

**CABINET**

**6.00 P.M.**

**20TH FEBRUARY 2024**

**PRESENT:-** Councillors Phillip Black (Chair), Caroline Jackson, Joanne Ainscough, Gina Dowding, Tim Hamilton-Cox, Jean Parr, Catherine Potter and Jason Wood

Apologies for Absence:-

Councillors Peter Jackson and Nick Wilkinson

Officers in attendance:-

Mark Davies	Chief Executive
Luke Gorst	Chief Officer - Governance and Monitoring Officer
Paul Thompson	Chief Officer - Resources and Section 151 Officer
Joanne Wilkinson	Chief Officer - Housing and Property
Liz Bateson	Principal Democratic Support Officer

**69 MINUTES**

The minutes of the meeting held on Tuesday 6 February 2024 were approved as a correct record.

**70 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER**

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

**71 DECLARATIONS OF INTEREST**

No declarations were made at this point.

**72 PUBLIC SPEAKING**

Members were advised that there had been no requests from the public to speak at the meeting in accordance with Cabinet's agreed procedure. Councillor Stubbins had requested to speak as Ward Councillor with regard to Agenda Item 15 Commercial Property Sale.

**73 HACKNEY CARRIAGE FARE REVIEW 2024**

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

Cabinet received a report from the Licensing Manager that sought Cabinet approval of the recommendation from Licensing Committee to maintain the current table of fares for Hackney Carriages operating in the district for the coming year.

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

	Option 1: Maintain	Option 2: Apply retail	Option 3: Deregulate	Option 4: In addition to	Option 5: Maintain
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	current table of fares implemented in April 2023.	price index (RPI) across the tariff. (6.1%)	fare setting	option 1 or 2, apply an additional charge for fares taken after a set time. Eg 20.00, 21.00 or 22.00	flagfall, amend rolling rate to 25p per 176 yards (1/10th mile).
Advantages	Public are aware of expected fares when hiring a hackney carriage.	Drivers income is increased in line with rising cost of living.  The licensed profession may be perceived as a career option for local people.	Allows licensed trade to calculate their own fares, they may be best placed to calculate costs.	It would encourage more drivers to work in the evening when there are limited vehicles available.  Regular daytime users of licensed vehicles will not be affected by the introduction of the charge.  The council is responding to local pubwatch and business improvement district requests for assistance with the recruitment and availability of licensed vehicles in the nighttime	This would work out as a 5.3% increase for a 2-mile journey.  Allows for an increase representative of the approved methodology.

				economy.	
Dis-advantages	The current table of fares may not represent current cost of living.	A further increase in quick succession is laborious procedurally and in terms of administration, as one update takes effect, it is time to calculate further change.  Annual cost of calibration to drivers.	Licensing Authority has no control on charges passed to the public.  May create confusion as fares could vary across the trade.	It may have a negative reaction, resulting in the public using licensed vehicles less.	Results in fares amounting to 5p. (always been in multiples of 10p)
Risks	Not consistently applying the methodology approved by Cabinet.  Drivers may decide to leave the trade, fares do not meet the demands of the rising costs of living.	Increase too much for service users. Drivers may see reduced income due to lack of public use.	Lack of public confidence in use of Hackney Carriages due to unknown charges.  Varying charges between proprietors creating confusion.	The public do not utilise the services of hackney carriages in the nighttime economy and take risks to get home. i.e. walking.	Amending yardage will increase rolling rate in a shorter distance, it may cause confusion for regular service users.

Members of Licensing Committee voted unanimously in maintaining the current table of fares for 2024/25 and have referred their recommendation to Cabinet for approval.

In 2022 Cabinet agreed a methodology for fare reviews in relation to hackney carriages operating in the district. The review had been undertaken, and options presented to Licensing Committee. Members of the Licensing Committee considered the views of the local licensed trade on those options prior to making their recommendations to Cabinet. The majority of the local licensed trade who responded to the consultation were satisfied with the current table of fares and did not wish to see an increase in fares in the coming year and the Licensing Committee felt the lack of appetite for an increase was enough to

make that recommendation to the Council's Cabinet for decision.

Councillor Wood proposed, seconded by Councillor Hamilton-Cox:-  
"That the recommendations, as set out in the report, be approved."

Councillors then voted:-

***Resolved unanimously:***

- (1) That Cabinet accept the recommendations of the Council's Licensing Committee and approve that the table of fares will be maintained for 2024/25.
- (2) That approval be given to the Licensing Manager to advertise the table of fares as required by Section 65 of the Local Government (Miscellaneous Provisions) Act 1976.

**Officer responsible for effecting the decision:**

Chief Officer Governance

**Reasons for making the decision:**

The setting of fares is an Executive function as it is not one that is listed in the Local Authorities (Function and Responsibilities) (England) Regulations 2000 and therefore falls to the Cabinet to make the decision.

Lancaster City Council set the fares for Hackney Carriages operating in the district, in determining the charges for time/distance it must consider the impact on setting fares too low/too high on both the licensed trade and public who use Hackney Carriages, whilst balancing the rising cost of living and building a sustainable trade; one capable of earning a fair salary.

**74 LICENSING ACT 2003 - REVISED STATEMENT OF LICENSING POLICY (2023-2028)**

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

Cabinet received a report from the Licensing Manager to consider the revised Statement of Licensing Policy for 2023-2028 and refer to Full Council for adoption.

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

Options available to members are.

- a) Recommend to Full Council the revised Statement of Licensing Policy as drafted, or
- b) Make further changes to the revised Statement of Licensing Policy, before making recommendations to Full Council for adoption.

The Officer preferred option would be for Cabinet members to recommend the revised Statement of Licensing Policy for 2023-2028 as drafted to Full Council for adoption.

Lancaster City Council must review, update and publish its Statement of Licensing Policy every 5 years. A thorough review has been undertaken and a draft subject to

public consultation. The consultation period lasted 6-weeks, 2 responses were received and have been considered by the Councils Licensing Committee. The policy sets out a general approach to how licensing decisions are made; how representations are considered, and conditions imposed, while also acting as a guide for applicants, elected members, responsible authorities, and council officers.

Councillor Wood 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 revised Statement of Licencing Policy be referred to Full Council for adoption.

**Officer responsible for effecting the decision:**

Chief Officer Governance

**Reasons for making the decision:**

The Statement of Licensing Policy forms part of the Council’s Policy Framework. The Council’s Constitution sets out the decision-making process for policy matters, in the instance of the Statement of Licensing Policy (2023-2028) Licensing Committee make recommendations to Cabinet to consider before adoption of the policy by Full Council.

**75 GENERAL FUND BUDGET & POLICY FRAMEWORK 2024/25**

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

Cabinet received a report from the Chief Finance Officer that set out the latest position in respect of the budget and policy framework and Cabinet’s proposed General Fund revenue budget for 2024/25.

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

Revenue Budget

Council may adjust its revenue budget proposals, so long as the overall budget for 2024/25 balances and fits with the proposed Council Tax level.

Other Budget Framework Matters (Reserves and Provisions)

Given known commitments, risks, and Council Tax restrictions there is little flexibility in financial terms, but Council could consider different budget strategies to be appraised for future years, or alternative arrangements for approving the use of various reserves, or different virement and/or carry forward limits. Overall, however, previous arrangements have worked reasonably well, and so no other fundamental changes are proposed.

Section 151 Officer’s Comments and Advice

Council is required to note this formally in the minutes of the meeting; hence it is

reflected in the recommendations.

Depending on the nature of any alternative proposals put forward, Officers may need time to assess the risks and implications. This is to ensure that relevant considerations are taken into account, to support informed and lawful decision making.

The officer preferred option with regard to the Revenue Budget 2024/25 and Reserves Position is for Cabinet to agree the recommendations as presented as the 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 are then a matter for Members.

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

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

Councillors then voted:-

***Resolved unanimously:***

That Cabinet recommends the following for approval to Budget Council on 28 February:

- (1) That the General Fund Revenue Budget of £25.008M for 2024/25 be approved, resulting in a Council Tax Requirement of £10.928M, excluding parish precepts, and a Band D basic City Council tax rate of £256.63.
- (2) That the supporting General Fund Revenue Budget proposals be approved, as summarised at Appendices A, B, B1 and B2 to the report.
- (3) That the budget transfer (virements and carry forwards) limits be approved as set out in Appendix D to the report.
- (4) That Council notes the Section 151 Officer’s advice regarding robustness of budget estimates, the adequacy of reserves and balances, specifically the advice that the minimum level of balances be retained at £5.0M, to provide for added uncertainty.

**Officer responsible for effecting the decision:**

Chief Officer Resources

**Reasons for making the decision:**

Cabinet has responsibility for developing corporate planning proposals and a balanced budget for Council’s consideration. The proposed budget incorporates measures to address the climate emergency and digital improvements as well as activities to address wellbeing, health, and community safety. The decision enables Cabinet to make recommendations back to Full Council in order to complete the budget setting process for 2024/25.

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

Cabinet received a report from the Chief Finance Officer to present Cabinet's final budget proposals in order that the Council can approve a General Fund Capital Programme for 2023/24 to 2032/33 and a Capital Strategy 2024/25 as required by regulation.

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

Cabinet may put forward alternative proposals or amendments to the proposed Strategy ahead of consideration by Full Council. For capital, Council may adjust its capital investment and financing proposals taking account of spending commitments and priorities, but its proposals for 2024/25 must balance.

Depending on the nature of any alternative proposals put forward, Officers may need time to assess the risks and implications. This is to ensure that relevant considerations are taken into account, to support informed and lawful decision-making.

The officer preferred option is for Cabinet to consider the Capital Programme and Strategy as attached allowing for any amendments being made under delegated authority prior to referral to Council.

This report addresses the actions required to complete the budget setting process for its Capital Programme and Capital Strategy.

If Cabinet, or Budget Council changes its Capital Programme from that which is proposed in this report then this would require a change in the prudential indicators which are part of the Treasury Management Strategy.

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

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

Councillors then voted:-

***Resolved unanimously:***

- (1) That Cabinet recommends the following for approval to Budget Council:
  - the updated Capital Programme covering financial years 2023/24 to 2032/33
  - the Capital Strategy (Investing in the Future) 2024/25
- (2) That delegated authority be given to the Portfolio Holder for Finance & Resources to amend change in the prudential indicators should Cabinet or Full Council make any revisions to the Capital Programme.

**Officer responsible for effecting the decision:**

Chief Officer Resources

**Reasons for making the decision:**

The Council's revenue and capital budgets should represent, in financial terms what the Council is seeking to achieve through its Policy Framework. The proposed capital programme and supporting strategy is part of the Council's budget and policy framework, and fits into the Medium-Term Financial Strategy.

**77 TREASURY MANAGEMENT STRATEGY 2024/24****(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)**

Cabinet received a report from the Chief Finance Officer to present to Cabinet the draft Treasury Management Strategy and associated documents for 2024/25 and to provide an opportunity for consideration and comment ahead of formal presentation to Full Council 28 February 2024 for approval .

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

Cabinet may put forward alternative proposals or amendments to the proposed Strategy ahead of consideration by Full Council, 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 is available currently. Furthermore, the Strategy must fit with other aspects of Cabinet's budget proposals, such as deposit interest estimates and underlying prudential borrowing assumptions, feeding into Prudential and Treasury Management Indicators. There are no options available regarding other components of the overall framework.

The officer preferred option is for Cabinet to approve the framework as attached to the report, allowing for any amendments being made under delegated authority prior to referral to Council.

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

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

Councillors then voted:-

***Resolved unanimously:***

- (1) That the Treasury Management Strategy 2024/25 and Appendices A to C to the report be forwarded to Full Council for approval.
- (2) That delegated authority be given to the Portfolio Holder for Finance & Resources to amend change in the prudential indicators should Cabinet or Full Council make any revisions to the Capital Programme.

**Officer responsible for effecting the decision:**

Chief Officer Resources

**Reasons for making the decision:**



Treasury Management forms part of the Councils budget framework. Effective Treasury Management and use of the Councils' resources is fundamental to the delivery of its priorities and outcomes.

## 78 MEDIUM TERM FINANCIAL STRATEGY UPDATE

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

Cabinet received a report from the Chief Finance Officer to provide an update on the Council's Medium Term Financial Strategy (MTFS) forecasts for 2024/25 to 2028/29.

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

The risks to the Council are contained throughout the report and as the report is for noting, no alternative proposals have been put forward.

The Council continues to face unprecedented levels of financial and economic uncertainty as a result of National and International concerns. Local Government funding remains a key challenge for the Council as well as local issues such as those surrounding decommissioning plans for Heysham power station do hamper the degree of confidence with forecasts can be made and inevitably some key estimates and assumptions are likely to change in the coming months.

Despite the work to date by Officers and Members to deliver on the Council's OBR programme, a significant budget gap remains which cannot be met from Council reserves. The overall size of the challenge the Council faces in addressing its underlying structural deficit and in formulating a balanced budget over the medium and longer term must be recognised as does the need to deliver considerable future savings.

The Council continues to deliver high-quality frontline services to the District's residents. Continued focus on the application of Outcomes Based Resourcing principles such as strategic prioritisation, service transformation and continuous improvement will play a significant part in achieving the level of savings required. The Council must, however, recognise that it will face a number of key decisions over the next financial year which will affect the manner in which it delivers its services.

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

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

Councillors then voted:-

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

- (1) That Cabinet considers the draft future years budget estimates as set out in the report as the latest information available.
- (2) That the update be referred on to Council 28 February 2024 for information.

**Officer responsible for effecting the decision:**

Chief Officer Resources

**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.

**79 HOUSING REVENUE ACCOUNT AND CAPITAL PROGRAMME**

**(Cabinet Member with Special Responsibility Councillor Caroline Jackson)**

Cabinet received a report from the Chief Officer for Housing & Property and the Chief Officer Resources (Section 151 Officer) that sought Cabinet decisions on Council Housing rent setting proposals and HRA revenue and capital budget proposals.

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

	Option 1: That the Housing Revenue Account budget as laid out in the report is referred to Budget Council and Cabinet approve the provisions, reserves and balances position (and their use); the revenue budgets and capital programme	Option 2: To propose alternatives to those outlined in Section 11 above.
Advantages	That the Housing Revenue Account is able to deliver it's set out requirements as laid out in the report.	Unknown
Disadvantages	Increased rent levels for tenants.	Would require further options analysis
Risks/ Mitigation	The HRA budget set out in this report is sustainable in the long term. The risks associated with Option 1 are outlined in Appendix F – Risks and Assumptions.	Impact on housing service and council housing tenants unknown. Potential for housing service to fall foul of legislative and regulatory requirements, leading to unlimited fines and being 'named and shamed' by government.

The officer preferred option is Option 1: Approve the budget as laid out in this report and approve the provisions, reserves and balances position (and their use); the revenue budgets and capital programme; as set out and refer onto full Council.

The Tenant Voice group were consulted on 1st February at their bi-monthly meeting, where budget headlines, including the proposed rent increase and significant areas of spend and investment, were presented by the Neighbourhood and Support Services

Manager. The Tenant Voice expressed their concern about the impact of the rent increase on tenants but understood and agreed that this was appropriate in order for continued delivery of services and future ambitions. They endorsed the rent setting proposal and other key areas within the budget.

Cabinet have been consulted on the budget and confirmed rent setting proposals and other budgetary matters at 6th February 2024 meeting.

Cabinet agreed that some clarification was required with regard to Mainway with minor revisions to sections in the report to Budget Council to reflect this.

Councillor Caroline Jackson proposed, seconded by Councillor Ainscough:-

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

Councillors then voted:-

***Resolved unanimously:***

- (1) That the minimum level of HRA unallocated balances be retained at £750,000 from 01 April 2024, as approved at 6th February 2024 Cabinet, and that the full Statement on Reserves and Balances as set out at Appendix E to the report, be endorsed and referred on to Budget Council for approval.
- (2) That further to consideration on 6 February, the Housing Revenue Account budget for 2024/25 onwards, as set out at Appendix A to the report, together with the resulting Capital Programme as set out at Appendix C to the report, be referred on to Budget Council for approval.

**Officers responsible for effecting the decision:**

Chief Officer Housing & Property  
Chief Officer Resources

**Reasons for making the decision:**

The budget represents, in financial terms, what the Council is seeking to achieve through its approved Housing Strategy in relation to council housing. Whilst the report highlights challenges faced within the current economic environment, Lancaster City Council's Housing Service continues to operate a sensible but forward-looking approach, seeking to meet Regulatory requirements and deliver safe and decent homes.

The decision is consistent with the Council Plan. The proposals set out in the report impact positively on residents within Council Housing dwellings specifically in relation to climate change, wellbeing / social value, health and safety and community safety.

**80 EXCLUSION OF THE PRESS AND PUBLIC**

It was moved by Councillor Wood and seconded by Councillor Parr:-

“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.

**81 COMMERCIAL PROPERTY SALE, LANCASTER (Pages 14 - 15)**

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

Cabinet received a report from the Chief Officer Housing & Property with regard to a commercial property sale. 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.

In accordance with the Constitution (Cabinet Procedure Rule 18) Councillor Stubbins had requested to address Cabinet on this issue as Ward Councillor and spoke against the proposal.

After a lengthy debate the proposal to sell the commercial property was lost and Cabinet agreed not to proceed with the sale at this time.

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Chair

(The meeting ended at 7.38 p.m.)

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

**MINUTES PUBLISHED ON WEDNESDAY 28 FEBRUARY 2024**

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS  
CONTAINED IN THESE MINUTES: THURSDAY 7 MARCH 2024**



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