

# Lancashire County Council

## Executive Scrutiny Committee

Tuesday, 5th November, 2013 at 2.00 pm in The Diamond Jubilee Room  
(Formerly Cabinet Room 'B') - County Hall, Preston

### Agenda

#### Part 1 (Open to Press and Public)

| No. | Item |
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|    |                  |
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| 1. | <b>Apologies</b> |
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| 2. | <b>Disclosure of Pecuniary and Non-pecuniary Interests</b> |
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Members are asked to consider any Pecuniary or Non-pecuniary Interests they may have to disclose to the meeting in relation to matters under consideration on the Agenda.

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| 3. | <b>Minutes of the Meeting on 8 October 2013</b> | (Pages 1 - 8) |
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| 4. | <b>Reports for decision by Cabinet</b> | (Pages 9 - 10) |
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| (a) | <b>Introduction of the Living Wage for Lancashire County Council Employees</b> | (Pages 11 - 20) |
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| (b) | <b>Money Matters - Update on the County Council's Financial Position for 2013/14</b> | (Pages 21 - 34) |
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| (c) | <b>Money Matters - The Financial Strategy 2014/15 to 2017/18</b> | (Pages 35 - 42) |
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| (d) | <b>Lancashire County Council's Armed Forces Community Covenant</b> | (Pages 43 - 58) |
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| 5. | <b>Forthcoming Individual Cabinet Member Key Decisions</b> | (Pages 59 - 60) |
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| (a) | <b>Early education for targeted 2 year olds - progress summary</b> | (Pages 61 - 66) |
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| (b) | <b>Proposed Re- Location of Sir Tom Finney Community High School from Moor Park to Ribbleton Hall Drive site, Preston</b> | (Pages 67 - 70) |
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- (c) **Fostering and Residential Care Commission** (Pages 71 - 74)
- (d) **Affordable Warmth in Lancashire** (Pages 75 - 86)
- (e) **Extension of the Learning Disability Preferred Provider Scheme until May 2015** (Pages 87 - 90)
- (f) **Recommendations regarding a range of Registration Service Fees** (Pages 91 - 94)
- (g) **Proposed Cycle Safety Scheme M6 Junction 31 to BAe Samlesbury** (Pages 95 - 104)

## **6. Urgent Business**

An item of urgent business may only be considered under this heading where, by reason of special circumstances to be recorded in the Minutes, the Chair of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency. Wherever possible, the Chief Executive should be given advance warning of any Member's intention to raise a matter under this heading.

## **7. Date of Next Meeting**

The next meeting of the Executive Scrutiny Committee will be held on Tuesday 3 December 2013 at 2pm at the County Hall, Preston.

## **Part II (Not open to Press and Public)**

- 8. **Public Health Commissions for 2014/15** (Pages 105 - 112)
- 9. **Approval of final arrangements for Transfer of Mental Health Provider Services and TUPE transfer of staff from Lancashire County Council to Lancashire Care Foundation Trust** (Pages 113 - 174)
- 10. **Implementation of an interim service improvement plan and a reduced weekly charge for Telecare** (Pages 175 - 196)
- 11. **Creative Support - Extension of North Lancashire Contract and Agreement to Principles of Variations for North and East Contracts** (Pages 197 - 216)

I M Fisher  
County Secretary and Solicitor

County Hall  
Preston



# Agenda Item 3

## Lancashire County Council

### Executive Scrutiny Committee

**Minutes of the Meeting held on Tuesday, 8th October, 2013 at 2.00 pm in Cabinet Room 'B' - The Diamond Jubilee Room, County Hall, Preston**

#### **Present:**

County Councillor Bill Winlow (Chair)

#### **County Councillors**

|               |                   |
|---------------|-------------------|
| A Atkinson    | M Green           |
| A Barnes      | S Holgate         |
| Mrs S Charles | R Newman-Thompson |
| D Clifford    | Mrs L Oades       |
| B Dawson      | J Oakes           |
| G Driver      | D O'Toole         |

#### **1. Apologies**

None.

#### **2. Disclosure of Pecuniary and Non-pecuniary Interests**

There were no interests declared.

#### **3. Minutes of the Meeting held on 3 September 2013**

**Resolved:** That the minutes of the meeting held on 3 September 2013 be confirmed and signed by the Chair.

#### **4. Reports for decision by Cabinet**

The committee considered the following reports to be presented for decision by the cabinet on 10 October 2013.

##### **a. Superfast Lancashire - Delivering Digital Inclusion**

The committee considered a report presenting a draft Digital Inclusion Strategic Framework, setting out how it is intended that all citizens in Lancashire will be able to take advantage of the roll out of Superfast Broadband.

The Committee discussed the importance of effective communication in the roll out, and suggested that positive engagement with Parish and Town Councils would be beneficial, and that the 3 Tier Forums may be one way to achieve this. It was also confirmed that there would be regular update reports to members.

The Committee confirmed the recommendation to Cabinet without modification or amendment

**Resolved:** That the recommendation to be presented to Cabinet be confirmed without amendment or modification.

b. **Progress with Implementing Investment Proposals Contained in the Budget**

The Committee were presented with a report outlining progress on various investment proposals contained in the budget.

In the discussion on the item, it was confirmed that positive progress had been made with Chorley Borough Council on a location for the Chorley Youth Zone. The Committee emphasised the benefits that would accrue from joint working and pooling resources with other organisations, particularly highlighting the work on Dementia services with the NHS.

The Committee confirmed the recommendations to Cabinet without modification or amendment.

**Resolved:** That the recommendations to Cabinet be confirmed without modification or amendment.

c. **Young People's Transport**

The Committee considered a report on the future of a scheme to provide support for travel costs for young people to assist them into education, employment and training. It was reported that the current scheme was due to end in October 2013, and that an extension of that scheme, with enhancements, had been developed in consultation with young people through a steering group of the Youth Council.

The Committee welcomed the proposals and confirmed the recommendations to the Cabinet without modification or amendment.

**Resolved:** That the recommendations to Cabinet be confirmed without modification or amendment.

5. **Forthcoming Individual Cabinet Member Key Decisions**

The Committee considered the following Key decisions due to be taken by individual Cabinet Members.

a. **Policy on Delegation of Decision Making regarding Children Looked After to their Foster Carers**

The Committee considered a report presenting a policy on the Delegation of Authority for Children Looked After. It was reported that the policy set out how decisions would be made or taken by and involving children and young people looked after, their carers or residential care home managers, children's social care social workers and managers. The policy would ensure that the most appropriate person to take a decision about a child had the authority to do so.

It was confirmed that the policy had been developed as a direct result of what children looked after had told the authority, and that those children and young people, their carers and social workers had been fully involved in the development of the policy.

The Committee confirmed the recommendation to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendation to the Cabinet Member be confirmed without modification or amendment.

b. **Permanent season extension at Helmsore Mills Textile Museum**

The Committee considered a proposal to permanently extend the open season at Helmsore Mills Textile Museum, Rossendale from 31 weeks a year (April to October) to 43 weeks a year.

It was noted that the proposal followed a successful trial period, and that a full financial assessment had been carried out which indicated that the longer opening times was likely to deliver a small additional level of income or savings.

The Committee confirmed the recommendation to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendation to the Cabinet Member be confirmed without modification or amendment.

c. **Proposed Revision to Subsidised Bus Service: Bowland Transit**

The Committee considered a report reviewing the operation of the Bowland Transit subsidised bus service. The Committee noted that the preferred option of an amended 5 days a week service had come about following detailed consultation with service users and parish councils.

County Councillor David Smith was invited to speak to the meeting in accordance with Standing Order 19(1). He expressed his full support for the option being proposed to the Cabinet Member.

The Committee confirmed the recommendations to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendations to the Cabinet Member be confirmed without modification or amendment.

d. **Proposed Prohibition of Waiting At Any Time, Ashby Street, Duke Street, Eaves Green Road, Ever Green Close, Lytham Street (Chorley), Church Lane, Leeson Avenue (Charnock Richard),**

The Committee were presented with proposed waiting restrictions in a number of locations, developed following the receipt of requests to improve road safety, pedestrian movements and facilitate safe traffic manoeuvres. The proposals had been through formal consultation and public advertisement.

The Committee confirmed the recommendation to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendation to the Cabinet Member be confirmed without modification or amendment.

e. **Proposed 20mph Speed Limit Order in the St Annes and Ansdell area of Fylde**

The Committee considered a report seeking approval for the introduction of a 20mph speed limit order in the St Annes and Ansdell area of Fylde.

The Committee confirmed the recommendation to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendation to the Cabinet Member be confirmed without modification or amendment.

f. **Proposed 20mph Speed Limit Order in the St Anne's North West Area of Lytham St Anne's, Fylde Borough**

The Committee considered a report seeking approval for the introduction of a 20mph speed limit order in the St Anne's North West Area of Lytham St Anne's, Fylde Borough.



The Committee confirmed the recommendation to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendation to the Cabinet Member be confirmed without modification or amendment.

g. **Proposed Shared Use Cycletrack, Time Business Park to Padiham Greenway**

The Committee considered a proposal for a shared use cycle track in order to provide a safe cycle route along A678 Blackburn Road to link the Time Technology Park to the Padiham Greenway,

The Committee confirmed the recommendations to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendations to the Cabinet Member be confirmed without modification or amendment.

h. **Proposed 20mph Speed Limit Order in the Fylde Coastal Strip area of Fylde**

The Committee considered a report seeking approval for the introduction of a 20mph speed limit order in the Fylde Coastal Strip area of Fylde.

The Committee confirmed the recommendation to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendation to the Cabinet Member be confirmed without modification or amendment.

i. **Proposed Shared Use Pavements, Adelphi Roundabout, Preston**

The Committee considered a report seeking approval for a number of shared use cycletracks within the highway in the Adelphi Quarter of Preston, and to remove the footways.

The Committee confirmed the recommendations to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendations to the Cabinet Member be confirmed without modification or amendment.

j. **Proposed 20mph Speed Limit Order in the Fleetwood North West Area of Wyre**

The Committee considered a report seeking approval for the introduction of a 20mph speed limit order in the Fleetwood North West area of Wyre.

The Committee confirmed the recommendation to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendation to the Cabinet Member be confirmed without modification or amendment.

## **6. Urgent Business**

The Chair agreed that an item relating to Cost Sharing Agreements for Waste Management be considered at the meeting as a matter of urgency to enable the decision to be made by the Cabinet Member and thereby allow as long as possible for the district councils to consider the issue. The report was considered under Part II of the agenda for the reasons set out below.

## **7. Date of Next Meeting**

It was confirmed that the next meeting of the Committee would be held at 2pm on Tuesday 5 November 2013 at the County Hall, Preston.

## **8. Exclusion of Press and Public**

**Resolved:** that the press and members of the public be excluded from the meeting during consideration of the following item of business on the grounds that there would be a likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12 to the Local Government Act 1972. It was considered that in all the circumstances the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

## **9. Cost Sharing Agreements - Waste Management**

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12 to the Local Government Act 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information)

The Committee considered a report on waste management cost sharing agreements with the district councils.

The Committee confirmed the recommendation to the Cabinet Member without modification or amendment.

**Resolved:** That the recommendation to the Cabinet Member be confirmed without modification or amendment.

I M Fisher  
County Secretary and Solicitor

County Hall  
Preston



# Agenda Item 4

## **Executive Scrutiny Committee**

Meeting to be held on Tuesday 5 November 2013

|                                      |
|--------------------------------------|
| Electoral Division affected:<br>None |
|--------------------------------------|

## **Cabinet Reports for Decision**

Contact for further information:

Josh Mynott, (01772) 534580, Office of the Chief Executive,

josh.mynott@lancashire.gov.uk

### **Executive Summary**

The Committee is invited to consider any decision making reports being presented to Cabinet on 7 November 2013.

### **Recommendation**

That the Committee scrutinise any reports for decision by Cabinet on 7 November 2013 and make recommendations to Cabinet as appropriate.

### **Background and Advice**

The Cabinet on 7 November 2013 will receive the decision making reports listed on the agenda cover sheet.

The committee is invited to consider any reports submitted to Cabinet for decision, and to comment as appropriate.

Any recommendations made by the Committee will be reported to Cabinet on 7 November.

### **Consultations**

N/A

### **Implications:**

This item has the following implications, as indicated:

### **Risk management**

Implications are as set out in the reports to Cabinet.

**Local Government (Access to Information) Act 1985  
List of Background Papers**

| Paper | Date | Contact/Directorate/Tel |
|-------|------|-------------------------|
|-------|------|-------------------------|

N/A

Reason for inclusion in Part II, if appropriate

N/A

**Cabinet - 7 November 2013**

**Report of the Interim Chief Executive**

Electoral Division affected:

All

## **Introduction of the Living Wage for Lancashire County Council Employees**

Contact for further information:

Eddie Sutton, (01772) 535171, Office of the Chief Executive,

[eddie.sutton@lancashire.gov.uk](mailto:eddie.sutton@lancashire.gov.uk)

### **Executive Summary**

The report sets out proposals for Lancashire County Council to become a "Living Wage Employer" through the phased introduction of a Living Wage, currently set at £7.45 an hour (which is being up-rated. The new rate will be announced on 4 November 2013) for Lancashire County Council lowest paid centrally employed staff which will result in:

- The replacement of Grade 1 (spinal column points 5 and 6 ), Grade 2 (spinal column points 7, 8, 9 and 10) and Grade 3 (spinal column points 9 and 10) with a new Grade 2 (spinal column point 10) of £7.45 an hour; and
- The commencement of Grade 3 (at spinal column point 11); with effect from 1 April 2014, on the terms set out in the report.

Overall, this will impact on 3,638 of Lancashire County Council centrally employed employees who from 1 April 2014 would be paid at least the Living Wage (currently £7.45 an hour).

The report proposes that the position in relation to schools will be the subject of discussion with the Schools Forum with a view to consideration of the adoption of the Living Wage by individual school governing bodies.

The report also proposes that a review be undertaken to consider the benefits to the Lancashire economy and its citizens and the financial implications for the County Council of a broader application of the scheme in respect of organisations that currently provide goods, services and works to the County Council. A further report to be brought to Cabinet at a future meeting.

The financial implications of the introduction of a Living Wage for Lancashire County Council's lowest paid centrally employed staff are set out in the body of this report.

## **Recommendation**

Cabinet is asked to:

- (i) Agree to the proposals for a phased introduction of the Living Wage as set out in the report; and:
- (ii) Recommend Full Council to approve the proposals for the adoption by the County Council of the Living Wage as set out in the report, on the basis of the proposed phasing arrangements.

### **1. Background and Advice**

The Living Wage is not a new concept. It has been around in its present form since 2005, when it was adopted by the Greater London Authority for its own staff in London. The Living Wage is an informal benchmark, not a legally enforceable minimum level of pay, like the national minimum wage.

The research by the Joseph Rowntree Foundation in 2008 looked at developing a formula for calculating a minimum income standard. For their purposes, a Living Wage could be defined as the level of income needed to provide an acceptable standard of living in Britain to ensure good health, adequate child development and social inclusion. Following detailed research, they concluded that the Living Wage for a single working age adult in the UK was £6.88 an hour in 2008. The basic idea is that these are the minimum pay rates needed to let workers lead a decent life.

The national minimum wage is set by the Chancellor of the Exchequer each year on the advice of the Low Pay Commission. It is enforced by Her Majesty's Revenue and Customs (HMRC).

The Living Wage, apart from in London, is currently calculated and set by the Centre for Research in Social Policy at Loughborough University on an annual basis. The Living Wage is now set at £8.55 an hour in London and £7.45 an hour in the rest of the UK. By comparison, the national minimum wage is significantly lower, at £6.31 an hour for those aged over 21.

Currently in relation to Lancashire County Council staff, 3.4% of the adult full-time workforce and 45.1% of the adult part-time staff (of which 92.7% are employed within Lancashire County Commercial Group (LCCG)), earn less than £7.45 an hour:

So it is this group of workers who would benefit most from uplift in their hourly rates to the Living Wage of £7.45.

There is evidence that the benefits of becoming a Living Wage Employer can include: improved recruitment and retention; higher employee morale; motivation and productivity.



## 2. Introduction of the Living wage for Lancashire County Council centrally employed employees

Formal Licence of Accreditation is granted by the Living Wage Foundation to those employers who are committed to an agreed timetable of implementation through the award of the "Living Wage Employer" mark. To be accredited as an official "Living Wage Employer" an organisation must:

- Pay all its direct staff at least the Living Wage rate;
- Commit to adjusting this within 6 months of an annual updating;
- Demonstrate progress towards requiring existing and new contractors to do the same.

In order to demonstrate the County Council's immediate commitment to the principles of the Living Wage, the County Council intends to implement the Living Wage as its minimum pay rate for all centrally employed staff, with effect from 1 April 2014 regardless of weekly working hours. This includes employees directly employed by the County Council working in a range of front line roles such as cleaning, catering, caring for older people and school crossing patrols.

It is proposed that the lower spinal column points at Grade 1; Spinal Column Points 4, 5 and 6 and Grade 2; Spinal Column Points 7, 8, 9 and 10 are removed and replaced with a new Grade 2 at a revised single Spinal Column Point 10.

However, regard must be had for the national 2013/14 Pay Agreement which has two elements. Firstly, with effect from 1 April 2013 a 1% increase has been agreed across all pay rates. Secondly, Spinal Column Point 4 has been deleted with effect from 1 October 2013.

The County Council's current hourly rates, at the lower end of the pay range, and the proposed hourly rates, taking into account the 1% pay offer, are detailed in Table One below:

| GRADES  |         | SPINAL COLUMN POINT | HOURLY RATE PRIOR TO 1 <sup>ST</sup> APRIL 2013 (£) | PROPOSED HOURLY RATE FROM 1 <sup>ST</sup> APRIL 2013 (£) |
|---------|---------|---------------------|---|--|
| Grade 1 |         | 4                   | 6.29  | <b>6.36</b>  |
|         |         | 5                   | 6.38  | <b>6.45</b>  |
|         |         | 6                   | 6.47  | <b>6.54</b>  |
|         | Grade 2 | 7                   | 6.62  | <b>6.69</b>  |
|         |         | 8                   | 6.83  | <b>6.90</b>  |
|         |         | 9                   | 7.04  | <b>7.11</b>  |
| Grade 3 |         | 10                  | 7.19  | <b>7.26</b>  |
|         |         | 11                  | 7.63  | <b>7.71</b>  |
|         |         | 12                  | 7.79  | <b>7.87</b>  |
|         |         | 13                  | 8.00  | <b>8.09</b>  |

**Table 1**

For the purposes of this report, therefore, the financial implications have been calculated on the basis of the new national Pay Agreement (both the 1% increase with effect from 1 April 2013 and the deletion of Spinal Column Point 4 with effect from 1 October 2013) which now forms the new baseline. The current Living Wage rate of £7.45 an hour has also been used.

It is proposed that the County Council's pay line is amended by replacing Grade 1 (Spinal Column Points 5 and 6); and Grade 2 (Spinal Column Points 7, 8, 9 and 10) with a new Grade 2 (Spinal Column Point 10) of £7.45 an hour for Lancashire County Council centrally employed employees.

It is proposed that the introduction of the Living Wage would be implemented in two phases. The phasing of the introduction of the Living Wage will ensure the lowest paid centrally employed staff will immediately secure a benefit from this initiative.

#### *Phase One*

The removal of Spinal Column Points 5 and 6 and the re-grading of all Lancashire County Council centrally employed employees on these Spinal Column Points to Spinal Column Point 7, as the new, minimum Spinal Column Point, at a rate of £6.69 per hour.

All Lancashire County Council centrally employed employees on these Spinal Column Points to be re-graded to Spinal Column Point 7, as the new, minimum Spinal Column Point at a rate of £6.69 an hour, backdated to take effect from 1 October 2013. This is explained in Table Two below:

| CURRENT GRADES<br>(as at 1 October 2013)  |   | SPINAL<br>COLUMN<br>POINT | HOURLY<br>RATE WEF<br>1 <sup>ST</sup> April<br>2013<br>(£) | PROPOSED GRADES<br>(as at 1 October 2013) |                                   |
|---|---|---------------------------|--|---|-----------------------------------|
| <b>Grade 1</b><br>164 - 229<br>NJC points |   | 5                         | 6.45   |   |                                   |
|   | <b>Grade 2</b><br>230 - 254<br>NJC points | 6                         | 6.54   |   |                                   |
| 7   |   | 6.69                      |  |   |                                   |
| 8   |   | 6.90                      |  |   |                                   |
| 9   |   | 7.11                      |  |   |                                   |
| <b>Grade 3</b><br>255 - 299<br>NJC points |   | 10                        | 7.26   | <b>Grade 3</b><br>255 - 299<br>NJC points | <b>Grade 2</b><br><255 NJC points |
|   |   | 11                        | 7.71   |   |                                   |
|   |   | 12                        | 7.87   |   |                                   |
|   |   | 13                        | 8.09   |   |                                   |

**Table 2**

#### *Phase Two*

The removal of Spinal Column Points 7, 8, 9 and 10 and creation of a new Grade 2 with a single Spinal Column Point 10 at a rate of £7.45 an hour. All Lancashire County Council centrally employed employees at Spinal Column Points 7, 8, 9 and 10 to be re-graded to the new Grade 2 with a single Spinal Column Point 10 (a Living Wage of £7.45 an hour), with effect from 1 April 2014. This is explained in Table Three below:

| PROPOSED GRADES<br>(as at 1 October 2013) |                                      | SPINAL<br>COLUMN<br>POINT | HOURLY<br>RATE WEF<br>1 <sup>ST</sup> April<br>2013(£) | PROPOSED GRADES<br>(as at 1 April 2014) |                |
|---|--------------------------------------|---------------------------|--|---|----------------|
|   | <b>Grade 2</b><br><255 NJC<br>points | 7                         | 6.69   |   |                |
|   |                                      | 8                         | 6.90   |   |                |
|   |                                      | 9                         | 7.11   |   |                |
|   |                                      | 10                        | 7.26   |   |                |
| <b>Grade 3</b><br>255 – 299<br>NJC points |                                      | <b>NEW 10</b>             | <b>7.45</b>  |   | <b>Grade 2</b> |
|   |                                      | 11                        | 7.71   |   |                |
|   |                                      | 12                        | 7.87   | <b>Grade 3</b>                          |                |
|   |                                      | 13                        | 8.09   |   |                |

**Table 3**

### 3. Financial Summary

The following information details the financial implications of the recommended, phased approach taking into account the national Pay Agreement of a 1% pay offer and the deletion of Spinal Column Point 4.

#### *Phase One (1 October 2013)*

The lowest proposed scale point of the revised pay line will be a new minimum Spinal Column Point 7 at a rate of £6.69 an hour. The following Table four details the number of staff affected and the financial costs in 2013/14 when compared to the approved budget:

| Service                       | No's of Staff | FTE        | Cost in 2013/14<br>£m |
|-------------------------------|---------------|------------|-----------------------|
| Adult and Community Services  | 56            | 41         | 0.011                 |
| Children and Young People     | 99            | 67         | 0.016                 |
| Environment                   | 38            | 37         | 0.010                 |
| Office of the Chief Executive | 26            | 25         | 0.006                 |
| County Treasurer's            | 9             | 9          | 0.003                 |
| LCCG                          | 2109          | 671        | 0.127                 |
| <b>Total</b>                  | <b>2337</b>   | <b>850</b> | <b>0.173</b>          |

**Table 4**

No staff whose costs fall within the corporate budget, Public Health or who are seconded to One Connect Limited, are affected by these proposals.

The in year increase of £172,612 will be funded from the resources released from the outcome of the recent review of reserves, as set out in the Money Matters report elsewhere on the Cabinet agenda.

*Phase Two (1 April 2014)*

The lowest proposed scale point of the revised pay line will be a new Spinal Column Point 10 at a rate of £7.45 an hour. The following Table five details the number of staff affected and the financial costs showing the total cost compared to the base position of what is included in the currently approved budget. A greater number of staff are ultimately affected as a wider range of scale points are abolished:

| Service                       | Total Number of Staff Affected By Phases 1 and 2 |              | Phase 1 Cost | In Year Phase 2 Cost | Total Cost   |
|-------------------------------|--|--------------|--------------|----------------------|--------------|
|                               | No's of Staff                                    | FTE          | £m           | £m                   | £m           |
| Adult and Community Services  | 138  | 95           | 0.011        | 0.133                | 0.144        |
| Children and Young People     | 205  | 110          | 0.016        | 0.171                | 0.187        |
| Environment                   | 38   | 37           | 0.010        | 0.078                | 0.088        |
| Office of the Chief Executive | 36   | 35           | 0.006        | 0.061                | 0.067        |
| County Treasurer's            | 9  | 9            | 0.003        | 0.019                | 0.022        |
| LCCG                          | 3,212  | 1,241        | 0.127        | 1.670                | 1.797        |
| <b>Total</b>                  | <b>3,638</b>                                     | <b>1,527</b> | <b>0.173</b> | <b>2.132</b>         | <b>2.305</b> |

**Table 5**

As the announcement about any change in the Living Wage will not be made until 4 November 2013, the current Living Wage of £7.45 an hour has been used to calculate the financial impact for the County Council in introducing the Living Wage. However, in advance of this announcement, three scenarios have been tested to model the potential impact of an increase in the Living Wage on the Phase 2 costs of the implementation. In these scenarios, the impact of increases of:

- 2.5 % (the Living Wage would increase to £7.64 an hour);
- 2.7% (the Living Wage would increase to £7.65 an hour); and
- 3% (the Living Wage would increase to £7.67 an hour)

have been modelled, because the key indicator used in the calculation of the increase to the Living Wage is the Consumer Price Index (CPI) which is currently close to 2.7%.

The potential impact on Phase 2 costs is shown in Table 6 below:

| Increase in living wage rate from £7.45 ph | 2.5% | 2.7% | 3% |
|--|------|------|----|
| <u>Additional cost:</u>                    | £m   | £m   | £m |

|                                |              |              |              |
|--------------------------------|--------------|--------------|--------------|
| Adult and Community Services   | 0.048        | 0.052        | 0.057        |
| Children and Young People      | 0.042        | 0.045        | 0.050        |
| Environment                    | 0.017        | 0.018        | 0.020        |
| Office of the Chief Executive  | 0.016        | 0.018        | 0.020        |
| County Treasurer's Directorate | 0.004        | 0.005        | 0.005        |
| LCCG                           | 0.513        | 0.554        | 0.616        |
| <b>Total</b>                   | <b>0.640</b> | <b>0.692</b> | <b>0.768</b> |

**Table 6**

This shows that the additional financial costs to the County Council from paying the Living Wage in 2014/15 could potentially be between £0.640m to £0.768m depending upon the level of increase announced on 4 November.

A verbal update will be provided to Cabinet at the meeting following the announcement of any change to the amount of the Living Wage.

In the event that Cabinet recommends Full Council to approve the proposals for the adoption by the County Council of the Living Wage as set out in this report and Full Council agrees to this recommendation, then the financial implications for 2014/15 and onwards will be addressed as part of the County Council's budget setting.

#### **4. Lancashire Schools**

The work undertaken to date has demonstrated that circa 5,200 staff (1,800 full time equivalents) working in schools are currently paid an hourly rate which is less than the Living Wage rate of £7.45 per hour. The introduction of a Living Wage for staff working in schools will be discussed with the Schools Forum. The decision as to whether to adopt the Living Wage sits with the individual Governing Body of each school. It is proposed that schools will be encouraged to consider adopting the Living Wage as a minimum pay rate from 1 April 2014.

#### **5. Contractors**

As outlined above, as part of the Living Wage Accreditation, the County Council needs to demonstrate progress towards requiring existing and new contractors to adopt the Living Wage. Therefore it is proposed that a review be undertaken to consider the benefits to the Lancashire economy and its citizens, and the financial implications for the County Council of a broader application of the scheme in respect of organisations that currently provide goods, services and works to the County Council. A further report will be brought to Cabinet at a future meeting.

#### **Consultations**

Officers have consulted with the Joint Negotiating and Consultative Forum (JNCF).

## **Implications:**

This item has the following implications, as indicated:

### **Risk management**

### **Financial Implications**

Adoption of the Living Wage results in a further pressure within the County Council's forward financial forecast that will need to be managed as part of the delivery of the overall Medium Term Financial Strategy, and this will be reflected in the budget proposals that will be brought to Cabinet in due course.

Adoption of the Living Wage also changes the Council's financial risk profile in two specific ways.

Firstly, increases in the Living Wage are not the result of the national pay negotiations for local government staff and have to date been at a rate in excess of that reflected in the national agreements which are reflected in the County Council's financial planning framework. Thus there is likely to be a further pressure in terms of pay costs that will need to be reflected in future iterations of the Medium Term Financial Strategy.

The impact of introducing the Living Wage is greatest within LCCG which is heavily dependant for its success on winning contracts in competition with the private sector. Clearly a significant change in the cost base of this sort could have an impact on the relative competitive position of LCCG, particularly in the high competition areas of cleaning and catering. Clearly management within LCCG will take steps to mitigate any competitive impact, as was the case with the equal pay review and the nature and scale of this impact will only become clear as current contracts are renewed.

### **Legal Implications**

The County Council's current pay and grading structure was implemented at the conclusion of the Equal Pay Review in March 2010. The purpose of the review was to implement The National Joint Council for Local Government Services 2004 Pay Agreement which included a requirement for Councils to undertake an equal pay review of pay and terms and conditions of employment in accordance with Part 3 of the National "Green Book" Conditions. The implementation of single status employment and fair and non-discriminatory grading structures was to ensure that the Council complies with equalities legislation by ensuring that differences in pay and other terms and conditions are based upon objective factors and not gender.

The introduction of the Living Wage does not have any obvious equal pay or other equality implications. In the event of a claim being brought the Council could defend the matter on the basis that any alleged inequality is genuinely due to a material factor which is not a difference in sex, age, etc and that the introduction of the Living Wage is a proportionate means of achieving a legitimate aim; the reasons for the introduction of the Living Wage being the factors identified under the "Background" section above.

## HR Implications

Under the terms of a Collective Agreement between the County Council and the recognised Trade Unions, the County Council has committed to undertake a review of the Living Wage.

### List of Background Papers

| Paper   | Date        | Contact/Directorate/Tel                                     |
|---|-------------|---|
| Joseph Rowntree Foundation – 'A Minimum Income Standard for Britain'<br><a href="http://www.jrf.org.uk/publications/minimum-income-standard-britain-what-people-think">http://www.jrf.org.uk/publications/minimum-income-standard-britain-what-people-think</a> | 1 July 2008 | Eddie Sutton, Office of the Chief Executive, (01772) 535171 |

Reason for inclusion in Part II, if appropriate

N/A





**Cabinet - 7 November 2013**

**Report of the County Treasurer**

Electoral Division affected:

All

**Money Matters - Update on the County Council's Financial Position for 2013/14**  
(Appendix 'A' refers)

Contact for further information:

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## **Executive Summary**

In order to maintain overall strategic control of the County Council's finances, the Cabinet receives regular Money Matters reports. The purpose of these is to

- Highlight the high risk financial issues facing the County Council, both in the current and future financial years, together with any action which may be required;
- Set out the County Council's likely financial position at the end of the financial year and;
- Assess any impact on the County Council's overall financial outlook.

The report set out at Appendix 'A' is the second budget monitoring report for 2013/14, and reflects the position as at 30 September 2013.

The key headlines of this are:

- An overspend of £4.3m is forecast on the revenue budget representing an overall improvement in position of £2.1m since the last report to Cabinet. Given the level of financial risk facing the County Council, it is imperative that management action is taken to bring spending back into line with the overall revenue budget by the end of the year.
- The capital investment programme is on track to deliver 87.6% of spending in 2013/14.

## **Recommendation**

Cabinet is asked to:

- (i) Note the forecast position for the 2013/14 revenue budget and capital investment programme;

- (ii) Note the forecast position on the County Council's reserves;
- (iii) Approve the setting aside of £173,000 to fund the cost of the Living Wage in 2013/14 (subject to Full Council approval) and the transfer of additional one-off resources available of £4.177m to the County Council's downsizing reserve;
- (iv) Note the forecast position on the County Council's Voluntary Severance reserve.

**Background and Advice**

See Appendix 'A'.

**Consultations**

N/A

**Implications:**

This item has the following implications, as indicated:

**Risk management**

The County Council's overall approach to risk management continues to be to manage exposure to risk by the most appropriate means. This report is part of the risk management framework designed to manage future risks.

**List of Background Papers**

| Paper                          | Date         | Contact/Directorate/Tel                                     |
|--------------------------------|--------------|---|
| Directorate monitoring reports | October 2013 | George Graham, County Treasurer's Department (01772) 538107 |

Reason for inclusion in Part II, if appropriate

N/A

## Appendix 'A'

# Money Matters – Update on the County Council's Financial Position for 2013/14

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## 1. Introduction

This report provides an update for Cabinet on the County Council's current financial position. The report is in four parts:

Section A – Sets out the forecast end of year position for the 2013/14 revenue budget

Section B – Sets out progress on the Capital Investment Programme

Section C – Sets out the impact of the current monitoring position on the County Council's reserves

Section D – Sets out the conclusion

## 2. Summary of the Financial Position

This report provides Cabinet with a view on the Council's current financial performance and the anticipated position at the year end. The forecast is based on information to the end of September 2013 and shows in summary:

### *For the Revenue Budget*

- A potential overspend on the revenue budget of £4.3m representing an overall improvement in position of £2.1m since the last report to Cabinet, with action plans in place by Directorates to bring service spending into line with budgets.
- As previously reported, the availability of additional one-off resources from the government in 2013/14 of £5.8m.

### *For the Capital Investment Programme*

- Forecast capital spending in year of £157.4m which is 87.6% of the programme.
- Estimated slippage in to future years of £22.3m.

### *For Reserves and Balances*

- As previously reported, the identification of £1.5m in earmarked reserves and provisions to be released in 2013/14.
- The identification of a further £4.35m in earmarked reserves and provisions available for release in 2013/14.
- The impact on reserves of the receipt of additional, one-off resources in 2013/14 of £5.8m.

### 3. Section A - The 2013/14 Revenue Budget

3.1 In February 2013 the County Council approved a revenue budget of £776.343m, which when adjusted for in year changes, such as items carried forward, results in a cash limit for monitoring purposes of £776.107m.

| Budget Area                                      | Cash Limit     | Forecast End of Year Position | -under/over spend |            |
|--|----------------|-------------------------------|-------------------|------------|
|  | £m             | £m                            | £m                | %          |
| <b>Spending on Services</b>                      |                |                               |                   |            |
| Adult Services, Health and Wellbeing Directorate | 340.851        | 342.150                       | 1.299             | 0.4        |
| Children and Young People                        | 160.095        | 164.394                       | 4.299             | 2.7        |
| Environment                                      | 185.690        | 183.778                       | -1.912            | -1.0       |
| Office of the Chief Executive                    | 21.517         | 22.013                        | 0.496             | 2.3        |
| County Treasurer                                 | 4.958          | 4.639                         | -0.319            | -6.4       |
| Strategic Partnership                            | 18.465         | 23.510                        | 5.045             | 27.3       |
| Corporate  | 14.250         | 12.260                        | -1.990            | -14.0      |
| Lancashire County Commercial Group (LCCG)        | 0.963          | 0.761                         | -0.202            | -21.0      |
| Hardship Claims                                  | 0.750          | 0.250                         | -0.500            | -66.7      |
| Investment proposals                             | 14.250         | 14.250                        | -                 | -          |
| Contribution from Strategic Investment reserve   | -10.000        | -10.000                       | -                 | -          |
| Contribution from reserves                       | -5.563         | -5.563                        | -                 | -          |
| Contribution to Downsizing Reserve               | 1.204          | 1.204                         | -                 | -          |
| Council Tax Freeze Grant 2013/14                 | -3.672         | -4.281                        | -0.609            | -16.6      |
| Capital Financing                                | 32.349         | 31.079                        | -1.270            | -3.9       |
| <b>Budget Requirement</b>                        | <b>776.107</b> | <b>780.444</b>                | <b>4.337</b>      | <b>0.6</b> |

Additional one-off resource as reported to Cabinet on 5 September 2013 has been received from the government in 2013/14 as follows:

|  |            |
|--|------------|
|  | <b>£m</b>  |
| Local Authority Central Spend Equivalent Grant (LACSEG) Refund | 3.6        |
| Unused New Homes Bonus refund from DCLG                        | 1.4        |
| Council Tax Support transition grant from DCLG                 | 0.8        |
|  | <u>5.8</u> |

The above forecasts make no assumptions about the impact of management action on the position at the end of the financial year.

The key issues emerging are as follows:

### **3.2 Adult Services, Health and Wellbeing Directorate**

The Directorate is currently reporting an in-year overspend of £1.3m representing an improvement of £0.2m since the last report to Cabinet, and as reported throughout the previous financial year, is experiencing significant pressures on demand led social care budgets.

#### *Personal Social Care and Mental Health Services*

Current data indicates a continuation of some of these pressures particularly on Physical Disability and Learning Disability Services with estimated overspends of £3.1m and £1.1m respectively. The pressures are a result of a growth in demand, both in terms of the overall number of service users supported, which have increased over the year to date, but also the increasing complexity of individuals now being supported which is reflected in increasing average care package costs in these areas. The overspends are, in part, offset by a predicted underspend of £1.9m on Older People services, largely as a result of actively reducing the number of new admissions to residential care.

The most significant cost pressures over recent years have resulted from the increasing numbers and complexity of Learning Disability service users and increased demand for residential care within Mental Health Services. The pressure on demand within learning disability services is exacerbated by the potential further net impact of Ordinary Residence changes and implementation of the Winterbourne Concordat whereby all current NHS and Joint funded hospital placements will be reviewed by 1 June 2013. If it is judged that anyone is inappropriately in hospital, they will need to move to community-based support, possibly funded by the County Council, as quickly as possible, and no later than 1 June 2014.

The Directorate is continuing a plan of review activity which continues to be focused on mitigating the impact of demographic growth across all demand led service areas with the reablement service being expanded and starting to deliver additional savings in line with the current financial strategy. A dedicated review team is in place for Learning Disability services relating to the planned re-modelling work of supported living services focused on delivering budgeted efficiency savings. The shared lives service is also being expanded to deliver net savings and work is ongoing to better manage the impact of transitions into adult learning disability care services from children's social care and the impact on spend forecasts. Further action will be taken to ensure that planned budget savings are delivered and to manage the financial impact of increasing demand.

In addition, the planned reduction in the number of social workers and Review, Assessment and Support Officers (RASOs) of c12% is heavily dependent on a number of other actions expected to reduce workloads and increase productivity. The implementation of the FACE (Functional Analysis in Care Environments) assessment and resource allocation system and the replacement for the Integrated Social Services Information System (ISSIS) assumed within the financial strategy were not achievable and therefore it is unlikely that the budgeted savings will be achieved in full by the end of 2013/14. The impact is a forecast overspend on this area of around £1.1m.

### *Commissioning and Resources*

These services are forecast to under spend by £2.2m, largely due to savings forecast to be achieved across a number of previously grant-funded or non-statutory areas of service through a combination of service reviews and scope for planned under spending to compensate for potential overspending on some demand led budget areas.

A programme of work is underway and now nearing completion aimed at critically reviewing all the services delivered or commissioned by the Directorate. This will provide a robust basis for identifying scope for additional savings and also focus future activity on those areas which have the biggest influence on reducing the impact of increasing demand going forward, with the aim for the directorate of quickly putting in place an action plan to deliver a balanced budget, or move to an underspend position, by the end of the financial year.

### *Public Health*

Whilst the overall Public Health position is forecast as being in line with budget, there is expected to be an underspend against the Public Health grant in the region of £3m. As per the requirements of the grant, this underspend will be carried over to the next financial year as part of a ringfenced public health reserve. The same conditions of use that apply to the grant will continue to apply to this reserve.

Given the context of Public Health services newly transferring over to the local authority, with services transferring to Lancashire County Council from three different Primary Care Trusts (PCTs), work is progressing to develop a clear commissioning strategy designed to deliver a county-wide service to meet the overall outcomes required of Public Health. This has led to delays in the commissioning of services resulting in this forecast underspend, which will not continue into future years.

## **3.3 Directorate for Children and Young People**

The Directorate is currently forecasting an over spend of £4.3m against its cash limit due to significant increases in demand at all levels for children's social care.

From March 2012 to July 2013, demand levels have risen significantly as set out below:

| <b>Demand Area Change in activity</b>                                  | <b>Increases for the period March 2012 to July 2013</b> |
|--|---|
| Looked after children – placed in residential and fostering placements | 15%   |
| Looked after children with Placement orders for adoption               | 16%   |
| Special Guardianship and Residence Orders – where allowances are paid  | 30%   |
| Referrals to Children's Social Care from Care Connect                  | 13%   |

### *The Demand Position*

The increase in looked after children impacts on placement costs, particularly agency spend with a greater need to place young people externally as the pressure exceeds the available in-house capacity.

Adoption and special guardianship orders provide a more permanent outcome for young people than residential and fostering placements. A national shortage of adopters is resulting in a greater number of children placed as CLA with carers whilst a suitable match is found which has increased the budget pressure. The number of Special Guardianship Orders (SGO) and Residency Orders (RO) granted by the courts has continued to rise, as an alternative to permanence through adoption. Whilst the costs of an SGO/RO are lower than for CLA placements they do represent a long term cost. Despite a number of looked after children being placed permanently and ceasing to be looked after increasing; the number of looked after children entering the care system continues to rise and the overall totals continue to rise.

An increase in numbers of young people entering the social care system has a direct impact on legal spend, increasing the number of care orders and permanent orders being sought. The requirement for pre-proceedings, introduced under the Family Justice Review, has increased legal intervention and this will increase further from October when Public Law Outline (PLO) is implemented locally, although it is anticipated that this change will reduce costs in the longer term.

### *The Budget Position*

In the last Cabinet monitoring report a detailed action plan was outlined, setting out that although the overall overspend position is partially offset within the cash limit budget for the Directorate by the ongoing under spend of £4.1m from 2012/13, it is the intention of the Directorate leadership team that the full overspend will be clawed back through management action by the end of the year and the recurring under spend will be available for release in 2014/15.

The areas of pressure upon the Directorate's revenue budget can be summarised as follows:

- Children's Social Care agency placements (£4m): Foster Care Placements and Residential Care
- Family Support (£1.212m): The numbers of Special Guardianship Orders and Residential Orders have continued to increase;
- Legal Fees (£1.344m): Legal costs associated with Children's Social Care cases continue to rise above previous levels resulting in the identified pressure;
- Overnight Short Breaks (£0.786m): The revised strategy was agreed by the Cabinet Member in April 2013 and approval has now been given to consultation on the first of the redesigned units and the closure of three existing units. However the savings assumed in the current MTFs strategy will not be achieved this year ;
- Mainstream School Transport (underspend of £0.750m): The costs of mainstream home to school transport have been reassessed alongside the start of the new school year and an under spend has resulted;
- Extended Rights to Free Transport (£0.477m): shortfall in grant provided by Department for Education (DfE) caused by a reduced national allocation compared to earlier assumptions;
- Specialist Transport - SEN and Short Stay Schools (£1.515m): The costs of the transport provision for pupils with SEN and other specialist transport are forecast to over spend. However, further work is being undertaken to examine the underlying data and reasons for this and to assess the accuracy of the position.

#### *The Directorate Action Plan*

The measures outlined within the last report to Cabinet in September 2013 are now underway and evidence is starting to emerge that these are having an impact on the demand pressures outlined above. However, it is too early to incorporate the outcome of these actions with the forecast for the financial year; the early indications are that the actions will, as a minimum, bring the 2013/14 budget back into balance.

### **3.4 The Environment Directorate**

The Directorate is forecasting an underspend of £1.9m, an increase in underspend of £1.0m since the last report to Cabinet. This is largely arising from an anticipated overall under spend on the Waste budget in the region of £1.5m. This is largely due to more informed projections on recycle income and landfill savings but also there is an expectation that £0.300m will be received during the year for deductions on the PFI contract which has not been budgeted for. There is a forecast underspend of £0.450m on Concessionary Travel costs due to a reduced number of passengers and expenditure on bus contracts is also reduced due to demand on subsidised services resulting in a predicted underspend of £0.249m.



However, there is a forecast under recovery of income from charges made to capital schemes of £0.535m. This has arisen as a result of improved efficiency in the directorate which is providing the same level of service to the capital programme but utilising less and lower cost resource. This saving is passed on to the capital scheme but results in lower than forecast recharge income giving rise to this pressure on the revenue budget.

There is also an underspend of £0.3m on street lighting due to a reduction in usage resulting from the implementation of efficiency measures and Highway maintenance shows a predicted overspend of £0.160m due to drainage and carriageway defect demands.

### **3.5 The Office of the Chief Executive**

The overspend of £0.496m represents an increased overspend of £0.454m since the last report to Cabinet. The overspend is due, in the main, to additional expenditure of £0.171m arising from the appointment of the Interim Chief Executive and to a projected overspend of £0.337m relating to the increasing case load for Child Protection cases within the County Solicitors group.

### **3.6 The County Treasurer's Directorate**

The County Treasurer's Directorate is forecast to underspend by £0.319m which is largely as a result of holding vacant posts within the Directorate as further efficiency savings are developed.

### **3.7 The Strategic Partnership budget**

There is a forecast overspend within the Strategic Partnership of £5.0m representing no change since the last report to Cabinet. Of this, £1.9m relates to loss of income and £3.0m relating to lower than anticipated procurement savings on revenue expenditure.

### **3.8 Lancashire County Commercial Group**

The £0.202m underspend is an improvement on the breakeven position reported previously to Cabinet and reflects an overall reduction in costs whilst maintaining income.

### **3.9 The Corporate budget**

The Corporate budget is forecast to be underspend by £1.990m at year end which is an increased underspend position since the last report to cabinet of £0.403m.

The key changes resulting in the improved position are:

- The budgeted contribution for the revenue costs of the redesigned short breaks service will not be required in 2013/14 due to delays in delivering the reshaped service, this will realise a saving of £1.2m in 2013/14.
- A contribution by the Public Health service to the Council's overhead costs will realise a £1.1m underspend in 2013/14.
- There has also been a reduction to the Council's funding in respect of Education Service Grant that is generating an additional pressure of £0.750m.

### 3.10 Other budgets

The level of grant for the 2013/14 Council Tax freeze is greater than forecast realising an underspend of £0.609m.

Based on activity in the year to date it is forecast that the budget set aside for Council tax Hardship claims will underspend by £0.500m.

### 3.11 Capital Financing costs

There is a forecast underspend within the Capital Financing Costs of £1.270m. This reflects, in the main, a £2.5m overspend arising due to an unrealised loss on investments offset by a £4m underspend on the level of interest paid and received on loans and investments.

The £2.5m is representative of the current loss due to market movements on the trading bond portfolio. There is a requirement to sell the majority of these bonds by the end of December to fund cashflow requirements. This loss can increase or decrease as a result of market movements.

### 3.12 Additional resources

£5.8m of additional, one-off, revenue resources was reported to Cabinet on 5 September 2013. Cabinet approved that this resource be available for transfer into revenue reserves subject to management action bringing the revenue budget into balance at year end.

## 4. Section B - The 2013/14 Capital Investment Programme

In February 2013 the County Council agreed a capital investment programme of £172.912m. Adjusting for variations from 2012/13 and new approvals the programme is currently £ 179.713m.

|  | £m      |
|--|---------|
| Original Programme   | 172.912 |
| Additions brought forward from 2012/13 programme (approved at Cabinet 11.7.13) | 4.201   |

|                                     |         |
|-------------------------------------|---------|
| Cabinet Member Approvals in 2013/14 | 2.600   |
| Revised Programme 2013/14           | 179.713 |

The forecast position by each area of the capital programme is shown in the table below:

|                              | Revised Programme 2013/14 | Forecast as at July | Forecast as at September | Change in -under/over spend since previous report |             |
|------------------------------|---------------------------|---------------------|--------------------------|---|-------------|
|                              | £m                        | £m                  | £m                       | £m  | %           |
| Adult and Community Services | 6.018                     | 4.344               | 3.474                    | -0.870  | -20.0       |
| Children and Young People    | 71.542                    | 63.418              | 61.716                   | -1.702  | -2.7        |
| Environment                  | 56.277                    | 53.765              | 50.258                   | -3.507  | -6.5        |
| Corporate                    | 39.687                    | 40.251              | 36.743                   | -3.508  | -8.7        |
| LCCG                         | 6.189                     | 6.168               | 5.215                    | -0.953  | -15.4       |
| <b>Total</b>                 | <b>179.713</b>            | <b>167.946</b>      | <b>157.406</b>           | <b>-10.540</b>                                    | <b>-6.2</b> |

The forecast shows that the anticipated expenditure in the year is £10.5m less than previously forecast to Cabinet on 5 September 2013. Some of the key reasons for the change since that report are:

#### 4.1 *Adult and Community Services*

- The Extra Care Housing Strategy is being developed and it is expected that this will be completed this year. However, it is not anticipated that there will be any expenditure in 2013/14 resulting in a reduced forecast of £0.5m.
- Expenditure on the Libraries regenerate is slipping by £0.309m primarily due to the time taken to identify the priority sites for the minor works element of the programme.

#### 4.2 *Directorate for Children and Young People*

- Expenditure in the year on the early education for 2 years old is less than initially anticipated (£1.5m). The allocation of this money is being carefully managed as the criteria for accessing the 2 year old places will widen considerably next year with the changing eligibility criteria coming into play and it is currently anticipated that the capital will be spent by August 2014.
- Expenditure on Youth Zones is estimated to be £1.3m lower than initially forecast. This is due to issues in securing the lease for the Hyndburn Youth Zone, the West Lancashire Youth Zone is now due to start on site in October slightly later than anticipated and delays on the Preston Youth Zone as a result of the County Council and its partners reviewing the project.

### 4.3 *Environment Directorate*

- Pennine Reach expenditure is £1.439m lower than previously forecast as the main land purchase relates to the compulsory purchase of Accrington Bus Station site which is now expected to be incurred in the next financial year.
- £1.5m has been slipped since last forecast on the M65 motorway works which will now take place early 2014/15.
- The Cuerden Strategic Site project has slipped by £0.953m as land negotiations are likely to be ongoing until the end of 2013/14 prior to highway and public transport infrastructure works being undertaken.
- Forecast expenditure on Preston Bus Station has been reduced by £0.928m following the recent announcement that the building and some of the interior is now listed by English Heritage. This has resulted in a need to review the project.

### 4.4 *Corporate*

- The work to be undertaken on the County Hall complex has been re-profiled due to slippage resulting in a reduced forecast on the Offices projects of £1.2m.
- Structural maintenance expenditure is estimated to be £0.473m lower with slippage arising on several Heritage Sites with the timing of the work restricted by climatic factors.
- There is now anticipated to be slippage of £1.3m on the economic development projects in the year.

### 4.5 *Lancashire County Commercial Group*

- A review of the commitments against replacement programme for vehicles has resulted in the forecasted slippage in year of some £1m.

## 5. **Section C – Impact on reserves**

The report to Cabinet on 5 September 2013 identified the following resources as available for transfer in to the council's revenue reserves:

|  |            |
|--|------------|
|  | <b>£m</b>  |
| LACSEG refund                                  | 3.6        |
| Additional New Homes Bonus                     | 1.4        |
| Council Tax Support schemes – transition grant | 0.8        |
| Release from CYP DFM reserve                   | 0.9        |
| Release from Carbon Tax provision              | 0.6        |
|  | <u>7.3</u> |

The following further one-off resources have been identified in 2013/14 as being available for release from earmarked reserves:

|  | <b>£m</b>   |
|--|-------------|
| Available for release from the Equal Pay reserve                     | 0.60        |
| Amounts available for release from the Strategic Investment reserve: |             |
| Young Peoples' transport   | 2.25        |
| Changing Places  | 0.50        |
| Available for release from the Performance Reward Grant reserve      | <u>1.00</u> |
| <b>Additional one-off resources</b>                                  | <b>4.35</b> |

As set out elsewhere on the Cabinet agenda, it is proposed that the cost of the introduction of the Living Wage in 2013/14 of £0.173m be met from resources released from earmarked reserves. It is therefore suggested that £0.173m be set aside for this purpose (subject to Full Council approval of the introduction of the Living Wage) and the remaining £4.177m of one-off resources identified above be transferred into the Council's downsizing reserve. The Council has approved a number of voluntary redundancies in 2013/14 and with the potential cases awaiting approval, as at the end of September the cost of these could rise to £1.842m. This cost reduces the balance available in the Voluntary Severance reserve to £6m which at this point in the year is considered adequate to meet any further demand in 2013/14.

## **6. Section D – Conclusion**

A number of significant revenue spending pressures have emerged in the current year, if the County Council's budget is to remain on track for 2013/14 it is imperative that management action continues to be taken to bring the budget into balance by the end of the year.

It is also vital that any action taken is similarly reflected in projections for future years so that savings proposals being developed for the financial strategy take account of any potential impact this action could have on their delivery.



**Cabinet - 7 November 2013**

**Report of the County Treasurer**

Electoral Division affected:

All

**Money Matters - The Financial Strategy 2014/15 to 2017/18**  
(Appendix 'A' refers)

Contact for further information:

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## **Executive Summary**

2013/14 is the final year in the County Council's current three year budget strategy. In July 2013, the Cabinet considered the financial outlook for the County Council over the next four years, which set out the unprecedented challenge facing the County Council of delivering savings of £300m. This would mean that over a seven year period the County Council would have reduced its costs by over £0.5bn. Cabinet requested that the Management Team examine the options for, and implications of, delivering savings of this scale.

Since July, the Cabinet and the Management Team have been working to develop budget proposals, and this report is an update on the work undertaken so far.

The report highlights to Cabinet:

- The update in the forecast of costs to take into account refinement of assumptions regarding demand levels and inflation, together with the impact of the Living Wage, subject to approval by Full Council;
- The outcome of the work undertaken by staff across the County Council to deliver the 10% challenge; and
- Opportunities to reduce the cost of being in business.

Despite this work, the County Council still faces a significant financial challenge. The challenge facing the County Council is unprecedented. Delivering this level of saving whilst seeking to deliver effective services for our communities cannot be achieved without a radically different approach which focuses on service delivery within a budget envelope of £642m by 2017/18.

## **Recommendation**

Cabinet is recommended to:

- (i) Note the forecast of the financial outlook for the County Council over the next four years and the level of savings required;
- (ii) Note the reductions in cost of £6.285m in 2014/15 rising to £17.430m in 2017/18;
- (iii) Note the efficiency savings identified through the 10% challenge of £16.272m in 2014/15 rising to £19.081m in 2015/16;
- (iv) Note the savings that can be delivered by reductions in the cost of running the business of £6.523m in 2014/15 rising to £17.366m in 2017/18; and
- (v) Consider any proposals for the revenue budget for 2014/15 and later years to go out for consultation following this meeting.

## **Background and Advice**

As set out at Appendix 'A'.

## **Consultations**

As set out at Appendix 'A'.

## **Implications:**

As set out at Appendix 'A'.

## **Risk management**

As set out at Appendix 'A'.

## **List of Background Papers**

| Paper                    | Date                 | Contact/Directorate/Tel  |
|--------------------------|----------------------|--|
| Financial Outlook papers | April - October 2013 | George Graham,<br>County Treasurer's<br>Directorate, (01772)<br>538102 |

Reason for inclusion in Part II, if appropriate

N/A



**The County Council's Financial Strategy 2014/15 to 2017/18**

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**1. Introduction to the scale of the financial challenge ahead**

Over the past three years the reductions in public spending following the 2010 Comprehensive Spending Review have had a significant impact on the level of resources for local government. Over that period, the County Council saw a 28% reduction in the level of resources received from the government and by the end of 2013/14, will have delivered savings of £217m over its current three year budget. The government has also stated that local government could expect to see the same level of reduction in resources over the next spending review period.

The 2013 spending review was published in June 2013 and covered the two financial years 2014/15 and 2015/16. As previously trailed by the government, local government saw further major reductions to resources. Overall, local government will face further reductions in resources of 8% in 2014/15, and 13.1% in 2015/16. With reductions expected to continue beyond this, it is clear that reductions in resources of this scale will have a significant impact on the future of the County Council.

**2. The Impact on the County Council**

The level of the financial challenge over the next four years is driven by two key issues – increased costs as well as the reduced levels of resources described above.

The table below summarises the position previously reported to Cabinet in July and September 2013, and shows that over the next four years the County Council is facing:

- an increase in costs over this four year period of 21%, or £165m
- a reduction in resources of 17%, or £134m.

*2.1 Forecast Increases in the County Council's Costs*

|   | <b>£m</b>     |
|---|---------------|
| <b><i>The starting point – the 2013/14 Revenue Budget</i></b>   | <b>776.34</b> |
| <i>Add : Forecast Changes to Costs</i>  |               |
| Potential impact of pay awards  | 18.5          |
| Potential impact of increased employers contribution as a result of the triennial valuation of the Pension Fund | 8.4           |
| Impact of the introduction of the single tier pension   | 6.0           |
| Forecast impact of conversion to academies  | 2.3           |
| Impact of inflation on the prices paid to third parties   | 79.2          |
| Impact on costs of Forecast Changes to Demand for Services  | 50.9          |
| <i>Total of Forecast Increases in Costs</i>   | <i>165.3</i>  |
| <b><i>Budget Requirement by 2017/18</i></b>   | <b>941.64</b> |

## Appendix 'A'

Of course, in addition to facing increases in costs, the County Council must also consider changes to its resources.

### 2.2 Forecast Reductions in the County Council's Resources

|   | <b>£m</b>     |
|---|---------------|
| <b><i>The starting point – the level of resources within the 2013/14 Revenue Budget</i></b> | <b>776.34</b> |
| Made up of:   |               |
| • Council tax   | 360.21        |
| • Revenue Support Grant   | 248.81        |
| • Local share of the business rates   | 165.53        |
| • New Homes Bonus   | 1.79          |
| <i>Forecast Changes to Resources:</i>   |               |
| Council Tax   | +4.0          |
| Revenue Support Grant and Local share of the business rates                                 | -133.7        |
| Reduction in Education Support Grant in 2015/16   | -5.0          |
| Proposed topslice to New Homes bonus  | -1.0          |
| <i>Overall Impact on resources</i>  | <i>-134.3</i> |
| <b><i>Forecast of resources in 2017/18</i></b>  | <b>642.01</b> |

### 2.3 The Overall Impact on the County Council

The combined impact of increases in costs and reductions in resources is a gap of £300m which will have to be met by either reducing costs or increasing resources. The summary of the Financial Outlook for the County Council over the four year period is set out below.

| <b><i>The Overall Position</i></b>      | <b>£m</b>     |
|---|---------------|
| <i>Budget Requirement by 2017/18</i>    | 941.64        |
| <i>Forecast of resources in 2017/18</i> | 642.01        |
| <b><i>Gap</i></b>                       | <b>299.63</b> |

This gap is profiled over the next four financial years as follows:

| 2014/15 | 2015/16 | 2016/17 | 2017/18 | Total |
|---------|---------|---------|---------|-------|
| £m      | £m      | £m      | £m      | £m    |
| 76      | 94      | 67      | 63      | 300   |

## 3. The Approach to Meeting the £300m Challenge

2013/14 is the final year of the current three year budget, and in July Cabinet agreed to seek to develop a four year budget which will cover the life of the administration. This was to enable certainty for our communities, staff and partners, and enable a considered and planned approach to the significant downsizing that will be required.

Over the summer and early autumn period the Management Team has been working to identify either reductions in costs, or increases in resources which have no impact

## Appendix 'A'

on the level of services provided. The outcome of the work to date is set out within this report and includes:

- Review of cost pressures within the financial forecast
- The outcome of the 10% Challenges, and
- Reducing the cost of being in business.

### 3.1 Review of Cost Pressures

It is vital that as the financial strategy develops, a close review is kept of both cost pressures and resource forecasts. Given the scale of the £300m challenge, costs must be kept under review to ensure they are neither under forecast (and placing the County Council at risk of overspending) or over forecast (and at risk of reducing spend in services unnecessarily).

Since the previous report to Cabinet in September, the review of costs has resulted in an overall reduction in the forecast of the County Council's costs over the next four years of £17.4m, as set out below:

| Area of Cost  | 2014/15<br>£m | 2015/16<br>£m | 2016/17<br>£m | 2017/18<br>£m | Total<br>£m |
|---|---------------|---------------|---------------|---------------|-------------|
| Impact of the proposal to implement the Living Wage   | -2.305        | -0.069        | -0.071        | -0.073        | -2.519      |
| Impact of the revised forecast of procurement savings   | -5.000        | -             | -             | -             | -5.000      |
| The full year effect of savings agreed as part of the current financial strategy but not included within the financial forecast | 3.600         | 1.900         | 1.300         | 0.800         | 7.600       |
| Review of inflation for social care providers; providing 1.75% within the 2014/15 forecast                                      | 3.245         | -             | -             | -             | 3.245       |
| Review of the level of demand incorporated within the forecast for concessionary travel   | 0.645         | 0.180         | 0.197         | 0.190         | 1.212       |
| Revised forecast of the employers contribution to the local government pension fund as a result of the triennial valuation      | 1.500         | 1.553         | 1.541         | 1.538         | 6.132       |
| Reflection of the government commitment to a 1% pay cap for local government in 2014/15   | 2.600         | -             | -             | -             | 2.600       |
| Revised forecast of council tax income arising from the previously approved review of the single persons discount               | 2.000         | 0.250         | 0.730         | 1.180         | 4.160       |

## Appendix 'A'

| Area of Cost                         | 2014/15<br>£m | 2015/16<br>£m | 2016/17<br>£m | 2017/18<br>£m | Total<br>£m   |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|
| and the impact of the City Deal      |               |               |               |               |               |
| <b>Impact of the review of costs</b> | <b>6.285</b>  | <b>3.814</b>  | <b>3.697</b>  | <b>3.635</b>  | <b>17.430</b> |

### 3.2 The 10% Challenge

A crucial element to the work over the summer period has been the 10% challenge. This is the challenge set by the Management Team to all employees across the County Council – to save the County Council 10% of its costs giving a continued focus on driving out waste and increasing efficiency. It is standard practice in many organisations to expect 10% savings every year from such a focus - hence the 10% challenge within the County Council. All teams across the County Council were engaged in this, and by drawing on the knowledge and experience of staff throughout the organisation further efficiency savings of £19.1m have been identified over the next two financial years.

These savings are mostly small savings identified by staff where they believe there is the opportunity to reduce costs without any impact on services. The proposals have all been agreed by Directorate Management Teams as efficiency measures and include:

- Reductions in supplies and services budgets and squeezing of costs
- Removal of vacancies and reductions in hours
- Changes in planning and processes to enable reductions in staffing levels (e.g. improved route planning in the delivery of routine maintenance).

The overall level of 10% challenge by Directorate is as follows:

| Directorate                                       | 2014/15<br>£m | 2015/16<br>£m | Total<br>£m   |
|---|---------------|---------------|---------------|
| Adult Services, Health and Well-being Directorate | 6.266         | 2.005         | 8.271         |
| Children and Young Peoples Directorate            | 2.931         | -             | 2.931         |
| Environment Directorate                           | 5.156         | 0.779         | 5.935         |
| County Treasurer's Directorate                    | 0.307         | 0.025         | 0.332         |
| Lancashire County Commercial Group                | 0.573         | -             | 0.573         |
| The Office of the Chief Executive                 | 1.039         | -             | 1.039         |
| <b>Total</b>                                      | <b>16.272</b> | <b>2.809</b>  | <b>19.081</b> |

### 3.3 Reducing the Cost of being in Business

It is vital that the costs of the County Council being in business are constantly challenged; by continually seeking to reduce these costs the impact of the level of

## Appendix 'A'

savings required on the provision of services to the communities of Lancashire can be reduced.

A number of areas have been identified where the cost of being in business can be reduced, with no impact on the level, or quality of services provided by the County Council to communities. These are set out in the table below:

| Area of Cost to be Reduced   | 2014/15<br>£m | 2015/16<br>£m | 2016/17<br>£m | 2017/18<br>£m | Total<br>£m   |
|--|---------------|---------------|---------------|---------------|---------------|
| Contribution of Public Health to the County Council's overheads – calculation of the appropriate share in accordance with proper accounting practice             | 1.050         | -             | -             | -             | 1.050         |
| Reduced process costs within the Environment Direction as a result of the implementation of a fit for purpose asset management systems for highways and property | -             | -             | -             | 0.900         | 0.900         |
| Reduction in printing and postage costs  | 1.000         | -             | -             | -             | 1.000         |
| Management of business mileage through greater use of tele-conferencing and reducing the requirement to travel to meetings                                       | 1.000         | -             | -             | -             | 1.000         |
| Reduction in accommodation costs as a result of the downsizing of the County Council   | -             | -             | -             | 5.000         | 5.000         |
| Review of business intelligence support services to join up resources across the County Council  | 0.400         | 0.400         | 0.100         | 0.100         | 1.000         |
| Reducing the cost of the County Treasurer's Directorate to reflect the downsizing of the County Council  | 0.303         | 0.180         | 0.707         | 0.229         | 1.419         |
| Reflecting actual spending levels within the Corporate Expenditure budget  | 0.210         | -             | -             | -             | 0.210         |
| Reviewing the Treasury Management Strategy to reflect normal practice in stock lending, reduction in prices and realignment of loan charges                      | 1.675         | 0.600         | -             | -             | 2.275         |
| Reduction in the cost of waste   | -             | 0.500         | 0.500         | 0.500         | 1.500         |
| Impact of the previously approved revised approach to energy management  | 0.885         | 0.121         | 1.006         | -             | 2.012         |
| <b>Impact of reducing the cost of being in business</b>  | <b>6.523</b>  | <b>1.801</b>  | <b>2.313</b>  | <b>6.729</b>  | <b>17.366</b> |

## Appendix 'A'

### 3.4 Summary of the Impact of the Work Undertaken To Date

The impact of the areas set out above is as follows:

|  | 2014/15<br>£m | 2015/16<br>£m | 2016/17<br>£m | 2017/18<br>£m | Total<br>£m   |
|--|---------------|---------------|---------------|---------------|---------------|
| Impact of review of costs              | 6.285         | 3.814         | 3.697         | 3.635         | 17.430        |
| 10% Challenge                          | 16.272        | 2.809         | -             | -             | 19.081        |
| Reducing the cost of being in business | 6.523         | 1.801         | 2.313         | 6.729         | 17.366        |
| <b>Total Reduction in Costs</b>        | <b>29.080</b> | <b>8.424</b>  | <b>6.010</b>  | <b>10.364</b> | <b>53.878</b> |

#### 4. Bridging the Gap

It can be seen from the table above that savings have been identified, with no impact on services, of £53.9m over the next four financial years.

Despite this, there remains a gap of £246.1m, of which £46.9m falls in 2014/15, which, without further work to identify alternative ways of reducing the Council's costs, would have to be met by reducing the cost, and level of services provided by the County Council. Savings of this level from services have the potential to have a significant impact on the future of public services within Lancashire.

This reduction needs to be set within the context that between the years 2010 to 2017, the County Council will have had to make savings of over £0.5bn. This in itself sits within a national context whereby authorities are publically speaking about financial projections which may leave them no longer financially viable, or where the provision of statutory services may be significantly compromised.

At a reduction of almost 40%, the challenge facing the County Council is unprecedented. Delivering this level of saving whilst seeking to deliver effective services for our communities cannot be achieved without a radically different approach which focuses on service delivery within a budget envelope of £642m by 2017/18. Reshaping public services across Lancashire will require innovative thinking and leadership to secure effective services for our communities and ensure a sustainable future.

**Cabinet - 7 November 2013**

**Report of the Interim Chief Executive**

Electoral Division affected:

All

## **Lancashire County Council's Armed Forces Community Covenant** (Appendix 'A' refers)

Contacts for further information:

County Councillor Darren Clifford, (01772) 533054, Champion for Armed Forces Veterans  
Paul Bond, (01772) 534676, Corporate Policy & Performance, Environment Directorate  
Kieran Curran, (01772) 536068, Corporate Policy & Performance, Environment Directorate

### **Executive Summary**

An Armed Forces Community Covenant is a voluntary statement of support by UK councils for serving and former members of the Armed Forces and their families. The aim of the covenant is to encourage communities to support the services in their area and promote understanding and awareness among the public of issues affecting the Armed Forces community.

### **Recommendation**

Cabinet is asked to:

- (i) Note the development of Community Covenants in Lancashire and welcome the work done by the Champion for the Armed Forces Veterans, the county council and its partners to support the Armed Forces community.
- (ii) Approve the Community Covenant attached at Appendix 'A'.

### **Background and Advice**

1. The Government published the Armed Forces Covenant in May 2011, setting out the relationship between the nation, the state and the Armed Forces. The Covenant states that "those who serve must not be disadvantaged by what they do" and seeks to "redress the disadvantages that the armed forces community faces compared to others and recognise sacrifices made."
2. The Covenant has already affected policy through additional provision and other state support for bereaved or serving personnel and/or their families and the introduction of the Community Covenant, a complementary pledge at the local level for communities voluntarily to support the Armed Forces, backed by a £30 million grant scheme. Extensive government guidance is available.

3. The aims of the Community Covenant are to:
  - Encourage local communities to support the Armed forces and its personnel in their areas;
  - Promote awareness and understanding of issues affecting the Armed Forces among the wider community;
  - Enable military personnel and their families to access services and facilities within the wider community;
  - Support re-settling or re-locating military personnel and their families;
  - Promote access to suitable employment and training opportunities for those in transition or preparing to leave active service.
4. A majority of all UK councils (including all councils in Scotland) have now signed their own Community Covenants in association with other public sector bodies, charities, voluntary groups, business groups and the military.
5. A copy of the County Council's proposed Covenant is attached in Appendix 'A' and, subject to Cabinet approval, the official signing event of the Covenant is planned for Friday 29 November 2013 at County Hall. The Leader of the County Council will sign the Covenant on behalf of the County Council and all other signatories will attend the event to sign on behalf of their respective local authorities and organisations.
6. **The Community Covenant Grant Scheme:** The Secretary of State for Defence allocated £30 million funding from 2011/15 to support Community Covenants. The scheme aims to provide financial support to local projects which strengthen ties between the Armed Forces and the wider community in which they live. An Armed Forces Community Covenant and a Community Covenant Partnership must be in place before funding can be accessed.
7. The Grant Scheme will consider applications for local projects (£100 to £250,000) that deliver tangible results and meet the overall aims of the Community Covenant Scheme. So far, the grant scheme has disbursed £5 million from the first six rounds of bids. From financial year 2013/2014 the community covenant grant scheme will be administered on a regional basis and £10 million per annum will be available. The fund will be distributed through a number of regional panels, chaired on a rotating basis by the Royal Navy, Army and the Royal Air Force.
8. The Community Covenant and the accompanying grant scheme seek to support local initiatives. Government believes delegating the allocation of the grant scheme to regional panels will allow this money to reach the areas which will benefit the most. The armed forces covenant team at the Ministry of Defence and H.M. Treasury will retain oversight of the process.
9. The County Council already supports serving personnel, their families, and veterans through a number of programmes (e.g. support for veterans through the Volunteer Hub) and members and officers currently work in ways that support the principles of the Covenant. The Chairman of the County Council hosts annual receptions for local military representatives and veterans, and the County Council



marks Armed Forces Day. The County Council also supports the Royal British Legion each year. Plans are already underway to commemorate the centenary of the outbreak of the Great War.

10. In November 2011, Cabinet appointed a Champion for Armed Forces Veterans to "assist the Leader and appropriate Cabinet Members to work with the organisations that support ex-servicemen and women to work even more closely together and to ensure that veterans and their families get the support they deserve." The Champion has an annual allocation of £10,000 to support his role.
11. The current Champion has held extensive discussions with his counterparts across the county and with representatives of the Armed Forces and ancillary service organisations. Officers, working with the Champion, have also reviewed current practices in other UK councils.
12. The Covenant is a commitment of mutual recognition and support between the civilian community, the Armed Forces, and veterans. Signatory councils have made this public commitment prior to the development of substantive action plans, subsequently developed once partnership structures and priorities have been firmly established. Engagement work leading up to the signing of our Covenant has therefore focused strictly on exploring and identifying potential policy options for collaboration, public engagement or customised treatment.
13. In the vast majority of cases where such policy options have been implemented additional investment has not been required and existing systems have been adapted to meet the needs of this particular community.

## **Consultations**

N/A

## **Implications:**

This item has the following implications, as indicated:

## **Risk management**

Community Covenants may look quite different from one location to another. The Government says the scheme "is one where one size does not fit all," and the nature of the support offered will be determined by both local need and capacity.

Community Covenants are now well developed in Lancashire and work is underway in most districts to identify potential areas for intervention. The County Council already intervenes in ways that reflect Covenant principles and county officers may be already engaged in this type of activity.

The number of Covenants in Lancashire to date indicates a risk to the County Council's public standing if support for a specific group does not emulate support for similar groups or other councils' support for the same group.

## **Financial**

Recent analyses of cost implications concede the constraints currently facing the municipal sector but stress the relatively low marginal costs of adapting existing systems to take service families and veterans into account. Government guidance suggests that "those who serve must not be disadvantaged by what they do" and while routinely-enhanced provision could undermine public support for the military, most councils clearly believe that the Armed Forces should be given a greater level of priority than they receive currently.

Future partnership work may lead to specific projects with their own cost implications; any potential future costs will be considered on a project basis. An assessment of cost implications ought to consider the potential for accessing the Covenant's grant scheme.

## **Equality and Diversity, Human Rights**

It has been recognised that those individuals who have served within the Armed Forces face a range of challenges and difficulties once they leave service. Through the adoption of Community Covenants councils commit themselves to acknowledge and recognise the importance of the contributions that these individuals have made and develop a range of actions to help support this group and their families.

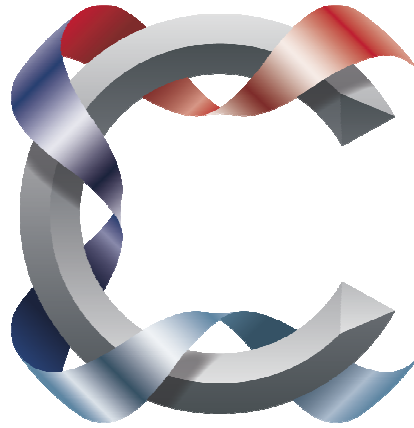
A specific Equality Analysis should be undertaken on any future action plans related to this policy area.

## **Legal**

The Covenant is not legally binding and does not therefore have any direct legal implications. It is possible that it will be invoked to support challenges to actions or decisions by the County Council which are not in line with the Covenant.

## **List of Background Papers**

| Paper  | Date       | Contact/Directorate/Tel                                     |
|--|------------|---|
| The Armed Forces Covenant  | March 2011 | Kieran Curran,<br>Environment Directorate<br>(01772) 536068 |
| The Nation's Commitment to the Armed Forces Community: Consistent and Enduring Support | July 2009  | Kieran Curran Environment Directorate, (01772) 536068       |



# **Community Covenant**

## **AN ARMED FORCES COMMUNITY COVENANT**

BETWEEN

LANCASHIRE COUNTY COUNCIL

REPRESENTATIVES OF THE MUNICIPAL, PUBLIC, PRIVATE,  
CHARITABLE AND VOLUNTARY SECTORS OF LANCASHIRE

THE CIVILIAN COMMUNITY OF LANCASHIRE

AND

THE ARMED FORCES COMMUNITY IN LANCASHIRE

**We, the undersigned, agree to work and act together to  
honour the Armed Forces Community Covenant.**

## Signatories

Signed:

Signed:

Name:

Name:

Position Held:

Position Held: Leader

**Signed on behalf of the Royal Navy**

**Signed on behalf of Lancashire County Council**

Date:

Date:

Signed:

Signed:

Name:

Name:

Position Held:

Position Held: Armed Forces Champion

**Signed on behalf of the Army**

**Signed on behalf of Blackburn with Darwen Borough Council**

Date:

Date:

Signed:

Signed:

Name:

Name:

Position Held: County Manager

Position Held: Armed Forces Champion

**Signed on behalf of the Royal Air Force**

**Signed on behalf of Blackpool Borough Council**

Date:

Date:

Signed:

Name:

Position Held:

**Signed on behalf of ABF The Soldier's  
Charity**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of Burnley Borough  
Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the British Limbless  
Ex-Service Men's Association (BLESMA)**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of Chorley Borough  
Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of Blind Veterans UK**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of Fylde Borough  
Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of Combat Stress**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of Hyndburn Borough  
Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of Help for Heroes**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of Lancaster City Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the North West Reserve Forces & Cadets Association**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of Pendle Borough Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the North West Veterans Advisory & Pensions Committee**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of Preston City Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of The Royal British Legion**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of Ribble Valley Borough Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the Royal Air Force Association**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of Rossendale Borough Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the Royal Air Force Benevolent Fund**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of South Ribble Borough Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the Royal Navy Association**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of West Lancashire Borough Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the Royal Navy Benevolent Trust**

Date:

Signed:

Name:

Position Held: Armed Forces Champion

**Signed on behalf of Wyre Council**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of SaBRE**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the Citizen's  
Advice Bureau**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of SSAFA Armed  
Forces Charity**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of East Lancashire  
Chamber of Commerce**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the Federation of  
Small Businesses**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of Job Centre Plus**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the Lancashire  
Association of Councils of Voluntary  
Services**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of  
Lancashire Constabulary**

Date:



Signed:

Name:

Position Held:

**Signed on behalf of Lancashire Fire and Rescue Service**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of Lancashire Forum of Faiths**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of Lancashire Probation Trust**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the Lord Lieutenant of Lancashire**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the National Health Service**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of the North & Western Lancs. Chamber of Commerce**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of One Lancashire**

Date:

Signed:

Name:

Position Held:

**Signed on behalf of**

Date:

## **SECTION 1: PARTICIPANTS**

1.1 This Armed Forces Community Covenant is made between:

The serving and former members of the Armed Forces and their families working and residing in Lancashire

And

Lancashire County Council

And

The Charitable and Voluntary Sector

And

Other members of the civilian community

## **SECTION 2: PRINCIPLES OF THE ARMED FORCES COMMUNITY COVENANT**

2.1 The Armed Forces Community Covenant is a voluntary statement of mutual support between a civilian community and its local Armed Forces Community. It is intended to complement the Armed Forces Covenant, which outlines the moral obligation between the Nation, the Government and the Armed Forces, at the local level.

2.2 The purpose of this Community Covenant is to encourage support for the Armed Forces Community working and residing in Lancashire and to recognise and remember the sacrifices made by members of this Armed Forces Community. This includes in-Service and ex-Service personnel their families and widow(er)s in Lancashire.

2.3 For Lancashire County Council and partner organisations, the Community Covenant presents an opportunity to bring their knowledge, experience and expertise to bear on the provision of help and advice to members of the Armed Forces Community.

2.4 For the Armed Forces community, the Community Covenant encourages the integration of Service life into civilian life and encourages members of the Armed Forces community to help their local community.

2.5 Lancashire County Council also wishes to acknowledge the work accomplished by our partner councils in the county's cities and boroughs to establish these principles in their specific communities.

## **SECTION 3: OBJECTIVES AND GENERAL INTENTIONS**

### **Aims of the Community Covenant**

3.1 The Armed Forces Community Covenant complements the principles of the Armed Forces Covenant which defines the enduring, general principles that should govern the relationship between the Nation, the Government and the Armed Forces community.

3.2 It aims to encourage all parties within a community to offer support to the local Armed Forces community and make it easier for Service personnel, families and veterans to access the help and support available from the Ministry of Defence, from statutory providers and from the Private, Charitable and Voluntary Sectors.

3.3 The scheme is intended to be a two-way arrangement and the Armed Forces community are encouraged to do as much as they can to support their community and promote activity which integrates the Service community into civilian life.

#### **SECTION 4: Measures**

4.1 The Partners to the Community Covenant shall compromise a partnership to foster close cooperation between the Armed Forces and civilian communities within Lancashire with the common aim of achieving mutual benefit to all concerned.

4.2 Each Partner shall examine and monitor their policies for observance with the principles set out in this Community Covenant and to ensure that both the Armed Forces and civilian communities within Lancashire benefit from the arrangement.

4.3 The supporting objectives of the partnership's work will include but are not limited to the following:

4.3.1 Monitoring the military profile within Lancashire with a view to identifying specific need.

4.3.2 Making information about services available to the Armed Forces community more widely and easily available.

4.3.3 Identifying and supporting projects that meet the objectives of the Community Covenant Grant Scheme.

#### **CONTACT PERSONNEL AND TELEPHONE NUMBERS**

MOD DCDS (Pers&Trg) Covenant Team

Email address: [covenant-mailbox@mod.uk](mailto:covenant-mailbox@mod.uk)  
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Lancashire County Council

Contact Name: Cllr. Darren Clifford  
Title: *Armed Forces & Veterans Champion*  
Telephone: 01772 533054  
Address: County Hall  
Preston, Lancs.  
PR1 8XJ

# THE ARMED FORCES COVENANT

An Enduring Covenant Between

The People of the United Kingdom  
Her Majesty's Government

– and –

All those who serve or have served in the Armed Forces of  
the Crown

And their Families

The first duty of Government is the defence of the realm. Our Armed Forces fulfil that responsibility on behalf of the Government, sacrificing some civilian freedoms, facing danger and, sometimes, suffering serious injury or death as a result of their duty. Families also play a vital role in supporting the operational effectiveness of our Armed Forces. In return, the whole nation has a moral obligation to the members of the Naval Service, the Army and the Royal Air Force, together with their families. They deserve our respect and support, and fair treatment.

Those who serve in the Armed Forces, whether Regular or Reserve, those who have served in the past, and their families, should face no disadvantage compared to other citizens in the provision of public and commercial services. Special consideration is appropriate in some cases, especially for those who have given most such as the injured and the bereaved.

This obligation involves the whole of society: it includes voluntary and charitable bodies, private organisations, and the actions of individuals in supporting the Armed Forces. Recognising those who have performed military duty unites the country and demonstrates the value of their contribution. This has no greater expression than in upholding this Covenant.



# Agenda Item 5

## Executive Scrutiny Committee

Meeting to be held on Tuesday 5 November 2013

|                                      |
|--------------------------------------|
| Electoral Division affected:<br>None |
|--------------------------------------|

### Individual Cabinet Member Key Decisions

Contact for further information:

Josh Mynott, (01772) 534580, Office of the Chief Executive,

[josh.mynott@lancashire.gov.uk](mailto:josh.mynott@lancashire.gov.uk)

#### Executive Summary

The Committee is invited to consider any key decisions due to be taken by Cabinet Members.

#### Recommendation

That the Committee scrutinise any reports for key decisions by individual Cabinet Members and make recommendations as appropriate.

#### Background and Advice

Cabinet Members are due to take the key decisions listed on the agenda cover sheet in October

The committee is invited to consider any reports listed above, and to comment as appropriate.

Any comments or recommendations made by the Committee will be reported to the Cabinet Member at the relevant Decision Making Session (DMS)

#### Consultations

N/A

#### Implications:

This item has the following implications, as indicated:

#### Risk management

Implications are as set out in the individual reports.

**Local Government (Access to Information) Act 1985  
List of Background Papers**

| Paper | Date | Contact/Directorate/Tel |
|-------|------|-------------------------|
|-------|------|-------------------------|

N/A

Reason for inclusion in Part II, if appropriate

N/A



**Report to the Cabinet Member for Children, Young People and Schools**  
**Report submitted by: Interim Executive Director for Children and Young People**

**Date 7 November 2013**

**Part I**

Electoral Division affected:  
All

**Early education for targeted 2 year olds progress summary**

(Appendix 'A' refers)

Contact for further information:

Theresa Moore, (01772) 531555, Directorate for Children & Young People,

[Theresa.moore@lancashire.gov.uk](mailto:Theresa.moore@lancashire.gov.uk)

**Executive Summary**

Lancashire is making progress with delivery of the new statutory entitlement to eligible 2 year old children using the strategy approved by the Cabinet Member in March 2013. A review of progress has been undertaken following the first round of bids to support expansion of early education places in priority areas. A proposal is now made to approach the Secretary of State for Education to make a revenue contribution of up to £1.4m from Dedicated Schools Grant to early years capital projects. This will support a better level of place provision in areas with a forecast 'gap' in provision than would otherwise be achieved. The £1.4m revenue funding noted above has already been allocated to the expansion of places for 2 year old children by Lancashire Schools Forum. This proposal has the support of the Forum. The Secretary of State has approved similar requests from other local authorities.

This is deemed to be a Key Decision and Standing Order 25 has been complied with.

**Recommendation**

The Cabinet Member for Children, Young People and Schools is recommended to:

- i) note the progress made in delivering early education places for eligible 2 year old children; and
- ii) approve the proposal that officers seek approval from the Secretary of State for Education to make a revenue contribution of up to £1.4m from Dedicated Schools Grant to early years capital projects in areas where there is a need for new 2 year old places.

## Background and Advice

On Monday 2 September, the statutory duty upon local authorities to secure early years provision free of charge for eligible 2 year old children took effect. At the start of the autumn term 2013 just over 1,500 two-year-old children were accessing a targeted free early education place. This is 57% of the 2,600 children in Lancashire that the Department for Education (DfE) estimate to be eligible. This is in line with take up reported by other LAs and represents substantial progress given the number of eligible children in Lancashire.

Officers contacted early years settings in spring term 2013 and calculated that Lancashire required up to 1,000 additional places to be created in some parts of the county to meet anticipated demand for the start of the new entitlement from September 2013. The DfE has allocated £2.4m revenue and £1.7m capital funding to support the development of sufficient high quality places to meet the statutory entitlement. It should be noted that these figures were calculated on a formula basis in line with available funding and therefore do not relate to an assessment of need.

With the agreement of Schools Forum and the Cabinet Member, early years providers with an Ofsted grade of good or better have been notified of the opportunity to bid for revenue and capital funding to support the creation of new 2 year old places in priority areas. In the first round of funding Lancashire received 53 bids. A panel containing representatives from the Early Years Working Group and Schools Forum considered the bids. In total 33 bids creating up to 530 new places in priority areas have been recommended. Several bids have been postponed to round 2 as they were received from providers that are not in current priority areas. Work is ongoing in the 20 priority areas where no bid was received to encourage providers to expand provision or create new places.

Bids that have been supported by the panel are creating new 2 year old places in priority areas by, for example:

- Supporting recruitment and training and assisting with the cost of employment of staff in the first term that the places become available;
- Re-configuring existing settings by inserting doors or knocking through walls;
- The provision of additional children's toilets to meet Ofsted requirements;
- The provision of extensions to existing buildings or new modular buildings.

From the bids which were supported in round 1, there has been a strong demand for capital funding where £600,000 of the £1.7m capital funding available has been approved. There has been a much lower than anticipated demand for revenue funding to the extent that only £220,000 of the £2.4m revenue funding available is currently approved. In light of feedback received from providers, the structure of the funding available in round 2 has been altered slightly to provide more revenue support where a provider is significantly expanding the number of funded 2 year old places they offer. It is anticipated that in most instances providers will only seek this increased level of revenue where they have made an application for capital funding to support the expansion of high quality provision.

On average, providers who applied for revenue bid for £700 per place created whereas providers bid an average of £2,500 of capital per place created. Revenue places are more cost effective to create, but feedback from the early years sector indicates that many providers will either undertake this work without the need to apply for funding or are constrained from doing so because of their current capacity, Ofsted/building regulations, lease/landlord, etc. It is estimated that up to 500 further places could be created using the revenue funding at a total estimated cost of £350,000. Revenue funding alone is expected to be insufficient to generate the number of early years places required to meet the statutory entitlement, certainly when considering the extended eligibility to be applied from September 2014 when a total of up to 6,700 2 year old children are estimated to be eligible.

## **Forecast**

Taking the existing demand for revenue funding (£220,000) and the forecast of a further £350,000 to be allocated for this purpose there is likely to be £1.8m revenue unspent at the end of the financial year. Given the existing demand for capital funding and feedback from the early years sector around the significance of this type of funding in creating additional provision, it is anticipated that as it stands there will be insufficient capital funding to meet demand.

## **Proposal**

Following agreement to this proposal from Lancashire Schools Forum, the Cabinet Member is asked to approve that officers seek approval from the Secretary of State to allow a revenue contribution of up to £1.4m of Dedicated Schools Grant funding towards capital schemes. This would be for the sole purpose of supporting further expansion of targeted 2 year old places in priority areas. This would give a revised budget of £3.1m for capital projects (£1.7m capital plus £1.4m revenue contribution to capital projects). Using the figures in the 'Forecast' section above this would leave an estimated £400,000 to support early years providers with revenue items in 2014/15, subject to sufficient eligible bids being received.

Bradford MDC has already applied to the Secretary of State with a request to make a revenue contribution to capital projects of up to £500,000 and been successful. The DfE has indicated that it is supportive of this as a strategy and anticipates other LAs to take up this option.

A contribution from revenue to capital projects will help with further expansion of places to provide for up to 6,700 children in Lancashire to access the extended early years entitlement from September 2014. The criteria which will determine eligibility for a targeted 2 year old early education place from September 2014 was published by the government in September and is set out at Appendix 'A'.

Using the average capital cost per place from round 1 bids, it can be predicted that a further 330 places could be created from the existing capital allocation, providing up to 700 places in total from the capital funding available (before a revenue contribution to capital is made). There is a significant risk that if Lancashire cannot find additional resource to fund capital development early years providers may not be able to generate sufficient 2 year old places in many of the most disadvantaged

communities. If the proposal to make a revenue contribution of £1.4m to capital schemes is supported and subsequently approved by the Secretary of State up to a further 550 places may be created using this funding. This would assist Lancashire to meet its statutory duty. However there is a possibility that this may still be insufficient to generate enough early years places where they are needed. Should the demand from early years providers for capital funding continue it may be necessary to seek approval for a further sum of revenue to contribute to the capital scheme in order that as many children as possible are given access to their statutory entitlement.

Capital funding is deemed critical to expansion of high quality provision in priority areas because of a lack of suitable premises in many of these areas of disadvantage. Early years settings in disadvantaged areas have traditionally had greater challenges with sustainability due to the lower demand for fee paying places and as a consequence there are fewer of them to develop places in the areas where the demand for targeted places is likely to be highest. Lower cost capital options such as schools are also less likely to be available due to the pressure on education places with the rise in the birth rate over recent years.

Schools are able to bid for expansion funding where the individual school age range allows them to deliver 2 year old places directly. However, as noted above, schools who are interested in accessing this funding are finding it increasingly challenging to identify suitable capacity due to the demand for statutory school places. Where schools have been successful in applying for this funding to date they have partnered with a third party voluntary or private sector early years provider who has led on the bid on the school's behalf. Through discussions with early years providers and schools this is an option that is increasingly being looked at as a positive way to move forward with the new entitlement.

## **Consultations**

Lancashire Schools Forum

## **Implications:**

This item has the following implications, as indicated:

## **Risk management**

### **Legal**

There is a risk that the Council may be unable to provide access to sufficient early education places if the Cabinet Member does not support the proposal outlined in the report. In this event the Council would then fail to deliver this statutory duty.

### **Financial**

There is a risk that Dedicated Schools Grant funding may not be spent by the early years sector for the expansion of new places in priority areas if the £1.4m revenue funding is not converted to capital. The transfer of £1.4m of Dedicated

Schools Grant revenue funding to the capital programme to deliver increased places for 2 year old provision is entirely funded by the schools budget. This will have no impact on the CYP cash limits as the funding is related entirely to the Dedicated Schools Grant. The government has published local authority funding allocations for 2 year old early education places in an attempt to give the early years sector reassurance that the funding is being fully utilised for this purpose.

### **List of Background Papers**

| Paper   | Date       | Contact/Directorate/Tel         |
|---|------------|---------------------------------|
| <a href="#"><u>Extending the Free Early Years Entitlement to Targeted 2 Year Olds in Lancashire</u></a> | April 2013 | Phil Maltby/CYP/01772<br>531555 |



# Agenda Item 5b

**Report to: Cabinet Member for Children, Young People and Schools**  
**Report submitted by: Interim Executive Director for Children and Young People**  
**Date: 7 November 2013**

**Part I**

Electoral Division affected:  
All in Preston

## **Proposed Re- Location of Sir Tom Finney Community High School from Moor Park to Ribbleton Hall Drive site, Preston**

Contact for further information:  
Sarah Slade, (01772) 536748, Environment Directorate,  
[Sarah.slade@lancashire.gov.uk](mailto:Sarah.slade@lancashire.gov.uk)

### **Executive Summary**

This report sets out a proposal to part demolish, extend and refurbish the Ribbleton Hall Drive site, Preston, to facilitate the re-location of Sir Tom Finney Community High School, into suitable accommodation providing specialist facilities.

This is deemed to be a Key Decision and Standing Order 25 has been complied with.

### **Recommendation**

The Cabinet Member for Children, Young People and Schools is recommended to agree the capital funding proposals for the project from the Children and Young People Capital Strategy allocation 2012/13.

### **Background and Advice**

The Sir Tom Finney Community High School (CHS) was established on 1 September 2008 as part of a reorganisation that discontinued three all age special schools and established two new age phased special schools in the Preston district. The Sir Tom Finney CHS was established as a 90 place secondary special school catering for pupils aged 11 to 19 with generic learning difficulties in the existing premises at Moor Park, Preston. At the time of the reorganisation it was explicit within the statutory proposal notice that the authority's longer term strategy was to co-locate the new school with a mainstream partner school in Preston.

It was agreed on 27 September 2012, following the Statutory Notice on the proposal, to formally expand the Sir Tom Finney CHS to 130 pupils in order to reflect current and anticipated numbers on roll.

In order to significantly improve the accommodation at the school and the educational and vocational offer to pupils, the school is proposed to be relocated to the Ribbleton Hall Drive Campus, formerly used by Ashton Community Science College. The proposed re-location will offer a wide range of educational and vocational opportunities to pupils at the Sir Tom Finney CHS, thus benefiting their transition to adulthood and independence.

The newly remodelled main building will provide facilities for the Sir Tom Finney CHS including general teaching classrooms, design technology, food technology, science, library and ICT, sports hall, fitness suite, life skills, multi-sensory rooms, common rooms, a post 16 common room, dining room, large hall, hydrotherapy pool together with specialist changing facilities for disabled children, staffroom, administrative areas and areas for medical professionals. Externally, improved access will be provided for drop-off and pick up of pupils together with increased parking for cars and minibuses.

It should be noted that the building on the Ribbleton Hall Drive site is currently providing temporary accommodation for some of the displaced pupils from St. Mary's RC Technology College, Leyland, following recent fire damage at that school. It is anticipated that they will vacate the building in December 2013.

The Directorate for Children and Young People will retain the existing Sir Tom Finney Community School site on Blackpool Road for the provision of future school places. To minimise maintenance of the site and avoid revenue expenditure in the interim period, it is proposed that the existing building be demolished.

### **Timescale**

It is anticipated that work could begin on site around January 2014 with completion anticipated for January 2015. Close liaison with the school will be required to ensure a smooth transition to the new location. The demolition of the existing building will form part of the contract and complete once the school has moved to the new site.

This timescale is also dependent on when the building is vacated by St. Mary's RC Technology College and current indications are that this will be prior to Christmas 2013.

### **Consultations**

March 2012: Consultation on the expansion and relocation of the Sir Tom Finney Community High School, Blackpool Road Preston.

November 2013: Publication of a Statutory Notice to revoke the split site arrangements for Ashton Community Science College. Officers have consulted the Governing Body of the school on the proposed single siting of the school and at the Governing Body meeting held on 19 June 2013 it was unanimously agreed in principle that the college relocate the existing facilities currently provided at the Ribbleton campus to the Ashton campus from 1 September 2013.



## **Implications:**

This item has the following implications, as indicated:

### **Financial**

The County Council's Building Design and Construction Group has undertaken a feasibility study to part demolish, remodel, and refurbish the Ribbleton Hall Drive building to provide facilities for the Sir Tom Finney CHS together with costs to relocate Ashton Community Science College to their main site at Aldwych Drive, the total outturn cost inclusive of all fees and disbursements will be in the region of £5,700,000. In addition to this the cost to demolish the existing Sir Tom Finney school buildings will be in the region of £184,000. The total cost of the proposal can be contained within the existing Children and Young People Capital Strategy Programme 2012/13 allocation.

### **Property Asset Management**

The relocation of the Sir Tom Finney CHS will leave its current site vacant. There is a growing demand for additional primary school places across parts of the County, including the Preston area, and it is proposed to demolish the existing school building but retain the vacant site within CYP ownership to provide additional primary school places in the future. This could be facilitated either by relocating and enlarging an existing primary school or by providing a newly established primary school. This would present an opportunity for co-location with Acorns Primary School, a school designated for children with special educational needs, and the associated benefits of inclusion and integration.

### **Risk Management**

The part demolition, refurbishment and remodelling of the existing building on the Ribbleton Drive Campus provides an opportunity to facilitate the relocation of the Sir Tom Finney CHS which would otherwise not be possible without significant and costly new build. Works will be subject to the relevant planning and section 77 permissions.

Liaison with Corporate Property Group will take place regarding the siting of any future development on the vacant Tom Finney site.

### **List of Background Papers**

| Paper                                | Date         | Contact/Directorate/Tel   |
|--------------------------------------|--------------|---|
| Capital Strategy for Schools 2012/13 | 6 March 2012 | Lynn Mappin,<br>Directorate for Children and Young People,<br>Tel: (01772) 531951 |

|   |                   |  |
|---|-------------------|--|
| Report to Cabinet Member for Children and Schools:<br>Requesting permission to consult on Sir Tom Finney Community High School  | 6 March 2012      | Steph Rhodes,<br>Directorate for Children and Young People,<br>Tel: (01772) 531957 |
| Report to Cabinet Member for Children and Schools:<br>Requesting confirmation that a Statutory Notice be published on the proposal to increase the number of places at Sir Tom Finney Community High School | 14 June 2012      | Steph Rhodes,<br>Directorate for Children and Young People,<br>Tel: (01772) 531957 |
| Outcome of Statutory Notice Period on Proposal to Formally Expand Sir Tom Finney Community High School  | 27 September 2012 | Lynn Mappin,<br>Directorate for Children and Young People,<br>Tel: (01772) 531951  |
| Revocation of Duty to implement split site arrangements for Ashton Community Science College:<br>Permission to consult  | 10 October 2013   | Lynn Mappin,<br>Directorate for Children and Young People,<br>Tel: (01772) 531951  |

Reason for inclusion in Part II, if appropriate

N/A

**Report to the Cabinet Member for Children, Young People and Schools**  
**Report submitted by: Interim Executive Director for Children and Young People**  
**Date 7 November 2013**

**Part I**

Electoral Division affected:  
All

## **Fostering and Residential Care Commission**

Contact for further information:

Louise Mackender de Cari, 01772 538297, Directorate for Children and Young People

[louise.mackenderdecari@lancashire.gov.uk](mailto:louise.mackenderdecari@lancashire.gov.uk)

### **Executive Summary**

Lancashire County Council has a statutory duty to provide care and accommodation for children looked after who cannot safely remain at home. The most commonly used forms of care are fostering and residential; of which some is provided by internal services and some by external providers.

The current contracting arrangements for external providers are due for review. The purpose of this report is to highlight the re-commissioning of fostering and residential care and to request approval to procure and agree new contracting arrangements.

This is deemed to be a Key Decision and Standing Order 25 has been complied with.

### **Recommendation**

The Cabinet Member for Children, Young People and Schools is recommended to approve procurement of external fostering and residential services, the value of which will exceed £1.4m over the lifetime of the resulting contracts.

## **Background and Advice**

Lancashire County Council has a statutory duty to provide sufficient care and accommodation for children who are looked after who cannot safely remain at home. Fostering is the most common form of care and residential homes are used largely to support young people for whom foster care is not appropriate. The Directorate uses the commissioning process to ensure that the care and accommodation secured for children looked after is appropriate to meet their needs, improves outcomes and achieves value for money. Commissioning follows four stages, understand, plan, do and review. The understand and plan stages are underway and include a needs

assessment of current and future predicted children looked after requiring care placements, consultation with children in care and social care teams and mapping of existing provision. During the planning stage, service level agreements are developed for in-house services, procurement plans are developed and service specifications are agreed for external sourced services.

As part of the current commissioning strategy, Lancashire uses a mixed market of internally and externally managed foster carers and residential homes. In 2012/13, approximately £16.6m was spent on external foster care placements and £6.6m on external residential placements. External providers are contracted via a regional framework, which was the result of a regional procurement exercise. The foster care regional framework will end on 31 March 2014. The Authority currently has in place a block contract for residential care which includes an option to extend for a further two years from July 2014. A regional framework is also used for the purchase of external residential care, dependent upon the needs of the individual child. As part of the commissioning process for residential care, the directorate will agree whether to extend the existing block contract and whether procurement for further block contracts will give better value for money than the existing arrangement.

A new commissioning strategy is currently in development which will inform the contracting arrangements from 2014 onwards. The strategy will ensure that care for children looked after is sufficient in terms of volume, quality and ability to meet the needs of Lancashire's children looked after, as well as seeking to improve value for money and achieve efficiencies through improved commissioning and procurement of placements. The commissioning strategy links to other directorate and partnership strategies including early help, prevention, protection and permanence. It intends to ensure that children looked after are supported to achieve the best possible outcomes through the most appropriate care for their needs.

Procurement of external services will be undertaken in line with the Authority's Standing Orders, the procurement governance documents and UK and EU legislation.

## **Consultations**

Consultation has taken place with OCL Lancashire Procurement Centre of Excellence and joint working will continue between OCL and the Directorate throughout the commissioning and procurement process.

## **Implications:**

This item has the following implications, as indicated:

- effective commissioning of care for children looked after will ensure that the needs of Lancashire's children are met, outcomes are achieved and value for money is achieved;
- the commission will include the procurement of external services above the value of £1.4m over the lifetime of resulting frameworks / contracts.

## **Risk management**

The use of both internal and external care providers enables the directorate to meet the needs of children looked after and ensures that sufficient care is available. Without the procurement of external services the authority would be at serious risk of not having sufficient placements and costs would increase through 'spot purchasing' arrangements.

## **Legal**

There are no legal implications as the procurement exercise will be fully compliant with all legal requirements.

## **Procurement**

Officers from the Directorate and the LPCoE will continue to work together to develop the optimum commissioning/sourcing solution for the Council subject to the item being agreed.

## **Financial**

The placement of children and young people in residential and foster care represents a significant cost to the Authority. Lancashire currently has circa 1,140 children placed in fostering and residential care of which 40% are placed through external providers. In 2012/13 the Authority spent £23.2m through external providers and this is projected to increase in 2013/14.

In recent years demand for statutory services and the numbers of children looked after by the Authority have been rising whilst the Authority has, and is continuing to face a reducing funding envelope. The increasing demand coupled with budget pressures requires better services to be delivered at a lower cost. The commissioning strategy is part of a wider review of how services are delivered by the Authority.

The current contracting arrangements have resulted in favourable rates compared to other Authorities. Whilst the financial implications of the proposed commissioning strategy are not yet known, it is anticipated that by increasing the number of providers on the framework and reducing the number of spot purchasing arrangements unit costs can be driven down further.

The tendering process for the fostering framework will begin in November 2013, with the new agreement in place by April 2014. Any required tendering process for residential care will take place in early 2014. An open tendering process will be used in compliance with corporate standing orders and EU procurement legislation.

If this key decision is approved, financial viability of tendering organisations will be assessed as part of the standard tender assessment process.

**List of Background Papers**

None

Reason for inclusion in Part II, if appropriate

N/A

## Report to the Cabinet Member for Health and Wellbeing

Report submitted by: Executive Director Adult Services, Health and Wellbeing

Date: 12<sup>th</sup> November 2013

**Part I**

Electoral Division affected:  
All

### **Affordable Warmth in Lancashire**

(Appendices 'A' and 'B' refer)

Contact for further information:

Chris Calvert, (01772) 533011, Directorate for Adult Services, Health and Wellbeing,  
[chris.calvert@lancashire.gov.uk](mailto:chris.calvert@lancashire.gov.uk)

#### **Executive Summary**

The proposal is to provide funding to district authorities in Lancashire, to enable them to take action that will reduce the severe negative health consequences that cold and damp homes have on the most vulnerable Lancashire residents. These actions are expected to reduce demands on the Lancashire health and care system over the winter months, including the avoidance of emergency hospital admissions and winter deaths.

This is deemed to be a Key Decision. Standing Order 25 has been complied with.

#### **Recommendation**

The Cabinet Member for Health and Wellbeing is recommended to approve that:

- (i) £40,000 is made available as a grant, to each of the 12 Lancashire district local authorities, to enable them to deliver high impact affordable warmth interventions, over the coming winter 2013- 2014. This would be offered on a one off basis with no commitment to recurring funding. The funding would come from the public health grant within this financial year.
- (ii) That these affordable warmth interventions are targeted at those most vulnerable to the harm that cold homes can have on health.
- (iii) The specific format and content of the agreement with each district be delegated to the Executive Director for Adult Services, Health and Wellbeing, in consultation with the Director of Health Protection and Policy with support from the finance team.

## Background and Advice

Lancashire's Health and Wellbeing Strategy includes a delivery programme with affordable warmth as a priority. Addressing affordable warmth will make a direct impact on all four high level outcomes New and Expectant Families, Mental health, Long term conditions, and Promoting health and independence in older people. In addition it will support the healthy housing theme in the health and wellbeing Board's delivery plan and address priorities across the starting well, living well aging well work areas.

We know that emergency admissions to hospital place a significant burden on Lancashire's health and care services. Excess winter hospital admissions are rising. In 2010/11 there were 2548 excess respiratory admissions in the winter compared to the rest of the year. In 2011/12 there were 560 excess winter deaths in the County. Evidence indicates that 73% of excess deaths can be attributed to cold related illness and half of them to cold homes not just cold weather. There were 45,545 emergency admissions to hospital between December and March 2010/11 by Lancashire citizens. The rate of excess winter admissions in Lancashire is significantly higher than the England average, provisional figures suggest this trend is rising.

Fuel poverty has been identified as a serious concern through the work this year with the Marmot team to addressing health inequalities in Lancashire. The Lancashire JSNA shows fuel poverty has more than doubled in the most deprived fifth of the population and has increased by more than 50% in the least deprived.

The health impacts of living in cold homes have been studied in detail and the results are well documented highlighting the impact of cold temperatures on higher winter mortality as well as a higher incidence of cold related illnesses. Amongst the most recent documents are the Marmot Review into the Health Impacts of Cold Homes and Fuel Poverty and the Hills Review into the Measurement of Fuel Poverty, please see Appendix 'B'.

District authorities and partners have a successful track record in delivering affordable warmth measures across Lancashire. The 'Affordable Warmth Interventions in North Lancashire (evaluation) Report' has highlighted personal stories of people who have benefited from the often small scale interventions and report significant health and wellbeing benefits, see Appendix 'A'.

Over the last two winters Warm Homes Healthy People (WHHP) funding was made available from the Department of Health to reduce deaths and illness due to cold housing. The Department of Health have now confirmed that this funding will not be available this year and instead point to the public health grant that is now held with councils since the implementation of the Health and Social Care Act. In 2012-13 all of the districts received WHHP funding, each district received on average £57,000, from WHHP funding.

Districts authorities in anticipation of WHHP funding being available have already identified needs within their community and have a delivery mechanisms already in place, should funding be made available. The ability of the district councils and other partners to deliver these services is very much dependent on funding they have



available. Without the WHHP funding many districts have indicated that they would not be able to offer the same level of intervention, particularly where emergency heating and heating repairs and replacements are concerned.

At this point in time a lack of committed resources not only significantly reduces the capacity to meet people's needs, but also makes it difficult for services to plan their response to the coming winter.

### **The winter impact of cold homes in Lancashire**

If cold homes are attributed to 50% of excess winter respiratory admissions, (the Interim Hills report suggests that around half of EWD are caused by cold homes<sup>1</sup>), this would mean that in winter 2010 /11, 1274 emergency respiratory admissions alone could be related to cold homes, not just cold weather. In addition to the poor health experienced by individuals this has significant cost implications, please see appendix 1.

Lancashire EWD for 2010/ 2011 was 560, of which around half can be attributed to cold homes.

In addition to exacerbating respiratory conditions, cold homes are known to exacerbate circulatory disease. Cold homes also contribute to poor mental health outcomes particularly impacting on young and older people, please see appendix 2. Cold homes can increase arthritic symptoms, cause loss of mobility and increase falls and accidents; they can also increase social isolation. Older people who have a health condition exacerbated by the cold or have sustained injuries due to the cold, may need increased care or need to go into residential care.<sup>2</sup>

### **Options for Delivery**

#### **Option 1**

It is proposed that funding is made available to each district authority, to target high impact, evidence based affordable warmth interventions at the most vulnerable people. Specifically districts will be asked to specify in the grant agreement how their work will benefit the following groups that evidence shows are particularly vulnerable to cold weather: older people; people with a disability or long term illness; children and young people; and people with mental health conditions.

The district authorities as the previous recipients of WHHP funding have their own established delivery mechanisms to deliver winter warmth programmes. In this option they would be responsible for delivering the work throughout the winter period. Distribution of the grant to district authorities will enable us to utilise these existing mechanisms and allow work to begin as soon as possible, making it possible to rapidly agree delivery actions, which is vital with the winter so near. These established mechanisms include working with the third sector and community organisations which are essential for the effective delivery of the programme. Districts will be expected to coordinate local action with partners including the third

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<sup>1</sup> Fuel poverty- the problem and its measurement – interim report by the Fuel Poverty Review. John Hills 2011 (p74)

<sup>2</sup> The Health Impacts of Cold Homes and Fuel Poverty: the Marmot Review Team. 2011

sector to make the most effective use of the funding available, and can ensure it fits in with other local housing initiatives that the districts are responsible for and have expertise in.

The Public Health grant would be used to fund £40,000 for each district on a one off basis, committing this amount would allow planning of services to take place and increase our chance of identifying the most in need individuals, therefore it is important to commit the funding in a timely manner.

#### Advantages:

- District Councils were anticipating WHHP funding being made available for Winter 2013/14 and because of this many have local winter warmth partnerships (involving local third sector partners) on standby to bid for funding and deliver measures, reducing the risk of delivery being delayed until later in the winter.
- By leading delivery, District Councils are able to ensure that this programme is fully integrated into their existing housing programmes, such as private sector enforcement activity, energy efficiency programmes and home improvement agencies.
- It is suggested that, with their detailed local knowledge and housing responsibilities, district councils are the most suitable organisations to lead the delivery of winter warmth programmes.

#### Disadvantages:

- The successful delivery of this option assumes that District Councils have in place effective local partnerships that involve all of the key local organisations that can contribute to the delivery of winter warmth programmes. Experience from WHHP suggest that district councils are able to play this co-ordinating function, however third sector organisations may be equally able to fulfil this role.

#### **Option 2**

That an open application process is established through which local partnerships and third sector organisations could apply directly, for up to £40,000 in each area. Organisations within the third sector have an effective track record in delivering affordable warmth measures, often as part of local partnerships. If this option is agreed LCC will need to be assured that delivery of the programme is effectively coordinated between third sector providers, district councils and other local partner, and integrated with district council housing services in each area. A longer run in time would be required to identify all local potential partners, promote the scheme to them, and evaluate proposals and to ensure different proposals from within an area were complimentary. This would risk delaying delivery into the winter months.

## Advantages

- This approach will be more inclusive and could allow a wider range of partners to bid for resources to deliver winter warmth, so that the most suitable are selected to lead the programme.
- Third sector providers may be better placed to lead and co-ordinate the delivery of winter warmth programmes.

## Disadvantages

- The process of inviting and evaluating bids and ensuring co-ordination of bids from the same area will add further steps into the process of distributing resources for delivery which will inevitably create delays.
- There is a risk that non district council providers will be less able to integrate winter warmth measures into existing district council housing interventions that can add value to winter warmth measures.
- There is a risk that a range of local organisations from the same area will compete for funding rather than collaborating.
- There is a risk that a greater proportion of resource would be diverted from delivery of measures to fund co-ordination while District Councils have the capacity to undertake the co-ordination from within their existing services.

For the reason of securing rapid and coordinated actions that are integrated into existing housing services, it is recommended that the grant is distributed directly to district authorities as set out in option 1, districts will need to demonstrate how they are involving local partners.

It is anticipated that if resource is available to fund winter warmth measures in future years it be integrated into wider healthy homes services and a commissioning approach will be used.

## **Requirements of grant recipients**

The funding will be made available to districts on a one off grant basis, in consultation with the district councils we will agree to spend the money on high impact affordable warmth measures this winter, and target the most vulnerable people.

If agreed, the work funded by LCC's public health grant will be promoted, in accordance with LCC communication procedure.

The national evidence and experience from within Lancashire will inform spending on interventions appropriate to the needs of the individual such as heating repairs, emergency heaters and advice about keeping warm; that can have a lasting impact and are not just a temporary fix. Advice and support to individuals can also make a real difference, giving people the financial confidence to use new heating systems. In North Lancashire last year approximately 185 people were assisted at clinics for utility bills. Overall they realised an average bill saving of £141.88 each. Private sector housing enforcement work has also been carried out to improve the conditions of privately rented housing, (see Appendix 'A' for more details on the types of intervention that could be delivered).

LCC will agree with each district the interventions and this agreement will be used to ensure value for money, to monitor the effectiveness of the work done and to capture the learning and outcomes of the work. The agreement will include a monitoring requirement and for each district to set out, how it intends to deliver the work. Only when LCC is satisfied that the proposed activity is value for money will LCC make the funding available.

LCC would expect the majority of the funding to be spent within winter before the end of March 2014. If this is not possible, district authorities will be required to report to LCC how much, if any, of the grant allocated will not be spent by the end of March. Requests to carry forward unspent grant to the next financial year by district authorities will be considered if the carried forward amount is committed to expenditure in line with the objectives set out in the original agreement.

LCC will ask health partners to help identify the most vulnerable people with health conditions that are exacerbated by cold homes, so that they can benefit from the support that is available.

As already highlighted, cold damp homes exacerbate health conditions and seriously restrict the lives of those affected, in some of the most serious cases they can cause hospital admissions and even death. The benefits to individuals and the cost savings to organisations make a shift to early intervention and prevention a key approach to dealing with winter pressures and managing long term health conditions.

## **Consultations**

N/A

## **Implications:**

This item has the following implications, as indicated:

## **Risk management**

The risks of not implementing this work will mean a missed opportunity to mitigate the worse effects of winter on some of our most vulnerable residents. If this decision is implemented, securing effective action and value for money is vital, please see actions outlined in the main report.

## **Financial**

The recommended option would see £40,000 being made available as a grant to each of the 12 Lancashire district local authorities on a non-recurrent basis. The total amount committed would therefore be £480,000, and this would be funded from the Public Health grant in 2013/14.

## **List of Background Papers**

Paper

Date

Contact/Directorate/Tel

N/A

Reason for inclusion in Part II, if appropriate

N/A

## Appendix 'A'

### What Works

Based on the experience of the last two winters in Lancashire the interventions that have had the largest impact are boiler servicing and repair/replacement and general heating system repairs. The outreach support WHHP has provided has been valuable in helping to identify people that are in need quickly, and supported fuel debt advice work, fuel switching clinics and advice on entitlements to benefits that can significantly increase income. Cold weather alerts are used to ensure vulnerable people are warm and have sufficient supply of food etc. preventing a crisis from occurring.

Emergency heating and prepaid fuel cards provide immediate alleviation of crisis situations, which analysis of actual case work suggests has prevented readmission to hospital, and gives temporary relief whilst more permanent measures can be put in place.

Projects working with people from the community can provide practical support and reduce social isolation, including neighbourhood befriending schemes, volunteer snow clearance and shopping support, for example. These initiatives work with the assets that communities have and can be supported by relatively low levels of financial support, for example last year £889 has paid for snow clearing equipment, DBS certificates and rock salt for ten 'snow angles'.

Boiler and heating repairs can cost as little as £200. Based on the average cost of emergency respiratory and CVD hospital admissions in Lancashire 2011/12 (£2,433) a saving would be made each time one in every 12 interventions prevents one hospital admission, in addition to the savings to other services and most importantly a better quality of life for the individual affected.

The average cost in Lancashire of a respiratory hospital admission is £1,829<sup>3</sup>

#### **The estimated cost of emergency excess winter respiratory admissions attributed to cold homes:**

1274 cold homes attributed respiratory admissions Lancashire 2010/11 x £1,829 =  
**£2,330,146**

The above is only an estimate of the cost of respiratory hospital admissions and doesn't account for other conditions, the personal costs to the individual or other services, such as increased social care costs and increased visits to the GP associated with cold homes. By targeting cold homes that house people with a

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<sup>3</sup> *Costs for non-elective hospital admissions in Lancashire 2011/12 are calculated for individual admissions (based on Secondary Users Services – Payment by Results) and added together for all admissions with a primary diagnosis of respiratory disease or circulatory disease. These costs are used for payments to acute trusts from Clinical Commissioning Groups*

health condition the numbers of EWD and emergency admissions prevented would increase

Monitoring of this work and feedback from residents suggests this has significantly improved their lives and kept people out of hospital. In Lancashire these interventions have been particularly effective when targeted at the most vulnerable groups, this includes people with a long term health condition, older people and children. The 'Affordable Warmth Interventions in North Lancashire report' highlights some examples of people who benefited from the often small scale interventions and reported significant health and wellbeing benefits, please see examples below:

**Client 1, Angina, diabetes and depression; Wife has spondylitis, fibromyalgia, osteoarthritis and rheumatoid arthritis**

*"We had no heating and hot water for 12 months. This has been a great deal of help. My wife has fibromyalgia and the cold weather bit into her; she had to have hot water bottles all around. We are now as snug as a bug. It has helped our health, it's helped my depression. I still have depression but I am not worried about keeping warm. The warmth has helped, we can wash properly; we only had cold water before. It has helped us physically and mentally. Without the funding we would not have been able to have the work done as we have no spare money. I don't know what we would have done"*

**Client 2, child aged 2 with Cerebral Palsy**

*"I had no money to pay for a new boiler when mine broke down. The new boiler keeps our house lovely and warm. My son suffers with Cerebral Palsy and being able to keep the house warm has made a big difference to him as he hasn't suffered so many chest infections. It's a more efficient boiler now and saves me money on my bills. It has also taken away the worry of the boiler breaking down"*

Those clients receiving support had significant health conditions and were frequent visitors to their GP and/or have high levels of hospital admissions.

## Appendix 'B'

### Evidence case for action

Although there are various contributing factors to EWD diseases which are known to be affected by the cold account for almost three quarters (73%) of these deaths. These are diseases of the circulation (40%) and respiratory illnesses (33% of deaths)<sup>4</sup>. Cold weather and in particular cold homes is believed to be a main factor in causing the winter increase of respiratory and circulatory disease<sup>5</sup>. Deaths related to influenza and hypothermia represents only a small proportion of EWD.

The Hills report concludes that 'most of the changes in seasonal death risk seem to be related to the cold, with influenza and other risk factors bearing a smaller influence<sup>6</sup>. Hills also noted that the number of EWD is more than 10 times the number of deaths recorded from transport accidents.

Although there is more data on excess winter deaths than cold related illnesses, there is a considerable link with cold homes and ill health and subsequent pressure on the health service. The Department of Health reports approximately 8 hospital admissions for every excess winter death<sup>7</sup>

When cold weather occurs there is a sequence of events as people suffering from cold related illnesses are admitted to hospital, and there is a peak in deaths due to heart attacks after two days, strokes after 5 days and respiratory illnesses after 12 days.<sup>8</sup>

There is clear evidence of the link between living in low temperatures and poor mental health outcomes. Living in low temperatures has a significant relationship with common mental health disorders, and householders' reports of under use of heating and the prevalence of mould growth in the home also shows a relationship with poor mental health outcomes<sup>9</sup>.

### Cold Homes or Cold Weather?

There is a body of evidence which specifically considers the impact of cold homes on health, rather than simply cold weather. Studies reported in both the Marmot Review and the Hills Report look at the impact of the age and energy efficiency of homes. As there are other impacts such as behaviour, and the warmth of clothing when outside the house, expert opinion reported in the Hills report (Professor Paul Wilkinson and Professor Christine Liddell) suggest that internal and external temperatures each account for half of the temperature related excess winter deaths (Hills p 74).

The Marmot Review team estimates that 21.5% of all excess winter deaths can be attributed to the coldest 25% of housing, due to them being cold. This is over and

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<sup>4</sup> Chief Medical Officer report 2009

<sup>5</sup> The Health Impacts of Cold Homes and Fuel Poverty: the Marmot Review Team. 2011 (p24)

<sup>6</sup> Getting the measure of fuel poverty Final report of the fuel poverty review. John Hills 2012 (p73)

<sup>7</sup> Health and Winter Warmth. DOH Public Health Group (South East) Factsheet. 2009

<sup>8</sup> Chief Medical Officers annual report 2009

<sup>9</sup> Getting the measure of fuel poverty Final report of the fuel poverty review. John Hills 2012 (p81)



above the amount of deaths which would have occurred if these houses had the same winter excess deaths as the warmest 25%. These calculations took into account the number of deaths attributable to the house being cold rather than other factors (e.g. flu epidemics, air pollution, cold outside temperatures etc.).

This means that the coldest housing accounts for a disproportionate number of excess winter deaths. There is a statistically significant increase in excess winter deaths in older housing (28.8% in properties built before 1850 compared to 15% in properties built after 1980), and housing with poor thermal energy efficiency ratings<sup>10</sup>.

Nationally there are studies which support the impact of intervention work, for example work to remove mould and provide comfortable level of heating in Glasgow had a major impact on health, including a reduction in the use of medication, a fall in hospital admissions, and reduced blood pressure for residents. Studies have also shown that improvements to homes with children who have asthma or a recurring respiratory condition can reduce the number of sick days off school by 80%.

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<sup>10</sup> The Health Impacts of Cold Homes and Fuel Poverty: the Marmot Review Team. p24. 2011



# Agenda Item 5e

**Report to the Cabinet Member for Adult and Community Services**  
**Report submitted by: Executive Director of Adult Services, Health and Wellbeing**  
**Date: 12 November 2013**

**Part I**

Electoral Divisions affected:  
All

## **Extension of the Learning Disability Preferred Provider Scheme until May 2015**

Contact for further information:

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### **Executive Summary**

The current Preferred Provider Scheme for learning disability comes to an end in September 2014 and there is a need to review the scheme to inform the shape of any future similar scheme

The review will produce an option appraisal and detailed recommendations for ensuring the effective commissioning and procurement of good quality and affordable domiciliary care for people with a learning disability in Lancashire from January 2015. In particular, this work will need to determine the procurement arrangements which should be established to replace the current Preferred Provider scheme for people with a learning disability which ends on 1 September 2014. It is anticipated that this replacement scheme may take the form of a 'Framework Agreement'. There will be a need to extend the current Learning Disability Preferred Provider Scheme for a further three months to allow this review to be completed.

This is deemed to be a Key Decision and Standing Order 25 has been complied with.

### **Recommendation**

The Cabinet Member for Adult and Community Services is recommended to:

- (i) Approve the extension of the current Learning Disability Preferred Provider Scheme from September 2014 to no later than 31 December 2014;
- (ii) Approve the review of the domiciliary care market for people with a learning disability in Lancashire, together with a consultation process to allow a new preferred provider scheme to be in place by January 2015 at the latest.

## **Background and Advice**

The current Learning Disability Preferred Provider Scheme has been in place since 1 September 2010. The evaluation stage was completed in May 2010 with the scheme commencing from 1 September 2010. There are currently 66 Preferred Providers for people with a learning disability in Lancashire. The current Preferred Providers deliver domiciliary, residential and day time support services.

The County Council currently spends around £110m (net) on People with a Learning Disability of which approximately 68% is domiciliary care. This accounts for approximately 24% of the Adult Social Care budget and includes Supported Living and provider broker arrangements as well as services provided by the County Council's in-house services.

The provider base has remained steady in Lancashire in recent years and the number of domiciliary care providers active in Lancashire has remained static. The market however has also seen a number of mergers/takeovers between existing providers in Lancashire.

A significant number of non Preferred Providers have expressed an interest in moving into Lancashire.

### **Next Steps**

A project group will undertake the necessary work to devise and consult upon a new Framework scheme.

It is anticipated a report will be submitted in July 2014, setting out an option appraisal and detailed recommendations for ensuring the effective commissioning and procurement of good quality and affordable domiciliary care for people with learning disability in Lancashire from January 2015.

### **Consultations**

The review will seek to consult the people who use domiciliary care services and their families.

The County Council will also survey all current contracted learning disability domiciliary care providers.

### **Implications**

This item has the following implications, as indicated.

### **Legal**

The current Domiciliary Care Preferred Provider Scheme ends on 1 September 2014. When the current providers were approved as scheme participants an indication would have been given that a further exercise to appoint to the scheme would be conducted prior to this expiry date. The fact that it will not be completed until sometime after expiry gives rise to a risk of challenge from providers not

currently included in the scheme and therefore not able to deliver services at the present.

Given the very wide ranging review contemplated it would be impractical to conduct a substantial procurement exercise in order to refresh the preferred provider pool as our approach to the structure of service delivery is likely to significantly change following the review.

As the preferred provider pool is extensive and in place following a full procurement exercise, the proposed extension is unlikely to have a detrimental impact upon competition and choice in the area. This does not of itself render the proposal compliant with procurement requirements. However, it adds some balance to the perceived risk of a challenge as this is clearly not a case where we are contracting with a sole provider but with many different providers across a wide spectrum. A procurement exercise would necessarily create uncertainty for the large number of vulnerable service users using the service as well as the numerous provider staff delivering the service. Whilst undertaking such an exercise would be advisable to ensure strict compliance with procurement requirements, in the present circumstances there are cogent reasons for adopting the recommendation and accepting the limited risk of challenge.

### **Financial/Procurement**

Net expenditure on Domiciliary Care for people with a Learning Disability in Lancashire is approximately £75 million and represents around 24% of the total Adult Social Care net budget. This primarily represents Supported Living and includes provider broker arrangements as well as services provided by the County Council's in-house services.

This is therefore a major area of expenditure for the County Council. The development of any new commissioning/procurement arrangements will have to be mindful of the need to ensure a balance between value for money, affordability and incentivising the market to deliver good quality, reliable care.

One Connect Ltd (OCL) concurs with the advice set out above by Legal Services regarding non-compliance with the European Union (EU) procurement regulations and due to this the limited risk of challenge. If a procurement exercise was undertaken to coincide with the current Preferred Provider scheme ending in September 2014, OCL would have the resources to support this however, if the recommendation to extend the scheme is approved, OCL will support the County Council to implement it based on the revised timeframe.

### **Equality and Diversity**

An Equality Analysis will be undertaken as part of the review.

### **Risk management**

A steering group has been established to oversee this review within the necessary timescales. This is important with a view to any replacement arrangements being in place for January 2015.

## List of Background Papers

| Paper | Date | Contact/Directorate/Tel |
|-------|------|-------------------------|
|-------|------|-------------------------|

N/A

Reason for inclusion in Part II, if appropriate

N/A

# Agenda Item 5f

Report to the Cabinet Member for Public Protection and Waste.

Report submitted by: Executive Director for Adult Services, Health and Wellbeing

Date: 11 November 2013

Part I

Electoral Division affected:  
All

## Registration Service Fees

Contact for further information:

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### Executive Summary

Proposed increases to a range of Registration Service fees relating to the delivery of ceremonies in Lancashire and including the provision of certified copies (certificates) by Certificate Services, to be brought in to force on 1 April 2014, are set out below.

This is deemed to be a Key Decision and Standing Order 25 has been complied with.

### Recommendation

The Cabinet Member for Public Protection and Waste is recommended to agree to the increases to Registration Service fees in relation to the delivery of ceremonies and provision of certificates as set out in the tables below.

The proposed ceremony fees are as follows:

| Registration Office | Mon (morning) | Mon (afternoon) - Thurs | Fri         | Fri (late)  |
|---------------------|---------------|-------------------------|-------------|-------------|
|                     | 9am - 12.00   | 9am - 4 pm              | 9 am-4 pm   | 4.30 - 7 pm |
| Current             | £45           | £45                     | £100        | £150        |
| Proposed            | <b>£45</b>    | <b>£100</b>             | <b>£150</b> | <b>£200</b> |

| Registration Office | Saturday    | Sat (late)  | Sunday      | Bank Hol    |
|---------------------|-------------|-------------|-------------|-------------|
|                     | 9am - 4 pm  | 4.30pm -7pm | 9am-4pm     | 9 am-4 pm   |
| Current             | £150        | £200        | £200        | £200        |
| Proposed            | <b>£200</b> | <b>£250</b> | <b>£250</b> | <b>£250</b> |

| <b>Approved Premises</b> | Mon - Thurs | Fri         | Fri (late)       | Saturday         |
|--------------------------|-------------|-------------|------------------|------------------|
|                          | 9 am- 4 pm  | 9 am- 4 pm  | 4.30pm-7pm       | 9 am- 4 pm       |
| Current                  | £250        | £290        | £350             | £350             |
| Proposed                 | <b>£275</b> | <b>£300</b> | <b>no change</b> | <b>no change</b> |

| <b>Approved Premises</b> | Saturday (late)  | Sunday           | Bank Holiday     |
|--------------------------|------------------|------------------|------------------|
|                          | 4.30pm-7 pm      | 9 am-4 pm        | 9 am – 4 pm      |
| Current                  | £400             | £400             | £400             |
| Proposed                 | <b>no change</b> | <b>no change</b> | <b>no change</b> |

The proposed (non-statutory) ceremony fees (family welcoming and renewal of vows ceremonies) are as follows:

| <b>Registration Office</b> | Mon – Thurs      | Fri         | Sat         | Sun/Bank Hol     |
|----------------------------|------------------|-------------|-------------|------------------|
|                            | 9 am–4 pm        | 9 am-4pm    | 9 am-4 pm   | 9 am-4 pm        |
| Current                    | £80              | £80         | £110        | £150             |
| Proposed                   | <b>no change</b> | <b>£100</b> | <b>£150</b> | <b>no change</b> |

|             |                 |                   |
|-------------|-----------------|-------------------|
| Later Hours | Friday 4.30-7pm | Saturday 4.30-7pm |
| Proposed    | <b>£130</b>     | <b>£160</b>       |

| <b>Approved Premises</b> | Mon - Thurs | Fri         | Sat         | Sun/Bank Hol     |
|--------------------------|-------------|-------------|-------------|------------------|
|                          | 9 am-4 pm   | 9 am-4 pm   | 9 am-4 pm   | 9 am-4 pm        |
| Current                  | £135        | £135        | £195        | £255             |
| Proposed                 | <b>£150</b> | <b>£150</b> | <b>£200</b> | <b>no change</b> |

|             |                 |                   |
|-------------|-----------------|-------------------|
| Later Hours | Friday 4.30-7pm | Saturday 4.30-7pm |
| no changes  | <b>£185</b>     | <b>£245</b>       |

The proposed Certificate Services fees are as follows:

| <b>Certified Copies (Certificates)</b> | Standard Service | Priority Service (immediate whilst the customer waits) |
|--|------------------|--|
| Current                                | £10              | £10  |
| Proposed                               | <b>no change</b> | <b>£20</b>   |



## **Background and Advice**

### **Ceremony fees**

There have been no increases to ceremony fees since April 2012. A full review of the fees charged for delivering ceremonies has been carried out with the key aim of the review being to ensure that the full costs of providing the service are recovered, whilst at the same time providing ceremonies at certain times of the week and within our Registration Office Ceremony Rooms at an affordable rate.

To ensure full cost recovery, it is proposed to offer ceremonies in our Registration Office Ceremony Rooms at the standard nationally set minimum fee of £45 on a Monday morning. These ceremonies will be legally compliant and we will offer minimal enhancements (a choice of music and ring exchanges). Registration Office Ceremonies at other times of the week will attract a higher fee but longer time slots and a full range of embellishments will be offered. Therefore couples planning a ceremony have a range of choices for which a sliding scale of fees will apply. The choices include whether their ceremony takes place in an approved venue, one of our Registration Office Ceremony Rooms, what day of the week they wish to have their ceremony and whether they wish a basic legal ceremony or an enhanced ceremony with various choices of embellishing their ceremony.

### **Certificate Fees**

Certificate Services (part of Registration Services) produces certified copies (certificates) for customers on demand at the nationally set fee of £10. Customers can apply over the telephone, online, by post or in person. Currently if a customer attends at Certificate Services in person and requests that the certificate is given to them immediately whilst they wait no additional charge is made. In providing such a service there is a cost as the application has to be dealt with immediately and the usual workflow has to be interrupted making these applications more staff resource intensive. It is proposed that a priority fee of £10 is charged for customers who wish to receive a certificate immediately rather than their application be dealt with in the usual workflow of all other applications received. Customers will therefore have a choice of an immediate priority service or standard service. The service has benchmarked with other Registration Authorities and found that they all charge a priority certificate fee and a number at a higher level than is being proposed.

### **Finance**

The financial implications are an expected increase in income of around £135,000 (full year effect). This is based on 2012/13 outturn figures for ceremony fees and an assumption has been made that this level of take up of each type of ceremony will continue.

### **Consultations**

N/A

### **Implications:**

This item has the following implications, as indicated:

**Risk management**

A full review of the proposed fee increases has been carried out. If these fees are not increased as outlined in the above tables, then there is a significant risk that the full costs of delivering these services will not be recovered.

**Local Government (Access to Information) Act 1985**

**List of Background Papers**

| Paper | Date | Contact/Directorate/Tel |
|-------|------|-------------------------|
|-------|------|-------------------------|

N/A

Reason for inclusion in Part II, if appropriate

N/A

**Report to the Cabinet Member for Highways and Transport**  
**Report submitted by: Executive Director for Environment**  
**Date: 8 November 2013**

## Part I

Electoral Divisions affected:  
Ribble Valley South West;  
South Ribble Rural East;

### **Proposed Cycle Safety Scheme M6 Junction 31 to BAe Samlesbury** (Appendix 'A' refers)

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#### **Executive Summary**

It is proposed to implement a cycle safety scheme between M6 Junction 31 and BAe Samlesbury. The scheme would be largely funded by a £200,000 grant from the Department for Transport (DfT) Cycle Safety fund.

This is deemed to be a Key Decision and the provisions of Standing Order No 26 have been complied with.

#### **Recommendation**

That the Cabinet Member for Highways and Transport gives approval for,

- i. implementation of the proposal, on the route as shown on the attached plan at Appendix 'A',
- ii. removal of the footway and construction of a cycle track of 3m width, on the Northern side of the A59 from the M6 junction 31 to the junction with Potters Lane, Samlesbury on the section marked Area 1 on Appendix 'A',

- iii. signing of the route as a cycle track and a route available on cycle as considered appropriate by the Executive Director for Environment,
- iv. the section of Bridleways 22 and 23 Samlesbury marked Area 2 on Appendix 'A' to be surfaced,
- v. works considered appropriate by the Executive Director for Environment on the section of Potters Lane recorded as unclassified road U12301 marked blue on Appendix 'A', and
- vi. minor improvements to be carried out on the cycle track on the A59 on the section marked Area 3 on Appendix 'A'.

### **Background and Advice**

Funding has been granted from the DfT to implement a scheme that will help to improve cycle safety between M6 junction 31 and BAe Samlesbury. Acceptance of the grant was agreed by the Cabinet Member for Highway and Transport on 14<sup>th</sup> August 2013.

The scheme would benefit cyclists commuting to BAe as well as recreational cyclists from the local community. Other highway users and those using the route under private rights are not considered to be adversely affected. The scheme is made up of three elements:

A) Removal of the footway on the north side of the A59 dual carriageway and construction at a width of 3 metres of a cycle track between the M6 junction 31 and Potters Lane, Samlesbury. This will link to an existing cycle track on the North side of the M6 junction which in turn links to the Preston Guild Wheel to provide routes into the centre of Preston and to the north of the City.

B) Signing an alternative cycle route via minor roads and linking bridleways from Potters Lane to A59/Woods Brow junction opposite BAe. Around 500 metres of bridleway will be surfaced. The rest of the bridleways are already tarmacked. The bridleways provide access to farms and houses.

C) Minor improvements to the existing cycle tracks on the A59 between Woods Brow and the main entrance to BAe.

Despite low cycle flows, there have been 3 injury accidents to cyclists at M6 Junction 31 in last 2 years, making it a very high risk location for cyclists. There have been a further 3 injury accidents to cyclists on the A59 between the M6 and BAe including a fatal accident at the site entrance. There have been a large number of complaints from cycle user groups about M6 junction 31 over the years.

The M6 junction and A59 are felt to be a barrier to people cycling to BAe. Current cycling levels at the site are low. At present around 78 employees (1.5% of a 3,500

workforce) cycle to the site on a regular basis of which 52 might use the route. At the University of Lancaster 13% of staff cycle to work. Employment at the site is likely to increase with the development of the Enterprise Zone to around 10,000 increasing the need to improve cycle routes to site.

At present Westbound cyclists approaching the M6 junction on the A59 have a choice of crossing the dual carriageway to join the cycle track on the north side of the junction which is difficult due to the volume and speed of traffic, or attempting to negotiate the junction which is challenging on a bicycle due to the number of lanes and high speeds presented. The proposed scheme avoids the need for cyclists coming from BAe to cross the dual carriageway or negotiate the roundabout.

As well as people cycling to BAe and the proposed Enterprise Zone the route is also likely to be used for leisure purposes and by people cycling into Preston from villages to the East.

The minor highways and bridleways to the north of the A59 already exist as part of the highway network and already carry rights for cyclists to use them.

## **Consultations**

A letter drop was delivered to the affected properties along the route and a public meeting was arranged by Balderstone and Samlesbury Parish Councils.

Replies were received as follows:

Both Balderstone and Samlesbury Parish Councils have objected to the proposals.

A local County Councillor has indicated that he will not support the proposals unless the County Council takes responsibility for future maintenance of the bridleway.

A local County Councillor supports safe routes for cyclists in general. He notes that traffic flows on the minor roads should be low. He is keen that the views of landowners and farmers are heard and noted. He also raised the points set out below:

- The proposed route does not benefit cyclists going to the site from Mellor, Ribble Valley and Blackburn. There is a need to consider cyclists from these directions as well.
- Though accepting that the route offers an attractive leisure cycle route, questions whether cyclists going to BAe would use it.
- Raises the need to consider horses on the section of bridleway which is to be tarmacked.
- Points out that the draft master plan for the Enterprise Zone which is due to go out for consultation shows the proposed cycle route alongside the A59 from the A677 junction to BAe rather than using the bridleway.

In response, it is accepted that there is a need to improve cycle routes into the site from Ribble Valley and Blackburn. There is back entrance into the site from Mellor that pedestrians and cyclists could use. The route has been put forward by members of BAe cycle user group and it is known that some cyclists going to BAe already use the route. The section of the bridleway which is to be tarmacked includes a hill.

Horses can find tarmac slippery on hills. On the hill a surface dressing to improve grip for horses would be used.

BAe cycle user group reiterated their support for the scheme and a letter of support was received from the CTC.

Four responses were received from residents local to the route who offered their full support to the proposals.

The proposed conversion of the footway on the A59 between the M6 junction and Potter Lane appears to be relatively uncontroversial with comments back from this section being neutral.

Most of the comments were against the proposal to sign a cycle route to BAe along the minor roads and bridleway. The main reasons given were concerns about safety on the minor roads and possible conflict between cyclists and agricultural vehicles, as well as other traffic along the proposed route. Objectors felt that instead of signing cyclists via minor roads and the bridleway the proposed cycle track should extend all the way along the A59 to BAe.

Other concerns raised included increased likelihood of trespassing onto private land.

In addition telephone calls were received from two people living elsewhere who walk along the bridleway on a regular basis. They raised concerns about possible conflict with cyclists if more cyclists were using the route

Executive Director of Environment has considered the responses and makes the following comments:

It is considered that the proposed route uses lightly trafficked minor roads and bridleways and offers a safer alternative than the heavily trafficked A59. There have been no injury accidents to vehicles or cyclists on the minor roads used by the proposed route in the last five years.

Traffic flows on the proposed route are very low. On Potters Lane, 393 vehicles were recorded at the junction with the A59 in a 12 hour period in 2010. Part of this flow will be traffic going to the school or an agricultural business located by the A59 Potter Lane junction. On Woods Brow by the A59, 106 vehicles were recorded between 7 and 10am and a further 87 vehicles between 3pm and 6pm. On the middle section of the route, traffic flows will be far lower as there are a limited number of properties served by the route. There is no through traffic as there is a locked gate on the bridleway with a gap large enough for horses, walkers and cyclists.

There is sufficient room for a vehicle to pass a cyclist on Woods Brow and Potter Lane along the majority of the carriageway, though there is a pinch point on Woods Brow by the bridge over Bezza Brook. On Bezza Lane and the corresponding bridleway, which is little more than single track, there are informal passing places available and ample verge widths provided for a cyclist and a vehicle to pass at most points.

Cyclists are already allowed to use the route as they are legally allowed to use bridleways, with the rest of the route being on public roads. There is already use of the route by cyclists. There is evidence that this has increased as cyclists have become more aware of the route.

Consideration would be given to signing hazards on the route (e.g. slow markings at narrowings or before bends) and erection of signs to warn cyclists that farm traffic might be using the bridleway to further reduce the potential dangers. However on a rural route there is also a need to keep signing to a minimum. Clear signing will reduce the chance of a cyclist trespassing into a farm or private drive by mistake. There are at least two points on the route where it is potentially possible to take the wrong turn.

As cyclists from BAe will make up a large proportion of users on the route, it should be possible to work with BAe to send out safety messages to their staff to give consideration to farm vehicles and other users when cycling along the route if there is a problem.

However if the route is successful it is likely that cyclists will make up the majority of users on the route which will in effect change the nature of the route for other road users.

The safety of the other users has been considered. The new cycle track will be wide enough for shared use and it is considered that on the other sections safe shared use by those on foot, on horseback, in vehicles and on cycles is not unreasonably adversely affected even if cycle use increases.

#### Alternatives Considered

1) Extending the cycle track along the A59 to the BAe entrance. This would cost around £500,000. Arguably the proposed route offers better value for money as it is more likely to be used by users other than just employees of BAe. It is also a more attractive route than a cycle path along the busy A59. However it is possible that the highway works for Phase 2 of the Enterprise Zone may include improvements for cycle facilities on the A59 though plans are not firm at present and it is anticipated that this would not be before 2020. In any case the proposed route would still provide an attractive cycle route to BAe and the Ribble Valley.

2) Extending the cycle track on the A59 to A677 junction where the dual carriageway section ends. There are narrow cycle lanes of a sub standard width on the A59 between A677 and BAe. This option would also benefit cyclists continuing on the A677 to Blackburn. It would cost £400,000. Sustrans who manage the grant on behalf of the DfT indicated that it does not think this scheme could be completed in the time scale of the grant and so would withdraw the grant.

3) Only proceeding with the conversion of the footway to a cycle track between M6 and Potters Lane and not signing the proposed route via minor roads and bridleways to BAe. Sustrans has indicated that it would withdraw the grant as the scheme would not achieve its objective of providing a safer cycle route to BAe.

## **Implications:**

This item has the following implications, as indicated:

### **Risk management**

If the proposed cycle route is not provided, the majority of cyclists will continue to use the high speed A59. As stated this route has seen a number of injury accidents over the past few years. These rates are only likely to increase with the increased employment generated by the new Enterprise Zone. Furthermore, the A59 route will discourage people taking up cycling as a mode of travel. The possible increased use of the route by cyclists is not thought to have unreasonable adverse effects on other users.

### **Legal**

a) The section changing from a footway to a cycle track:

The legal procedure to convert a footway to a cycle track is under Section 66 of the Highways Act 1980 to remove the footway and under Section 65 to construct a cycle track, although this may involve little physical work.

Under Section 66 of the Highways Act, it is a duty to provide proper and sufficient footways, for use on foot alongside the made-up carriageways where it is considered necessary, or desirable, for the safety or accommodation of pedestrians.

Such footways can be removed under the Highways Act provision and this may be appropriate where a discrete footway is no longer necessary and a cycle track will provide a safer shared use area.

b) The section on existing unclassified roads and bridleways:

This is already existing highway network available for the public on cycles, on foot and on horseback and is maintainable at public expense, maintained as bridleway standard on the bridleway sections. Documentary evidence indicates that this network of lanes was in existence over 150 years ago. There are considered to be no significant adverse effects for all users of these sections should more cyclists use these routes and no specific legal implications of this proposal.

### **Financial**

The proposed scheme would be funded by a grant from the DfT Cycle Safety Fund which was set up in response to concerns about cycle safety. Nationally 78 schemes are receiving £20 million of available funding. The grants are being administered by Sustrans with all funding having to be claimed by the end of the financial year.

The scheme is estimated to cost £250,000. The grant funding is for £200,000, with the remaining £50,000 being found from the 2013/14 Local Transport Plan allocation for the Central Lancashire Master plan.



## Maintenance

Part of the route uses bridleways. Whilst a Highway Authority is responsible for the surface of these particular bridleways and cyclists can use them, there is no requirement for the Highway Authority to facilitate the use of the bridleways for cyclists. However as a promoted cycle route it is anticipated this route may be given higher maintenance priority than at present.

### List of Background Papers

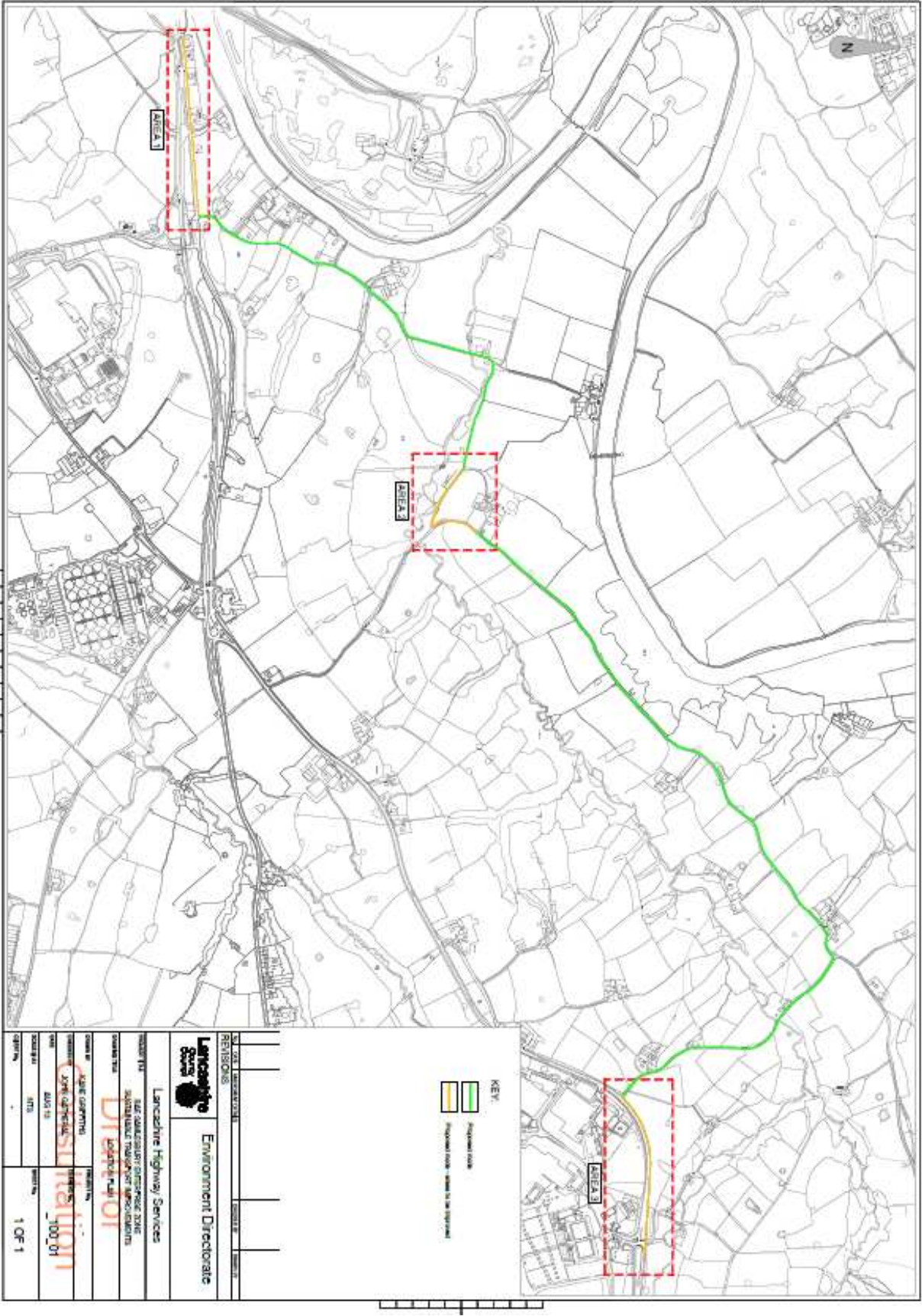
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Nil.

Reason for inclusion in Part II, if appropriate

N/A.







# Agenda Item 8

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

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# Agenda Item 9

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# Agenda Item 10

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# Agenda Item 11

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