6,276</b>            | <b>6,012</b>           | <b>264</b> | <b>4%</b>  |
| Other income and expenditure                      | (3,528)                 | (3,528)                | 0          | 0%         |
| <b>(Surplus)/deficit on provision of services</b> | <b>2,748</b>            | <b>2,484</b>           | <b>264</b> | <b>10%</b> |

Within the Community Services and Regeneration and Built Environment divisions there are no significant individual variances from quarter 3 monitoring. The services within the divisions have a number of budget items below £10k which are



slightly at variance to the expected profile; the breakdown of these is shown in Table 3:

|                       | <b>Community Services</b> | <b>Regeneration &amp; Built Environment</b> |
|-----------------------|---------------------------|---|
|                       | <b>£000</b>               | <b>£000</b>                                 |
| Employee Costs        | 1                         | 7   |
| Transport Costs       | (1)                       | 0   |
| Property Costs        | 75                        | 38  |
| Supplies and Services | 45                        | 61  |
| Third Party Payments  | 25                        | 1   |
| External Income       | (19)                      | 12  |
|                       | 126                       | 119   |

## **B. General Fund Reserves**

The use of General Fund earmarked reserves for 2017-2018 has increased by a net £170,320 to £2,206,730. These are expected and estimated transactions and are not actual final figures at this time.

The reserves movement in the quarter, by division, is shown below with items of £10k and above shown separately. All of the reserves have been used in accordance with their specified purpose:

- Resources – decreased by £1,530
- Community services – increased by £80,600
  - Increase; playground inspections and litter removal £38k
  - Increase; waste services costs £36k
  - Increase; other items £7k
- Regeneration & built environment – increased by £110,030
  - Increase Local Plan £28k
  - Increase; FEDF costs £78k
  - Increase; other items £4k decrease
- Central services – increased by £39,870
  - Increase; committee management system £15k
  - Increase; other items £25k
- Other income and expenditure – decreased by £58,650
  - Decrease; New Burdens grants £45k
  - Decrease; external interest earned £14k

Table 4 reflects the current estimated year end position:

|                                    | <b>Brought forward at 1/4/2017</b> | <b>Expected movements in 2017-2018</b> | <b>Estimated reserves at 31/3/2018</b> |
|------------------------------------|------------------------------------|--|--|
|                                    | <b>£000</b>                        | <b>£000</b>                            | <b>£000</b>                            |
| Medium Term Financial Plan Support | 1,535                              | (430)                                  | 1,105                                  |
| Transformation reserve             | 733                                | (319)                                  | 414                                    |
| Renewals reserve                   | 1,832                              | (504)                                  | 1,328                                  |
| Insurance reserve                  | 91                                 | (20)                                   | 71                                     |
| Losses reserve                     | 866                                | 0                                      | 866                                    |
| Budget contingency reserve         | 2,792                              | (461)                                  | 2,331                                  |
| Other earmarked reserves           | 366                                | (90)                                   | 276                                    |
| Earmarked revenue grants           | 810                                | (382)                                  | 428                                    |
| <b>Total</b>                       | <b>9,025</b>                       | <b>(2,206)</b>                         | <b>6,819</b>                           |

### **C. Commercial Properties**

The commercial property rent income for 2017-2018 is budgeted to be £1.3m. During the period to the 31st December, 2017, there have been some changes in tenancy and a net increase of £38k is projected for the full year.

### **D. Capital Programme**

There are no changes to the Capital Programme to report.

### **E. Treasury Management**

The Council's existing borrowing of £39.5m is all fixed rate PWLB loans maturing over the mid to long term. The debt belongs to the General Fund £13.4m and the HRA £26.1m. One HRA loan for £1m matures during 2017-2018. The total interest on the loans is £1.45m for the year with each loan having interest payments at six month intervals. The limit for external debt for 2017-2018 is £54m and this has not been exceeded. The interest receivable on matured temporary surplus cash deposits for the period ended 31st December, 2017, is £89k. As at 31<sup>st</sup> December, 2017, the Council's funds were placed with (Table 5):

| <b>Financial Institution</b>        | <b>Deposited</b> |
|-------------------------------------|------------------|
| Cumberland Building Society         | £3m              |
| Monmouthshire Building Society      | £2m              |
| National Counties Building Society  | £2m              |
| Newcastle Building Society          | £3m              |
| Nottingham Building Society         | £3m              |
| Principality Building Society       | £2m              |
| Progressive Building Society        | £3m              |
| Skipton Building Society            | £1m              |
| West Bromwich Building Society      | £3m              |
| <b>Total of fixed term deposits</b> | <b>£22m</b>      |
| HSBC overnight deposit account      | £1.65m           |
| <b>Total funds invested</b>         | <b>£23.65m</b>   |

## **F. Budget Strategy**

The Budget Strategy proposals for 2017-2018 are included in the General Fund revenue budget; £1m for 2017-2018. The current position for each of the savings areas is presented in Table 6:

| <b>Savings area</b>     | <b>Strategy target</b> | <b>Current saving</b> | <b>Permanent</b> |
|-------------------------|------------------------|-----------------------|------------------|
| Major contract renewals | £1.02m                 | £0.44m                | £0.44m           |
| Leisure                 | £0.49m                 | -                     | -                |
| Treasury                | £0.26m                 | £0.31m                | £0.31m           |
| Burials and Cremations  | £0.25m                 | £0.21m                | -                |
| Ring-fenced Properties  | £0.15m                 | £0.06m                | -                |
| Dock Museum             | £0.05m                 | £0.01m                | -                |
| Commercial Estate       | £0.05m                 | -                     | -                |
| Kennels                 | £0.03m                 | -                     | -                |
| Playgrounds             | £0.03m                 | -                     | -                |
| Allotments              | £0.03m                 | £0.03m                | -                |
| Barrow Park             | £0.03m                 | £0.01m                | £0.01m           |
| Conveniences            | £0.01m                 | -                     | -                |
| <b>Total</b>            | <b>£2.40m</b>          | <b>£1.07m</b>         | <b>£0.76m</b>    |

Savings in some of the areas need to be maintained through 2017-2018 in order to be permanently secured.

## **G. General Fund Balance**

The General Fund balance has been risk assessed as £2.3m and is projected to remain as £2.3m at 1st April, 2018.

## **H. Housing Revenue Account**

The Housing Revenue Account budget was set as a balanced budget for 2017-2018. There have been a number of variations resulting in a current deficit of £46k; this is a temporary deficit and may change when the accounts are closed.

The fund balance at 1st April, 2017, was £1.4m. The Housing Revenue Account minimum fund balance and financial reserves will be reviewed as set out in the Budget Proposals reported to this committee on 7<sup>th</sup> February, 2018.

## **I. Service Performance**

The service performance indicators are set out in the following tables; the indicators have been split between those with monitored against annual targets and those which are reported as outputs, these are monitored but targets are not appropriate.

Table 7 contains the performance against the indicators with targets:

| 2016-2017                                      | Indicator   | Target                                 | 2017-2018                                      |
|--|---|--|--|
| 13.8 days<br>14.0 days<br>5.5 days<br>4.3 days | Average time to process: <ul style="list-style-type: none"> <li>new housing benefit claims</li> <li>new council tax support claims</li> <li>changes to housing benefit claims</li> <li>changes to council tax support claims</li> </ul> | 14 days<br>14 days<br>6 days<br>6 days | 10.5 days<br>10.6 days<br>4.5 days<br>5.2 days |
| 92.5%  | Percentage of local land charge searches completed in 5 working days  | 98%                                    | 98.5%  |
| 82.21%<br>87.16%                               | Percentage collected: <ul style="list-style-type: none"> <li>council tax</li> <li>business rates</li> </ul>   | 96.8%<br>98.6%                         | 82.99%<br>80.07%                               |
| 63%<br>72%                                     | Percentage of planning applications processed: <ul style="list-style-type: none"> <li>major applications in 13 weeks</li> <li>other applications in 8 weeks</li> </ul>  | 60%<br>80%                             | 42%<br>64%                                     |

For business rate collection; two of the largest ratepayers paid their full accounts by December in 2016-2017 and this year up to March 2018.

The major planning applications performance has reduced from the quarter 2 which was 50% and the other planning applications performance has improved from the quarter 2 which was 55%. Service performance is being monitored by Management.

Table 7 contains the performance for the other outputs:

| 2016-2017 | Indicator  | 2017-2018 |
|-----------|--|-----------|
| 204,370   | Park Leisure Centre activity numbers             | 202,474   |
| 47,775    | Dock Museum visitor numbers                      | 47,204    |
| 26,982    | The Forum ticket sales                           | 27,757    |
| £439,396  | Income from pay and display ticket sales         | £426,749  |
| 5.96 days | Average days of sickness per employee            | 8.63 days |
|           | Average days of long term sickness per employee  | 6.64 days |
|           | Average days of short term sickness per employee | 1.99 days |
| 25        | Right to buy sales                               | 15        |
| 27%       | Average household recycling                      | 30%       |
| 39        | Disabled facilities grants awarded               | 59        |

The pay and display income for January 2018 is £6k higher than the previous year.

The HR Department and Management Board continue to monitor the sickness absence action plan.

Household recycling is higher than the previous year but contamination remains higher than that previous year.

(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

Nil

|  |                                      |
|--|--------------------------------------|
| <b>EXECUTIVE COMMITTEE</b>   | <b>(R)<br/>Agenda<br/>Item<br/>8</b> |
| <b>Date of Meeting: 7th March, 2018</b>  |                                      |
| <b>Reporting Officer: Director of Resources</b>  |                                      |
| <p><b>Title: Treasury Management Strategy Statement</b></p> <p><b>Summary and Conclusions:</b></p> <p>This report sets out the Treasury Management Strategy Statement for 2018-2019 to 2020-2021. The Local Government Act 2003 requires the Council to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities when carrying out capital and treasury management activities.</p> <p><b>Recommendations:</b></p> <p>To recommend that Council approve the Treasury Management Strategy Statement which includes the prudential indicators and limits and Minimum Revenue Provision statement.</p> |                                      |

### **Report**

This report sets out the Treasury Management Strategy for 2018-2019 to 2020-2021.

The Local Government Act 2003 requires the Council to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities when carrying out capital and treasury management activities. The objectives of the CIPFA Prudential Code are to ensure that capital investment plans are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with the treasury management strategy.

The Treasury Management Strategy Statement for 2018-2019 to 2020-2021 is attached at **Appendix 1** and details:

- The capital prudential and treasury indicators for 2018-2019 to 2020-2021 which highlight the following:
  - Projected capital expenditure plans and funding;
  - The Council's borrowing need (the Capital Financing Requirement CFR);
  - The Minimum Revenue Provision (MRP) Policy Statement , i.e. if the Council was to borrow how much it would charge the revenue account for the cost of borrowing;
  - The estimates, limits and prudence of future debt levels; and
  - The affordability impact of the capital programme.

- The treasury management strategy which covers:
  - The Council's debt and investment projections;
  - The Council's borrowing and investment strategies; and
  - Specific limits on treasury activities.

The capital prudential indicators and treasury management strategy give both a position statement and details of the future position of the Council's capital and treasury plans. The capital programme and revenue budgets considered at the meeting on 7th February, 2018, are reflected in the Treasury Management Strategy Statement.

(i) Legal Implications

The Local Government Act 2003 requires the Council to adhere to the CIPFA Prudential Code for Capital Finance in Local Authorities.

(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

Nil

**Treasury Management Strategy Statement 2018-2019**

**1 INTRODUCTION**

**1.1 Background**

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

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.”*

**1.2 Reporting requirements**

The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

**Prudential and treasury indicators and treasury strategy** (this report) -  
The first, and most important report covers:

- the capital plans (including prudential indicators);
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

**A treasury management monitoring report** – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether the treasury strategy is meeting the strategy or whether any policies require revision. This is incorporated into the quarterly finance reports.



## **Treasury Management Strategy Statement 2018-2019**

**An annual treasury report** – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

### **Scrutiny**

The above reports are required to be adequately scrutinised before being recommended to Full Council by the Executive Committee.

### **Capital Strategy**

In December 2017, CIPFA issued revised Prudential and Treasury Management Codes. As from 2019-2020, all local authorities will be required to prepare an additional report, a Capital Strategy report, which is intended to provide the following:

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- an overview of how the associated risk is managed; and
- the implications for future financial sustainability.

The aim of this report is to ensure that all elected members on the Full Council fully understand the overall strategy, governance procedures and risk appetite entailed by this Strategy.

The Capital Strategy will include capital expenditure, investments and liabilities and treasury management in sufficient detail to allow all members to understand how stewardship, value for money, prudence, sustainability and affordability will be secured.

### **1.3 Treasury Management Strategy for 2018-2019**

The strategy for 2018-2019 covers two main areas:

#### **Capital issues**

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) strategy.

#### **Treasury management issues**

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

## **Treasury Management Strategy Statement 2018-2019**

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, CLG MRP Guidance, the CIPFA Treasury Management Code and CLG Investment Guidance.

### **1.4 Treasury management consultants**

The Council uses Link Asset Services, Treasury Solutions as its external treasury management advisors; they also provide member training.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

## **2 THE CAPITAL PRUDENTIAL INDICATORS 2018-2019 to 2020-2021**

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

### **2.1 Capital expenditure**

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources would result in a funding borrowing need:

| <b>Capital expenditure</b>      | <b>2017-18</b>  | <b>2018-19</b>  | <b>2019-20</b>  | <b>2020-21</b>  |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                 | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> |
|                                 | <b>£m</b>       | <b>£m</b>       | <b>£m</b>       | <b>£m</b>       |
| HRA                             | 1.872           | 1.928           | 1.928           | 1.928           |
| General Fund                    | 3.417           | 4.425           | 2.060           | 1.724           |
| <b>Total</b>                    | <b>5.289</b>    | <b>6.353</b>    | <b>3.988</b>    | <b>3.652</b>    |
| <b>Financed by:</b>             |                 |                 |                 |                 |
| Capital receipts                | 0.540           | 2.634           | 1.060           | 0.724           |
| Capital grants                  | 2.621           | 1.121           | 1.000           | 1.000           |
| Reserves                        | 2.128           | 2.598           | 1.928           | 1.928           |
| <b>Total</b>                    | <b>5.289</b>    | <b>6.353</b>    | <b>3.988</b>    | <b>3.652</b>    |
| Net financing need for the year | 0.000           | 0.000           | 0.000           | 0.000           |

### **2.2 The Council's borrowing need (the Capital Financing Requirement)**

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital

## Treasury Management Strategy Statement 2018-2019

resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR. The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life. The Council is asked to approve the CFR projections below:

| Capital financing requirement       | 2017-18       | 2018-19       | 2019-20       | 2020-21       |
|-------------------------------------|---------------|---------------|---------------|---------------|
|                                     | Estimate      | Estimate      | Estimate      | Estimate      |
|                                     | £m            | £m            | £m            | £m            |
| HRA                                 | 19.657        | 18.840        | 18.024        | 17.207        |
| General Fund                        | 19.291        | 18.986        | 18.701        | 18.417        |
| <b>Total</b>                        | <b>38.948</b> | <b>37.826</b> | <b>36.725</b> | <b>35.624</b> |
| <i>Movement</i>                     | <i>-1.175</i> | <i>-1.122</i> | <i>-1.101</i> | <i>-1.101</i> |
| <b>Represented by:</b>              |               |               |               |               |
| MRP/VRP & other financing movements | -1.175        | -1.122        | -1.101        | -1.101        |

### 2.3 Core funds and expected investment balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

| Year End Resources              | 2016-17       | 2017-18       | 2018-19       | 2019-20      | 2020-21      |
|---------------------------------|---------------|---------------|---------------|--------------|--------------|
|                                 | Actual        | Estimate      | Estimate      | Estimate     | Estimate     |
|                                 | £m            | £m            | £m            | £m           | £m           |
| Fund balances/reserves          | 13.407        | 11.814        | 10.957        | 8.757        | 7.557        |
| Capital receipts                | 1.941         | 1.401         | 0.000         | 0.000        | 0.000        |
| Provisions                      | 0.545         | 0.545         | 0.445         | 0.345        | 0.245        |
| Other; capital grants unapplied | 2.503         | 1.082         | 0.961         | 0.711        | 0.461        |
| <b>Total core funds</b>         | <b>18.396</b> | <b>14.842</b> | <b>12.363</b> | <b>9.813</b> | <b>8.263</b> |
| External investments            | 17.760        | 13.373        | 11.016        | 8.567        | 7.118        |
| Working capital                 | -0.009        | 1.000         | 1.000         | 1.000        | 1.000        |
| Under/(over) borrowing          | 0.645         | 0.469         | 0.347         | 0.246        | 0.145        |
| <b>Expected investments</b>     | <b>18.396</b> | <b>14.842</b> | <b>12.363</b> | <b>9.813</b> | <b>8.263</b> |

## 3 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council.

The treasury management function ensures that the Council's cash is organised in accordance with the the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

## **Treasury Management Strategy Statement 2018-2019**

### **3.1 Current portfolio position**

The Council's treasury portfolio position at 31 March 2017, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

| External debt                   | 2016-17       | 2017-18       | 2018-19       | 2019-20       | 2020-21       |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|
|                                 | Estimate      | Estimate      | Estimate      | Estimate      | Estimate      |
|                                 | £m            | £m            | £m            | £m            | £m            |
| At 1st April                    | 39.479        | 39.479        | 38.479        | 37.479        | 36.479        |
| Expected change                 | 0.000         | -1.000        | -1.000        | -1.000        | -1.000        |
| <b>Gross debt at 31st March</b> | <b>39.479</b> | <b>38.479</b> | <b>37.479</b> | <b>36.479</b> | <b>35.479</b> |
| Capital financing requirement   | 40.124        | 38.948        | 37.826        | 36.725        | 35.624        |
| <b>Under/(over) borrowed</b>    | <b>0.645</b>  | <b>0.469</b>  | <b>0.347</b>  | <b>0.246</b>  | <b>0.145</b>  |

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2018-19 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

The Director of Resources reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

### **3.2 Treasury Indicators: limits to borrowing activity**

**The operational boundary** - this is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

| Operational boundary | 2017-18  | 2018-19  | 2019-20  | 2020-21  |
|----------------------|----------|----------|----------|----------|
|                      | Estimate | Estimate | Estimate | Estimate |
|                      | £m       | £m       | £m       | £m       |
| Total                | 42       | 41       | 40       | 39       |

**The authorised limit for external debt** - a further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term:

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. The Council is asked to approve the following authorised limit:

## Treasury Management Strategy Statement 2018-2019

| Authorised limit | 2017-18  | 2018-19  | 2019-20  | 2020-21  |
|------------------|----------|----------|----------|----------|
|                  | Estimate | Estimate | Estimate | Estimate |
|                  | £m       | £m       | £m       | £m       |
| Total            | 55       | 55       | 55       | 55       |

Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This limit is currently:

| HRA debt limit | 2017-18  | 2018-19  | 2019-20  | 2020-21  |
|----------------|----------|----------|----------|----------|
|                | Estimate | Estimate | Estimate | Estimate |
|                | £m       | £m       | £m       | £m       |
| Total          | 37.367   | 37.367   | 37.367   | 37.367   |

### **3.3 Borrowing strategy**

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is relatively high.

Against this background and the risks within the economic forecast, caution will be adopted with the 2018-2019 treasury operations. The Director of Resources will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.*
- *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates were still relatively cheap.*

Any decisions will be reported to the appropriate decision making body at the next available opportunity.

The Council will maintain the current prudent borrowing strategy to support the approach of minimising counterparty risk.

### **3.4 Policy on borrowing in advance of need**

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value

## **Treasury Management Strategy Statement 2018-2019**

for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting.

### **3.5 Debt rescheduling**

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

All rescheduling will be reported to the Executive Committee, at the earliest meeting following its action.

## **4 ANNUAL INVESTMENT STRATEGY**

### **4.1 Investment policy**

The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.

In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor

## **Treasury Management Strategy Statement 2018-2019**

on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

Investment instruments identified for use in the financial year are listed in Section 6 under the ‘specified’ and ‘non-specified’ investments categories. Counterparty limits will be as set through the Council’s treasury management practices – schedules.

### **4.2 Creditworthiness policy**

The primary principle governing the Council’s investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council’s prudential indicators covering the maximum principal sums invested.

The Director of Resources will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

The minimum rating criteria uses the lowest common denominator method of selecting counterparties and applying limits. This means that the application of the Council’s minimum criteria will apply to the lowest available rating for any institution. For instance, if an institution is rated by two agencies, one meets the Council’s criteria, the other does not, then the institution will fall outside the lending criteria. Credit rating information is supplied by Sector, our treasury consultants, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of a possible longer term change) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating watch applying to a counterparty at the minimum Council

## **Treasury Management Strategy Statement 2018-2019**

criteria will be suspended from use, with all others being reviewed in light of market conditions.

The criteria for providing a pool of high quality investment counterparties (both specified and non-specified investments) is:

- Banks 1 - good credit quality – the Council will only use banks which:
  - i. are UK banks; and/or
  - ii. are non-UK and domiciled in a country which has a minimum sovereign long term rating of AAA and have, as a minimum, the following Fitch, Moody's and Standard and Poor credit ratings (where rated):
    - i. Short term – F1, P-1,A-1
    - ii. Long term – AA-, Aa3, AA-
- Banks 2 – Part nationalised UK banks – Lloyds Banking Group and Royal Bank of Scotland. These banks can be included if they continue to be part nationalised or they meet the ratings in Banks 1 above.
- Banks 3 – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.
- Building societies. The Council will use all societies which:
  - i. meet the ratings for banks outlined above;
  - ii. Have assets in excess of £500 million; or meet both criteria.
- Money market funds
- UK Government; including gilts and the Debt Management Accounts Deposit Facility (DMADF)
- Local authorities and parish councils

**Country and sector considerations** - Due care will be taken to consider the country, group and sector exposure of the Council's investments. In part, the country selection will be chosen by the credit rating of the sovereign state in Banks 1 above. In addition:

- no more than 10% will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies;
- sector limits will be monitored regularly for appropriateness.

**Use of additional information other than credit ratings.** Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative



## **Treasury Management Strategy Statement 2018-2019**

rating watches/outlooks) will be applied to compare the relative security of differing investment counterparties.

**Time and monetary limits applying to investments.** The time and monetary limits for institutions on the Council's counterparty list are set out in Section 6.

### **4.3 Country limits**

The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy. UK counterparties are preferred and may represent 100% of investments.

### **4.4 Investment strategy**

**In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

**Investment returns expectations** - Bank Rate is forecast to increase steadily but slowly over the next few years to reach 1.5% by quarter 1 of 2021. The revenue budget is based on achieving a weighted average return of 0.65%.

**Investment treasury indicator and limit** - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit:

|   | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> | <b>2020-21</b> |
|---|----------------|----------------|----------------|----------------|
|   | <b>£m</b>      | <b>£m</b>      | <b>£m</b>      | <b>£m</b>      |
| Maximum principal sums invested >364 & 365 days | 1              | 1              | 1              | 1              |

For its cash flow generated balances, the Council will seek to utilise its overnight deposit account in order to benefit from the compounding of interest.

### **4.5 Investment risk benchmarking**

These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change.

**Security** - The Council's maximum security risk benchmark for the current portfolio, when compared to these historic default tables, is:

- 0.1% historic risk of default when compared to the whole portfolio.

**Liquidity** – in respect of this area the Council seeks to maintain:

- Liquid short term deposits of at least £2m available with a week's notice.

## **Treasury Management Strategy Statement 2018-2019**

- Weighted average life benchmark is expected to be 0.15 years, with a maximum of 0.75 years.

Yield - local measures of yield benchmark

- Investments – internal returns above the 7 day LIBID rate

### **4.6 End of year investment report**

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

## **5 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2018-2019 – 2020-2021 AND MRP STATEMENT**

### **5.1 Minimum revenue provision (MRP) policy statement**

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

CLG regulations have been issued which require the full Council to approve an **MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement.

For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

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

From 1 April 2008 for all unsupported borrowing the MRP policy will be:

- **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the proposed regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3).

These options provide for a reduction in the borrowing need over approximately the asset's life.

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made (although there are transitional arrangements in place). The HRA Business Plan under self-financing includes a voluntary revenue provision to repay the debt on the account.

## **Treasury Management Strategy Statement 2018-2019**

### **5.2 Affordability prudential indicators**

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

### **5.3 Ratio of financing costs to net revenue stream**

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

| Ratio        | 2016-17  | 2017-18  | 2018-19  | 2019-20  | 2020-21  |
|--------------|----------|----------|----------|----------|----------|
|              | Estimate | Estimate | Estimate | Estimate | Estimate |
| HRA          | 18%      | 14%      | 14%      | 14%      | 14%      |
| General Fund | 8%       | 11%      | 10%      | 11%      | 11%      |

The estimates of financing costs include current commitments and the proposals in this budget report.

### **5.4 Maturity structure of borrowing**

Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits. The Council is asked to approve the following treasury indicators and limits:

| <b>Maturity structure of fixed rate borrowing</b> | <b>Lower</b> | <b>Upper</b> |
|---|--------------|--------------|
| Under 12 months                                   | 0%           | 20%          |
| 12 months to 1 year                               | 0%           | 20%          |
| 2 years to 5 years                                | 0%           | 50%          |
| 5 years to 10 years                               | 0%           | 75%          |
| 10 years and above                                | 0%           | 100%         |

| <b>Maturity structure of variable rate borrowing</b> | <b>Lower</b> | <b>Upper</b> |
|--|--------------|--------------|
| Under 12 months                                      | 0%           | 30%          |
| 12 months to 1 year                                  | 0%           | 30%          |
| 2 years to 5 years                                   | 0%           | 30%          |
| 5 years to 10 years                                  | 0%           | 30%          |
| 10 years and above                                   | 0%           | 30%          |

### **5.5 Control of interest rate exposure**

Upper limits on variable interest rate exposure; this identifies a maximum limit for variable interest rates based upon the debt position net of investments

Upper limits on fixed interest rate exposure; this is similar to the previous indicator and covers a maximum limit on fixed interest rates.

## **Treasury Management Strategy Statement 2018-2019**

| Interest rate exposures                                 | 2017-18  | 2018-19  | 2019-20  | 2020-21  |
|---|----------|----------|----------|----------|
|   | Estimate | Estimate | Estimate | Estimate |
|   | £m       | £m       | £m       | £m       |
| Upper limit for fixed interest rate exposure on debt    | 42       | 41       | 40       | 39       |
| Upper limit for variable interest rate exposure on debt | 13       | 13       | 12       | 12       |

### **6 TREASURY MANAGEMENT PRACTICE (TMP1) – Credit and Counterparty Risk Management**

**Specified investments** – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Account deposit facility, UK treasury bills or a gilt with less than one year to maturity).
2. A local authority, parish council or community council.
3. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. For category 4 this covers pooled investment vehicles, such as money market funds, rated F1, P-1, A-1 by Standard and Poor's, Moody's or Fitch rating agencies.
4. A body that is considered of a high credit quality (such as a bank or building society. For category 5 this covers bodies with a minimum short term rating of F1, P-1, A-1 (or the equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies.

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies. This criteria is:

|  | <b>Fitch long term rating or equivalent</b> | <b>Time limit</b> | <b>Money limit</b> |
|--|---|-------------------|--------------------|
| Limit 1: long term                             | AA-   | 5 years           | £2m                |
| Limit 2: short term Council's own bank         | F1  | 1 year            | £10m               |
| Limit 3: short term banks & building societies | F1 or institution with £500m+ of assets     | 1 year            | £4m                |
| Other institutions limit                       | -   | 1 year            | £5m                |
| DMADF  | AAA   | 1 year            | Unlimited          |
| Local authorities                              | -   | 1 year            | £5m                |

**Non-specified investments** – are any other type of investment (i.e. not defined as specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out in the following table.

## Treasury Management Strategy Statement 2018-2019

Non specified investments would include any sterling investments with:

|    | <b>Non Specified Investment Category</b>  | <b>Limit (£ or %)</b> |
|----|---|-----------------------|
| a. | <b>Gilt edged securities</b> with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. The value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.   | £5m<br>5 years        |
| b. | <b>The Council's own banker - HSBC</b>  | £10m                  |
| c. | <b>Building societies not meeting the basic security requirements under the specified investments.</b> The operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings. The Council may use such building societies which have a minimum asset size of £500m, but will restrict these types of investments to £4m and a time limit of 1 year. | £4m<br>1 year         |
| d. | Any <b>bank or building society</b> that has a minimum long term credit rating of AA-, for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).   | £4m<br>1 year         |
| e. | Any <b>non-rated subsidiary</b> of a credit rated institution included in the specified investment category. These institutions will be included as an investment category subject to the parent bank having the necessary credit rating to qualify in its own right.   | £5m<br>1 year         |
| f. | Local authorities   | £5m<br>1 year         |

**The monitoring of investment counterparties** - The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from Link Asset Services as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Director of Resources, and if required new counterparties which meet the criteria will be added to the list.

**Accounting treatment of investments.** The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

# **Treasury Management Strategy Statement 2018-2019**

## **7 TREASURY MANAGEMENT SCHEME OF DELEGATION**

### **(i) Full Council**

- approval of/amendments to the Council's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- approval of annual strategy.

### **(ii) Executive Committee**

- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment;
- reviewing the treasury management policy and procedures and making recommendations to the Full Council.

## **8 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER**

### **The S151 (responsible) officer**

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers;
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money;
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority;
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources;
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities;
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees;

## **Treasury Management Strategy Statement 2018-2019**

- ensuring that members are adequately informed and understand the risk exposures taken on by an authority;
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above;
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following:
  - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
  - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*
  - *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
  - *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*
  - *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

|  |                              |   |
|--|------------------------------|---|
| <b>EXECUTIVE COMMITTEE</b>   |                              | <b>Part One<br/>(R)<br/>Agenda<br/>Item<br/>9</b> |
| <b>Date of Meeting:</b>  | <b>7th March, 2018</b>       |   |
| <b>Reporting Officer:</b>  | <b>Director of Resources</b> |   |
| <p><b>Title: Pay Policy 2018/19</b></p> <p><b>Summary and Conclusions:</b></p> <p>The Council's Pay Policy is subject to review on an annual basis being approved at Council by 31st March each year.</p> <p>This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.</p> <p>The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees.</p> <p><b>Recommendations:</b></p> <p>To recommend the Council to approve the Pay Policy for 2018/19.</p> |                              |   |

### **Report**

The Council's Pay Policy is subject to review on an annual basis being approved at Council by 31st March each year.

This Pay Policy Statement at **Appendix 2** sets out the Council's approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.

The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees by identifying;

- The detail and level of remuneration of its most senior staff i.e. 'chief officers', as defined by the relevant legislation;
- Executive committee are responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to full Council.

Minor amendments have been made to the policy to reflect salary changes and the resulting update to the pay multiple (see section on Lowest Paid Employees).

(i) **Legal Implications**

The recommendation has no legal implications.



(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no financial implications.

(iv) Health and Safety Implications

The recommendation has no implications.

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

(v) Equality and Diversity

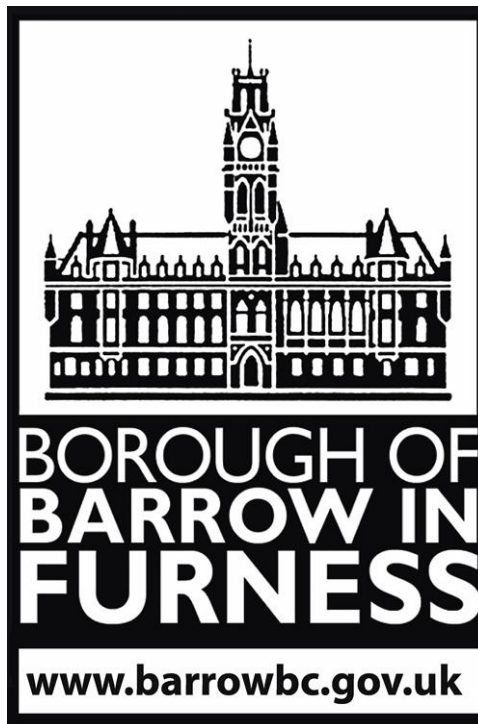
The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(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.



## Pay Policy Statement 2018/19

|                         |                              |
|-------------------------|------------------------------|
| <b>Version Control:</b> |                              |
| <b>Document Name:</b>   | Pay Policy Statement 2018/19 |
| <b>Version:</b>         | March 2018                   |
| <b>Author:</b>          | Director of Resources        |
| <b>Approved by:</b>     | Executive Committee/Council  |
| <b>Date Approved:</b>   |                              |
| <b>Review Date</b>      | March 2019                   |

## **Barrow Borough Council Pay Policy Statement 2018/19**

### **Background**

Under section 112 of the Local Government Act 1972, the Council has the ‘power to appoint officers on such reasonable terms and conditions as authority thinks fit’. This Pay Policy Statement sets out the Council’s approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.

The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees by identifying;

- The detail and level of remuneration of its most senior staff i.e. ‘chief officers’, as defined by the relevant legislation;
- Executive committee are responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to full Council.

The Pay Policy Statement was approved by full Council on 20<sup>th</sup> March 2012 coming into immediate effect and is subject to review on an annual basis being approved by 31<sup>st</sup> March each year.

### **Other legislation relevant to pay and remuneration**

In determining the pay and remuneration of all of its Chief Officers, the Council will comply with all relevant employment legislation. This includes legislation such as the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.

### **Pay Structure for Chief Officers**

The Council uses locally determined rates with spot salaries, which are subject to pay increases negotiated with joint trade unions, via the national pay bargaining arrangements (the JNC for Chief Officers).

All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery.

From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate.

Any temporary supplement to the salary scale for the grade, for example ex-gratia payments and honoraria, is approved in accordance with the Council’s constitution, i.e. via Executive Committee and approved at full Council.

## **Chief Officer Remuneration**

For the purposes of this statement, senior manager means ‘chief officers’ are defined below. The posts falling within the statutory definition are set out below, with details of their basic salary as at 1<sup>st</sup> April 2017. In addition to the Executive Director, there is 1 employee designated as Chief Officer and receiving remuneration over £50,000 per annum. The Council’s Organisation Structure is attached at Appendix 1.

### *Executive Director*

Salary currently set at £95,726 pa (spot salary)

Will receive any inflationary increases agreed as part of national negotiations under the auspices of the JNC for Chief Executives

Will not receive Returning Officer fees

Will not be subject to performance related pay

Will be published as part of transparency agenda

### *Director of Resources*

Salary set at £76,581 pa (spot salary – 80% of Executive Director pay)

Will receive any inflationary increases agreed as part of national negotiations under the auspices of the JNC for Chief Officers

Will not be subject to performance related pay

Will be published as part of transparency agenda

## **Recruitment of Chief Officers**

The Council’s policy and procedures with regard to recruitment of Chief Officers is set out within the Recruitment Policy (Appendix 2) and as set out in the Constitution. Executive Committee or a sub-committee will make all Chief Officers appointments.

When recruiting to all posts the Council will take full and proper account of all provisions of relevant employment law and its own policies (Recruitment Policy, Appendix 2, Organisational Change Policy, Appendix 5) as approved by Council.

The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment.

## **Additions to Salary of Chief Officers**

The level of remuneration is not variable dependant upon the achievement of defined targets.

To meet specific operational requirements it may be necessary for an individual to temporarily take on additional duties to their identified role. The Council’s arrangements for authorising any additional remuneration relating to temporary additional duties are set out in the NJC Terms and Conditions for Local Government Services for calculation of honoraria, and the Councils Ex-gratia Payments Policy (Appendix 3).

## **Barrow Borough Council – Pay Policy Statement 2018/19**

In addition to basic salary, the following posts receive elements of ‘additional pay’ which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses occurred in the fulfilment of their duties;

| <i>Post</i>    | <i>Payment Details</i>  |
|----------------|-------------------------|
| Chief Officers | Lump Sum Car Allowances |

### **Payments on Termination**

The Council’s approach to statutory and discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, is set out within the Early Retirement Policy (Appendix 4) and Organisational Change Policy (Appendix 5) in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) Discretionary Compensation) Regulations 2006.

The Council has a voluntary redundancy scheme in place aimed at encouraging volunteers and reducing the need for compulsory redundancies. This scheme uses the statutory calculator (age/length of service) to determine the number of weeks pay volunteers will be entitled to, subject to a maximum of 30 weeks’ pay. Actual pay is used in the calculation, NOT the statutory maximum.

For volunteers aged over 55 and entitled to early access to pension, there will be no discretionary additions to payments.

The severance terms apply to all employees of the Council.

Any payments falling outside the provisions of the above policies, (pay in lieu of notice, working notice, gardening leave etc) will be made on a case by case basis and shall be subject to a formal decision by Executive Committee and approved by Council.

### **Settlement Agreements**

Under the Enterprise and Regulatory Reform Act 2013 the Council will use Settlement Agreements where there exists a clear and real risk of an Employment Tribunal case and where it is commercially expedient to do so. Settlement Agreements will not be considered as normal protocol when employment terminates.

Settlement Agreements are not necessary in a voluntary or compulsory redundancy scenario. If the Council’s redundancy policy and procedure has been complied with and if a Senior Manager’s employment has been terminated with proper notice and where any dismissal is fair, a Settlement Agreement is unnecessary. In addition, the Council avoids having to pay the legal fees incurred by the employee for the review of the agreement. The Council will therefore only use Settlement Agreements where there exists a real risk of Employment Tribunal litigation.

### **Publication**

Upon approval by full Council, this statement will be published on the Council’s website.

## **Lowest Paid Employees**

The lowest paid persons employed under a contract of employment with the Council are employed on full time (37 hours) equivalent salaries in accordance with the minimum spinal point with the Council's grading structure.

As at 1<sup>st</sup> April 2017, this is £15,014 per annum (spinal column point 6).

The current pay levels within the Council (at 1.4.2017) gives the multiple between the median full time equivalent earnings and the Executive Director as 4.3:1.

## **Accountability and Decision Making**

In accordance with the Constitution of the Council, Executive Committee are responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council.

## **Re-employment / Re-engagement of former Chief Officers**

The Council will not normally re-employ/re-engage former Chief Officers.

## Appendices

|            |                              |
|------------|------------------------------|
| Appendix 1 | Organisation Structure       |
| Appendix 2 | Recruitment Policy           |
| Appendix 3 | Ex-gratia Policy             |
| Appendix 4 | Early Retirement Policy      |
| Appendix 5 | Organisational Change Policy |

Updated February 2018

|  |                                       |
|--|---------------------------------------|
| <b>EXECUTIVE COMMITTEE</b>   | <b>(D)<br/>Agenda<br/>Item<br/>10</b> |
| <b>Date of Meeting: 7th March, 2018</b>  |                                       |
| <b>Reporting Officer: Executive Director</b>   |                                       |
| <p><b>Title: Updated Local Development Scheme (LDS) and Submission of the Local Plan</b></p> <p><b>Summary and Conclusions:</b></p> <p>The 2004 Planning Act requires Local Planning Authorities to prepare an LDS. The LDS is intended to set out the targets for the stages of production of each of the relevant planning policy documents, identify the resources that will be required to ensure that the work is completed in accordance with the timetable and identify any risks that could result in delay.</p> <p>The previous LDS was published in May 2016, there has been some slippage against the timetable it set out.</p> <p>The purpose of this report is to present a revised LDS for approval, illustrating the timetable for the production of the Council's Local Plan document. The report also provides an update on the submission of the Local Plan to the Secretary of State.</p> <p><b>Recommendations:</b></p> <p>To agree the updated Local Development Scheme, which will take effect from 19th March, 2018 and to note the submission of the Local Plan.</p> |                                       |

### Report

The Local Development Scheme sets out the targets for the stages of production of each of the relevant planning policy documents prepared by the Council, identifies the resources that will be required to ensure that the work is completed in accordance with the timetable and identifies any risks that could result in delay.

The previous 2016 LDS identified three local planning policy documents to be produced and set out the targets for the stages of production. The three documents were:

1. Statement of Community Involvement (SCI)
2. Annual Monitoring Report (AMR)
3. Local Plan

The 2018 LDS (attached at **Appendix 3**) has been updated to reflect the progress made on the production of the Local Plan and sets out the revised timetable for the Local Plan examination and adoption of the Local Plan. It also lists the various evidence base documents which have been produced alongside the Local Plan.

## Progress on the Local Plan

The Council submitted the Barrow Borough Local Plan 2016-2031 and supporting documents to the Secretary of State on 2nd February 2018 for independent examination, in line with the resolution of Executive Committee on 29th November 2017.

The Plan will now be independently examined by a planning inspector and the Secretary of State have appointed Karen Ridge LLB (Hons) MTPL.

The Council has appointed Miss Carolyn Woodend as Programme Officer for the Examination, to manage the administration of the examination on behalf of the appointed Inspector and act as the liaison between the Inspector and representatives of the Council.

The timetable for the examination will be determined by the Planning Inspectorate and part of this process will involve hearing sessions, where those invited to participate will have the opportunity to respond to matters identified by the Inspector. The hearings are anticipated to begin on 4th June 2018 and will be held in the Town Hall.

Following the hearings the Council will make any amendments considered necessary to make the Plan sound and then it will be adopted.

### (i) Legal Implications

The Planning and Compulsory Purchase Act 2004 (as amended) requires Local Planning Authorities to prepare and maintain a local development scheme.

### (ii) Risk Assessment

The recommendation has no implications.

### (iii) Financial Implications

The LDS timetables the commencement of the Local Plan Hearing for Summer 2018. The Hearing is part of the Local Plan Examination process. The Local Plan Examination will have financial implications for the Council, although it is not possible to determine what these will be, as the cost will be dependent upon the course and duration of the Examination.

### (iv) Health and Safety Implications

The recommendation has no implications.

### (v) Key Priorities or Corporate Aims

The development of the Local Plan and associated planning policy documents supports the delivery of Council Priorities.



(vi) Equality and Diversity

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

(vii) Health and Well-being Implications

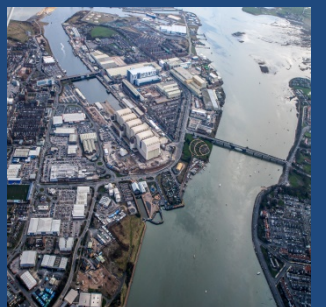
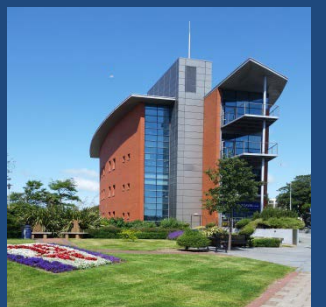
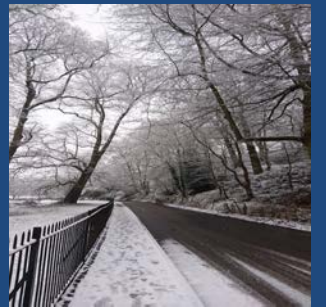
The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

# Local Development Scheme 2018

Barrow Borough Local Plan - Barrow Borough Council



## Contents Page

|                                     |           |
|-------------------------------------|-----------|
| <b>1. Introduction</b>              | <b>1</b>  |
| <b>2. Core Planning Documents</b>   | <b>2</b>  |
| <b>3. Local Plan Preparation</b>    | <b>4</b>  |
| <b>4. Evidence Base</b>             | <b>7</b>  |
| <b>5. Slippage against 2016 LDS</b> | <b>9</b>  |
| <b>6. Project Management</b>        | <b>9</b>  |
| <b>7. Risk Management</b>           | <b>10</b> |
| <b>8. Local Plan Timetable</b>      | <b>12</b> |
| <b>9. Contacts</b>                  | <b>13</b> |

## 1. Introduction

1.1 The Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act) states that local planning authorities must prepare and maintain a Local Development Scheme (LDS). The LDS sets out the Council's timetable for preparing planning policy documents.

1.2 The Council is currently producing a new Local Plan which guides development over a 15 year period from its adoption. The Plan allocates sites for specific uses and contains policies for use when determining planning applications. Following its adoption, the Plan will replace the current Local Plan 2001 and Housing Chapter Alteration 2006. It will sit alongside the Barrow Port Area Action Plan 2010 to form the Borough's Development Plan.

1.3 The LDS covers to period up until the Plan's adoption although the monitoring of policies within the Plan will continue beyond this period.

1.4 The Council has met the objective set out in the Council Priorities 2015-16 which required the publication of the Preferred Options Draft in 2015. Several further drafts of the Plan have been produced since then and the Local Plan has now been submitted to the Secretary of State for examination.

## 2. Core Planning Documents

2.1 The Government sets out its approach to planning in the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (NPPG).

2.2 The NPPF requires local planning authorities to produce a Local Plan for their area and states that any additional Development Plan Documents should only be developed where clearly justified.

2.3 The Council have formally 'saved' the following local planning policy:

- Barrow-in-Furness Borough Council Local Plan Review 1996-2006; and
- Barrow-in-Furness Borough Council Local Plan Review 1996-2006 - Housing Chapter Alteration, 2006.

2.4 The Barrow-in-Furness Borough Council Local Plan Review 1996-2006 (the Local Plan Review) policies were automatically saved under the provisions of the Planning and Compulsory Purchase Act 2004 for a three year period from the commencement of the Act (i.e. until 27th September 2007).

2.5 A request to extend the saved period for most of the policies within the adopted Local Plan Review was submitted to the Secretary of State on the 30 March 2007 and a Direction to that effect was received on 18 September 2007.

2.6 The policies of the Barrow in Furness Borough Council Local Plan Review 1996-2006 - Housing Chapter Alteration 2006 (the Housing Chapter Alteration) were automatically saved under the provisions of the Planning and Compulsory Purchase Act 2004 for three years from their date of adoption.

2.7 A request to extend the saved period for all but one of the policies within the Housing Chapter Alteration was submitted to the Secretary of State on the 19<sup>th</sup> December 2008 and a Direction to that effect was received on 3 February 2009.

2.8 The policies were saved with the caveat that "*the extended policies should be read in context. Where policies were adopted some time ago, it is likely that material considerations, in particular the emergence of new national and regional policy and also new evidence, will be afforded considerable weight in decisions.*"

2.9 As neither the Local Plan Review, nor the Housing Chapter Alteration were adopted in accordance with the Planning and Compulsory Purchase Act 2004, it is important to note that weight is afforded these policies according to the degree of conformity with the NPPF.

2.10 The Barrow Port Area Action Plan (the Action Plan) was adopted in July 2010. As the Action Plan was adopted post 2004, the NPPF afforded it full weight in planning policy consideration until 27 March 2013, even if there is limited conflict with the NPPF. After this date, the policies, like those of the Local Plan Review and the Housing Chapter Alteration now, will be afforded weight according to their consistency with the NPPF.

2.11 Apart from the Local Plan and Barrow Port Area Action Plan, other core planning documents of relevance are:

- The Proposals Map(s)
- Supplementary Planning Documents (SPDs)
- The Statement of Community Involvement (SCI)
- The Annual Monitoring Report (AMR)

2.12 The Proposals Map identifies existing land allocations and designated sites. It illustrates which policies are specific to those sites.

2.13 Supplementary Planning Documents (SPDs) provide detail on the policies and proposals in the Local Plan. At present, the Council has regard to the following SPDs when decision making:

- Cumbria Development Design Guide (Cumbria County Council, 2017)
- Shopfront & Advertisement Design SPD (Barrow Borough Council, 2010)

2.14 The Council has produced two draft SPDs (Green Infrastructure SPD and Biodiversity & Development SPD) which will be subject to public consultation in Spring 2018. It is hoped that the SPDs will be adopted prior to the Local Plan examination.

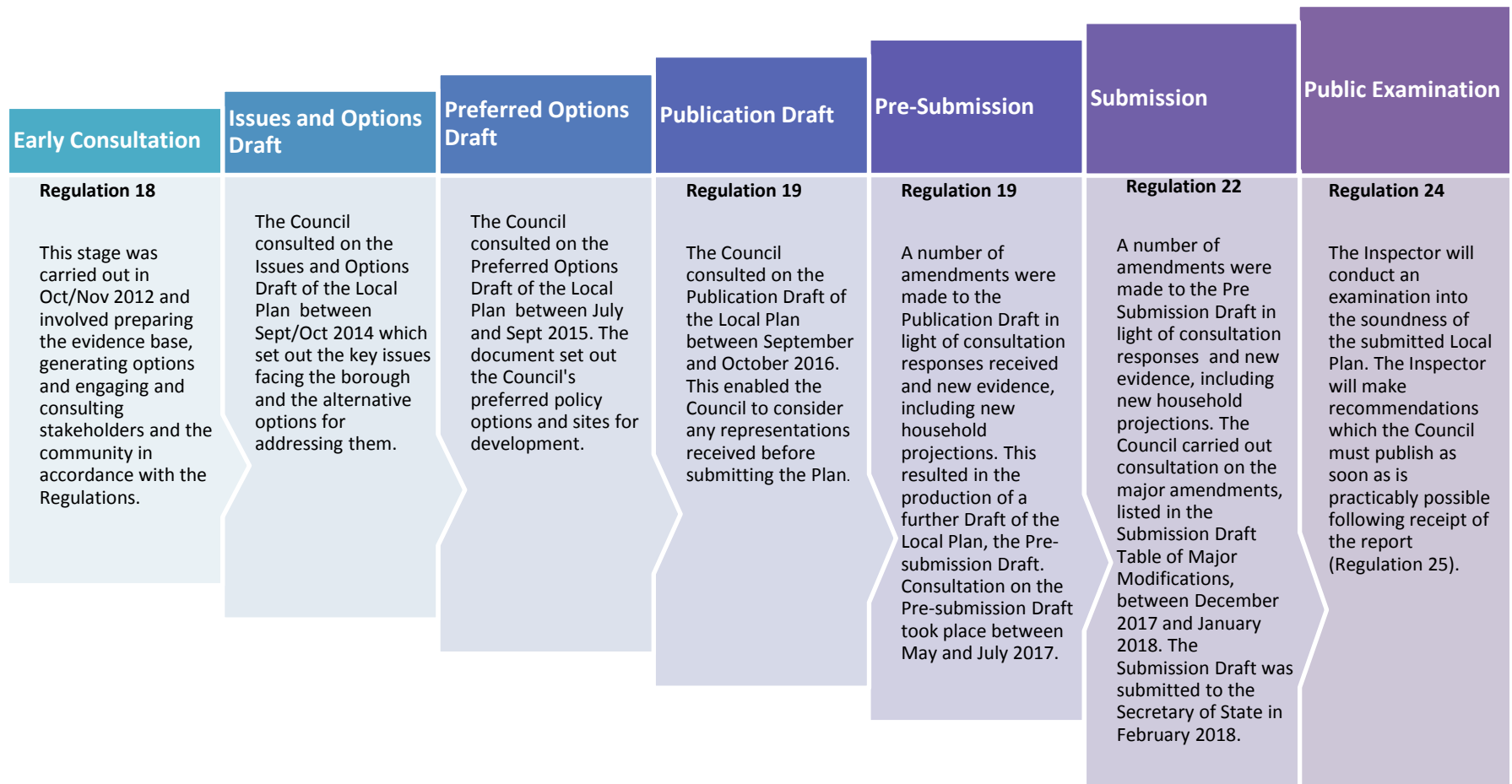
2.15 The Statement of Community Involvement describes how the Council will engage with the community and others in preparing other planning policy documents and also in dealing with planning applications. The SCI was originally adopted by the Council in July 2007 and updated versions were adopted in 2010 and 2016.

2.16 The Council has also produced a Consultation Statement to accompany the submitted Local Plan. This sets out how the Council has undertaken community participation and stakeholder involvement in the production of the Local Plan, setting out how such efforts have shaped the Plan and the main issues raised during consultation. The document will form part of the Local Plan Examination Library.

2.17 The Annual Monitoring Report is an important tool to show progress against the Council's Local Development Scheme, details of development plan policies and how they are to be reviewed, and the number of dwellings delivered against any targets. The Council produces an AMR annually: the latest AMR was published in April 2016 which covered the 2014-15 monitoring year. The forthcoming AMR will be produced in Spring 2018 and will cover the 2015/16 and 2016/17 monitoring years.

### 3. Local Plan Preparation

3.1 The Town and Country Planning (Local Planning) (England) Regulations 2012 (2) sets the process of preparing and adopting Local Plans. A summary of this process is outlined below.



### **Sustainability Appraisal (SA) and Strategic Environmental Assessment (SEA)**

3.2 SAs and SEAs are tools which are used to appraise planning policy documents. Strategic Environmental Assessment (SEA) is a requirement of the EU Directive 2001/42/EC (more commonly known as the SEA Directive). Local planning authorities are required to carry out an SEA of all planning policy documents likely to have significant environmental impacts under these regulations. Sustainability Appraisal considers wider social and economic effects. The Planning and Compulsory Purchase Act 2004 and the NPPF require all emerging Development Plan Documents to be subject to SA.

3.3 The Council has produced a joint SA and SEA and has assessed each of the policies and site options in each of the draft Local Plans. The results of the assessments are included in the Sustainability Report 2017.

### **Habitats Regulation Assessment (HRA)**

3.4 The Conservation of Habitats and Species Regulations 2010 (as amended) states that a Habitats Regulations Assessment should be carried out where it is considered likely that the Plan will have significant effects on European habitats or species. HRAs assess the potential impacts of a Local Plan on Natura 2000 sites. Such sites are of European importance in respect of rare, endangered or vulnerable natural habitats and species and include the following:

- Special Protection Areas (SPAs) designated under the European Union “Wild Birds Directive”,
- Special Areas of Conservation (SACs) designated under the European Union “Habitats Directive”,
- Ramsar Sites, which are wetlands of international importance designated under the Ramsar Convention

3.5 As the Habitats Directive applies the precautionary principle, plans can only be adopted if there is likely to be no adverse impact on the integrity of the site(s) in question. In order to comply with the Regulations, a Screening Assessment was undertaken of the Issues and Options Draft. The Assessment highlighted that several of the policy options were likely to have an adverse impact upon Natura 2000 sites. Given this, an Appropriate Assessment was carried out which determined that adverse impacts could be avoided/mitigated. The results of the assessment are included in the HRA Screening and Assessment Report March 2017 and the November update.

### **Equality Impact Assessment (EIA)**

3.6 The Council has carried out an EIA of the Local Plan to ensure that equality is placed at the centre of policy development, review and service delivery. The purpose of the EIA is to analyse the likely impact of Local Plan policies on different groups in the community and how the needs of such groups have been taken into account in the development of policies.

### **Health Impact Assessment (HIA)**

3.7 The Council has carried out a HIA of the Local Plan. This seeks to measure the potential health impacts of any policies or proposals within the Local Plan on the wider population. The HIA aims to reduce health inequalities and contribute to improved health and better decision making.



## 4. Evidence Base

4.1 The NPPF requires that Local Plans are founded upon a robust evidence base. Paragraph 158 states that the evidence base should be proportionate and should be based on adequate, up-to-date information about the economic, social and environmental characteristics and prospects of the area.

4.2 The emerging Local Plan has been developed based upon a comprehensive evidence base, which comprises a combination of internally and externally prepared documents and assessments. It continues to be reviewed and updated when necessary in order for it to remain relevant.

4.3 The following table identifies the key documents which have been produced so far. Completed studies and updates are available to view on our website.

**Table 1: Evidence Base Documents – Progress to Date**

|  | Authors                | Year Published |
|--|------------------------|----------------|
| <b>Sub-Regional Documents</b>  |                        |                |
| Cumbria Landscape Character Guidance & Toolkit   | Cumbria County Council | 2011           |
| Cumbria Wind Energy Supplementary Planning Document  | Cumbria County Council | 2007           |
| Vertical   |                        |                |
| Gypsy & Traveller Accommodation Assessment   | Arc4                   | 2013           |
| Cumbria Extra Care Housing Strategy 2016-2025  | Cumbria County Council | 2016           |
| Cumbria Development Design Guide   | Cumbria County Council | 2017           |
| <b>Local Documents</b>   |                        |                |
| Sustainability Report (Incorporating Sustainability Appraisal and Strategic Environmental Assessment)        | Barrow Borough Council | 2017           |
| Sustainability Report Update (Incorporating Sustainability Appraisal and Strategic Environmental Assessment) | Barrow Borough Council | 2018           |
| Habitats Regulations Assessment Pre-Screening Report   | BDP                    | 2014           |
| Habitats Regulations Assessment (March 2017)   | Barrow Borough Council | 2017           |
| Habitats Regulations Assessment (November Update)  | Barrow Borough Council | 2017           |
| Updating the Demographic Evidence  | Edge Analytics         | 2017           |
| Strategic Housing Market Assessment  | Arc4                   | 2016           |
| Strategic Housing Market Assessment Addendum 2017  | Arc4                   | 2017           |
| Housing Land Need and Supply Topic Paper   | Barrow Borough Council | 2017           |
| Employment Land Review Update  | Barrow Borough Council | 2017           |
| Barrow Borough Housing Land Statement  | Barrow Borough Council | 2017           |
| Proposed Housing Site Assessments Document   | Barrow Borough Council | 2017           |

|  |   |      |
|--|---|------|
| Non-Selected Sites Document                              | Barrow Borough Council                        | 2016 |
| Settlement Profiles for Barrow Borough                   | Barrow Borough Council                        | 2017 |
| Infrastructure Delivery Plan 2018                        | Barrow Borough Council                        | 2018 |
| Barrow Transport Improvements Study                      | WSP Parsons Brinckerhoff                      | 2016 |
| Barrow Borough Local Plan Transport Modelling Report     | Cumbria County Council                        | 2016 |
| Stoneleigh Close Transport Technical Document            | WYG Transport Planning                        | 2017 |
| Barrow Local Plan Viability Assessment                   | Keppie Massie/WYG                             | 2016 |
| Retail and Town Centre Uses Study                        | NLP   | 2013 |
| Barrow-in-Furness Town Centre Parking and Movement Study | Barrow Borough Council/Cumbria County Council | 2016 |
| Strategic Flood Risk Assessment                          | Capita  | 2015 |
| Suitable Areas for Wind Energy Technical Document        | Barrow Borough Council                        | 2017 |
| Walney Island Flood and Coastal Erosion Strategy         | Barrow Borough Council                        | 2014 |
| Draft Green Infrastructure Strategy                      | Barrow Borough Council                        | 2016 |
| Green Wedge Review                                       | Barrow Borough Council                        | 2014 |
| Sports and Recreational Facilities Assessment            | Barrow Borough Council                        | 2017 |
| Heritage Impact Assessments                              | Barrow Borough Council                        | 2017 |

**Table 2: Evidence Base Documents – Other Supporting Documents**

|                                    | Authors                | Year Published |
|------------------------------------|------------------------|----------------|
| <b>Local Documents</b>             |                        |                |
| Duty to Cooperate Statement        | Barrow Borough Council | 2017           |
| Equality Impact Assessment         | Barrow Borough Council | 2017           |
| Health Impact Assessment           | Barrow Borough Council | 2017           |
| Statement of Community Involvement | Barrow Borough Council | 2016           |
| Annual Monitoring Report 14-15     | Barrow Borough Council | 2016           |
| Council Plan 2017-20               | Barrow Borough Council | 2017           |

4.4 Further more detailed technical studies may be required on individual sites to allow them to progress through the Local Plan process. These may include the following and will be the responsibility of the landowner/developer:

- Ecological and habitat surveys
- Heritage assessments
- Travel plans and transport assessments
- Landscape assessments
- Flood risk and surface water modelling
- Drainage surveys
- Noise assessments
- Tree and hedge surveys
- Ground stability and contamination surveys

## Community Led Plans

4.5 The parish of Askam and Ireleth have produced a Parish Plan 2014 which can be viewed on the Parish Council website

<http://www.askamandirelethparishcouncil.org.uk/communityPlanning.html>

4.6 The parish of Dalton and Newton are currently preparing a Parish Plan; more details can be found on their website

<http://www.daltoncouncil.org.uk/1160359056.html>

## 5. Slippage against 2016 LDS

5.1 The Council's previous LDS was published in 2016.

5.2 There has been slippage against the timetable set out in the 2016 LDS which predicted that the Local Plan Submission Draft would be completed in January 2017 and submitted to the Planning Inspectorate in April 2017, with adoption in November 2017. This slippage has occurred for a number of reasons, including the emergence of new evidence (including new household projections), the production of an additional draft; the Pre-Submission Draft and subsequent further rounds of consultation.

## 6. Project Management

### Resources and responsibilities

6.1 The preparation of the Local Plan is the responsibility of the Assistant Director of Regeneration. The Development Services Manager is responsible for the management of staff and resources and therefore the day to day management of plan preparation.

Planning Policy lead on the production of the Local Plan and other policy, the team is comprised of the following members of staff:

- 1 Principal Planning Officer (full time)
- 1 Planning Officer (full time)
- 1 Planning Officer (part time)
- 1 Admin Assistant (full time, fixed term)
- 1 Planning Policy Assistant (part time)

An element of technical support (mapping, monitoring etc.) is provided by staff within Development Services.

6.2 The Planning Policy Team must balance work on the Local Plan with other planning functions for example producing evidence base documents, responding to consultations from other Council departments, other authorities and government bodies (e.g. responding to planning applications, planning policy documents and proposals for changes to national

policy and guidance), producing evidence for appeals, enabling and supporting the delivery of economic schemes.

6.3 Consultants will be engaged on specific tasks or projects where specialist skills are required or there is a resource shortage.

6.4 The preparation of a Local Plan also has financial implications for the Council and the progress of the Plan is dependent upon the allocation of budget beyond committing staff resources. Such costs for example relate to hiring consultants, consultation events, examination in public etc.

6.5 The production and adoption of the Local Plan is identified as a Council priority in the Council Plan.

## 7. Risk Management

7.1 In preparing the LDS, a number of risks have been identified which may delay progress on the Local Plan. These should be kept under review.

**Table 2: Potential Risks to Local Plan production**

| <b>Risk</b>   | <b>Problem</b>  | <b>Potential Mitigation</b>   |
|---|---|---|
| <b>Staff turnover or redundancies</b>                       | Staff turnover is difficult to predict. Significant and constant turnover would severely affect ability to achieve timely progressions on the Local Plan.                                   | Ensure that vacant posts are filled promptly and if appropriate secure resources to allow for the use of consultants, temporary staff or internal secondments.  |
| <b>Pressure on staff time due to competing work streams</b> | It is difficult to predict the number of consultations which the policy team must respond to. Any increase in the number could result in slower than anticipated progression on Local Plan. | The Local Plan is a Council priority therefore resources required for its production should be protected in the short to medium term. In the longer term the Council will be required by the NPPF to carry out regular reviews of the Plan to ensure it remains up-to-date. |
| <b>Capacity of the Planning Inspectorate</b>                | Examination of the Plan can only take place according to the Planning Inspectorates availability and timescales. This issue is out of the Authority's control.                              | Ensure that the Planning Inspectorate is kept up to date on the progress on the Plan and the likely date of submission.   |
| <b>'Soundness' of the Local Plan</b>                        | The Plan will only be capable of adoption if it is found to be sound by the Planning Inspector through the public examination process.  | Minimise the risk of producing an 'unsound' document by working closely with consultees, statutory bodies and interested parties and agencies.  |
| <b>Length of Examination</b>                                | It is difficult to predict exactly the length of the examination process.   | The Council has aimed to minimise the number of issues to resolve at examination by engaging communities and bodies throughout the plan process and basing the Plan upon a robust evidence base in  |

|  |   |   |
|--|---|---|
|  |   | the hope of reducing the number of objections to the Plan.  |
| <b>Impact of new legislation, guidance or regulation</b>                         | The introduction of new legislation, guidance or regulations could delay the process and require revisions to the Plan and/or further evidence work | It is not possible to plan for further changes to the planning system however the Council can try to stay aware of proposals for change.  |
| <b>Impact of emergence of new evidence e.g. new household projection figures</b> | The introduction of new evidence could delay the process and require revisions to the Plan  | It is not possible to plan for the emergence of new evidence.   |
| <b>Legal challenge/suspension of EIP</b>   | Delay in adoption could result in the lack of a full, up-to-date policy framework   | The risk of legal challenge can be reduced by ensuring the Plan conforms with the relevant regulations, policy and guidance and that correct procedures have been followed.   |
| <b>Impact of national budget cuts</b>  | Government reduction in support grant to local authority. Leads to budget cuts and spending reviews across council services.                        | Production of a Local Plan remains a priority for the Council; therefore resources required for its production should be protected in the short to medium term. In the longer term the Council will be required by the NPPF to carry out regular reviews of the Plan to ensure it remains up-to-date. |

### 8. Local Plan Timetable

| Year:  | 2016 |   | 2017 |   |   |   |   |   |   |   |   |   |   |   | 2018 |   |   |   |   |   |   |   |   |   |   |   |  |
|--|------|---|------|---|---|---|---|---|---|---|---|---|---|---|------|---|---|---|---|---|---|---|---|---|---|---|--|
| Month:   | A    | M | J    | F | M | A | M | J | J | A | S | O | N | D | J    | F | M | A | M | J | J | A | S | O | N | D |  |
| Local Plan Submission Draft                        |      |   |      |   |   |   |   |   |   |   |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |  |
| Local Plan Submission to the Planning Inspectorate |      |   |      |   |   |   |   |   |   |   |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |  |
| Local Plan Examination                             |      |   |      |   |   |   |   |   |   |   |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |  |
| Adoption of Local Plan                             |      |   |      |   |   |   |   |   |   |   |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |  |
| Statement of Community Involvement                 |      |   |      |   |   |   |   |   |   |   |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |  |
| Annual Monitoring Report                           |      |   |      |   |   |   |   |   |   |   |   |   |   |   |      |   |   |   |   |   |   |   |   |   |   |   |  |

**KEY**

Document Completed

Formal Consultation

Document submitted to Planning Inspectorate

Local Plan Examination (TBC)

Adoption of Local Plan (TBC)



## 9. Contact

9.1 For further information on the preparation of Local Plan documents, please contact the Planning Policy Team:

Development Services Manager  
Development Services  
Barrow Borough Council  
Town Hall  
Duke Street  
Barrow-in-Furness  
LA14 2LD

Telephone: 01229 876363

Email: [developmentplans@barrowbc.gov.uk](mailto:developmentplans@barrowbc.gov.uk)

Website: [www.barrowbc.gov.uk/residents/planning](http://www.barrowbc.gov.uk/residents/planning)

Working together to support sustainable development within the Borough of Barrow-in-Furness



|   |                                       |
|---|---------------------------------------|
| <b>EXECUTIVE COMMITTEE</b>  | <b>(R)<br/>Agenda<br/>Item<br/>11</b> |
| <b>Date of Meeting: 7th March, 2018</b>   |                                       |
| <b>Reporting Officer: Democratic Services Manager</b>   |                                       |
| <b>Title: Reviewing the Member Development Strategy</b>   |                                       |
| <b>Summary and Conclusions:</b>   |                                       |
| The Member Training Working Group has revised the Member Development Strategy to ensure continuation of effective Member Development. The Strategy is reviewed on a biennial basis in conjunction with the Democratic Services Manager, the Democratic Services Officer (Member Support) and the Member Training Working Group. The responsibility for agreeing the overall Strategy lies in the hands of the Full Council. |                                       |
| <b>Recommendations:</b>   |                                       |
| To recommend the Council to approve the revised Member Development Strategy.  |                                       |

**Report**

**Background**

In order to ensure that Member training and development is prioritised, planned and co-ordinated effectively it is important that the Council have a Member Development Strategy. This Committee agreed to adopt the Strategy in July 2004 (Minute No. 6 of the meeting on 12th July, 2004 refers).

The Member Development Strategy sets out that it will be reviewed on a biennial basis in conjunction with the Democratic Services Manager, the Democratic Services Officer (Member Support) and the Member Training Working Group. The responsibility for agreeing the overall Strategy lies in the hands of Full Council.

Members are requested to note that whilst the Strategy is for the period 2017-2019, I have been unable to present it to this Committee for approval until such time that the Council Plan had been ratified by Council (which was done on 23<sup>rd</sup> January, 2018) as the Council Plan is referred to within the Strategy.

The Member Training Working Group have revised the Strategy document and referred it to this Committee for approval. A copy of the revised Strategy is attached at **Appendix 4**.



(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no implications.

(iv) Health and Safety Implications

The recommendation has no 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 Well-being of users of this service.

Background Papers

Nil.

## APPENDIX 4



# Barrow Borough Council

## Member Development Strategy 2017/2019

**Date: January 2018**

**Author: Paula Westwood**



## CONTENTS

|  |            |
|--|------------|
| <b>Introduction.....</b>   | <b>2</b>   |
| <b>Vision.....</b>   | <b>2</b>   |
| <b>Objectives.....</b>   | <b>2</b>   |
| <b>Who is Involved.....</b>  | <b>3</b>   |
| <b>Planning &amp; Timing of Member Development.....</b>                | <b>3</b>   |
| <b>Learning Styles.....</b>  | <b>3</b>   |
| <b>Member Induction.....</b>   | <b>4</b>   |
| <b>Member Training Working Group.....</b>                              | <b>4</b>   |
| <b>Personal Development Plans (PDP's).....</b>                         | <b>4-5</b> |
| <b>Information Services.....</b>                                       | <b>5</b>   |
| <b>IT Accessibility .....</b>  | <b>5</b>   |
| <b>Paperless Committee System.....</b>                                 | <b>5</b>   |
| <b>Evaluation &amp; Monitoring of the Strategy.....</b>                | <b>5-6</b> |
| <b>Evaluation &amp; Monitoring of What Members Learn.....</b>          | <b>6</b>   |
| <b>Continuous Improvement.....</b>                                     | <b>6</b>   |
| <b>Member Training Budget.....</b>                                     | <b>6</b>   |
| <b>Progress on Member Training &amp; Development in 2015/2017.....</b> | <b>7</b>   |
| <b>The Council Plan.....</b>   | <b>7-8</b> |
| <b>Further Information.....</b>  | <b>8</b>   |

## Introduction

Local Government has undergone a massive period of change. Councillors need to take on a broad range of new skills, networks and knowledge; often in a short space of time to embrace increasingly complex roles. Some of these skills are inherent in a politician, some may need to be learned, and others just developed. Adding this new range of skills to existing competence will not be possible without a structured approach and a serious commitment made to Member development with the active inclusion of Members.

In November 2003, the Council declared its commitment to achieve the North West Charter for Elected Member Development which involved exploring new roles for Members, considered how to identify and address the development needs of Members and introduced a practical methodology for assessing key service priorities for the Council.

In September 2006, less than three years on, the Council were awarded with the North West Charter Award for Elected Member Development. This achievement would not have been possible without the Council's commitment and the commitment of its Elected Members to training and development.

The Council had a successful Level 1 review in September 2009, July 2012 and February 2017.

## Vision

The Member Development Strategy provides a long-term direction for Member training and development. The vision behind the strategy is;

***“To ensure that all Members have access to adequate training and development opportunities to enable them to fulfill their responsibilities”***

## Objectives

The Member Development Strategy has the following underlying aims:

- ❖ To encourage involvement of Members in their own development and learning – where they identify their own particular development needs and the means of satisfying those needs to meet the Corporate Strategy of the Council.
- ❖ To focus on Members being learners rather than recipients of training.
- ❖ To ensure that all newly Elected Members are properly inducted into the Council and their role.
- ❖ To see the use of Information Technology as the norm and to ensure that all Members have the opportunity to benefit from Information Technology to assist them in their role and their development.
- ❖ To enable the sharing of good practice.

## **Who is Involved**

The responsibility for the delivery of the Member Development Strategy involves a range of people, led by the Democratic Services Manager, Democratic Services Officers and the Member Training Working Group. A Learning Programme will be agreed on a biennial basis by the Member Training Working Group based on recommendations from the Democratic Services Officer (Member Support) based on the most commonly identified development needs derived from Personal Development Plan discussions with Members.

## **Planning & Timing of Member Development**

To ensure effective planning and co-ordination of Member Development, it is imperative that the people involved in the cycle of identifying needs through to delivering and evaluating training keep each other informed.

To ensure that all Members can participate in Member Development, the Council will endeavour to arrange training events around Committee meetings and ensure that wherever possible, all events organised are accessible in terms of location.

## **Learning Styles**

It is recognised that people have different preferences for the way in which they learn new skills. There are a wide range of methods for learning including:

- ❑ E-Learning;
- ❑ Networking;
- ❑ Observation;
- ❑ Presentations;
- ❑ Quiet Reading;
- ❑ Action Learning;
- ❑ Internet Research;
- ❑ Councillor Mentoring;
- ❑ Local College courses;
- ❑ Information Technology;
- ❑ CD ROMs /DVD's and Videos;
- ❑ Visits to other Local Authorities;
- ❑ Local, Regional and National Conferences; and
- ❑ Corporate Training and Development Courses.

## **Member Induction**

As part of the Council's Induction Programme, Members are invited to attend a half-day briefing at the Town Hall hosted by the Democratic Services Manager, and the Council's Management Board.

The induction programme briefly comprises of:-

- ❑ An introduction to the political management structure, Member/Officer Protocol, role of Councillors and explanation of the Constitution;
- ❑ The Ethical Framework: the Council's Code of Conduct, Registering and declaring interests;
- ❑ Members allowances, claiming expenses, car mileage and tax returns;
- ❑ Introduction to Democratic Services section and their role;
- ❑ Cumbria County Council Functions;
- ❑ What happens next? – Including Personal Development Plans and Member Training;
- ❑ Tour of the Town Hall; and
- ❑ Departmental information stalls.

## **Member Training Working Group**

The Council has a Member Training Working Group who have the responsibility of meeting on a quarterly basis to review and monitor performance progress of Member Development.

The Member Training Working Group is a cross-party group consisting of the following Members and Officers;

- ❑ Derek Brook – Labour (Nominated Official Spokesperson for Member Development) – Chairman
- ❑ Marie Derbyshire – Labour
- ❑ Levi Gill – Conservative
- ❑ David Pidduck – Labour
- ❑ Paula Westwood – Democratic Services Officer (Member Support)
- ❑ Jon Huck – Democratic Services Manager

## **Personal Development Plans (PDP's)**

It is believed that people are more effective in learning if they take some time to think about what they need to learn before launching straight into it. PDP's are an ideal opportunity to do this thinking. That is why, on a biennial basis, the Democratic Services Officer (Member Support) invites Members along to attend 'one-to-one' discussions to review and update their PDP's.

Following Induction, all newly Elected Members are given the opportunity to attend a one-to-one discussion with the Democratic Services Officer (Member Support) in order to identify their individual training and development needs and draw up a PDP.

As the Council has now changed to 'all-out' elections every four years, as opposed to a third of the Council being elected every year, the Member Training Working Group at their meeting in March 2012 agreed to undertake PDP reviews every two years, rather than on an annual basis.

The findings from these interviews are then presented to the Member Training Working Group who agree and formulate the Learning Programme based on the most commonly identified development needs.

PDP's are important to ensure that training events are Member-led.

### **Information Services**

An abundance of useful information is made available for Members to assist them in their role. Information can be obtained from the Members' Room, The Members' Private Web Area and the Council's Website. The Democratic Services Officers can also assist in undertaking searches for information.

### **IT Accessibility**

Today more and more information is transmitted and stored electronically than ever before; Members without IT skills may find themselves at a significant disadvantage. Members are encouraged to use IT and take up opportunities for developing their IT skills.

### **Paperless Committee System**

In June 2017 the Council introduced the first stage of a paperless Committee system with the issue of iPads to Members of the Overview & Scrutiny Committee. It is intended to introduce iPads on a phased basis, rolling them out to a new Committee each month. Once Members have been issued with iPads, ongoing support will be available if required. At first, Members will receive Agendas in pdf format via e-mail which can be downloaded onto their iPads. This will be an interim measure whilst we look into introducing a whole Committee Management Information System.

The introduction of a paperless Committee system will see a significant change to the way in which we operate and will provide significant financial savings to the Council in future years.

### **Evaluation & Monitoring of the Strategy**

It is vital that Members are well equipped to undertake their work and be effective as local representatives.

The Member Development Strategy will be reviewed on a biennial basis in conjunction with the Democratic Services Manager, the Democratic Services Officer (Member Support) and the Member Training Working Group. The responsibility for agreeing the overall strategy lies in the hands of the Full Council.

The Democratic Services Manager, Democratic Services Officer (Member Support) and the Member Training Working Group have the joint responsibility for the development of the Learning Programme and for monitoring outcomes and improved effectiveness of the Members.

### **Evaluation & Monitoring of What Members Learn**

In order to get the best out of training and development opportunities it is important to evaluate the impact of any organised training event and ensure that any learning has been put into practice.

After attending any training event or conference, Members will be requested to complete a feedback form. If we don't do this, we may be wasting our time and money. These forms should be completed as honestly as possible to help ensure that future Members are receiving high quality training with positive outcomes. The Member Training Working Group review the attendance and feedback from events on a quarterly basis.

In addition to obtaining feedback on the day, following a recommendation from the North West Employers' assessment team who carried out the Charter Level 1 review in 2017, the Personal Development Plan review template has now been updated to include a section where Members are asked to reflect upon the impact that their learning experiences have had in order to make them better equipped to carry out their roles effectively.

### **Continuous Improvement**

In September 2006, the Council were awarded with the North West Charter Award for Elected Member Development, which has a lifespan of three years. The Council is required to be re-assessed every three years to ensure continuous improvement and improved effectiveness of the Member development process. The Council had a successful Level 1 review in 2009, 2012 and again in 2017.

### **Member Training Budget**

Each year a budget of £5,000 is allocated for Member training and development. In 2015/2016 the expenditure was £4,635.80 and in 2016/2017 the expenditure was £1,592.00.



## **Progress on Member Training & Development in 2015/2017**

Between May 2015 and April 2017 various training and development opportunities had been made available to Members. The events included:-

- ❑ Member Induction
- ❑ Licensing Training
- ❑ Code of Conduct Training
- ❑ Audit Training
- ❑ Emergency Preparedness Training
- ❑ HMF Awareness Sessions:-
  - Housing Options
  - Housing Revenue Account
  - Maintenance Services
  - Estate Management
  - Supported Housing
  - Homelessness
- ❑ Planning Training – The Role of Councillors in Planning: Propriety and Good Practice
- ❑ Member Briefing: Rules of Procedure for Committees and Council Meetings
- ❑ Member Briefing: National Grid (NWCC)
- ❑ Member Briefing: Universal Credit
- ❑ Internal Audit Training
- ❑ Briefing Session – The Big Lottery
- ❑ Visit to Lakes House (Liberata)
- ❑ Treasury Management Training
- ❑ Member Briefing: Cumbria LEP (Local Enterprise Partnership)
- ❑ Mayor & Deputy Mayor Training re Council Procedure Rules
- ❑ LGA Workshop: The Council's Priorities

## **The Council Plan**

The Council Plan is a long term strategy setting out the broad direction for future plans. It covers the period from 2017-2020 and is intended to guide the Borough Council's decisions on how much we spend, what we do and how we do it.

The Council's vision is for the Borough to be a healthy population with high aspirations, living in good quality housing with decent jobs in a diverse economy.

Councillors have worked with advisers from the Local Government Association to prepare the Council Plan which involved a series of workshops involving County Council Members and Officers. At the outset, the Council recognised that it could not deliver its objectives alone and that partnership and alliance building would form a key input to the proposals with assistance being sought from other organisations including County Council, Local Enterprise Partnership or the Health Sector.

The key priorities for the Council for 2017-2020 are as follows:-

- ❑ Developing the local economy to secure a long term economic future for all our community;
- ❑ A strong and vibrant town centre community;
- ❑ Closing the gap on health inequalities; and
- ❑ Providing a greater choice of good quality housing and regenerating the oldest and poorest housing in the Borough.

### **Further Information**

If you would like any further information on Member training and development, or would like to arrange for training on a specific issue, please contact Paula Westwood, Democratic Services Officer (Member Support) on: 876322 or e-mail: [pwestwood@barrowbc.gov.uk](mailto:pwestwood@barrowbc.gov.uk)

|  |  |                 |
|--|--|-----------------|
|  |  | <u>Part One</u> |
| <b>EXECUTIVE COMMITTEE</b>   |  | <b>(R)</b>      |
| <b>Date of Meeting: 7th March, 2018</b>  |  | <b>Agenda</b>   |
| <b>Reporting Officer: Corporate Services Manager</b>   |  | <b>Item</b>     |
|  |  | <b>12</b>       |
| <p><b>Title: General Data Protection Regulation Policy</b></p> <p><b>Summary and Conclusions:</b></p> <p>To provide Members with the Council's General Data Protection Regulation Policy.</p> <p><b>Recommendations:</b></p> <p>To recommend the Council to approve the General Data Protection Regulation Policy.</p> |  |                 |

### **Report**

A new statutory requirement for protecting personal data comes into force on 25th May 2018. The General Data Protection Regulation (GDPR) sets out greater requirements for data management and the rights that individuals have with regard to their personal data. We are undertaking a programme of work to prepare the Council for compliance with GDPR.

The Council's GDPR Policy is attached (**Appendix 5**) which supersedes the Data Protection Policy.

In addition to the policy the Council is processing mapping the data we hold and we will produce a number of protocols to help staff to comply with GDPR and protect individuals privacy.

(i) **Legal Implications**

Complying with the General Data Protection Regulation is a legal requirement for the Council.

(ii) **Financial Implications**

There may be a small financial requirement the provision of enhanced training and resource to complete the preparation.

(iii) **Health and Safety Implications**

There are no health safety implications.

(iv) Council's Priorities

Compliance with GDPR will support delivery of the Council's Priority 5 providing efficient and effective services.

(v) Risk Assessment

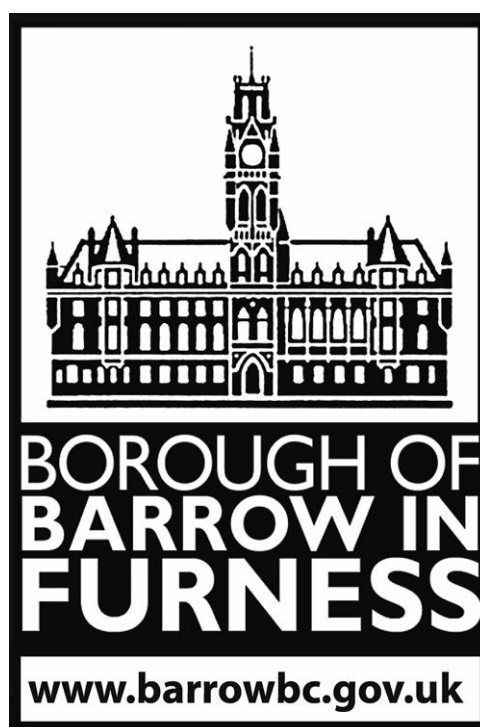
We have prepared a database of GDPR risks and we are addressing these.

(vi) Equal Opportunities

The recommendations do not discriminate against any protected characteristics.

Background Papers

Nil



## General Data Protection Regulation Policy

|                         |  |
|-------------------------|--|
| <b>Version Control:</b> |  |
| <b>Document Name:</b>   | General Data Protection Regulation Policy                  |
| <b>Version:</b>         | Version 1.0 Replaces the Data Protection Policy Version 3. |
| <b>Author:</b>          | Corporate Support Manager                                  |
| <b>Approved by:</b>     | Executive Committee  |
| <b>Date Approved:</b>   |  |
| <b>Review Date</b>      | March 2019   |

# Contents

|  |   |
|--|---|
| <b>General Data Protection Regulation Policy</b> ..... | 0 |
| 1.0 Introduction .....                                 | 1 |
| 2.0 Purpose.....                                       | 1 |
| 3.0 Scope.....   | 2 |
| 4.0 Definitions .....                                  | 3 |
| 5.0 The Data controller .....                          | 4 |
| 6.0 Data processors.....                               | 4 |
| 7.0 Information Asset.....                             | 4 |
| 8.0 Data Subject .....                                 | 4 |
| 9.0 Processing .....                                   | 4 |
| 10.0 Manual Data.....                                  | 4 |
| 11.0 Data Protection Principles.....                   | 4 |
| 12.0 Lawful basis for processing data.....             | 5 |
| 13.0 Governance of personal data.....                  | 6 |
| 14.0 Auditing.....                                     | 7 |
| 15.0 Managing the data .....                           | 7 |
| 16.0 GDPR Awareness.....                               | 8 |

## 1.0 Introduction

The EU General Data Protection Regulation (“GDPR”) (Regulation (EU) 2016/679) replaces the Data Protection Act (DPA) 1998 as the primary instrument for managing data on 25<sup>th</sup> May 2018. The requirements for processing personal data are similar to the DPA but GDPR sets new standards for data management which require the Council as the Data Controller to have a better understanding of the personal data we hold. We need to ensure that we determine a lawful basis for processing data, document why we are processing it and ensure that the data is not used for other purposes.

We are required to have robust controls in place to ensure that the data we hold is processed securely to ensure it is not unlawfully destroyed, lost, altered or disclosed. If there is a security breach we must have procedures in place to manage and if necessary report it to the Information Commissioners Office.

This policy sets the responsibilities of all employees, managers, councillors and third parties who have access to personal data which is held or processed by or on behalf of the Council.

The definition of personal data is similar to the DPA definition with some additions. The definition of personal data is explained in more detail in the definitions section on page?? of this document.

## 2.0 Purpose

The purpose of this General Data Protection Regulation Policy is to ensure that the Council and people working on its behalf, which includes employees, temporary staff, contractors, volunteers, consultants, partners (and their staff) and Members of the Council, understand their obligations under GDPR.

Barrow Borough Council holds and processes personal information about people we provide services for carry out other business with, these include:

- Customers
- Residents
- Councillors
- Suppliers
- Contractors
- Employees

People who provide us with their personal data expect us to protect their data and only use it for the lawful purposes we collected it for.

### 3.0 Scope

All the personal data we hold must be dealt with lawfully and properly. We need to ensure we collect it, store it and process it in a manner that safeguards the privacy of the individuals. The rules relating to the processing of data are similar to those defined in the Data Protection Act 1998. The Regulation sets out a framework based on a set of data protection principles.

This policy identifies designated personnel and their responsibilities.

Procedures relating to the collection, processing, storage, retention and disclosure of personal information are referenced in this policy.

#### Supporting legislation

The statutory legislation below informs the Council's data protection arrangements

|   |  |
|---|--|
| The General Data Protection Regulation 2016 | This is a framework of responsibilities and rights to strengthen and unify data protection for all individuals.  |
| The Human Rights Act 1998.                  | Article 8 of the Act provides that 'everyone has the right to respect for his private and family life, his home and his correspondence'.   |
| Crime and Disorder Act 1998                 | S.115 of the Act allows disclosure of person identifiable information to the Police, Local Authorities, Probation Service or the Health Service but only if the purposes are defined within the Crime and Disorder Act and associated Regulations. |

## 4.0 Definitions

### Personal Data

Personal data for GDPR purposes is defined as:

data which relate to a living individual who can be identified –

(a) from those data, or

(b) from those data and other information which is in the possession of, or is likely to come into the possession of, the data controller,

and includes any expression of opinion about the individual and any indication of the intentions of the data controller or any other person in respect of the individual.

And includes:

Name

Address

Email Address

Photograph

Bank details

National insurance number

Medical information

Posts on social media sites

Computer IP address

The Information Commissioners Office (ICO) has produced a reference guide and flow chart to help identify personal data and this is available on the ICO website [quick guide](#) and a flow chart is attached as appendix 1.

Special category data

GDPR also makes provision for handling special category data (formerly sensitive data). These types of data could create more significant risks to a person's fundamental rights and freedoms. For example, by putting them at risk of unlawful discrimination and therefore needs more protection. For example, information about an individual's:

Special category data includes

- Race
- Ethnic origin
- Politics
- Religion
- Trade union membership
- Genetics
- Health
- Sex life or sexual orientation

We will routinely undertake audits in each department so we can understand the data we hold about individuals and how we process it.



## **5.0 The Data controller**

Barrow-in-Furness Borough Council is the data controller and is accountable for ensuring the data is processed correctly and securely.

## **6.0 Data processors**

Any officer with line management responsibility, this includes supervisors.

All staff, including temporary/agency staff, Elected Members, contractors and volunteers working for The Council.

## **7.0 Information Asset**

Data on any media format created, processed and used by the council. Media formats may vary from paper copies (memos, letters, check stock, etc.); electronic files stored on hard drives, USB flash memory devices, CD's, DVD's, back-up tapes etc.; to voice mail. An alternate definition - Information that has value to the extent that it enables an entity to achieve goals and thus is an asset like people, money, and material.

## **8.0 Data Subject**

The data subject is any living individual about whom data is processed.

## **9.0 Processing**

Processing in relation to data (or information) means virtually any use that can be made of the data, from collecting the data, using it, storing it, and destroying it. It is difficult to envisage any action involving data, which does not amount to processing within this definition.

## **10.0 Manual Data**

Manual Data covered by the Data Protection Act 1998 is any non-automated information system (paper files, card index, Rolodex, non-automated microfiche) or 'relevant filing system' referring to data subjects. Filing systems are structured, either by reference or by criteria relating to individuals, in such a way that specific information relating to particular data subjects is readily accessible.

## **11.0 Data Protection Principles**

GDPR requires that personal data is:

a) processed lawfully, fairly and in a transparent manner in relation to individuals;

- b) collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes; further processing for archiving purposes in the public interest, scientific or historical research purposes or statistical purposes shall not be considered to be incompatible with the initial purposes;
- c) adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed;
- d) accurate and, where necessary, kept up to date; every reasonable step must be taken to ensure that personal data that are inaccurate, having regard to the purposes for which they are processed, are erased or rectified without delay;
- e) kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed; personal data may be stored for longer periods insofar as the personal data will be processed solely for archiving purposes in the public interest, scientific or historical research purposes or statistical purposes subject to implementation of the appropriate technical and organisational measures required by the GDPR in order to safeguard the rights and freedoms of individuals; and
- f) processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures.”
- g) Personal data shall not be transferred to a country outside the European Economic Area.

## **12.0 Lawful basis for processing data**

The lawful reasons for processing data are:

- 1: We have positive consent from the data subject (consent by default is not permitted e.g. pre-ticked boxes)
- 2: Processing is necessary for the performance of a contract with the data subject or to take steps to enter into a contract.
- 3: Processing is necessary for compliance with a legal obligation.
- 4: Processing is necessary to protect the vital interests of a data subject or another person.
- 5: Processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the controller.
- 6: Processing is necessary for the purposes of legitimate interests pursued by the controller or a third party, except where such interests are overridden by the interests, rights or freedoms of the data subject.

**Please note: basis 6 is not available to processing carried out by public authorities in the performance of our tasks.**

## **13.0 Governance of personal data**

### **Director of Resources**

The Director of Resources has overall responsibility for data protection within the Council. The Director of Resources is also designated as the Council's Senior Information Risk Owner (SIRO).

### **Corporate Support Manager (Data Protection Officer)**

The Corporate Support Manager is the Council's designated Data Protection Officer (DPO) the duties of the DPO include:

- to inform and advise the controller or the processor and the employees who are processing personal data of their obligations pursuant to this Regulation;
- to monitor compliance with the GDPR and other data protection laws, including managing internal data protection activities, awareness- raising and training of staff involved in the processing operations, and the related audits;
- to provide advice where requested as regards the data protection impact assessment and monitor its performance pursuant to Article 35;
- to cooperate with the supervisory authority (the ICO in the UK);
- to act as the contact point for the supervisory authority on issues related to the processing of personal data
- Shall in the performance of his or her tasks have due regard to the risk associated with processing operations, taking into account the nature, scope, context and purposes of processing

All correspondence with the Information Commissioner on Data Protection matters will be dealt with by the Data Protection Officer.

Requests for personal data are referred to the Data Protection Officer.

The Corporate Support Manager will provide advice in all matters relating to GDPR

Information Sharing Agreements will be signed on behalf of the Council by the Director of Resources or Corporate Support Manager.

### **Managers**

All managers are responsible for ensuring that this policy is communicated and implemented within their area of responsibility. They are responsible for the quality, security and management of personal data in use in their area.

They also need to ensure that their staff are aware of their responsibilities under GDPR. Advice or assistance regarding this policy or GDPR in general is available from the Data Protection Officer.

Managers are responsible for reporting all data protection and information related incidents to the Data Protection Officer, and properly investigated according to The Council's incident management procedures.

## **Elected Members**

Elected Members acting for or on behalf of The Council must be aware of their obligations and responsibilities with regards to the collection and processing of personal data under the provisions of the Data Protection Act 1998 and this it is the intention of the Council to comply with all aspects and requirements of the Act.

Elected Members have an individual responsibility to keep themselves aware of The Council's policies, including data protection and information security policies.

Data Protection training will be provided for all Elected Members.

Elected Members are expected to co-operate in full with any investigation undertaken by (or on behalf of) The Council into an alleged breach of the regulation.

Elected Members should register with the Information Commissioner's Office and renew their registration annually if they use Information Technology to process personal data e.g. if you use a computer, for your constituency work (not work for or on behalf of The Council).

## **All Staff**

All staff have a responsibility to ensure they are aware of their obligations and responsibilities under the Council's GDPR Policy.

All staff should notify their line manager if they feel they do not have sufficient knowledge in regard to GDPR so specific training can be provided.

Staff Members are expected to co-operate in full with any investigation undertaken by (or on behalf of) The Council into an alleged breach of the regulation.

## **14.0 Auditing**

The Corporate Support Department will undertake an annual audit of data management arrangements from a sample of departments and will develop a checklist and templates to support this. The outputs from these audits will be recorded in an auditing plan.

## **15.0 Managing the data**

The Council has adopted a "privacy by design" approach to GDPR this approach is not a requirement but represents best practice and will make it easier for staff to understand their obligations under GDPR.

A set of protocols setting out the Council's approach are attached linked to this document as appendices.

## **Data asset register**

A list of the type of personal data held by each department will be held on a central asset register. Each departmental manager will responsible for ensure that their part of the register is maintained.

Under GDPR there is more emphasis on individual's privacy which includes being transparent about the data we hold and how we will use it.

We have developed a privacy protocol to standardise our approach which provides advice on privacy notices, obtaining consent from data subjects, information sharing, retention periods and the individual's rights.

We will publish a Privacy Notice and we will be clear about how we collect, store and use individual's personal data. We will be clear about people's rights under GDPR.

Managers will undertake a Data Protection Impact Assessments before introducing significant changes to data management arrangements or introducing new technologies. These assessments will be reviewed and approved by the DPO.

Consent from data subjects for using their data will require a positive indication that they permit us to use their data for the specific purposes we have informed them we will use it for. We will produce a separate protocol to give clear guidance to managers and staff on how and when we need to obtain the consent of the data subjects.

To perform some Council functions we need to share personal data with third parties. We will be clear about, who we will share it with, what it will be used for and how we will protect their personal data.

We may also share personal data for the prevention or detection of crime including fraud and we need to inform the data subject that their data may be used for this purpose.

A key factor in complying with our lawful basis for processing data is the length of time we retain personal data. The Council's retention policy will be reviewed on a regular basis to ensure we respect individual's privacy whilst not compromising the Council's ability to function.

Under GDPR individuals have enhanced rights regarding the data we hold and how we process it. This means we need to be proactive in informing the customer of how we will process their data and their right access and change the data we hold about them. A separate protocol has been developed to help managers to understand their responsibilities in terms of individual's privacy and rights.

The Council and our employees are bound by a legal duty of confidentiality to all data subjects and we ensure we put adequate controls in place.

GDPR applies to all staff (including temporary/agency staff), contractors and volunteers working for the Council.

We will undertake a review of all contractual arrangements which involves third parties processing the Council's personal data. The Data Protection Officer will have responsibility for ensuring that contractual arrangements are compliant with GDPR.

## **16.0 GDPR Awareness**

### Training

The Council will develop a training programme which includes maintaining awareness of data protection, confidentiality and security issues for all staff.

This will be provided through:

- Data protection awareness so that staff and councillors understand their responsibilities as part of the Council's induction process.
- External specialist training sessions for managers and staff who have a key role in data protection.
- E-learning modules for all staff.
- Additional training as identified.
- Internal work place training delivered by departmental managers.

Separate training will be provided for Elected Members.

|   |                                       |
|---|---------------------------------------|
| <b>EXECUTIVE COMMITTEE</b>  | <b>(D)<br/>Agenda<br/>Item<br/>13</b> |
| <b>Date of Meeting: 7th March, 2018</b>   |                                       |
| <b>Reporting Officer: Assistant Director – Regeneration and Built Environment</b>   |                                       |
| <p><b>Title: Thorncliffe Crematorium - Replacement of Existing Cremators</b></p> <p><b>Summary and Conclusions:</b></p> <p>Replacement of the existing cremators (2no.) and installation of emissions abatement equipment. The report seeks your approval to award the Contract for the supply, installation and maintenance of two new cremators, mercury abatement plant and ancillary equipment for Thorncliffe Crematorium to either Contractor A or Contractor B. To meet the programme installation dates the award needs to be made before the end of March 2018.</p> <p><b>Recommendations:</b></p> <p>To agree that the Assistant Director appoint (under the IET Model Form of Contract MF/1 (Rev 6) 2014 Edition) the successful Contractor following a Pre-Contract award meeting with the two most competitive Contractors, to carry out the proposed works.</p> |                                       |

### **Report**

In July 2017 expression of interest letters (with timescales and scope of works) were sent out to six companies with a view to including them on a competitive tender list for the project. A Pre-Qualification exercise was carried out in September 2017 with three companies attending the meetings separately on 6<sup>th</sup> and 7<sup>th</sup> September 2017. The areas discussed included: Equipment, Programme, Design, Method of Work, Equipment, Maintenance, Additional Works, Contract, IT and Health and Safety.

The following tenders for the Thorncliffe Crematorium Replacement of Existing Cremators were received and opened by the Chairman of the Executive Committee on Monday 9<sup>th</sup> February 2018.

In alphabetical order:

Contractor A  
Contractor B  
Contractor C

In descending order:

£985,000.00  
£761,780.00  
£554,000.00

However, a detailed review of the Contractor C submitted documentation has not been carried out due to the tender being significantly more than those submitted by Contractor A and Contractor B. A brief examination of Contractor C submitted tender indicates that they have not fully provided all the information requested by the Invitation to Tender. Contractor C proposed new installation drawing indicates that their cremation and abatement plant equipment would occupy considerably more space than the two other tenderer's proposals and will even require demolition of all internal walls forming the existing ancillary rooms to the west side of the present cremator room. The proposal would involve extensive structural alterations to the existing building at considerable expense. In addition, the Cemeteries & Crematorium Manager has no knowledge of anyone from Contractor C visiting site during the tender process.

The intention is to replace the two existing cremators at the Council owned and managed Thorncliffe Crematorium with two new cremators and also take the opportunity to install a flue gas abatement filtration system in full compliance with current environmental regulations. The abated cremator equipment meets the full requirements of the Secretary of State Guidance Notes for Crematoria PG5/2 (12). The existing gas and electrical services will be stripped out and replaced to suit the new equipment installed. A new IT management system will be installed to monitor the new equipment (including off-site by the equipment provider) and for on and off-site record keeping. No extension of the crematorium building is necessary to accommodate the new equipment. Subject to confirming the appointment of the successful contractor in late March 2018 the start date on site is anticipated to be late June 2018 to mid-July 2018.

The Contractor will be responsible for full design, manufacture, supply, delivery, installation and commissioning the complete installation including all associated services, controls and management systems. It is also the Councils intention to enter into a long-term service agreement with the equipment provider (the Contractor) to monitor, maintain and service the new cremation installation.

The Time for Completion is as follows:

|                                       | Time for Completion                               |
|---------------------------------------|---|
| Cremator No. 1                        | No later than Fri 31 <sup>st</sup> August 2018    |
| Cremator No. 2                        | No later than Fri 28 <sup>th</sup> September 2018 |
| Abatement system and final completion | Date to be agreed                                 |

The Tender Price Evaluation has been given a 60% weighting and the Technical/Quality criteria has been given a 40% weighting.



The Technical/Quality criteria covered the following aspects:

|  |
|--|
| Equipment provision and design layout proposals                            |
| Building alteration works required and general builder's work requirements |
| Ability to meet Councils outline programme requirements                    |
| Energy usage   |
| Health & Safety record   |
| Quality Control procedures   |
| IT management and record keeping system                                    |
| Long term service agreement:   |
| Cost per cremation   |
| Duration of fixed price  |
| Terms and inclusions with the service agreement                            |

Unfortunately following a very detailed review of the submissions it has not been possible to objectively assess the very detailed bids. It is therefore proposed to carry out a pre-contract award meeting with representatives from both Contractor A and Contractor B.

The Pre-Contract Award meeting will cover and clarify the following areas:

- In relation to the **priced bill of quantities** there are quite wide variations between the three submitted tenders and further clarification will be sought to understand the reasons behind the wide variations in a number of the items included within the pricing schedules, for example in relation to: Preliminaries, Health and Safety, removal of existing equipment, supply and fitting the two new cremators, the abatement emissions filtration system, the proposed flue installation, the cremulator, the provision of electrical cable circuits, gas services, IT Management and record keeping and warranties and servicing agreement;
- The **Technical/Quality** criteria (shown in the above table);
- **Contract Matters:** Contract Sum, Form of contract, Master programme, Date of possession and completion, Contract insurances, Defects liability period, Liquidated damages, Bond and Contract documents;
- **Variations:** Procedure to be adopted, Authority to give instructions, Provisional sums;
- **Finance:** Cash flow forecast, Payment procedure, Valuation dates, Final account;
- **Quality Control and CDM Regulations:** Contractor's developed Pre-construction Information and the Health and Safety File

Once all of the above items have been covered in the meeting the award decision will be taken by the Assistant Director.

The Crematorium Chapel will remain in use, and the services will continue to take place in the usual manner throughout the period of the Contractor's on-site works and will be available for funeral services on Mondays to Fridays between the hours of 10am and 3pm.

The appointed Contractor will always undertake noisy work during out of hours and week ends. After the service the funeral director will take the coffin away to an alternative crematorium. This will probably be either Lancaster or Beetham Hall. However, these arrangements will be made between the funeral director and the family.

On-site formal training will be offered following completion of the equipment installation. Upon successful completion of the on-site training course the operators will be issued with training certificates.

Contractors have been made aware that the project will be subject to the Construction (Design and Management) Regulations 2015 (CDM 2015) and is notifiable to the Health and Safety Executive. Baker Mallett have prepared a Pre-Construction Information Plan (PCIP) for the project. There is a suitable site roadway access for the delivery vehicles and cranes.

Separately the reinforcement of the crematorium incoming electrical supply and associated switchboard equipment will need to be checked and where necessary upgraded (distribution board PD1) to a 200A three phase and neutral supply.

The appointment will include the requirement for either a 17 or 20-year, all-inclusive maintenance and service agreement to cover the new cremators, abatement system and ancillary equipment.

In advance of the main works the council will need to directly engage with a Building Contractor to carry out ancillary building and alteration works required to the existing building structure and fabric to facilitate the Contractor's new cremations equipment installation. Ancillary works will include widening access door opening, preparatory work to concrete floor (including making good the concrete floor following any redundant floor ducting removal), wall and roof apertures, equipment support bearers, etc.

The Cremator room ventilation requirements will also require a careful technical appraisal to ensure the new equipment is operating within the required specification.

In addition the provision of a new ADSL / Broadband service to enable connection to remote technical support facility will be required.

Advice is also being sought in relation to the planning application, building regulation approvals and environmental regulations, ahead of the programmed commencement dates.

(i) Legal Implications

The Contract will be signed and sealed following approval.

(ii) Risk Assessment

The project shall be programmed and managed safely following a hierarchy of risk control and safe systems of working. The hierarchy shall be based on elimination, reduction, control and personal protection as a minimum. Information on significant risks identified during the design have been provided within the pre-construction information.

(iii) Financial Implications

The recommendation has no financial implications. Funding is contained within the Councils capital programme. An additional allowance for contingencies is contained within the Contract sum, which is within the available capital funding.

(iv) Health and Safety Implications

A Construction Phase Health and Safety Plan will be produced by the Contractor before commencement for approval by the Councils CDM-C advisor. Baker Mallet will perform all duties under Health and Safety Executive (HSE) Notifiable works, covered by the Construction (Design and Management) Regulations 2015 (CDM 2015). The construction phase plan will identify arrangements for controlling significant site risks.

(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

|   |                                       |
|---|---------------------------------------|
| <b>EXECUTIVE COMMITTEE</b>  | <b>(D)<br/>Agenda<br/>Item<br/>14</b> |
| <b>Date of Meeting: 7th March, 2018</b>   |                                       |
| <b>Reporting Officer: Assistant Director - Community Services</b>   |                                       |
| <p><b>Title: Borough Kennels – Staff Hours</b></p> <p><b>Summary and Conclusions:</b></p> <p>In November 2017 Members agreed to reduce the operating hours for the Borough Kennels from 1<sup>st</sup> April 2018. This report proposes a minor change to the operating hours following staff consultation. The financial savings identified in the previous report are not affected.</p> <p><b>Recommendation</b></p> <p>To approve the minor changes to the operating hours of the Borough Kennels as identified in the report.</p> |                                       |

### Report

In November 2017 Members agreed to reduce the operating hours for the Borough Kennels from 1<sup>st</sup> April 2018. This reduction had an impact on posts at the kennels and, since the decision, officers have been in consultation with the affected staff member to mitigate the adverse work/life balance impact on the staff member and also to ensure that the work pattern for the vacant post is sufficiently attractive to potential applicants. Officers have also had to ensure that the required financial savings and operational requirements are met.

The report in November had been approved proposed the following operating hours.

|                     |                    |                   |
|---------------------|--------------------|-------------------|
| Saturday and Sunday | 9.00am – 11.30am   | & 5.00pm – 6.00pm |
| Monday to Friday    | 9.30am – 12.00noon | & 5.00pm – 6.00pm |

Following consultation, revised operating hours are proposed.

|                          |                    |                   |
|--------------------------|--------------------|-------------------|
| Saturday and Sunday      | 9.00am – 11.30am   | & 5.00pm – 6.00pm |
| Monday, Tuesday & Friday | 9.00am – 12.30pm   | & 4.00pm – 6.00pm |
| Wednesday & Thursday     | 9.00am – 12.00noon | & 4.00pm – 6.00pm |

(i) Legal Implications

This recommendation has no legal implications

(ii) Risk Assessment

A health and safety review of the Kennels has been undertaken and its findings are being implemented. The review has confirmed that single staff working is a safe means of operating the kennels with appropriate procedures in place.

(iii) Financial Implications

The November report advised members that £15,320 would be saved from the reduction in staff hours. This minor change to operating hours does not change that saving.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

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

(vii) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing on service users. The recommendation does take into account the work/life balance impact on staff.

Background Papers

Nil.

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|--|------------------------------|--|
| <b>EXECUTIVE COMMITTEE</b>   |                              | <u>Part One</u><br><b>(R)</b><br><b>Agenda</b><br><b>Item</b><br><b>15</b> |
| <b>Date of Meeting:</b>  | <b>7th March, 2018</b>       |  |
| <b>Reporting Officer:</b>  | <b>Director of Resources</b> |  |
| <p><b>Title: Environmental Health Delegations</b></p> <p><b>Summary and Conclusions:</b></p> <p>This report sets out the proposed revisions to the Environmental Health delegations within the Council's Constitution.</p> <p><b>Recommendations:</b></p> <p>To recommend the Council approve the revisions to the Environmental Health delegations within the Council's Constitution.</p> |                              |  |

### **Report**

Management Board recently approval a restructure of the Environmental Health Department and consequently the following changes to the Constitution will be required to come into effect from 1st April 2018:

- 1) All references to the Environmental Health Department shall be changed to Public Protection Services.
- 2) All references to the Environmental Health Manager shall be changed to the Public Protection Manager.
- 3) The following paragraphs shall be inserted into the delegation for the Public Protection Manager.

“The Commercial Team Leader shall also have delegated powers in relation to the delegations of the Public Protection Manager under the following headings:

- a) Taxi, Gaming, Food, Miscellaneous Licensing and registration functions (other than functions under the Licensing Act 2003 and Gambling Act 2005)
- b) Functions under the Licensing Act 2003 and Gambling Act 2005 Powers under the Licensing Act 2003
- c) Powers under the Gambling Act 2005”

“The Environmental Protection and Public Health Team Leader shall also have delegated powers in relation to the delegations of the Public Protection Manager under the following headings:

a) Other Delegations.”

4) The delegation of the Assistant Director of Regeneration and the Built Environment shall be changed to allow the Officer to exercise the delegations of the Public Protection Manager contained in Section I of Part 3(2) of the Constitution.

(i) Legal Implications

The recommendation has no legal implications other than requiring an update to the Council’s Constitution.

(ii) Risk Assessment

The recommendation has no significant implications.

(iii) Financial Implications

The recommendation has no implications.

(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

|   |                           |  |
|---|---------------------------|--|
| <b>EXECUTIVE COMMITTEE</b>  |                           | <b>Part One<br/>(R)<br/>Agenda<br/>Item<br/>16</b> |
| <b>Date of Meeting:</b>   | <b>7th March, 2018</b>    |  |
| <b>Reporting Officer:</b>   | <b>Executive Director</b> |  |
| <p><b>Title: Pay and Regrading Review</b></p> <p><b>Summary and Conclusions:</b></p> <p>The current procedure for regrading applications was agreed in October 2013 and is based upon demonstration of significant additional responsibility. Appeals are considered by a panel of Members. It is clear from the decision record of the Panel that the current process is not fit for purpose and should be reviewed by the Overview and Scrutiny Committee. For the duration of the review a moratorium should be placed on regrading applications.</p> <p><b>Recommendations:</b></p> <p>To recommend the Council that a moratorium is placed on all applications for regradings received after 27th February, 2018 pending a review by the Overview and Scrutiny Committee of the existing policy and procedure.</p> |                           |  |

### **Report**

Your current policy on pay and grading was established in October 2013 (Minute 61) when Members resolved to:

1. Abandon the Pay and Grading Review due to budget constraints.
2. Lift the moratorium on grading appeals and replace it with a revised Grading Appeals Procedure.
3. Agree that Management Board should identify any posts which had demonstratively taken on significant additional duties and responsibilities.

As a result of this decision formal Job Evaluation which placed all posts in the Authority on a salary scale according to the level of responsibility the post carried was abandoned. This was largely due to need to provide ongoing savings given the estimated £1m cost of introducing the scheme. The Council now assesses applications for regrading through a Grading Appeals Procedure which has, at its heart, the need to demonstrate significant additional responsibility or duties, over and above current role. Officers current role is that established in job descriptions. The emphasis is also on responsibilities and duties not additional tasks: all staff are taking on additional and other tasks as a result of the 20%+ contraction of the Council's workforce.



Since introduction of the above policy 130 regradings have been agreed with post holders by Management Board. 17 have been rejected. These rejections have resulted in 10 regrading appeals being considered by the Member Appeal Panel 9 of which have been upheld and 1 has been rejected. It is clear from decisions record of the Appeals Panel that members are dissatisfied with the process of regrading that we currently operate; seeking something more akin to a job evaluation process.

It is quite correct that the Appeals Panel operate independently but recent decisions have disregarded the advice of officers who sit on the panel to advise members and also disregarded the approved procedure. This has led to a stream of applications for regrading based upon successful appeal decisions. Since introduction of the Grading Appeals Procedure the Council has increased its staffing costs by £41,000 from regrading appeal decisions.

The Council's appraisal process should have ensured, over time, that all job applications are updated, and in addition we have asked all Departmental Managers to update all job descriptions into a new format listing the responsibilities and duties of the post rather than tasks. This should be completed by the end of March 2019. Over time job descriptions will be updated annually by Managers rather than forming part of the appraisal process.

It is clear from the above that the current process of assessing applications for regrading is not fit for purpose and should be suspended pending a review by the Overview and Scrutiny Committee.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

Some regrading applications may be delayed as a result of the moratorium.

(iv) Health and Safety Implications

The recommendation has no 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