

CABINET

6.00 P.M.

6TH DECEMBER 2022

PRESENT:- Councillors Caroline Jackson (Chair), Kevin Frea (Vice-Chair),
Dave Brookes, Gina Dowding, Tim Hamilton-Cox, Cary Matthews,
Sandra Thornberry, Anne Whitehead and Jason Wood

Apologies for Absence:-
Councillor Tricia Heath

Officers in attendance:-
Mark Davies Chief Executive
Luke Gorst Head of Legal Services and Monitoring Officer
Paul Thompson Chief Financial Officer (Head of Finance & Section
151 Officer)
Mark Cassidy Head of Planning and Place
Elliott Grimshaw Business Imp & Project Delivery Lead
Liz Bateson Principal Democratic Support Officer

43 MINUTES

The minutes of the meeting held on Tuesday 25 October 2022 were approved as a correct record.

44 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

45 DECLARATIONS OF INTEREST

Councillor Caroline Jackson declared an interest with regard to the Lancaster Moor Conservation Area in view of the conservation area bordering land that she owned.

46 PUBLIC SPEAKING

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

47 LANCASTER MOOR CONSERVATION AREA

(Cabinet Member with Special Responsibility Councillor Dowding)

Cabinet received a report from the Director for Economic Growth & Regeneration that advised Cabinet of the proposals and the outcome of a consultation and sought approval for the making of a new designated Lancaster Moor Conservation Area.

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

| | | |
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| | Option 1: That the conservation area designation is approved. | Option 2: That the conservation area designation is not |
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| | | approved |
| Advantages | The designation would be consistent with the LPA's statutory duties under Section 69 of the 1990 Act and would provide appropriate protection to an area of special architectural and historic interest. | None |
| Disadvantages | None | The special architectural and historic interest of the area would be at risk of not being preserved or enhanced. |
| Risks | None | That as a consequence of non1designation, historic buildings, features and trees may be lost |

The officer preferred option was option 1. In accordance with the LPA's statutory duties and national policy, and having considered the responses to the public consultation, the LPA concludes that a conservation area designation for Lancaster Moor is retained, but with minor modifications to the conservation area boundary. As a consequence of these amendments, it is therefore recommended that the previous conservation area designation be rescinded and that a new conservation area designation be made under section 69 of the 1990 Act, based on the revised boundary map within Appendix 7 to the report.

Councillor Dowding proposed, seconded by Councillor Matthews:-

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

Councillors then voted:-

Having declared an interest in this item Councillor Caroline Jackson abstained during the vote.

Resolved:

(8 Members (Councillors Brookes, Dowding, Frea, Hamilton-Cox, Matthews, Thornberry, Whitehead & Wood) voted in favour, and 1 Member (Councillor Caroline Jackson) abstained.)

- (1) That the rescinding of the previous Lancaster Moor Conservation Area designation be approved, and approval be given to the making of a new designated Lancaster Moor Conservation Area.

Officer responsible for effecting the decision:

Head of Planning & Place

Reasons for making the decision:

Under Section 69 of the Town and Country Planning (Listed Buildings and Conservation Areas) Act 1990, the Council has a duty to consider which parts of the district comprise areas of special architectural or historic interest, the character and appearance of which it is desirable to preserve or enhance and designate those areas as conservation areas. The adopted Local Plan contains policies for the management of conservation areas in response to planning applications for the development of land and buildings.

Having considered all the responses to the consultation on the principle of the conservation area designation officers concluded that none of the responses and issues raised within them outweighed the justification for conservation area designation for Lancaster Moor although as a result of the consultation a minor boundary change (as proposed by residents) was deemed appropriate, on the basis that the properties in question form part of an infill of modern housing within the grounds of Standen Park.

48 MOREHOMES FOR THE BAY (INVESTMENTS) LTD AND MOREHOMES FOR THE BAY (DEVELOPMENTS) LTD TERMS OF REFERENCE

(Cabinet Member with Special Responsibility Councillor Matthews)

Cabinet received a report from the Head of Housing that sought to confirm the Shareholder Committee Terms of Reference for Morehomes for the Bay (Investments) Ltd and Morehomes for the Bay (Developments) Ltd.

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

| | Option 1: Approve the Shareholder Committee Meeting rules | Option 2: Do not approve the Shareholder Committee Meeting rules |
|---------------|--|---|
| Advantages | The Council is adhering to the rules contained with the Shareholders Agreement in reviewing the Terms of Reference annually. | None known. |
| Disadvantages | None known. | No disadvantages known other than not working to the process as outlined in the formerly signed Shareholders Agreement. |
| Risks | None known. | Limited – as set out above in the Disadvantages. |

The officer preferred option is Option 1. By approving the Terms of Reference this allows for appropriate amendments to be made aligned to agreed processes as set out in the Shareholders Agreement.

Councillor Matthews proposed, seconded by Councillor Wood:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the Morehomes for the Bay Shareholder Committee Terms of Reference be approved.

Officer responsible for effecting the decision:

Head of Housing

Reasons for making the decision:

The decision is consistent with the rules set out in the Shareholders Agreement: Schedule 4 of the Agreement details the Terms of Reference for the Shareholders Committee – section 9 states ‘these Terms of Reference shall be reviewed at least annually, and any amendments shall be approved by the Council Cabinet.’

49 BUSINESS PLAN IN RELATION TO MOREHOMES FOR THE BAY (INVESTMENTS) LTD AND MOREHOMES FOR THE BAY (DEVELOPMENTS) LTD

(Cabinet Member with Special Responsibility Councillor Matthews)

Cabinet received a report from the Head of Housing that sought to approve the inaugural Business Plan for Morehomes for the Bay (Investments) Ltd, jointly with Morehomes for the Bay (Developments) Ltd, as per the Companies’ Articles of Association.

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

| | Option 1: Approve the Business Plan | Option 2: Do not approve the Business Plan |
|------------|---|--|
| Advantages | In so doing the Companies and the Council will be able to seek to realise its strategic ambitions around increasing affordable housing provision within the Lancaster District in the future. Whilst this inaugural Business Plan does not set out any schemes, to have an approved Business Plan is a requirement of the Shareholder Agreement, and puts the Companies in the right position for | None identified. |

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| | when it wishes to seek to bring forward schemes at an appropriate time. | |
| Disadvantages | None identified. | In so doing the Council and the Companies will be unable to seek to realise or be limited in its strategic ambitions around increasing affordable housing provision within the Lancaster District to its full potential in the future. |
| Risks | No risks identified at this stage, however there will undoubtedly be as a minimum, resource implications in exploring opportunities and undertaking viability assessments in the future as well as requests for working capital loans from the Council. In addition, any viable schemes put forward will require borrowing from the Council to be on-lent putting additional financial pressure on the Council and impact on the overall Capital Strategy programme. Currently there are risks surrounding all development opportunities within the current financial climate linked to increased PWLB rates and inflationary material / works costs which may make schemes previously considered viable as unviable – these details would be outlined in more detail with any future development opportunity reports. | That the Council's ambitions as set out in the recently approved Lancaster Homes Strategy would not be realised. Additionally, if delays in approval of the Business Plan are experienced there are risks that opportunities which could present themselves would be lost. |

The preferred option is 'Option 1' – that the Council's Cabinet approve the inaugural joint

Business Plan for Morehomes for the Bay (Investments) Ltd and Morehomes for the Bay (Developments) Ltd as detailed at Appendix 1 to the report. This would support the companies in having a working operational plan in how to conduct its' business and lay down the parameters for bringing forward schemes in the future.

The report and associated Appendix outlined the requirements and need for a Business Plan and whilst there no schemes currently being put forward the documents outlined how schemes would be brought forward in the future.

Councillor Matthews proposed, seconded by Councillor Wood:-

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

Councillors then voted:-

Resolved unanimously:

(1) That Council's Cabinet approve the inaugural Business Plan.

Officer responsible for effecting the decision:

Head of Housing

Reasons for making the decision:

The Business Plan is an important document so far as ensuring that the Companies, that are controlled by the Council (as majority shareholder) has appropriate checks and balances, systems and controls in place to ensure that its proposed business projects have appropriate financial viability, due diligence, systems to ensure sound management and delivery. The initial Business Plan was approved by the Board of Directors of the Companies on 7th September 2022, and the Companies Shareholder Committee at their meeting on 25th October 2022 and now required approval by the Councils Cabinet for final approval and adoption.

50 DELIVERING OUR PRIORITIES: Q2 2022/23

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Executive and 151 Officer that provided members with an update on performance, projects, and resources during the first two quarters of 2022/23 (April – September 2022).

No options were provided as the report was for commenting and noting.

Councillor Whitehead 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 update on performance, projects, and resources for Quarter 2 2022/23 be noted.
- (2) That the use of the latest projected outturn figures to provide a mid-year reviewed budget position which will form the basis for future monitoring and outturn within 2022/23 be approved and referred to full Council for noting.

Officers responsible for effecting the decision:

Chief Executive
151 Officer

Reasons for making the decision:

Performance, project, and resource monitoring provides a link between the Council Plan and operational achievement, by providing regular updates on the impact of operational initiatives against strategic aims.

51 LOCALISED COUNCIL TAX SUPPORT SCHEME 2023/24

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Interim Head of Shared Services to enable Cabinet to consider the existing Localised Council Tax Support ("LCTS") Scheme and the options available, ahead of formal consideration and approval by Council for application in 2023/24.

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

The challenge for the Council is to adopt a scheme that fits with its ambitions and priorities and is considered fair, deliverable and affordable, given statutory obligations and competing pressures for resources. Council is presented with two basic options:

Option 1: Retain the existing Localised Council Tax Support (LCTS) scheme, subject to minor consequential amendments to match changes in Housing Benefit rules.

- The existing scheme is considered soundly structured and works well, and offers maximum support for low-income families, who may otherwise find themselves in mounting debt.

- current forecast assumes the continuation of the existing LCTS system and as such, maintaining current levels of support would normally have no impact on the Council's financial forecast. However, costs have increased in recent years with increased take-up due to Covid-19, although 2022/23 has seen a slow decline in the number of residents receiving LCTS, which would reduce costs if the trend continues in the longer term. However, the cost-of-living crisis may result in an increased number of claims.

- Retaining existing policy principles of keeping various positive entitlement provisions for LCTS in line with other key welfare benefits promotes equality.

Option 2: Make changes to the existing Localised Council Tax Support (LCTS) Scheme to reduce benefit entitlement for working age claimants.

- Currently 9,942 residents claim LCTS in the Lancaster district, reducing over the years from a high of 12,202 in April 2014. As pensioners make up 37.6% (3,735) of claimants, it means any cut in the level of support provided falls on the remaining 62.4% (6,207) of working age people on low incomes, reducing in numbers from (6,958) in the previous year.

- A reduction in the levels of support provided could arguably provide claimants with further incentives to work, reducing their reliance on benefits, although the jobs market is particularly uncertain at this difficult time.

- This option will have greater adverse financial impact on working age households but would help protect other Council services by requiring less savings to be made by them.

- If levels of support are reduced, the Council would be tasked with the difficulty of collecting this debt from the more vulnerable members of our society, increasing workloads and costs associated with council tax recovery.

- Additional costs associated with developing new scheme options, consultation exercise, legal changes to scheme etc.

| | Option 1: Retain the existing LCTS scheme | Option 2: Amend the LCTS scheme to reduce entitlement | Option 3 : |
|---------------|--|--|------------|
| Advantages | The current scheme provides support up to a level of 100% and assists those on low incomes | Financial savings to Lancaster City Council and the other precepting authorities. | n/a |
| Disadvantages | The Government does not fully fund the cost of a 100% LCTS scheme. The additional cost falls on Lancaster City Council and the other precepting authorities. | A reduction in support would result in Council Tax increases for those on low incomes. The Council Tax team would need to recover more money, often from those least able to make payments | n/a |
| Risks | The cost of the scheme may increase due to an increase in new claims as the cost-of-living crisis progresses. | Reduced collection rates and increased debt. Potential reputational damage. | n/a |

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

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

Councillors then voted:-

Resolved unanimously:

- (1) That the existing Localised Council Tax Support Scheme be retained for 2023/24 (Option 1 to the report),

Officer responsible for effecting the decision:

Interim Head of Shared Services

Reasons for making the decision:

The LCTS scheme is developed in support of ambitions within the Council Plan regarding “Healthy and Happy Communities” to optimise access for those that need it most, together with welfare benefits and related support.

Each authority is also under a legal obligation to consider, for each year, whether to revise its scheme or to replace it with another scheme. The Council’s existing LCTS scheme works well in terms of providing support, but at a cost, particularly for the County Council. To date the Council has attached a high priority to maintaining council tax support levels available to working age claimants (pensioners being unaffected by Council’s decision).

52 MTFS

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Finance Officer that provided an update on the Council’s Medium Term Financial Strategy forecasts for 2022/23 to 2027/28 and outlined the approach to balancing the budget.

As the report was for consideration no alternative options were put forward although Cabinet could make supplementary recommendations regarding any matters.

It was imperative that a thorough and detailed review of our cost base was undertaken through application of OBR and workshops had been held between Cabinet and Senior Leadership Team to explore initial proposals from the OBR task groups as well as a series of immediate actions to reduce spending in the current year. This would have a particularly important part to play in driving down budget gaps from 2023/24 and beyond and in realising financial sustainability. The application of OBR across the Council would be a significant piece of work and would inevitably require an objective and sensitive approach and the Council had engaged external expertise to support this work.

The Council’s capital programme was being reviewed to reduce the revenue impact of MRP and interest charges whilst facilitating delivery of the Council’s priorities through

areas such as investing to reduce cost. A comprehensive review of the Council's reserves had been undertaken to provide improved financial resilience.

It was reiterated that the current forecasts did not include any interventions by Cabinet, Senior Leadership Team or the outcomes of the Local Government Settlement. However, the forecasts clearly highlighted potential annual and cumulative budget deficits over the next 5 years and the perilous position the Council now faced, a position shared nationally across the public sector. In light of this, balancing the budget both in the short and the medium term would be a tough task and all Members needed to work together and recognise that they would face a number of difficult but key decisions as part of the forthcoming budget over the coming financial years which would affect the manner in which the Council delivered its services.

Councillor Whitehead 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 draft future years estimates as set out in the report as the latest information available be noted, accepting that this was an interim position.
- (2) That the update be referred on to December Council for information.
- (3) That the Council Tax Base for 2023/24 as set out in paragraph 3.12 of the report be noted.

Officer responsible for effecting the decision:

Chief Finance Officer

Reasons for making the decision:

Performance, project, and resource monitoring provides a link between the Council Plan and operational achievement, by providing regular updates on the impact of operational initiatives against strategic aims.

53 EXCLUSION OF THE PRESS AND PUBLIC

It was moved by Councillor Hamilton-Cox and seconded by Councillor Wood:-

"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 paragraph 3 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 paragraph 3 of Schedule 12A of that Act.

54 4.8 MW SOLAR SOUTH LANCASTER (Pages 13 - 14)

(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)

Cabinet received a report from the Chief Executive which sought approval of capital spend to deliver a 4.8MW solar scheme on land at Burrow Back, South Lancaster and refer to Budget Council in February 2023. The report was exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act, 1972.

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

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

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

Councillors then voted:-

Resolved unanimously:

The resolution is set out in a minute exempt from publication by virtue of Paragraph 3 of Schedule 12A of the Local Government Act, 1972.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

The decision is consistent with the Council's priorities. Exactly how the decision fits with Council priorities is set out in the exempt minute.

Chair

(The meeting ended at 7.13 p.m.)

**Any queries regarding these Minutes, please contact
Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk**

MINUTES PUBLISHED ON FRIDAY 9 DECEMBER, 2022.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
MONDAY 19 DECEMBER, 2022.**

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted