

**BUDGET AND  
PERFORMANCE PANEL**

**6.00 P.M.**

**24TH JANUARY 2017**

**PRESENT:-** Councillors Phillippa Williamson (Vice-Chairman), Sam Armstrong, Andrew Gardiner, Janet Hall, John Reynolds, Susan Sykes, Oscar Thynne and Nicholas Wilkinson (substitute for Councillor Dave Brookes)

Apologies for Absence:-

Councillors Dave Brookes (Chairman) and Roger Sherlock

Also in Attendance:-

Councillor Anne Whitehead	Cabinet Member for Finance and Revenues and Benefits
Neil Kissock	Director of Financial Resources, Lancashire County Council

Councillors June Ashworth, Jon Barry, Alan Biddulph, Eileen Blamire, Abbott Bryning, Darren Clifford, Tim Hamilton-Cox, Janice Hanson, Colin Hartley, Brendan Hughes, Geoff Knight, James Leyshon, Roger Mace, and Margaret Pattison.

Economic Stakeholder Representatives  
Voice your Views Panel Members

Officers in attendance:-

Susan Parsonage	Chief Executive
Nadine Muschamp	Chief Officer (Resources) and Section 151 Officer
Mark Davies	Chief Officer (Environment)
Andrew Clarke	Financial Services Manager
Stephen Metcalfe	Principal Democratic Support Officer
Sarah Moorghen	Democratic Support Officer

**20 MINUTES**

The minutes of the meeting held on 8<sup>th</sup> November 2016 were signed as a correct record.

**21 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIRMAN**

There were no items of urgent business.

**22 DECLARATION OF INTERESTS AND DECLARATIONS UNDER SECTION 106 OF THE LOCAL GOVERNMENT ACT 1992**

Councillor Nicholas Wilkinson declared a personal interest with regard to item minute 23, Lancashire County Council Consultation on Budget Proposals, being that he was a Trustee of the Friends of the Judges Lodgings Group.

***With the agreement of the Vice-Chairman minute 23, Lancashire County Council Consultation on Budget Proposals was moved forward on the Agenda.***

**23 LANCASHIRE COUNTY COUNCIL CONSULTATION ON BUDGET PROPOSALS**

The Vice-Chairman welcomed Neil Kissock, Director of Financial Recourses at Lancashire County Council to the meeting who presented the County Council budget report on the Financial Strategy for 2017/18 to 2020/2.

Members were informed that the report had been considered by the County Council's Cabinet at its meeting on the 19<sup>th</sup> January 2017.

The Panel was advised that the County Council was facing an unprecedented financial challenge. The Medium Term Financial Strategy reported in December 2016 forecast that the County Council would have a financial shortfall of £146.133m in 2020/21. This was a combination of reducing resources as a result of the government's extended programme of austerity at the same time as the Council was facing significant increases in both the cost (for example, as a result of inflation and national living wage) and the level of demand for its services. The revised position following the provisional financial settlement for 2017/18 was now for a financial shortfall of £153.389m in 2020/21. This revised gap was after the impact of the settlement, new financial pressures, revised council tax projections and included savings proposals that had previously been agreed by the County Council's Cabinet.

The Panel considered the report on the County Council's Consultation on Budget proposals and asked a number of questions relating to capital investments in electric vehicle replacement and charging points, engagement with national Government regarding budget concerns and how much money had been spent repairing libraries and how many of those libraries had since been closed.

Councillors asked a number of questions regarding consultancy costs for adult social care and consideration of Council Tax increases.

***Resolved:***

- (1) That the report be noted and Mr Neil Kissock be thanked for his attendance at the meeting.
- (2) That the County Council Representative be requested to provide responses to the queries raised.

**24 BUDGET AND POLICY FRAMEWORK UPDATE 2017-21**

Councillor Anne Whitehead, Cabinet Member with responsibility for Finance and Revenues & Benefits, presented the City Council's Budget and Policy Framework Update 2017-21.

The Cabinet Member advised the Panel that the budget proposals had been considered at the meeting of Cabinet on the 17<sup>th</sup> January 2017. The Panel was informed that, due to continued cutbacks in funding for local authorities by Central Government's, the City Council had been forced to budget for large amounts of savings in 2016/17 and beyond. A large number of savings proposals, which included service efficiencies and reductions, income generation and invest-to-save, had being implemented. There was also a small amount of money allocated to growth proposals. Balanced budgets had been set for 2016/17 and 2017/18, however, the Panel was advised that additional large amounts of savings would need to be made in 2018/19 and beyond.

Councillor Anne Whitehead invited questions from the Panel, Councillors and Stakeholders.

The Panel asked a number of questions regarding Key Performance Indicators (KPI's) on growth items, strategic reviews and restructuring, how the City Council was promoting the Bay Gateway, Salt Ayre and how this may be affected by the proposed trampoline park in Morecambe. Members also asked questions regarding the Bailrigg Garden Village, the £500,000 reserves in the budget earmarked for economic development and the Community Housing Fund.

Councillors asked a number of questions relating to the Lancashire Enterprise Partnership (LEP), budget saving on street cleansing how these would be achieved and the impacts on the service of additional residential development in the district. Members also asked questions on solar farms, zero based budgeting, borrowing on the Capital Programme, interest payments, business rates and renewable energy schemes.

It was then proposed by Councillor Wilkinson and seconded by Councillor Gardiner:-

- "(1) That the report be noted and Councillor Anne Whitehead be thanked for her presentation and attendance at the meeting.
- (2) That more detailed information be provided prior to Budget Council regarding Key Performance Indicators (KPI's) in relation to new posts proposed as growth items within the Budget Proposals.
- (3) That further information be provided prior to Budget Council regarding any spending plans and/or proposed criteria for using the £500,000 reserve to be earmarked specifically for supporting economic growth.
- (4) That regular updates on Salt Ayre be provided to the Panel as part of quarterly monitoring reporting."

Upon being put to the vote Members voted unanimously in favour of the proposition, whereupon the Vice-Chairman declared the proposal to be carried.

***Resolved:***

- (1) That the report be noted and Councillor Anne Whitehead be thanked for her presentation and attendance at the meeting.
- (2) That more detailed information be provided prior to Budget Council regarding Key Performance Indicators (KPI's) in relation to new posts proposed as growth items within the Budget Proposals.
- (3) That further information be provided prior to Budget Council regarding any spending plans and/or proposed criteria for using the £500,000 reserve to be earmarked specifically for supporting economic growth.
- (4) That regular updates on Salt Ayre be provided to the Panel as part of quarterly monitoring reporting.

**25 LANCASHIRE POLICE AND CRIME COMMISSIONER BUDGET PROPOSALS**

The Vice-Chairman advised the Panel that Mr Grunshaw, Police and Crime Commissioner for Lancashire, had submitted his apologies prior to the meeting.

It was noted that Panel that, at its meeting on the 23<sup>rd</sup> January 2017, the Commissioner's budget proposals for 2017/18 had been considered by the Lancashire Police and Crime Panel. Copies of the report that had been considered had been received after the publication of the Panel's agenda and this had been published and circulated to Members separately.

It was then proposed by Councillor Armstrong and seconded by Councillor Phillipa Williamson:-

"(1) That the report be noted.

- (2) That the Panel requests that the Police and Crime Commissioner, or his representative, attends the next meeting of the Panel and answer questions on the Budget Proposals."

Upon being put to the vote 7 Members voted in favour of the proposition with 1 abstention, whereupon the Vice-Chairman declared the proposal carried.

***Resolved:***

- (1) That the report be noted.
- (2) That the Panel requested that the Police and Crime Commissioner, or his representative, attends the next meeting of the Panel and answer questions on the Budget Proposals.

**26 LANCASHIRE COMBINED FIRE AUTHORITY BUDGET PROPOSALS**

The Chairman advised the Panel that the Lancashire Combined Fire Authority had submitted its report for comment.

***Resolved:***

- (1) That the report be noted.
- (2) That any questions from the Panel for the Lancashire Combined Fire Authority be submitted to Democratic Services by 12 noon on Friday, 27<sup>th</sup> January 2017.

---

Chairman

(The meeting ended at 7.50 p.m.)

**Any queries regarding these Minutes, please contact  
Sarah Moorghen, Democratic Services - telephone 01524 582132 or email  
smoorghen@lancaster.gov.uk**