

CABINET

6.00 P.M.

5TH DECEMBER 2017

PRESENT:- Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Darren Clifford, James Leyshon, Margaret Pattison, Andrew Warriner and Anne Whitehead

Apologies for Absence:-

Councillor Brendan Hughes

Officers in attendance:-

Susan Parsonage	Chief Executive
Nadine Muschamp	Chief Officer (Resources) and Section 151 Officer
Estelle Culligan	Chief Officer (Legal and Governance) and Monitoring Officer
Mark Davies	Chief Officer (Environment)
Andrew Dobson	Chief Officer (Regeneration and Planning)
Suzanne Lodge	Chief Officer (Health and Housing)
Kieran Keane	Assistant Chief Executive
David Lawson	Regeneration Manager
Maurice Brophy	Planning and Housing Policy Manager
Paul Rogers	Senior Regeneration Officer
Liz Bateson	Principal Democratic Support Officer

48 MINUTES

The minutes of the meeting held on Tuesday 7th November 2017 were approved as a correct record.

49 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

The Chairman advised that there were no items of urgent business

50 DECLARATIONS OF INTEREST

Councillor Pattison declared a personal interest with regard to the Heysham Swimming Pool report in view of her being a Governor at Heysham High School. (Minute 53 refers).

51 PUBLIC SPEAKING

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

52 GROWTH LANCASHIRE

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Chief Executive to consider Council's recommendations to Cabinet on appointments to Growth Lancashire Limited.

No options were provided and Cabinet was requested to consider the resolution made by Council on 15 November 2017 as follows:

That Cabinet is recommended to appoint the Cabinet Member for Planning and Economic Regeneration to the Growth Lancashire Limited directorship, with the Leader of the Council as alternate director.

Councillor Clifford proposed, seconded by Councillor Warriner:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the Cabinet Member for Planning and Economic Regeneration be appointed to the Growth Lancashire Limited directorship, with the Leader of the Council being appointed as an alternate director.

Officer responsible for effecting the decision:

Chief Officer (Legal & Governance)

Reasons for making the decision:

The decision endorses the resolution made by Council on 15th November 2017. Membership of Growth Lancashire Limited is relevant to the Corporate Plan Priority of Sustainable Economic Growth.

53 HEYSHAM SWIMMING POOL

(Cabinet Member with Special Responsibility Councillor Clifford)

Cabinet received a report from the Chief Officer (Health & Housing) to consider a proposal from the Leader of Lancashire County Council to share the shortfall in funding required for Heysham High School to take ownership of and operate Heysham swimming pool.

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

	Option 1: Grant capital funding of £36k to Heysham school to enable the pool to continue to operate.	Option 2: Do not grant the funding.
Advantages	Gives the best chance of allowing the pool to remain open for the community. Sends a strong message to the community that the council	Costs remain as originally budgeted.

	values the importance of such a community facility for its health, wellbeing and social importance. Primary school swimming lessons and club use would continue at Heysham pool reducing the burden on limited space at SALC for these.	
Disadvantages	Additional unbudgeted council resources are required to fund the request.	Would potentially mean the pool closes as the school have stated they cannot take on the pool without all the funding being in place.
Risks	As with any new venture, there is no cast iron guarantee that the pool will remain a viable business in the future. Mitigating factors are the financial and time commitment shown by the school, the county council and Sport England.	Reputational risk as the council could be seen not to support communities trying to secure local facilities or the council could be seen as not to value health and wellbeing.

Cabinet was asked whether it wanted to grant capital funding of £36k to Heysham School to support the continued operation of the pool for the benefit of the community.

Councillor Clifford proposed, seconded by Councillor Pattison:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet supports the proposal to share the shortfall in capital funding to enable Heysham School to take on and operate Heysham Pool.
- (2) That Cabinet approves to grant capital funding of £36k (to be funded from the Budget Support Reserve) to Heysham School, subject to the City Council being satisfied that, as far as is reasonable, the school has a robust business plan in place to support the ongoing operation of the pool to the benefit of the community.

Officers responsible for effecting the decision:

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

Reasons for making the decision:

The decision is consistent with the Health & Wellbeing priority within the City Council's Corporate Plan and enabling the continued operation of the pool for the benefit of the

community will mean greater access to leisure facilities including the vital resumption of school swimming provision in that vicinity.

54 UPDATE ON INFORMATION GOVERNANCE

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Officer (Legal & Governance) which provided an update on progress towards embedding principles of Information Governance into the Council and meeting the 25th May 2018 deadline for compliance with the General Data Protection Regulations 2018 (GDPR).

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

	Option 1: Note the actions so far, approve the plan for the future and approve the budget for the work	Option 2: Not to approve the plan and for future work and/or not to approve the budget
Advantages	Will ensure that the Council is prepared for GDPR in May 2018. Also ensures a framework for good information governance for the future.	None
Disadvantages	If the budget is not approved, it will be difficult to complete the actions under the plan and/or carry out the necessary training.	As under option 1
Risks	Risks include: Future breaches of information security leading to the possibility of investigation by the ICO and sanctions including large fines. The Council is not compliant with the requirements of GDPR. Staff are not appropriately trained in the new requirements.	As under option 1

Councillor Blamire proposed, seconded by Councillor Leyshon:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That progress to date be noted.
- (2) That the governance structure appended at appendix 1 to the report, be approved.
- (3) That the budget for the work to date and the budget for the anticipated work, as summarised in the report be approved, with the additional funding requirement of £83.1k being met from the Budget Support Reserve, to make the City Council fully compliant with the regulations.

Officers responsible for effecting the decision:

Chief Officer (Legal & Governance)
 Chief Officer (Resources)

Reasons for making the decision:

The decision will ensure that the comprehensive action plan to address identified weaknesses in Information Governance will be completed. This will ensure that the Council is able to meet the requirements of GDPR and has a robust system in place to guard against any breaches of personal data.

55 LANCASTER CATON ROAD (PHASE 3) FLOOD RISK MANAGEMENT SCHEME

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Chief Officer (Regeneration & Planning) to update Members on the proposed project to improve the River Lune flood defences and authorise further actions to assemble the funding package and progress the project.

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

	Option 1: Do nothing	Option 2: Agree to accept £2M RFCC funds; progress a full ERDF application; progress an FDGiA Full Business Case; secure other private and public funding contributions; and issue and accept a tender for the design / development phase only (Stage 1).
Advantages	The city council does not have to take on a major capital scheme.	<p>Gives the best chance of a scheme to be delivered and develop / securing a full funding package.</p> <p>Begins the process of applying more certainty to scheme costs and deliverability.</p> <p>More detailed work on costs and deliverability is required to support</p>

		planning application, ERDF full funding application and FDGiA Outline Business Case.
Disadvantages	<p>Divestment from industrial estates; leakage of employment and business from the sites potentially to outside Lancaster district.</p> <p>Reputational risks of being seen to not support the scheme</p>	<p>Engages the council and human resources in the development of a major capital project.</p> <p>While a full ERDF application does not commit the council to accepting funding there is an expected timetable for a full application approval and acceptance.</p> <p>Additional matching funding must be secured prior to ERDF and scheme approval.</p>
Risks	<p>Divestment from industrial estates; leakage of employment and business from the sites potentially to outside Lancaster district.</p> <p>Reputational risks of being seen to not support the scheme.</p>	<p>No current certainty on delivery costs or complete funding package.</p> <p>Reputational risks of delaying delivery and raising expectations if there is no certainty on funding.</p> <p>Engaging in development phase without certainty of the funding package may raise expectations (although the council is not committed to any contractual obligations).</p>

The officer preferred option is Option 2. This decision allows the council to accept RFCC resources to progress the detailed design and bring more certainty to deliverability and costs in order to inform other funding applications. Progressing a phased tender under the WEM framework will give the council the detail it requires to secure funding and statutory approvals and also mean that a preferred contractor is available to deliver the scheme immediately on full funding being secured for the whole scheme, confirmation of WEM compatibility and statutory approvals being granted.

While progressing a full ERDF funding application does not commit the council to accepting ERDF funds, or progressing a full scheme, more detailed work has to be undertaken if the application is to be successful and for there to be the a chance of meeting ERDF contracting and delivery deadlines and the EA's Outline Business Case requirements for FDGiA. Option 2 also allows officer to explore in more depth the appetite of the major businesses to assist with significant financial contributions and

continue to investigate other potential public funding sources.

Currently the EA and the County Council (LLFA) are concentrating on developing the Phase 4 project for the City Centre. Left to the LLFA and the EA's own priority scoring mechanisms a scheme to improve protection for this significant and important industrial area may not come forward in the medium or even long term.

There remains an acute need to promote this scheme to help secure its delivery and the proposed course of action represents the next most appropriate route towards achieving a positive outcome, both meeting the council's regeneration objectives and having wider social, economic and environmental impacts. In summary the current estimated cost of the project is £9.4M (including a substantial contingency "optimism bias").

Contributions to this cost which are likely to come from external sources are:-

RFCC	£2M
FDGiA	£2.6M
ERDF	£3.1M
Total	£7.7M

The current shortfall to be met from business or other contributions is currently £1.7M although this will be clarified and amended as the detailed design phase is progressed.

Councillor Hanson proposed, seconded by Councillor Pattison:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Members note the allocation and accept the offer of £2M funding from North West Regional Flood and Coastal Committee (RFCC) when formally awarded and delegate to the Chief Officer (Regeneration and Planning), in consultation with the Cabinet Portfolio Holder, authority to use approximately £200K to undertake design development work (Stage 1) and submit a planning application.
- (2) That delegated authority be given to the Chief Officer (Resources) to update the General Fund Revenue Budget to reflect the design development expenditure and associated RFCC funding as appropriate.
- (3) That a full European Funding application be submitted, following the approval of the ERDF outline application.
- (4) That Members note the indicative allocation of £2.6M from the Environment Agency's Flood Defence Grant in Aid (FDGiA) and authorise officers to progress and submit the Full Business Case to formally secure the funding.

- (5) That Officers work with the major Caton Road business to negotiate / secure private funding contributions and also investigate any further public funding avenues to meet the full scheme construction costs.
- (6) That agreement of the above is on the basis that:
 - the scheme is wholly externally funded and that there is no commitment to allocate city council capital or revenue funding;
 - the council would withdraw from scheme development at any early stage without the risk of RFCC grant clawback if it transpires that reasonably, there is no prospect of securing sufficient stakeholder buy-in and/or financing for the scheme.
- (7) That a further report is made to Cabinet to ensure financial, procurement, legal and operational implications are resolved prior to acceptance of any ERDF funding, FDGiA funding and private sector contributions; and before contractually committing to implementing the construction phase (Stage 2).

Officers responsible for effecting the decision:

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

Reasons for making the decision:

The decision is consistent with the Economic Growth priority within the Corporate Plan. The flooding risk in the industrial areas undermines business and investment confidence. The emerging Local Plan cannot identify extensive new areas for employment development to replace such an area and therefore the priority approach should be to increase the level of protection to restore business confidence.

56 RED ROSE FAIRERPOWER

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Assistant Chief Executive which sought approval to supporting participation in an affordable energy initiative available across Lancashire.

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

	Option 1: Promoting the Fairer Power Red Rose Scheme
Advantages	Opportunity for citizens to access affordable warmth
Disadvantages	Very few as described above little cost attaches to this initiative.
Risks	Very few

The options are limited to participating or not. This represents a low risk opportunity to support access to affordable energy.

Councillor Blamire proposed, seconded by Councillor Clifford:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet support this initiative with the necessary steps taken to seek approval through the appropriate decision-making processes for the Council to support this scheme.

Officer responsible for effecting the decision:

Assistant Chief Executive

Reasons for making the decision:

The decision is consistent with the Health & Wellbeing priority within the Council’s Corporate Plan and demonstrates the Council’s commitment to raising awareness of the opportunity to access energy supplies that are less costly and therefore benefit any member of the community who subscribes.

57 ADVANCING THE LOCAL PLAN FOR LANCASTER DISTRICT

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Chief Officer (Regeneration & Planning) to secure Cabinet’s endorsement of recommendations with regard to the Local Plan prior to it being considered by Council.

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

	Option 1: Endorse the recommendation of the intention to take the Local Plan for Lancaster District to Council to seek a resolution to publish, obtain formal representations and submit to the government for Independent Examination whilst acknowledging the challenge, risks and costs of advancing the emerging plan	Option 2: Do not endorse the recommendation of the intention to take the Local Plan for Lancaster District to Council seeking a resolution to publish, obtain formal representations and submit to the government for Independent Examination whilst acknowledging the challenge, risks and costs of advancing the emerging plan
Advantages	Officers can continue the process of preparing the plan for presentation with council in the knowledge	None apparent

	that this process has been endorsed by Cabinet	
Disadvantages	None apparent	Officers would continue the process of preparing the plan for presentation with council but in the knowledge that this process had not presently been endorsed by Cabinet
Risks	None apparent	When making a decision on the publication and submission of the plan the Council would not have the benefit of the Cabinet endorsement of the process, however, that would not have implications for the council's consideration of the plan that will be presented

Option 1 is the preferred officer option. Officers recommend that the emerging proposed Local Plan is finalised for presentation to Council, potentially on 20th December 2017.

The intended publication edition of the Local Plan, specifically the Strategic Policies & Land Allocations DPD, and a review of the Development Management Policies DPD, are at an advanced stage of preparation. It is anticipated that these will be reported to Council on 20th December 2017. Whilst many issues are still to be resolved a delay in advancing the Local Plan will mean that the current development plan policies will become further out of date, exposing the Council to an increasing risk of losing appeals on sites that do not represent sustainable development. Failure to advance the plan will also greatly undermine the opportunity to secure very significant financial contributions that can address the district's deficits in highway and transport infrastructure, through time-sensitive fund-bidding processes.

Councillor Hanson proposed, seconded by Councillor Warriner:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet support the intention to take the Local Plan for Lancaster District to Council, anticipated on 20th December 2017, with a recommendation seeking a resolution to publish the Local Plan for Lancaster District, obtain formal representations and then submit the document to the government for Independent Examination. This will ensure that the relevant regulations are followed and will enable stakeholders, including residents, to have their view on the soundness of the plan and its preparation processes. The submitted documents will then be considered by a government appointed Inspector.
- (2) That Cabinet acknowledges the challenges and inherent risks in advancing a

complex local plan which aims to establish a long-term development strategy designed to support and facilitate growth, realise significant economic opportunity and boost the supply of housing within a district that is characterised by its heritage assets, its protected landscapes and its international and local environmental designations, whilst presently constrained by the ability of its infrastructure to accommodate further growth.

- (3) That Cabinet acknowledges that the task of advancing the Local Plan through to adoption has resource implications that will evolve as challenges to the submitted plan emerge and evolve; the Chief Officer (Regeneration and Planning) will need both capacity and flexibility to ensure that resources are available and deployed, particularly in financial year 2018/19 to address this challenge.

Officer responsible for effecting the decision:

Chief Officer (Regeneration & Planning)

Reasons for making the decision:

Preparation of the Local Plan is a Corporate Priority. Cabinet has endorsed the proposals to take the Local Plan for Lancaster District to Council with a recommendation seeking a Council resolution to publish the plan, obtain formal representations and then submit the document to the government for the process of Independent Examination. This will ensure that the relevant regulations are followed and will enable stakeholders, including residents, to have their view on the soundness of the plan and its preparation processes considered by an Inspector.

58 BUDGET & POLICY FRAMEWORK UPDATE

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Officer (Resources) which provided an update on the Council's budget strategy and financial outlook, to help inform development of Cabinet's corporate planning and budget proposals.

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

Regarding the budget strategy, Cabinet may approve the proposals as set out in the report, or require changes to be made to the suggested approach. The overriding aim of any budget setting process is to approve a balanced budget by statutory deadlines, allocating resources to help ensure delivery of the Council's corporate and service objectives. The proposed approach is in line with that broad aim, drawing on various strategic matters. Any changes that Cabinet puts forward should also be framed in that context.

In term of the actual budget position, this report was primarily for information, to assist Cabinet in its budget deliberations. No specific decisions were sought at this time.

Councillor Whitehead proposed, seconded by Councillor Pattison:-

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

Councillors then voted:-

Resolved unanimously:

1. That the proposed changes to budget strategy as set out in section 3.4 of the report be approved.
2. That the draft budgetary position for current and future years be noted, accepting that this is an interim update.
3. That prior to Christmas and drawing on information contained within this report, Cabinet:
 - continues to refine its proposals for an ambitious, deliverable and affordable Corporate Plan; and
 - identifies its initial budget proposals from 2018/19 onwardsto form the basis for engagement and consultation in the New Year, ahead of Budget Council.

Officer responsible for effecting the decision:

Chief Officer (Resources)

Reasons for making the decision:

Draft budget proposals will be considered by Cabinet on 16th January 2018 and by the Budget & Performance Panel on 23rd January 2018.

Chairman

(The meeting ended at 6.22 p.m.)

**Any queries regarding these Minutes, please contact
Liz Bateson, Democratic Services - telephone (01524) 582047 or email
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MINUTES PUBLISHED ON FRIDAY 8TH DECEMBER, 2017.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
MONDAY 18TH DECEMBER, 2017.**