

**BUDGET AND  
PERFORMANCE PANEL**

**6.00 P.M.**

**24TH JANUARY 2012**

**PRESENT:-** Councillors Susan Sykes (Chairman), Alycia James (Vice-Chairman), Tony Anderson, Dave Brookes, Janet Hall, Richard Newman-Thompson, Richard Rollins, Elizabeth Scott and Keith Sowden

Also in attendance:-

Councillor Eileen Blamire	Leader of the Council
Councillor Abbott Bryning	Cabinet Member with Responsibility for Finance
Gill Kilpatrick	Lancashire County Council Treasurer

Councillors Tim Hamilton-Cox, Roger Dennison, Sheila Denwood, Janice Hanson, David Kerr, Karen Leytham, Roger Mace, Jane Parkinson, Margaret Pattison, Richard Rollins and David Smith.

Economic stakeholder representatives  
Members of the Lancaster District Local Strategic Partnership Management Group

Officers in attendance:-

Heather McManus	Deputy Chief Executive
Nadine Muschamp	Head of Financial Services
Andrew Clarke	Accountancy Services Manager
Stephen Metcalfe	Principal Democratic Support Officer
Tom Silvani	Democratic Support Officer
Bob Bailey	Corporate Planning and Performance Manager

**26 DECLARATION OF INTERESTS**

There were no declarations of interests.

**27 MINUTES**

The minutes of the meeting held on 29<sup>th</sup> November 2011 were signed by the Chairman as a correct record.

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

There were no items of urgent business.

**29 CONSULTATION ON THE COUNTY COUNCILS 2012/13 & 2013/14 BUDGET PROPOSALS**

The Panel received a verbal presentation from Gill Kilpatrick, Lancashire County Council's Treasurer, regarding Lancashire County Council's budget proposals for 2012/13 and 2013/14.

The County Treasurer thanked the Panel for the invitation and advised that any comments on the proposals should be included in the Council's consultation response and would be fed back to the County Council's Cabinet at its next meeting.

The County Treasurer reminded the Panel of the context in which the budget proposals had been considered, in 2011/12 the Council had identified £171m in savings. As with any three year period, many things had changed, however, the Council's priority remained to maintain stability for services, especially those which affected vulnerable people.

The Panel were advised that there were two parts to the proposals, budget pressures and investment opportunities. There were three main areas of budget proposals which were waste costs, council tax freeze grant 2012/13, and below the line savings within the three year financial strategy. These were outlined in detail in the presentation. The Panel were advised that the County Council's management team had identified below the line savings totalling £7.245m in 2013/14 to ensure the budget position was balanced, these were as follows:

- Reduction in travel costs.
- Property rationalisation.
- Rationalisation of facilities management and conferencing.
- Transforming finance through oracle release 12.
- Reductions in management costs.
- Operating model.
- Reduction in members costs.

It was advised that these savings would not affect service delivery.

It was reported that the proposals set out in the report would create a one off headroom of £10.0m in 2012/13. On top of the treasury management extra-ordinary savings of £40.0m, and less £15.0m funding for the 2014/15 capital programme, this created £35.0m total resources available for investment in the Council's key priorities. The Cabinet were consulting on proposals for one-off investment in the following priorities:

- Promoting sustainable employment for young people.
- Support for travel costs for young people to assist them in education, employment and training.
- Strategic economic development and infrastructure to develop employment opportunities across Lancashire.
- Armed forces veterans – mentoring services for secondary school young people.
- Libraries regeneration.
- Further support for the programme of youth zones.

This created the opportunity for one-off investment in priorities.

The County Treasurer advised the Committee that the date of Lancashire County Council's Cabinet meeting had been changed to 1<sup>st</sup> February 2012, and as such all consultation responses were requested to be returned by 31<sup>st</sup> January 2012 at the latest.

Following the verbal presentation, the County Council's Treasurer answered extensive questions from the Panel and stakeholders. The issues raised by the Panel and stakeholders were:

- The County Council's choice of investment banks.
- Concessionary travel – companion card scheme.
- Investment in residential and day care facilities for older people, and facilities for the provision of respite care for children with disabilities.
- Street lights.
- Reduction in travel costs.
- Reduction in public transport information and removal of Real Time information service.
- Negotiation into contracts with bus operator's contract liability for the operators to install and operate digital information displays at bus stations.

The Chairman invited questions from those non-panel members and economic stakeholders who had been invited to attend the meeting, the issues raised were as follows:

- Youth zones.
- Trade waste.
- Problems with diversion to landfill.
- Borrowing between local authorities.
- 20mph speed limit zones in Lancaster district.

The County Treasurer advised that any comments received as part of the consultation process would be fed back to Lancashire County Council's Cabinet at its meeting on 1<sup>st</sup> February 2012.

***Resolved:***

- (1) That the County Treasurer, Gill Kilpatrick, be thanked for her presentation.

***The County Treasurer left the meeting at this point.***

### **30 BUDGET AND POLICY FRAMEWORK PROPOSALS 2012/13**

The Panel received a detailed presentation from the Leader of Lancaster City Council, and the Cabinet Member with Responsibility for Finance, on the Cabinet's Budget and Policy Framework Proposals for 2012/13. The Head of Financial Services assisted with the presentation and helped answer member's questions.

The Panel were advised that the starting point in developing the proposals had been the Council's existing priorities, which were economic regeneration, climate change, statutory duties, and partnership working and community leadership. Cabinet had also noted the intention to protect the most vulnerable in society as a thread running through all its priorities. The proposals had taken into account a variety of engagement exercises with the community and partners which had taken place in October and November 2011.

The draft priority areas for 2012-15, which had been identified following this consultation process, were as follows:

- Increased provision for social housing.
- More allotments.
- Renewable energy on council houses.
- Protection of heritage on the Canal Corridor site.
- Support for the arts in the District.
- Continued funding for PCSOs.
- Look at levels of street cleansing and improvement of open spaces.
- Diversionary activities for young people.
- Housing regeneration.
- Council housing opportunities – new regulations.
- Council tax benefits localisation and grant reduction.
- Implications of business rates changes.
- Apprenticeships.
- Working with the voluntary sector to reduce the amount of rough sleeping in the district.

Cabinet had also noted that the intention to protect the most vulnerable members of society should be a thread running through all the Council's priorities.

Following the presentation the Leader answered extensive questions from the Panel and stakeholders on the Council's Budget and Policy Framework Proposals for 2012/13.

The Panel discussed the issues relating to variances at Salt Ayre Sports Centre. Members requested that the issue be considered for inclusion on the Panel's work programme at its meeting scheduled for 21<sup>st</sup> February 2012.

Members asked questions relating to the following areas:

- Funding for allotments.
- Lancaster Square Routes.
- Parking charges in Lancaster and Morecambe.
- Financial variances at Salt Ayre Sports Centre.
- Charges for bins and boxes.
- Business Improvement District (BID) for Morecambe.
- Support for the arts in the district.

A query was raised by a stakeholder regarding funding for the BID for Morecambe. It was advised that the Cabinet member responsible would investigate the matter further to determine whether the funding could be reinstated to the Lancaster City Council budget.

***Resolved:***

- (1) That the Leader of the Council, the Cabinet Member with Responsibility for Finance and the Head of Financial Services be thanked for their presentation.

- (2) That consideration of financial performance at Salt Ayre Sports Centre be considered for inclusion on the Panel's work programme at its meeting scheduled for 21<sup>st</sup> February 2012.

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Chairman

(The meeting ended at 7.50 p.m.)

**Any queries regarding these Minutes, please contact  
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tsilvani@lancaster.gov.uk**