

CABINET

10.00 A.M.

21ST JANUARY 2014

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) |
| Andrew Dobson | Chief Officer (Regeneration and Planning) |
| Suzanne Lodge | Chief Officer (Health and Housing) |
| Liz Bateson | Principal Democratic Support Officer |

67 MINUTES

The minutes of the meeting held on Tuesday 3 December 2013 were approved as a correct record.

68 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

The Chairman advised that there were no items of urgent business.

69 DECLARATIONS OF INTEREST

No declarations were made at this point.

70 PUBLIC SPEAKING

Members were advised that there had been no requests to speak at the meeting in accordance with Cabinet's agreed procedure.

71 SPORT ENGLAND/BRITISH CYCLING GRANT OFFER TO PROVIDE LIGHTING TO THE CYCLE CIRCUIT AT SALT AYRE SPORTS CENTRE

(Cabinet Member with Special Responsibility Councillor Sands)

Councillor Barry declared a personal interest at this point in view of his involvement with Lancaster Cycling Club.

Cabinet received a report from the Chief Officer (Health & Housing) to obtain the agreement of Cabinet for the City Council to accept a grant of up to £150,000 to provide lighting around the cycle circuit at Salt Ayre Sports Centre. The grant was being offered by Sport England/British Cycling on an unsolicited basis as they had identified Salt Ayre as one of three priority sites nationally for lighting.

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

| | Option 1: To accept the grant offered. | Option 2: Not to accept the grant offered. |
|---------------|---|---|
| Advantages | <p>Provides the opportunity for the council to provide a facility which has the potential to be used throughout the year rather than relying so much on seasonal influences.</p> <p>No match funding requirement.</p> <p>Ongoing running and maintenance costs met by additional income generated by charging clubs.</p> <p>Provides increased opportunities for healthy lifestyle activity choice by people of all ages and abilities.</p> | Continue as status quo with summer use of track. |
| Disadvantages | | Missed opportunity to take advantage of a 100% grant from Sport England / British Cycling to improve the cycle circuit at no cost to the council. |
| Risks | <p>The predicted usage by clubs fails to reach expected levels (mitigation would be reviewing the charges to clubs to ensure cost recovery).</p> <p>No formal agreement is in place with the cycling clubs and therefore there is a risk that the lighting may not be used as much as predicted if demand is lower than expected.</p> <p>There are some reputational and possibly financial risks depending on the outcome of the review of the future of the sports centre particularly if an option is chosen that does not involve the continuation of Salt Ayre as a sports centre.</p> | Funding will probably not be available again in the future. |

Option 1 is the preferred option based on the opportunity to increase use of the track by the community at no additional cost to the Council and to take advantage of the 100% grant offer from Sport England. The lighting improvement would not prevent any options (other than any that involve the sports centre from ceasing to operate) for the long term

alternative delivery models for Salt Ayre from being considered.

Councillor Sands proposed, seconded by Councillor Hanson:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That subject to receiving an offer of grant from the Sport England/British Cycling, the Chief Officer (Resources) be given delegated authority to accept the offer and to update the General Fund Revenue and Capital Budgets in order to allow the works as described to progress, subject to there being no further impact on City Council resources other than those set out in this report.

Officers responsible for effecting the decision:

Chief Officer (Health & Housing)
Chief Officer (Resources)

Reasons for making the decision:

The decision is consistent with the Corporate Plan which includes for an increasing number of people participating in sports and leisure activities (Health and Wellbeing) and increased number of diversionary activities for young people (Clean, Green & Safe Places & Community Leadership). The installation of lighting at the cycle circuit at Salt Ayre, funded wholly from a grant offer from Sport England/ British Cycling, allows the Council to improve the cycle circuit to the benefit of users, demonstrate the Council's commitment to cycling and generate sufficient income for ongoing running and maintenance costs.

72 CORPORATE FEES AND CHARGES REVIEW – 2014/15

(Cabinet Members with Special Responsibility Councillors Bryning, Hamilton-Cox, Leytham, Sands and Smith)

Cabinet received a report from the Chief Officer (Resources) to consider the annual review of fees and charges for 2014/15.

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

In order to assist the decision making process the report was structured into three main areas as follows:

- Environmental Services – Car Parking
- Health & Housing
- Wellbeing

These will set out the key considerations for Members in context of the latest budget projections and list the relevant options, options appraisal and officer recommendations

either in the body of the report or in the appendices. It is important to remember that income budgets have been set based on the best information available at this time, but also that the impact of the current economic climate could continue to adversely affect income generation.

ENVIRONMENTAL SERVICES – CAR PARKING

All options and relevant analysis are set out in Appendix C to the report.

Were parking charges seen as purely a way of generating income for the Council then options 2 and 4 combined would be recommended as the way forward. However, this Council's view of parking and charges is that when properly managed they contribute to the wider traffic management, regeneration and public realm issues within the District. This approach is set out clearly in the Council's Parking Strategy which is further emphasised in the revised Parking Strategy currently out for consultation. With this in mind, Option 4 is the preferred option as it is the one that is most likely to effectively support the Council's priorities.

In addition, the following sub-options are the preferred options:-

Sub - Option 5 to introduce 24 hour parking charges in Lancaster

Sub - Option 6 to increase parking charges at Williamson Park and to remove the Annual Permit

Sub - Option 7 b) to increase all car park permits by 5%

Sub - Option 8 a) to introduce parking charges on Bank Holidays in Lancaster

Sub - Option 8 c) to increase the 1 hour charge on the Festival Market Car Park by 10p

Sub – Option 8 d) to increase parking charges on Morecambe's outer car parks

In total the officer preferred options would generate an additional £54,800 above the estimated income for 2014/15.

Members voted on the options and sub-options as follows:

Councillor Hanson proposed, Councillor Sands seconded, and agreed (Members voted as set out in resolution (1)

“That Option 4, as set out in the report, which freezes the 1 hr tariff but increases other tariffs on both short and long stay car parks, be approved.”

Councillor Hamilton-Cox proposed, Councillor Leytham seconded and it was agreed unanimously:

“That an additional 24 hour charge be introduced in Lancaster as per sub option 5.”

Councillor Hamilton-Cox proposed, Councillor Barry seconded and it was agreed unanimously:

“That the car parking charges at the car parks at Williamson Park be increased as set out in the report, with the option of an annual permit removed as per sub option 6.”

It was proposed by Councillor Hamilton-Cox proposed, seconded by Councillor Bryning and agreed unanimously:

“That car park permit charges be increased by 5% as per sub option 7(b).”

Councillor Hamilton-Cox proposed, Councillor Leytham seconded and it was agreed unanimously:

“That parking charges be introduced on Bank Holidays in Lancaster as per sub option 8(a).”

Councillor Hamilton-Cox proposed, Councillor Hanson seconded and it was agreed unanimously:

“That evening charges are not introduced in Morecambe.”

It was proposed by Councillor Hamilton-Cox and seconded by Councillor Barry:

“That the 1 hour parking charge on the Festival Market Car Park be frozen.”

Upon being put to the vote 2 Members voted for the proposal and 6 against, whereupon the chairman declared the proposition to be lost.

It was then proposed by Councillor Sands and seconded by Councillor Hanson and agreed, Members voted as set out in resolution (7)

“That the 1 hour parking charges on the Festival Market Car Park be increased by 10p as per sub option 8(c).”

It was proposed by Councillor Hamilton-Cox proposed, Councillor Leytham seconded agreed unanimously:

“That the parking charges on the outer car parks in Morecambe be increased as per sub option 8(d) in the report.”

It was proposed by Councillor Hamilton-Cox proposed, Councillor Leytham seconded agreed unanimously:

“That payment by mobile phone be implemented as the most suitable alternative payment method, subject to addressing the ICT and banking arrangements.”

Charging for Bins and Boxes

Council (27 February 2013) resolved that Cabinet give further consideration to charging for delivery of waste/recycling bins and/or boxes. A charge for delivery of bins and boxes to residents moving into houses that require them has recently been introduced. Cabinet are however requested to consider whether it is now appropriate to introduce a delivery charge for replacement bins and/or boxes to all householders.

The budgets for 2014/15 onwards already include the additional income, in line with the original resolution, therefore if Members wish to withdraw from charging, then this would need to be reflected in Cabinet’s budget proposals (for approval by Council).

It was proposed by Councillor Smith, seconded by Councillor Sands and agreed

unanimously:

“That the decision with regard to introducing charging for bins and boxes be deferred for a month to allow further consideration on this issue.”

HEALTH & HOUSING

Appendix D to the report set out the current charges and options for increases for 2014/15. The proposals take account of the Council's stated intention to try to protect the most vulnerable in our community by keeping increases to a reasonable level and retaining the reductions for those in receipt of council tax/housing benefit. This has been balanced against the need to generate additional income.

Pest Control Fees

A review of pest control fees has been undertaken with the aim of making this discretionary activity as close to full cost recovery as possible whilst retaining fees at a level that is affordable for those citizens wishing to access the service. For this reason a fee increase of 5% is proposed for most pest control fees and this is shown in Appendix D. The exceptions to this are wasp treatments where the proposal is a 2% increase only as there is evidence that competitors are much cheaper than the council for this service and any further increase on the current price is likely to have an adverse impact on demand. It is further proposed that wasp treatments for commercial premises are set at the same price as domestic premises for the same reasons. In relation to moles and squirrel treatments, the proposal is to charge the full cost recovery on a case by case basis.

HMO licence fees

House in Multiple Occupation (HMO) fees have been reviewed in line with Government legislation which dictates that the fee charged must only seek to recover the costs of processing an application. Good practice that has developed since licensing was first introduced has also been incorporated into the revised fee structure. This means that the standard fee for a licence has been kept down, but weighted costs have been applied to those applicants who cause the council more work, e.g. late applications, incomplete applications etc. The revised fees are based upon an application being complete and on time, which would include the majority of the licence holders in Lancaster. The revised fee structure is laid out in Appendix D to the report which also includes the penalty fees mentioned above.

General Fees and Charges

Most of the fees and charges covered in this report relate to the provision of statutory services. Although the majority of services provided are statutory, the council does have flexibility in setting fees for these services. For the discretionary services, the council is at discretion to set its own level of fee provided that the fees remain competitive and affordable to retain customers. The pest control service is estimated to operate at a loss of £98,500 inclusive of recharges, and £19,500 excluding recharge in 2014/15, based on the latest draft budget which includes an inflationary increase of 2%. If Option 2 (5% increase) is approved the deficit will be reduced by £3,000.

| | Option 1 To approve an inflationary increase of 2% in fees. | Option 2 To approve a 5% increase. |
|---------------|--|---|
| Advantages | <p>This option allows for increased fee revenue of £8,000 in line with the current budget projections whilst retaining fees at competitive levels.</p> <p>The increase in pest control fees reduces the council's subsidy of this service by a substantial amount whilst retaining pest control fees affordable compared to some private sector providers.</p> | <p>This option would generate additional income of £12,000</p> |
| Disadvantages | | <p>Any increase in fees is likely to be unpopular with customers.</p> |
| Risks | <p>There is always a risk that customers will choose not to access services if fees are too high.</p> <p>However, evidence gathered shows core fees and charges are comparable to other nearby local authorities.</p> | <p>There is always a risk that customers will choose not to access services if fees are too high.</p> <p>There is a risk that even current income levels will fail to be achieved if fees are perceived to be too high.</p> |

Option 1 is the officer preferred option, with the exception of Pest Control fees (excluding wasps) where Option 2 is the officer preferred option. This is to maintain a balance between cost recovery and affordability for users of the services.

It was proposed by Councillor Leytham, seconded by Councillor Hanson and agreed unanimously:

“That the recommendations with regard to Health & Housing, as set out in the report, be approved.”

WELLBEING

Appendix E to the report sets out a range of price increases which will generate the overall 2% inflationary increase already built into the draft budget for 2014/15. The range of increases are based on officers knowledge of market demand and supply, factors such as inflation and VAT and the need for the Council to operate services which provide value for money. The prices are the maximum charge and officers retain the flexibility to reduce charges in line with market demand or specific schemes such as the £1 swim sessions at Salt Ayre Sports Centre.

Overall, if the proposed increases are approved they will generate £12,000 more than the draft budget which equates to an average increase of 2.9%. The opportunity to increase prices above inflation for certain activities enables officers to maximise the potential income generation on those activities and at the same time enables price freezes on other activities that would otherwise see a drop in customer demand. The proposed increases are those set out in Appendix E and are the officer preferred option. These will generate more than the overall 2% inflationary increase by some £12,000.

It was proposed by Councillor Sands, seconded by Councillor Leytham and agreed unanimously:-

“That the recommendations with regard to Wellbeing, as set out in the report, be approved.”

Resolved:

(7 Members (Councillors Barry, Blamire, Bryning, Hanson, Leytham, Sands and Smith) voted in favour, and 1 Member (Councillor Hamilton-Cox) voted against).

- (1) “That Option 4, as set out in the report, which freezes the 1 hr tariff but increases other tariffs on both short and long stay car parks, be approved.”

Resolved unanimously:

- (2) That an additional 24 hour charge be introduced in Lancaster as per sub option 5.
- (3) That the car parking charges at the car parks at Williamson Park be increased as set out in the report, with the option of an annual permit removed as per sub option 6.
- (4) That car park permit charges be increased by 5% as per sub option 7 (b).
- (5) That parking charges be introduced on Bank Holidays in Lancaster as per sub option 8 (a).
- (6) That evening charges are not introduced in Morecambe.

Resolved:

(6 Members (Councillors Blamire, Bryning, Hanson, Leytham, Sands and Smith) voted in favour, and 2 Members (Councillors Barry and Hamilton-Cox) abstained).

- (7) That the 1 hour parking charges on the Festival Market Car Park be increased by 10p as per sub option 8(c).

Resolved unanimously:

- (8) That the parking charges on the outer car parks in Morecambe be increased as per sub option 8 (d) in the report.

- (9) That payment by mobile phone be implemented as the most suitable alternative payment method, subject to addressing the ICT and banking arrangements.
- (10) That the decision with regard to introducing charging for bins and boxes be deferred for a month to allow further consideration on this issue.
- (11) That the Environmental Health and Private Sector Housing fees in Appendix D be increased by 2% with the exception of pest control fees where it is proposed to increase these by 5% as set out in the report and appendix.
- (12) That the charges for Salt Ayre Sports Centre, Community Pools, Williamson Park, Parks and Recreation Grounds be increased in line with the proposed percentages (rounded to nearest £0.10) and arrangements as set out in Appendix E.

Officers responsible for effecting the decision:

Chief Officer (Resources)
Chief Officer (Environmental Services)
Chief Officer (Health & Housing)

Reasons for making the decisions:

Environmental Services – Car Parking Recommendations (1) to (9)

Parking fees and charges are reviewed annually to ensure the Council meets its transportation and budget commitments. The decision is consistent with the Parking Strategy.

Environmental Services - Charging for Bins –

Deferring this decision allows for further consideration on this issue.

Health & Housing – Recommendation (11)

The proposals take account of the Council's stated intention to protect the most vulnerable in our community by keeping increases to a reasonable level and retaining the reductions for those in receipt of council tax/housing benefit. This has been balanced against the need to generate additional income.

Wellbeing – Recommendation (12)

The decision to increase prices above inflation for certain activities enables officers to maximise potential income generation on those activities whilst enabling price freezes on other activities that would otherwise see a drop in customer demand.

73 MUSEUMS SERVICE

(Cabinet Member with Special Responsibility Councillor Sands)

Cabinet received a report from the Chief Executive which presented a shared services proposal for the future management of the City Council's Museums Service for Cabinet's consideration.

The options, options analysis, including risk assessment and officer preferred option,

were set out in the report as follows:

| | | |
|---------------|---|--|
| | Option 1: Work towards creating a shared service with Preston City Council and Lancashire County Council | Option 2: Cease working on a shared service and begin to work towards direct management of Lancaster City Council's Museums by Lancaster City Council |
| Advantages | The ability to share expertise and management costs | None identified |
| Disadvantages | None identified | An increase in management costs |
| Risks | The development of a shared service across three Councils may not come to fruition | The Museums become a bigger draw on City Council resources. |

Option 1 was the officer preferred option. The shared service will enable shared management and expertise. However, governance arrangements will enable each authority to determine the overall scope of service provision for their museums.

Councillor Sands proposed, seconded by Councillor Blamire:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the progress made concerning the future of the City Council's Museums Serviced be noted.
- (2) That progress towards the development of a shared service proposal be routinely reported back to Cabinet.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

The efficiencies delivered from developing a shared service programme will assist in achieving the objectives in the Council's Corporate Plan, particularly in terms of efficiencies and working closely with other partner organisations.

74 OPTIONS FOR SERVICE REDUCTION IN A RANGE OF DISCRETIONARY AREAS

(Cabinet Members with Special Responsibility Councillors Blamire, Hanson and Sands)

Cabinet received a report from the Chief Officer (Regeneration & Planning) which provided options for service reductions in discretionary areas to address the potential

budget deficits for 2015/16 and enable Cabinet to give direction in advance of the need to remove posts and budgets and any operational closure of service areas to take place before year end 2014/15 in preparation for the challenges of budget setting for 2015/16.

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

| | Option 1: Make none of the service reductions suggested in the report. | Option 2: Make all of the reductions suggested in the report | Option 3: Make only some of the reductions suggested in the report |
|---------------|---|--|--|
| Advantages | Such an option would be popular with the public, visitor and arts community | Provides an opportunity to make significant year on year savings | Enables some functions to remain or partial service provision |
| Disadvantages | The opportunity to make major savings from discretionary areas would be lost | Removes areas of service provision which are popular, add to the quality of life of citizens and employers, attracts visitors and loses the ability for making improvements in the arts at this time | The level of savings may not reach those needed to balance the budget and cuts have to be made to other service areas. |
| Risks | The need to make compensatory savings from other budget areas may affect statutory areas. | That the opportunity to support economic change in the district will be impeded by removing this area of activity | In areas poorly supported, there would be disappointment about capacity and resources which questions the rationale of continuing to engage in activity, unless properly communicated and accepted by stakeholders |

The officer preferred option is Option 3. If a balance can be gained between making savings elsewhere within the Council's operations and this sector there will remain the ability to support a more limited intervention in the visitor economy and the districts cultural offer.

Cabinet is asked to give officers a clear indication of the service areas which they have the option to reduce in the service areas outlined in paragraph 1.1 of the report. This will then enable steps to be taken to work up the detail of those reductions, consult with

Trade Unions and the staff affected, and prepare a report for Personnel Committee to implement the changes.

Councillor Sands proposed, seconded by Councillor Hanson:-

- (1) "That having considered the options available it is proposed that the status quo is maintained throughout 2014/15 but with the following related efficiency measures:
 - Redirect the resources associated with the Heritage Open Days as this falls too close to Vintage By The Sea
 - Replace the Sandcastle Festival with involvement in the major outdoor exhibition Profiling Morecambe Bay. Note: This would not be a replacement event provided by the City Council, but one delivered in partnership with other organisations around The Bay subject to available funding.
 - Changes to the opening times for Lancaster and Morecambe Visitor Information Centres with the emphasis on being open during the busiest periods for visitors and closed during the quietest times. Further work will be undertaken to examine how this can be done to achieve the budget reduction.
 - Move towards on-line forms of marketing and reduce associated staffing costs.
 - Retain the Council's residents magazine, but for only one publication each year which will be combined with the annual Council Tax Leaflet."
- (2) "That expenditure to support the Arts and Tourism industries be subject to a fundamental review during the next 12 months which is to include a commissioning approach as to what the Council wishes to see from Arts activities."
- (3) "That the Chief Officer (Resources) be authorised to update the General Fund Revenue Budget to reflect the management changes set out in Appendix A of the report, and the measures listed under (1) above."

Councillors then voted:-

Resolved unanimously:

- (1) That having considered the options available it is proposed that the status quo is maintained throughout 2014/15 with the following efficiency measures:
 - Redirect the resources associated with the Heritage Open Days as this falls too close to Vintage By The Sea
 - Replace the Sandcastle Festival with involvement in the major outdoor exhibition Profiling Morecambe Bay. Note: This would not be a replacement event provided by the City Council, but one delivered in partnership with other organisations around The Bay subject to available funding.
 - Changes to the opening times for Lancaster and Morecambe Visitor Information Centres with the emphasis on being open during the busiest periods for visitors and closed during the quietest times. Further work will be undertaken to examine

how this can be done to achieve a budget reduction.

- Move towards on-line forms of marketing and reduce associated staffing costs.
 - Retain the Council's residents magazine, but for only one publication each year which will be combined with the annual Council Tax Leaflet
- (2) That expenditure to support the Arts and Tourism industries be subject to a fundamental review during the next 12 months which is to include a commissioning approach as to what the Council wishes to see from Arts activities.
- (3) That the Chief Officer (Resources) be authorised to update the General Fund Revenue Budget to reflect the management changes set out in Appendix A of the report, and the measures listed under (1) above.

Officers responsible for effecting the decision:

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

Reasons for making the decision:

Maintaining a vibrant visitor economy and developing the arts is deemed important to ensure a thriving local economy which is attractive to visitors and quality of life for its citizens alike. The decision recognises the importance to the District's economy of both the Arts and Tourism evidenced by the contribution of more than half a million pounds that the City Council makes to support these industries and enables a fundamental review to be taken over the next twelve months to consider to what extent the City Council can continue to support the Arts and Tourism industries in the face of further proposed Government funding reductions.

75 BUDGET & POLICY FRAMEWORK UPDATE 2014/15

(Cabinet Member with Special Responsibility Councillor Bryning)

Cabinet received a report from the Chief Officer (Resources) to provide information on the latest budget position for current and future years, to inform Cabinet's budget and policy framework proposals and to allow it to make final recommendations to Council regarding council tax levels for 2014/15.

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

Options are dependent very much on Members' views on spending priorities balanced against council tax levels. As such, a full options analysis could only be undertaken once any alternative proposals are known and it should be noted that Officers may require more time to do this. Outline options are highlighted below, however.

- Regarding council tax, various options are set out at section 9 of the report.
- With regard to including savings and growth options to produce a budget in

line with preferred council tax levels, any proposals put forward by Cabinet should be considered alongside the development of priorities and public engagement. Emphasis should be very much on the medium to longer term position.

Under the Constitution, Cabinet is required to put forward budget proposals for Council's consideration, in time for them to be referred back as appropriate. This is why recommendations are required to feed into the Council meeting in early February, prior to the actual Budget Council later that month.

Generally Officer preferred options are reflected in the recommendations, with the exception of council tax.

In view of the level of savings still needed in 2015/16 onwards, the cumulative impact that council tax freezes have, the Council's current financial strategy, and the fact that the Council is not yet clear about how and when it will achieve a financially sustainable budget, the Officer preferred option for council tax is to retain the existing 2% year on year increase, subject to confirmation of local referendum thresholds. This preferred option would change only if the Council fundamentally reduces its ambitions regarding service delivery, evidenced through the adoption of a clear statement and strategy for doing so.

From this report, it is clear that real progress has been made in balancing next year's budget, helping to reduce future years' shortfalls, and stabilising the capital financing position. Nonetheless, there is still much more to be done and the prospects for local authorities from 2015/16 onwards remain very challenging, and very uncertain.

The Council is currently in a fairly strong financial position, however, with significant surplus balances and available reserves. The savings made so far have helped achieve this position, which in turn gives greater flexibility.

Future financial strategy will depend on how the Council wishes use those funds to support its priorities in a way that does not undermine financial standing.

For example:

- The Council could choose to secure early reductions on existing service levels, thereby allowing any surplus funds to be used to support more one-off growth and investment in other areas or new activities.
- Alternatively the Council could use such funds to help maintain existing services to the public for a limited period. The need to reduce services at some point in the not too distant future would need to be accepted, although any "efficiency" type measures could still progress.

There is a choice, and ideally the approach adopted should fit with the rationale behind council tax proposals. In this way, the Council can seek to achieve affordable and deliverable policies and objectives over the medium term.

Councillor Bryning proposed, seconded by Councillor Barry:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the 2013/14 Revised Budget be referred on to Budget Council for approval, with the net underspending of £363K transferring into Balances.
- (2) That one-off growth for Police Community Support Officers (PCSOs) be included in the budget proposals for 2014/15.
- (3) That Cabinet recommends to Council a 2% council tax increase for 2014/15, with a year on year target increase of 2% for future years, subject to local referendum thresholds.
- (4) That Cabinet recognises that the Council's current Balances position is healthy and so in principle, it will look to use surplus Balances to help maintain services to the public for a limited period, with this being explored further for consideration at February Cabinet.
- (5) That the resulting budget position for 2014/15 onwards, as updated for items elsewhere on the agenda, be referred on to Council for initial consideration as well as being presented for scrutiny by Budget and Performance Panel, in order that any feedback can be provided to Cabinet at its February meeting.

Officer responsible for effecting the decision:

Chief Officer (Resources)

Reasons for making the decision:

In accordance with the Constitution, Cabinet is required to put forward budget proposals for Council's consideration, in time for them to be referred back as appropriate. The decision will ensure that the policy and budget proposals are fed into the Council meeting in early February, prior to the actual Budget Council later that month.

76 BUDGET & POLICY FRAMEWORK UPDATE 2014/15 - REVIEW OF THE CORPORATE PLAN - COUNCIL ETHOS

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Executive to commence Council's commitment to a full review of Lancaster City Council's Corporate Plan 2014/15 and 2015/16.

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

Option 1 – Cabinet to consider the Ensuring Council model as the ethos of the council that would underpin the development of the Corporate Plan to be proposed to Council

Option 2 – To retain the present ethos as described in the current Corporate Plan purpose and Values.

Option 3 - To adopt a different ethos

Whilst there is not a preferred officer option, the advantage of using an accepted model as the ethos for underpinning the Corporate Plan is that this would provide a clear steer for the development of the plan and provide accepted definitions of the ethos used which would be helpful both in terms of communication and the sharing best practice.

Councillor Barry proposed, seconded by Councillor Bryning:-

“That Option 1, the Ensuring Council model be adopted as the ethos of the Council that would underpin the development of the Corporate Plan to be proposed to Council.”

Councillors then voted:-

Resolved unanimously:

That Option 1, the Ensuring Council model be adopted as the ethos of the Council that would underpin the development of the Corporate Plan to be proposed to Council.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

The Corporate Plan is a central part of the policy framework stating the purpose, values, vision and key priorities and actions that are necessary to deliver the priorities and the outcomes that the Council aims to achieve for our district.

77 BOLD STREET HOUSING REGENERATION

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Chief Officer (Regeneration & Planning) to consider the options for making further progress on the unfinished Bold Street housing regeneration scheme in the West End. The report considered the opportunities to make positive progress and the financial implications for the Council.

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

| | | |
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| | Option 1: Do Nothing | Option 2: Seek capital growth to achieve cleared site through adding the project to the capital programme. |
|--|-----------------------------|---|

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| Advantages | No further acquisition costs. | Aims to achieve positive (cleared site) outcome in the medium to long-term. Allows for the greatest range of housing tenures as final redevelopment of site can be marketed for private, social or council housing. Supports completed regeneration of surrounding properties. |
| Disadvantages | Negates any benefit arising from investment made to date in site. Ongoing revenue liability for rates, dilapidations, security, insurance etc. Poor condition properties and vacant site continue to detract from regeneration investment on surrounding streets. | Uncertainty/delays in the acquisition of the privately owned properties lead to ongoing revenue liability for rates, dilapidations, security and insurance. Ongoing poor condition of properties and vacant lots continue to detract from regeneration investment on surrounding streets. There is also uncertainty over the future receipt of the cleared site. Requires an increase in either the need to borrow or the use of reserves to finance the project, which may have an impact on other future priorities (see Financial Implications). |
| Risks | Ongoing and increasing management costs and staff resources from properties in poor condition that will dilapidate further. Complaints from remaining private owners due to change in project, possibly leading to claims. Adverse impacts likely to be caused resulting in negative regeneration effect. Open ended risk as no telling when sufficient external funding will be secured. | Ongoing and increasing management costs and staff resources from properties in poor condition that will dilapidate further. Subject to Council approval as part of budget process. Delays and other factors may result in increased capital costs of acquisition, demolition and site reinstatement – there are risks attached to gaining possession of the whole site. |

Option 1 'Do nothing' is discounted for the reasons set out in the table and because:

- Members have to date given consistent policy and financial support for continued

positive intervention in Bold Street.

- There is a lack of a viable exit strategy in a 'do nothing' option: there is unlikely to be a buyer for the properties in their current condition and they are not suitable for refurbishment, so the council cannot easily withdraw from its interest in the site.
- There are increasing issues with vandalism and anti-social behaviour in and around the properties.
- There are ongoing revenue costs associated with these properties such as council tax and security and dilapidations.

Option 2 is the officer preferred option and is based around the potential for the Council to apply its own finances to the issue, through the budget process. This allows consideration of relative priorities and affordability, and is therefore the preferred option. Officers advise that greater certainty of outcome can only be achieved by adding the total costs to deliver a cleared site for housing development to the capital programme.

Councillor Hanson proposed, seconded by Councillor Leytham:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet includes capital growth of £391K within its proposed General Fund Capital Programme, in order to fund further property acquisitions, demolition and temporary re-surfacing on Bold Street, to deliver a cleared site for marketing.
- (2) That subject to capital funding approval, Officers are authorised to conduct a new preferred developer tender exercise to test all private and Registered Social Landlord interest in the site, with the outcome being reported to Cabinet for decision.

Officers responsible for effecting the decision:

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

Reasons for making the decision:

Regenerating the West End of Morecambe is a long-standing corporate priority, subject to funding being identified, and is central to the Council's health and well being and economic growth aspirations as set out in the Corporate Plan and Local Development Framework. There is an immediate and pressing need for further positive action on Bold Street. Adding this project to the Capital Programme enables further progress to be made.

78 EXCLUSION OF THE PRESS AND PUBLIC

It was moved by Councillor Hanson and seconded by Councillor Hamilton-Cox:

“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.

79 ST. LEONARD'S HOUSE, LANCASTER**(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)**

Cabinet received a report from the Chief Officer (Resources) which provided detail on development proposals for St Leonards House and sought a decision to proceed to the next stage of the process, ahead of which the building was to be closed. 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 the exempt report.

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

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

Councillors then voted:-

Resolved unanimously:

- (1) That the proposals proceed to ‘Stage 2’, to develop fully the appraisal for the proposed redevelopment of St. Leonard’s House as student/young worker accommodation as per Option 2 of the exempt report.
- (2) That Cabinet acknowledges that the current operation of St. Leonard’s House is unviable and therefore approves that the building should be closed, decommissioned and secured in a managed way, as set out in the exempt report.

Officer responsible for effecting the decision:

Chief Officer (Resources)

Reasons for making the decision:

St Leonard's House has long been recognised as a liability rather than an asset to the Council and this development proposal looks to address this, along with pursuing wider benefits including the regeneration potential and freeing up homes to the housing supply chain. The proposal aims to help achieve the targets within the Council's Medium Term Financial Strategy, whilst supporting current corporate priorities in connection with Economic Growth and Health and Wellbeing (Housing).

Chairman

(The meeting ended at 12.15 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 THURSDAY 23 JANUARY, 2014.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
FRIDAY 31 JANUARY, 2014.**