

Blackpool Council

5 December 2014

To: Councillors Blackburn, Cain, Campbell, Collett, Cross, Jackson, Jones, Rowson, I Taylor and Wright

The above members are requested to attend the:

EXECUTIVE

Monday, 15 December 2014 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; 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 TAX REDUCTION SCHEME 2015/2016.** (Pages 1 - 24)
- 3 **CREATION OF A WHOLLY OWNED HOUSING REGENERATION COMPANY** (Pages 25 - 38)
- 4 **MARTON MERE HERITAGE LOTTERY PROJECT 2014-2017 AND ENVIRONMENTAL AGENCY FUNDED PUMPING STATION AND SPILLWAY WORKS** (Pages 39 - 44)
- 5 **RAIL NORTH LTD - BLACKPOOL COUNCIL MEMBERSHIP AND GOVERNANCE ARRANGEMENTS** (Pages 45 - 60)
- 6 **FINANCIAL PERFORMANCE MONITORING AS AT MONTH 7 2014/2015** (Pages 61 - 66)

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:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Date of Meeting:	15 th December 2014

COUNCIL TAX REDUCTION SCHEME 2015/2016.

1.0 Purpose of the report:

1.1 To seek approval for the proposals for the Council Tax Reduction Scheme 2015/2016.

2.0 Recommendation(s):

2.1 To recommend to the Council that the reduction applied to Working Age claimants remains at 27.11% for the 2015/16 Scheme and that the main elements and method of calculating awards previously agreed by Council on 22nd January 2014 will remain the same.

2.2 To recommend to the Council to continue to operate a Discretionary Discount Policy to be awarded in cases of exceptional hardship as set out at Appendix 2a.

3.0 Reasons for recommendation(s):

3.1 To ensure a Local Council Tax Reduction Scheme is approved by 31st January 2015 avoiding the financial risks associated with the Government imposed default scheme.

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, a Council Tax Reduction scheme must be approved by the Council in every year.

4.0 Council Priority:

4.1 The relevant Council Priority is:

“Safeguard and Protect the most vulnerable”

5.0 Background Information

5.1 The Welfare Reform Act 2012 abolished Council Tax Benefits (CTB); billing authorities were required to adopt a local Council Tax Reduction Scheme (CTRS) to take effect from 1st April 2013.

5.2 The Government grant for Council Tax Reduction Scheme is equal to less than 90% of the Government forecast funding levels had Council Tax Benefits continued. This was expected to leave a shortfall in funding of £3.22million based on estimates of demand and assumptions regarding the basis of calculation for the central Government grant. The level of Government support is fixed and the Council adopted a self-funding Scheme under which all working age claimants had to pay at least 27.11% of their Council Tax in 2013/2014. This remained the case in 2014/2015.

5.3 The Blackpool Scheme incorporates the national pensioner scheme decided by Government. This ensures that support continues at existing levels for pensioners. In Blackpool pensioners currently account for 38% of the caseload.

5.4 For working-age claims there is a means-tested assessment, predominantly based upon the former Council Tax Benefit rules, to establish entitlement. A percentage reduction is then applied at the end of the assessment.

5.5 The value of the percentage reduction must be established each year. The percentage is determined by reference to the level of Government grant, caseload, growth / reduction in caseload.

5.6 It is proposed that for 2015/2016 the value of the percentage reduction for working age claimants should remain at 27.11%.

5.7 Does the information submitted include any exempt information? No

5.8 List of Appendices:

Appendix 2a: Council Tax Reduction Scheme

6.0 Legal considerations:

6.1 A resolution by the full Council to adopt a Council Tax Reduction Scheme is required by 31st January 2015. The Scheme will take effect from 1st April 2015. The Council Tax and Business Rates Discretionary Discount Policy has been clarified and updated to reflect recent government legislation and is attached at Appendix 2a.

7.0 Human Resources considerations:

7.1 Existing staffing resources within the Council's Benefits service are used to administer the Council Tax Reduction Scheme; however, it is apparent that there has been a considerable increase in face-to-face and telephone contact, particularly when Council Tax bills are issued. The administrative and legal processes required to collect and recover substantial numbers of small amounts place an additional burden on available resource

8.0 Equalities considerations:

8.1 The Council carried out a detailed and robust Equality Analysis and in order to mitigate part of the impact of the Council Tax Reduction Scheme on some households, a discretionary hardship fund has been made available through the adoption of a Discretionary Discount Policy.

9.0 Financial considerations:

9.1 For 2015/2016 it is proposed that the percentage reduction made at the end of the assessment for working age claimants shall be 27.11%. A review of the Scheme must be carried out annually to ensure it remains fit for purpose taking account of ongoing changes in legislation, caseload and financial requirements. The Council will be required to approve the Scheme each year. The Welfare Reform Act 2012 provides for a major overhaul of the benefits system. The Council Tax Reduction Scheme was implemented ahead of the commencement of Universal Credit. The new scheme of Council Tax Reduction will run alongside Housing Benefit during the transition to Universal Credit. Housing Benefit administration will then gradually diminish until 2017. Wider changes to existing benefits during the next few years will mean customers on benefits will have less money available to pay their Council Tax liability. Whilst there is still an ambition to achieve full collection, this is likely to take longer.

10.0 Risk management considerations:

10.1 As part of the overall project management leading to the 2013/14 Scheme, a risk workshop identified a number of risks. Actions required to mitigate those risks have been identified and implemented where possible.

11.0 Ethical considerations:

11.1 Council Tax collection costs have risen as approximately 15,000 households in Blackpool have to pay more Council Tax compared to the position prior to the introduction of the Council Tax Reduction Scheme. Some previously received full Council Tax Benefits and therefore were not liable for any Council Tax. Collection rates fell by approximately 2.4% at the end of 2013/14 as a consequence of the Council trying to collect from low income households. Demand on both face-to-face and telephones within the Customer Contact Centre has increased and this adversely affects the waiting times for customers and overall response times.

12.0 Internal/ External Consultation undertaken:

12.1 Consultation has taken place with the major preceptors as required by Department for Communities and Local Government guidelines. Extensive public consultation was undertaken during 2012 to develop the 2013/2014 Blackpool Scheme. The overall response concluded that, whilst most people did not agree with the changes, the options proposed by the Council were, in the main, supported. It is not proposed to carry out further consultation in relation to the 2015/2016 Scheme because the main elements and method of calculating awards will remain the same.

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: 19/2014

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

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: 5th December 2014 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 in attendance:

20.1

21.0 Call-in:

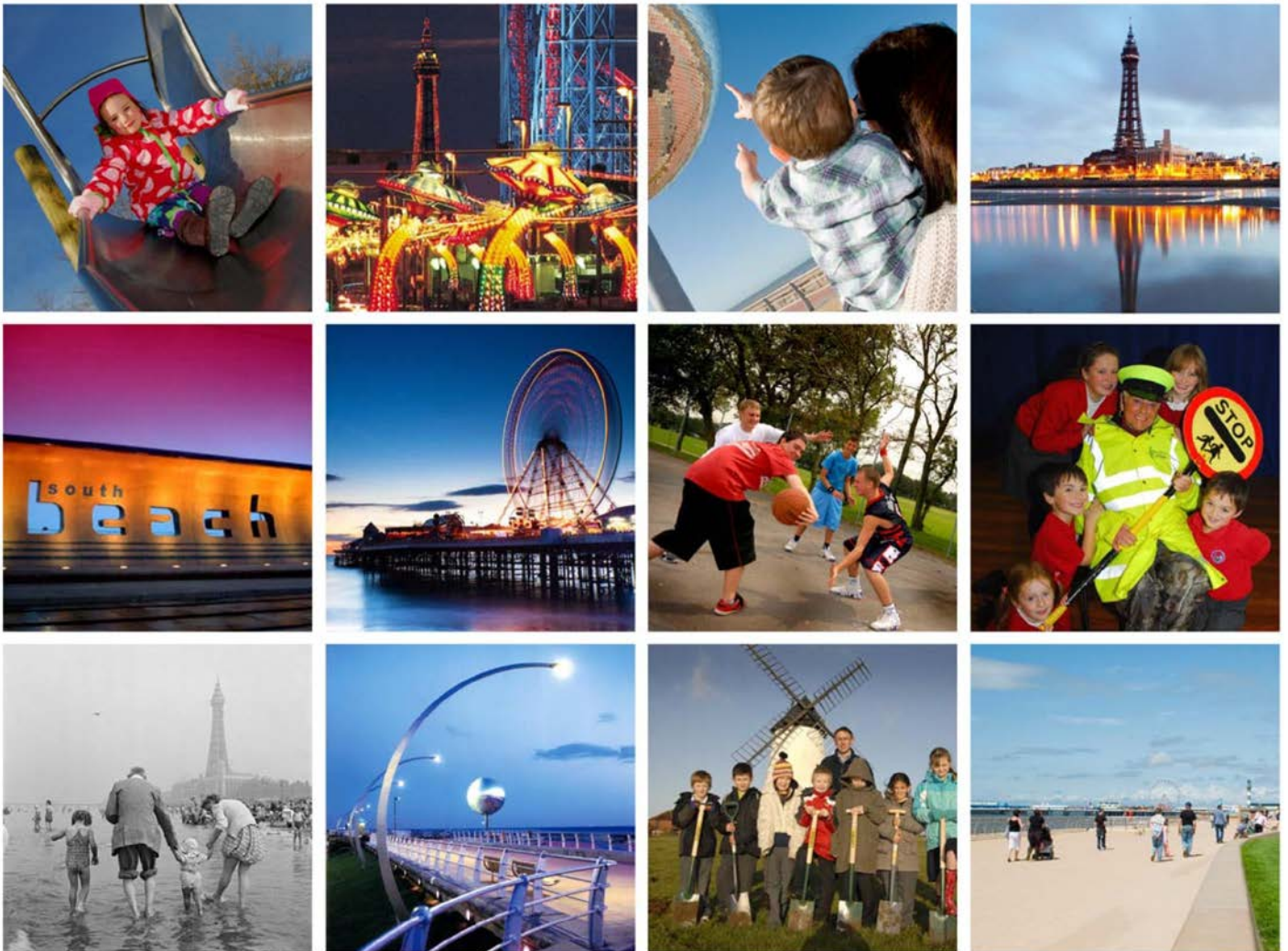
21.1

22.0 Notes:

22.1

Council Tax and Business Rates Discretionary Discount Policy

BlackpoolCouncil



Council Tax and Business Rates Discretionary Discount Policy

Contents

1. Introduction	04
2. Policy Objectives and Action Plan	05
3. Discretionary Discounts –Customers already in receipt of local Council Tax Reduction	08
4. Discretionary Discounts – Customers not in receipt of local Council Tax Reduction	10
5. Discretionary Discounts - Business Rates	12
6. Business Rates Retail Relief	13
7. Business Rates New Build Relief	16
8. Temporary Reoccupation Relief	17

Council Tax and Business Rates Discretionary Discount Policy

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Date	Version	Amended by	Description of changes
19/02/2014	1.1	Graeme Ruse	Business Rates Reliefs added - Retail Relief pages 13-15, New Build Relief page 16, Temporary Reoccupation Relief page 17.
08/10/2014	1.2	Andrew Turpin	Annual refresh

Approved By:

Name	Title	Signature	Date
Marie McRoberts	Assistant Treasurer		08/10/2014

Council Tax and Business Rates Discretionary Discount Policy

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 ensuring 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 Support 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
- Assisting customers in accordance with the Council's Child Poverty Strategy

Council Tax and Business Rates Discretionary Discount Policy

2. Policy Objectives and Action Plan

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

- Issue regular bulletins to staff reminding them of the policy and qualifying criteria
- Regular refresher training for assessment staff to promote proactive identification of potential cases
- Provide effective overview training to non-benefits staff on the policy and qualifying criteria to promote take-up and awareness in appropriate circumstances.
- Promote access to the scheme through:
 - Leaflets and posters in areas accessed by customers.
 - 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 third sector advice agencies are aware of the policy and qualifying criteria.
- Promoting awareness to Members
- Identifying target client groups who will be unlikely to be able increase their income. This may include :
 - Council Tax Reduction recipients in receipt of Employment Support Allowance (Support Component) and Long Term Incapacity Benefit
 - Council Tax Reduction recipients, in receipt of Carer's Premium, who are full time carers
 - Council Tax Reduction recipients with disabled children
 - Council Tax Reduction recipients with children under 5
 - Council Tax Reduction recipients who are starting employment
 - Council Tax Reduction recipients who do not have English as a first language
 - Council Tax Reduction recipients with learning difficulties
- Identify target groups from records held by other Council Services:
 - Social and Private Sector Housing Tenants with significant arrears who may qualify for a Discretionary Housing Payment (DHP).
 - Council Tax payers who have been issued with a summons.
 - Customers who are eligible for but have not claimed a disabled parking badge.

Council Tax and Business Rates Discretionary Discount Policy

- People requiring assistance from the Emergency Planning response team.
- 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 and outcomes of applications in order to review qualifying criteria and improve targeting procedures and processes.
- Provide guidance for Decision Makers which is regularly reviewed and updated.
- Implement a quality monitoring regime 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.

Council Tax and Business Rates Discretionary Discount Policy

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

- Monitoring of fund spending:
 - Monthly reporting of expenditure to be provided to Divisional Management Team meetings.
 - Quarterly reporting to the Director of Resources.
 - Analysis of applications received and outcomes in order to review policy, methodology and improve targeting.
- Conduct a regular review of income and expenditure forms used.
- Conduct a regular review of the policy, criteria and guidance for decision makers.
- Review the outcome of requests for reconsideration to improve guidance and methodology.
- Conduct an annual review and analysis of applications received to identify and learn from:
 - Reasons for the award
 - Reasons for the refusal of an award
 - Origin of the application
- Invite and action feedback on processes and procedures from partners and stakeholders.

Council Tax and Business Rates Discretionary Discount Policy

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. The Discretionary Discount Policy will prioritise these customers.

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.

Council Tax and Business Rates Discretionary Discount Policy

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 Assistant Treasurer 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.

Council Tax and Business Rates Discretionary Discount Policy

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.

The Decision Maker (Revenues Team Manager) will liaise with the applicant in each case to request sufficient information in order that a decision can be made.

Decision making process

Stage 1: The initial request will be dealt with by a Decision Maker (Revenues 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 Revenues 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 Assistant Treasurer will consider the application for review and the recommendation and determine whether to award a discretionary discount.

Council Tax and Business Rates Discretionary Discount Policy

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.

Council Tax and Business Rates Discretionary Discount Policy

5. Discretionary Discounts - Business Rates

Requests for reductions in Business Rates will be required in writing from the ratepayer 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:

- It must be in the interest of the Council and community for the local authority to grant a reduction.
- 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.

A Revenues Team Manager will liaise with the applicant in each case to request sufficient information in order that a decision can be made.

Decision making process

Stage 1: The Decision Maker (Principal Income and Recovery Manager or Revenues and Benefits Service Manager) 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 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.

Council Tax and Business Rates Discretionary Discount Policy

6. Business Rates Retail Relief

Eligible retail properties description

Relief of up to £1,000 may be provided to occupied retail properties, with a rateable value of £50,000 or less, in each of the financial years 2014/15 and 2015/16 subject to local discretion.

To qualify for the relief the retail property should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, retail properties which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

The Council will consider each award based on individual merits and will refuse the award where it is considered that the business/retail property is not supporting the Council's wider objectives or it is determined to be having a detrimental impact on neighbourhoods or communities.

Relief will only be allowed where the award complies with European Union State Aid law.

The Council reserves the right to withdraw any award where it becomes evident that the property is not being used for a qualifying purpose.

For the purposes of this relief the Council considers shops, restaurants, cafes and drinking establishments to mean:

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

Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets, etc.)

Charity shops

Opticians

Post offices

Furnishing shops/ display rooms (such as: carpet shops, double glazing)

Car/ caravan show rooms

Second hand car lots

Markets

Petrol stations

Garden centres

Art galleries (where art is for sale/hire)

Council Tax and Business Rates Discretionary Discount Policy

Retail properties 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
DVD/ video rentals
Tool hire
Car hire

Retail properties 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

Ineligible retail properties descriptions

The list below sets out the types of uses that the Council does not consider to be retail use for the purpose of this relief.

(A) Retail properties 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, bureau 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 office

(B) Retail properties that are not reasonably accessible to visiting members of the public

(C) Retail properties that do not support the Council's wider objectives or could have a detrimental impact on neighbourhoods and communities

Council Tax and Business Rates Discretionary Discount Policy

Responsible officer

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

Decision making process

Stage 1: The initial request will be dealt with by a 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: The Revenues and Benefits Service Manager/Principal Income and Recovery 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. The process will be as follows:

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

Stage 2: The Assistant Treasurer Revenues, Benefits and Customer First will consider the application for review and the recommendation and determine whether to award discretionary retail relief.

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.

Council Tax and Business Rates Discretionary Discount Policy

7. Business Rates New Build Empty Property Relief

All newly built commercial property completed between 1 October 2013 and 30 September 2016 are exempt from empty property rates for the first 18 months, up to the state aids limits. Guidance from DCLG will be considered in relation to properties that have been subject to splits, mergers or other changes.

Responsible officer

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

Decision making process

Stage 1: The initial request will be dealt with by a 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: The Revenues and Benefits Service Manager/Principal Income and Recovery 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. The process will be as follows:

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

Stage 2: The Assistant Treasurer Revenues, Benefits and Customer First will consider the application for review and the recommendation and determine whether to award new build occupation relief.

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.

Council Tax and Business Rates Discretionary Discount Policy

8. Temporary Reoccupation Relief

New occupants of previously empty retail premises will receive 50% discount from business rates. The discount will last for 18 months. The relief will be available to businesses moving in to properties between 1 April 2014 and 31 March 2016.

There are no restrictions based on the type, or the size, of the business which takes the property on – i.e. it is not required to be a retail business. Guidance from DCLG will be considered in relation to properties that have been subject to splits, mergers or other changes.

Responsible officer

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

Decision making process

Stage 1: The initial request will be dealt with by a 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: The Revenues and Benefits Service Manager/Principal Income and Recovery 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. The process will be as follows:

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

Stage 2: The Assistant Treasurer Revenues, Benefits and Customer First will consider the application for review and the recommendation and determine whether to award temporary reoccupation relief.

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.

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Report to:	Executive
Relevant Officer:	Alan Cavill, Director of Place
Relevant Cabinet Member:	Councillor Gillian Campbell, Cabinet Member for Housing, Public Safety and Enforcement
Date of Meeting:	15 th December 2014

CREATION OF A WHOLLY OWNED HOUSING REGENERATION COMPANY

1.0 Purpose of the report:

- 1.1 To consider the establishment of a wholly Council owned housing regeneration company to lead housing market change within Blackpool and source investment to facilitate local housing market change.

2.0 Recommendation(s):

To recommend Council as follows:

- 2.1 To agree the business case as set out in this report and to recommend the Council to authorise the Chief Executive, following consultation with the Director of Governance and Regulatory Services to take the necessary steps to form a wholly owned company of the Council, including:
- To incorporate the company under the Companies Act 2006, as a private company limited by shares.
 - To appoint Directors to serve on the Board of the company and constitute a Shareholder's Panel, in line with the Council's Governance Code of Practice.
 - To identify the need and then carry out any staff transfers as appropriate.
 - To prepare articles of association for the company setting out its objectives and governance arrangements.
- 2.2 That the Director of Place be authorised, following consultation with the Director of Resources, to develop financial options to support the furtherance of the company's objectives and to report back to the Executive in due course.

3.0 Reasons for recommendation(s):

3.1 Housing market failure within Blackpool is considered to have significantly adverse impacts on the health and wellbeing of residents and on the overall economic vitality of the town. The establishment of a wholly owned housing company will enable a more pro-active approach to be taken to help secure a stronger housing market that meets Blackpool residents housing needs.

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:

Not to proceed with the proposed company

4.0 Council Priority:

4.1 The relevant Council Priorities are:

- Improve health and well-being especially for the most disadvantaged
- Attract sustainable investment and create quality jobs
- Improve housing standards and the environment we live in by using housing investment to create stable communities
- Create safer communities and reduce crime and anti-social behaviour

5.0 Background Information

5.1 Context

The private rented sector has an increasingly important role in meeting Blackpool's housing needs. It is growing rapidly and there are many examples of good quality and well maintained properties providing safe, warm and secure homes for many people. Blackpool's coastal legacy however has led to a substantial concentration of small poor quality rental units as guesthouses have been converted into flats and Houses in Multiple Occupations. Most accommodation seeks to meet the most basic standards to comply with the Housing Act 2004 requirements, but is not desirable accommodation. These properties offer a low standard of accommodation and are often poorly managed. The result is that it is a housing choice of last resort for people with few housing options available to them.

5.2 The proportion of homes in owner occupation in Blackpool dropped from 71% of all homes in 2001 to 62% of all homes in 2011, compared with an England average of 64%. This has been a dramatic shift in tenure whilst the proportion of social rented

has remained at just under 11%, compared with a national average of 18%. The proportion of homes in the private rented sector however jumped from 18% in 2001 to over 26% in 2011, compared with an England average of 17%, a rise of nearly 5,500 homes.

- 5.3 Over 80% of homes in the private rented sector are rented to people receiving Housing Benefit, compared with around 30% nationally. There is a concentration of private renting in Blackpool's inner wards – 50% of all households in the defined inner area live in a privately rented home, equivalent to 6,887 households.
- 5.4 The dominance of poor quality private rented accommodation in inner neighbourhoods is the overriding cause of high levels of transience in these areas. Poor quality housing is generally only accessed by households who are unable to access better housing choices, and there is continuing demand from people attracted to the town from deprived urban areas in other parts of the UK. This means that many people moving into the area have no real association with the community and are likely to quickly move on again. Analysis of new Housing Benefit claimants has shown that 85% of new claimants come from outside the borough – around 4,500 households each year – and that 70% of these move into rented accommodation in the inner wards.
- 5.5 This transient dynamic leads to intense concentrations of deprivation and an environment that fosters poor health and a lack of opportunity for residents. Low life expectancy and mental health problems in these areas are amongst the worst in the country. The poor environment and endemic social problems in the inner town have a serious negative effect on tourism, which continues to be the town's major economic sector. Investment is reduced and skilled individuals who could drive investment in the local economy live elsewhere.
- 5.6 This leads to the Council and other public services having to commit significant resources in responding to social care, health and educational needs and to ensure properties meet basic minimum standards. In spite of this little progress is being made to stem the high levels of social deprivation and poor housing conditions in large parts of the town's inner areas.
- 5.7 There are continuing financial incentives for property owners to use former guest houses as rented accommodation let to people on Housing Benefit because of continuing long term decline in demand for traditional guest house accommodation from holiday makers and the high yields associated with letting rented property to Housing Benefit claimants in Blackpool. The initial returns are greatest for small flats and where investment in the quality of accommodation is minimised
- 5.8 A recent HSBC market analysis showed Blackpool's private rented market to have the highest yields in the UK when average property prices are compared to average rents and yields can be very much higher still for Houses in Multiple Occupation accommodation

- 5.9 Not only does this economic model deliver unstable communities constantly seeing a change of population it also exerts a massive strain on public services as new residents drawn to the ready supply of accessible accommodation bring with them a range of embedded and enduring problems that get referred to public services already under strain.
- 5.10 Intervening in the housing market to change the current dynamic is essential if the efforts of public services to improve the life chances of residents and to transform our deprived inner areas into thriving neighbourhoods are to be successful. This has been recognised by Central Government through the Growth Deal announcement in July of this year. The Council has been offered financial assistance to intervene directly in the housing market. The details of this offer have however yet to be determined and Treasury approval will be required before this offer can be taken up.
- 5.11 What is the Council already doing?
- 5.12 The Council, through concerted effort has gained a good understanding of how the Fylde Coast housing market works and has been able to bring to bear some measures that are starting to make a difference; albeit slowly. A key element of the Council's housing strategy is to reduce the supply of poor quality rented stock and to increase supply of higher quality homes for rent and for sale. This strategy has led to:
- 5.13 Selective and additional licensing: Following its introduction in South Beach the Council is now able to compel landlords to comply with basic standards, reasonable management practices and ensure landlords pass a fit and proper person test. The scheme is now being rolled out to the Claremont area and will progressively be used across the inner wards. This programme will help us establish a baseline minimum standard and will provide an incentive for landlords to improve.
- 5.14 Robust enforcement: allied to the selective licensing the Council's Public Protection teams aim to take a robust and proactive approach to housing and planning enforcement and work with partner agencies to target the worst offenders. Blackpool's teams are among the most productive and effective in the country but like all local government services find themselves under increasing financial constraints.
- 5.15 The Transience Programme has been established to identify and address unmet social care and health needs within the town's inner areas. Working alongside housing teams, skilled support workers are assessing housing needs within poor quality private rented accommodation. Low level preventative support is offered to prevent needs escalating to the point where statutory services are required and referrals are made to wider support services where required. The programme is working also making links with local community networks in order to increase community resilience. The Council has recently been invited by Government to make a bid for additional revenue funding to roll out this programme across the rest of inner Blackpool over the next 3 years.

- 5.16 Support services are being redesigned to deliver more effectively into deprived communities. In particular to work in a way that focuses on prevention rather than cure and to ensure services are more accessible. The work of the pilot in South Beach has shown that communities can be stabilised and change can be delivered for individuals but again the ability of public services in the current climate to scale up this activity is limited by lack of finance.
- 5.17 New planning policies have been established requiring higher standards for new conversion of guest house accommodation to residential use, which has been successful in helping to drive up the standards of new conversions.
- 5.18 Providing financial assistance to property owners to encourage high quality residential conversions, including grant assistance targeted in particular streets such as Crystal Road, and the Clusters of Empty Homes programme which is bringing 100 new homes into use from empty buildings in the inner area.
- 5.19 Provision of new homes: Blackpool has recognised the need to provide new affordable accommodation that raises the standard for residents and provides an alternative to the poor quality rented sector. The pump priming of the Rigby/Tyldesley Road development has required the Council to invest with the private sector in a 400 home development on the edge of the town centre at a time when councils across the UK have had to scale down capital programmes. The creative use of the Council's own public sector stock has also led to the demolition of poor quality tower blocks that were adding to the problem replacing them with new affordable family homes for rent and sale.
- 5.20 What more needs to be done to support housing market change?
- 5.21 Despite the steps the Council has taken and the multi-faceted approach it has to changing the housing market; the inner core of Blackpool still has 3,000 Houses in Multiple Occupation and a ready supply of struggling guest houses for which the next most economically viable step is to enter the private rented sector at the lowest end of the market.
- 5.22 To secure sustainable change the nature of the housing market within the town's inner areas must fundamentally change. The housing supply must be diversified; the current supply of poor quality privately rented accommodation must be reduced and a broader range of decent housing choices are required. At the same time the core social problems within the town's inner neighbourhoods need to be addressed and broad place-making programmes are required to develop inner areas that are safe and desirable places to live. An environment is needed that encourages people to stay and settle supporting the creation of strong and vibrant communities.

- 5.23 What is the proposed approach?
- 5.24 The recently announced Growth Deal for Lancashire included a section on Blackpool. Within this section provision was made for Blackpool Council to develop a proposal for housing market intervention and possibly attract funding to assist. In order to do this the Council must create a company along with an appropriate and deliverable business case that satisfies analysis by the Treasury. This will only be achieved through a comprehensive set of interventions including and initiatives including working with existing Landlords to improve stock, developing new higher quality housing and intervening in market that is providing poor quality accommodation. Whilst the Council can continue to pursue the first two of these without the establishment of a company that can operate outside of the direct constraints of the Local Authority and its provision of "Council" housing the Council will not be able to move this forward; hence the reason for the recommendation to set up a Special Purpose Vehicle - a Housing Company.
- 5.25 With regard to the Special Purpose Vehicle delivery option, the main advantages are:
- 5.26 The Council's legal powers to establish the Company to acquire and let properties are clear under the provisions of the Localism Act 2011.
- 5.27 The Council would retain a long term stake in the properties through the Special Purpose Vehicle, which would not be the case if the properties were let by a Registered Provider; this goes to the heart of the Council's desire to create sustainable communities.
- 5.28 The properties let by the Special Purpose Vehicle would create a long term cash revenue stream for the Council, probably by way of regular dividend payments by the Special Purpose Vehicle and by making reasonable surpluses on loan charges, supplies and services.
- 5.29 The properties (or the shares in the Special Purpose Vehicle) are a potentially tradable asset – not only could individual dwellings be sold on a case-by-case basis but also the Special Purpose Vehicle itself could be sold to an investment company or an institutional investor at some later stage.
- 5.30 It is significantly easier and more tax efficient to dispose of the Special Purpose Vehicle as a single entity than it is to dispose of individual dwellings and exit strategies for the Council are significantly simplified in the use of an Special Purpose Vehicle .
- 5.31 It is therefore proposed that the Council develops a Special Purpose Vehicle (SPV) to acquire and remodel properties and then rent dwellings at market rents.
- 5.32 An Special Purpose Vehicle could be set up as;
- A company limited by shares,
 - A company limited by guarantee, or

- Possibly as a limited liability partnership (LLP).

- 5.33 A company limited by guarantee is a company where the general members do not hold shares, but instead each member undertakes to pay a nominal figure (usually £1) in the event of the company becoming insolvent. If the Special Purpose Vehicle is to be a wholly-owned subsidiary, the Council would initially be the sole member; but a company limited by guarantee can have many members and different categories of members with different voting rights. Changing from a single member company to one with many members is also simple.
- 5.34 A Limited Liability Partnership has to be set up with a view to profit. The principal advantage of using a Limited Liability Partnership over a limited company is the way in which it is treated from a tax perspective. The Limited Liability Partnership is treated for tax purposes as a traditional partnership, and members are also treated as traditional partners. Therefore, unlike a limited company, it is tax transparent and any trade, profession or business carried on by a Limited Liability Partnership with a view to profit will be treated as if the Limited Liability Partnership was a conventional partnership. Since the tax status of the partners determines how much tax is paid, the Council's share of any profits should be corporation tax free. A Limited Liability Partnership requires a minimum of 2 partners so the Council could not have a 100% interest. It should be noted that the Council cannot set up the Special Purpose Vehicle as an Limited Liability Partnership solely for the reason of tax efficiency; there must also be a commercial reason for using an Limited Liability Partnership. Furthermore, since the introduction of the Localism Act 2011 Council's powers to participate in a Limited Liability Partnership are far from clear. This option has therefore been discounted from further consideration.
- 5.35 A company limited by shares is the type of company with which most people are familiar. Existing Council companies such as the Blackpool Entertainment Company, Blackpool Transport Services and Blackpool Operating Company are all companies limited by shares. The corporate structure is tried and tested and is underpinned by an established body of law and practice. In terms of overall ownership and also financial and tax planning, the structure of a limited company provides considerable flexibility through the creation of different types of share and loan capital. It is also simple to admit equity shareholders if the Council wishes to make the Special Purpose Vehicle a joint venture vehicle in the future, possibly to introduce a RP partner or perhaps with the aim of taking the Special Purpose Vehicle off the Council's balance sheet.
- 5.36 In conclusion it is recommended the most appropriate vehicle is to establish a wholly owned local authority company limited by shares of which the Council has 100% ownership. This has the advantage of allowing the Council to retain full control of the company and its strategic direction.

5.37 It is proposed that the company;

- Develops a stake in the private rented market in Blackpool and increases the supply of good quality housing with the view to becoming a private sector landlord of choice.
- Operates in a commercial way to produce a revenue return that requires little or no Council subsidy over time and is ultimately economically attractive to private sector institutional investors.
- Provides supportive management of tenants to ensure they can maintain a tenancy and reduce their need for public sector support over time.
- Secures increased and higher quality private sector investment to accelerate the diversification of the towns housing supply.
- Enables the delivery of future public and private sector housing development programmes such as Queens Park and Foxhall Village.
- Provides a delivery solution for dealing with empty properties.
- Creates social value through creating and encouraging, apprenticeships, training and local employment opportunities through all development initiatives.

5.38 Longer term goals are to;

- To support a genuine housing market within inner Blackpool whereby a broader range of quality housing choices are available and the areas are no longer reliant on Housing Benefit.
- To work with the Council and other agencies to reduce transience, create stable resilient communities with improved environmental quality.
- Reduce public sector costs of managing social need.
- Be the landlord of choice across Blackpool for tenants seeking to access market rented property but with a clear focus on the inner areas.
- Create an influential supply of quality desirable homes within inner Blackpool.
- Initiate competition within the private rented market whereby other private landlords need to improve the quality of their offer in order to secure tenants.
- Increase capacity and skills in local building firms and increase employment and training opportunities for local residents.

- Increase the capital value of acquired stock over time through good maintenance and the regenerative impact of improved housing

5.39 Company Structures and Governance

If the recommendations are agreed, then Articles of Association for the proposed company will be drawn up in accordance with Blackpool Council policy, as will a memorandum of agreement between Blackpool Council and the company. These articles and working arrangements will be in line with the principles of those approved by the Executive in October 2012 (EX35/2012) when it adopted the Governance Code of Practice for other Council owned companies. These would be subject in due course to a separate officer decision.

It is proposed that the company will initially test and validate this model and then engage with private and public sector funding bodies to seek funding opportunities. Council officers will continue negotiations with Treasury in respect of funding offered to Blackpool as part of the wider Lancashire LEP Growth Deal

5.40 Does the information submitted include any exempt information? No

5.41 List of Appendices:

None

6.0 Legal Considerations:

6.1 The Council may use its General Power of Competence under Section 1 of the 2011 Act to acquire housing for rent in the General Fund, either directly or through an SPV. Although there is a requirement under section 4(2) of the 2011 Act that if the exercise of the Section 1 power is for a "commercial purpose" then the Council must use a company to do so.

6.2 On the face of it the acquisition of House in Multiple Occupation and continuing to let that housing at market rents however would be pursuing a "commercial purpose". Whilst there is no legal authority yet on what a "commercial purpose" is taken by the Court to mean it is likely that acquisitions would be deemed to be for a "commercial purpose" in which case the Council would need to acquire these properties through a special purpose company.

6.3 Consideration has been given to the most appropriate form of special purpose company for the Council to pursue. An analysis of the options has been set out in the report and it is recommended the most appropriate vehicle is to establish a wholly

owned local authority company limited by shares of which the Council has 100% ownership. This has the advantage of allowing the Council to retain full control of the company and its strategic direction.

- 6.4 The Council has clear powers under sections 24 and 25 of the Local Government Act 1988 to provide financial assistance (which includes the making of a loan) to the Housing Company.

7.0 Human Resources Considerations:

- 7.1 It is recommended that the transfer of any staff to the Company be considered and determined by the Chief Executive through normal procedures.

- 7.2 Consultation will take place with Trade Unions and any affected employees

8.0 Equalities considerations:

- 8.1 The Council has a wide ranging statutory responsibility under section 149 of the Equality Act 2010, known as the “Public Sector Duty” to have “due regard” in decision making to the need to :

Eliminate discrimination, harassment, victimisation and other prohibited conduct

Advance equality of opportunity

Foster good relations between different (defined) groups

- 8.2 The recommendations in the report have been examined to understand the scope of possible impacts on people because of the protected characteristics of:

Age

Disability

Gender Reassignment

Race

Religion or belief

Sex

Sexual Orientation

Pregnancy and Maternity

- 8.3 The creation of a wholly owned Company to deliver Housing regeneration as set out in the report would not, in itself, have an adverse impact on these equality characteristics. Both positive and negative impacts would be possible, dependent on the approach the company takes to these policy issues once established.

- 8.4 It can also be concluded at this stage, that the development of better quality housing in the town does have potential to positively impact on equality of

opportunity and community cohesion through the creation of more stable communities in the inner wards.

- 8.5 It will be important to secure the ongoing commitment of the company to the Council's equality ethos and to continue to deliver the specific "due regard" requirement under the Equality Act.
- 8.6 To guarantee this, it is recommended specific clauses are included in the company's articles of association. These could cover both the requirement to have due regard in decision making , advance – where appropriate the Council's Equality Objectives and take account of equality issues in the composition of the Board.
- 8.7 Since the Council is not able to delegate its ultimate responsibility for the Public Equality duty, the client oversight functions will need to take reasonable steps to ensure this approach is implemented.

9.0 **Ethical considerations**

- 9.1 The Council is developing an ethical policy to systematically approach ethical issues as it develops policies and during operational decision making processes. This is based on the Council's conviction all human beings have inherent needs, (which clearly include housing) and that local government has a moral obligation to pursue policies around fairness and social justice.
- 9.2 It is likely that the framework will aim to ensure the Council's policies and day to day decision-making are built on ethically sound principles, promote social justice and are focused on our core priorities .It is therefore appropriate that these concerns are built into the constituting articles of the new company.

10.0 **Financial considerations:**

- 10.1 As outlined in the recommendations, the Director of Place will after consultation with the Director of Resources, develop the financial options available to support the furtherance of the objectives set out above and report back to a future Executive meeting.
- 10.2 As the company will be wholly owned by the Council and will provide the substantial part of its services to the Council, the Council can benefit from the Teckal Exemption, which enables the Council to procure the services of the local authority controlled company directly without the need for carrying out a procurement process. If the company is to have any private ownership/interest in the future, the Council will be required to carry out a procurement exercise in accordance with the Contract Procedure Rules depending on the role of the private partner and the purposes of the joint venture.

11.0 Risk management considerations:

11.1 Housing needs change and the demand for properties of this nature change.

To a degree this is what the Council is seeking to achieve, however the proposal is to develop a portfolio of higher quality stock which will be much more resilient to market change than property of a lesser quality. Further mitigation is however possible by broadening the target occupier group, as well as the option to sell property if required.

11.2 Redevelopment costs consistently exceed anticipated costs.

Robust financial monitoring and contract management systems will be established and monitored by the company board and company senior management team. Acquisitions will start slowly to ensure cost assumptions are deliverable before large numbers of properties are acquired. Major cost variations in refurbishment projects tend to become apparent during the early stripping out phases of construction will be able opportunities to reduce costs elsewhere through scope of works if absolutely necessary to avoid significant cost over runs.

11.3 Anticipated rental returns are not achieved.

Rent targets are based on Local Housing Allowance rates so are more likely to be affordable by tenants claiming benefits. Clients referred by Housing Options will in most cases be entitled to have their rent paid direct to the housing company reducing the risk of arrears. The housing provided will also be higher quality than many other choices available meaning that the company is more able to attract tenants who are able to pay and less likely to fall into arrears. A robust rental income monitoring system will be established by the company to identify and respond to instances of rent arrears early in order to avoid escalation. Risk assessments will also be made of potential tenants before granting a tenancy to reduce risk of anti-social behaviour, arrears and damage.

The company is expected to establish a market position of being a landlord of choice amongst tenants. This will enable lists of potential tenants to be developed to minimise void periods.

11.4 Repair costs are higher than expected

Property will mostly be subjected to extensive refurbishment. This will ensure that the stock is at a good condition and future repair costs are minimized. A proactive programme of routine maintenance and future major repairs has been allowed for within the business model.

12.0 Internal/ External Consultation undertaken:

12.1 Consultation has been undertaken internally within the Council, including, finance, legal and Human Resources advice. Expert legal advice has also been sought from Trowers Hamilns.

12.2 At the time of writing the report, arrangements have been made to consult with unions and staff who may be TUPE'd by these proposals..

13.0 Background papers:

13.1 Health and Wellbeing Board – Market Rental Report

14.0 Key decision information:

14.1 Is this a key decision? Yes

14.2 If so, Forward Plan reference number: 18/2014

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: 5th December 2014 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:

19.0 Date Decision published:

20.0 Executive Members in attendance:

20.1

21.0 Call-in:

21.1

22.0 Notes:

22.1

Report to:	Executive
Relevant Officer:	John Blackledge, Director of Community and Environmental Services
Relevant Cabinet Member:	Councillor Fred Jackson, Cabinet Member for Urban Regeneration
Date of Meeting:	15 th December 2014

MARTON MERE HERITAGE LOTTERY PROJECT 2014-2017 AND ENVIRONMENTAL AGENCY FUNDED PUMPING STATION AND SPILLWAY WORKS

1.0 Purpose of the report:

- 1.1 To seek approval for the commencement of £739,000 of works to Marton Mere Nature Reserve, which includes a Heritage Lottery funded project of £366,000 and Environmental Agency funding of £373,000 to invest in the pumping station and spillway.

2.0 Recommendation(s):

- 2.1 To agree to the commencement of the Marton Mere Heritage Lottery Project and Environment Agency funded Pumping Station and Spillway Works, with a total value and funding of £739,000.

3.0 Reasons for recommendation(s):

- 3.1 To enable the progression of the projects in line with the agreements with the Environment Agency and Heritage Lottery Fund.

In relation to the Pumping Station and Spillway, to fulfil the legal requirements under the Reservoirs Act.2 in order to reduce the risk of flooding to local properties.

- | | | |
|------|--|-----|
| 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:

Not to proceed with the project.

4.0 Council Priority:

4.1 The relevant Council Priority is:

“Attracting sustainable investment and creating quality jobs.”

5.0 Background Information

5.1 Marton Mere reservoir forms part of the land drainage regime for Blackpool and is an integral part of the Marton Mere Local Nature Reserve. The site is designated as a site of special scientific interest and comprises of a mixture of scrub, reed beds and open water plants.

5.2 Marton Mere and the surrounds make up around a quarter of Blackpool's open space and as such is an important recreational area. In addition Marton Mere is an educational resource visited by school children.

5.3 The Heritage Lottery Fund project includes biological heritage restoration works and the construction of facilities including visitor centre, bird hides, infrastructure as agreed with the grant provider.

5.4 The project includes the implementation of an audience development programme which will aim to increase the use of Marton Mere and involve more local people, particularly children and young people, in accessing it for pleasure and educational purposes.

5.5 Marton Mere Pumping Station is an essential flood defence and the only means by which water levels in the Mere can be maintained. The spillway and draw off apparatus are required to provide water level management and satisfy the legal requirements associated with the lease of Council owned land to Marton Mere Holiday Park.

5.6 The spillway is currently in a poor state of repair and the draw off apparatus is inoperable due to differential settlement of the structure. Following the last statutory 10 year inspection of the reservoir in 2013, the reservoir's engineer made three recommendations in regards to safety. Two of these were to repair or replace the spillway and repair or replace the draw off apparatus. There is a legal requirement to undertake these works by March 2016.

5.7 The surface water drainage from the Morris Homes development arrives at Marton Mere Pumping station and is pumped into the Mere. During heavy rainfall the pumping station is unable to cope with the volume of water and the surface water backs up into the residential area. The most recent significant event occurred in 2012 which led to residents being isolated due to significant highway flooding. An upgrade to the pumping station will increase the capacity of the pumping station and reduce the risk of flooding in the future.

5.8 Does the information submitted include any exempt information? No

5.9 **List of Appendices:**

None

6.0 **Legal considerations:**

6.1 The Council is finalising a lease for the new visitor centre which will be located on Marton Mere Holiday Village, Mythop Road.

6.2 The Council is required to undertake the recommendations of the reservoir's engineer to replace the spillway.

7.0 **Human Resources considerations:**

7.1 The project will be managed by Council staff with appropriate works going to external contractors.

8.0 **Equalities considerations:**

8.1 Pivotal to the project is opening up the Mere, with greater accessibility to all.

9.0 **Financial considerations:**

9.1 The Heritage Project is costing £366,000 and is fully funded through the Heritage Lottery Fund and Veolia Environmental Trust. Bourne Leisure is funding the domestic utility costs of the Visitor Centre under a 20 year lease agreement.

9.2 The Pumping Station and Spillway works are being funded through £373,000 of Environment Agency funding.

10.0 Risk management considerations:

- 10.1 Project risk analysis and mitigations are outlined in Heritage Lottery Fund application.
- 10.2 Flood risk will be reduced to properties upstream.
- 10.3 Non-compliance with funding requirements could lead to repayment of grant monies.

11.0 Ethical considerations:

- 11.1 The project supports the Council's core values, involving and engaging with people, creating empowerment, ownership and trust.

12.0 Internal/ External Consultation undertaken:

- 12.1 Full stakeholder consultation was undertaken in 2012- 2013 as part of the funding application process.
- 12.2 Project Steering Group to be made up of key partners – to meet monthly and provide key support, expertise and ensure project targets, budget and timescales are adhered to.
- 12.3 Ongoing project consultation will take place through a series of site open days and promotional events.
- 12.4 Consultation has been undertaken with the Holiday Park, Natural England, Heritage Lottery Fund and the Environment Agency.

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 in attendance:

20.1

21.0 Call-in:

21.1

22.0 Notes:

22.1

Report to:	Executive
Relevant Officer:	Steve Matthews, Head of Strategic Housing and Planning
Relevant Cabinet Member:	Councillor John Jones, Cabinet Member for Highways, Transport and Equality and Diversity
Date of Meeting:	15 th December 2014

RAIL NORTH LIMITED- BLACKPOOL COUNCIL MEMBERSHIP

1.0 Purpose of the report:

1.1 This report sets out the proposed governance arrangements for Rail North Limited (RNL) and the Association of Rail North Partner Authorities and seeks the Executive's approval for Blackpool Council to become a member of both bodies. Rail North has been working with the Department for Transport (DfT) to establish a devolved management structure for rail services in the North of England and membership of it will maintain Council influence over decisions relating to those services.

2.0 Recommendation(s):

2.1 To note the proposed governance arrangements for Rail North Limited and the Association of Rail North Partner Authorities ("The Association") and to agree that Blackpool Council should become a member of both bodies.

2.2 To authorise the Director of Place after consultation with the Cabinet Member for Highways, Transport and Equality and Diversity to make the appropriate arrangements to enable Blackpool Council to be admitted to membership.

2.3 To appoint a member of the Executive to the Leaders' Committee of the Association.

2.4 To appoint a substitute member to the Leaders' Committee.

2.5 To authorise the Chief Executive (after consultation with the cabinet member delegated above) to enter into the Rail North Limited's Members' Agreement on behalf of Blackpool Council.

3.0 Reasons for recommendation(s):

3.1 It is believed that the Rail North proposals are fully compatible with the Local Transport Plan's stated rail and general objectives and can lead to further long-term regenerative investment in rail services and rolling stock to the resort.

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 Council can decide not to join or participate within the Rail North rail franchise management process.

4.0 Council Priority:

4.1 The relevant Council Priorities are:

- Expand and promote our tourism, arts, heritage and cultural offer
- Attract sustainable investment and create quality jobs

5.0 Background Information

5.1 Rail North is the name of an interim organisation that was established with the aim of promoting the devolution of rail franchising from Central Government to the North of England. It is a grouping of all 30 local transport authorities in the North of England.

5.2 Pursuant to a Department of Transport (DFT) consultation on Rail Decentralisation in 2012, Rail North submitted a proposal to the Secretary of State for the devolution of services operated by the Northern and Trans-Pennine Express franchises.

5.3 Rail North's vision is to create a world-class railway for the whole of the North of England. Supporting the economic aspirations of the North of England was the prime objective of Rail North's devolution proposal, with the aim of creating a railway recognised by passengers and businesses as serving their needs and being both more effective and efficient.

5.4 Rail North has three over-arching objectives for rail services in the North of England to:

- Support economic growth by delivering more rail capacity and better rail

- connectivity;
 - Improve the quality of the railways in the north, with a better offer for passengers to encourage more use; and
 - Deliver a more efficient railway and to secure greater value for money for the support from the public purse.
- 5.5 Previously rail franchises have been specified and managed by the Department for Transport from London, a system that has drawn criticism for lack of sensitivity to local circumstances, particularly the need to promote economic growth in the north. While the Trans Pennine Express franchise has allowed new trains to be provided, the Northern franchise was let on a no-growth basis using obsolete trains. In fact Northern ridership has grown by 40% leading to peak time over-crowding.
- 5.6 Blackpool depends on rail services to bring in 10% of its visitors, a figure depressed by obsolete trains, peak time over-crowding and lack of direct connectivity with potential tourism markets. These services are economically vital to maintaining the current tourism-based economy and to encouraging economic diversity through inward investment. They are also used for business travel, commuting and other utility trips. Although provided as an adjunct to the West Coast Mainline franchise, the direct London service to start in December 2014 is extremely good news in this respect. Further investment is needed and Rail North Limited provides a potential unified voice for the North of England's economies in pursuing this.
- 5.7 It is believed that the Rail North proposals are fully compatible with the Local Transport Plan's stated rail and general objectives and can lead to further long-term regenerative investment in rail services and rolling stock to the resort.
- 5.8 Over a considerable time period, Rail North officers (mainly drawn from northern passenger transport executives) have negotiated with the Department for Transport to establish a proposal for partnership based management of the new Trans-Pennine Express and Northern franchises to come into force from February 2016. This is not full regional franchise management, but might provide the potential for this in the future; the Department for Transport will let and retain final control over these franchises.
- 5.9 It is now proposed that Rail North becomes a formalised organisation with a membership and governance structure. The 30 northern transport authorities are asked to join the new structure described below. The governance arrangements proposed are intended to:-
- Demonstrate to Government a strong commitment to long term stewardship of rail – with the power and influence to shape the passenger benefits and economic growth – across the north of England for the benefit of all;
 - Strengthen decision making arrangements during the development of joint

venture arrangements with the Department for Transport and procurement of the new franchises;

- Enable the Department for Transport to define the role of Rail North Ltd in the procurement documentation (invitation to Tender) due for issue at the end of 2014, ensuring that devolution is 'cemented' in the franchise procurement process.

5.10 The flexible arrangements proposed in the legal structures will enable roles and responsibilities to develop over time as these are agreed between the 30 Authorities and the Department for Transport.

5.11 The governance arrangements as proposed will also:

- Enable all authorities to have a far greater influence over the development and implementation of rail services across the north of England; and
- Enable all authorities to have a far greater influence over other key industry stakeholders, including Network Rail, and the development and implementation of their respective enhancement programmes.

5.12 In the longer-term, the governance structures, including the partnership arrangements with Department for Transport, would ensure the following:

- Better management of the franchises by a team based in the north with local knowledge. Through the partnership, a focus on delivering the shared objectives (eg, economic growth) and the Long Term Rail Strategy. Easier and simpler route to delivering schemes/projects that involve the train operator or changes to train services and growth in patronage and revenue;
- Rail North would have access to 'reward' share, eg, additional revenue generated as a result of general growth translated to profit share. This would be used for investment in enhanced services/ rolling stock/infrastructure; and
- The north having complete control of services and investment in the Northern and Trans-Pennine franchises, delivering the economic benefits as set out in the original devolution proposition.

5.13 Department for Transport /Rail North Partnership

Following preparation and negotiation, in November 2013, the Secretary of State stated that although he supported the principle of devolution, he wished to see a lower risk, more evolutionary approach with the establishment of a partnership structure between Department for Transport and Rail North.

5.14 It was agreed that this approach would be based on Rail North proposals, which include a draft Long Term Rail Strategy for the north of England, the devolution

proposition and business case submitted to the Secretary of State and the structure for decision-making in the North set out in that devolution proposition.

- 5.15 These principles were agreed at a meeting between the Secretary of State and Leaders on 24th January 2014.
- 5.16 The shared objectives that underpin the partnership were also agreed in January 2014 and include:
- Growing the railway to maximise the benefits of infrastructure investment and linking this to railway efficiencies;
 - Having a platform for determining investment priorities within the partnership;
 - Risk and reward sharing between members of the partnership, including the potential for revenue or profit-sharing mechanisms that could allow reinvestment into rail services; and,
 - A partnership structure that allows the balance of risk to change over time.
- 5.17 The development of the Department for Transport /Rail North partnership has been split into two distinct phases:
- Partnership working between Department for Transport and Rail North in advance of the 2016 franchise award during the design and procurement processes. During this period, Rail North and Department for Transport will work jointly and collaboratively, although the Secretary of State is ultimately responsible for final decisions and letting the contracts; and
 - The development and creation of a formal integrated partnership structure, with substantial decision making authority, between Rail North and Department for Transport, which it is intended, should take on responsibilities for franchise management at the point at which the new franchises start.
- 5.18 As part of the January 2014 agreement with the Secretary of State, Rail North Leaders agreed to develop and formalise their decision making structures and in particular establish structures comprising a formal Leaders' Committee and a special purpose vehicle (probably a company limited by guarantee) called Rail North Ltd. These bodies would be the focus for overseeing local authority input into the design of the franchises, including the specification and commercial arrangements.
- 5.19 It was further agreed that Department for Transport and Rail North would jointly develop proposals for a single integrated partnership structure with substantial decision-making authority to manage the franchises.

5.20 Governance Proposition and Arrangements

Pursuant to the January 2014 agreement, governance structures have been developed for two bodies:

- An association of Local Transport Authorities (LTAs) to be known as the Association of Rail North Partner Authorities (“the Association”) to be governed by a Leaders’ Committee consisting of one member from each of the 30 LTAs in the North.
- Rail North Limited (RNL), a company limited by guarantee, whose membership is open to all members of the association and whose directors will be appointed by geographic sub-groups determined by the Association.

5.21 A detailed description of the governance arrangements is provided in the Appendix. The proposed arrangements were endorsed by the Leaders’ Forum at the end of April 2014.

5.22 Blackpool Council is being asked to enter into these arrangements and agree to become a member of both the Association and Rail North Limited. Subject to such agreement, Blackpool Council is also asked to appoint an elected member to the Leaders’ Committee of the Association. Blackpool Council may also appoint a substitute member of the Leaders’ Committee.

5.23 From the Rail North Limited perspective, at this point in time it is desirable to ensure that all 30 Local Transport Authorities are involved in the governance arrangements as they evolve, thus demonstrating consensus support to Department for Transport. The arrangements will need to be flexible as circumstances change and the precise nature of the partnership with Department for Transport is agreed. At the commencement of these arrangements there will be minimal direct risk and cost (£540 per annum) associated with membership and any changes to that position would need to be agreed in accordance with the governance rules. However, as Rail North’s activities expand, possibly to fully devolved franchise management, costs may rise, the extent of which cannot be predicted on the basis of information currently available.

5.24 It should also be noted that it is unlikely that all northern areas will receive improved rail services immediately under the partnership franchise proposed, thus it is possible that councils will be asked to effectively approve reductions in their own services. However, Rail North officers are already claiming that they have negotiated away the prospect of a further ‘no-growth’ franchise based on reducing subsidy, effectively raising fares and cutting services, in favour of a potentially a ‘transformational’ franchise benefiting from infrastructure and rolling stock investment, where the risk of service reduction would be minimised. Decisions will be taken to vote if necessary,

although a preference for consensus has been expressed. Previously Department for Transport has indicated that it would like to cut subsidy to the two franchises if possible, particularly Northern. If a 'transformational' franchise is achieved, service reductions would be far less likely and any fare increases tied to very significant investment.

5.24 Department for Transport /Rail North Partnership

Rail North officers and Department for Transport officials have been engaged in detailed discussions in relation to the governance arrangements for the Department for Transport /Rail North Limited partnership. It is intended that the partnership arrangements should cover two distinct roles:-

- Management of the 2016 Northern and Trans Pennine franchises with day to day management delegated to a joint executive team
- Wider decision-making in relation to implementation of the principles and objectives of the partnership, particularly in respect of strategic planning and investment.

Does the information submitted include any exempt information?

No

6.0 Legal considerations:

6.1 The Council will be required to enter into a legal agreement with Rail North Limited and will be party to the special purpose vehicle limited company.

7.0 Human Resources considerations:

7.1 The Transport Policy Team will provide support to members in participating in the process, which is compatible with the Council's rail objectives stated in the local transport plan. No further human resources will be required at this time.

8.0 Equalities considerations:

8.1 None.

9.0 Financial considerations:

9.1 As outlined an annual subscription currently estimated at £540 would be required.

10.0 Risk management considerations:

10.1 Failure to participate in Rail North risks the Council being side-lined in long-term rail policy making and franchise management and being economically damaged as a result.

10.2 There is a risk that the Council's required financial contribution will become unsustainable as Rail North's activities increase.

11.0 Ethical considerations:

11.1 None

12.0 Internal/ External Consultation undertaken:

12.1 All thirty northern councils have been consulted throughout the Rail North development process. Blackpool Council has formed part of a North West (North) group, which Lancashire County Council has coordinated.

12.2 The Cabinet Member for Highways, Transport and Equality and Diversity has been briefed throughout this process and has attended leaders' and other meetings.

12.3 Blackpool and the Fylde Rail Users' Association has been kept informed of the Council's position on this matter and the process being followed.

13.0 Background papers:

Minutes of the meetings attended throughout this process

Long Term Rail Strategy for the North.

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? 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: 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 in attendance:

20.1

21.0 Call-in:

21.1

22.0 Notes:

22.1

Appendix 5a: Proposed Rail North governance arrangements

THE LEADERS' COMMITTEE ("LC")

Establishment

The Local Transport Authorities covered by the Northern and Trans-Pennine Express franchises will establish a local authority association formed under section 143 of the LGA 1972 ("LGA 1972"). It is expected that all relevant Local Transport Authority (currently 30) would be party to these arrangements. The Association (provisionally known as the Association of Rail North Partner Authorities) will be governed by a Leaders' Committee (LC).

Each Local Transport Authority will appoint one elected member to the Leaders' Committee. This member would normally be its Leader / Mayor / Chair or its Lead Member for Transport. There will be provision for Local Transport Authorities also to appoint a substitute member. The Leaders' Committee will elect a Chairman and one or more Vice-Chairmen.

Frequency of Meeting and Urgency

The Leaders' Committee will meet twice a year, although there would be provision for additional meetings to be called if demanded by a specified (significant) number of member Local Transport Authorities.

Functions

The Association through the Leaders' Committee will have the following functions:

- to promote and improve rail services in the Rail North area
- to campaign for devolution of responsibility for the Northern and Trans-Pennine Express franchises
- to develop and approve, and oversee the implementation of, a long-term Rail Strategy
- to establish geographical sub-groups as proved for below, whose functions would include the appointment of representatives on the Rail North Limited Board
- to provide political leadership and oversight of Rail North Limited

Sub Groups

The Leaders' Committee will establish a number of geographical sub-groups of Local Transport Authorities whose composition will be

decided by the Leaders' Committee and whose function would be to appoint a person to serve as a director of the Board of Rail North Limited. In determining the composition of the sub-groups, account will be taken of factors such as:

- local authority, Local Economic Partnership and Local Transport Board linkages;
- the geography of the rail network; and
- the need to ensure inclusivity and representation across the North.

The shadow Leaders' Committee has agreed initially to establish the following eleven sub groups

- Greater Manchester Combined Authority
- West Yorkshire (plus York)
- South Yorkshire
- Merseyside (including Halton)
- North East (Tyne and Wear, Durham and Northumberland)
- Lancashire and Cumbria (including Blackpool and Blackburn and Darwen)
- Tees Valley (Darlington, Hartlepool, Middlesborough, Redcar and Cleveland and Stockton-on-Tees)
- North Yorkshire
- The Humber (East Riding, Hull, North Lincs, North East Lincs)
- Cheshire and the Potteries (Cheshire East, Chester West and Chester, Warrington, Stoke, Staffordshire)
- East Midlands (Derby, Derbyshire, Nottingham, Nottinghamshire, and Lincolnshire)

It is expected that decisions on appointments by geographical sub-groups would be reached by consensus. However where votes are taken the same system of weighted voting would apply as on the Leaders' Committee.

Administrative support and Funding

The Leaders' Committee will appoint the Chief Executive of one of the Local Transport Authorities as Secretary to be responsible for providing administrative support.

The minimal costs of the joint body will be apportioned between the partner Local Transport Authorities as agreed by them, probably on the basis of voting rights.

THE SPECIAL PURPOSE VEHICLE – RAIL NORTH LTD (RNL)

Establishment

Members of the Association will establish the Special Purpose Vehicle as a company limited by guarantee called Rail North Ltd (RNL). The Special Purpose Vehicle will be established pursuant to the well-being power under sections 99 and 102A of the Local Transport Act 2008 and the functional power of competence under sections 11 and 13 of the Localism Act 2011 in the case of Combined Authorities / ITAs and the general power of the competence under section 1 of the Localism Act in the case of county and unitary councils.

The key decision-making bodies within the Special Purpose Vehicle will be the members of the company and the board of directors.

Board of Directors

Each of the geographical sub-groups established by the Leaders' Committee will appoint one member to the Board of Rail North Limited. Each sub-group will have the power also to appoint an alternative director. Voting on the board would be on the basis of one director, one vote although it is expected that most decisions would be taken by consensus. However, given the substantial variations in the proportions of rail usage between the various sub-groups approval of certain key matters (mainly relating to finance) would be reserved to the members of the company.

The Board would be supported in managing Rail North Limited by a dedicated Executive Team of officers of the Rail North partner authorities and the Passenger Transport Executives.

Members of Rail North Limited and Reserved Matters

All the members of the Association are eligible to become members of Rail North Limited. The voting entitlement of each member will be based on the voting power each member based on rail usage as set out below. Decision on the reserved matters will require the approval of members holding collectively at least 75% of the weighted voting entitlement. The reserved matters will include:

- Any change to the articles of the company
- Any partnership / shareholders' agreement between RNL and the Department for Transport and other major commercial agreements
- Approval of Rail North Limited's annual and medium-term

- business plan
- Expenditure above certain limits
- Borrowing and the giving of financial guarantees

Funding

Members would make an annual payment to cover the running costs of the Company to be apportioned in accordance with voting rights. Prior the commencement of the franchises in February 2016, this is likely to be a relatively nominal amount. Arrangements may need to be reviewed when the level of risk/expenditure to be borne by Rail North Limited under the partnership arrangement with Department for Transport is established. However, in these circumstances, Local Transport Authorities would have the opportunity to withdraw (or alter their status within Rail North Limited) before the franchise agreements are operative, if unwilling to accept risk or make increased payments.

Functions of Rail North Limited

The principal initial functions of Rail North Limited will include:

To oversee local authority input into the design of the franchises including the specification and commercial arrangements To develop proposals with Department for Transport for a single integrated partnership structure to assume responsibility for managing the franchises

DFT / RAIL NORTH LIMITED PARTNERSHIP

Rail North officers are engaging with Department for Transport officials in relation to the governance arrangements for the Department for Transport / Rail North Limited partnership. A paper with proposals will be brought forward for consultation in due course.

Proposed Rail North members' payment percentage

Authority	2014 passenger miles %	2012 passenger revenue %
Blackburn with Darwen	0.6	1.0
Blackpool	1.5	1.7
Cheshire East	2.1	1.6
Cheshire West and Chester	1.1	0.6
Cumbria	4.0	3.5

Darlington	1.5	0.7
City of Derby	1.0	0.1
Derbyshire	1.4	1.4
East Riding of Yorkshire	0.9	1.6
Greater Manchester	22.3	26.5
Hartlepool	0.3	0.3
City of Kingston upon Hull	1.3	1.8
Lancashire	5.5	6.6
Lincolnshire	0.7	0.5
Merseytravel	5.9	6.2
Middlesbrough	0.7	0.7
Tyne and Wear	6.5	3.0
NE Lincolnshire	0.6	0.4
North Lincolnshire	0.4	0.4
North Yorkshire	3.2	4.2
City of Nottingham	1.5	0.6
Nottinghamshire	0.3	0.3
Redcar and Cleveland	0.3	0.4
South Yorkshire	7.8	6.7
Staffordshire	0.1	0.0
Stockton on Tees	0.5	0.5
City of Stoke on Trent	0.8	0.2
Warrington	1.2	1.1
West Yorkshire	20.9	24.2
York	5.4	3.1

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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:	15 th December 2014

FINANCIAL PERFORMANCE MONITORING AS AT MONTH 7 2014/2015

1.0 Purpose of the report:

1.1 The level of spending against the Council's Revenue and Capital budgets for the first 7 months to October 2014.

2.0 Recommendation(s):

2.1 To note the report

2.2 To require the respective Directors and Director of Resources to continue to closely monitor and manage financial and operational performances, particularly in Children's Services, Adult Services, Parking Services and Community and Environmental Services.

2.3 To recommend the Finance and Audit Committee to continue to independently review the financial and operational performances of the services listed in 2.2.

3.0 Reasons for recommendation(s):

3.1 Members' information and comment

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:

“Deliver quality services through a professional, well-rewarded and motivated workforce”

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
Appendix 2
Appendix 3a
Appendix 3b
Appendix 3c
Appendix 3d
Appendix 3e
Appendix 3f
Appendix 3g
Appendix 3h
Appendix 3i
Appendix 3j
Appendix 3k
Appendix 3l
Appendix 4
Appendix 5
Appendix 6

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 in attendance:

20.1

21.0 Call-in:

21.1

22.0 Notes:

22.1

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