

CABINET

6.00 P.M.

28TH FEBRUARY 2023

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

Apologies for Absence:-

Councillor Dave Brookes

Also in attendance: Councillor Black

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)
Joanne Wilkinson	Head of Housing
Liz Bateson	Principal Democratic Support Officer

75 MINUTES

The minutes of the meeting held on Tuesday 7 February 2023 were approved as a correct record.

76 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

77 DECLARATIONS OF INTEREST

No declarations were made at this point.

78 PUBLIC SPEAKING

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

79 FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Finance Officer that proposed a Flexible Use of Capital Receipts Strategy for 2023-24 to compliment the Council's Outcomes-Based Resourcing programme.

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

Option 1: Adopt the Strategy

Advantages The Council will be able to make use of the Flexible Capital Receipts provision in delivering its Outcomes-Based Resourcing programme.

Disadvantages None identified from this report.

Risks Capital receipts, savings and transformation benefits may not be realised as anticipated in the Strategy; the associated risks will be mitigated through the implementation of the Outcomes-Based Resourcing programme.

Option 2: Do not adopt the Strategy

Advantages None identified from this report.

Disadvantages The Council will be unable to consider funding savings initiatives and service transformation through use of capital receipts, and may therefore be unable to achieve the savings, outcomes and benefits anticipated from these projects.

Risks Not adopting a Flexible Use of Capital Receipts Strategy at this point would severely constrain the council's ability to deliver its Outcomes-Based Resourcing programme.

The officer preferred option is Option 1, to enable the Council to make use of the Flexible Capital Receipts provision in supporting its savings and service transformation initiatives over the coming years. The report, if approved, will enable the council to use capital receipts to fund savings and service transformation initiatives. Failure to adopt a Flexible Use of Capital Receipts Strategy will severely constrain the council's ability to pursue these initiatives.

Councillor Whitehead proposed, seconded by Councillor Wood:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet recommend that Full Council approves the Flexible Use of Capital Receipts Strategy 2023/24 set out in the report, in accordance with the relevant statutory guidance.

Officer responsible for effecting the decision:

Chief Finance Officer

Reasons for making the decision:

Statutory guidance from the Department for Levelling Up, Homes and Communities (DLUHC) and the Chartered Institute of Public Finance and Accountancy (CIPFA) enables local authorities to make flexible use of capital receipts to fund projects which

are likely to generate savings to the authority and / or other public bodies. To make use of this provision, authorities must submit to the Secretary of State a Flexible Use of Capital Receipts Strategy setting out how the provision will be applied in the next financial year.

The decision, if approved by Council, will enable the use of the capital receipts flexibility to fund or part fund savings connected to the Council’s Outcomes-Based Resourcing project with the aim of successfully delivering priority outcomes for the Lancaster district whilst at the same time achieving long-term sustainability of finance and resources.

80 COUNCIL TAX PREMIUMS ON SECOND AND EMPTY HOMES & EMPTY PROPERTIES

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Finance Officer to determine options for proposed changes to Council Tax premiums as included within the Levelling Up and Regeneration Bill which, subject to this Bill receiving Royal Assent prior to 31 March 2023, are due to become effective from 1 April 2024.

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

	Option 1: Recommend to Council the approval of the additional Council Tax premiums	Option 2: Do not recommend to Council the approval of the additional Council Tax premiums
Advantages	Potential for additional Council Tax income to support services throughout the district.	None.
Disadvantages	None	Potential for forgone revenue.
Risks	<p><u>Risk</u> The Bill might not be enacted before the end of March.</p> <p><u>Mitigation</u> Early recommendations from Cabinet will allow Full Council to make timely decisions if and when Royal Assent is attained.</p> <p><u>Risk</u> Charging of A Premium may encourage council tax “avoidance”.</p> <p><u>Mitigation</u> This risk should be reduced with the government also bringing in a requirement for people to evidence to the Valuation Office Agency that alongside having</p>	Potential for forgone revenue.

	<p>their property available for let for at least 20 weeks in a year, it must also have been actually let for at least 70 days. It is the Valuation Office that make the decision if a property (hereditament) is entered and remains on the Council Tax list or the Business Rates list.</p>	
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The preferred option is Option 1 as non-approval of the additional Council Tax premium may prevent the generation of additional potential Council Tax income for the Council. An early decision in principle, is recommended to allow timely decisions to be made if and when Royal Assent of the Bill is granted.

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

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

Councillors then voted:-

Resolved unanimously:

That Cabinet recommend to Full Council the approval of the following:

The following additional Council Tax premiums be applied from 1 April 2024, or as soon as possible thereafter, subject to the required legislation being in place.

- 100% premium for dwellings occupied periodically.
- 100% premium for properties which have been empty and unfurnished for a period of between 1 (previously 2) and 5 years

Officer responsible for effecting the decision:

Chief Finance Officer

Reasons for making the decision:

The raising of revenue through Council Tax forms part of the Council’s core funding and is part of its Budget & Policy Framework. Subject to royal assent the Levelling Up Regeneration Bill will provide the Council with the opportunity to level premiums on Second Homes and Empty Properties. These levies should provide the Council with additional revenue to deliver its services.

81 DELIVERING OUR PRIORITIES: PERFORMANCE, PROJECTS AND RESOURCES, Q3 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 three

quarters of 2022/23 (April – December 2022).

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

Councillor White proposed, seconded by Councillor Wood:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the update on performance, projects and resources for Quarter 3 2022/23 be noted.

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.

82 EXCLUSION OF THE PRESS AND PUBLIC

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

“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 paragraphs 3 of Schedule 12A of that Act.

83 MAINWAY REGENERATION NEXT STEPS (Pages 8 - 12)

(Cabinet Member with Special Responsibility Councillor Matthews)

Cabinet received a report from the Head of Housing with regard to Mainway Regeneration. 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.

It was agreed that the recommendations that were not deemed to relate to the financial and business affairs of the Council should be included in the public minute.

Resolved:

- (1) That Cabinet approves the demolition of the redundant buildings of the former Skerton High School through use of HRA reserves under a S80 consent post acquisition and delegates the award of contract to the Chief Executive. These works to be undertaken in the summer school holidays (2023) so as to minimise any disturbance to the Chadwick Centre.
- (2) That Cabinet agree for officers to oversee and approve the detailed design and master-planning work required to submit a hybrid planning application in September 2023. The cost of that application being £385k and consent is sought to fund that from HRA reserves. A copy of the final plans, structure and phasing detail to be presented back to Cabinet at the point of application.
- (3) That Cabinet agrees to the adoption of a strategic process to identify and appoint a private developer to work with the Authority as part of the overall aspirations for Mainway. That appointment will cover the following stages;
 - a. That Cabinet approves the disposal of Lune and Derby Houses through a market led conditional sale, to select a potential redevelopment partner and agree terms for the disposal and subsequent refurbishment of the buildings, for residential use for good quality, well managed market rent and fulfils the planning permission for the site.
 - b. A decision to dispose will be governed by section 32 of the Housing Act 1985 and the selection of a redevelopment partner will adhere to the principals of best value evaluated against quality, construction standards, sustainability, and social value criteria and to ensure redevelopment is complimentary to the aspirations of the Mainway masterplan and planning consent.
 - c. Resolution 3 c. is set out in a minute exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act, 1972.
 - d. Resolution 3 d. is set out in a minute exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act, 1972.
 - e. That the appointment of the land deal developer in relation to recommendation 3 of the report be signed off by Cabinet.
- (4) That Cabinet note the previous aspirations for the Mainway scheme as outlined in the report and commit to working with the community to develop a list of deliverable and financially viable principles.

Officer responsible for effecting the decision:

Head of Housing

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 8.00 p.m.)

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

MINUTES PUBLISHED ON TUESDAY 7 MARCH ,2023.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
WEDNESDAY 14 MARCH, 2023.**

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