

CABINET

6.00 P.M.

9TH JUNE 2020

PRESENT:- Councillors Erica Lewis (Chair), Kevin Frea (Vice-Chair), Dave Brookes, Tim Hamilton-Cox, Janice Hanson, Caroline Jackson, Jean Parr, John Reynolds and Alistair Sinclair

Officers in attendance:

Kieran Keane	Chief Executive
Daniel Bates	Director of Corporate Services
Mark Davies	Director for Communities and the Environment
Jason Syers	Director for Economic Growth and Regeneration
Paul Thompson	Chief Financial Officer (Head of Finance & Section 151 Officer)
Luke Gorst	Head of Legal Services and Monitoring Officer
Mark Cassidy	Planning Manager
Paul Rogers	Senior Regeneration Officer
Debbie Chambers	Democratic Services Manager and Deputy Monitoring Officer
Liz Bateson	Principal Democratic Support Officer, Democratic Services

1 MINUTES

The minutes of the virtual meeting held on Tuesday 30 April 2020 were approved as a correct record.

2 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

3 DECLARATIONS OF INTEREST

The following declarations were made in relation to the Lancaster Canal Quarter report:

Councillor Lewis declared that she had been on the Executive of the Lancaster & Fleetwood Labour party which holds property within the canal quarter area although she had recently resigned from that position.

Councillor Sinclair advised that he had also previously been on the Executive of the Lancaster & Fleetwood Labour party and had previously been a member of the Canal Corridor Action group in the past.

Councillor Jackson confirmed that she had also previously been a member of the Canal Corridor Action Group.

4 PUBLIC SPEAKING

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

At this point the Chair requested that standing order 17 (Cabinet Procedure Rule 17) be suspended to allow for questions to be taken from all members as the reports were introduced. The proposal was moved by Councillor Brookes, seconded by Councillor Frea and unanimously agreed.

Resolved unanimously:

- (1) That Standing Order 17 (Cabinet Procedure Rule 17) be suspended.

5 COVID POLICY FOR SPENDING DELEGATIONS WITHIN THE BUDGET

The Chair advised the meeting that the spending delegations would no longer be considered by Cabinet as they had been made earlier that day in the Chair's capacity as Leader of the Council. The delegations would be circulated to Cabinet and appended to the Constitution.

6 COVID-19 FINANCIAL IMPACT

(Cabinet Member with Special Responsibility Councillor Lewis)

The Covid-19 pandemic has had a significant effect on the financial position of all local authorities. Cabinet received a report from the Chief Finance Officer which provided an update on the current financial position in line with May's Ministry for Homes Community and Local Government (MHCLG) submission and set out scenarios (worse and best case) and their potential implications for Council's finances in 2020/21.

Financial implications were categorised into 3 different areas:

- New costs that arise simply as a result of the emergency for example the setting up and operation of the emergency foodbank hub at Salt Ayre Leisure Centre.
- Increase in some service costs that were not budgeted at the 'new' level due to the emergency, for example increase in temporary accommodation need, additional work by the Council's facilities management team and the purchase of additional Personal Protective Equipment (PPE).
- Loss of income that would otherwise have been received by the Council in 'normal' times (e.g. car parking, other fees and charges, investment income, council tax and business rates receipts).

The report included Financial Modelling and Scenarios although predicting what the final impact of COVID-19 on the Council's finances might be was extremely difficult as it was dependent on a number of factors and variables such as how long restrictions will last for and how quick, or slow the recovery will be. There was also the longer term impact on how the lockdown has changed people's habits around shopping, transport and exercise etc. and how these were to be reflected.

The report included current estimates of the impact of COVID on the Council's General

Fund budget based on the best estimates from budget holders. Best and worst case scenarios had been developed and these would be monitored over the next few months and, as more information became available, the range between these estimates was expected to narrow.

The analysis focussed predominantly on 2020/21 but it was anticipated that COVID-19 would have a longer lasting impact on the Lancaster district and this would have to be reflected in medium term financial modelling. There was a likelihood that incomes might not recover and COVID-19 related expenditure might extend into future years. In the longer term, it was recommended that the Council undertook an outcomes based budgeting exercise to refocus budgets around the Council's COVID recovery priorities.

Impact on Reserves was also outlined. An analysis was undertaken as part of the Council's Medium Term Financial Strategy to compare ourselves to other Councils both nationally and regionally. This work had shown that over the recent years the Council's level of usable reserves increased significantly, as a result of increases Business Rates Retention Reserve. As a result the Council was more financially resilient than many of its neighbours. It was noted that initial modelling on the impact on reserves covering the next 18-36 months would commence shortly.

With regard to the capital programme it was reported that the Caton Road Flood Defence Works had faced additional financial pressures and a number of capital projects had been accelerated, or brought forward as a result of the Council's response to the pandemic.

The report provided information on Business Rates and Council Tax collection referencing the small business grants and discretionary grant.

To ensure that Members were kept updated a number of monitoring processes were being introduced:

- Monthly update reporting to Cabinet and Budget & Performance Panel
- Financial modelling updated with the latest estimates and forecasts aligned to MHCLG returns
- Worst and best case scenarios updated to take account of latest information and forecasts .

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

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

Councillors then voted:-

Resolved unanimously:

- (1) That the details of the report outlining the potential impact on the Council's finances resulting from the COVID-19 pandemic be approved.
- (2) That the proposed new monitoring arrangements be endorsed.

Officers responsible for effecting the decision:

Director of Corporate Services

Chief Finance Officer

Reasons for making the decision:

The Council should not assume that the world, our district, or our Council can, or should, return to “business as usual”. There have been many new initiatives and new ways of working identified during the past few months which would become a “new normal”. Looking forward it was important that key financial decisions were made based on good intelligence. Over the next couple of months officers would be able to provide sharper forecasts for COVID expenditure and income loss as well as knowing the likelihood of any further Government compensation. Cabinet had started to consider how Council may look in recovery and will look at the opportunities to refocus Council and its finances around a ‘new normal’.

7 LANCASTER DISTRICT PLAN 2030- BEYOND THE CRISIS

(Cabinet Members with Special Responsibility Councillors Lewis & Sinclair)

Cabinet received a report from the Chief Executive which set out a high level plan for the achievement of the Council’s strategic priorities through the Covid crisis and beyond. The report set out the key strategic groups that Cabinet would use to deliver achievement of the Council’s priorities within the context of the emergency phase and likely next phases of the Covid pandemic. If adopted these would be used as the basis for further consultation, development, decision-making and long term planning and be referred to Full Council.

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

The diagram of the plan was set out in document B of the report. The plan recognised that significant effort over the next few years would be taken up in recovering from the impact of the COVID pandemic. The overall aim was to deliver the Council’s strategic priorities and support recovery to a sustainable, safe and socially just District that was healthy, connected, empowered and enabled.

The plan would be delivered through 5 themed groups, all of which were interdependent and would cover a number of the Council’s strategic priorities. Each group would be led by 2 Cabinet Members and be supported by a Chief Officer. Each group would have officers assigned to support the workstreams of the group. Officers would be drawn from the range of services that the Council provided.

It was vitally important that the Council engaged with its communities and businesses and utilised the knowledge and community wealth that exists in the district. Councillors, organisations, community groups and individuals from outside the Council would be invited to contribute to the work of these groups.

The role of the groups would be to:

- Assist in the development of policy and set objectives
- Engage with communities / businesses / organisations etc
- Assist in the defining of strategic outcomes
- Prioritise resources

- Agree and deliver projects
- Deliver real outcomes

The themes and activities in the groups had been identified as development areas that would significantly contribute, in partnership with the community, to the achieving of the council's key priorities. They did not represent the totality of what the Council delivered. Core statutory services would continue to be delivered.

Each group would agree a detailed delivery plan. As the plan was developed consideration needed to be given to ensuring democratic accountability and fit with the Council constitution.

The plan outlined has been developed by Cabinet and Officers.

The risk is not delivering the Council's priorities. This plan is intended as a means of mitigating that risk.

Councillor Sinclair proposed, seconded by Councillor Lewis:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet adopt the strategic groupings (circles) as set out in Document B to the report as the means of further progressing the agreed Council's priorities.
- (2) That Cabinet work with officers on the development of the plan which when finalised will be recommended to Council.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

Council adopted the priorities set out in Document B of the report on 29 January 2020 as the basis for development of its policy framework including budget decisions that were taken for 2020/21 and would be taken in future years. Cabinet has since then been planning how to deliver these priorities for the period to 2030. There is a need to put in place an immediate plan that will support the recovery of the district and also set the path for the delivery of the Council's priorities.

This Plan, when finalised, will form part of the Policy Framework of the Council, adoption of which will be by Full Council.

8 LANCASTER CANAL QUARTER: STRATEGIC REGENERATION FRAMEWORK AND DELIVERY STRATEGY

(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)

Cabinet received a report from the Director for Economic Growth and Regeneration to consider the outcome of the Draft Lancaster Canal Quarter Strategic Regeneration Framework (SRF) statutory consultation process, and note the amendments accepted by officers and approve a final version for adoption as a Supplementary Planning Document (SPD) to sit within the suite of Local Plan policy, advice and guidance material. The report also outlined the next steps in delivering a viable regeneration development proposal and phasing/delivery strategy, alongside the key approvals required to undertake the next stage of work.

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

Option 1: The final version of the Canal Quarter Strategic Regeneration Framework is not agreed as a formal publication version.
Advantages: No advantages identified unless Members require substantive amendments to the document
Disadvantages: Delays the adoption of an SPD as required in emerging Local Plan policy.
Risks: Future planning applications for the Canal Quarter area may be submitted outside of an agreed spatial planning framework.
Option 2: The final version of the Canal Quarter Strategic Regeneration Framework is agreed as a formal publication version and issued for a further four week statutory consultation period. Should there be no substantive amendments – the document is adopted as planning policy.
Advantages: Enables the council to progress a cornerstone of its approach to the regeneration of the Canal Quarter site.
Disadvantages: Within the flexibility outlined in the document the SRF fixes the council's overarching spatial approach / preferences for the future development of the area.
Risks: Risks of progressing the SPD are mainly around reputational risk to the council of suggesting an approach which does not meet the objectives and/or does not find favour with the wider community.
However, the CQRSF document has been the subject of extensive public participation and should reflect the balance of stakeholder and community aspirations.

The Officer preferred Option is Option 2. The final version of the CQRSF presents a clear statement and position on the council's overarching spatial approach / preferences for the future development of the area. This will guide all future planning applications and development proposals and there can be confidence that the document reflects a balanced and considered view of the council's aspirations as informed by extensive

stakeholder / community consultation.

Councillor Reynolds proposed, seconded by Councillor Hanson:-

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

By way of amendment, which was accepted as a friendly amendment, Councillor Hamilton-Cox proposed ‘that recommendation (1) be amended to include a two week consultation with members before the consultation took place enabling members the opportunity to provide a political stamp.’

Councillors then voted on the revised proposition:-

Resolved unanimously:

- (1) That the final version of the Canal Quarter Strategic Regeneration Framework be agreed as a formal publication and that prior to the four week statutory consultation period a two week member consultation enabling members the opportunity to provide a political stamp be undertaken.
- (2) That should there be no substantive amendments arising from the final consultation the document is adopted as a Supplementary Planning Document.
- (3) That pre-approval is given for officers to make bids to the Canal Quarter Reserve for use in progressing the elements of the Canal Quarter regeneration project identified in the report.

Officer responsible for effecting the decision:

Director for Economic Growth and Regeneration

Reasons for making the decision:

The Canal Quarter site is a long-standing allocation within the Lancaster Local Plan. The Final Version of the Canal Quarter Strategic Regeneration Framework (CQSRF) recognises its potential for:

- A sustainable extension to the current city centre to facilitate growth;
- Accommodating a range of uses, including retail, leisure, residential, cultural and wider commercial uses;
- Retaining Lancaster City Centre’s role and function serving both the district and the North Lancashire / South Cumbria sub-region;
- Retention of historic buildings of significance, views and the creating of public open space.

The Local Plan is made up of the entire suite of adopted development plan documents (DPDs). An SPD is not a development plan document and it is not part of the development plan. It cannot introduce new policy, instead its role is to supplement policy in an adopted development plan document. The CQSRF is therefore compliant and does not conflict with the Local Plan and approval by Cabinet is an appropriate course of action.

The development of the CQSRF and its adoption comply with the terms of the city council's Statement of Community Involvement and direction on public participation.

The decision provides an opportunity for a two week member consultation on the Final Version of the CQSRF prior to it being the subject of a four week statutory consultation period. The statutory consultation and adoption of the SPDs would be carried out in accordance with the process set out in the Town and Country Planning (Local Planning) (England) Regulations 2012.

9 LANCASTER AND SOUTH CUMBRIA JOINT COMMITTEE

(Cabinet Member with Special Responsibility Councillor Lewis)

Cabinet received a report from the Chief Executive which sought approval to progress arrangements for the formation of a joint committee with Barrow Borough Council and South Lakeland District Council. The committee would create a formal, shared link between the three councils, build on collective strengths and increase capacity to deliver on key issues and mutually shared interests affecting the region.

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

Option 1: To enter into a Joint Committee

Advantages: As described in the report

Disadvantages: Some administration cost, possible perception of subsidiarity

Risks:

Each or any of the three constituent authorities do not agree or continue the joint arrangements with the consequence that the benefits and opportunities of collaborative working are not realised.

Joint arrangements are not recognised by other partners and Government

Option 2: Not to enter into a Joint Committee

Advantages: Disadvantages above avoided

Disadvantages:

The constituent authorities could continue with an informal collaboration. This option is not recommended as the requirements and options for promoting growth and investment proposals to Government and local partners will be strengthened if backed by a demonstrable joint commitment that a formal arrangement represents.

The existing informal collaboration is not open to political and democratic scrutiny other

than individually through each of the constituent authorities.

Risks: As risks

Councillor Lewis proposed, seconded by Councillor Jackson:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That a Joint Committee with Barrow Borough and South Lakeland District Council covering all respective administrative areas to promote the economic, social and environmental wellbeing of the areas be established.
- (2) That the Executive Functions within the Terms of Reference be delegated to the Joint Committee and the Procedure Rules, as attached in Appendix 1 of the report and outlined in the report be adopted.
- (3) That it be agreed that Lancaster City Council act as the initial host authority for one year.
- (4) That the Leader and one other cabinet member (appointed from time to time by the Leader) be appointed to the Joint Committee.
- (5) That Council be requested to authorise the Monitoring Officer to amend the Constitution at Part 2 Section 6 to reflect the delegations and joint arrangement.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

Promoting a strategic economic, social and environmental well-being development approach across the region has been promoted via the prospectus, the event at Lancaster University and directly with Ministers, MP's and bodies such as the Northern Powerhouse Partnership. The Leaders and Chief Executives of the constituent authorities have discussed options for creating more formal and accountable arrangements for the Councils to progress growth initiatives. The proposed arrangement will be for the discharge of executive functions only in order to promote the social, economic and environmental wellbeing of the area.

10 LAUNCH OF 'A RAIL STRATEGY FOR LANCASTER DISTRICT'

(Cabinet Member with Special Responsibility Councillor Reynolds)

Cabinet received a report from the Director for Economic Growth and Regeneration to present the recently-drafted Rail Strategy for the Lancaster District for formal endorsement. Subject to Cabinet endorsement for the Strategy, it was originally

envisaged that a formal launch event would be arranged. The nature of this launch event will require further consideration as a consequence of the Covid-19 pandemic, and this is discussed in the report. The Strategy would be used as a basis for influencing key stakeholders and decision-makers within the rail industry.

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

Option 1: To endorse the Rail Strategy for Lancaster District

Advantages:

The Strategy can be used by the City Council, working with the County Council, to advance the case for improved service provision for long-distance trains including HS2 services; improvements to the regional and local services; and improvements to Lancaster, Morecambe and Carnforth stations.

Disadvantages: There are no recognised disadvantages arising from the endorsement of the Strategy.

Risks: There are no recognised risks arising from the endorsement of the Strategy.

Option 2: Do not endorse the Rail Strategy for Lancaster District

Advantages: None.

Disadvantages: The case being made for HS2 services serving Lancaster would continue to be made by the County Council and the LEP, but without the addition of the local context provided by this Rail Strategy and without the local economic modelling that has been undertaken to inform it. In the absence of this data, HS2 service decisions (in particular) will potentially be made without due consideration of the social and economic implications for the Lancaster District.

Risks: Whilst the failure to endorse the Strategy does not carry direct risk for the City Council, there would be significant financial risks associated with the loss of direct London services to/from Lancaster, which has greater potential to arise as a probable scenario if Lancaster City Council does not formally establish its position and seek to advance its case.

The officer preferred option is Option 1. This action will enable the City Council to establish its' formal position regarding HS2 and regional and local services, and will lead to Officers working with partners, stakeholders, service providers and Central Government to advance the district's case. Whilst it is intended that the priorities listed within the document will remain unaltered, the Strategy may be updated by the inclusion of the most-recent economic data, to help support the district's case.

Councillor Reynolds proposed, seconded by Councillor Brookes:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the Rail Strategy for Lancaster District is formally endorsed and used thereafter to positively influence key stakeholders and decision-makers in the rail industry, for the benefit of the district's residents, businesses and other organisations and groups.

Officer responsible for effecting the decision:

Director for Economic Growth and Regeneration

Reasons for making the decision:

The proposals accord with the ambitions of the Council Plan and the Local Plan. The Council Plan includes ambitions to create strong conditions for growth so that businesses thrive and jobs are created; ensure that growth is good for all; work with partners to drive growth and achieve major investment across the Region; and to use innovation, technology and partnership with other to reduce our impact on the environment. The Council Plan also aims to enhance community cohesion. The emerging Local Plan for Lancaster District includes a strategic objective (within the Strategic Policies and Land Allocations Development Plan Document) to capitalise on the accessibility of the district, maximising the opportunities provided by its location on the main strategic rail (and road) network. It also seeks to improve transport connectivity around Morecambe Bay through improvement to rail services at Morecambe and Carnforth.

Policy SP10 (Improving Transport Connectivity) establishes an expectation that there will be greater promotion of a variety of sustainable transport modes. Policy EC5 discusses the potential for improving rail links from Carnforth. Policy T4 reinforces this ambition, by explaining that the Council will work collaboratively to investigate opportunities to improve regional rail linkages from both Morecambe and Carnforth. The emerging Development Management Development Plan Document Policy DM64 references the Lancaster District Highways and Transport Masterplan, and the ambition to improve rail services.

11 EXCLUSION OF THE PRESS AND PUBLIC

The Chair advised the meeting that there was just one report for consideration in the private part of the meeting, the Customer Relationship Management (CRM) report, as the other two items had been pulled from the agenda. The Chair indicated that unless there were any questions in relation to the Business Case appended to the CRM report which could not be discussed in a public meeting, officers had confirmed it was not necessary to go into private session to discuss the CRM report. The press and public were therefore not excluded at this point.

12 HEST BANK FLOOD PROTECTION

It was noted that this item no longer required a Cabinet decision.

13 EDEN PROJECT NORTH

It was noted that this item had been deferred for consideration by Cabinet on 14 July 2020.

14 **PROCUREMENT OF A REPLACEMENT CUSTOMER RELATIONSHIP MANAGEMENT SYSTEM**

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Director for Communities and the Environment which requested authorisation to procure a replacement Customer Relationship Management System and set out the business case for so doing. Following a question from Councillor Heath the Cabinet Member with responsibility confirmed that a written response would be provided identifying which other local authorities used the system.

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

Option 1:
Cabinet approves the procurement of a replacement CRM system
Advantages:
<ul style="list-style-type: none"> The use of digital technologies will make it easier for managers to drive efficiencies by streamlining processes, reducing carbon emissions through changes such as route optimisation and becoming paperless. Our residents will be able to access straightforward, transparent, and seamless service delivery at a time convenient to them and on a mobile device of their choice. Failure demand will be reduced - cutting back on additional costly contact
Disadvantages:
<ul style="list-style-type: none"> Requires an additional level of expenditure
Risks:
<ul style="list-style-type: none"> There are risks associated with delivering complex technology projects. These risks will be managed as part of the project management.
Option 2:
Cabinet does not approve the procurement of a replacement CRM system
Advantages:
<ul style="list-style-type: none"> No additional expenditure incurred for the CRM
Disadvantages:
<ul style="list-style-type: none"> Council services will remain relatively less accessible and the Council would find it more difficult to drive efficiencies The existing software cannot be developed to support and promote the service improvements we are trying to achieve.

<ul style="list-style-type: none"> An inability to take advantage of new ways of working (including mobile, self-service and joined up service delivery)
Risks:
<ul style="list-style-type: none"> There is a risk that the Council will ‘fall behind’ if it is not able to adequately respond to the opportunities provided via digital technology
<ul style="list-style-type: none"> Reputational risk of failing to meet the expected level of service residents experience when dealing with other organisations.

The officer preferred option was option 1.

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

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet approves the procurement of a replacement Customer Relationship Management System.

Officer responsible for effecting the decision:

Director for Communities and the Environment

Reasons for making the decision:

The decision is consistent with the Council’s Ambitions: A Smart & Forward Thinking Council and supports the Council’s Digital Strategy which promises to “focus around our customers in order that they can easily connect with the Council at time and place of their choosing enabling them to tell us once and expect us to get it right first time”. In addition, digital technologies allow the Council to work in a more agile way and provide the opportunity to reduce carbon emissions by cutting down on unnecessary travel, optimising routes for waste collection and using digital technologies around paperless working.

Prior to closing the meeting the Chair thanked attendees, participants and officers for their contribution to the meeting and confirmed that a Cabinet reshuffle would be announced the following day following on from the resignation of Councillor Whitehead from Cabinet. The Chair expressed her thanks to Councillor Whitehead for her hard work and diligence as the Cabinet Member for Finance over the previous five years.

Chair

(The meeting ended 8.05pm)

**Any queries regarding these Minutes, please contact
Liz Bateson, Democratic Services - telephone (01524) 582047 or email
ebateson@lancaster.gov.uk**

MINUTES PUBLISHED ON MONDAY 15 JUNE , 2020.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
TUESDAY 23 JUNE, 2020.**