

## CABINET

10.00 A.M.

10TH NOVEMBER 2009

**PRESENT:-** Councillors Stuart Langhorn (Chairman), Evelyn Archer, June Ashworth, Jon Barry, Eileen Blamire, Abbott Bryning, Jane Fletcher, David Kerr, Roger Mace and Malcolm Thomas

Officers in attendance:-

Mark Cullinan	Chief Executive
Peter Loker	Corporate Director (Community Services)
Heather McManus	Corporate Director (Regeneration)
Roger Muckle	Corporate Director (Finance and Performance)
Nadine Muschamp	Head of Financial Services and Section 151 Officer
Stuart Hampson	Human Resources Manager (part)
Derek Whiteway	Internal Audit Manager (part)
Debbie Chambers	Principal Democratic Support Officer

Also in attendance:-

Andrew Marston	North West Employers Organisation (part)
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### 69 MINUTES

The minutes of the meeting held on Tuesday 6 October 2009 were approved as a correct record.

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

The Chairman advised that there was one item of urgent business regarding Connecting Communities (Minute 73 refers).

### 71 DECLARATIONS OF INTEREST

Councillor Langhorn declared a personal interest with regard to the report on options for public toilet provision in view of his role as Chairman of Caton with Littledale Parish Council. (Minute 82 refers).

Councillor Archer and Councillor Ashworth declared personal interests in the Winter Gardens and Morecambe Bay Partnership (respectively), should they be discussed at any point during the meeting.

The Chief Executive, the three Corporate Directors and the Head of Financial Services all declared personal and prejudicial interests in the report on Senior Management Restructuring in view of their employment as senior managers.

### 72 PUBLIC SPEAKING

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

**73 ITEM OF URGENT BUSINESS - CONNECTING COMMUNITIES****(Cabinet Members with Special Responsibility Councillors Mace and Thomas)**

In accordance with Section 100B(4) of the Local Government Act 1972, the Chairman agreed to consider the report as an item of urgent business to allow a bid for funding, if agreed, to be submitted to Government Office North West (GONW) in time meet the required deadline.

The Corporate Director (Community Services) submitted a report requesting that Cabinet support the submission of a formal bid to GONW to take part in the Connecting Communities initiative.

(Councillor Thomas joined the meeting during consideration of this item.)

It was moved by Councillor Kerr and seconded by Councillor Bryning:-

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

Members then voted:-

***Resolved unanimously:***

- (1) That Cabinet agrees to submit a formal bid for funding to Communities and Local Government to take forward a Connecting Communities Project to engage communities in Skerton East and West, on the basis that it does not result in any additional call on the Council's finances.
- (2) That if the bid is successful, the Head of Financial Services be given delegated authority to update the Revenue Budget accordingly.

**Note:** Councillor Fletcher was not present for the vote.

**Officers responsible for effecting the decision:**

Corporate Director (Community Services)  
Head of Financial Services

**Reasons for making the decision:**

The decision will allow a funding bid to be submitted to GONW in time to meet the deadline.

**74 SENIOR MANAGEMENT RESTRUCTURING****(Cabinet Members with Special Responsibility Councillors Mace and Thomas)**

***(It was noted that the Chief Executive, the three Corporate Directors and the Head of Financial Services had previously declared personal and prejudicial interests in this item. They all left the meeting prior to consideration of the item.)***

(Councillor Fletcher joined the meeting during consideration of this item.)

The Chairman noted that, whilst the following report was a public report, during the course of the information presented and the resulting discussions reference would need to be made to information likely to reveal the identity of individuals.

It was therefore moved by Councillor Langhorn and seconded by Councillor Archer:-

“(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 they could involve the possible disclosure of exempt information as defined in paragraphs 2 and 4 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 they could involve the possible disclosure of exempt information as defined in paragraphs 2 and 4 of Schedule 12A of that Act.

Cabinet was asked to consider a presentation from the North West Employers Organisation (NWEO) on the consultancy work undertaken so far on the Council's senior management restructuring and the resulting proposals.

Members received a report from the NWEO in the form of a presentation setting out the reasons for change and options for a new senior management structure for Cabinet to consider. The information presented provided recommendations, the rationale for the recommendations and the next steps in the restructure process.

Following the presentation, the consultant from the NWEO responded to Members' questions.

It was moved by Councillor Mace and seconded by Councillor Thomas:-

“That Cabinet approves the report in principle and in particular supports the proposal that service heads be reduced from 13 to 6, supports the proposal that these new service heads be considered as “Assistant Directors” and that they should be members of the senior management team, supports the phased reduction in the number of corporate directors and instructs that these proposals be taken forward internally with a view to implementation starting during 2010/11. As a further phase in restructuring of top Management, Cabinet would be willing to consider sharing a Chief Executive with another authority, should such an opportunity arise.”

At that point in the meeting, Councillor Bryning proposed the suspension of standing orders, seconded by Councillor Blamire, to allow a number of additional questions to officers. On being put to the vote, the proposition was supported by more than half the whole number of Members of Cabinet present and was therefore carried.

**Resolved:**

- (2) That Council Procedure rules relating to the rules of debate be suspended to allow a further period of questions on the report.

After further discussion and with the agreement of the seconder and the meeting, Councillor Mace withdrew his original proposition and proposed the following motion, seconded by Councillor Thomas:-

"That Cabinet approves the report in principle and in particular supports the proposal that service heads be reduced from 13 to 6, supports the proposal that these new service heads be considered as "Assistant Directors" and that they should be members of the senior management team, supports the phased reduction in the number of corporate directors and instructs that these proposals be taken forward internally with a detailed proposal and delivery plan being developed by December 2009 which considers the operational, financial and legislative requirements."

Members then voted:-

**Resolved unanimously:**

- (3) That Cabinet approves the report in principle and in particular supports the proposal that service heads be reduced from 13 to 6, supports the proposal that these new service heads be considered as "Assistant Directors" and that they should be members of the senior management team, supports the phased reduction in the number of corporate directors and instructs that these proposals be taken forward internally with a detailed proposal and delivery plan being developed by December 2009 which considers the operational, financial and legislative requirements.

Council Procedure Rules were re-instated.

**Officer responsible for effecting the decision:**

Chief Executive

**Reasons for making the decision:**

The decision allows progress to be made with the senior management restructuring in line with previous decisions of the Personnel Committee and Cabinet and the savings which need to be made on employee costs.

*(At the close of this item the exclusion was lifted, the Internal Audit Manager, Human Resources Manager and the consultant from NWE0 left the meeting. There was a short adjournment at 11.35am, for a comfort break and the meeting re-convened at 11.40am, when members of the press and public were re-admitted to the meeting and the Chief Executive, the Corporate Directors and the Head of Financial Services re-joined the meeting.)*

**75 2010/11 BUDGET UPDATE****(Cabinet Member with Special Responsibility Councillor Thomas)**

The Corporate Director (Finance and Performance) and Head of Financial Services submitted a joint report asking Members to note progress so far on the current year's budget position and in identifying options for savings and efficiencies for inclusion in the 2010/11 draft budget proposals. The report also asked Cabinet to note the latest position on the Council's 5 year capital programme.

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

Revenue Budget Update

- (1) Consider the savings and efficiency options (included at Appendix A of the report) for inclusion in the Cabinet's draft list of recommendations, highlighting those that can be supported and those that may need further work.
- (2) Consider the savings and efficiency options (included at Appendix A of the report) but offer no view at this stage on those for inclusion in the Cabinet's draft list of recommendations.

Preferred Option

The preferred option is option 1. This will ensure that officers are clear which options are to be considered further and those that require further work, including any impact and risk assessments. This will also provide an on-going position summary of the savings and efficiencies position.

No other options are presented for the other matters covered in this report as they are for information only.

It was moved by Councillor Langhorn and seconded by Councillor Thomas:-

- "(1) That Cabinet notes the revenue budget position to date regarding the current year and its potential implications.
- (2) Cabinet Members will report to the next Cabinet progress on achieving savings identified for 2009/10 within their portfolios."

It was moved by Councillor Langhorn and seconded by Councillor Mace:-

- "(3) Cabinet notes the savings identified in Appendix A of the report and agrees to include them in the further discussions of the draft budget (subject to Cabinet agreeing items elsewhere in the agenda)."

It was moved by Councillor Langhorn and seconded by Councillor Thomas:-

- "(4) Cabinet notes the latest position of the Capital Programme and agrees to hold an

informal meeting to look at the programme in further detail.”

It was moved by Councillor Langhorn and seconded by Councillor Kerr:-

“(5) Cabinet resolves to hold an informal meeting to look at recommendations for the Housing Revenue Account and capital programme.”

It was moved by Councillor Langhorn and seconded by Councillor Ashworth:-

“(6) Cabinet agrees to the following four priorities to form the basis of its budget and revised corporate strategy for 2010-13

(a) Economic Regeneration supporting our local economy

- Energy Coast and environmental technology (advance manufacturing).
- Heritage and cultural tourism for the District (City, Coast and Countryside) – to include creative industries and ‘high end’ employment too.

(b) Climate Change – implementing the City Council’s Climate Change Strategy. A focus on energy savings – so that we are not hit by rising fuel prices, improve our environment and create cashable savings.

(c) Statutory services – clean and green – achieving minimum statutory standards, for example, housing, environmental health, street cleaning, refuse collection.

(d) Partnership working and Community Leadership – shaping the district and working with others to provide services that the public want and which are not the District Council’s priority.”

By way of amendment to (6)(a), Councillor Mace proposed, and Councillor Thomas seconded, omitting the two bullet points so that (6)(a) read as follows:-

“(a) Economic Regeneration supporting our local economy.”

2 Members voted in favour of the amendment (Councillors Mace and Thomas), 5 voted against (Councillors Ashworth, Barry, Fletcher, Kerr and Langhorn) and 3 abstained from voting (Councillors Archer, Blamire and Bryning) whereupon the Chairman declared the amendment lost.

By way of amendment to (6)(d), Councillor Mace proposed and Councillor Thomas seconded:-

“(d) Partnership working and Community Leadership – shaping the district and working with others to deliver the Sustainable Community Strategy and provide services currently contributing to the quality of life in the district that are not the District Council’s main function or priority.”

By way of amendment to (6)(a) and (b), Councillor Barry proposed, and Councillor

Fletcher seconded:-

- “(a) Economic Regeneration supporting our local economy with initiatives such as
- Energy Coast and environmental technology (advance manufacturing).
  - Heritage and cultural tourism for the District (City, Coast and Countryside) – to include creative industries and ‘high end’ employment too.
- (b) Climate Change – implementing the City Council’s Climate Change Strategy. A focus on energy savings in the Council and with our partners in the district, so that we are not hit by rising fuel prices, improve our environment and create cashable savings.”

3 Councillors voted for the amendments to (6)(a) and (b), (Councillors Barry, Fletcher and Mace), five voted against (Councillors Ashworth, Blamire, Bryning, Kerr and Langhorn) and 2 abstained from voting (Councillors Archer and Thomas) whereupon the Chairman declared the amendment lost.

By way of amendment to (6)(c), which was accepted as a friendly amendment by the proposer and seconder of the original motion, Councillor Barry proposed and Councillor Fletcher seconded:-

- “(c) Statutory services – clean and green – achieving at least minimum statutory standards in, for example, housing, environmental health, street cleaning and refuse collection.”

By way of amendment to (6)(c), Councillor Mace proposed and Councillor Thomas seconded that the words “at least” proposed by Councillor Barry be removed. Two Members voted for the amendment to remove the words “at least” (Councillors Mace and Thomas) and eight voted against (Councillors Archer, Ashworth, Barry, Blamire, Bryning, Fletcher, Kerr and Langhorn), whereupon the Chairman declared the amendment lost.

Members voted as follows:-

***Resolved unanimously:***

- (1) That Cabinet notes the revenue budget position to date regarding the current year and its potential implications
- (2) Cabinet Members will report to the next Cabinet progress on achieving savings identified for 2009/10 within their portfolios
- (3) Cabinet notes the savings identified in Appendix A of the report and agrees to include them in the further discussions of the draft budget (subject to Cabinet agreeing items elsewhere in the agenda)
- (4) Cabinet notes the latest position of the Capital Programme and agrees to hold an informal meeting to look at the programme in further detail

- (5) Cabinet resolves to hold an informal meeting to look at recommendations for the Housing Revenue Account and capital programme

**Resolved:**

***(8 Members (Councillors Archer, Ashworth, Barry, Blamire, Bryning, Fletcher, Kerr and Langhorn) voted in favour and 2 Members (Councillors Mace and Thomas) abstained)***

- (6) Cabinet agrees to the following four priorities to form the basis of its budget and revised corporate strategy for 2010-13
- (a) Economic Regeneration supporting our local economy
- Energy Coast and environmental technology (advance manufacturing)
  - Heritage and cultural tourism for the District (City, Coast and Countryside) – to include creative industries and ‘high end’ employment too
- (b) Climate Change – implementing the City Council’s Climate Change Strategy. A focus on energy savings – so that we are not hit by rising fuel prices, improve our environment and create cashable savings
- (c) Statutory services – clean and green – achieving at least minimum statutory standards in, for example, housing, environmental health, street cleaning and refuse collection

**Resolved:**

***(5 Members (Councillors Blamire, Bryning, Fletcher, Mace and Thomas) voted in favour, 3 Members (Councillors Ashworth, Kerr and Langhorn) voted against and 2 Members (Councillors Archer and Barry) abstained)***

- (d) Partnership working and Community Leadership – shaping the district and working with others to deliver the Sustainable Community Strategy and provide services currently contributing to the quality of life in the district that are not the District Council’s main function or priority.

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Performance)  
Head of Financial Services

**Reasons for making the decision:**

The decision ensures that officers are clear on the framework which Cabinet are using to form the basis of its proposals for the budget and corporate strategy for 2010-13 on which options are to be considered further and those that require further work, including any impact and risk assessments. This will also provide an on-going position summary of the savings and efficiencies position.



**76 ALLOCATION OF AFFORDABLE HOUSING S106 CONTRIBUTIONS****(Cabinet Member with Special Responsibility Councillor Kerr)**

The Head of Planning Services submitted a report to agree the policy for allocating funding from Section 106 commuted sums for the delivery of additional affordable housing in the district and to consider the process for determining applications for funding by approved housing providers.

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

Option 1 – Agree the policy and procedure and note that once this framework has been approved, allocations will be made by way of Individual Cabinet Member Decision. The risk associated to this is that in some instances there may be a conflict of interest, but this can be addressed by the decision being referred to Cabinet.

Option 2 – Agree the policy and procedure and reserve decisions about allocations to Cabinet. The risk with this process is that there may be occasions when a decision is needed before the next available Cabinet meeting. In the event that Option 2 is preferred, the draft procedure would require minor amendment.

**Officer Preferred Option (and comments)**

Officers preferred option is 1. This will allow a response to be given to applications in a timely manner.

Where there is a conflict of interest for the Member involved or if the Member would prefer the decision to be referred to Cabinet, there is provision in the Constitution for this.

An open book approach by RSLs must be taken to ensure there is transparency in the allocation of the funds.

In order that sustainable communities are developed in some instances it may be necessary for the approved housing provider to produce a local lettings plan. These can be used in areas where there are known problems and the council and partner agencies are working to address the issues. The plans can be used to ensure that there is no overcrowding in a property, there are no persons allocated the properties that are known to have caused anti social behaviour in the past and to balance the allocations to people who are economically active and to those unable to work. These are only examples and local lettings plan must address the individual issues of an area.

All developments that have received funding from the commuted sum will provide 100% nominations from the council's housing register (waiting list). If there is a local lettings plan in place the nominees must meet the criteria set out in the plan.

It was moved by Councillor Kerr and seconded by Councillor Archer:-

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

Members then voted:-

***Resolved unanimously:***

- (1) That the policy, as a framework to define how any spending of Section 106 monies designated for affordable housing would be evaluated and managed, be adopted.
- (2) That Cabinet notes that the determination of allocations of the monies will be made by Individual Cabinet Member Decision by the portfolio holder for Health and Wellbeing.
- (3) That the Head of Financial Services be authorised to update the Capital Programme to reflect any decisions taken under (2) above, subject to there being a nil impact on the Council's resources outside the allocated commuted sums.

**Officers responsible for effecting the decision:**

Corporate Director (Regeneration)  
Head of Planning Services  
Head of Financial Services

**Reasons for making the decision:**

The decision agrees a process to spend the commuted sums on additional affordable housing and will allow a response to be given to applications in a timely manner.

(Councillor Kerr left the meeting at the conclusion of this item.)

**77 MEDIUM TERM STRATEGY: FINANCE AND RESOURCES**

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

The Corporate Director (Finance and Performance) and Head of Financial Services submitted a joint report updating Members on proposed changes to the Council's strategic planning framework, to promote greater understanding of the linkages and co-ordination needed between the different elements, in order to deliver improvements in the Council's management of resources.

In line with those aims, the report also sought to gain approval of an updated Corporate Property Strategy; approval of Cabinet's future aims for Council Tax, for referral on to Council and approval of draft capital investment criteria and initial financing assumptions.

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

Council Tax Targets

The options regarding targets are basically to:

Retain the existing Council Tax target of no more than 4% for future years

Previous approved forecasts indicate that this would require net savings of around £1,053K and £1,302K to be identified for 2010/11 and 2011/12 respectively, although these will change as the budget develops.

Recommend an alternative Council Tax target increase for future years.

The level of any net savings requirement (and the associated risks) would depend on the tax level proposed.

The main risks attached to either option follow on from the information in the report and the ability of the Council to take decisions on matching service levels with the money available to fund them. In addition, the reputation and public perception of the Council may be affected. The key risks can be summarised as follows:

- Actual savings targets prove to be substantially different from those shown above, due to changes in financial projections.
- Required savings targets can't be met, without having an unacceptable impact on service delivery – either from the Council's own viewpoint or from public perception.
- Government / the public perceive the increase to be too high, resulting in capping action being taken against the Council and/or a negative impact on public relations and the Council's reputation
- Council tax targets are too low, resulting in them being unsustainable in the longer term, without having adverse effects on future service delivery and/or the Council's financial standing and reputation.

The report highlights that there is significant scope for budget projections to change, as a result of both internal and external factors. To counter this, there will be further opportunities to review target increases during the forthcoming budget as more definite information becomes available on forecast spending.

With regard to capping, Government has demonstrated a firm commitment to using its capping powers – although this could be affected in future by the General Election. Should Cabinet wish to support spending levels that result in a Council Tax increase much higher than the current MTFs target, then there are strong indications that the current Government is likely to challenge this course of action. This may well result in the Council's budget being capped – in such a situation it would be forced to cut spending / services in an unplanned way and it would incur rebilling costs. Alternatively, if Cabinet wish to support a much lower increase, then future sustainability will become a major issue. On balance it is felt that financial prospects will get worse, rather than better.

In terms of options, the impact on Council Tax payers is key. Members should consider the balance between providing services that the local community needs and wants, against how much it is prepared to pay. There will be reputational, operational and financial risks, opportunities and trade-offs attached to whichever option Cabinet chooses.

Capital Investment

With regard to future years' investment principles and funding assumptions, options are basically:

- to approve retention of existing capital investment criteria, as set out in Appendix C of the report, or
- to determine alternative proposals.

In considering any alternative proposals, Cabinet would need to have regard to their proposed corporate priorities and the principles of the Prudential Code, namely prudence, affordability and sustainability. Risks would depend very much on the nature of any alternatives put forward.

#### Strategic Planning Framework

In this regard, options are basically:

- to support the framework proposals for the future, as outlined in the report, in particular in sections 3 to 5, and 7, or
- to reject the proposed changes, and/or put forward alternatives or request further work to be done on specific aspects.

The rationale behind the proposals is outlined in the background of this report. Members could choose simply not to change, but it is felt that this would not help corporate development of the Council, and could undermine attempts to improve the Council's Use of Resources. Other risks and implications would depend very much on the issues that Cabinet raise or any amendments put forward.

#### Corporate Property Strategy

With regard to the Corporate Property Strategy, options are basically:

- to approve the Strategy as set out in Appendix D of the report, or
- to put forward amendments to the proposal and/or request further work to be done on specific aspects.

Again, risks and implications would depend very much on the issues that Cabinet raise or any amendments put forward. Ultimately though, the Council needs to have a Strategy fit for purpose, which gives direction to help ensure that property management supports delivery of the Council's objectives and helps achieve value for money.

#### Officer Preferred Option and Comments

There is no specific officer preferred option with regard to Council Tax levels. That said, both the Chief Executive and the s151 Officer would advise against planning for a Council Tax increase much lower than 4% at this time, at least for 2010/11, if Members aim to continue to provide a wide range of services to the public and wish to avoid more potential for major service cuts in future years. Conversely, they would advise against aiming for an increase of around 5% or above at this time as it would be subject to capping under existing criteria.

Whatever Council Tax targets are in place, Members need to have supporting plans in place to achieve a balanced budget.

With regard to the other matters contained within this report, the Officer preferred option

is to approve the various proposals as set out. It is felt that these present good starting points for developing capital proposals, and for improving the Council's strategic resource management planning for the future.

Cabinet referred to information circulated prior to the meeting in response to a question from Cabinet. The information showed the impact of a 4% increase in Council Tax on a Band D property, as follows:-

The current Band D charge for Lancaster City Council is £185.31. A 4% increase would see this rise to £192.72, an increase of £7.41 or approximately 14p per week. (This increase represents around 0.5% of the full Council Tax charge, including the County Council, etc.)

It was noted that a 0% increase would mean the Council would have to make additional savings of £321,000.

It was moved by Councillor Langhorn and seconded by Councillor Barry:-

- "(1) That the Council Tax target increase of no more than 4% should be retained for future years and be referred to Council.
- (2) That the draft capital funding principles and priorities as set out in Appendix C of the report be approved, and that they form the initial basis on which Cabinet develops its Capital Programme proposals for the five year period from 2010/11 onwards.
- (3) That it be noted that the Head of Financial Services intends to submit a capitalisation bid in connection with Icelandic investments, pending confirmation of the Council's creditor status.
- (4) That Cabinet supports the outline proposals to improve the Council's strategic planning framework for the future.
- (5) That Cabinet approves the Medium Term Corporate Property Strategy as set out at Appendix D of the report."

By way of amendment to (1), Councillor Mace proposed and Councillor Thomas seconded:

- "(1) Mindful of the target set by the County Council for a zero % increase in Council Tax in 2010-11, the present level of inflation and the financial hardship faced by our residents, Cabinet proposes to Council an aspirational target of a 0% increase in the City Council's Council Tax in 2010-11, should it be the case that circumstances will allow this to be achieved without undue reduction in front-line services and that the Council Tax target increase of no more than 4% should be retained for subsequent years and be referred to Council."

2 Members (Councillors Mace and Thomas) voted in favour and 7 Members (Councillors Archer, Ashworth, Barry, Blamire, Bryning, Fletcher and Langhorn) voted against, whereupon the Chairman declared the amendment lost.

Members then voted:-

**Resolved:**

***(7 Members (Councillors Archer, Ashworth, Barry, Blamire, Bryning, Fletcher and Langhorn) voted in favour and 2 Members (Councillors Mace and Thomas) abstained)***

- (1) That the Council Tax target increase of no more than 4% should be retained for future years and be referred to Council.
- (2) That the draft capital funding principles and priorities as set out in Appendix C of the report be approved, and that they form the initial basis on which Cabinet develops its Capital Programme proposals for the five year period from 2010/11 onwards.
- (3) That it be noted that the Head of Financial Services intends to submit a capitalisation bid in connection with Icelandic investments, pending confirmation of the Council's creditor status.
- (4) That Cabinet supports the outline proposals to improve the Council's strategic planning framework for the future.
- (5) That Cabinet approves the Medium Term Corporate Property Strategy as set out at Appendix D of the report.

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Resources)  
Head of Financial Services

**Reasons for making the decision:**

The decisions allow the Council to respond positively to the challenging economic outlook, ensuring greater focus on key service areas and in delivering the necessary savings, including service reductions, to achieve Council Tax targets. This is a scenario facing many councils up and down the country.

**78 BENEFITS - ADDITIONAL ADMINISTRATION SUBSIDY**

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

The Corporate Director (Finance and Performance) submitted a report informing Members about the release of further administration subsidy for 2009/10 from the Department for Work & Pensions and seeks authority for this income and future additional income earmarked for benefit purposes to be used solely for that purpose in the current or future years.

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

Option 1 is to agree to the recommendations in the report which are in line with the

Governments intentions for the use of the additional subsidy. In effect, this would allow the additional subsidy to be used to fund additional expenditure on the benefits service (over and above that already budgeted). For the current year, as an example, this would allow the service greater resources to help deal with the increasing caseload, to help maintain service standards.

Option 2 is to use the additional subsidy simply to fund existing budgeted expenditure on the benefits service. For the current year, as an example, this would mean that service standards would deteriorate, in order to make some budget savings. This would go against the purpose for which the subsidy was awarded, and may attract adverse comment from the DWP.

Option 1 is the officer preferred choice for the reasons stated above

It was moved by Councillor Mace and seconded by Councillor Langhorn:-

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

Members then voted:-

***Resolved unanimously:***

- (1) The additional unbudgeted administration subsidy totalling £66,947 notified to the Council under HB/CTB Circular S2 & S4/2009 be utilised in full to meet additional unbudgeted costs of benefits administration in the current and future years.
- (2) That Cabinet reaffirms its decision that future additional specific subsidies earmarked for meeting administrative costs in benefits be utilised in full solely for those purposes.
- (3) That the Head of Financial Services be given delegated authority to update the Revenue Budget accordingly.
- (4) That in principle any underspend of these additional specific subsidies in the financial year in which they are received be held in an earmarked reserve, subject to the outturn on benefits and its performance overall for that particular year, and this be built into the Council's Provisions and Reserves Policy for subsequent approval by Council.

**Note:** Councillor Ashworth was not present for the vote.

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Performance)  
Head of Revenue Services  
Head of Financial Services

**Reasons for making the decision:**

The decision will ensure that the monies received to meet the costs of benefits administration arising from the economic downturn will be used for the purposes for which they were given.

**79 CLIMATE CHANGE STRATEGY UPDATE****(Cabinet Member with Special Responsibility Councillor Barry)**

The Corporate Director (Finance and Performance) submitted a report seeking Cabinet's approval of an updated version of the Council's 2008-13 Climate Change Strategy.

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

**Option 1**

To approve the updated Climate Change Strategy for 2008-13 and to consider the resource implications of delivering the proposed action plans as part of the council's budget process

**Option 2**

To approve an amended version of the proposed strategy and to consider the resource implications of delivering the amended action plans as part of the council's budget process

Option 1 is the preferred option as it will allow the council to have a clear strategy in place that meets its statutory responsibilities for climate change and ensures that the resource implications are fully considered as part of the budget exercise.

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

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

Members then voted:-

***Resolved:***

***(8 Members (Councillors Archer, Ashworth, Barry, Blamire, Bryning, Fletcher, Langhorn and Thomas) voted in favour and 1 Member (Councillor Mace) abstained)***

- (1) That the updated 2008-13 Climate Change Strategy, attached as Appendix A to the report, be approved
- (2) That Cabinet notes the progress made in delivering the actions for 2008/9 as set out in Appendix 1 of the Climate Change Strategy
- (3) That the resource implications for delivering the Strategy and its related action plans as set out in Appendix 3 of the Strategy, be considered as part of this year's budget exercise.
- (4) That the Council's Corporate Plan and Service Business Plans be updated and amended accordingly to ensure that the council is clear about how it will deliver the strategy's actions and targets within the agreed timescales.
- (5) Cabinet notes that the Council's community enabling and leadership role on



climate change will also be delivered through its contribution to the Lancaster District Local Strategic Partnership.

- (6) Cabinet notes that the Strategy is a working document and that Members and officers will continue to pursue opportunities for further improvements and for attracting external funding.

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Performance)  
Head of Corporate Strategy

**Reasons for making the decision:**

The decision provides a clear commitment on how the council will meet its own climate change obligations and how it will contribute through the LDLSP to the wider district agenda.

**80 CARNFORTH AIR QUALITY ACTION PLAN**

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

The Head of Health and Strategic Housing submitted a report seeking approval for a draft Carnforth Air Quality Action Plan prepared under statutory duty (Environment Act 1995).

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

The council has a statutory duty to prepare the Carnforth air quality action plan.

Option 1 is to approve the draft Carnforth air quality action plan for statutory and public consultation. This will result in lead partners being assigned responsibility for coordinating each of the six actions. The council would lead on actions numbered 1 (relocate heavy goods vehicle depots) and 4 (review car parking provision in Carnforth). It is envisaged that these actions would be implemented through the research and policy measures built into the Local Development Framework process. Lancashire County Council would lead on the other four actions. No capital costs or adverse implications have been identified. Members would have further opportunities to influence the content of the draft action plan during the consultation process. Cabinet would be asked to consider and approve a finalised action plan in the near future.

Option 2 is to require any revisions or further work that members might require at this stage to be undertaken before a draft Carnforth air quality action plan is approved for public consultation. This would be likely to incur a delay before a revised action plan was presented to a future Cabinet meeting.

Option 3 is not to approve the Carnforth air quality action plan for public consultation. This would soon lead to an unlawful position (Environment Act 1995) because it is a statutory duty for the council to prepare an air quality action plan where an air quality management area has been declared and confirmed to be necessary through further assessment.

The officer preferred option is Option 1.

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

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

Members then voted:-

**Resolved:**

***(7 Members (Councillors Archer, Ashworth, Barry, Blamire, Bryning, Fletcher and Langhorn) voted in favour, 1 Member (Councillor Mace) voted against and 1 Member (Councillor Thomas) abstained)***

- (1) That the draft Carnforth Air Quality Action Plan be approved for statutory and public consultation.

**Officers responsible for effecting the decision:**

Corporate Director (Community Services)  
Head of Health and Strategic Housing

**Reasons for making the decision:**

The decision maintains statutory compliance through continued preparation of the Carnforth air quality action plan.

**81 OPTIONS FOR PUBLIC TOILET PROVISION IN THE DISTRICT FROM 2010/2011**

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

***(It was noted that Councillor Langhorn had previously declared a personal interest in this item in view of his role as the Chairman of Caton with Littledale Parish Council.)***

The Head of City Council (Direct) Services submitted a report outlining proposals for toilet provision for the district. The options, options analysis, including risk assessment and officer preferred option, were set out in the report as follows:

Option	Pros	Cons
1-Status quo	In the short term maintains existing levels of toilet provision	The condition of some of our toilets is already poor. Without investment they will further deteriorate to the point where they have to be closed for safety reasons (eg Red Bank Shore). Those toilets that have had capital investment show considerable savings in terms of ongoing maintenance, cost of electricity/water, reduced vandalism etc, compared with some of our older

		toilets.
2- Mothball a number of toilets in 2010/11	<p>It is estimated that revenue savings of approximately £100K could be made by mothballing toilets outside of the main visitor areas of Lancaster and Morecambe.</p> <p>£20K of this saving could allocated to a community toilet scheme. If toilets were already mothballed it would make implementation of the scheme much easier.</p>	<p>Would be seen as a kneejerk reaction to the current financial situation as opposed to a strategic decision.</p> <p>Even with £20K allocated to the community toilet scheme there is no guarantee that businesses would sign up. There is even less guarantee that businesses in the areas most affected by the mothballing would sign up.</p> <p>Mothballed toilets would further deteriorate and create further maintenance issues for future years.</p>
3- Adopt the plan in Appendix B for the District's toilet provision.	<p>A planned approach to toilet provision would allow the Council to plan future investment and service provision.</p> <p>The plan proposes toilets in key locations that should be improved (Carnforth, Glasson, Bull Beck). However, it also identifies toilets in non key locations that should be closed or at the request of the Parish Council be considered for transfer (with an appropriate grant).</p>	<p>Could result in less toilet provision within the District.</p> <p>Requires capital investment to realise full savings.</p>

The officer preferred option is option 3.

It was moved by Councillor Barry:-

- “(1) That the plan for future provision of toilets as outlined in appendix B of the report be approved.
- (2) That the elements of the plan that do not require capital funding be implemented

from April 2010.

- (3) That the capital growth required be considered as part of the budget process. Subject to value for money considerations and availability of capital funding, the elements of the plan that require capital funding be implemented as soon as capital funding is available and the plan be subsequently updated accordingly.
- (4) That authority to negotiate with Parish and Town Councils and other partners (e.g. Adshel) on possible transfer of toilets and management of toilets be delegated to the Head of City Council (Direct) Services in consultation with the Cabinet Member with special responsibility for CCDS and that the City Council be prepared to contribute up to 50% of current revenue costs.
- (5) That revenue and capital budgets are updated accordingly.”

***(At this point in the meeting, Councillor Langhorn declared that, as a result of this proposal, his interest had become prejudicial and left the meeting.)***

The Chief Executive called for nominations to Chair the meeting for the remainder of the item. Councillor Archer nominated Councillor Mace, seconded by Councillor Ashworth. There were no further nominations and Councillor Mace took the chair.

Councillor Fletcher seconded Councillor Barry’s proposal above.

By way of amendment, Councillor Mace proposed:-

- “(1) That further consideration of the funding for the provision of public toilets set out in Appendix B of the report be deferred until such time as a framework for the funding of public toilets in parished areas is in place.”

However, it was noted that there was no seconder to the amendment and the amendment was deemed to have fallen.

By way of amendment, Councillor Mace proposed and Councillor Thomas seconded:-

- “(1) That Cabinet believes that the provision of toilet facilities is a district responsibility and not a parish responsibility and requests an alternative report to be presented at the next meeting.”

2 Members (Councillors Mace and Thomas) voted in favour of the amendment, 5 Members (Councillors Ashworth, Barry, Blamire, Bryning and Fletcher) voted against and 1 Member (Councillor Archer) abstained from voting, whereupon the Chairman declared his amendment to be lost.

With the acceptance of the meeting, Councillor Barry amended the wording of his original proposal at (3) as follows:-

- “(3) That the capital growth required be considered as part of the budget process. Subject to value for money considerations and availability of capital funding, the elements of the plan that require capital funding, for example demolition on the grounds of safety, be implemented as soon as capital funding is available and the plan be subsequently updated accordingly.”

**Resolved:**

***(6 Members (Councillors Archer, Ashworth, Barry, Blamire, Bryning and Fletcher) voted in favour, 1 Member (Councillor Mace) voted against and 1 Member (Councillor Thomas) abstained)***

- (1) That the plan for future provision of toilets as outlined in Appendix B of the report be approved.
- (2) That the elements of the plan that do not require capital funding be implemented from April 2010.
- (3) That the capital growth required be considered as part of the budget process. Subject to value for money considerations and availability of capital funding, the elements of the plan that require capital funding, for example demolition on the grounds of safety, be implemented as soon as capital funding is available and the plan be subsequently updated accordingly.
- (4) That authority to negotiate with Parish and Town Councils and other partners (e.g. Adshel) on possible transfer of toilets and management of toilets be delegated to the Head of City Council (Direct) Services in consultation with the Cabinet Member with special responsibility for CCDS and that the City Council be prepared to contribute up to 50% of current revenue costs.
- (5) That revenue and capital budgets be updated accordingly.

**Officers responsible for effecting the decision:**

Corporate Director (Community Services)  
 Head of City Council (Direct) Services  
 Head of Financial Services

**Reasons for making the decision:**

The decision will allow the Council to sustainably manage toilet provision in the district.

***(Councillor Langhorn returned to the meeting and took the Chair.)***

**82 PILOT - ALTERNATIVE PARKS MANAGEMENT MODEL PILOT - HIGHFIELD RECREATION GROUND**

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

The Corporate Director (Regeneration) submitted a report seeking Cabinet's approval for a "Community Partnership Management Model" between Lancaster City Council and the Gregson Community Association in respect of Highfield Recreation Ground.

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

Options	Approach	Advantages	Disadvantages	Risks
<b>Option 1</b>	Do not enter into a lease agreement or Service Level Agreement with the Gregson Community Association.	No additional work required.	<p>Park remains in very poor condition and continues to decline.</p> <p>Council on its own are unable to access external funding to improve the park.</p> <p>Park is under utilised by the local and wider community and the area continues to suffer from issues around anti social behaviour and vandalism.</p> <p>Still requires staff time to manage the existing park and to maintain it.</p>	
<b>Option 2</b>	Enter into a lease agreement and service level agreement with the Gregson Community Association.	<p>Potential funding opportunities accesses to improve the park.</p> <p>Use of the park increase at no additional cost to the Council.</p> <p>More opportunity for young people to participate in positive activities resulting in a potential reduction in anti social behaviour and vandalism.</p>	<p>Some additional work required to manage the lease agreement and service level agreements, although partly offset by reduced operational management of grounds itself.</p>	<p>External funding can not be secured to improve the park.</p> <p>Gregson Community Association terminate the agreement which might result in an issue of claw back for themselves in terms of external funding if any funding is secured and the potential for additional maintenance costs falling upon the Council.</p>

Option 2 is preferred as it will allow much needed improvements to the park to be achieved, subject to successful funding applications and will lead to an increase in the use of the park by local residents and the wider community. In turn this should contribute to addressing issues around anti-social behaviour and vandalism.

It was moved by Councillor Ashworth and seconded by Councillor Archer:-

- “(1) That the granting of a lease of Highfield Recreation Ground to the Gregson Community Association on terms to be agreed by the Head of Property Services, the Head of Financial Services, and the Head of Cultural Services be approved.

- (2) That the Head of Cultural Services be authorised to enter into a Service Level Agreement (SLA) with the Gregson Community Association to deliver services at Highfield Recreation Ground for the benefit of the local and wider community, subject to the approval of the terms by the Head of Legal and HR and Head of Financial Services.
- (3) That the General Fund Revenue Budget be updated during the current budget process.”

Members then voted:-

***Resolved unanimously:***

- (1) That the granting of a lease of Highfield Recreation Ground to the Gregson Community Association, on terms to be agreed by the Head of Property Services, the Head of Financial Services, and the Head of Cultural Services, be approved.
- (2) That the Head of Cultural Services be authorised to enter into a Service Level Agreement (SLA) with the Gregson Community Association to deliver services at Highfield Recreation Ground for the benefit of the local and wider community, subject to the approval of the terms by the Head of Legal and HR and Head of Financial Services.
- (3) That the General Fund Revenue Budget be updated during the current budget process.

**Officers responsible for effecting the decision:**

Corporate Director (Regeneration)  
Head of Cultural Services  
Head of Financial Services

**Reasons for making the decision:**

This project provides a first model of a park managed via a Community Partnership Model, as set out in the Parks & Open Spaces Strategy. If successful, subject to monitoring of the SLA, this may be a prelude to further similar projects that have benefits to the local community and the City Council.

**83 PROSECUTION UNDER THE REGULATORY REFORM (FIRE SAFETY) ORDER 2005**

The Monitoring Officer submitted a report to Cabinet in accordance with the Monitoring Officer's duties under section 5A of the Local Government and Housing Act 1989 to inform the Cabinet of a contravention of the Regulatory Reform (Fire Safety) Order 2005 in the course of the discharge of the Council's functions on behalf of the executive.

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

The Cabinet has a statutory duty to consider the report and to report to the Monitoring

Officer and all members of Council on the action (if any) it has taken or proposes to take, and its reasons. This is a matter for Cabinet, but Cabinet may wish to consider noting and endorsing the action taken by officers as set out in paragraphs 2.6 and 2.7.

There is no preferred officer option, as the relevant legislation requires Cabinet to prepare its own report following consideration of the Monitoring Officer's report.

It was moved by Councillor Langhorn and seconded by Councillor Mace:-

"(1) That Cabinet notes and endorses the actions taken by officers, as set out in paragraphs 2.6 and 2.7 of the report."

Members then voted:-

***Resolved unanimously:***

(1) That Cabinet notes and endorses the actions taken by officers, as set out in paragraphs 2.6 and 2.7 of the report.

**Officers responsible for effecting the decision:**

Chief Executive  
Head of Legal and Human Resources

**Reasons for making the decision:**

The decision is in line with Cabinet's statutory duty under Section 5A(8) of the Local Government and Housing Act 1989.

**84 LANCASTER DISTRICT COMMUNITY SAFETY SPENDING PLAN 2009-2011**

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

The Community Safety Partnership and Lancaster District Local Strategic Partnership (LDLSP) Safety Theme Group submitted a joint report asking Cabinet to consider whether Lancaster City Council should continue to act as Accountable Body for the Community Safety Partnership for the length of the Community Safety Plan (CSP).

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

Option 1 - Agree to act as accountable body for the CSP and update the 2009/10 and 2010/11 budget accordingly.

Option 2 – Do not agree to act as accountable body and don't update the 2009/10 and 2010/11 budget.

Option 1 is the preferred option. This Spending Plan has been agreed by the Community Safety Partnership statutory agencies.

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



- “(1) That Lancaster City Council continues to act as accountable body for the Community Safety Partnership for the length of the CSP and that the 2009/10 and 2010/11 Revenue budget be updated accordingly to reflect the spending plans. In agreeing to remain as the Accountable Body, it is noted that the Programme Team currently in Economic Development will have an increased monitoring role to play in the delivery of the actions of the CSP.”

Members then voted:-

***Resolved unanimously:***

- (1) That Lancaster City Council continues to act as accountable body for the Community Safety Partnership for the length of the CSP and that the 2009/10 and 2010/11 Revenue budget be updated accordingly to reflect the spending plans. In agreeing to remain as the Accountable Body, it is noted that the Programme Team currently in Economic Development will have an increased monitoring role to play in the delivery of the actions of the CSP.

**Officers responsible for effecting the decision:**

Corporate Director (Finance and Performance)  
Head of Financial Services

**Reasons for making the decision:**

The decision allows the City Council to continue acting as accountable body for the Community Safety Partnership for the length of the CSP.

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Chairman

(The meeting ended at 2.10pm)

**Any queries regarding these Minutes, please contact  
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dchambers@lancaster.gov.uk**

**MINUTES PUBLISHED ON FRIDAY 13 NOVEMBER 2009.**

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES;  
MONDAY 22 NOVEMBER 2009.**