

**BUDGET AND
PERFORMANCE PANEL**

6.00 P.M.

29 JANUARY 2013

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

Apologies for Absence:-

Councillors Dave Brookes and Liz Scott

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 Paul Gardner, Tim Hamilton-Cox and Jane Parkinson

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

Officers in attendance:-

Mark Cullinan	Chief Executive
Nadine Muschamp	Head of Resources
Andrew Clarke	Financial Services Manager
Stephen Metcalfe	Principal Democratic Support Officer
Tom Silvani	Democratic Support Officer

41 MINUTES

The minutes of the meeting held on 11 December 2012 were signed by the chairman as a correct record.

42 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIRMAN

There were no items of urgent business.

43 DECLARATION OF INTERESTS

There were no declarations of interest.

44 CONSULTATION ON THE COUNTY COUNCIL'S BUDGET PROPOSALS

The Panel received a verbal presentation from Gill Kilpatrick, Lancashire County Council's Treasurer, regarding Lancashire County Council's budget proposal.

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 February 2011 the Full Council had agreed a Revenue Budget and Capital Investment Strategy for the three years from 2011/12 to 2013/14. In this three year approach the County Council was able to provide communities and stakeholders with certainty over services. It had been recognised, however, that over this three year period things would change and the County Council would have to consider how to manage changing financial pressures.

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:

- How the County Council intended to cope with the City Council's decision to adopt a Localised Council Tax Support Scheme that retains existing levels of council tax support for the year commencing 01 April 2013.
- The level of returns on investments.
- The transfer of additional financial responsibilities to County Council level.
- Impact of upcoming County Council elections on budget proposals.

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 7 February 2013, the deadline for submitting comments was 6 February 2013.

Resolved:

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

45 BUDGET AND POLICY FRAMEWORK PROPOSALS 2013/14

The Panel received a verbal 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 2013/14. The Head of Resources assisted with the presentation and helped answer members' questions.

The Panel were advised that Cabinet had noted the expected need to make substantial savings from 2014/15 onwards, and had agreed to that the 2012/13 Revised Budget of £19.193M be referred on to Budget Council for approval, with the net underspending of £997K transferred into Balances.

The Leader outlined the savings proposals to be considered. This included one item expected to result in income generation; charging for replacement bins and recycling boxes. It was advised that this was already the practice at most local authorities. Cabinet had also agreed three items of budget reductions; reducing 'Your District Council Matters' from three to two issues a year, only applying 1% inflation to voluntary sector grants, putting funding for the Morecambe BID back into the Council's reserves with a

commitment to bring it back when required, and reducing the member training budget (except in election year). In addition Cabinet had agreed three efficiency proposals; a review of Salt Ayre Sports Centre, a review of Community Engagement Management, and a review of the Museums Partnership.

The Leader outlined the growth proposals agreed by Cabinet, these were:

- Adoption of the Living Wage
- Corporate Property Improvements
- Energy Renewal Strategy
- Funding for PCSO's
- Appointment of an Empty Homes Officer (on a two year contract)
- Markets Reserve
- Cycling Event

The panel discussed these items in detail and asked questions of the Leader and the Head of Resources accordingly.

The Panel discussed the possibility of making the adoption of the Living Wage cost neutral within the overall payroll; the Chief Executive advised that it would be possible for the council to set the costs of the Living Wage against the cost savings that could be made by not filling the post of Head of Community Engagement when the post became vacant at the end of March 2013.

The Panel enquired as to why Cabinet had not put forward a proposal relating to Council Tax, it was advised that there had been a number of factors which had held up making a decision, including the very late Provisional Grant Settlement from Government but that it was expected that a decision would be made on 6 February 2013.

The panel discussed the following issues in detail:

- Increased parking charges
- Museums Partnership with Lancashire County Council
- Future reductions in staff numbers
- Appointment of an Empty Homes Officer

Resolved:

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

46 LANCASHIRE COMBINED FIRE AUTHORITY BUDGET CONSULTATION

The Principal Democratic Support Officer advised the Panel that at its meeting on 14 January 2013, the Lancashire Combined Fire Authority had given initial consideration to a report on the Reserves and Balances Policy, Capital Budget 2013/14 to 2017/18 and the Revenue Budget 2013/14 to 2015/16. Copies of the reports considered by the authority were attached for member's information.

It was advised that any comments on the budget proposals should be submitted to the authority no later than 31 January 2013, in order that they be considered by the Lancashire Combined Authority at its budget setting meeting on 11 February 2013.

Chairman

(The meeting ended at 7.15 p.m.)

**Any queries regarding these Minutes, please contact
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