

## CABINET

10.00 A.M.

5TH NOVEMBER 2013

**PRESENT:-** Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Jon Barry, Abbott Bryning, Tim Hamilton-Cox, Karen Leytham, Ron Sands and David Smith

Officers in attendance:-

Mark Cullinan	Chief Executive
Nadine Muschamp	Chief Officer (Resources) and Section 151 Officer
Mark Davies	Chief Officer (Environment)
Suzanne Lodge	Chief Officer (Health and Housing)
Tom Brown	Regeneration Officer
Paul Rogers	Senior Regeneration Officer
Liz Bateson	Principal Democratic Support Officer, Democratic Services

### 45 MINUTES

The minutes of the meeting held on Tuesday 8 October 2013 were approved as a correct record.

### 46 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

The Chairman advised that there was one item of urgent business. This related to proposals to reduce the frequency of committee meetings which would be taken later in the Agenda (Minute 60 refers).

### 47 DECLARATIONS OF INTEREST

No declarations were made at this point.

### 48 PUBLIC SPEAKING

Members were advised that there had been a request to speak at the meeting from a member of the public in accordance with Cabinet's agreed procedure, as set out in Cabinet Procedure Rule 2.7, with regard to Agenda Item 6 – Future of the Assembly Rooms (Minute 49 refers).

### 49 FUTURE OF THE ASSEMBLY ROOMS

**(Cabinet Member with Special Responsibility Councillor Barry)**

***Mr Mark Braithwaite who had registered to speak in accordance with the City Council's agreed procedure and Cabinet Procedure Rule 2.7 addressed the meeting on this item.***

Cabinet received a report from the Chief Officer (Environment) to seek approval to develop a business case for the future use of the Assembly Rooms.

The options, options analysis, including risk assessment and officer preferred option, were set out in the report as follows:

As can be seen from Appendix A (to the report), it is clear that there are actually significant opportunities offered from using the Assembly Rooms in a different way.

Clearly this would have an impact on existing traders within the Assembly Rooms. The Council charges minimal rents for stalls and currently there are a number of vacant stalls. Traders are issued with Licences which mean the Council can serve notice on traders at any point.

At this stage the proposal is to seek an in principle decision from Cabinet for a possible alternative trading use for the Assembly Rooms as a tea room / food emporium. This would then provide the mandate for officers to develop a sustainable business case which would then be brought back to Cabinet for further consideration.

Option 1- to approve the principle of the proposal which will allow a detailed business case to be developed

Option 2- to not approve the principle of the proposal. This will mean that for the time being the Assembly Rooms would continue to operate as at present, which based on the amount of vacant stalls, lack of spending customers and the minimal rent charged by the Council is unsustainable for the long term.

The officer preferred option was option 1.

Councillor Barry proposed, seconded by Councillor Leytham:-

- (1) That the development of a business case for an alternative trading use for the Assembly Rooms, based on the findings of Appendix A to the report, be approved, including the food emporium and collectables market options.
- (2) That Cairn Consultants be requested to deliver a presentation to Cabinet on their findings.
- (3) That Cabinet meets with traders from the Assembly Rooms to discuss ideas in more detail.'

Councillors then voted:-

***Resolved unanimously:***

- (1) That the development of a business case for an alternative trading use for the Assembly Rooms, based on the findings of Appendix A to the report, be approved, including the food emporium and collectables market options.

- (2) That Cairn Consultants be requested to deliver a presentation to Cabinet on their findings.
- (3) That Cabinet meets with traders from the Assembly Rooms to discuss ideas in more detail.

**Officer responsible for effecting the decision:**

Chief Officer (Environment)

**Reasons for making the decision:**

The decision will enable Cabinet to consider options for the development of a sustainable trading use for the Assembly Rooms.

**50 CHATSWORTH GARDENS - OUTCOME OF DEVELOPER COMPETITION AND CONSIDERATION OF THE PRIVATE SECTOR LED PROPOSAL**

**(Cabinet Member with Special Responsibility Councillor Hanson)**

Cabinet received a report from the Chief Officer (Regeneration & Planning) to consider the outcome of the recent developer competition for Chatsworth Gardens, the PlaceFirst proposal and the draft heads of terms for a detailed agreement. The options for the way forward were compared, including the previously agreed council-led scheme to deliver refurbished homes for sale.

The options, options analysis, including risk assessment and officer preferred option, were set out in the report as follows:

<p><b>Option 1: Implement previously approved city council led scheme for refurbishment of council owned properties on Chatsworth Gardens to deliver homes for sale</b></p>	<p><b>Option 2: Secure an agreement with PlaceFirst for refurbishment of council owned properties on Chatsworth Gardens to deliver homes for market rent (Preferred Option)</b></p>
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<p><b>A D V A N T A G E S</b></p>	<p>Provides a positive and quality solution to the desired Chatsworth Gardens regeneration objectives / outcomes.          Utilises existing Clusters of Empty Homes Funding (CEHF).          Brings empty homes back into use.          Clearly sets out council's commitment to local residents and owners in the area.          Demonstrates delivery to HCA (Homes and Communities Agency) boosting chances for future funding.</p>	<p>Provides all advantages of Option 1 with a number of additional benefits:          Funding model and tenure allows greater capital investment/value to be generated out of almost double the individual housing unit outcome.          Current appraisal, even with high level of sensitivity applied, appears to give a greater certainty on the extent of intervention. At the current assessment all the council's empty properties on Chatsworth Gardens are refurbished (in 2 phases) and a surplus is generated on the initial public grant investment which can be recycled back into the project or further housing/regeneration investment.          In terms of architectural approach the scheme provides a greater impact – moves the project more towards 'exemplar' features originally envisaged in West End Masterplan.          Developer has specialism in, and seeks to deliver, higher environmental standards.          Developer has commitment to, and a commercial interest in good long term management of the development and improving the wider area and context for their investment. Place First see themselves as a potential council partner on future projects/developments.          "Open book" accounting allows council to accurately assess reasonableness of the developer's costs, returns etc.          Transfers construction and delivery risk to private sector. Moves from sales risk to a relatively less risky rental model.          More control over and greater amount of private sector investment to enable draw down of all CEHF.</p>
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<p><b>D I S A D V A N T A G E S</b></p>	<p>Ideally requires co-operation from owner occupiers &amp; landlords to implement facelift element and deliver a cohesive scheme                  Uncertainty of delivery outcome for Regent Road and extent of progress is subject to the achievement of projected sales values                  Misses out on potential to transfer development risk away from the council.                  Tenure model of sales to owner occupiers is high risk in current market and location, even with the new Government Help to Buy scheme.                  Ongoing increasing management costs of properties as scheme progresses, particularly council tax liabilities as majority empty for more than 2 years</p>	<p>Ideally requires co-operation from owner occupiers and landlords to implement facelift element and deliver a cohesive scheme.                  Phasing of scheme and dependence on market conditions before Phase 2 can be committed means the council is still liable for management costs associated with those empty properties, although there is a similar burden for Option 1 (refer to Financial Implications).                  Under adverse market conditions and performance Phase 2 may be less extensive and/or lower surplus return on public grant and may even prove unviable. However, similar market risks are attached to Option 1 in terms of potential extent of intervention</p>
	<p><b>Option 1: Implement previously approved city council led scheme for refurbishment of council owned properties on Chatsworth Gardens to deliver homes for sale</b></p>	<p><b>Option 2: Secure an agreement with PlaceFirst for refurbishment of council owned properties on Chatsworth Gardens to deliver homes for market rent (Preferred Option)</b></p>
<p><b>R I S K S</b></p>	<p>Involves the council taking on the delivery risks on a capital housing development project.                  The council will face a sales risk on the direct refurbishment properties that needs to be mitigated by some form of mortgage assistance scheme.                  Limited control over private sector match required to access part of CEHF grant.                  Build costs and sales date/value can adversely impact project (although a reasonable contingency is built in).                  Failure to achieve sales rates/values adversely effects ability to achieve full extent of project and could lead to an underachievement of CEHF outputs and issues with the funder.</p>	<p>Uncertainty of delivery until development agreement is finalised and impact on deadlines for meeting CEHF obligations. Similarly, the Developer not completing Phase 1 for reasons beyond their control. Reversion to the council-led scheme as a contingency is not practical after January 2014. However, the risk of not achieving agreement or completion is considered low. Securing tenants still represents a challenge and the developer has not formally secured a Registered Provider as a managing partner at the time of writing. The proposal is based on untested private tenure/management models and the developer is a relatively young and rapidly expanding company, i.e. currently undertaking two other similar schemes, one due to complete November 2014. Failure to complete and/or achieve projected outturn from Phase 1 adversely effects ability to achieve Phase 2 and could lead to an underachievement of CEHF outputs and issues with the funder.</p>

A 'do nothing' option is not included within this report. Disposal of all properties with sales receipts covering disposal fees was discounted due to Members' consistent support for finding a positive solution to Chatsworth Gardens. The option of 'pulling out' of the projects presents considerable risk in every way other than financial. It declines to

use approximately £1.9M CEHF funding currently secured and might also damage future council HCA resource bids and partnership working. This option is therefore not considered in this report.

Option 1 is the 'council-led' scheme previously agreed by Members following December 2012 Cabinet (minute reference 82) and officers have continued work on this as a contingency. The proposal was detailed in a previous report, listed as a Background Paper.

As noted in previous reports the basis of the intervention strategy in Option 1, and the ultimate underlying risk, lies in securing sales for the houses remodeled. As refurbishments are completed in particular terraces, ongoing sales are required to generate further income to continue with further phases of intervention otherwise the project will stall. The mortgage market is still difficult for first-time buyers, although the introduction of a local mortgage assistance scheme and the recent launched new phase of the Government's Help to Buy policy might partially improve this situation. Members should be under no illusion about the challenge of securing rolling house sales in the West End of Morecambe in the current economic climate, and the very real risks this presents to delivering a project with this tenure model.

Given the general risks attached to Option 1 the Place First proposal as described in Option 2, merits serious consideration. The introduction of a market rent model allows a much more flexible and potentially more extensive approach to be taken. According to the council's own market intelligence and discussion with local agents, refurbished maisonette/apartment property is difficult to sell on the open market – the council's scheme did not therefore consider these house types. However, renting this type of property is less of an issue for prospective tenants who are generally more concerned with overall design/quality, management/landlord relations and security of tenure.

Councillor Hanson proposed, seconded by Councillor Leytham:-

"That the recommendations, as set out in the report, be approved."

Councillors then voted:-

***Resolved unanimously:***

- (1) That Option 2, to secure an agreement with PlaceFirst for refurbishment of council owned properties on Chatsworth Gardens to deliver new homes for market rent, be approved.
- (2) That the Clusters of Empty Homes Funding be reallocated from the previously approved "council-led" scheme to Phase 1 of the preferred Option 2.
- (3) That, on the basis of the draft heads of terms outlined in the report to the agenda, and in conjunction with PlaceFirst, officers draw up final contract documentation, consisting of an overarching development agreement, building licence and grant agreement, for delivery of Phase 1.
- (4) That, subject to HCA lifting its charge on the properties, authority to sign off the development agreement and building licence be delegated to the Chief Officer (Governance), and authority to sign off the grant agreement be delegated to the Chief Officer (Resources).

- (5) That Cabinet is satisfied that disposal of the Council's interests in the property will help the authority secure the promotion or improvement of the economic, social or environmental well-being of its area, and, approves the disposal of the Phase 1 property for nil consideration, noting that, as the current independent property valuation exercise has confirmed that the undervalue is less than £2m, the terms of the General Disposal Consent will apply.
- (6) That Cabinet agrees in principle to the delivery of Phase 2, allowing officers to work with PlaceFirst on detailed proposals to be informed by the experience of Phase 1 delivery. Detailed proposals to be presented to Cabinet for Phase 2 seeking authority to proceed.
- (7) That officers develop and submit a bid to the Department of Energy & Climate Change "Green Deal Communities – Local Authority Fund" for energy efficient measures to i) supplement the energy efficiency proposals specified in the preferred Option 2 and ii) improve and roll out energy efficiency measures to properties in the West End area. Authority to sign off the bid and accept any funding awarded be delegated to the Chief Officer (Resources).
- (8) That the Chief Officer (Resources) be authorised to update the General Fund Capital Programme and General Fund Revenue Budget as appropriate, subject to there being no additional call on the Council's resources.

**Officers responsible for effecting the decision:**

Chief Officer (Regeneration & Planning)  
Chief Officer (Resources)  
Chief Officer (Governance)

**Reasons for making the decision:**

In January 2011 Council resolved that housing regeneration be included as a theme in its corporate priorities and this was reaffirmed in the 2012-2015 Corporate Plan. Officers have conducted a developer competition to test all current private investment interest in the Chatsworth Gardens development opportunity. PlaceFirst have provided a proposal which, if supported by the Council's exercise of its powers under the Local Government Act 1972 general disposal consent, will help the Council to secure the promotion or improvement of the economic, social or environmental well being of this area by the refurbishment of council owned properties on Chatsworth Gardens to deliver new homes for market rent. The decision enables officers to secure an agreement with PlaceFirst based on their proposal which both reduces the Council's risk burden and secures a better and more certain outcome against its regeneration objectives.

**51 PARKING STRATEGY**

**(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)**

Cabinet received a report from the Chief Officer (Environment) to consider the updated Parking Strategy and Action Plan.

The options, options analysis, including risk assessment and officer preferred option, were set out in the report as follows:

	<b>Option 1:</b> To approve the draft Parking Strategy for consultation. (Allowing for any amendments Cabinet may wish to make)	<b>Option 2:</b> To not approve the draft Parking Strategy
<b>Advantages</b>	<p>This will allow the Council to carry out formal consultation on the updated draft parking strategy.</p> <p>Any substantive changes to the strategy can be reported back to Cabinet before the strategy is formally approved</p> <p>This allows the Council to develop its strategic approach to managing parking to face future challenges and changes</p>	
<b>Disadvantages</b>		<p>This would not allow the Council to review its strategic approach to managing parking to face the challenges and changes</p>
<b>Risks</b>	<p>Resources are required from both City and County Councils to achieve the aims and objectives of the strategy</p>	<p>The Council would not have any updated strategy to guide its future strategic approach to managing parking</p> <p>The Council would not have a documented strategy to face the future challenges and changes on parking</p>

The officer preferred option is to approve the draft Parking Strategy and to carry out formal consultation. The preferred option allows the Council to develop its strategic approach to parking management to support its wider aims and objectives and be prepared for the challenges and changes it is likely to face in the coming years.

Councillor Hamilton-Cox proposed, seconded by Councillor Smith:-



“That the proposals, as set out in the report, be approved.”

Councillors then voted:-

**Resolved unanimously:**

- (1) That the publication of the draft Parking Strategy and Action Plan for consultation with stakeholders and interest groups be approved.
- (2) That any substantive changes arising from the formal consultation be considered at a future Cabinet meeting.

**Officer responsible for effecting the decision:**

Chief Officer (Environment)

**Reasons for making the decision:**

The strategy supports the Priorities included in the Corporate Plan of Economic Growth, Health and Wellbeing, Green, clean and safe places and Community leadership and allows for consideration of any substantive changes arising from the formal consultation at a future Cabinet meeting.

**52 DELIVERING NEW COUNCIL HOUSING IN THE DISTRICT**

**(Cabinet Member with Special Responsibility Councillor Leytham)**

Cabinet received a report from the Chief Officer (Health & Housing) which set out the options for increasing the availability of council housing within the district and sought approval to procure a preferred partner to deliver a new build housing programme, and the establishment of an acquisition programme.

The options, options analysis, including risk assessment and officer preferred option, were set out in the report as follows:

	<b>Option 1:</b> The council establishes a new build council housing programme utilising a framework agreement to increase the council housing stock in the district	<b>Option 2:</b> The council establishes a new build council housing programme utilising a framework agreement together with a scheme to acquire ex-council housing stock to increase the council housing stock in the district	<b>Option 3:</b> The council establishes a new build council housing programme utilising an alternative procurement route together with a scheme to acquire ex-council housing stock to increase the council housing stock in the district
Advantages	Addresses the specific housing	Addresses the specific housing	Addresses the specific housing

	<p>needs identified with in the district                  Delivers new homes at affordable rents (social rent)                  Community leadership acting as an exemplar in building socially, environmentally, and economically sustainable homes                  Provide local employment opportunities                  Will contribute to the economic growth of the district                  Will generate further rental income for future housing investment</p>	<p>needs identified with in the district                  Delivers new homes at affordable rents (social rent)                  Community leadership acting as an exemplar in building socially, environmentally, and economically sustainable homes                  Provide local employment opportunities                  Will contribute to the economic growth of the district                  Will generate further rental income for future housing investment                  Maximises the opportunities and be easier to manage</p>	<p>needs identified with in the district                  Delivers new homes at affordable rents (social rent)                  Community leadership acting as an exemplar in building socially, environmentally, and economically sustainable homes                  Provide local employment opportunities                  Will contribute to the economic growth of the district                  Will generate further rental income for future housing investment</p>
<p>Disadvantages</p>	<p>Increases future revenue costs associated with property management, however will be partly mitigated by the rental policy adopted for the new builds</p>	<p>Increases future revenue costs associated with property management, however will be partly mitigated by the rental policy adopted for the new builds                  Ex-council properties may require additional capital investment to meet the 'Lancaster Decent Homes Standard', however will be partly mitigated by being cheaper than the cost of new build</p>	<p>The council would need to fully assess any other framework that it is currently not a party to and also apply to access the framework. There would be increased resource requirements in terms of expertise, time and money. To secure provision of new homes through a traditional procurement route the council would need to undertake the full OJEU (Official Journal of the European Union) process itself which would result in increase resource requirements in terms of expertise,</p>

			time and money.
Risks	Unable to efficiently deliver the programme due to organisational capacity, however can be partly mitigated by entering into a service and delivery agreement with LRPP (Lancashire Regeneration Property Partnership)	Unable to efficiently deliver the programme due to organisational capacity, however can be partly mitigated by entering into a service and delivery agreement with LRPP	Unable to efficiently deliver the programme due to organisational capacity

The proposals set out in the report form a sound basis for the Council to deliver much needed new affordable council homes in the district and also provide added value in meeting the wider social, environmental and economic objectives of the council. The officer preferred option was option 2 as it maximised the opportunities to increase the council housing stock in the district, and addressed the in-principle decision taken by Cabinet in February to invest in new one-bedroom accommodation within the district using funding from the Business Support Reserve.

Councillor Leytham proposed, seconded by Councillor Hanson-

“That the recommendations, as set out in the report, be approved.”

Councillors then voted:-

***Resolved unanimously:***

- (1) That a programme of new build council housing be established as set out in the report.
- (2) That the Council works with the Lancashire Regeneration Property Partnership to develop a scheme to deliver a programme of new build council housing as set out in the report and that detailed proposals be brought back to Cabinet for approval prior to entering into any contractual commitment.
- (3) That a scheme for acquiring ex-council housing properties also be established as set out in the report, and that detailed proposals be brought back to Cabinet for approval.

**Officer responsible for effecting the decision:**

Chief Officer (Health & Housing)

**Reasons for making the decision:**

The decision supports the Council’s core purpose, values and vision and will contribute

to the realisation of the Council's priority, health and wellbeing and is consistent with the Housing Strategy and Action Plan 2012 – 2017 which seeks to maximise opportunities to increase the existing portfolio of affordable housing in the Lancaster district.

### **53 SERVICE REVIEW - MANAGEMENT OF PARKS / OPEN SPACE / PUBLIC REALM**

**(Cabinet Member with Special Responsibility Councillor David Smith)**

Cabinet received a report from the Chief Officer (Environment) which provided an update on the progress of a service review and sought approval to continue with implementation of the review.

The options, options analysis, including risk assessment and officer preferred option, were set out in the report as follows:

The main proposal from the reviews is to merge the management of relevant functional Health and Wellbeing service with related functions in Environmental Services to ensure a consistent approach to service delivery and to generate efficiencies by reviewing how the services operate once transferred. The functional areas affected include-

- Letting of playing fields / bowling greens to sports teams
- Letting of concessions on parks / open space
- Parks Patrol
- Beach Patrol
- Happy Mount Park splash park / concessions
- Promenade management / concessions
- Williamson Park (including café, butterfly house, car park, Memorial etc)
- Park / open space- planning / development / design.
- Cemeteries – grounds maintenance (not gravedigging)

The intention is that the delivery of the functions will be merged within the wider range of services that Environmental Services already deliver. Through the removal of duplication, focus on priority areas and economies of scale it is expected this approach will provide real and significant cashable savings.

As an example functions like parks patrol and the whole of maintenance of Williamson Park would be delivered from within the grounds maintenance / cleansing function. This will result in a net overall ongoing saving.

It is also the intention to bring forward specific proposals with regard to the café and butterfly house in Williamson Park as the current model of delivery is not sustainable.

To facilitate this merger it is necessary to restructure the existing management / supervisory arrangements across Environmental Services. Initial work indicates this will result in cashable savings. It will also clearly result in a loss of officer capacity and expertise and, of course, there are risks involved in reducing capacity and expertise. However it is expected that this can happen without a significant decrease in levels of

frontline service delivery in priority areas.

Once this stage of the review has been completed consideration will also be given to how best deliver the remaining engineering functions the Council provides.

Option 1- to approve the approach outlined above

Option 2- to not approve the approach outlined above

The officer preferred option was option 1 for the reasons outlined.

Councillor Smith proposed, seconded by Councillor Barry:-

“That the recommendations, as set out in the report, be approved.”

Councillors then voted:-

**Resolved unanimously:**

- (1) That the proposals outlined in the report be approved, in principle, for further development by the Chief Officer (Environment).
- (2) That where required, further reports on the implementation of specific parts of the proposals be brought back to Cabinet or Personnel Committee as appropriate for approval.

**Officer responsible for effecting the decision:**

Chief Officer (Environment)

**Reasons for making the decision:**

The proposals will generate savings to assist the Council’s budgetary position.

**54 OUTLINE PROPOSALS FOR SERVICE REVIEW: SALT AYRE SPORTS CENTRE/LEISURE SERVICES**

**(Cabinet Member with Special Responsibility Councillor Sands)**

Cabinet received a report from the Chief Officer (Health & Housing) to inform Cabinet of the scope of detailed review work needed to present the council with costed savings action.

The options, options analysis, including risk assessment and officer preferred option, were set out in the report as follows: -

	<b>Option 1:</b> To undertake no review of services	<b>Option 2:</b> To find efficiency savings only	<b>Option 3:</b> To undertake a review which could highlight the
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			need for service reduction or an alternative service delivery model
Advantages	None. The Council's budget position is real and there is no alternative but to undertake reviews.	None. The extent of the forthcoming budget reduction cannot be mitigated by simply making efficiency savings.	This gives an opportunity to prepare for the future well in advance and to manage the removal of services or transfer to another service provider by a planned approach.
Disadvantages	By not commencing any reviews now the Council would have to take urgent corrective action later as a budget crisis developed.	Such a limited review would address only the 2014/15 challenge and give insufficient time to prepare for the larger challenge the following year.	The community will have to prepare realistically for a reduction in services or an alternative provider if the Council can no longer directly provide.
Risks	The Council might risk being put under special measures if it didn't address its budget position.	The Council might risk being put under special measures if it didn't address its budget position.	Service reductions are likely to be unpopular with citizens. Moving to an alternative service provider for leisure services will involve a procurement process which will take a considerable amount of officer time and upfront costs for specialist advice to assist in any procurement exercise.

Option 3 is preferred. The City Council must plan realistically. Many years of budget reduction and efficiency savings have removed options for simple efficiencies.

Councillor Sands proposed, seconded by Councillor David Smith: -

"That the recommendations, as set out in the report, be approved."

Councillors then voted: -

**Resolved unanimously:**

- (1) That Cabinet notes that the areas to be reviewed in the Salt Ayre Sports Centre/ Leisure services review are:
  - All functions delivered at Salt Ayre Sports Centre
  - Sports Development work /Community outreach physical activity.
  - The provision of community pools.
- (2) That the proposals outlined in the report be approved, in principle, for further development by the Chief Officer (Health and Housing).
- (3) That where required, further reports on the implementation of specific parts of the proposals be brought back to Cabinet or Personnel Committee as appropriate for approval.

**Officer responsible for effecting the decision:**

Chief Officer (Health and Housing).

**Reasons for making the decision:**

The decision will ensure that the City Council acts decisively at this very difficult time to maintain its ability to function across a wide set of statutory functions and other priorities. Regretfully this now means that it has to accept that it may no longer be able to engage in all of its current discretionary activities. Undertaking comprehensive reviews which present Members with a range of costed options should help to inform these difficult decisions.

**55 OUTLINE PROPOSALS FOR SERVICE REVIEW: REGENERATION & PLANNING SERVICE**

**(Cabinet Member with Special Responsibility Councillor Hanson)**

Cabinet received a report from the Chief Officer (Regeneration and Planning) which sought Cabinet’s agreement to the scope of detailed review work needed to present the Council with savings options.

The options, options analysis, including risk assessment and officer preferred option, were set out in the report as follows:-

	<b>Option 1:</b> To undertake no review of services	<b>Option 2:</b> To find efficiency savings only	<b>Option 3:</b> To undertake a review which could highlight the need for service
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			reduction
Advantages	None. The Council's budget position is real and there is no alternative but to undertake reviews.	None. The extent of the forthcoming budget reduction cannot be mitigated by simply making efficiency savings.	This gives the Council the opportunity to prepare for 2015/16 well in advance. To manage the removal of services in a planned approach and to give affected staff greater time to make alternative employment arrangements.
Disadvantages	By not commencing any reviews now the Council would have to take urgent corrective action later as a budget crisis developed.	Such a limited review would address only the 2014/15 challenge and give insufficient time to prepare for the larger challenge the following year.	The community will have to prepare realistically for a reduction in services which the Council can no longer provide.
Risks	The Council may risk failing to set a balanced budget at some point in the medium term, leading to crisis management, massive service disruption and related repercussions.	The Council may risk failing to set a balanced budget at some point in the medium term, leading to crisis management, massive service disruption and related repercussions.	If the reviews maintain expectations that some services will continue to operate, with less resources, it may be over stretched

Option 3 is preferred. The Council must plan realistically. Many years of budget reduction and efficiency savings had removed options for simple efficiencies.

Councillor Hanson proposed, seconded by Councillor Sands:-

- (1) That the recommendations as set out in the report be approved, with the following addition to recommendation (1):

*and that the review focuses on reducing costs in all service areas, transforming the service delivery of visitor information and increasing income from Council operated venues and events.*

and the following insertion at the end of recommendation (2):

*and that the priority be to position resources so that the Council can maximise external investment opportunities both now and in the future, and, therefore, ensure the required project management capacity remains in place in terms of*



*Economic Regeneration and Housing Regeneration.'*

Councillors then voted:-

**Resolved unanimously:**

- (1) That Cabinet agrees that the areas to be reviewed in the Regeneration and Planning Service are :
1. Strategic Management of the visitor economy
  2. Commissioned activities supporting the visitor economy
  3. The provision of events
  4. Visitor Information centres
  5. Council operated venues
  6. Communications and Marketing

and that the review focuses on reducing costs in all service areas, transforming the service delivery of visitor information and increasing income from Council operated venues and events.

- (2) That the Chief Officer (Regeneration and Planning) reviews the options available to reduce engagement in Regeneration Projects and Economic Development, after assessing what the impact would be on the economic well being of the district and the ability of the Council to engage with the LEP and that the priority be to position resources so that the Council can maximise external investment opportunities both now and in the future, and, therefore, ensure the required project management capacity remains in place in terms of Economic Regeneration and Housing Regeneration.
- (3) That the Chief Officer (Regeneration and Planning) be instructed to commence detailed work on the review in these areas together with appropriate Chief Officer support from Management Team.
- (4) That a report be prepared for Cabinet containing worked up options for savings.

**Officers responsible for effecting the decision:**

Chief Officer (Regeneration & Planning)

**Reasons for making the decision:**

Managing the Council's resources is a key supporting theme in the Corporate Plan. The Council needs to act decisively at this very difficult time to maintain its ability to function across a wide set of statutory functions. Regretfully this now means that it has to accept that it may no longer be able to engage in discretionary activities, a number of which could, and ought to be provided by the private sector. The decision does highlight the importance of retaining staffing capacity to ensure delivery of Economic Regeneration

and Housing Regeneration.

## 56 CORPORATE PLAN 2013-14 - HALF-YEARLY MONITORING

### **(Cabinet Member with Special Responsibility Councillor Blamire)**

Cabinet received a report from the Chief Executive to report progress on actions in the Corporate Plan 2013-14. Details of the progress were set out in an appendix to the report.

No options were provided but in considering the report Cabinet were mindful that it was important that the Council was able to adapt to changes in a planned and considered way, particularly in view of the financial challenges that the Council was facing. To facilitate this, the Corporate Plan was in the process of being fully reviewed in the context of meeting the required savings targets for the next two financial years.

Councillor Hanson proposed, seconded by Councillor Sands:-

“That the recommendation, as set out in the report, be approved.”

Councillors then voted:-

### ***Resolved unanimously:***

(1) That the progress report in respect of the Corporate Plan 2013-14 be noted.

### **Officer responsible for effecting the decision:**

Chief Executive

### **Reasons for making the decision:**

The report is a requirement of the Council's Performance Management Framework in support of the Council achieving its key tasks and objectives as reflected in its policy framework.

## 57 CORPORATE PERFORMANCE MONITORING 2013/14

### **(Cabinet Member with Special Responsibility Councillor Blamire)**

Cabinet received a report from the Chief Officer (Governance) and Chief Officer (Resources) which presented the corporate performance and financial monitoring reports at Quarter 2 of the 2013/14 performance monitoring cycle.

The Financial Monitoring report summarised the budgetary variances, identified omissions, updates and/or actions required and included specific sections for salary monitoring, capital expenditure and financing, the Housing Revenue Account, revenue collection performance and various reserves. The latest position with regards to Treasury Management activities was reported as well as a Property Group update for Quarter 2, in line with earlier Cabinet resolutions.

The report was for noting and comment and included commentary provided by officers responsible for each success measure which highlighted achievements, added contextual information, identified issues and outlined actions being taken, planned to get performance back on track.

Councillor Blamire proposed, seconded by Councillor David Smith:-

“That the recommendations, as set out in the report, be approved.”

Councillors then voted:-

***Resolved unanimously:***

- (1) That the Corporate Performance Monitoring Quarter 2 reports be noted.
- (2) That the Treasury Management report as set out at Appendix D to the report be referred to Council for noting.

**Officers responsible for effecting the decision:**

Chief Officer (Resources)  
Chief Officer (Governance)

**Reasons for making the decision:**

The Council's Performance Management Framework requires the regular reporting of operational, as well as financial performance. The review of progress on corporate plan actions clearly demonstrates the progress being made towards the achievement of the Council's stated outcomes and priorities.

**58 EXCLUSION OF THE PRESS AND PUBLIC**

It was moved by Councillor Blamire and seconded by Councillor Hanson:-

“That, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business, on the grounds that it could involve the possible disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act.”

Members then voted as follows:-

***Resolved unanimously:***

- (1) That, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business, on the grounds that it could involve the possible disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act.

**59 THE STOREY (CREATIVE INDUSTRIES CENTRE)****(Cabinet Member with Special Responsibility Councillor Hanson)**

Cabinet received a joint report from the Chief Officer (Resources) and Chief Officer (Regeneration & Planning) to consider options for the bar/catering operation, as requested by Cabinet in May 2013, and provide an update on The Storey operation. The report was exempt from publication by virtue of paragraph 3, Schedule 12A of the Local Government Act 1972.

The options, options analysis, including risk assessment and officer preferred option, were set out in a report exempt from publication by virtue of paragraph 3, Schedule 12A of the Local Government Act 1972.

Councillor Hanson proposed, seconded by Councillor Leytham:-

“That the recommendations, as set out in the exempt report, be approved.”

Councillors then voted:-

***Resolved unanimously:***

- (1) That Cabinet notes the exempt report and in particular, the change in approach regarding the provision of management capacity for the Storey.
- (2) That Cabinet approves the granting of a new 5 year lease to NICE Enterprises Ltd on the terms set out in the exempt report.

**Officers responsible for effecting the decision:**

Chief Officer (Resources)  
Chief Officer (Regeneration & Planning)

**Reasons for making the decision:**

At its meeting on 28 May 2013 Cabinet requested that further proposals in relation to management provision and the café lease be reported to a future Cabinet meeting. (Minute 9 refers).

**The press and public were re-admitted to the meeting at this point.**

**60 URGENT BUSINESS - PROPOSALS REGARDING THE FREQUENCY OF MEETINGS**

In accordance with Part 4, Section 7, Urgent Business Procedure Rules and S100B(4) of the Local Government Act 1972, the Chairman requested Cabinet give consideration to reducing the number of Committee meetings. This would enable Council to consider the recommendations at its December meeting, and the Council Business Committee would then be able to set the meetings timetable in January in light of the Council's decisions.

Councillor Blamire proposed and Councillor Barry seconded:

“That in view of the future year's savings requirements set out in the Corporate Financial

Monitoring Report, and the priority outcome in the current Corporate Plan that the Council's operations are delivered and managed efficiently and effectively to achieve better value for money, that Council be recommended to reduce the number of scheduled meetings each year as follows:

- Council – from 10 to 8
- Cabinet – from 11 to 10
- Standards Committee – from 4 to 2
- Audit Committee – from 4 to 2
- Licensing Act Committee – from 6 to 2
- Overview and Scrutiny Committee – from 9 to 5
- Budget and Performance Panel – from 9 to 5
- Council Business Committee – from 6 to 3
- Personnel Committee – from 4 to 2

with the proviso that additional meetings could be convened if required

- That where possible, the JCC and Personnel Committee meetings be scheduled to take place on the same day.”

Councillors then voted.

***Resolved unanimously:***

That in view of the future year's savings requirements set out in the Corporate Financial Monitoring Report, and the priority outcome in the current Corporate Plan that the Council's operations are delivered and managed efficiently and effectively to achieve better value for money, that Council be recommended to reduce the number of scheduled meetings each year as follows:

- Council – from 10 to 8
- Cabinet – from 11 to 10
- Standards Committee – from 4 to 2
- Audit Committee – from 4 to 2
- Licensing Act Committee – from 6 to 2
- Overview and Scrutiny Committee – from 9 to 5
- Budget and Performance Panel – from 9 to 5
- Council Business Committee – from 6 to 3
- Personnel Committee – from 4 to 2

with the proviso that additional meetings could be convened if required

- That where possible, the JCC and Personnel Committee meetings be scheduled to take place on the same day.

**Officer responsible for effecting the decision:**

Chief Officer (Governance)

**Reasons for making the decision:**

The decision will assist in budget setting preparations and will enable Council Business Committee to consider and agree a timetable of meetings at its January meeting. It is a legal requirement that the Council publishes its timetable of meetings by the commencement of each municipal year.

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Chairman

(The meeting ended at 12.20 p.m.)

**Any queries regarding these Minutes, please contact  
Liz Bateson, Democratic Services - telephone (01524) 582047 or email  
ebateson@lancaster.gov.uk**

**MINUTES PUBLISHED ON FRIDAY 8 NOVEMBER, 2013.**

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:  
MONDAY 18 NOVEMBER, 2013.**