

## CABINET

10.00 A.M.

14TH FEBRUARY 2012

**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	Head of Financial Services and Section 151 Officer
Graham Cox	Head of Property Services (Minute 90)
Mark Davies	Head of Environmental Services (Minute 91)
Richard Tulej	Head of Community Engagement Service (Minutes 92, 93 & 94)
Derek Whiteway	Internal Audit Manager (Minute 98)
Liz Bateson	Principal Democratic Support Officer, Democratic Services

### 86 MINUTES

The minutes of the meeting held on Tuesday 17 January 2012 were approved as a correct record.

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

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

### 88 DECLARATIONS OF INTEREST

Councillor Hanson declared a personal and prejudicial interest with regard to the Accommodation Report, in view of her role as a Morecambe Town Councillor and the reference to the town council's use of Morecambe Town Hall. (Minute 90 refers).

Councillor Barry declared a personal interest with regard to the Budget and Policy Framework Update, in view of his being a member of the Allotment Association and reference to Allotment funding within the report. (Minute 95 refers).

### 89 PUBLIC SPEAKING

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

*The Chairman advised the meeting of a revision to the order of the agenda and Item 10: Accommodation would be considered first.*

### 90 ACCOMMODATION

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

Cabinet received a report from the Head of Property Services to consider a variety of accommodation issues that have arisen since the undertaking of the major building works in 2011.

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

The report provided Cabinet with options for:

- the refurbishment of Morecambe Town Hall Council Chamber;
- increasing the room booking appeal for multiple uses of Council Chamber and the 1<sup>st</sup> floor committee rooms by the installation of additional toilet facilities,
- the allocation of rooms with Morecambe & Lancaster Town Halls
- security upgrades to both Morecambe and Lancaster Town Halls

### **Improving Security to Morecambe Town Hall/ Lancaster Town Hall/ White Lund Depot**

#### **Morecambe Town Hall**

Following the office remodelling to Morecambe Town Hall there was a need to upgrade and improve the security throughout the building. At this stage there were two options to consider at Morecambe Town Hall:

Option A upgrade existing door entry key pad system linked to the fire panel to allow door to fail open and upgrade CCTV to the inside and outside of the building. This would improve the security to the main staircase and first floor corridor and to all the exterior of the building.

Option B was a computer controlled management security system. This would be based on a Key Fob/ID card system that would be placed against a “reader” which authorises access into the building. The “reader” is connected to computer software which records the presence of an individual in the building.

Burglar Alarm System: At present Morecambe Town Hall has only a limited burglar Alarm to the Ground floor Customer Services area. The report sought approval to install a wireless system throughout the building giving full intruder protection.

Option	Cost
OPTION A Upgrade Door Key Pad System	£3000.00
OPTION B Full key fob security system	£12,800.00
13 no CCTV inside & out	£13,000.00
Burglar Alarm (wireless)	£5,000.00

Preferred option: It was recommended that finance was approved to upgrade the Door Keypad System and to install additional CCTV cameras, together with the installation of a wireless burglar alarm system throughout the building at a combined cost of £21,000.00.

#### **Lancaster Town Hall**

There was a need to increase the security system to Lancaster Town Hall (LTH). At LTH the CSC record visitors to the building and issue passes but as many offices or function rooms within the building have little or no door security; visitors can accidentally access these offices or function rooms. At this stage there were two options to consider:

Option A - Keypad & Additional CCTV: This option looked at introducing new key pads to office/corridor doors with no security and upgrading the office/corridor doors with key

entry pads and linking the whole system to the fire panel to allow doors to fail open.

Option B - Full key fob security system: Due to the position of Male and Female lavatories to the ground and first floors, visitors require access to many parts of the building. Option B is a computer controlled management security system. This would be based on a Key Fob/ID card system that would be placed against a “reader” at each door which authorises access into the building/corridor/room etc.

Burglar Alarm System: As with Morecambe Town Hall there was a limited burglar Alarm to the Ground floor Customer Services area. The report sought approval to install a wireless system throughout the building giving full intruder protection.

Option	Cost
OPTION A Upgrade Key pad system 4 no Basement 14 no Ground floor 4 no First Floor	£17,600.00
OPTION B Full key fob security system	£35,000.00
6 no CCTV inside & out	£6,000.00
Burglar Alarm (wireless)	£7,000.00

Preferred option: It was recommended that finance was approved to upgrade the Door Keypad System and to install additional CCTV cameras and to install a wireless burglar alarm system throughout the building at a combined cost of £30,600.00.

#### Lancaster Town Hall Front Doors

For some time there has been concern that the front doors at LTH remain open even though there is no reception facility there. It has previously been indicated by members that they prefer the main doors to remain open with the inner doors locked. Cabinet is asked to consider whether this arrangement should continue.

#### White Lund Depot

There was a need to increase security at White Lund Depot (WLD). At WLD the security guard monitors visitors to the site but the offices and out buildings have little or no door security; visitors can accidentally access these buildings.

Option A - Full key fob security system in office building: Option A was a computer controlled management security system. This would be based on a Key Fob/ID card system that would be placed against a “reader” at each of the doors which authorises access into the building/corridor/room etc.

Option B- Vehicle Security - allowing automatic barrier access to White Lund Depot: This is similar to the security system above but attached to vehicles and would ensure that only Council vehicles could enter and leave the depot. Other vehicles would have to be permitted manual access and egress via the security officer.

Option C-Main Entrance Doors - intercom system, allowing controlled access to the main office building – this would allow staff within the depot to control, access via the main doors. It still would not prevent accidental access via other doors.

Option	Cost
Option A - Full key fob security system in office building	£6,000

Option B- Vehicle Security - allowing automatic barrier access to White Lund Depot	£10,000
Option C-Main Entrance Doors - intercom system, allowing controlled access to the main office building	£600

Preferred option: For the safety of staff option A would be priority. However, it is recommended that finance is approved for Options A and B. This would cost £16,000.

#### **Renew carpets in Morecambe Council Chamber**

The existing carpets were threadbare and held together with tape and provided a safety risk to users of the room. The options to deal with this were as follows:

CATEGORY	ITEM	COST
<b>CARPETS</b>	Teviot carpet tiles Basic appearance.	£3,800
	80% wool contract Axminster	£10,500 (Ulster mix range) £9,400 (Eden range)
	Normally used in prestige rooms	£9,700 (Gowan range) £10,100 (Lever range)

This is a straightforward choice between a more prestige look within the chamber or a more functional office appearance.

#### **First floor committee rooms**

The refurbished committee rooms were becoming popular for meetings within the council. However, in order to maximise the letting opportunities of these rooms, it was necessary to consider the existing furniture and the provision of toilet facilities.

Whilst fire regulations limited the maximum number of people that could use the committee rooms the rooms were suitable for a variety of events from weddings to meetings. The existing furniture was serviceable but could be improved by either refurbishing the existing items or buying new furniture. Refurbishment costs were likely to be in the order of £10-12,000. New furniture would be £25-30,000.

One specific element that did need to be considered was the provision of additional toilet facilities. If the rooms were to be let to outside organisations, or even for meetings attended by non-council personnel, additional facilities were required. It would be possible to accommodate new male and female toilets in room F8 – the room currently used as an IT training room/hot desking room/business continuity room. Prior to the Council releasing finance to complete the toilet works to F8 a full cost benefit analysis would be commissioned to establish the true demand for the committee rooms and potential income that will be generated. At this stage an estimate has been submitted as a guide to the Council design and construct costs were likely to be in the order of £57,200.

#### **Room allocation at Morecambe & Lancaster Town Halls**

If new toilet facilities were to be provided, it would be necessary to consider the current use of rooms. The consequence of converting room F8 to toilets was the loss of space for the small IT training facility/hot desking space/emergency control centre.

Room F7 was currently occupied by Morecambe Town council who had indicated that

they wished to remain in MTH but move to room G5 on the ground floor which was currently vacant. With the CSC running short of interview space G28 was the most suitable alternative for conversion in due course. MTH currently had no members' room and there was a demand for such space and Room F7 would be a suitable location. This would leave room G5 which would be suitable for use as a hot desking area, a small IT training area and for allocation as the emergency control centre. If these room allocations were agreed, there would be no appropriate space for Morecambe Town Council and due notice would need to be served on them. It should be noted that the Town council were looking for advice on their future accommodation situation as soon as possible due to the need to determine future budget allocations. If G28 was not required as interview space, Morecambe Town Council could be allocated room G5.

### **Morecambe Council Chamber**

As part of the Municipal Building works to Morecambe Town Hall the Council Chamber has been decorated but there are still some snagging works outstanding which are being resolved with the contractor.

Following meetings with Group Leaders last autumn, it was identified that the main reasons for considering a Council Chamber refurbishment were as follows:

- a) The existing chamber did not fully meet all the needs of its users.
- b) Furniture was old and did not provide the necessary comfort for all users.
- c) The existing furniture did not provide accessibility for all users.
- d) The Chamber's Visual and Audio facilities for presentations were inadequate.
- e) The existing carpet was threadbare and in many places was held together by tape to prevent trip hazards.
- f) Operational usage was limited to Council Meetings and general meetings.

The art deco grade ornate Council Chamber with long dais at one end of the room and opposite facing public gallery was listed, any restoration works would require the necessary consents from English Heritage.

The following furniture options were also identified:

#### Option 1 – Restoration of existing furniture

- (a) The furniture in the Council Chamber was original and could be restored. Beneath the black varnish is an oak finish which could be polished to a good finish and the tables, chairs and public benches could be stripped back and re-polished.
- (b) Reupholster the existing damaged green chairs.
- (c) Create new bespoke tables to complete the outer circle of tables which will cater for all council members at full council and remove the need for the folding tables currently used.
- (d) The restoration option provided a solution that ensured that the furniture and seating within the Council Chamber would fulfil the Council's obligations in this respect appearance and under the Disability Discrimination Act 1995 & 2005.

The following estimates have been obtained from local companies:

CATEGORY	ITEM	COST
FURNITURE	Reupholster existing damaged green chairs	£1,700
	Strip and re-polish existing black furniture including all chairs and public benches	£9,500

	New bespoke tables to complete the outer circle to replace folding tables currently used	£15,600
		<b>£26,800</b>

The benefit of this option was that existing original furniture was utilised and would remain in keeping with the Listed Building status. However, the existing furniture was not very flexible and alternative uses of the Chamber were very limited.

#### Option 2 – Renew furniture

- (a) Provide new furniture which would need to be in keeping with the Council Chamber decoration.
- (b) New furniture should be of a high quality finish and can have some personalisation i.e. banding and inlay.
- (c) The new furniture solution must be re-useable in the event that the Council wishes to hold its meetings elsewhere in the future.
- (d) The new furniture should provide a flexible seating space that will not only accommodate full Council but also training sessions, hot desking, general meetings when required and the development of future chamber use.
- (e) New seating and benches need to be stacked and stored into a minimal space.

CATEGORY	ITEM	COST
RENEW FURNITURE	New furniture for Council Chamber	£9,700 Banding & inlay to all table tops £1,800
	New chairs (based on 100 chairs) including members and public gallery	Range from £18,100 to £33,800 based on examples of chairs supplied on quote.

This option does have the benefit of flexibility although issues relating to the buildings listing would need to be addressed.

#### Provide an audio visual system

The following specifications have been identified:

- (a) An audio facility would help to boost the sound of delegates' voices and facilitate all users of the Council Chamber to hear comfortably. This was a particular issue raised by the group leaders.
- (b) The audio solution should include a new induction loop to replace the existing facility.
- (c) The audio solution should be re-locatable to other sites to allow meetings to take place wherever required.
- (d) The visual solution should allow any users of the Council Chamber to see clearly any presentation from any viewing angle.
- (e) The visual solution should allow the presentation of any document from whatever source. e.g. paper documents, laptops or PC's.
- (f) The solution should allow for the audio & visual recording of meetings.
- (g) The solution should ensure that the Council would meet its obligations with regard to the provision and use of audio visual aids under the Disability Discrimination Act 1995 & 2005.
- (h) An ability to automatically zoom in on speakers would be preferable.
- (i) Ability to web cast any meeting to the Internet.
- (j) Power and network facilities should be available to each delegate to enable laptop or other devices to be used.

This was a highly technical area and it appeared that there were three options available, the first two providing good audio visual and option three providing basic voice amplification only.

ITEM	COST
<b>OPTION A</b> Cableless radio conference system incl:	
Hand Held Voting System	
Sound reinforcement / public address to relay audio to public seating area	
Radio / lapel microphones for public and hands free presentations	
Infrared hard of hearing system	
Digital recording and transcription	
Projectors and Multimedia	
Radio touch screen master control	
Autotrack video cameras	
Equipment Rack to house all the AV control equipment	
Engineering to programme system and training	
Engineering for additional training and to attend first meeting	
Project Management, Staff training, help desk and first years maintenance	
<b>TOTAL OPTION A</b>	£105,000
<b>OPTION B</b> Cableless radio conference system with voting incl:	
Hand Held Voting System	
Sound reinforcement / public address to relay audio to public seating area	
Radio / lapel microphones for public and hands free presentations	
Infrared hard of hearing system	
Digital recording and transcription	
Projectors and Multimedia	
Radio touch screen master control	
Autotrack video cameras	
Equipment Rack to house all the AV control equipment	
Engineering to programme system and training	
Engineering for additional training and to attend first meeting	
Project Management, Staff training, help desk and first years maintenance	
<b>TOTAL OPTION B</b>	£119,500
<b>OPTION C</b> - 9 fixed gooseneck microphones for bench + 16 radio microphones to give coverage around the chamber, with all associated speakers, control gear etc	
<b>TOTAL OPTION C</b>	£27,700

The choice of system, if any system was required, was for Cabinet to determine in terms of the facilities that they would wish to see utilised within the Council Chamber for the

benefit of members and the public who attend meetings.

Councillor Barry proposed, seconded by Councillor Hanson:-

- “(1) That in view of the health and safety aspects and the need to improve audio facilities and accessibility in Morecambe Council Chamber approval be given to restore existing furniture, including de-laquer of the tables, renew the carpet with a suitable quality replacement and to acquire the lowest cost audio system (Option C), with the estimated costs being funded from the Renewals Reserve.
- (2) That approval be given in principle to improve security at the Town Halls and White Lund Depot with the one-off costs being funded from the renewals reserve and the indicative ongoing costs being included in Cabinet's growth proposals, but that this be subject to a further more detailed report to Cabinet once the options have been fully appraised, including the potential to link up security and time management systems.”

Councillors then voted:-

**Resolved:**

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

- (1) That in view of the health and safety aspects and the need to improve audio facilities and accessibility in Morecambe Council Chamber approval be given to restore existing furniture, including de-laquer of the tables, renew the carpet with a suitable quality replacement and to acquire the lowest cost audio system (Option C), with the estimated costs being funded from the Renewals Reserve.
- (2) That approval be given in principle to improve security at the Town Halls and White Lund Depot with the one-off costs being funded from the renewals reserve and the indicative ongoing costs being included in Cabinet's growth proposals, but that this be subject to a further more detailed report to Cabinet once the options have been fully appraised, including the potential to link up security and time management systems.

Councillor Hamilton-Cox proposed, seconded by Councillor Barry:

“That in future both the front doors and the inner doors of Lancaster Town Hall be kept closed.”

Councillors then voted:-

***(2 Members (Councillors Barry and Hamilton-Cox) voted in favour, and 6 Members (Councillors Blamire, Bryning, Hanson, Leytham, Sands and Smith) voted against whereupon the Chairman declared the proposition to be lost.***



***Councillor Hanson having previously declared a personal and prejudicial interest as a member of Morecambe Town Council left the meeting at this point and did not vote on the following proposal.***

Councillor Leytham proposed, seconded by Councillor Smith:

“That Room G5 be allocated to Morecambe Town Council and that reassurance be given that the town council will be allocated a room until the next town council elections.”

***Resolved unanimously:***

- (3) That Room G5 be allocated to Morecambe Town Council and that reassurance be given that the town council will be allocated a room until the next town council elections.

**Officers responsible for effecting the decision:**

Head of Property Services  
Head of Financial Services

**Reasons for making the decision:**

The decision enables some immediate health and safety aspects to be addressed through the Renewals Reserve and enables officers to fully appraise and report back on the costings for security improvements. The confirmation of room allocation to Morecambe Town Council provides reassurance to, and will assist the town council in determining their budget allocations.

***Councillor Hanson returned to the meeting at this point***

**91 CHARGES FOR BINS AND BOXES**

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

Cabinet received a report from the Head of Environmental Services to provide details of an option to introduce charges for wheeled bins and recycling boxes as part of the 2012/13 budget setting process.

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

	<b>Option 1: Introduce a charge</b>	<b>Option 2: Don't introduce a charge</b>
Advantages	<ul style="list-style-type: none"> <li>• Fewer requests for bins.</li> <li>• Saves costs</li> <li>• Increased recycling rates.</li> <li>• Reduction in calls to Customer Service Centre.</li> <li>• Fewer receptacles left out in streets.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintains status quo</li> </ul>
Disadvantages	<ul style="list-style-type: none"> <li>• Customer dissatisfaction</li> <li>• Increased administration to</li> </ul>	<ul style="list-style-type: none"> <li>• No control over supply of bins and boxes which then</li> </ul>

	deal with payment	impacts on overall waste budget. • Does not encourage recycling
Risks	• This option could lead to increased incidences of fly tipping	This option could lead to not achieving recycling and waste reduction targets.

Option 1 was the officer preferred option. The introduction of charges to cover the costs of deliveries of wheeled bins and recycling boxes together with the associated administration would save costs, support our enforcement activities and potentially lead to enhanced recycling rates.

Councillor Smith proposed, seconded by Councillor Bryning:-

- “(1) That Cabinet does not approve the introduction of charges to householders for the delivery of wheeled bins and recycling boxes as part of the 2012/2013 budget.
- (2) That the costs of replacing wheeled bins and recycling boxes be monitored and reported to Cabinet on a monthly basis and consideration given to the possibility of introducing such charges as part of the 2013/14 budget process if requests for replacement continue to rise.”

Councillors then voted:-

***Resolved unanimously:***

- (1) That Cabinet does not approve the introduction of charges to householders for the delivery of wheeled bins and recycling boxes as part of the 2012/2013 budget.
- (2) That the costs of replacing wheeled bins and recycling boxes be monitored and reported to Cabinet on a monthly basis and consideration given to the possibility of introducing such charges as part of the 2013/14 budget process if requests for replacement continue to rise.

**Officers responsible for effecting the decision:**

Head of Environmental Services

**Reasons for making the decision:**

The Council has a statutory duty to collect household waste. The anticipated savings which the introduction of charging for replacement bins and boxes would provide was not considered essential to this year's budget proposals. The decision provides an opportunity to raise public awareness of the costs of replacing these receptacles and through monitoring the requests for replacements on a monthly basis Cabinet can give consideration to introducing such charges as part of the 2013/14 budget process if requests for replacement continue to rise.

The Heads of Environmental Services and Property Services left the meeting.

## 92 COMMUNITY ENGAGEMENT – WELLBEING

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

Cabinet received a report from the Head of Community Engagement which set out options for increasing the level of fees and charges at Salt Ayre Sports Centre, Community Pools, Recreation Grounds, Williamson Park and Platform.

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

	<b>Option 1</b> To approve the increase in fees as recommended in the report	<b>Option 2</b> To approve a different increase (either in percentage or £ income terms).	<b>Option 3</b> To do nothing and retain the existing fees and charges.
Advantages	This option makes a small additional contribution to the 2012/13 budget process, whilst retaining fees at competitive levels.	This option potentially allows for a greater increase in revenue, therefore making a greater contribution to the 2012/13 budget process.	This option would mean no price increases for customers (and so the 'subsidy' of associated services by all council tax payers would increase, irrespective of whether they use those services or not).  This option could, potentially, have a positive effect on income generation should throughput increase significantly as a result of no increases, but there is no strong evidence to support this.
Disadvantages	Any increase in fees is likely to be unpopular with customers.	Alternatively, if an increase less than the 2.6% general inflation assumption is approved, it would not meet the current budget requirements, and revenue raising opportunities would be lost.	Lost opportunity to raise additional revenue through fees and charges in areas that may stand an increase.  This option will not meet the current budget requirements, requiring additional income or savings to

		<p>An increase in fees above the recommended amount is likely to meet with customer resistance.</p> <p>This could result in reduction in income generation and as such customer dissatisfaction that may be difficult to respond to.</p>	<p>be generated from other activities / services undertaken by the council.</p>
Risks	<p>There is always a risk that customers will choose not to access services especially with any increase in charges.</p>	<p>There is always a risk that customers will choose not to access services if fees are too high or move to one of the key competitors in the district.</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>	<p>This option increases the difficulties of securing a viable budget at a time when additional income and savings are required.</p> <p>There is no compensating increase in throughput and the Council suffers loss of income.</p> <p>Perceived greater unfairness by tax payers generally.</p>

The officer preferred option was Option 1. This option allowed for increased revenue whilst retaining fees at affordable and competitive levels. The flexibility for the Head of Community Engagement to reduce charges from their maximum figure in line with particular promotions for activities would help to respond to changes in market demand throughout the year and this was noted on the appendix to the report.

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

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

Councillors then voted:-

***Resolved unanimously:***

- (1) That the charges for Salt Ayre Sports Centre, Community Pools, Williamson Park, Parks and Recreation Grounds and the Platform are increased in line with the proposed percentages (rounded to nearest £0.10) and arrangements as set

out in Appendix 1 to the report with effect from 1<sup>st</sup> April 2012, generating potential additional income of £11,300 over and above the minimum budgetary requirement to cover inflationary increases.

**Officers responsible for effecting the decision:**

Head of Community Engagement

**Reasons for making the decision:**

The proposed increases were considered to be fair and reasonable and would maintain income whilst retaining fees at affordable and competitive prices. It was noted that care had been taken in the recommended increases and in particular that increases had been avoided where possible in terms of children and young people. Fees and charges form an integral part of the budget setting process, which in turn relates to the Council's priorities. Under the Medium Term Financial Strategy (MTFS), income generation is a specific initiative for helping to balance the budget.

**93 DRAFT CORPORATE PLAN 2012/15**

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

Cabinet received a report from the Head of Community Engagement to provide Cabinet with the opportunity to consider Priorities and Actions for the Corporate Plan for the three year period commencing 2012 – 2015.

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

The report presented three options for Cabinet members' consideration. The options were all based around current priority areas, including the 14 additional priority areas recommended by Cabinet.

Option 1: Develop the 2012 – 15 Corporate Plan around four Corporate Priorities;

- Economic Growth
- Health and Well Being
- Clean, Green and Safe Places
- Community Leadership

Working in Partnership and Managing the Council's Resources to be treated as themes that supported all priorities.

Appendix A to the report set out these corporate priorities, related actions and cross cutting themes for consideration.

Option 2: Current Corporate Priorities were retained and members considered where existing and planned future areas of work best fit.

Option 3: Cabinet considered alternative Priorities.

The officer preferred Option was Option 1, which more closely reflected the council's

current aspirations and direction of travel.

The Corporate Plan was a central part of the council's Policy Framework stating the key priorities, the actions that were necessary to deliver the priorities and the outcomes that the council hoped to achieve for the district. The council's strategic planning arrangements created an opportunity each year to consider the changing needs and aspirations of local communities and shifting priorities, opportunities and challenges and to refresh the Corporate Plan to reflect these. The draft budget information and options set out in the Budget and Policy Framework Update also needed to be considered for the development of the council's Corporate Plan for 2012 – 2015.

It had been recognised that some priority areas did not fit comfortably within the existing agreed Priorities. Proposals to address this have been prepared for cabinet members' consideration with a view to developing recommendations for full council.

Councillor Leytham proposed, seconded by Councillor Sands:-

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

By way of an amendment which was accepted as a friendly amendment by the proposer and seconder of the original motion, Councillor Barry proposed:

“That an additional recommendation be added that Environmental Sustainability is treated as a theme that underpins all Corporate Priorities to ensure that the Council minimises its use of energy, promotes sustainable energy generation, uses local businesses and resources where possible, has high environmental standards and promotes the use of green jobs in the district.”

Councillors then voted on the proposals, as amended:-

***Resolved unanimously:***

- (1) That Cabinet approves four Corporate Priorities for the council's Corporate Plan 2012 – 2015 as Economic Growth; Health and Well Being; Clean, Green and Safe Places; Community Leadership.
- (2) That Working Together in Partnership is treated as a theme that underpins all Corporate Priorities as a way of achieving added value and efficiencies across all operational areas and service delivery.
- (3) That Managing the Council's Resources is treated as a theme that underpins all Corporate Priorities to ensure that operational areas and service delivery are managed efficiently, effectively and sustainably.
- (4) That Environmental Sustainability is treated as a theme that underpins all Corporate Priorities to ensure that the Council minimises its use of energy, promotes sustainable energy generation, uses local businesses and resources where possible, has high environmental standards and promotes the use of green jobs in the district.
- (5) That Cabinet notes that Recommendations 1, 2 and 3 are put forward as a result of existing Actions identified in the current Corporate Plan, the additional fourteen priority areas recommended by Cabinet, feedback from engagement workshops

and the draft budget information and options set out in the Budget and Policy Framework Update report.

**Officers responsible for effecting the decision:**

Head of Community Engagement

**Reasons for making the decision:**

The Corporate Plan is a central part of the policy framework stating the key priorities, the actions that are necessary to deliver the priorities and the outcomes that the Council hopes to achieve for our district over the next three years. The decision to approve Option 1 which sets out priorities that more closely reflected the council's current aspirations and direction of travel would enable officers to develop the 2012-15 Corporate Plan around the four Corporate Priorities.

***Councillor Hamilton-Cox left the meeting during the discussion of this item and was not present to participate in the vote.***

**94 MUSEUMS SERVICE**

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

Cabinet received a report from the Head of Community Engagement to update members on the review of the Museums Partnership and agree future management responsibilities.

No options were being put forward at the moment. The recommendation was to continue negotiations for a further year. The City Council was not yet in a position to respond to any changes to the current arrangements.

In taking forward negotiations with Lancashire County Council the focus would be on the following areas:

- Value for money considerations – such as could the per capita subsidy be reduced by either increasing visitor numbers or reducing costs by identifying efficiency or other savings that might be achieved as part of any new arrangements.
- A clear strategy to be developed for the future management of City, Maritime and Cottage Museums and within that, the relationship with the Judges Lodging Museum and eventually the Castle.
- Development of clearer cohesive arrangements around programming and pricing.
- Whilst retaining a shared approach with the County Council County there would need to be a clearer understanding of the direct services provided and their true costs.
- Issues such as information technology provision, financial management systems, procurement, inventories of equipment and tools, subcontracts etc would need to be considered as part of any new arrangements.

Councillor Sands, seconded by Councillor Hanson:

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

Councillors then voted:-

***Resolved unanimously:***

- (1) That the City Council continues with the existing partnership agreement with Lancashire County Council for a further year in order to continue ongoing dialogue aimed at developing a new shared service arrangement for the museums service in the district.
- (2) That further reports are brought back to members during 2012/13 presenting more detailed information that will form the basis of the new arrangements prior to their implementation.

**Officers responsible for effecting the decision:**

Head of Community Engagement

**Reasons for making the decision:**

Management of the Museums was an important element of the Council's priorities of Economic Regeneration and is cited within the Corporate Plan: 'An improved future for the district's museums is secured.' The decision will enable focused negotiations to be taken forward with Lancashire County Council.

**95 BUDGET & POLICY FRAMEWORK UPDATE - GENERAL FUND REVENUE BUDGET AND CAPITAL PROGRAMME**

**(Cabinet Members with Special Responsibility Councillors Blamire & Bryning)**

Cabinet received a report from the Head of Financial Services to inform Cabinet of the latest position following Council's consideration of the Budget and Policy Framework at its meeting held on 01 February, and to make recommendations back to Council in order to complete the budget setting process for 2012/13.

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

Cabinet was now requested to finalise its preferred revenue budget and capital programme proposals for referral on to Council, using the latest information available and taking account of the decisions already taken by Cabinet earlier in the meeting.

A separate updated schedule of proposals was circulated and discussed during the meeting. In particular, specific consideration was given to managing the capital financing risks surrounding the capital programme and their potential effects. Advice was sought from the Head of Financial Services, who outlined the provisions within existing Financial Regulations to help manage such situations. In addition a further report on the General Fund capital position would be scheduled for April Cabinet, when there should be more clarity on timescales and resulting risks. This would provide an opportunity to take action if needed to protect the Council's financial position.



### Revenue Budget

As Council had now determined the City Council tax rate for 2012/13, there were no options to change the total net revenue budget for next year (recommended at £20.190M) but Cabinet now needed to put forward detailed budget proposals that add back to that amount. Detailed options would be dependent very much on Members' views on spending priorities. Taking account of these, the Head of Financial Services (as s151 Officer) continues to advise that wherever possible, emphasis should be on achieving recurring reductions to the revenue budget.

### Capital Programme

Cabinet could adjust its capital investment and financing proposals to reflect spending commitments and priorities but overall its proposals for 2011/12 and 2012/13 must balance. Whilst there was no legal requirement to have a programme balanced over the full 5-year period, it was considered good practice to do so – or at least have clear plans in place to manage the financing position over that time. Inevitably capital investment needs and funding opportunities would change, but it was important to consider and manage stakeholder expectations regarding investment too.

In deciding its final proposals, Cabinet was asked also to take into account the relevant basic principles of the Prudential Code, which were:

- *that the capital investment plans of local authorities are affordable, prudent and sustainable, and*
- *that local strategic planning, asset management planning and proper options appraisal are supported.*

### Budget Framework (Reserves and Provisions / MTFS)

Given known commitments, risks and approved council tax targets there was little flexibility in financial terms, but Cabinet could consider different arrangements for approving the use of various reserves, or consider different budget strategies for future years. On the whole, however, the current arrangements had worked reasonably well and so no fundamental changes were proposed.

For General Fund the officer proposed option was that proposals to be put forward by Cabinet should fit with any external constraints and the budgetary framework already approved. The recommendations as set out meet these requirements; the detailed supporting budget proposals were then a matter for Members.

Councillor Bryning proposed, seconded by Councillor Barry:-

“That Council be recommended to approve recommendations (1) & (2) as set out in the report as amended to reflect the updated schedule.”

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

That Council be recommended to approve:

- (1) The General Fund Revenue Budget at £20.190M for 2012/13, resulting in a Council Tax Requirement of £8.363M excluding parish precepts.
- (2) The budget proposals as summarised at Appendix A, as amended, subject to any amendments arising in the Cabinet meeting and with the balance of any remaining savings requirement in 2012/13 being met from Revenue Balances.

Councillor Bryning proposed, seconded by Councillor Barry:-

“That Council be recommended to approve recommendations (3) (4) & (5) as set out in the report, as amended to fit with recommendation (2) above.”

***Resolved unanimously:***

That Council be recommended to approve, as amended:

- (3) The policy on provisions and reserves included at Appendix B.
- (4) The Capital Programme set out at Appendix C.
- (5) The Medium Term Financial Strategy (MTFS) and Prudential Indicators set out at Appendix D.

**Officers responsible for effecting the decision:**

Head of Financial Services

**Reasons for making the decision:**

The decision enables Cabinet to make recommendations back to Council in order to complete the budget setting process for 2012/13. The approval of the capital programme recognises that some items would not be progressed until funding was in place. A further report would be brought to Cabinet in April to provide an update with regard to the South Lancaster receipt and how to best manage any potential gap in funding in the event of a judicial review of the planning decision.

**96 TREASURY MANAGEMENT FRAMEWORK 2012/13**

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

Cabinet received a report from the Head of Financial Services which set out the 2012/13 Treasury Management framework for Cabinet's approval and referral on to Council.

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

The CIPFA Code of Practice on Treasury Management (“the Code”) required that a strategy outlining the expected treasury activity for the forthcoming 3 years be adopted, but that it be reviewed at least annually. It needed to cover various forecasts and activities. The proposed Strategy for 2012/13 to 2014/15 was set out at Appendix B to the report. This document contained the necessary details to comply with both the Code and Government investment guidance. Responsibilities for treasury management were set out at Appendix C and the updated policy statement was presented at Appendix D to the report.

Cabinet could put forward alternative proposals or amendments to the proposed Strategy in Appendix B to the report, but these would have to be considered in light of legislative, professional and economic factors, and importantly, any alternative views regarding the Council's risk appetite. As such, no further options analysis was available

at this time.

Furthermore, the Strategy needed to fit with other aspects of Cabinet's budget proposals, such as investment interest estimates and underlying prudential borrowing assumptions, feeding into Prudential and Treasury Management Indicators.

The officer preferred option was for Cabinet to approve the framework as attached, for referral on to Council. This was based on the Council continuing to have a low risk appetite regarding investments.

Councillor Bryning proposed, seconded by Councillor Barry:-

"(1) That the proposals, as set out in the report, be approved."

Councillors then voted:-

***Resolved unanimously:***

(1) That Council be recommended to approve the Treasury Management Framework as reflected in Appendices B to D to the report, and as updated for Cabinet's final budget proposals.

**Officers responsible for effecting the decision:**

Head of Financial Services

**Reasons for making the decision:**

As part of the adoption of the CIPFA Code of Practice on Treasury Management it is a statutory requirement that the authority has a Treasury Management Strategy Statement and Investment Strategy. The decision based on the Council continuing to have a low risk appetite regarding investments, takes into account the requirements of the Code.

***The meeting adjourned at 11.30am. The Head of Financial Services and Head of Community Engagement left the meeting at this point. The Internal Audit Manager joined the meeting when it reconvened at 11.40am.***

**97 EXCLUSION OF THE PRESS AND PUBLIC**

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

"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 paragraphs 1 and 2 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 paragraphs 1 and 2 of Schedule 12A of that Act.

**98 SENIOR MANAGEMENT STRUCTURE REVIEW (Pages 1 - 2)**

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

Cabinet received a report from the Chief Executive which was exempt from publication by virtue of paragraphs 1 and 2 of Schedule 12a of the Local Government Act 1972.

The options were set out in the exempt report:

Councillor Hanson proposed, seconded by Councillor Leytham, option 2 of the recommendations as set out in the exempt report.

Councillors then voted:-

*(5 Members (Councillors Blamire, Brying, Hanson, Leytham and Sands) voted in favour of the proposition and 2 Members (Councillors Barry and Smith) abstained. (Councillor Smith abstained in view of his being a member of the Personnel Committee which would be considering the implication of this decision in due course).*

**Resolved:**

- (1) The resolution is set out in a minute exempt from publication by virtue of paragraphs 1 & 2 of Schedule 12a of the Local Government Act 1972.

**Officers responsible for effecting the decision:**

Chief Executive

**Reasons for making the decision:**

The reasons for making this decision are set out in a minute exempt from publication by virtue of paragraphs 1 & 2 of Schedule 12a of the Local Government Act 1972.

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Chairman

(The meeting ended at 12.05 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 16 FEBRUARY, 2012.**

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:  
24 FEBRUARY, 2012.**

By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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