

Blackpool Council

11 January 2019

To: Councillors Benson, Blackburn, Cain, Campbell, Cross, Jackson, Kirkland, Smith, I Taylor and Mrs Wright

The above members are requested to attend the:

EXECUTIVE

Monday, 21 January 2019 at 6.00 pm
in Committee Room A, Town Hall, Blackpool

A G E N D A

1 DECLARATIONS OF INTEREST

Members are asked to declare any interests in the items under consideration and in doing so state:

(1) the type of interest concerned either a

- (a) personal interest
- (b) prejudicial interest
- (c) disclosable pecuniary interest (DPI)

and

(2) the nature of the interest concerned

If any member requires advice on declarations of interests, they are advised to contact the Head of Democratic Governance in advance of the meeting.

2 COUNCIL PLAN 2019-2024 (Pages 1 - 38)

3 COUNCIL TAX AND BUSINESS RATES DISCRETIONARY DISCOUNT POLICY 2019/2020
(Pages 39 - 74)

4 LANCASHIRE 75% BUSINESS RATE POOLING ARRANGEMENT 2019/2020 (Pages 75 - 94)

5 INSURANCE PROCUREMENT EXERCISE (Pages 95 - 100)

6 LOCAL FULL FIBRE NETWORK (Pages 101 - 110)

7 DEVELOPMENT OF NEW COUNCIL HOMES AT TROUTBECK CRESCENT, MERESIDE
(Pages 111 - 122)

The report for this item is public. However Appendix 7b contains information regarding the negotiations and the proposed or potential courses of action and are currently exempt from publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered on balance that the public interest would not be served by publishing the information as it could prejudice the proposed development.

8 FINANCIAL PERFORMANCE MONITORING AS AT MONTH 8 2018/2019 (Pages 123 - 126)

Venue information:

First floor meeting room (lift available), accessible toilets (ground floor), no-smoking building.

Other information:

For queries regarding this agenda please contact Lennox Beattie, Executive and Regulatory Manager, Tel: (01253) 477157, e-mail lennox.beattie@blackpool.gov.uk

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Report to:	EXECUTIVE
Relevant Officer:	Antony Lockley, Director of Strategy and Assistant Chief Executive
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Date of Meeting:	21 January 2019

COUNCIL PLAN 2019-2024

1.0 Purpose of the report:

1.1 To present the Council Plan 2019-2024 for approval, as attached at Appendix 2a.

2.0 Recommendation(s):

2.1 To recommend to the Council to approve the Council Plan.

3.0 Reasons for recommendation(s):

3.1 To provide continuity and accuracy, ensuring that the Council focuses on the key strategic issues facing the town. To ensure the Council implements internal mechanisms to deliver the priorities effectively and efficiently.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No, although if approved the Council Plan will become part of the Council's Policy Framework

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

To adopt different corporate priorities. No realistic alternative options have come forward as a result of the review and subsequent discussions with Senior Council officers, Executive, and other stakeholders.

4.0 Council priority:

4.1 The Plan sets out the Council’s priorities:

- “The economy: Maximising growth and opportunity across Blackpool”
- “Communities: Creating stronger communities and increasing resilience”

5.0 Background information

5.1 The Council Plan is the single most important element of the Council’s corporate business planning framework. It defines what the Council strives to achieve, and acts as the strategic umbrella for all other Council plans, policies and projects. The Council’s financial context set the scene for the 2015-20 Plan, which refined work down to just two key priorities, and marked a shift towards a narrative for the town based on early intervention and prevention. The narrative helped to communicate how staff and residents could play a part in improving Blackpool.

5.2 In mid-2017, half way through the period covered by the Plan, the Corporate Delivery Unit commenced a thorough review of progress towards delivering the vision and priorities. The review also took in wider consideration of the complex, evolving operating environment facing the Council. This concluded that the broad strategic direction of the original Plan should continue, but that the Council needed a refreshed and updated plan to outline further projects under these priorities.

5.3 Since then discussions have taken place with individual Council Directorates to feed into a revised and updated Plan. In addition, the Delivery Unit has sought the views of the Council’s Wholly Owned Companies to enable the plan to encompass the full spectrum of Council operations and interests. The content of the new Plan now reflects this.

5.4 The Plan would sit alongside the new Blackpool Town Prospectus, to ensure congruence across key projects, narrative and messaging where appropriate.

5.5 Does the information submitted include any exempt information? No

6.0 List of Appendices:

6.1 Appendix 2a – Council Plan 2019-2024
Appendix 2b - Equality Analysis

7.0 Legal considerations:

7.1 None.

8.0 Human resources considerations:

8.1 None.

9.0 Equalities considerations:

9.1 A full equality analysis has been completed and is attached at Appendix 2b.

10.0 Financial considerations:

10.1 None.

11.0 Risk management considerations:

11.1 The actions identified in the Council Plan are integrated into the Council's strategic risk register.

12.0 Ethical considerations:

12.1 The Council's four Ethical Principles will guide the delivery of the projects in the plan.

13.0 Internal/external consultation undertaken:

13.1 The plan is based on the findings of consultation undertaken for the previous plan. Further to this, the 2018 resident's survey included a question on public perceptions around the delivery of the priorities. A tailored communications and marketing plan will be developed following approval of the plan.

14.0 Background papers:

14.1 None.

15.0 Key decision information:

15.1 Is this a key decision? Yes

15.2 If so, Forward Plan reference number: 31/2018

15.3 If a key decision, is the decision required in less than five days? No

15.4 If **yes**, please describe the reason for urgency:

16.0 Call-in information:

16.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

16.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

17.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 11 January 2019 Date approved:

18.0 Declarations of interest (if applicable):

18.1

19.0 Executive decision:

19.1

20.0 Date of Decision:

20.1

21.0 Reason(s) for decision:

21.1

22.0 Date Decision published:

22.1

23.0 Executive Members in attendance:

23.1

24.0 Call-in:

24.1

25.0 Notes:

25.1

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Council Plan 2019 – 2024

Appendix 2a

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Foreword

In our introductions to the 2015-2020 Council Plan we described an organisation which had re-shaped its entire outlook to overcome some of the biggest budget cuts handed out by Central Government. We talked about taking tough spending decisions to change or secure much needed and respected services, but also the innovative thinking going on to open up new opportunities. The Plan was big on ideas and ambition, never straying from the idea that “Progress” – in spite of our financial and social context – should be our watchword.

Half way through delivering the plan, we reviewed how much we’d achieved so far, and took stock of the changing context in which we operate. It was also time to ask “What’s next?” With so many other great seaside resorts in Britain, what would keep Blackpool ahead of the pack, whilst making sure that everyone who lives here feels a real, lasting benefit from the work? This updated plan is our response to this review, and it takes forward our vision into the 2020s.

We are clear that the direction we took in 2015 remains the right one. With Blackpool still at the wrong end of many indicators measuring the strength of the economy, or health, we need to continue focussing on the things that matter – maximising economic growth and opportunity for everyone in the town, and creating stronger, more resilient communities. Some of the plan is about using programmes and projects we’ve already got in place to deliver more, faster. And some of it is about starting on new projects which fit with our vision and priorities.

Working in partnership is a growing theme of our approach to delivering more with less. For example, in October 2018, we launched the Blackpool Town Prospectus, developed with the private sector and one of the Prince of Wales’s charities Business In The Community. Working together we have identified a list of aspirational projects which will fundamentally change how Blackpool and the Fylde Coast works, looks and feels. Together, we will promote Blackpool’s cause across government and business, creating further opportunities to deliver on our vision and priorities. So whilst we’re delivering this updated plan, we’re also looking for further opportunities, partnerships, projects, initiatives, funding and support for the next steps.

Blackpool is the UK’s best family resort. Delivery of this plan will make it even better.



Cllr Simon Blackburn
Leader of the Council

Neil Jack
Chief Executive

Introduction

The pace of change in Blackpool is quickening. A modern beach resort with big city facilities is emerging. This plan contains details of a wave of exciting projects and initiatives to grow our economy and strengthen our communities. Our core priorities have not changed since our 2015 Council Plan, but our ambitions have grown and become ever more realistic.

We already delivered over £300m of investment in the visitor economy since the mid-2000's, arresting a decline in the number of staying visitors, and giving the private sector confidence to invest. We now have improved sea defences, a renewed tramway, new rolling stock and buses, a new promenade environment, and refurbishments to the Blackpool Tower and Winter Gardens. Furthermore, well over £100m of further investment is on its way, with a new conference centre, tram extension and new hotels currently coming out of the ground.

Our holistic approach has also seen effort and investment to diversify our employer base beyond tourism, pushing up average wages and reducing seasonal employment, with the co-creation of two Enterprise Zones in the wider Fylde Coast which seek to deliver 6,500 extra jobs. Hundreds of poor quality housing units have been demolished or refurbished, replaced by quality affordable units for rent and sale, whilst standards in the wider private sector have been driven up by a targeted approach to rogue landlords.

By building on our strengths, but nurturing emerging specialities, we aim to produce a well-rounded, resilient economy, with a variety of opportunities to suit workers of all skill levels, which both attracts staff and provides further opportunity for them to stay locally as their career develops.

In tandem with this, we have moved to develop our communities, helping them to get better at helping themselves. Two lottery-funded flagship programmes, the NSPCC-led A Better Start and the Council's HeadStart initiative have started to shift the perception of what life can be like in Blackpool, with community connectors empowering young families by bringing them together with services to improve nutrition, language skills and emotional development. Meanwhile, our teenagers are leading a "resilience revolution", working with us on a range of initiatives to make all 10-16 year olds better able to cope with their individual circumstances.

This focus on young people extends to their education. As an Opportunity Area, we are working with the Department for Education to ensure that the aspirations of our young people are raised through evidence-based approaches, and to ensure that our teaching provision is of the highest quality. This will enable our young people to aspire to further education and challenging careers, making the most of institutions like Blackpool and Fylde College's new Energy HQ, which will be crucial to meeting the future needs of our employers.

Blackpool is Britain's Number One family resort. This plan seeks to build on this position over the next five years, getting the town ready for even higher aspirations in the future.



Achievements since 2015

Economy

- Secured the status of Blackpool Airport Enterprise Zone, which has already created and safeguarded over 700 jobs
- Won £18m of funding and started construction on the new £26m Winter Gardens Conference Centre
- Secured funding and started construction on the £23m tramway extension to Blackpool North Station
- Started delivery of the £7m Quality Corridors programme to improve key roads and streetscape in the town
- Captured and delivered over £10m of road bridge improvements, and undertook work to improve and stabilise Yeadon Way
- Gained national recognition for the town's commitment to customer service, after being awarded WorldHost Recognised Destination status, training 2500 staff over two years
- Fully allocated two rounds of the Business Loans Fund, with nearly £100m going into businesses in Blackpool, enabling them to grow and strengthen, and also facilitating the development of the Hampton by Hilton hotel in South Shore
- In 2017, Blackpool Transport served the highest number of passengers on the tramway in over 15 years (5.1 million), and introduced a ticketing app offering live travel information
- The LightPool project resulted in approximately 465,000 additional visitors to the Illuminations in 2016 alone
- My Blackpool Home has now delivered over 250 brand new affordable homes for rent through the conversion of poor quality property, addressing some of our worst housing stock
- Secured an initial £6m towards the capital cost of the Blackpool Museum Project



Achievements since 2015

Resilient Communities

- Delivered, in partnership with the NSPCC, A Better Start – with initiatives including Baby Steps, Family Nurse Partnership and Community Connectors promoting better parenting around language skills, social and emotional development, and nutrition
- Engaged 45 schools with our HeadStart Resilience Revolution, with 945 school staff now trained to help pupils make resilient moves to promote mental health
- Opened the Health and Social Care Careers Academy, supporting those beginning or wanting to advance their careers in the health and social care sectors, helping to ensure the sector can access the skills necessary to deliver changing care needs
- Launched The HealthWorks, bringing together employment, health and lifestyle advice to help local residents gain and sustain jobs, as well as improve their overall physical and mental health
- Our innovative work placement programme for students with disabilities, Project Search, is into its fifth year, and has enabled 20 interns to gain and maintain paid employment
- Delivered 191 new council homes at Queens Park on the site of the former tower blocks in Brunswick
- Improved property standards through rigorous enforcement and extension of our selective landlord licensing schemes
- £739,000 investment in Marton Mere Local Nature Reserve, safeguarding ecosystems and enabling safe access
- Improved accessibility, cleanliness and water quality along our coastline
- New gyms at Palatine and Moor Park, and a High Ropes adventure course at Stanley Park
- Completed sea defences at Anchorsholme, attracting £27 million of grant funding



Our Council Plan

Retaining our position as the UK's Number One family resort, with a thriving economy that supports a happy and healthy community who are proud of this unique town

Page 1 of 6
 Values: Accountability, Compassion, Fairness, Quality Services, Trustworthiness



The Economy

Maximising growth and opportunity across Blackpool



Visitor Experience:
Tourism & Culture



Enterprise, Skills &
Economic Inclusion



Improving Housing
Increasing Resilience



Communities

Creating stronger communities & increasing resilience



Health & Social Care



Safeguarding



Infrastructure
& Regeneration



Young People

Addressing **Economic** and **Health** Inequalities

A Resilient Organisation: Innovative, Efficient & Customer Focused, with great staff and strong governance

Working in partnership with our companies and other local organisations

Equalities: Fair- Treatment, diversity in decision-making celebration increased respect, a representative and understanding workforce

The Economy

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The site of the Airport Enterprise Zone, which will contribute to the creation of around 6,500 new jobs





The Economy: Maximise growth and opportunity across Blackpool

Our plans for the economy for 2019-2024 can afford to be increasingly ambitious, capitalising on our strong market position amongst seaside resorts, whilst continuing to diversify into new areas.

Much has been written about Blackpool's social and economic issues. We recognise that support is needed at all levels, from supporting people to gain confidence and enter or re-enter the workplace, right up to encouraging those with academic aptitude to raise their aspirations and qualification levels. We will deliver further tailored programmes, building on our existing provision to deal with the complex factors suppressing people's ability to achieve. All of this will be matched with the needs of companies seeking to grow.

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“ The Enterprise Zone will develop and safeguard skilled jobs ”

The next five years will see us delivering on our ambition to take our visitor offer well beyond the basics expected of any modern resort. We will open an exciting new museum for the town and commence delivery of a whole new world-class Leisure Quarter Blackpool Central – as well as opening our new conference centre, the biggest push yet to re-capture a larger slice of this burgeoning market. All this will bring extra visitors and spend, who will be able to get around the resort more easily thanks to investment in our transport infrastructure, and stay in an expanded range of high quality hotels as big brand names seek to capitalise on Blackpool's growth. And crucially, all of these new developments will create new jobs for local people.

Having now found its feet, the Enterprise Zone will continue to develop and safeguard skilled jobs, but the benefits of skilled work will be shared around the borough as the Talbot Gateway development moves into new phases of delivery. The renewal and creation of high quality affordable housing will enable us to retain more of the economic benefits of these jobs in the borough, as people choose to live and work in the town, further boosting the quality of our town centre offer.





The Economy: Visitor Experience – Tourism and Culture

By 2024, we will:

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Complete development of a new 21st century conference offer at the Winter Gardens, and increase numbers of new conferences.



Finalise design and funding, then deliver the Blackpool Museum project.



Implement a new model of funding and delivery to sustain the Illuminations, events programme and cultural services.



Deliver the first phase of a £300m investment into Blackpool Central, to include world class visitor attractions, including the UK's first flying theatre.





The Economy: Infrastructure and Regeneration

By 2024, we will:

Complete the tram extension, transport interchange and new 4* hotel at Blackpool North station.



Implement the Blackpool Enterprise Zone Delivery Plan, facilitating the growth of energy, aviation and food sectors.



Deliver extensions to the Central Business District at Talbot Gateway.



Further invest in highways, including completing the Quality Corridor programme, Yeadon Way upgrade and bridge renewal programme.



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The Economy: Enterprise, Skills and Economic Inclusion

By 2024, we will:

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Get hundreds of people back into work via job schemes for the most vulnerable and disadvantaged, including HealthWorks and More Positive Together.



Support local businesses to grow and expand by maximising take-up of the Business Loans Fund.

Work with partners to deliver the Opportunity Area programme, raising attainment and aspirations of our young people.





The Economy: Improving Housing

By 2024, we will:

Deliver hundreds more affordable new homes, including the re-development of land at Grange Park and further properties at Foxhall Village.



Enable further housing delivery through pro-active assistance to developers, including use of CPO powers where necessary.



Enable My Blackpool Home to deliver at least an additional 455 new quality affordable homes for rent.



Communities





Communities: Creating stronger communities and increasing resilience

At the centre of life in Blackpool are our residents and our communities. Our aim continues to be on making life better for everyone, focussing on prevention more than support. Three flagship projects – A Better Start, HeadStart and most recently the Department for Education-funded Opportunity Area – all mark a decisive shift towards enabling future generations and creating the right conditions for their success.

We want to focus more on building on our assets, whilst providing core services for those most in need. This will allow us to manage our limited resources, but continue the move started in the last Council Plan towards starting a conversation with communities on how we can build a better town together, encouraging people to volunteer and take positive social action. Some of this is around creating the right conditions for community life and mental health to flourish – something our Green and Blue Infrastructure Strategy will address through creating and restoring green spaces, linking

them together better to encourage their use.

Our health and social issues are well documented, and these must be addressed if we are to become truly resilient. Partnerships with independent projects such as Fulfilling Lives will tackle some of our most deep-seated social issues, providing intensive support for those with multiple complex needs around homelessness, reoffending, problematic substance misuse and mental ill health. But much of the effort will focus around our social care services, reducing the cost of delivery whilst improving

the outcomes for all. Over the period of the plan there will be local and national pressures and opportunities for adult social care that Blackpool will need to respond to. Our approach will be the same as the one we have adopted in the previous Council Plan. We will work closely with health services to challenge traditional ways of working, maximise the use of resources to support people in the community to be as independent as possible, make sure people who are reliant on services are safe and supported and work to ensure that people are able to play a meaningful part in their community.



Our aim continues to be on making life better for everyone, focussing on prevention



Communities: Young People

By 2024, we will:

Continue to implement the NSPCC-led A Better Start initiative, improving life chances for 0-3 year olds.



Improve the experiences and outcomes of young people in our services by improving relationships between organisations.



Facilitate a school led system which improves attainment at Key Stage 4.



Development of family hub model in local neighbourhoods for all age engagement and building community resilience.





Communities: Health and Social Care

By 2024, we will:

Implement a new approach to delivering smoking cessation support and initiatives in the town.



Shape the work of the Council towards delivering the Green and Blue Infrastructure strategy, greening the town.



Continue to increase numbers accessing drug and alcohol services at an earlier stage and sustaining a positive outcome.



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Communities: Safeguarding

By 2024, we will:

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Reduce numbers of Looked After Children in a safe, sustainable way through incremental improvements of the social care system.



Work in partnership across Blackpool to review our approach to delivering safeguarding and support for families.





Communities: Increasing Resilience

By 2024, we will:

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Deliver whole system change by sustaining the HeadStart Resilience Revolution, increasing mental health resilience amongst 10-16 year olds across the town.



Stabilise our communities through additional activity to regulate private sector housing, reducing supply and improving quality.



Improving the co-ordination of volunteers across the town.



Develop a placed-based approach to service delivery in community settings in partnership with public and voluntary sector organisations.



Addressing inequalities and promoting equality through our values

All Council staff are asked to share in some common values, which we adopted back in 2011. These are our principles for how our organisation engages with people. They influence how we deliver services, and help to create a positive experience for anyone who comes into contact with us.

Our values are:

- **Accountability:** We take responsibility for delivering on the promises we make, and can be challenged if we fall short.
- **Compassion:** We'll be caring and understanding when we listen to your concerns, and try to help even if we can't solve the problem ourselves. When we deliver services, we'll consider individual and community needs as much as possible
- **Quality:** We take pride in delivering services, and will always do this to the best of our abilities
- **Trustworthiness:** We will be honest with you about what we can and can't do and the decisions we make, only make promises we can keep, and make sure your information is kept confidential and securely
- **Fairness:** Everyone, regardless of their circumstances, will receive a service appropriate to their circumstances, which treats them with respect.

Closely linked to our values is our approach to fulfilling our legal obligations on equalities. We understand that fairness means making reasonable adjustments for people and groups so they can get access to services and support. Our approach to this is set out in our Equality Goals, which are reviewed every 4 years.

All new Council plans and strategies are reviewed to make sure they're tailored to the needs of groups with protected characteristics. Going beyond this, in the course of our work we also consider how to contribute to eliminating discrimination, harassment and victimisation; how to advance quality of opportunity; and how we can help different groups of people get along together. Our equality objectives aim to get more people to tell us they experience fair treatment by Council services; to make our workforce representative of our communities, with more people from diverse backgrounds involved in decision-making at every level; that equality and diversity is embedded in staff culture; and that we celebrate growing diversity and increase respect and understanding for all.



A platform to deliver: ensuring a resilient organisation

To deliver on our ambitions the Council needs to be efficient and resilient – able to withstand short term distractions and pressures, as well as ongoing reductions in the funding we have available. We've already developed different ways of working, maximising our chances of achieving our outcomes. Examples of this include our Wholly-Owned Companies, bidding for funding, working in partnership, and making savings whilst transforming our services.

The Council has bought or retained ownership of companies where it is in the town's best interests for us to do so. Companies can be more flexible in how they operate, and have greater flexibility to earn income than the Council. We can also support them through loans and preferential rates which benefit both organisations. This has led to unparalleled investment in our bus fleet, with plans to go all-electric in the coming years; the Sandcastle Waterpark operating at maximum capacity in high season and looking at options to expand; the Winter Gardens attracting new conference trade; our housing companies re-shaping our physical environment with quality new builds and conversions; and being able to influence the development of the Enterprise Zone by buying the companies operating Blackpool Airport. We will continue to work in partnership with our companies, helping them to seek and deliver new opportunities for the benefit of the town.

Most of our resilience comes from a planned approach to dealing with reductions to our funding. We will have made over 150m of savings by 2020 compared to 2010, through a combination of technical savings, policy changes, service transformations and reductions, moving more of our services online, generating more income, encouraging voluntary activity and social action, and measures to reduce demand on our services in favour of preventative and alternative delivery approaches.



How we'll deliver on our commitments

To make sure we monitor how well we're delivering this Council Plan, we have developed a new Performance Management Framework, allowing us to understand how we're doing against our priorities, identify areas of underperformance, and move resources around as needed. It makes sure that staff are accountable for how well we're doing.

Council performance indicators are monitored and scrutinised quarterly, with an annual report analysing performance against targets and similar authorities. Our approach follows the industry-recognised "Plan-Do-Review-Revise" cycle, which provides structure around the process undertaken annually and ensures that lessons are learned, to feed back into future action planning activity.

In late 2017 we reformed the performance monitoring of our Companies through a new Shareholder Advisory Board. As well as regularly reviewing the overall performance of our companies, the Board ensures that our companies contribute to the wider strategic vision for the town.

Within the Council, directorate and departmental business plan set out the actions described in this plan in more detail, with named officers personally responsible for delivering actions within the agreed timescales and resources. These plans are monitored internally by Councillors and Officers, and considered as part of reports to the Overview and Scrutiny committee, opening up discussions about performance.

Beyond the scope of the Council Plan, further arrangements exist to monitor the day-to-day activity of Departments to deliver statutory responsibilities, with Departmental Management Teams reviewing further performance indicators to check progress against their own Business Plans and Service Plans. These all link down to the individual activity of staff identified through our Performance Appraisal process.



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Revised February 2015

Department: Chief Executives

Team or Service Area Leading Assessment: Corporate Delivery Unit

Title of Policy/ Service or Function: Council Plan 2019-24

Proposals to introduce/ alter/ delete policy, service, expenditure etc: Introduce

Date of proposals: December 2018 Committee/Team: Exec / Full Council

Lead Officer: Antony Lockley

STEP 1 - IDENTIFYING THE PURPOSE OR AIMS

1. What type of policy, service or function is this?

Existing New/ proposed Changing/ updated

2. What is the aim and purpose of the policy, service or function?

The Council Plan describes our priorities, values and ambitions for 2019-24 and sets our strategic direction, shaping what we will do to help improve the lives of local people and how we will measure our progress.

3. Please outline any proposals being considered.

The Council Plan is proposing to carry forward the Council’s existing vision and priorities. The existing equality objectives will be carried forward until 2024 when they are due for review.

4. What outcomes do we want to achieve?

The Council Plan contributes towards achieving the Council’s two key priorities:

- 1. **The Economy** – Maximising growth and opportunities across Blackpool
- 2. **Communities** – Creating stronger communities and increasing resilience

The new plan includes an additional focus on ensuring a resilient organisation by being innovative, efficient and customer focussed, with great staff and strong governance.

The equality objectives help to ensure the development of projects delivering these

priorities reflects on the circumstances of groups with protected characteristics.

5. Who is the policy, service or function intended to help/ benefit?

The plan is an expression of the organisation’s strategic direction, and will help Council staff and elected Members understand how our priorities translate into tangible for the Council as a whole and individual departments. The plan will also help the general public understand what the Council is trying to achieve in Blackpool and how we intend to do it in a way which benefits as many people as possible.

6. Who are the main stakeholders/ customers/ communities of interest?

Council staff, elected members and the general public.

7. Does the policy, service or function have any existing aims in relation to Equality/ Diversity or community cohesion?

The existing council Plan for 2015-20 has the following equality aims:

- Reduce economic inequality
- Reduce health inequalities

In addition the Council’s equality objectives aim to get more people to tell us they experience fair treatment by Council services; to make our workforce representative of our communities, with more people from diverse backgrounds involved in decision-making at every level; that equality and diversity is embedded in staff culture; and that we celebrate growing diversity and increase respect and understanding for all.

All of these will be carried forward into the new plan.

STEP 2 - CONSIDERING EXISTING INFORMATION AND WHAT THIS TELLS YOU

8. Please summarise the main data/ research and performance management information in the box below.

Data/ information

The Council Plan is a summary of the top priority actions from other Council strategies and plans. As part of the strategy development process, an equality analysis has been undertaken for each individual strategy / plan and has been considered as part of the approval process by the Executive.

<i>Research or comparative information</i>
Data on Blackpool’s demographics is maintained on the Joint Strategic Needs Assessment website, with analysis on groups with protected characteristics being limited by the availability of suitable data. This helps us understand the proportion of groups in some of the categories. In some cases, robust national level data does not exist – for example, on sexual orientation. In these cases, the Council has lobbied to ensure these are measured and reported at as small a geographic level as possible.
<i>Key findings of consultation and feedback</i>
Consultation indicated support for the Council’s objectives when initially undertaken. Further questions were asked in a resident’s survey regarding how the Council was perceived to be performing on the priorities.

9. What are the impacts or effects for Key Protected Characteristics?

<i>General</i>
Specific detail of the impact and intended benefits for all groups are included in the equality analyses undertaken as part of the subsidiary strategies which contribute to the delivery of the Council’s vision and priorities. All the priorities and equality objectives are designed to have a positive impact on people of all ages either directly or indirectly by improving the social and economic condition of the town.
<i>Age</i>
<p>Priority 1: The Economy – Younger people will particularly benefit from the delivery of actions around improved opportunities for developing specialised skills, work experience, apprenticeships and job creation from regeneration projects. Both younger and older people may also benefit from the improved transport links created through regeneration of the town centre.</p> <p>Priority 2: Communities – Younger people and those who are pregnant will benefit from the delivery of various actions aimed at improving the lives of children and young people, particularly through the delivery of the BetterStart and HeadStart programmes which focus on equipping young people, parents and communities to make good choices and be more resilient. A focus on school improvement and attainment, through the Opportunity Areas work, will also benefit young people in Blackpool. Young and older people will benefit from the improved delivery of social service provision, a more stable private renting sector, more resilient communities and greater support to improve the health of the population.</p>
<i>Disability</i>
Priority 1: The Economy - People with disabilities will benefit from this priority through the delivery of actions around job creation from regeneration schemes and targeted employment programmes and apprenticeships, with some schemes being tailored to meet their requirements. Also, improvements to the transport

infrastructure of the town, including the new tramway on Talbot Road, will help to support a more accessible environment.

Priority 2: Communities - People with disabilities will benefit from the delivery of actions around safeguarding children and vulnerable adults, improving quality of care services, improving transition through Children's to Adult Services, and giving people more control over the care they receive. Young people with mental health issues will benefit from the Headstart initiative, which will impact on all 10-16 year olds in the town. Improvements to community safety through working more closely with the police and our other partners will benefit those with disability by providing a safer environment which should have a positive impact on the reduction of hate crimes.

Gender Reassignment

Priority 1: The Economy – No direct positive or negative impact is anticipated on people undergoing gender reassignment

Priority 2: Communities – Working with communities on cultivating resilience, building strong community links and working closer with the police, NHS and other partners should improve understanding and tolerance of attitudes towards all groups with protected characteristics, including those undergoing gender reassignment.

Marriage and Civil partnership

Each of the priorities and equality objectives will have a positive impact on people who are married or in a civil partnership.

Pregnancy and Maternity

Priority 1: The Economy – No direct positive or negative impact is anticipated on those who are pregnant. A stronger economy should act to further protect maternity rights by increasing opportunities and promoting competition amongst employers to provide attractive working environments.

Priority 2: Communities – Women will benefit from the delivery of support services around resilience and early support for child development. Strengthened community cohesion will provide a safer and more supportive environment to be pregnant or raise a child.

Race

Priority 1: The Economy – People from ethnic minority backgrounds will benefit from this priority through the delivery of actions around job creation, targeted employment programmes and apprenticeships. It is not anticipated that there will be specific initiatives targeting people on the basis of ethnicity.

Priority 2: Communities – Working with communities on cultivating resilience, building strong community links and working closer with the police, NHS and other partners will improve the public’s understanding of people from different backgrounds, races and religions, potentially improving acceptance and tolerance therefore making communities safer. Building strong community links and working closer with the police, NHS and other partners will make communities safer and could contribute to reducing hate crime.

Religion and Belief

Priority 1: The Economy – No direct positive or negative impact is anticipated on those with different religious or other beliefs.

Priority 2: Communities – Working with communities on cultivating resilience, building strong community links and working closer with the police, NHS and other partners will improve the public’s understanding of people from different backgrounds, races and religions, potentially improving acceptance and tolerance therefore making communities safer. Building strong community links and working closer with the police, NHS and other partners will make communities safer and could contribute to reducing hate crime.

Sex

Each of the priorities and equality objectives will have a positive impact on all people, both men and women.

Sexual Orientation

Priority 1: The Economy – No direct positive or negative impact is anticipated on those who are LGBTQI

Priority 2: Communities – Working with communities on cultivating resilience, building strong community links and working closer with the police, NHS and other partners will improve the public’s understanding of the LGBTQI community, improving acceptance and tolerance therefore making communities safer, potentially reducing the instances of hate crime.

10. What do you know about how the proposals could affect community cohesion?

The proposals set out in the new Council Plan, such as regulating private sector housing and place based delivery of community services, should stabilise communities and housing conditions, which are known to be a factor in promoting cohesive communities

11. What do you know about how the proposals could impact on levels of socio –economic inequality, in particular Poverty?

The proposals set out in the new Council Plan should assist those on a low income. The actions to delivery community services at a more local level, the regulation of the private rented sector and targeted employment and apprenticeship programmes are aimed at improving the chances of those in poverty and on low incomes. The ongoing work to improve educational attainment should also positively impact those young people from low income families.

STEP 3 - ANALYSISING THE IMPACT

12. Is there any evidence of higher or lower take-up by any group or community, and if so, how is this explained?

The Council Plan is a summary of the top priority actions from other Council strategies and plans. As part of the strategy development process an equality analysis has been undertaken for each individual strategy / plan which will have identified any evidence of higher or lower take-up of services by particular groups or communities and actions to be taken as result of this evidence. The Equality Analyses for each strategy / plan has been considered as part of the approval process by the Executive.

13. Do any rules or requirements prevent any groups or communities from using or accessing the service?

N/A (see point 12 above)

14. Does the way a service is delivered/ or the policy create any additional barriers for any groups of disabled people?

N/A (see point 12 above)

15. Are any of these limitations or differences “substantial” and likely to amount to unlawful discrimination?

Yes No N/A

If yes, please explain (referring to relevant legislation) in the box below

16. If No, do they amount to a differential impact, which should be addressed?

Yes No N/A

If yes, please give details below.

STEP 4 - DEALING WITH ADVERSE OR UNLAWFUL IMPACT

17. What can be done to improve the policy, service, function or any proposals in order to reduce or remove any adverse impact or effects identified?

No specific further activity has been identified, however the Council will continue to work towards the achievement of its equality objectives and ambitions and if any adverse impacts or effects are identified during the life of the Council Plan, actions will be identified to address these.

18. What would be needed to be able to do this? Are the resources likely to be available?

N/A

19. What other support or changes would be necessary to carry out these actions?

N/A

STEP 5 - CONSULTING THOSE AFFECTED FOR THEIR VIEWS

20. What feedback or responses have you received to the findings and possible courses of action? Please give details below.

No specific feedback has been received on these issues at this stage.

21. If you have not been able to carry out any consultation, please indicate below how you intend to test out your findings and recommended actions.

N/A

STEP 6 - ACTION PLANNING

Actions will be written into the equality analyses of other plans and strategies. Individual projects developed without a specific strategic lead will be subject to a comparable equality analysis process in the project inception stage.

STEP 7 - ARRANGEMENTS FOR MONITORING AND REVIEW

As above

Date completed:

Signed:

Name:

Position:

Report to:	EXECUTIVE
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Date of Meeting:	21 January 2019

COUNCIL TAX AND BUSINESS RATES DISCRETIONARY DISCOUNT POLICY 2019/2020

1.0 Purpose of the report:

1.1 To provide an update and variation to the Council Tax and Business Rates Discretionary Discount Policy previously approved by the Executive on 10 December 2018. This is owing to the announcement by the Chancellor of the Exchequer in the budget that local authorities have the discretion from 1 April 2019 to award businesses a new retail relief, funded by central government. An amended scheme, based on recent government advice, has been designed and included in the updated policy document to clarify and expand other discretionary reliefs available to businesses and the impact of rates retention pilot status and to include a statement relating to fraudulent applications.

2.0 Recommendations:

2.1 To note the changes to the Council Tax and Business Rates Discretionary Discount Policy as set out in paragraphs 5.1 – 5.5.

2.2 To recommend Council to agree the amended Council Tax and Business Rates Discretionary Discount Policy as set out in Appendix 3a.

3.0 Reasons for recommendation(s):

3.1 To ensure discretionary discounts for business rates payers are in place for the 2019/20 financial year and that the updated guidance from the Chancellor of the Exchequer is reflected in the policy.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None.

4.0 Council Priority:

4.1 The relevant Council Priority is: “The economy: Maximising growth and opportunity across Blackpool”.

5.0 Background Information

5.1 The Executive at its meeting on 10 December 2018 considered a report on the Council Tax Reduction Scheme which approved a number of recommendations to the Council. That report included a reference to the possibility of amendments being required prior to the scheme’s approval by Council. This report outlines the amendments proposed to the Discretionary Discount Policy but it should be noted that the other recommendations to Council approved at the meeting remain unchanged.

5.2 The Government announced in the 2018 Budget that it will provide a Business Rates Retail Discount scheme for occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21. The value of discount should be one third of the bill, and must be applied once mandatory reliefs and other discretionary reliefs have been applied.

5.3 Properties that will benefit from the relief will be occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

5.4 The total amount of government-funded relief available for each property for 2019-20 and 2020-21 under this scheme is one third of the bill, after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied. There is no relief available under this scheme for unoccupied properties, or properties with a rateable value of £51,000 or more.

5.5 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid De Minimis limits.

5.6 The Government introduced a £1,500 Business Rate discount for office space occupied by local newspapers in England, up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits, for 2 years from 1 April 2017. This was extended in the 2018 budget and will now apply until 31 March 2020.

5.7 Does the information submitted include any exempt information? No

5.8 List of Appendices:

Appendix 3a: Council Tax and Business Rates Updated Discretionary Discount Policy.

6.0 Legal considerations:

6.1 The Council Tax and Business Rates Discretionary Discount Policy has been updated and is attached at Appendix 3a.

7.0 Human Resources considerations:

7.1 Existing staffing resources within the Revenues Service and the Benefits Service are used to administer the Council Tax and Business Rates Discretionary Discount Policy and the recent changes announced will not alter the resources required although workload will inevitably increase.

8.0 Equalities considerations:

8.1 None.

9.0 Financial considerations:

9.1 The new discretionary business rates discounts announced in the budget are fully funded by government.

10.0 Risk management considerations:

10.1 None.

11.0 Ethical considerations:

11.1 None.

12.0 Internal/ External Consultation undertaken:

12.1 None.

13.0 Background papers:

13.1 None.

14.0 Key decision information:

14.1 Is this a key decision? Yes

14.2 If so, Forward Plan reference number: 28/2018

14.3 If a key decision, is the decision required in less than five days? No

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 11 January 2019 Date approved:

17.0 Declarations of interest (if applicable):

17.1

18.0 Executive decision:

18.1

18.2 Date of Decision:

19.0 Reason(s) for decision:

19.1 Date Decision published:

20.0 Executive Members in attendance:

20.1

21.0 Call-in:

21.1

22.0 Notes:

22.1

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Appendix 3a: Council Tax and Business Rates Discretionary Discount Policy

Blackpool Council



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Document Control

Document owner:	Andrew Turpin / Louise Jones
Document number:	2.1
Document category:	Original copy held within the Revenues and Benefits Service
Document location:	Council Website
Issued by:	Andrew Turpin / Louise Jones
Last edited:	13 th December 2018

Record of Amendments

Date	Version	Amended by	Description of changes
08/10/2014	1.2	Andrew Turpin	
19/12/2014	1.3	Andrew Turpin	
20/10/2015	1.4	Graeme Ruse	Add Part Occupation Relief
24/10/2016	1.5	Graeme Ruse	Remove Re-Occupation Relief
15/01/2018	1.6	Graeme Ruse	Review Post titles
18/06/2018	1.7	David Holmes	Reformatting of the document (no new content)
17/07/2018	1.8	David Holmes	Clarify criteria and evidence for Hardship Relief
03/09/2018	1.9	Louise Jones/ Andrew Turpin	Review of policy for 2019-20
13/12/2018	2.0	David Holmes	Added Retail Discount, Local Newspaper Relief, Relief for Community and Sporting Organisations, clarified part 5, and referenced Enterprise Zone relief
17/12/2018	2.1	Graeme Ruse	Inclusion of Revaluation Relief and Fraud statement

Approved By

Name	Title	Signature	Date
Andrew Turpin	Head of Revenues & Exchequer Services		18 th December 2018
Louise Jones	Head of Benefits and Customer Services		18 th December 2018

1. Introduction

Section 13A of the Local Government Finance Act 1992 (as amended) and sections 47, 48 and 49 of the Local Government Finance Act 1988 (as amended) empowers a billing authority to reduce the amount of tax payable.

Blackpool has adopted a local Council Tax Reduction Scheme from 1st April 2013, which replaced Council Tax Benefit. However it is likely that other circumstances will arise where the Council could consider a further discretionary reduction in exceptional circumstances. In addition local Businesses who are experiencing severe financial difficulties may request assistance in meeting the burden of local taxation.

Funding for such reductions must be provided by the Council. This policy sets out how the Council will use these powers and the criteria that must be satisfied.

The Council is committed to publishing the policy to ensure that the local taxpayers are aware of the policy and are able to quickly and easily apply for assistance.

Aims of the Discretionary Discount Policy

- Provide a mechanism for the Council to assist members of the community who are unable to meet the Financial burden of local taxation
- Helping residents in receipt of Council Tax Reduction who are unable to increase their income
- Alleviating poverty
- Helping those who are trying to help themselves
- Supporting people who are starting work
- Supporting the most vulnerable in the local community
- Helping customers through difficult personal events
- To ensure that no claimant or charge payer suffers any undue short-term disadvantage resulting from circumstances beyond their control

2. Policy Objectives and Action Plan

Objective 1: To ensure that assistance is available and accessible to members of the community most in need

- Ensure staff are aware of the policy and qualifying criteria
- Regular refresher training for assessment staff to promote proactive identification of potential cases
- Provide effective overview training on the policy and qualifying criteria on request to promote take-up and awareness in appropriate circumstances.
- Promote access to the scheme through continued development of the Blackpool Council website to ensure that up to date information is provided and that relevant forms and information can be downloaded.
- Ensure advice providers are aware of the policy and qualifying criteria.
- Promoting awareness to Members
- Promote the scheme to target groups, which may include:
 - Social and Private Sector Housing Tenants with significant arrears who may apply for a Discretionary Housing Payment (DHP).
 - Council Tax payers who have been issued with a summons.
 - People requiring assistance from the Emergency Planning response team.
 - Customers who are seeking Council assistance with debts
- Providing a facility to visit customers to assist them in making an application and provide supporting documents.
- Working closely with existing and new service partners and stakeholders to promote awareness of the policy.

Objective 2: To ensure discretionary discounts are only awarded when no other means of assistance is available.

- Ensure assessments of applications for local Council Tax Reduction incorporate a benefits maximization check.
- Ensure the applicant does not have income or capital which should be used to meet the liability.
- Signpost customers who do not meet the criteria to appropriate alternative advice services
- Conduct a regular review of the policy to ensure it is fit for purpose.
- Ensure a robust review procedure is in place to ensure decisions are independent, fair and consistent.
- Ensure publicity is available to encourage customers to claim other benefits they are entitled to and where to access debt advice and money management tools.
- Ensure other sums owed to the Council (e.g. sundry debts, Housing Benefit overpayments) are reviewed and reduced repayments agreed where appropriate
- Ensure a Discretionary Housing Payment for Housing Benefit is awarded if appropriate
- Ensure recovery action is delayed where appropriate
- Awards will be tailored to match need. The period and amount of an award will be determined based upon the circumstances in each case.
- Awards will only be made for a period relating to the financial year in which the application is made.
- Awards may be reviewed at any time and may be revised, reduced or withdrawn if it is found that the circumstances of the applicant have changed and the award is no longer appropriate.

Objective 3: To monitor and evaluate the administration of the policy to ensure that the service reflects the needs of the community

- Monitor of fund spending by monthly recording and reporting of expenditure provided to Senior Management.
- Conduct a regular review of income and expenditure forms used.
- Conduct a regular review of the policy.
- Review the outcome of requests for reconsideration to improve guidance and methodology.
- Respond to feedback on processes and procedures from partners and stakeholders.

3. Discretionary Discount - Customers in receipt of local Council Tax Reduction

Blackpool Council adopted a local Council Tax Reduction Scheme effective from 1st April 2013. During the development of the scheme the Councils' Equality Analysis identified that certain groups affected by the reduction in support would be unlikely to be able to increase their income.

For an award of this type of discretionary discount to be made, the applicant must be:

- In receipt of Council Tax Reduction; and
- Have a shortfall between the level of Council Tax Reduction and their council tax liability; and
- In the opinion of the Council, be in need of further assistance with Council Tax in accordance with the qualifying criteria.

Requests for further reductions in Council Tax liability will be required in writing from the customer, their advocate / appointee or a recognised third party acting on their behalf.

Each case will be considered on 'its merits' however all of the following criteria should be met:

- There must be evidence of hardship or personal circumstance that justifies a further reduction in Council Tax liability.
- The Council must be satisfied that the customer has taken reasonable steps to resolve their situation prior to application.
- The customer does not have access to other assets that could be realised and used to pay the Council Tax.
- All other eligible discounts/reliefs have been awarded to the customer.

Responsible officer

The responsibility for making discretionary decisions will rest with the Director of Resources.

Decision making process

Stage 1: The initial request will be dealt with by a Decision Maker (Senior Benefits Assistant, Senior Benefit Specialist or Team Manager) who will consider the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council.

Stage 2: A Senior Benefits Manager will authorise the decision.

Notification of decision

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

The Council will accept an applicant's written request for a redetermination of its decision.

Stage 1: The original decision and any additional information provided will be reviewed by a different Decision Maker who will recommend either to confirm or amend the original decision.

Stage 2: The Head of Benefits and Customer Services, or The Head of Revenues and Exchequer Services, will consider the application for review and the recommendation and determine whether to award a discretionary discount.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination.

A discretionary reduction made under section 13A(1)(a) or (c) of the Local Government Finance Act (LGFA) 1992 can be the subject of an appeal to the Valuation Tribunal under section 16 of the LGFA 1992.

4. Discretionary Discounts – Customers not in receipt of local Council Tax Reduction

Requests for reductions in Council Tax liability will be required in writing from the customer, their advocate / appointee or a recognised third party acting on their behalf

Each case will be considered on 'its merits' however all of the following criteria should be met:

- There must be evidence of hardship or personal circumstance that justifies a reduction in Council Tax Liability.
- The Council must be satisfied that the customer has taken reasonable steps to resolve their situation prior to application.
- The customer does not have access to other assets that could be realised and used to pay the Council Tax.
- The customer is not entitled to an award under the local Council Tax Reduction Scheme.
- All other eligible discounts/reliefs have been awarded to the customer.

Responsible officer

The responsibility for making discretionary decisions will rest with the Director of Resources.

Decision making process

Stage 1: The initial request will be dealt with by a Revenues Manager who will consider the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council.

Stage 2: The decision will be authorised by a different Revenues Manager.

Notification of decision

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

The Council will accept an applicant's written request for a redetermination of its decision.

Stage 1: The original decision and any additional information provided will be reviewed by a different Revenues Manager who will recommend either confirming or amending the original decision.

Stage 2: The Head of Revenues and Exchequer Services, or The Head of Benefits and Customer Services will consider the application for review and the recommendation and determine whether to award a discretionary discount.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination.
Discretionary Discount Policy | 4. Discretionary Discounts – Customers not in receipt of local Council Tax Reduction

A discretionary reduction made under section 13A(1)(a) or (c) of the Local Government Finance Act (LGFA) 1992 can be the subject of an appeal to the Valuation Tribunal under section 16 of the LGFA 1992.

5. Discretionary Relief - Business Rates

The Council may award Business Rates relief on any cases where it has been asked to do so, and where the award would be clearly in the interest of the local Council Tax payer.

The relief is available pursuant to s.47 of the Local Government Finance Act 1988, as amended by s.69 of the Localism Act 2011, and decisions are to be made on a case by case basis and dependant on the individual facts. This is often referred to as 'Localism Relief'.

As Blackpool Council is a unitary authority and subject to a pilot for rates retention, any award will be funded 74% by the Blackpool Council Tax payers, 25% by Central Government, and 1% by the Lancashire Fire Authority.

Each case will be considered on its merits however all of the following criteria should be met:

- it must be in the interest of the Council and community for the local authority to grant a reduction, **and**
- all other eligible discounts/reliefs have been awarded to the ratepayer.

Responsible officer

The responsibility for making discretionary decisions will rest with the Director of Resources.

Decision making process

Stage 1: The Decision Maker (Principal Revenues Manager or Head of Revenues and Exchequer Services) will make a recommendation to the Director of Resources, considering the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council.

Stage 2: The Director of Resources will consider the application and the recommendation to determine whether to award a discretionary discount.

Notification of decision

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

The Council will accept an applicant's written request for a redetermination of its decision if there is relevant new information available on which to reconsider the original decision.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination.

6. Relief relating to organisations established for Sporting and Community Purposes

Pursuant to s.47(3) and s.47(5) of the Local Government Finance Act 1988 (as amended) the billing authority may make an award of up to 100% for charities and other organisations, where the following conditions apply:

- a ratepayer is a charity or trustees of a charity, and the hereditament is wholly or mainly used for charitable purposes, **or**
- the ratepayer is a community amateur sports club and is wholly or mainly used for the purposes of the club and other such clubs, **or**
- all or part of the hereditament is occupied for the purposes of one or more institutions or other organisations none of which is established or conducted for profit and whose main objectives are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the arts, **or**
- the hereditament is wholly or mainly used for purposes of recreation, and all or part of it is occupied for the purposes of a club, society or other organisation not established or conducted for profit.

The billing authority may make a decision to grant relief, only if it is satisfied that it would be reasonable to do so, having regard to the interests of the Blackpool Council Tax payers.

The below is intended only as a guide when considering applications for discretionary relief, and each case will be considered on its own merit, but the Councils expects any application for relief to cover the following points:

Community Organisations

- the organisation is not part of a charging or precepting authority, **and**
- the organisation has been specifically set up for the benefit of the young, the aged, the disabled or for ethnic minorities, **or**
- the property is for the general use of the local community without any membership and/or subscription requirements and has no specific use except for the general benefit of the community, **or**
- the property is used for the housing of vehicles used only for offshore emergency purpose, **or**
- the aims of the organisation are to educate volunteers in emergency training for the benefit of the local community.

Sporting Organisations (including Community Amateur Sports Clubs)

- the membership is open to all sections of the community, **and**
- they do not restrict membership on the grounds of ability or the availability of their facilities, **and**
- whose membership levels are not set at such a rate to preclude membership by all sections of the community, **and**
- who provide outside sporting activities, **and**
- who actively encourage participation by young people, **and**
- who make their facilities available to people other than members e.g. to schools or casual public sessions, **and**
- whose main aim is sporting rather than social, **and**
- whose membership mainly reside in the Blackpool Borough (e.g. more than 50%)

Retail premises operated by a registered charity which have been granted mandatory rate relief may, in exceptional circumstances, receive a further discretionary award of up to 100%. The Council will consider the merits of each case but such an award is likely to be the exception rather than the rule.

Responsible officer

The responsibility for making discretionary decisions will rest with the Director of Resources, who will discharge this responsibility by the following process:

Decision making process

Stage 1: The decision making process will involve the Principal Revenues Manager or the Head of Revenues and Exchequer Services, considering the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council.

Stage 2: The Director of Resources will consider the application and the recommendation and determine whether to award a discretionary discount.

Notification of decision

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

The Council will accept an applicant's written request for a redetermination of its decision. The process will be as follows:

Stage 1: The original decision and any additional information provided will be reviewed and a recommendation made to either confirm or amend the original decision.

Stage 2: The Director of Resources will consider the application for review and the recommendation and determine whether to award a discretionary discount.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination.

Following the redetermination of a request for discretionary discount, there is no further right of appeal.

7. Hardship Relief

In very exceptional circumstances the Council may award relief on a Business Rates bill in cases where it is satisfied payment of the bill will cause a business severe hardship.

The Council will only consider an award where it is evident that doing so would be in the interests of the wider community. This can be because failure to grant the relief would result in the loss of a unique and regularly required service, and/or because the failure to grant relief would directly result in a significant loss of jobs in the local community.

Hardship Relief is available pursuant to s.49 of the Local Government Finance Act 1988. The relief is designed for a local authority to provide discretionary assistance in exceptional and/or unexpected circumstance, but not to prop up a fundamentally failing business. Decisions are to be made on a case by case basis and dependant on the individual facts.

As Blackpool Council is a unitary authority and subject to a pilot for rates retention, any award will be funded 74% by the Blackpool Council Tax payers, 25% by Central Government, and 1% by the Lancashire Fire Authority.

The Council may award hardship relief as a percentage of the total amount due, or as a single monetary value.

There are no time limits to the award of hardship relief, but the relief is considered to be a 'one-time' award. There is no requirement for the Council to award this relief periodically.

In order to consider an award the applicants shall provide the following:

- Details of the unique and regularly required service provided.
- Details of how much is outstanding.
- Details of their current financial circumstance, including details of any assets or security held, and including details of debts owed to other creditors.
- Copies of their latest audited accounts.
- Details of the company, such as the product sold, the customer base, numbers in the workforce.
- The reason why they cannot pay their bill.
- How much relief they require.
- An assumption of what would happen if no assistance was provided by the Council.

Responsible officer

The responsibility for making discretionary decisions will rest with the Director of Resources.

Decision making process

Stage 1: The Principal Revenues Manager or The Head of Revenues and Exchequer Services will make a recommendation to the Director of Resources, considering the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council.

Stage 2: The Director of Resources will consider the application and the recommendation to determine whether to award a hardship relief.

Notification of decision

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

The Council will accept an applicant's written request for a redetermination of its decision where there is new information available on which to reconsider the original decision.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination. Following the re-determination of a request for a discretionary award there is no further right of appeal.

8. Temporary Part Occupation Relief

The Ratepayer is liable for the full non-domestic rate whether a property is wholly occupied or only partly occupied. Under s44A of the Local Government Finance Act 1988, where a property is partly occupied for a short time the Council has discretion to request that the Valuation Office apportion the rateable value of a property between the occupied and unoccupied parts; thereby reducing the amount payable.

Applications must be made in writing and supported by: -

- A completed application form
- Detailed maps which outline the whole property and indicate the partly occupied section.
- Details of the planned period of time for the part occupation.
- Details of future intentions.
- Details of the cause for the part occupation.

A site visit will normally be undertaken. Where necessary the ratepayer may be required to provide additional information to support their application.

Responsible officer

The responsibility for making discretionary decisions will rest with the Director of Resources.

Decision making process

Stage 1: The Principal Revenues Manager or The Head of Revenues and Exchequer Services will make a recommendation to the Director of Resources, considering the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council.

Stage 2: The Director of Resources will consider the application and the recommendation to determine whether to award a discretionary discount.

Notification of decision

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

The Council will accept an applicant's written request for a redetermination of its decision where there is new information available on which to reconsider the original decision.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination. Following the re-determination of a request for a discretionary award there is no further right of appeal.

9. Retail Discount

The Government announced in the 2018 Budget that it will provide a Business Rates Retail Discount scheme for occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21. The value of discount should be one third of the bill, and must be applied once mandatory reliefs and other discretionary reliefs have been applied.

Properties that will benefit from the relief will be occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

What constitutes retail usage

We consider shops, restaurants, cafes and drinking establishments to mean:

Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/ caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire

Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops

- Pubs
- Bars

To qualify for the relief the hereditament must be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment. This is a test on use rather than occupation, therefore hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

What does not constitute retail usage

The list below sets out the types of uses which we **do not** consider as being eligible for the purpose of this relief, and will therefore not qualify under this scheme.

Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Financial services (e.g. banks, building societies, cash points, bureaux de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting offices

Hereditaments which are not reasonably accessible to visiting members of the public

- Premises where membership is required to gain entry (e.g. affiliated social clubs)
- Premises where payment is required to gain entry

Hereditaments which are inconsistent with the Health & Wellbeing Strategy for Blackpool

- Premises used for the sale of psychoactive substances (also known as legal highs)

Generally speaking, for the purpose of this policy we do not consider other assembly or leisure uses beyond those listed at above to be retail uses for the purpose of the discount. For example, cinemas, theatres and museums are outside the scope of the scheme, as are nightclubs and music venues which are not similar in nature to the hereditaments described above. Hereditaments used for sport or physical recreation (e.g. gyms) are also outside the scope of the discount, as are hotels and similar accommodation. Where there is doubt, we will exercise discretion with reference to the above and our knowledge of the local tax base.

Amount of relief available

The total amount of government-funded relief available for each property for 2019-20 and 2020-21 under this scheme is one third of the bill, after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied. There is no relief available under this scheme for unoccupied properties, or properties with a rateable value of £51,000 or more.

Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid De Minimis limits.

A new hereditament created as a result of a split or merger during the financial year, or where there is a change of use, should be considered afresh for the relief on that day.

Responsible officer

The responsibility for making discretionary decisions will rest with the Director of Resources.

Decision making process

In accordance with Government Guidance for the administration of the scheme, and to assist local businesses, the s151 Officer has agreed that the Council may make a number of assumptions with regard to eligibility to ensure relief is awarded to qualifying businesses as soon as possible.

Businesses awarded relief will be advised to inform the Council if they do not qualify for relief as a result of exceeding State Aid limits. Should a ratepayer believe they are entitled to the relief and it has not been awarded, an application form will be provided and relevant enquiries undertaken to determine eligibility.

Where an application form is sent and a response is received, a Revenues Manager will review eligibility and seek a decision from the Director of Resources.

Notification of decision

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

The Council will accept an applicant's written request for a redetermination of its decision where there is new information available on which to reconsider the original decision.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination. Following the re-determination of a request for a discretionary award there is no further right of appeal.

10. Local Newspaper Relief

The Government introduced a £1,500 Business Rate discount for office space occupied by local newspapers in England, up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits, for 2 years from 1 April 2017. This was extended in the 2018 budget and will now apply until 31st March 2020.

The relief is to be specifically for local newspapers and by that we mean what would be considered to be a “traditional local newspaper.” The relief will not be available to magazines.

Responsible officer

The responsibility for making discretionary decisions will rest with the Director of Resources.

Decision making process

In accordance with Government Guidance for the administration of the scheme, and to assist local businesses, the s151 Officer has agreed that the Council may make a number of assumptions with regard to eligibility to ensure relief is awarded to qualifying businesses as soon as possible.

Businesses awarded relief will be advised to inform the Council if they do not qualify for relief as a result of exceeding State Aid limits. Should a ratepayer believe they are entitled to the relief and it has not been awarded, an application form will be provided and relevant enquiries undertaken to determine eligibility.

Where an application form is sent and a response is received, a Revenues Manager will confirm eligibility and seek a decision from the Director of Resources.

Notification of decision

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

The Council will accept an applicant’s written request for a redetermination of its decision where there is new information available on which to reconsider the original decision.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination. Following the re-determination of a request for a discretionary award there is no further right of appeal.

11. Enterprise Zone Relief

The Council's Executive approved the joint Enterprise Zone Business Rates Relief Policy on Monday 18th July 2016. The policy allows for relief to be applied (up to state aid limits) where business moves into the designated Enterprise Zone before 2022, subject to qualifying criteria. The policy is published on our website at www.blackpool.gov.uk.

This is a joint policy between Blackpool Council, Fylde Borough Council and Wyre Borough Council.

12. Revaluation Relief

Central Government is keen that in certain cases, assistance should be provided to businesses which have had increases in their rate liability due to the revaluation of premises in April 2017. In these cases, and where the Council meets Central Government guidelines, grants are available under section 31 of the Local Government Act 2003.

The following sections cover all aspects of the Discretionary Business Rates Relief scheme “Revaluation Relief” which is available from 1st April 2017. Where businesses apply for relief they will be granted (or not granted) relief in line with the following policy.

Legislative Background

To be considered for the following discretionary relief schemes ratepayers are obliged to make a written application to the Council. The Council will expect all businesses to make applications in such a format as is required (which may vary from time to time) and for the business to provide such information, evidence, certificates etc. as required in order to determine whether relief should be awarded.

The Council will consider carefully every application on its merits. There is no statutory appeal process or Tribunal against any decision made by the Council. The authority will however, upon request, review decisions made. Details of the internal review process are given within this policy.

This policy document covers the granting of awards under the Revaluation Relief which covers a period of 12 months from 1st April 2019. The decision to grant or not to grant discretionary relief is a matter purely for the Council.

The Council’s approach to granting Government led Discretionary Relief schemes

Over the past few years, a number of schemes have been led by Central Government but without specific legislative changes. These are administered under s47 of the Local Government Finance Act 1988 and guidance is often provided. The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximising any grants receivable. However, the Council reserves the right to vary its approach where thought appropriate.

In the case of Revaluation Relief, Central Government is keen that individual Councils develop their own scheme to meet local needs. Government has allocated funds to the Council using a particular methodology, but it has been keen to point out that this should have no bearing on the actual scheme adopted by the Council.

Effect on the Council’s Finances

In March 2017, Central Government announced that it would make available a discretionary fund of £300 million over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation, known as Revaluation Relief. Government determined that

Councils would be best placed to determine how this fund should be targeted and administered to support those businesses and locations within their area that are in the greatest need.

Every authority within England is to be provided with a share of the fund to support their local businesses. This is to be administered through billing authorities' discretionary relief powers under s47 of the Local Government Act 1988. The full effects of the financial allocation are shown below.

The allocation of monies to authorities and the methodology of the funding award is completely separate to the scheme itself and Government believes that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies.

Councils will be compensated for any relief granted under section 31 of the Local Government Act 2003. The Government has decided that any underspend cannot be transferred from one year to the next.

A key criteria of reimbursement will be that the Council will consult with its major precepting authority when formulating its scheme.

The level of funding allocations in respect of the Discretionary Business Rates Relief Scheme are shown in the following table:

Amount of discretionary fund awarded (£000s) – Blackpool Council			
2017-18	2018-19	2019-20	2020-21
229	111	46	7

Discretionary Relief – EU State Aid requirements

European Union competition rules generally prohibit Government subsidies to businesses. Relief from taxes, including non-domestic rates, can constitute state aid. The Council must bear this in mind when granting discretionary rate relief.

Rate relief for charities and non-profit making bodies is not generally considered to be state aid, because the recipients are not in market competition with other businesses. However, where other bodies receive relief and are engaged in commercial activities or if they are displacing an economic operator or if they have a commercial partner, rate relief could constitute state aid.

Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)¹. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three-year period (consisting of the current financial year and the two previous financial years).

Where the relief to any one business is greater than the De Minimis level, then permission will need to be obtained from the European Commission. In such cases the matter will be referred to the Department for Communities and Local Government (DCLG) for advice and then referred back to the Council for consideration. It will be for the ratepayer to provide confirmation as to whether the State Aid provisions apply to them.

In all cases, where discretionary relief is to be granted or where liability is to be reduced, when making an application, ratepayers will be required to provide the Council with sufficient information to determine whether these provisions are applicable in their case.

¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

European Union competition rules regarding state aid requirements may change when the United Kingdom exits the European Union.

Administration of Discretionary Relief – General approach

Applicants may be required to provide a completed application form plus any such evidence, documents, accounts, financial statements etc. necessary to allow the Council to make a decision. Where insufficient information is provided, then no relief will be granted. In some cases, it may be necessary for officers to visit premises and we would expect organisations claiming relief to facilitate this where necessary.

The Council will provide this service and guidance free of charge. Ratepayers are encouraged to approach the Council direct and **NOT** pay for such services through third parties.

Where an application is successful, then the following will be notified to them in writing:

- The amount of relief granted and the date from which it has been granted;
- If relief has been granted for a specified period, the date on which it will end;
- The new chargeable amount.

Where relief is not granted then a notification of the decision will be provided, in writing.

Revaluation Relief is to be granted from the beginning of the financial year in which the decision is made. Decisions can be made up to 6 months after the end of the financial year for which the application was made, but if an application is made after this time it will not be considered.

A fresh application for discretionary relief will be necessary for each financial year or at such time-period as the Council determines.

Variations in any decision will be notified to ratepayers as soon as practicable and will take effect as follows:

- Where the amount is to be increased due to a change in rate charge or a change in the Council's decision which increases the award – this will apply from the date of the increase in rate charge or the date determined by the Council as appropriate;
- Where the amount is to be reduced due to a reduction in the rate charge or liability including any reduction in rateable value, awarding of another relief or exemption this will apply from the date of the decrease in rate charge; **and**
- Where the amount is to be reduced for any other reason, it will take effect at the expiry of a financial year

A decision may be revoked at any time.

Consultation

The Council has consulted with its preceptors in relation to its Revaluation Relief scheme and has taken their comments into account when determining the eligibility criteria.

The grant determination for Revaluation Relief states that a condition of the fund is that consultation is undertaken with 'relevant authorities'. Relevant authorities for the purpose of this scheme means any major precepting authority.

In the case of Blackpool Council the precepting authority has been consulted, namely the Lancashire Fire and Rescue Service.

Revaluation Relief Scheme

The Council has decided that reliefs under the Revaluation Relief scheme will be awarded using the following criteria:

- a) The scheme is designed to assist ratepayers who have suffered significant increases in rate liability due to the revaluation and the subsequent increase to their Rateable Value;
- b) Relief will not be granted where a hereditament has a rateable value of £500,000 or more at 1st April 2017 and where the increase calculated in section (d) is less than 10%;
- c) Relief will not be awarded where mandatory relief or Supporting Small Businesses Relief are granted or the hereditament is within the Business Rates Relief qualifying area of a designated Enterprise Zone;
- d) In assessing any potential entitlement to an award under this scheme, the Council will compare the following:
 - The rate liability of the ratepayer at 31st March 2017 after any reliefs and reductions; **and**
 - The rate liability of the ratepayer at 1st April 2017 taking into account any transitional relief or discretionary relief within this policy;
- e) Relief will only be given to premises which are liable for occupied rates. No relief within this scheme will be granted for unoccupied premises;
- f) Relief will only be granted to ratepayers who were in occupation at 31st March 2017 and in occupation on 1st April 2017 and for each day subsequently.
- g) Ratepayers taking up occupation after the 1st April 2017 will not be eligible for relief on the basis that new ratepayers would not have suffered from increases due to a revaluation;
- h) Relief may be awarded for more than one premises as long as all other criteria are met;

Relief will **not** be awarded where:

- the ratepayer has been awarded a reduction under s44a of the Local Government Finance Act 1988; **or**
- the hereditament occupied by a Billing or Precepting Authority (known as excepted hereditaments).
- the hereditament has a subsequent increase in Rateable Value after the 1st April 2017 which takes it out of the scope of this scheme; **or**
- the hereditament is used for any of the following purposes:
 - a) hospitals, health centre's or doctors/GP surgeries;
 - b) banks and building societies, including separately rated cash machines and ATM's; **or**
 - c) telecommunications network facilities

The Council will look to simplify the application process wherever possible, but it will expect any ratepayers to provide such information as is required by the Council to support their application.

A standard percentage reduction in the value of the rates payable will be applied to all eligible applicants, that rate to be determined by the level of available funding during the year.

The amount of relief awarded under these schemes will be recalculated in the event of a change of circumstances. In effect relief is calculated on a daily basis in line with the ratepayer's liability on that day. This will include, for example, a backdated change to the rateable value of the hereditament. This change of circumstances could arise during the year in question or during a later year. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.

The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) requires the Council to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, the Council may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.

Where any award is granted to a ratepayer, the Council will require any changes in circumstances which may affect the relief to be reported as soon as possible and in any event not more than 21 days from the happening of the event. This will be important where the change would result in the amount of the award being reduced or cancelled e.g. where the premises comes unoccupied or is used for a purpose other than that determined by the Council as eligible for relief.

Decisions by the Council under this scheme

Any application will be considered against the criteria listed in this document, and it must be in the interest of the Council and community for the local authority to grant a reduction.

The responsibility for making discretionary decisions will rest with the Director of Resources.

Additional information may be required by the Council in order that a decision can be made.

Decision making process:

Stage 1: The Principal Revenues Manager or Head of Revenues and Exchequer Services will make a recommendation to the Director of Resources, considering the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council.

Stage 2: The Director of Resources will consider the application and the recommendation to determine whether to award a discretionary discount.

Notification of decision

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

The Council will accept an applicant's written request for a redetermination of its decision where there is new information available on which to reconsider the original decision.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination. Following the re-determination of a request for a discretionary award there is no further right of appeal.

13. Fraud

Where a ratepayer falsely applies for any relief or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.

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Report to:	EXECUTIVE
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Date of Meeting:	21 January 2019

LANCASHIRE 75% BUSINESS RATE POOLING ARRANGEMENT 2019/2020

1.0 Purpose of the report:

- 1.1 To explain the background behind a Lancashire-wide bid to the Ministry of Housing, Communities and Local Government (MHCLG) to establish a Business Rates Pool in 2019/20 that should bring additional funding of approximately £9.6m into the economic area and to seek formal agreement for Blackpool Council's participation.

2.0 Recommendation:

- 2.1 To formally agree to participate in the Lancashire-wide 75% Business Rates Pilot Pool 2019/20 and ask officers to ensure that the Revenue Budget report submitted to Council in February 2019 reflects the Council's participation.

3.0 Reasons for recommendation:

- 3.1 Whilst it was reported in the Leader's report to Full Council on 21 November 2018 that Blackpool had joined a Lancashire-wide bid to Ministry of Housing, Communities and Local Government to pilot 75% Business Rates Retention in 2019/20, now that the bid has been formally approved by the Chancellor of the Exchequer in his Provisional Settlement Statement of 13 December 2018 the recommendation is that Blackpool Council does indeed participate in this Business Rates Pool in 2019/20.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

If approved the Council's participation will be reflected in the 2019/2020 approved budget.

3.3 Other alternative options to be considered:

The Pool bid has maximised the number of eligible participants in order to enhance its attractiveness to Ministry of Housing, Communities and Local Government whilst excluding the one Lancashire authority, namely Lancaster City Council, that carries disproportionate financial risk with two power stations located within its area

The 'do nothing' option forfeits the opportunity to bring in an additional £9.6m into the Lancashire economic area.

4.0 Council priority:

4.1 The relevant Council priorities are both:

- "The economy: Maximising growth and opportunity across Blackpool".
- "Communities: Creating stronger communities and increasing resilience".

5.0 Background information

5.1 The current 50% Business rate Retention Scheme was introduced in 2013. Following this local authorities were encouraged to form business rates pools, sharing risk and reward in return for retaining the levy payable on growth which would otherwise be paid over to the Government.

The Lancashire Business Rates Pool was formed in 2016/17 and has proved successful for all the constituent authorities. There have been some changes in membership since it was formed but the Pool continues to operate on the same principles as originally agreed with the Government. The two Lancashire unitary authorities did not participate as their involvement at the time would not have brought any financial benefit to the pool in view of the magnitude of their business rate top-ups.

In 2017/18 the Government invited proposals for 100% pilots and launched five initial 100% business rates retention pilots in devolution deal areas. These pilots were continued into 2018/19. The Government will continue to have separate discussions with the devolution deal areas about their pilot programme.

In the 2017 Autumn Budget it was confirmed that London would become a 100% Business Rates Retention pilot for the duration of the 2018/19 financial year. This pilot comprises of the thirty-two London Boroughs, the City of London and the Greater London Authority. The Government will continue to have separate discussions with London about their pilot programme.

In the Provisional Local Government Finance Settlement in December 2017 the Government announced a further ten 100% business rates retention pilots for the duration of the 2018/19 financial year in local authority areas across England. Whilst these pilots are set to end on 31 March 2019, they are inviting the areas involved to apply to become 75% business rates retention pilots in 2019/20, 75% being deemed the maximum business rates that could affordably be retained by local authorities nationally - as part of the move towards a reformed business rates retention system in 2020/21, the Government intends to devolve Revenue Support Grant (RSG), Rural Services Delivery Grant (RSDG), the Greater London Authority (GLA) Transport Grant and the Public Health Grant (PHG) to local government when the new system commences. The Government also intends to use the intervening period to develop a set of measures that support a smooth transition of funding for public health services from grant funding to retained business rates.

An announcement on 24 July 2018 set out the Government's intentions to invite pools of authorities to submit applications to pilot 75% business rates retention in 2019/20, but for one year only with a deadline for applications of 25 September 2018, the intention being that the new 75% pilots will provide an opportunity to test and gather information on the design of the new business rate retention system in preparation for 2020/21.

5.2 **New 75% Pilots**

Authorities selected as pilots will be expected to forego Revenue Support Grant and Rural Services Delivery Grant. The value of these grants will be taken into account when revised business rate tariffs and top-ups for the pilot authorities are set up.

The Government expects that a proposed pool would comprise either i) a county council and all of the associated district councils; ii) a group of unitary authorities; or iii) a two-tier area and adjoining unitaries, and it should extend across a functional economic area. Proposals would need to set out the tier splits for all authorities including Fire and Rescue.

Bids were required to set out how the pilot will manage risk and reward at a strategic level and have regard to the financial sustainability of all local authorities involved and also set out how any potential business rate growth will be spent. The bid also needed to make clear the governance arrangements for strategic decision making.

The Government has decided that because the new 75% pilots are testing the pooled authorities' approach to risk then the 'no detriment' clause applied to previous pilots will no longer apply. Instead of this the Government has increased the safety net from 92.5% to 95% for these new pilot pools.

5.3 Current Business Rate Pool

The current Lancashire Business Rates Pool has proved very successful for all members with retained levies last year totaling £6.011m. Individually pool members have benefitted with retained levies ranging from £389k to £1,113k. Ribble Valley Borough Council has been the lead authority for a 3-year period for the Lancashire Pool through whom all payments are channeled.

The table below shows the overall pool position for the last financial year:

2017/18 Lancashire Business Rates Pool Outturn	
	Total £
Retained Levy Calculation	
Total NNDR Income	194,459,738
Small Business Rate Relief	21,210,103
Relief to Other Ratepayers	0
Localism reliefs	1,429,240
Adjusted NNDR Income	217,099,081
40% District Share	86,839,632
Less Tariff payable	-51,222,860
Total Retained Income	35,616,772
Business Rate Baseline Funding Level 17/18	23,489,460
Growth for Year	12,127,312
Levy Rate if no pool existed	45-50%
Total Levy Payment Due to MHCLG if no pool	6,011,453
Retained Levy under Pooling Arrangements (90%)	5,410,308
Due to LCC under Pooling Arrangements (10%)	601,145
Forecast - Based on NNDR1	
Total Levy Payment Due if not under Pooling	4,071,648
Retained Levy under Pooling Arrangements (90%)	3,664,483
Due to LCC under Pooling Arrangements (10%)	407,165

The current Lancashire Pool operates on the basis that each member stands their own risk, having given up their right to safety net protection on joining the pool as the safety net of 92.5% does not apply individually, only to the pool as a whole. Additionally each member retains 90% of their levy on growth above their baseline with the remaining 10% payable to Lancashire County Council (LCC). As such the Lancashire Pool works very well and on a simple and transparent basis.

5.4 Lancashire Position – 75% Pilots

At the Lancashire Leaders and Chief Executives meeting on 11 September 2018 Lancashire Chief Financial Officers were tasked with progressing a pilot application. Specifically concern was raised at this meeting as to the potential risks of a new pilot. As lead authority for the current Lancashire Business Rate Pool, Ribble Valley

Borough Council carried out some modelling of a new 75% pilot based on current 2018/19 expected business rate income. In addition Lancashire County Council independently commissioned a piece of work by *Local Government Futures* to explore the financial benefits of a potential 75% pilot in Lancashire. Both models estimated that the possible extra growth to be retained under a pilot pool would be in the region of £10m.

5.5 Estimated Financial Benefits

A summary is shown in the table below which compares the growth (or loss) that Lancashire authorities are currently all set to receive for 2018/19 compared with how much growth (or loss) that could be received under a 75% pilot with everyone included. This is based on the assumption that the Government's 25% share foregone is shared out pro-rata to current tier splits. It is also based on 2018/19 NNDR1 returns completed by each authority on the assumption that retained income will be comparable in 2019/20. The model includes all Lancashire authorities for indicative purposes, though Lancaster City Council is not participating in view of the financial risks associated with the rateable values of the two power stations within its area:

Authority	Summary		
	Current Growth £	Pilot Growth £	Extra Growth £
Burnley	2,066,972	2,893,760	826,788
Chorley	1,775,871	2,486,219	710,348
Fylde	1,321,616	1,850,263	528,647
Hyndburn	234,579	328,410	93,831
Pendle	852,071	1,192,900	340,829
Ribble Valley	1,292,691	1,809,767	517,076
Rosendale	794,115	1,111,761	317,646
South Ribble	2,440,634	3,416,888	976,254
West Lancashire	998,117	1,397,363	399,246
Wyre	1,391,439	1,948,015	556,576
Preston	-134,211	-187,896	-53,685
Lancaster	1,593,834	1,593,834	0
Blackpool	123,833	185,750	61,917
Blackburn with Darwen	2,585,671	3,878,507	1,292,836
Lancashire CC	3,260,104	6,056,898	2,796,794
Lancashire Fire and Rescue	418,576	611,112	192,536
Total	21,015,912	30,573,551	9,557,639

It can be seen that one authority, namely Preston, is predicting a loss in 2018/19 based upon its NNDR1. Under a pilot this loss would actually increase because the Government is reducing how much it is standing of these losses from 50% to 25%. However, the current Lancashire Business Rate Pool has proved very successful for all its members with retained levies last year totaling £6.011m. From the table above a further £9.6m of growth could be retained within Lancashire.

In putting the bid together it was important to strike the right balance between risk and reward for all members. It was therefore proposed that the additional growth would be distributed as follows:

1. The first call on any additional growth will be to create a new resilience reserve to mitigate against any losses in business rate income. This will equate to 5% of the additional growth.
2. A further 25% of the additional growth will be set aside to create a Lancashire -wide fund to be used to target strategic economic growth, improve financial sustainability and allocated based on decisions of the Lancashire Leaders Business Rates Pilot Group.
3. It is proposed that the member authorities will use their allocated share of the remaining additional growth to promote local economic growth and to build resilience to improve their financial sustainability following reductions in central Government support. Within Lancashire, in particular, districts have seen increased cost pressures from recycling and waste collection. Upper tier authorities are facing significant adult and child social care pressures

5.6 Does the information submitted include any exempt information? No

5.7 List of Appendices:

Appendix 4a - Application form to Ministry of Housing, Communities and Local Government Business Rates Pilot Scheme 2019/20

6.0 Legal considerations:

6.1 The proposal is in accordance with Schedule 7B to the Local Government Finance Act 1988.

7.0 Human resources considerations:

7.1 None.

8.0 Equalities considerations:

8.1 The bid represents a fair and equitable means of bringing in additional funding across the Lancashire economic footprint whilst mitigating some risk of those participants not achieving their business rates growth targets.

9.0 Financial considerations:

9.1 These have been outlined in detail in the background information section of this report.

10.0 Risk management considerations:

10.1 The principal risk is of business rates receipts falling below the growth point. The current Lancashire Pool handles the risk element from such a decline by leaving the responsibility with the council suffering the financial decline. This provides a clear signal to anyone entering the Pool that they need to be sure they believe they are on the up-side of any change in business rates as it is their jeopardy if their fortunes take a turn for the worse. They need to recognise that they have lost the safety net protection from the Government and therefore could suffer larger losses if they enter the Pool than if they remain outside.

10.2 One council currently indicates that they could be potentially below the growth point but wish to be included in the new Pilot. Their position will financially worsen if they do, as the Government currently stands 50% of the 'loss' below the baseline level, whereas under a pilot it will stand only 25% of the 'loss'. Part of the incentive for the one negative growth council joining the Pilot is that other members of the Pilot will top-slice some of their gain to remove the potential loss they face if their business rates do not grow above the growth point. This transfers 25% of the risk of below-growth point performance away from the Government and the one council to the rest of the Pilot group. If any council suffered a further reduction during the year, the other Pilot councils would face a larger reduction in their own growth funds to compensate.

12.3 The risk can be mitigate by insisting that all councils stand their own losses, however the proposal submitted to Ministry of Housing, Communities and Local Government is to set aside 5% of the extra growth to create a new resilience reserve to mitigate against losses in business rate income. This was proposed to make the Lancashire application potentially more attractive to the Government, recognising the bid for pilot status needed to be competitive against bids from other parts of the country.

11.0 Ethical considerations:

11.1 The bid represents a fair and equitable means of bringing in additional funding across the Lancashire economic footprint whilst mitigating some risk of those participants not achieving their business rates growth targets.

12.0 Internal/external consultation undertaken:

12.1 None

13.0 Background papers:

- 13.1
- Report to the Lancashire Leaders and Chief Executives Group.
 - Individual local authorities' respective assessments of business rates risks, in particular rateable value appeals and maintained schools becoming academies, thereby attracting 80% mandatory business rate relief.
 - Ministry of Housing, Communities and Local Government Business Rates Pilot Scheme 2019/20 application form and eligibility criteria.

14.0 Key decision information:

14.1 Is this a key decision? Yes

14.2 If so, Forward Plan reference number: 3/2019

14.3 If a key decision, is the decision required in less than five days? No

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 11 January 2019 Date approved:

17.0 Declarations of interest (if applicable):

17.1

18.0 Executive decision:

18.1

19.0 Date of Decision:

19.1

20.0 Reason(s) for decision:

20.1

21.0 Date Decision published:

21.1

22.0 Executive Members in attendance:

22.1

23.0 Call-in:

23.1

24.0 Notes:

24.1

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Business Rates Pilot Scheme 2019/20

Application Form

This application form will be used to assess your application to pilot 75% business rates retention in 2019/20. Where relevant, further evidence to support points raised in this form may be included as an annex. Please note that authorities cannot apply to pilot 75% business rates retention as part of more than one application.

Information provided in response to this application may be published or disclosed in accordance with the access to information regimes – these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018 (DPA), the EU General Data Protection Regulation, and the Environmental Information Regulations 2004).

The personal data you provide as part of this application will be held on a secure government system in line with the department's [personal data charter](#). Contact details will only be used for contacting you about your application or to update you on our work relating to local government finance reforms.

For any questions relating to the application process, please email:
Businessratespilots@communities.gsi.gov.uk.

FAQs relating to applications will be published on the Government publications website at <https://www.gov.uk/government/publications/75-business-rates-retention-pilots-2019-to-2020-prospectus>

1. Application Contact Details

Please include details of the lead pilot authority and lead official responsible for responding to any departmental queries relating to the pilot application.

a. Name of lead pilot authority	Ribble Valley Borough Council
b. Name of lead official	Jane Pearson
c. Lead official job title	Director of Resources
d. Lead official email address	jane.pearson@ribblevalley.gov.uk
e. Lead official contact phone number	01200 414430

2. Membership of the Proposed Pool

Please list all authorities belonging to the proposed pilot pool below. The application cannot be considered valid unless all of the listed members have endorsed all parts of the application (see Annex A). You can insert/delete lines as needed.

For the authority type box, please write down one of the following options for each participating authority: (1) Fire; (2) London Borough; (3) Metropolitan district; (4) County; (5) Shire District; (6) Greater London Authority; (7) Unitary Authority.

Authority name	Authority Type
Burnley Borough Council	Shire District
Chorley Borough Council	Shire District
Fylde Borough Council	Shire District
Hyndburn Borough Council	Shire District
Pendle Borough Council	Shire District
Preston City Council	Shire District
Ribble Valley Borough Council	Shire District
Rossendale Borough Council	Shire District
South Ribble Borough Council	Shire District
West Lancashire Borough Council	Shire District
Wyre Borough Council	Shire District
Lancashire County Council	County
Blackpool	Unitary Authority
Blackburn with Darwen	Unitary Authority
Lancashire Fire and Rescue	Fire
This pilot application includes <u>all</u> local authorities within Lancashire with the exception of Lancaster City Council	

3. Membership details and pooling arrangements

Please answer all of the questions below using short and concise answers. Section 4 will allow you to outline your pilot proposal in more detail.

<p>a. Have all members included in the pilot area endorsed all parts of this application?</p> <p><i>(Please ensure that Annex A is signed by s.151 officer of each area and returned as part of the application to evidence this.)</i></p>	<p>Select one: (1) Yes</p> <p>(1) Yes; (2) No</p>
<p>b. Do any members of the proposed pool belong to any other current pool?</p> <p><i>(If 'no', please move to question 3.d.)</i></p>	<p>Select one: (1) Yes</p> <p>(1) Yes (2) No</p>
<p>c. If any members of the proposed pool belong to any other current pool, have other members of such pool been informed that the authority is applying to become a pilot as part of a different pool?</p>	<p>Select one: (1) Yes – all members of the existing Lancashire BR Pool are included in this pilot application</p> <p>(1) Yes (2) No (3) N/A</p>
<p>d. Are there any precepting authorities that are not part of the proposed pilot area?</p> <p><i>(If 'yes', please move to question 3.e.)</i></p>	<p>Select one: (2) No</p> <p>(1) Yes (2) No</p>
<p>e. If there are any precepting authorities that are not part of the proposed pilot area, are these precepting authorities aware of this proposal?</p>	<p>Select one: (3) N/A</p> <p>(1) Yes (2) No (3) N/A</p>
<p>f. Are all members of the proposed pilot area willing to collaborate with MHCLG officials on system design of the new business rates retention system, sharing additional data and information, as required?</p>	<p>Select one: (1) Yes</p> <p>(1) Yes (2) No</p>

<p>g. How does the pilot pool propose to split non-domestic rating income in two-tier areas?*</p> <p><i>(F.ex. the pilot pool could propose to split the shares as in the current 50% business rates retention, or propose to test different kinds of tier split arrangements as part of the pilot.)</i></p> <p><i>(*The department will use this information in regulations to designate a tier split for the pooled pilot area. In practice, the pilot pool will be given one overall tariff or top-up, and the members of the pool can agree to change the headline tier split.)</i></p>	<p><i>We agree to split business rate income as follows:</i></p> <p><i>Districts: 56%</i> <i>County Council: 17.5%</i> <i>Unitaries: 73.5%</i> <i>Fire: 1.5%</i></p>
<p>h. Do you propose to retain any of the additional 25% of retained business rates in an investment pot or similar and distribute this after 2019/20?</p> <p><i>(If 'no', please move to question 3.j.)</i></p>	<p><i>Select one: (1) Yes</i></p> <p><i>(1) Yes</i> <i>(2) No</i></p>
<p>i. If any of the additional 25% of retained business rates are kept in an investment pot or similar, how will this be distributed after 2019/20?</p>	<p><i>5% of the additional growth will be set aside to create a resilience reserve to mitigate against any losses in business rate income below baseline funding levels.</i></p> <p><i>A further 25% of the additional growth will be set aside to create a Lancashire wide fund to be used to target strategic economic growth, improve financial sustainability and allocated based on decisions of the Lancashire Leaders Business Rates Pilot Group.</i></p>
<p>j. What is the anticipated income above baseline funding level for the pilot pool over 2019/20 (in £)?</p>	<p><i>We anticipate the total income above the baseline funding level (ie growth) for the pilot pool will be circa £36m. This is based on our 2018/19 NNDR1's, <u>before</u> the allocation of the Government's 25% share. ie the pilot anticipates £27m growth above the baseline funding level for the new pool.</i></p>

k. What is the business rates base of the proposed pilot area like and what is its relevance to the economic geography of the area?

(F.ex. you could describe the size and types of hereditaments in the area, business sectors relevant to the area, or the size of your business rates base in relation to baseline funding levels.)

Geographically diverse Lancashire is a mixture of large rural areas, urban centres and coastal towns, with pockets of benefit dependent communities alongside thriving and affluent areas. It is home to the world's 4th largest global aerospace cluster with 500 aerospace supply chain companies.

Lancashire has one of the largest economies in the Northern Powerhouse with 51,340 businesses with a total rateable value of over £1bn within the proposed pilot area. .

Billing Authority	Rateable properties	Rateable value £000
Blackburn with Darwen	6,570	£118,260
Blackpool	6,780	£128,330
Burnley	3,910	£71,699
Chorley	3,430	£66,308
Fylde	2,870	£65,724
Hyndburn	3,320	£55,728
Pendle	3,610	£52,076
Preston	5,540	£151,912
Ribble Valley	2,360	£40,274
Rossendale	2,700	£35,694
South Ribble	3,020	£85,960
West Lancashire	3,240	£78,665
Wyre	3,990	£69,015
Total pilot area	51,340	£1,019,645

The business rates base for each billing authority tend to be broadly similar and dominated by a small number of very large rateable values for example;

- *Advance engineering and manufacturing enterprises;*
 - *Westinghouse nuclear fuel manufacturing - £4.2m*
 - *BAE systems - £8m*
 - *waste recycling plants - £3.5m*
- *Leyland trucks -£2.1m*
- *Universities and colleges*
- *NHS Trust Hospitals*
- *Supermarkets*
- *Premiership and Championship Football Clubs*
- *Retail*

In addition each billing authority has a large number of small businesses and shops which qualify for Small Business Rate Relief (SBRR). Eg In Rossendale 50% of businesses qualify for SBRR. In Hyndburn half the total rateable value comes from just 50 of over 3,000 properties.

	<i>The existing business rates baseline of the proposed pilot area in 2018/19 is £320m with expected business rates to be retained of £332m under current arrangements.</i>
i. What pooling arrangements would the members of the pilot like to see if their application to become a pilot is unsuccessful?	<i>Members of the proposed pilot have confirmed they strongly want to see the continuation of the current Lancashire Business Rate Pool in the event this pilot application is unsuccessful.</i>
m. How would the pilot area deal with residual benefits/liabilities once the pilot ends?	<i>In the unlikely event that there are residual monies/liabilities at the end of the pilot any balances will be apportioned to pool members based on the splits agreed.</i>

4. Details of the pilot proposal

Please explain how your proposal fulfills each of the below criteria for becoming a 75% business rates retention pilot in 2019/20 (as outlined in 3.2 of the ‘Invitation to Local Authorities in England to pilot 75% Business Rates Retention in 2019/20’). If relevant, you may reference answers provided in section 3 of this application form and use this section to provide more detail on the responses. Although there is no formal word limit for answers provided in this section, please be as concise as possible.

a. How does the proposed pilot operate across a functional economic area?

The proposed pilot will be a place based model incorporating the county council, the two unitaries, the fire and rescue authority and 11 out of the 12 shire districts across an economically diverse geographical area.

The functional economic area is a large part of north west England above the geographical areas of Merseyside and Manchester with a population of circa 1.5m. It encompasses both sparse rural areas and densely populated urban areas some of which are challenged with high levels of deprivation.

Key economic activity across this diverse area includes both significant amounts of traditional manufacturing industries as well as advanced engineering and aerospace with considerable levels of export activity. There is also a significantly growing leisure and tourism offer.

This pilot bid does not include one Lancashire district – Lancaster City Council - whose taxbase contains 2 large power stations, Heysham 1 and Heysham 2. The rates payable for power stations is based upon their output. In carrying out modelling of risks for the potential pilot, Lancaster have estimated that the impact of 6 months power outages at these power stations would result in lost business rate income of £18m. Given this, including Lancaster in the pilot area would expose the bid to such a high degree of risk that the bid would not be viable.

b. How does the pilot area propose to distribute and use the additional 25% of retained business rates growth across the pilot area?

This pilot bid consists of 14 out of the 15 councils in Lancashire together with the Fire Authority. Not surprisingly reaching agreement on how the additional growth would be distributed in a short timescale and with so many different councils was extremely challenging. We are pleased that the submission of this bid demonstrates how a large number of diverse councils with different political control can come together for the benefit of the community of Lancashire.

In putting this bid together it was important to strike the right balance between risk and reward for all members. It is proposed that the additional growth will be distributed as follows:

Step 1	<i>The first call on any additional growth will be to create a new resilience reserve to mitigate against any losses in business rate income. This will equate to 5% of the additional growth.</i>
Step 2	<i>A further 25% of the additional growth will be set aside to create a Lancashire wide fund to be used to target strategic economic growth, improve financial sustainability and allocated based on decisions of the Lancashire Leaders Business Rates Pilot Group.</i>
Step 3	<i>It is proposed that the member authorities will use their allocated share of the remaining additional growth to promote local economic growth and to build resilience to improve their financial sustainability following reductions in central government support. Within Lancashire, in particular, districts have seen increased cost pressures from recycling and waste collection. Upper tier authorities are facing significant adult and child social care pressures.</i>

c. How does the pilot area propose to arrange its governance for strategic decision-making around the management of risk and reward? How do the governance arrangements support proposed pooling arrangements?

The councils in Lancashire have a well-established Leaders group that meet on a regular basis to discuss strategic issues affecting the whole of Lancashire. This includes the two unitary authorities, all districts and the county council. This pilot pool is a natural extension of the work of this group in growing the Lancashire wide economy. The Pool Pilot Governing body will therefore consist of Leaders of all the local authorities in the pool and the Chairman of the Combined Fire Authority.

They will receive monitoring reports during the year which will forecast growth/losses for pilot members, and also play a crucial role in deciding how the strategic growth and financial resilience fund will be invested. It has been agreed that all decisions must be unanimous.

The Lancashire Pilot Pool governance agreement sets out how risk and reward will be managed.

5. Submitting your application

Please return this form and Annex A with signatures of all s.151 officers from proposed pilot pool's member areas by the deadline of 25 September 2018. Where relevant, further evidence of points raised in this form may be included as an annex.

Please submit your completed application to:

businessratespilots@communities.gsi.gov.uk

or



Business Rates Reform; Local Government Finance; Fry Building, 2 Marsham St, Westminster, London SW1P 4DF.



Annex A – Evidence of authorisation

a. Name of lead pilot authority	Ribble Valley Borough Council
b. Name of lead official	Jane Pearson
c. Lead official job title	Director of Resources
d. Lead official email address	jane.pearson@ribblevalley.gov.uk
e. Lead official contact phone number	01200 414430

Please include the signatures of each member area's s.151 officer to evidence that all parts of your application have been fully endorsed by authorities listed in section 2 of the pilot application form. You can insert/delete lines as needed.

Authority name	Name of s.151 officer	Signature
Burnley Borough Council	Asad Mushtaq	
Chorley Borough Council	Gary Hall	
Fylde Borough Council	Paul O'Donoghue	
Hyndburn Borough Council	Joe McIntyre	
Pendle Borough Council	Susan Guinness	
Preston City Council	Jackie Wilding	
Ribble Valley Borough Council	Jane Pearson	

Rossendale Borough Council	Phillip Seddon	
South Ribble Borough Council	Jane Blundell (deputy S151)	J. Blundell
West Lancashire Borough Council	Marc Taylor	Marc Taylor
Wyre Borough Council	Clare James	C. James
Lancashire County Council	Angie Ridgwell	
Blackpool	Steve Thompson	
Blackburn with Darwen	Louise Mattinson	
Lancashire Fire and Rescue	Keith Mattinson	

Report to:	EXECUTIVE
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member	Councillor Simon Blackburn, Leader of the Council
Date of Meeting	21 January 2019

INSURANCE PROCUREMENT EXERCISE

1.0 Purpose of the report:

- 1.1 To consider the outcome of the recent procurement exercise for the Council's insurance provision from the 1 April 2019 for a three year period, with the option to extend for a further two years.

2.0 Recommendations:

- 2.1 To approve the outcome of the Council's procurement exercise for the provision of insurance cover, saving approximately £340,000 per year. It should be noted that there will be a slight decrease to the overall saving once the cost of insuring Blackpool Coastal Housing's motor fleet has been confirmed.
- 2.2 To delegate responsibility to the Director of Resources to undertake a separate quotation exercise for the provision of cyber liability and Directors and Officers insurance.

3.0 Reasons for recommendation(s):

- 3.1 To ensure that the Council has robust insurance arrangements in place which offer value for money.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

The option for the Council to self-insure key risks has been considered and adopted where appropriate to do so.

4.0 Council priority:

4.1 The relevant Council priority is organisational resilience.

5.0 Background information

5.1 The Council's Risk Services Team, in conjunction with the Corporate Procurement Team and AON insurance brokers, have tendered for the future provision of the Council's insurance in accordance with the Crown Commercial Services Framework (RM3731). All suppliers on the Framework are approved by the Financial Conduct Authority (FCA) and have been through a rigorous tender exercise. The framework agreement has been let in conjunction with the latest procurement regulations.

5.2 The outcome of the exercise has been positive with savings generated across most classes of insurance and increased cover secured in some areas. A summary of the outcome of the evaluation exercise is captured in the following table:

Cover	Recommendation	Cost for 2019/20 (net)	Increase / Decrease
Property	To place on the basis of existing cover with the addition of the storm peril and extended business interruption insurance.	£374,430.26	-£83,898.24
Fine Arts	To place cover on existing basis.	£7,143.01	-£7,095.99
Combined Liability (Insurance)	To place cover on existing basis, however increase the excess to £250k and increase the Officials Indemnity limit to £10 million.	£250,795	-£117,628
Combined Liability (Claims Handling)	To increase the level of claims managed in house from £25k to £50k.	N/a – price per claims	N/a – price per claim
Motor	To place cover on existing basis. <i>It should be noted that there will be a decrease to this saving once the cost of insuring BCH's motor fleet has been confirmed.</i>	£140,676	-£103,954
Computer	To place cover on existing basis.	£4,390.74	-£10,833.26
Crime	To place cover on existing basis.	£24,873.30	-£2,763.70
Personal Accident and	To place cover on existing basis.	£5,110	+£153

Travel			
School Journey	To place cover on existing basis.	£2,788	+£485
Engineering	To place cover on existing basis.	£103,137.81	+£2,147.91
Terrorism	To place cover on existing basis with business interruption and property damage increased to 60 months for strategic leisure assets.	£28,609.33	+£2,195.33
Medical Malpractice	To place cover on existing basis with an increased excess to £250,000.	£7,671	-£22,979
Marine Craft	To place cover on existing basis.	£2,350	+£950
		Total Saving	£343,220.95

5.3 Once Executive Approval is received, award letters will be issued to the successful bidders, and contract inception meetings arranged to ensure that insurance provision is in place from the 1 April 2019. Elements of the cover also extend to some of the wholly owned companies who decided to join the Council's procurement exercise including Blackpool Coastal Housing Limited, Blackpool Housing Company Limited and Blackpool Entertainment Company Limited. It is proposed that a separate quotation exercise is undertaken for cyber liability and Directors and Officers insurance to maximise potential cover.

5.4 Does the information submitted include any exempt information? No

5.5 List of Appendices:

None.

6.0 Legal considerations:

6.1 Procurement legislation has been adhered to throughout the process through the use of a recognised framework. The insurance procured through the exercise will ensure that the Council meets its legal requirements for the provision of cover.

7.0 Human resources considerations:

7.1 All Council directorates have had the opportunity to be involved in the process to help ensure that appropriate insurance covers are in place to protect employees, including employer liability insurance and professional indemnity insurance.

8.0 Equalities considerations:

- 8.1 Throughout the procurement and decision process we have reflected on key aspects of the exercise that could affect people differently because of shared protected characteristics as defined in the Equality Act.
- 8.2 Officers are confident that the insurance programme has been designed to help anyone who requires access to insurance provision and does not discriminate or adversely impact protected groups in any way.

9.0 Financial considerations:

- 9.1 Work is ongoing to determine how the insurance premiums and contributions to the self-insurance fund will be recouped across the Council, wholly owned companies which participated in the exercise, and schools.

10.0 Risk management considerations:

- 10.1 As part of the project the Council's risk appetite has been reviewed and, where appropriate, provision for self-insurance has been made based on a risk assessed approach. This was determined via a detailed analysis of claims experience, and the level of self-insurance provision will be subject to annual review.
- 10.2 A Risk Management Framework is in place at the Council which includes a Corporate Risk Management Group, supported by Departmental and Thematic Risk Management Groups, the objective of which is to help the Council manage its risks and reduce the impact of insurance claims.
- 10.3 Appropriate due diligence has been undertaken to ensure that the successful bidders are reputable companies who are able to deliver what they have committed to as part of the tender process.

11.0 Ethical considerations:

- 11.1 None.

12.0 Internal/external consultation undertaken:

- 12.1 Risk workshops were held with key Council services as part of the process to understand the Council's needs in terms of insurance provision.
- 12.2 A core project group was established which held monthly project meetings, and key stakeholders who wanted to discuss issues in more detail were invited to attend as and when required.

13.0 Background papers:

13.1 None.

14.0 Key decision information:

14.1 Is this a key decision? Yes

14.2 If so, Forward Plan reference number: 36/2018

14.3 If a key decision, is the decision required in less than five days? No

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 11 January 2019 Date approved:

17.0 Declarations of interest (if applicable):

17.1

18.0 Executive decision:

18.1

19.0 Date of Decision:

19.1

20.0 Reason(s) for decision:

20.1

21.0 Date Decision published:

21.1

22.0 Executive Members in attendance:

22.1

23.0 Call-in:

23.1

24.0 Notes:

24.1

Report to:	EXECUTIVE
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member	Councillor Simon Blackburn, Leader of the Council
Date of Meeting	21 January 2019

LOCAL FULL FIBRE NETWORK

1.0 Purpose of the report:

- 1.1. To seek approval to proceed with the Blackpool Local Full Fibre Network Plan.

2.0 Recommendation(s):

- 2.1 To endorse proceeding with the Blackpool Local Full Fibre Network Plan, in line with the steps in the report and Build Out map attached at Appendix 6a.
- 2.2 To agree that the Council joins the already established Digital Infrastructure co-operative.
- 2.3 To agree to support further build out of the fibre network by co-operative Members subject to Highways and Planning regulations.
- 2.4 To support Demand Stimulation activities to encourage the take up of Full Fibre Connectivity by Blackpool Businesses and Residents to enable them to better participate in the growing Digital Economy.
- 2.5 To support the establishment of an internal barrier busting team made up of IT, Highways, Planning and co-operative Members to co-ordinate the build out of the fibre network and establish a dig-once principle to individual properties and businesses.
- 2.6 To authorise the Head of Legal to enter into all required legal documentation relating to this Project.

3.0 Reasons for recommendation(s):

- 3.1 The recommendations will support economic development by enabling Blackpool businesses and residents to better participate in the digital economy especially in

the following ways:

- Enabling Blackpool to gain an edge and head start in having better connectivity than other areas of the country and thereby support inward investment
- Enabling Blackpool guest houses and hotels in the vicinity of the promenade to gain access to full fibre connections and thereby offer improved digital customer experiences
- Positioning Blackpool well for 5G investment
- Enabling gigabit connectivity to the new conference centre at the Winter Gardens
- Enable gigabit connectivity to both Enterprise zones on the Fylde Coast

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

As outlined in paragraph 9.1, the plan is fully funded by Government with payments in arrears.

3.3 Other alternative options to be considered:

Not to proceed with involvement in the scheme which would not provide any added opportunities.

To proceed with a different model than the co-operative model which may cause State Aid issues.

4.0 Council Priority:

4.1 The relevant Council Priorities are both:

“The Economy: Maximising growth and opportunity across Blackpool”.

“Communities: Creating stronger communities and increasing resilience”.

5.0 Background Information

5.1 In January 2018, the Council submitted a bid to Department for Digital, Culture, Media and Sport for Wave 2 funding for a Local Full Fibre Network under the asset reuse methodology. In Wave 1, local bodies piloted four different methodologies across the country. The asset reuse methodology was piloted by Tameside Council. Blackpool Council's bid also proposed the asset reuse methodology due to

the existing investment in Fibre Optics assets already in the Tramway. This was also in alignment with the Council's Digital Strategy 2017-2022 approved by the Executive in October 2017 (Decision EX34/2017 refers).

In the Spring Statement 2018 the Chancellor announced the awarding of Wave 2 funding for a further 13 local bodies subject to passing Department for Digital, Culture, Media and Sport's assurance requirements. Subject to due diligence Blackpool Council was awarded £2.7 million.

5.2 Department for Digital, Culture, Media and Sport Assurance Process

Department for Digital, Culture, Media and Sport has six assurance Checkpoints A-F. The first three Checkpoint tests need to be met before the project delivery can commence. Blackpool Council has now successfully progressed through Checkpoints A and B and is now ready to progress to Checkpoints C so project delivery can commence in January 2019. However before this can happen and funding can be drawn down, the Council needs to assure Department for Digital, Culture, Media and Sport that the Executive is fully signed up and committed to the delivery of the project. Consequently, this paper is seeking a formal decision to progress the project.

5.3 Proposed Local Full Fibre Network Project

The purpose of Local Full Fibre Network funding is to provide Full Fibre Connectivity to individual properties (Fibre to the Property -FTTP). The UK as a whole has less 4% of properties served with Full Fibre Connectivity and is close to being at the bottom of the league table compared to other European Nations with some having more than 80% of properties served and some international competitors with more than 90% of properties served. Most of the existing Internet connectivity relies on an ageing copper infrastructure, which ultimately provides a constraint to progress to Ultrafast (300Mbits+) speeds. Whilst there has been some investment in Blackpool by BT Openreach with Fibre to Street Cabinets(FTTC) and some investment by Virgin Media the data for Ultrafast (300Mbits+) in the Ofcom Connected Nations Report demonstrates Blackpool is poorly served with FTTP when compared to many other towns and cities across Europe. Arguably, given the Council's ambitions this is a significant inhibitor and potentially a disabler for attracting further investment given all industry and tourism sectors are widely using and further developing their use of Digital Technologies.

The proposed Blackpool Local Full Fibre Network project will seek to narrow the gap by bringing the fibre optic ducting infrastructure within the Tramway to market as a middle mile network, while attracting investment from private bodies to further build out the network last mile to individual properties. This will

potentially be supported by a voucher scheme from Department for Digital, Culture, Media and Sport enabling clusters of residents and visitors to apply for vouchers to spend with full fibre service providers.

The proposed fibre network is planned to be extended to Enterprise Zones at Blackpool Airport, Hill House (subject to agreement with Wyre Borough Council) and the new Winter Gardens Conference Centre. This will enhance the Council's public service network and save costs. Multiple meet points are being established on the other side of the promenade carriageway and this will provide an opportunity for private service providers to individual properties and businesses. (see Appendix 6a: Proposed Build out Map)

5.4 **State Aid and the establishment of a Digital Infrastructure Co-operative**

The Department for Digital, Culture, Media and Sport funding for Asset Reuse is subject to passing State Aid due diligence tests under MEOP (Market Economy Operator Principles). Much of the Wave 1 work done at Tameside was in establishing an approach that would enable the ducting infrastructure investment in a public asset such as a Tramway to be brought to market in a State Aid compliant way. Consequently, a Digital Infrastructure Co-operative was established with the purpose in which State funded assets could be rented at market rates to the co-operative Members and be made available to its Members on a non-exclusive basis.

After carrying out an options appraisal and seeking advice from Department for Digital, Culture, Media and Sport State Aid experts we have concluded that the optimal way for Blackpool to share its Fibre Infrastructure is via the same co-operative model as Tameside. Consequently, after an invitation from the already established co-operative it makes sense for Blackpool Council to also join the co-operative, making use of the co-operative vehicle and its mechanisms to facilitate further private investment and bring the Blackpool fibre assets to market. The co-operative Membership is open to all fibre optic services providers from big established players to smaller service providers who wish to break into the market. Officers believe this will enable businesses and residents to ultimately get more choice from the marketplace.

5.5 Does the information submitted include any exempt information? No

5.6 **List of Appendices:**

Appendix 6a: Build Out Map

6.0 **Legal considerations:**

6.1 Department for Digital, Culture, Media and Sport State Aid advice has been shared with Legal Services and Procurement and the co-operative model is viewed as the least risky way to bring the Fibre Assets to market without creating a State Aid challenge risk.

6.2 There is no need for a procurement to spend the Department for Digital, Culture, Media and Sport grant since the scope of the already tendered Council Network contract, which took place in 2017, provides sufficient scope to carry out the fibre works.

7.0 Human Resources considerations:

7.1 The Council's Head of ICT Services is acting as the project lead and is supported with resources from TNP the Council's Network Partner.

8.0 Equalities considerations:

8.1 None.

9.0 Financial considerations:

9.1 The grant is subject to the Council signing up to Department for Digital, Culture, Media and Sport's funding agreement and its terms. The grant will be claimed in arrears once the Council has incurred the relevant qualifying capital expenditure and an annual monitoring report must be submitted within 3 months of the financial year end.

10.0 Risk management considerations:

10.1 The major risks with this project relate to the risk of a State Aid Challenge but it is believed these can be mitigated by use of co-operative Vehicle.

10.2 The project will inevitably lead to some minor disruption to highways and pavements as new ducting and fibre is installed. Recommendation 2.5 will aim to minimise this through the establishment of a dig once policy and via close consultation with the Highways team.

10.3 If the Council chooses not to join the co-operative, it will not be able to progress to Checkpoint C and commence project delivery. Officers have concerns any alternatives routes to market will create significant State Aid risks and may undermine the basis of the grant award.

11.0 Ethical considerations:

11.1 None.

12.0 Internal/ External Consultation undertaken:

12.1 Internal Consultation has taken place with Highways, Planning, Housing, Procurement and Legal Teams.

12.2 External Consultation has taken place with Department for Digital, Culture, Media and Sport, Tameside Council, Established Co-operative Members.

13.0 Background Papers

13.1 None.

14.0 Key decision information:

14.1 Is this a key decision? Yes

14.2 If so, Forward Plan reference number: 5/2019

14.3 If a key decision, is the decision required in less than five days? No

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 11 January 2019 Date approved:

17.0 Declarations of interest (if applicable):

17.1

18.0 Executive decision:

18.1

18.2 Date of Decision:

19.0 Reason(s) for decision:

19.1 Date Decision published:

20.0 Executive Members in attendance:

20.1

21.0 Call-in:

21.1

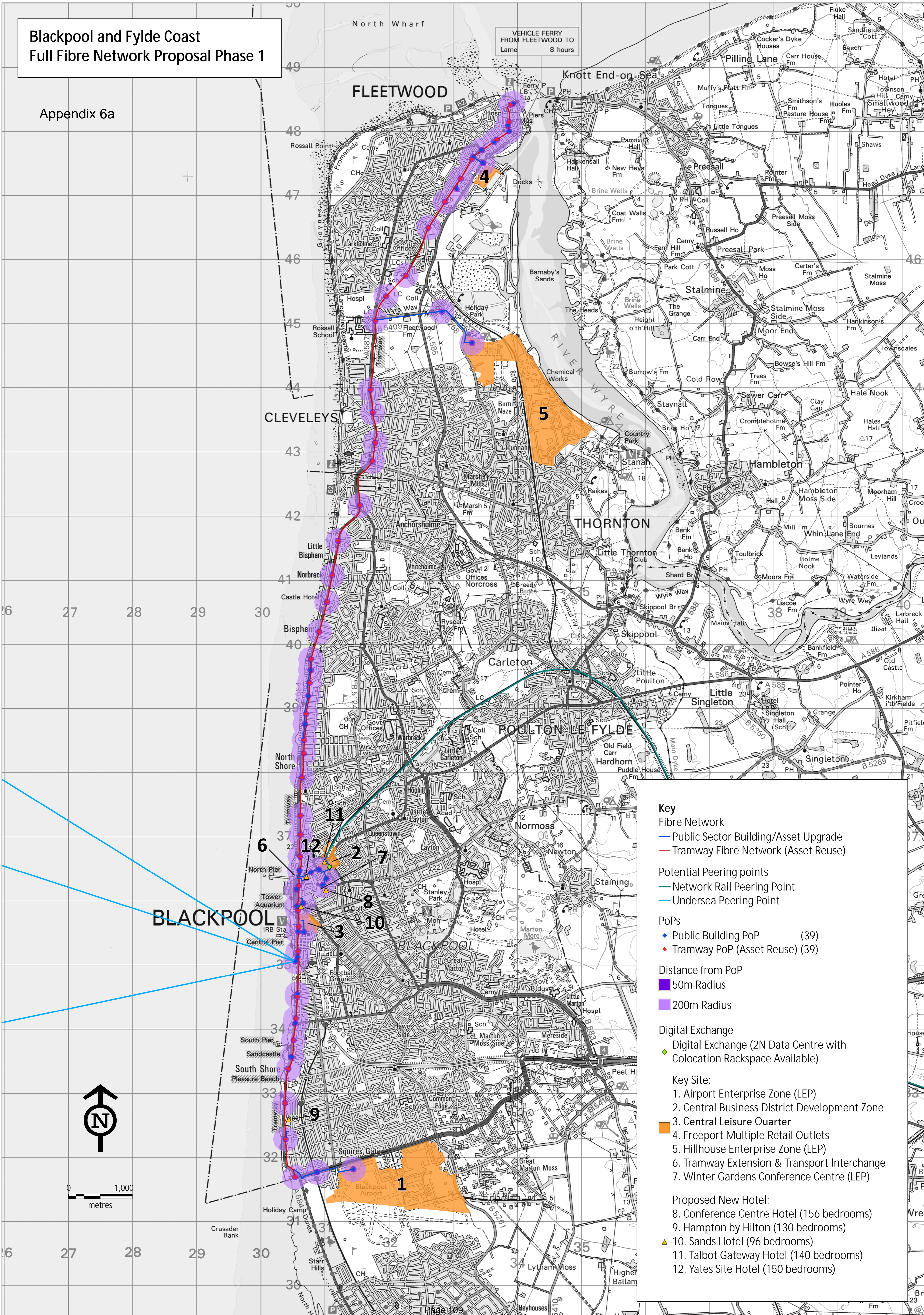
22.0 Notes:

22.1

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Blackpool and Fylde Coast Full Fibre Network Proposal Phase 1

Appendix 6a



VEHICLE FERRY FROM FLEETWOOD TO LARNE 8 hours

- Key**
- Fibre Network
 - Public Sector Building/Asset Upgrade
 - Tramway Fibre Network (Asset Reuse)
 - Potential Peering points
 - Network Rail Peering Point
 - Undersea Peering Point
 - PoPs
 - Public Building PoP (39)
 - Tramway PoP (Asset Reuse) (39)
 - Distance from PoP
 - 50m Radius
 - 200m Radius
 - Digital Exchange
 - Digital Exchange (2N Data Centre with Colocation Rackspace Available)
 - Key Site:
 - Airport Enterprise Zone (LEP)
 - Central Business District Development Zone
 - Central Leisure Quarter
 - Freeport Multiple Retail Outlets
 - Hillhouse Enterprise Zone (LEP)
 - Tramway Extension & Transport Interchange
 - Winter Gardens Conference Centre (LEP)
 - Proposed New Hotel:
 - Conference Centre Hotel (156 bedrooms)
 - Hampton by Hilton (130 bedrooms)
 - Sands Hotel (96 bedrooms)
 - Talbot Gateway Hotel (140 bedrooms)
 - Yates Site Hotel (150 bedrooms)

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Report to:	EXECUTIVE
Relevant Officer:	Andrew Foot, Head of Housing
Relevant Cabinet Member:	Councillor Mrs Christine Wright, Cabinet Member for Housing
Date of Meeting:	21 January 2019

DEVELOPMENT OF NEW COUNCIL HOMES AT TROUTBECK CRESCENT, MERESIDE

1.0 Purpose of the report:

- 1.1 To seek approval to proceed with a development of 75 new Council homes at Troutbeck Crescent, Mereside, following a decision on 21 May 2018 to demolish existing flats there for re-development.

2.0 Recommendation(s):

- 2.1 That the Council bids to Homes England for capital grant to help fund the construction of new Council homes for Affordable Rent at Troutbeck Crescent.
- 2.2 That the Council procures a building contractor to construct new Council homes at Troutbeck Crescent, and that subject to grant funding being made available and planning approval received, authority is given to the Head of Legal to enter into a design and build contract for a cost not exceeding the sum set out in Appendix 7b.
- 2.3 To grant delegated authority to the Head of Legal to authorise the relevant legal documents to progress the scheme including to the de-designation of the public open space on the site.

3.0 Reasons for recommendation(s):

- 3.1 To enable the development of new Council homes and to deliver on the principles of the previously agreed decision regarding the demolition and redevelopment of Troutbeck Crescent.
- 3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No
- 3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None.

4.0 Council Priority:

4.1 The relevant Council Priorities are both:

“The Economy: Maximising growth and opportunity across Blackpool”.

“Communities: Creating stronger communities and increasing resilience”.

5.0 Background Information

5.1 On 21 May 2018, Executive approved the demolition for re-development of 77 Council flats and 4 flats to be acquired from leaseholders at 19-29 Troutbeck Crescent, Mereside (Decision EX23/2018). The flats and bedsits had become increasingly unpopular, with high turnover and they had been difficult to let. This report updates on progress and seeks approval to proceed with a scheme to construct 75 new Council homes on the site.

5.2 Since approval was given by Executive in May 2018, good progress has been made in relocating 42 tenants of the existing flats to alternative Council properties. It is expected that all remaining tenants will move to new homes within the next two months. Agreement has also been reached to acquire the 4 leasehold interests. It is expected that the flats blocks will be entirely vacant by March 2019.

5.3 Planning permission for the demolition was granted in December 2018 and demolition will take place once the blocks are empty and following services disconnections and asbestos removal work.

5.4 Designs for a development of new Council homes on the site of the existing flats and on some land that is currently public open space on the east side of Troutbeck Crescent have now been worked up, as set out in Appendix 7a. The plans replace the existing 81 small flats and bedsits with a mix of 75 new Council homes in a predominantly 2 storey design. The development will be outwards facing, overlooking improved open space to form an attractive gateway to Blackpool from Preston New Road.

5.5 All of the homes will be Council homes managed by Blackpool Coastal Housing and rented at Affordable Rents that are 80% of market rents. The mix of new homes has been designed to meet the greatest needs for affordable homes in the area. Nearly two thirds of the new homes (47) will be 2 and 3 bedroom houses, along with 19 one

bedroom “coach house” flats over car ports and 9 dormer bungalows all 2 bedroom. All of the homes will have their own gardens or outside terraces. Over a third of homes will be easily adaptable for people with limited mobility, meeting Building Regulations accessibility standard M4(2).

- 5.6 Public consultation on the plans was carried out in November 2018 and early January 2019 and there was general support for the proposals. A planning application will be made immediately following approval of the development plans by Executive. Pre-application discussions have already taken place with planning officers and the designs reflect their comments.
- 5.7 A statutory process will also be followed to de-designate part of the public open space on the east side of Troutbeck Crescent to enable some of the new development there. The open space currently forms a buffer between Preston New Road and the existing flats but offers little public amenity; as part of the development proposals, the remaining open space will be re-landscaped with foot and cycle paths to improve public access and connect with the planned new neighbourhood at Whyndyke Farm.
- 5.8 Following approval of the scheme by Executive, it is proposed that a bid is made to Homes England for capital grant funding from the Affordable Housing Programme. Funding is currently available at a level that will cover around a quarter of the costs of new affordable housing development, and Government are committed to continuing to provide funding for new affordable housing schemes.
- 5.9 The planned use of grant funding from Homes England’s Affordable Homes Programme and the charging of Affordable Rents at 80% of market rents will enable this development of new Council homes to be financially viable over a 30 year period. The majority of the cost of the development that is not met from grant funding will be funded by borrowing through the Council’s Housing Revenue Account, with the costs of loan interest and repayment met from rents. In November 2018 longstanding restrictions on the total borrowing by Councils to fund new Council homes were lifted, so development at Troutbeck Crescent will not restrict the Council’s financial capacity to build more new Council homes elsewhere.
- 5.10 It is expected that subject to planning approval being received and grant funding being made available, a contract for the construction of the new homes will be let around May 2019 to enable a start on site with the new construction in summer 2019. Approval is sought to give delegated authority to the Head of Legal to approve the signing of a construction contract up to a value set out in Appendix 7b. This is the current budget estimate that enables the scheme to be financially viable. The costings would however undermine the Council’s position in continuing negotiations so the time of publication this document is not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

5.11 It is expected that the new development of 75 homes will be completed by summer 2021.

5.12 Does the information submitted include any exempt information? No

5.13 **List of Appendices:**

Appendix 7a - Plan of the proposed new development

Appendix 7b – Estimated construction costs of the new development

Appendix 7b is not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered on balance that the public interest would be not served by publishing information at this stage.

6.0 Legal considerations:

6.1 As set out in the Executive report of 21 May 2018 tenants and leaseholders were consulted on the re-development in accordance with legal requirements. The Council is paying statutory levels of compensation in the acquisition of all interests, including the termination of tenancies and acquisition of leasehold interests through voluntary agreement. All remaining tenants would be given statutory notice of tenancy termination if required, but it is hoped that all tenancies will be ended through mutual agreement and the granting of new tenancies on alternative properties. The completion of the acquisition of leasehold interests is expected to be achieved through voluntary agreement, so it should not be necessary to further advance a Compulsory Purchase Order.

6.2 Planning approval and a statutory de-allocation of existing Public Open Space on the east side of Troutbeck Crescent will be achieved prior to any commitment to a building contract to construct the new homes.

6.3 The procurement of a contractor to construct the new homes under a design and build contract will follow OJEU compliant procedures.

7.0 Human Resources considerations:

7.1 The re-development will be undertaken using existing staff resources. The scheme is being led by the Council's Housing team, with project management support from the development team at My Blackpool Home, quantity surveying and contract management from the Council's Estates team and procurement through the Council's Procurement team. Officers of Blackpool Coastal Housing have led the re-location of existing tenants, are involved in agreeing the design and specification, and will let the new Council homes. Negotiations with leaseholders have been conducted by the Council's Estates team and support at all stages will be provided by the

Council's Legal and Finance teams.

8.0 Equalities considerations:

- 8.1 The mix of new homes has been designed to provide the affordable homes that are in most demand in the area. The scheme replaces old Council flats with a similar number of new Council homes.
- 8.2 More than a third of new homes have been designed to be accessible to people with limited mobility and to be easily adaptable. This includes 9 new bungalows, to help meet the needs of people with physical disabilities as part of the new development. The new homes will be let using the Council's latest allocation policy which has been subject to an equalities impact assessment.

9.0 Financial considerations:

- 9.1 The total cost of the construction of the new homes is set out in Appendix 7b. It is expected that around a quarter of the cost will be made available to the Council by Homes England through the Affordable Housing Programme.
- 9.2 The new affordable homes will be let at Affordable Rents that are 80% of market rents, enabling the costs of the new homes to be met from estimated rental income over 30 years.
- 9.3 As the new homes pay for themselves within 30 years, there is a neutral impact on the Council's 30 year Housing Revenue Account (HRA) business plan. It is assumed that rents will rise in line with the Consumer Price Index (CPI). The level of outstanding debt in the Housing Revenue Account will remain at a low level compared with the value of the whole Council housing stock, and as there is no longer any cap set by Government on the total amount of debt in the Council's Housing Revenue Account, the borrowing will not affect the financial capacity to build further Council housing in other locations.

10.0 Risk management considerations:

- 10.1 There is a risk of not being able to complete the acquisition of all of the existing flats on the planned timescales. This will be minimised by the swift completion of the acquisition of outstanding legal interests and the serving of formal notice of seeking possession of remaining tenancies where required.
- 10.2 The risk of grant funding not being available from Homes England is minimal because of Government's commitment to funding new affordable homes, but a bid for funding will be made as soon as possible after approval of the scheme by Executive; the Council is experienced in meeting Homes England's funding and audit

requirements.

- 10.3 Pre-application discussions have taken place with Planning officers to confirm support for the principle of new homes on the site and minimise the risk of not getting planning approval for the scheme. Similarly, public support for the principle of the scheme shown through public consultation reduces the risk of failing to de-allocate the public open space element of the site.
- 10.4 There is always a risk of increased development costs, but this has been minimised by using a cautious estimate of construction costs in the financial appraisal, and through the proposed use of a design and build construction contract that limits the Council's risk to post-contract increases in cost. Extensive site investigations have been undertaken and these show that the site should not have any difficult ground conditions or services issues.
- 10.5 The scheme has been designed to be sustainable for the long term through the use of high quality design and materials and traditional forms of construction.

11.0 Ethical considerations:

- 11.1 While re-development is disruptive to neighbours, the Council and BCH will work with local residents to deliver the demolition and new development scheme as set out in this report with the least possible inconvenience.

12.0 Internal/ External Consultation undertaken:

- 12.1 Public consultation on the new development plans was undertaken on 1 November 2018 and on 9 January 2019.

13.0 Background papers:

- 13.1 None.

14.0 Key decision information:

- 14.1 Is this a key decision? Yes
- 14.2 If so, Forward Plan reference number: 33/2018
- 14.3 If a key decision, is the decision required in less than five days? No
- 14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 11 January 2019 Date approved:

17.0 Declarations of interest (if applicable):

17.1

18.0 Executive decision:

18.1

18.2 Date of Decision:

19.0 Reason(s) for decision:

19.1 Date Decision published:

20.0 Executive Members in attendance:

20.1

21.0 Call-in:

21.1

22.0 Notes:

22.1



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Report to:	EXECUTIVE
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Date of Meeting:	21 January 2019

FINANCIAL PERFORMANCE MONITORING AS AT MONTH 8 2018/2019

1.0 Purpose of the report:

1.1 The level of spending against the Council's Revenue and Capital budgets for the first 8 months to 30 November 2018.

2.0 Recommendation(s):

2.1 To note the report.

2.2 To continue to lobby Government (HM Treasury, Ministry of Housing, Communities and Local Government and the Department for Education in particular) along with local authority peers, the Local Government Association and the Association of Directors of Children's Services for more funding to cope with the mounting demand and new burdens presenting in Children's Services.

2.3 To require the respective directors and Director of Resources to continue to closely monitor and manage service financial and operational performances, specifically Children's Services, Strategic Leisure Assets and Parking Services.

3.0 Reasons for recommendation(s):

3.1 To ensure financial performance against the Council's Revenue and Capital Budget is kept under review by members.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None.

4.0 Council Priority:

4.1 The relevant Council Priority is:

“The economy: Maximising growth and opportunity across Blackpool”

5.0 Background Information

5.1 See reports and appendices circulated to members under separate cover.

5.2 Does the information submitted include any exempt information?

No

5.3 List of Appendices:

Report

Appendix 1 - Revenue Summary

Appendix 2 - Schedule of Service forecast overspendings

Appendix 3a - Chief Executive

Appendix 3b - Governance and Partnership Services

Appendices 3b/c - Ward Budgets

Appendix 3d - Resources

Appendix 3e – Communications and Regeneration

Appendix 3f - Strategic Leisure Assets

Appendix 3g - Community and Environmental Services

Appendix 3h - Adult Services

Appendix 3i - Children’s Services

Appendix 3j - Public Health

Appendix 3k - Budgets Outside the Cash Limit

Appendix 4 - Capital Monitoring

Appendix 5 - Cash Flow Summary

Appendix 6 - General Fund Balance Sheet Summary

All circulated to members under separate cover

6.0 Legal considerations:

6.1 None.

7.0 Human Resources considerations:

7.1 See reports and appendices circulated to members under separate cover.

8.0 Equalities considerations:

8.1 An Equalities Impact Assessment was produced as a part of the budget setting process and remains relevant.

9.0 Financial considerations:

9.1 See reports and appendices circulated to members under separate cover.

10.0 Risk management considerations:

10.1 Impact of financial performance on Council balances. Financial performance against approved Revenue and Capital budgets.

11.0 Ethical considerations:

11.1 None.

12.0 Internal/ External Consultation undertaken:

12.1 None.

13.0 Background papers:

13.1 None.

14.0 Key decision information:

14.1 Is this a key decision? No

14.2 If so, Forward Plan reference number:

14.3 If a key decision, is the decision required in less than five days? N/A

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process?

No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: N/A

Date approved: N/A

17.0 Declarations of interest (if applicable):

17.1

18.0 Executive decision:

18.1

18.2 Date of Decision:

19.0 Reason(s) for decision:

19.1 Date Decision published:

20.0 Executive Members present:

20.1

21.0 Call-in:

21.1

22.0 Notes:

22.1