

CABINET

10.00 A.M.

17TH FEBRUARY 2015

PRESENT:- Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Jon Barry, Abbott Bryning, Tim Hamilton-Cox, Karen Leytham, Ron Sands and David Smith

Officers in attendance:-

Mark Cullinan	Chief Executive
Nadine Muschamp	Chief Officer (Resources) and Section 151 Officer
Sarah Taylor	Chief Officer (Governance) and Monitoring Officer
Mark Davies	Chief Officer (Environment)
Andrew Dobson	Chief Officer (Regeneration and Planning)
Gary Watson	Senior Property Officer
David Lawson	Regeneration Manager
Liz Bateson	Principal Democratic Support Officer

81 MINUTES

The minutes of the meeting held on Tuesday, 20th January 2015, were approved as a correct record.

82 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

83 DECLARATIONS OF INTEREST

No declarations were made at this point.

84 PUBLIC SPEAKING

Members were advised that there had been a request to speak at the meeting from a member of the public in accordance with Cabinet's agreed procedure, as set out in Cabinet Procedure Rule 2.7, with regard to Happy Mount Park Master Plan (Minute 86 refers).

Shelagh Brown, a neighbour of the park and involved with the 'Happy Mount Park Project Group' addressed Cabinet with regard to the Master Plan.

85 SECTION 106 AGREEMENT - MORECAMBE SAINSBURY'S

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Chief Officer (Regeneration & Planning) to obtain authority to utilise Section 106 contributions from the Morecambe Sainsbury's development to improve pedestrian/cycle links in the vicinity of the store and to update the Council's budget accordingly.

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

	Option 1: Do not undertake the improvements	Option 2: Implement improvements as currently planned
Advantages	Existing staff resources can be utilised elsewhere.	Achieves long held wish to improve links to Greenway. No additional cost to the Council other than existing staff time. (<i>*see comment re ongoing maintenance</i>)
Disadvantages	No improvements to greenway. Section 106 money repaid. Lost opportunity.	Some staff time involved.
Risks	Reputational risk with public and potential future funders. Would undermine future Section 106 negotiations.	Need to progress quickly to avoid “payback” scenario if scheme is not completed before July 16 th deadline. This is considered low risk given the nature of the works involved.

Option 2 is the officer preferred option as it delivers highly desirable improvements to pedestrian and cycle network at no additional cost to the Council. (*As the proposal improves existing routes, there are no additional maintenance costs associated with the scheme. The new bridge will require less maintenance in the long term than the existing one as it will be constructed of more durable materials).

Councillor Hanson proposed, seconded by Councillor Smith:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That authority be given to utilise the £55,000 Section 106 monies from Sainsbury’s to improve pedestrian and cycle links in the area around the Morecambe store as detailed in the report.
- (2) That the General Fund Revenue Budget and Capital Programme be updated accordingly to reflect the additional expenditure and the contribution from the s106 reserve.

Officers responsible for effecting the decision:

Chief Officer (Regeneration & Planning)
Chief Officer (Resources)

Reasons for making the decision:

The decision is consistent with the City Council’s Clean, Green and Safe Places and Health and Wellbeing priorities. The Section 106 Agreement is legally binding and requires the City Council to repay the money if it not expended within 5 years of its

receipt.

86 HAPPY MOUNT PARK- MASTERPLAN- 2015-2025

(Cabinet Member with Special Responsibility Councillor David Smith)

Cabinet received a report from the Chief Officer (Environment) to seek approval for the Happy Mount Park Master Plan 2015-2025.

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

	Option 1: Approve the master plan for delivery	Option 2: Continue without a master plan
Advantages	<p>The master plan helps focus current and future resources on areas and attractions that will enhance the park. (i.e. the current balance of green space to hard landscape should be maintained or enhanced; Wildlife should be encouraged focusing on the areas identified within the plan; The park does not have capacity for an increase in users during peak times, therefore, additional events, etc. should focus on enhancing the length of the day (i.e. evening or morning usage or extending the season).</p> <p>The plan will also help support applications to external funders to preserve and enhance the park.</p>	<p>The opportunities to preserve and enhance the park through additional funding support would be very much reduced.</p> <p>There would be no clear guidance to the development of the park. This can be particularly difficult when considering new opportunities.</p>
Disadvantages		Less potential for external funding opportunities.
Risks	Funding for development is not secured. If the volunteer groups disband it would be difficult for the council to obtain funding from external sources.	The park may slip into decline without proper forward planning.

The preferred option is option 1. The park is very popular and well used and it is important to have a plan for the future to ensure it remains popular. The three identified operational issues; toilets, car parking and pathways should be noted.

Councillor Smith proposed, seconded by Councillor Hanson:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the new master plan for Happy Mount Park 2015-2025 be approved.
- (2) That decisions relating to the delivery of the master plan be delegated to the Chief Officer (Environment), in line with financial regulations.
- (3) That, where appropriate, the City Council acts as accountable body for external funding that is raised to deliver the master plan and that the Chief Officer (Environment) is authorised to bid for, where appropriate, and accept external funding that contributes to the master plan in line with financial regulations.
- (4) That Cabinet endorses the use of the renewals reserve for the replacement of paths in the park over a 5 year period.
- (5) That Cabinet notes the efforts of volunteers in Happy Mount Park and many other Parks and areas of open space in the District and expresses thanks for the ongoing contribution they make.

Officer responsible for effecting the decision:

Chief Officer (Environment)

Reasons for making the decision:

The decision is consistent with the City Council's 'Clean, Green and Safe places' priority. The master plan will assist in allocating current and future resources within the park, to both preserve the park and enhance its assets. With the Council's commitment to the future of the park and a thriving 'Friends of' group there is a realistic prospect of the master plan being delivered.

Councillor Sands left the room during discussion of this item and did not vote on either the Corporate Performance and Financial Monitoring item (Minute 87) or the Corporate Plan (Minute 88).

87 CORPORATE PERFORMANCE AND FINANCIAL MONITORING 2014/15 - QUARTER 3**(Cabinet Member with Special Responsibility Councillor Blamire)**

Cabinet received a joint report from the Chief Officer (Governance) and Chief Officer (Resources) which presented the corporate performance and financial monitoring reports and other supporting statements for Quarter 3 of the 2014/15 performance monitoring cycle.

The report was for comments and noting.

Councillor Blamire proposed, seconded by Councillor Bryning:-

"That the report be noted."

Councillors then voted:-

Resolved unanimously:

- (1) That the report be noted.

Officers responsible for effecting the decision:

Chief Officer (Governance)
Chief Officer (Resources)

Reasons for making the decision:

The Council's Performance Management Framework requires the regular reporting of operational, as well as financial performance.

88

CORPORATE PLAN**(Cabinet Member with Special Responsibility Councillor Blamire)**

Cabinet received a report from the Chief Executive to enable consideration of the draft Corporate Plan 2015-18 with a view to recommending the Plan to Council for approval.

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 draft Corporate Plan as presented or recommend with minor amendments	Option 2: Corporate Plan not recommended to Council at this stage
Advantages	Assuming no significant impact on resources and forward planning arrangements minor amendments can be managed without interruption to the strategic planning cycle and the Corporate Plan can be submitted for consideration by full council.	A revised Corporate Plan will reflect any significant changes recommended by Cabinet.
Disadvantages	None identified.	This option is likely to lead to delays in publication of the Corporate Plan leading to uncertainty regarding the council's intentions and possible interruptions to delivery of some services and activities.
Risks	Objectives and funding may change during the year that	May have an impact on the strategic direction for the

	will have an impact on needs, aspirations, financial forecasts and other resource implications.	delivery of council services and the achievement of corporate priorities. The budget has been approved in line with the priorities set out in the Corporate Plan and significant changes at this stage may have budget implications that would need to be considered further.
--	---	---

The Officer preferred Option is Option 1 as this will underpin council activities, business and resource planning from an early point in the municipal year. Additionally, local residents, communities and partners will be clear about the priorities and outcomes the council wishes to achieve in the coming three years.

The Corporate Plan is a central part of the Council's Budget and Policy Framework stating the key priorities, outcomes and measures that the council hopes to achieve for the district. The Corporate Plan forms part of the Policy Framework, and, as such, must be approved by Council.

The strategic planning arrangements create an opportunity each year to consider the changing needs and aspirations of local communities and the shifting priorities, opportunities and challenges that the council faces. These are reflected in the draft Corporate Plan for 2015 - 2018 taking into account recommendations by Council and Cabinet, consultation and engagement with residents and visitors and budget information and options that have been set out in various Budget and Policy Framework updates during 2014/15.

Councillor Blamire proposed, seconded by Councillor Bryning:-

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

Councillors then voted:-

Resolved:

(6 Members (Councillors Barry, Blamire, Bryning, Hanson, Leytham and Smith) voted in favour, and 1 Member (Councillor Hamilton-Cox) abstained.)

- (1) That the draft Corporate Plan 2015-2018 be recommended to full Council for approval.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

The Corporate Plan is a central part of the policy framework stating the priorities and key outcomes that the Council hopes to achieve for the district and as such must be approved by Council.

Councillor Sands returned to the room at this point.

89 BUDGET & POLICY FRAMEWORK UPDATE 2015/16

(Cabinet Members with Special Responsibility Councillors Blamire and Bryning)

Cabinet received a report from the Chief Officer (Resources) which informed Cabinet of the latest position following Council's initial consideration of the Budget and Policy Framework, and sought recommendations back to Council in order to complete the budget setting process for 2015/16.

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

Cabinet is now requested to finalise its preferred revenue budget and capital programme proposals for referral on to Council, using the latest information as set out in this report.

Budget and Policy Framework

The proposals reflect minimum statutory requirements. Cabinet may request that other policies or strategies be considered as part of the policy framework, but Officers may need more time to ascertain and advise on the implications.

Revenue Budget

As Council has now determined the City Council tax rate for 2015/16, there are no options to change the total net revenue budget for next year but Cabinet now needs to put forward detailed budget proposals that add back to that amount. The Chief Officer (Resources), as s151 Officer, continues to advise that wherever possible, emphasis should be on reducing future years' net spending.

Capital Programme

Cabinet may adjust its capital investment and financing proposals to reflect spending commitments and priorities but overall its proposals for 2014/15 and 2015/16 must balance. Whilst there is no legal requirement to have a programme balanced over the full 5-year period, it is considered good practice to do so – or at least have clear plans in place to manage the financing position over that time. In deciding its final proposals, Cabinet is asked also to take into account the relevant basic principles of the Prudential Code, which are:

- *that the capital investment plans of local authorities are affordable, prudent and sustainable, and*
- *that local strategic planning, asset management planning and proper options appraisal are supported.*

Other Budget Framework Matters (Reserves and Provisions / MTFS)

Given known commitments, risks and approved council tax targets there is little flexibility in financial terms, but Cabinet may consider putting forward alternatives for various reserves, or different approaches for addressing the medium term budget deficit, or consider different virement and/or carry forward limits.

For General Fund, 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.

It was proposed by Councillor Bryning, seconded by Councillor Blamire and resolved unanimously:-

“That recommendation (1a) and (1b) as set out in the report, be approved.”

It was proposed by Councillor Bryning, seconded by Councillor Blamire and resolved unanimously:-

“That recommendations (2) and (3) as set out in the report, be approved and that Cabinet considers the use of the one off £84K at a future date prior to Budget Council.”

Councillor Bryning then proposed, Councillor Blamire seconded and it was agreed unanimously:-

“That recommendation (4), as set out in the report, be approved.”

Resolved unanimously:

(1) That Council be recommended to amend Article 4.01 of the Constitution, to read as follows:

a) “The Policy Framework means the following plans and strategies:

- Corporate Plan
- Community Safety Agreement
- Local Development Plan Documents
- Licensing Act 2003 Policy Statement
- Gambling Act 2005 Policy Statement

- Any other plan or strategy (whether statutory or non-statutory) in respect of which Council from time to time determines that the decision on its adoption or approval should be taken by it rather than the Cabinet.

b) The Budget Framework includes the allocation of financial resources to different services and projects, the setting of virement and carry forward limits for budgets, proposed contingency funds and other provisions and reserves, council tax setting and other local taxation matters, and decisions relating to the Council’s treasury management activities including investments, borrowing limits and the control of capital expenditure. The Budget Framework is set out in the following:

- Medium Term Financial Strategy
- Treasury Management Framework (including relevant policies and strategies)”.

(2) That Council be recommended to approve a General Fund Revenue Budget of £17.052M for 2015/16, resulting in a Council Tax Requirement of £7.853M excluding parish precepts.

(3) That Council be recommended to approve:

- the supporting budget proposals as summarised at Appendix A;
- the resulting position on provisions and reserves as included at Appendix B;
- the resulting Capital Programme as set out at Appendix C; and

- budget transfer (virements and carry forward) limits as set out in Appendix E.
- (4) That the Leader and Finance Portfolio Holder be given delegated authority to update the Medium Term Financial Strategy as outlined in section 8 of the report, for referral on to Budget Council.
- (5) That prior to Budget Council, Cabinet considers further the use of the estimated £84K one-off grant built into Cabinet's budget proposals, and this may give rise to a budget amendment.

Officer responsible for effecting the decision:

Chief Officer (Resources)

Reasons for making the decision:

The decision enables Cabinet to make recommendations back to Council in order to complete the budget setting process for 2015/16.

90 BUDGET AND POLICY FRAMEWORK UPDATE 2015/16 – HOUSING REVENUE ACCOUNT (HRA) AND CAPITAL PROGRAMME

(Cabinet Member with Special Responsibility Councillor Leytham)

Cabinet received a joint report from the Chief Officer (Health and Housing) and Chief Officer (Resources) which provided an update on the council housing budgetary position and sought Cabinet's decisions on council housing rent levels for 2015/16 together with targets for future years. It also sought approval of Cabinet's supporting revenue budget and capital programme proposals for referral on to Council, in order to complete the HRA budget setting process for 2015/16.

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

With regard to the revenue budget generally, Cabinet could consider other proposals that may influence spending in current and future years, as long their financing is considered and addressed.

The options available in respect of the minimum level of HRA balances are to set the level at £350,000 in line with the advice of the Section 151 Officer, or to adopt a different level. Should Members choose not to accept the advice on the level of balances, then this should be recorded formally in the minutes of the meeting and it could have implications for the Council's financial standing, as assessed by its external auditors.

There is only one sustainable option available in respect of the 2015/16 rent increase and this is set out in section 6 of the report and is in line with the current rent setting policy.

The options available in respect of the Capital Programme are:

- i) To approve the programme in full, with the financing as set out;
- ii) To incorporate other increases or reductions to the programme, with appropriate sources of funding being identified.

Any risks attached to the above would depend very much on what measures Members proposed, and their impact on the council housing service and its tenants. As such, a full options analysis could only be undertaken once any alternative proposals are known, and Officers may require more time in order to do this.

The Officer preferred options are to:

- Approve / refer on the provisions, reserves and balances position as set out;
- Set rent levels to ensure that current stock levels continue to be maintained to required standards, i.e. a 2% increase in 2015/16 and 3% thereafter, noting that any detrimental impact associated with any future accounting / regulatory / welfare reform changes will need to be addressed at that time;
- Note that if future investment opportunity is to be maximised, then as referred to in section 6.3, this can only really be properly considered once there is a better understanding of the total maintenance requirements and its impact on the viability of the 30-year Business Plan.
- Approve / refer on the revenue and capital budget proposals as set out.

Councillor Leytham proposed, seconded by Councillor Hanson:-

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

Councillors then voted:-

Resolved:

(6 Members (Councillors Blamire, Bryning, Hanson, Leytham, Sands and Smith) voted in favour, and 2 Members (Councillors Barry and Hamilton-Cox) abstained.)

- (1) That the Housing Revenue Account Revised Budget for 2014/15, as set out at Appendix A to the report, be referred on to Council for approval.
- (2) That the minimum level of HRA unallocated balances be retained at £350,000 from 1st April 2015, and that the full Statement on Reserves and Balances be endorsed and referred on to Council for approval.
- (3) That the current rent setting policy be reaffirmed for the medium term, in that:
 - an average rent of £71.31 for 2015/16 be approved, representing an increase of 2%, and
 - for 2016/17 onwards target rent increases be set at 3% per annum, and the revenue budget forecasts be updated accordingly.
- (4) That the resulting Housing Revenue Account budget for 2015/16 be referred on to Council for approval.
- (5) That the Capital Programme as set out at Appendix D to the report, be referred on to Council for approval.
- (6) That the above recommendations for the Housing Revenue Account be reflected within the Council's draft Medium Term Financial Strategy as appropriate.

Officers responsible for effecting the decision:

Chief Officer (Resources)
Chief Officer (Health & Housing)

Reasons for making the decision:

The Council is required under statutory provisions to maintain a separate ring-fenced account for all transactions relating to the provision of local authority housing, known as the Housing Revenue Account (HRA). This covers the maintenance and management of the Council's housing stock. It is necessary to prepare separate revenue and capital budgets for the HRA each year, and to set the level of housing rents in sufficient time for the statutory notice of rent variations to be issued to tenants. The decision to set the increase for 2015/16 enables the deadline to be met and enables Cabinet to recommend a balanced budget and fully financed capital programme for referral on to Council.

91 TREASURY MANAGEMENT STRATEGY 2015/16**(Cabinet Member with Special Responsibility Councillor Bryning)**

Cabinet received a report from the Chief Officer (Resources) which set out the 2015/16 Treasury Management Framework for approval and referral on to Council.

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 in Appendix A to the report, 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 at this time.

Furthermore, the Strategy must fit with other aspects of Cabinet's budget proposals, such as investment interest estimates and underlying prudential borrowing assumptions, feeding into Prudential and Treasury Management Indicators.

The Officer preferred option is to approve the framework as attached to the report, allowing for any amendments being made under delegated authority prior to referral to Council. This is based on the Council continuing to have a low risk appetite regarding the security and liquidity of investments particularly, but recognising that more flexibility should help improve returns, whilst still effectively mitigating risk. It is stressed in terms of treasury activity, there is no risk free approach. It is felt though that the measures set out in the report provide a better, more flexible framework within which to work over the coming year.

Councillor Bryning proposed, seconded by Councillor Hanson:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the Finance Portfolio Holder be given delegated authority to finalise the Treasury Management Framework, as updated for Cabinet's final budget proposals, for referral on to Council.

Officer responsible for effecting the decision:

Chief Officer (Resources)

Reasons for making the decision:

As part of the adoption of the CIPFA Code of Practice on Treasury Management it is a statutory requirement that the authority has a Treasury Management Strategy Statement and Investment Strategy. The decision, seeks minor changes to the Council's Treasury Management Policy, and fits with the proposed Medium Term Financial Strategy.

92 ENERGY STRATEGY

(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)

Cabinet received a report from the Chief Officers (Resources), (Environment) and (Health & Housing) which sought approval of the Energy Strategy. The report presented Cabinet with the results of a feasibility study into a municipal solar farm and sought permission to progress the project to the planning stage, updating Cabinet's budget proposals accordingly.

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

Energy Strategy / Action Plan

Cabinet has already agreed these in principle. The current versions are presented in Appendix A1, A2 to the report. Cabinet is requested to approve these, as working documents to inform other corporate strategies, resource allocation and prioritisation. They clearly define the scope of the Council's activity in this area, within the context of the Council's strategic, financial and operating capacity and set meaningful targets.

Update on Renewable Energy Projects- The action plan in Appendix A2 provides progress with these. However in summary-

- **Biomass boilers-** a strategic approach to energy management on the Council's estate is being taken. Rather than just embark on a biomass boiler installation programme a detailed assessment of individual buildings and how energy can be best managed within in them has been commissioned (starting initially with Salt Ayre Sport Centre). The assessment will recommend what energy management measures will provide the best value for money and sustainability. The results of the Salt Ayre assessment are expected soon. This will then help inform how capital funding allocated to already identified property issues will be spent, and whether any further investment is required.
- **Biomass Supply Chain-** for this to progress collaboration with a number of other authorities / organisations (including the County Council) is required. Early

discussions have taken place and there is some interest. However, at this point in time the priority for most Councils is dealing with the immediate impact of central Government funding reductions. It is expected that if feasibility can be demonstrated this will be a more medium-term aim.

- **Wind Turbine at Middleton-** since the previous report to Cabinet it has been established that as things stand the most immediately advantageous use of the land would be for the location of a solar farm. Perhaps in the future, a solar farm as described below would not necessarily preclude this option also, at least in simple site terms, although clearly this does not consider or address the operational, planning and financial and implications.
- **Municipal Solar Farm on Council land at Middleton-** a detailed feasibility study has been commissioned. This and further supporting information is provided in Appendix B1, B2, B3, B4 (All Exempt). The feasibility study demonstrates that the most advantageous route for the Council would be to develop a 5MW solar farm which would utilise approximately 15 hectares of the 40 hectare site that belongs to the Council. This would offer an indicative return of £4M in total over 20 years, from investment estimated at £5.2M. In order to progress this, the next stage would be to commission the detailed work needed to submit a planning application. It is estimated the fees involved in this would cost £70-80K. The work is detailed in Appendix B4 but includes detailed topographical surveys, habitat studies, deposit for connection to grid by network operator etc. There are clearly risks attached to this stage and these include-
 - Planning permission may not be granted.
 - Detailed surveys may show there are issues that impact on the overall cost / viability of the project.
 - National / local government policies radically change after the elections.

However, without making a positive decision to embark on the next stage no further progress can be made on this project. Delaying this stage means that the FiT (feed in tariff) rate will have reduced further which then reduces the amount of income / rate of return for the project and conflicts with the Council's agreed ethos and priorities.

In parallel with this phase of the project, work would take place to appraise how construction of the solar farm is best financed and procured. Detailed work would also take place to provide detailed appraisal of the costs and income of the project over its 20 year lifecycle.

Option 1a- To approve the Energy Strategy / Action plan as a working document to inform other corporate strategies, resource allocation and prioritisation.

Option 1b- To not approve the Energy Strategy / Action Plan.

Option 2a- To agree in principle that the Council uses some of its land at Middleton to develop a 5MW solar farm and authorise Officers to progress the project up to planning application stage, and make appropriate provision within Cabinet's budget proposals. This is on the basis that Cabinet would take the final decision on the project, rather than

it be a matter for full Council. This is considered appropriate given the Council's existing corporate priorities and timescales for the project (and in any event, call-in would apply to the final decision).

Option 2b- To not agree to the development of a solar farm.

The officer preferred options are 1a and 2a.

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

"That the recommendations, as set out in the report, be approved with the insertion of 'and that it be managed in as wildlife friendly way as possible' at the end of recommendation (2)."

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet approves the Energy Strategy / Action plan, recognising it as a working document to inform other corporate strategies and the allocation and prioritisation of resources.
- (2) That Cabinet agrees in principle to the development of a 5MW solar farm on its Middleton (former Shell/ICI) site and that it be managed in as wildlife friendly way as possible.
- (3) That in order to progress the above, Cabinet approves the use of the Invest to Save Reserve to fund the project to the point where it can be submitted as a planning application.
- (4) That Officers report back on the outcome of the further detailed appraisal of the project in order to inform Cabinet's final decision.
- (5) That Cabinet's budget proposals for 2015/16 onwards be updated to provide for the above.

Officers responsible for effecting the decision:

Chief Officer (Environment)

Chief Officer (Resources)

Reasons for making the decision:

The decision endorses a strategy and action plan for the delivery of a key element of the Council's Corporate Plan priority: 'Clean, Green and Safe Places' including the outcome of minimising the Council's impact on the environment and will provide a practical option for a flagship project that would help the financial sustainability of the Council's Corporate Plan over the next 20 years.

93 EXCLUSION OF THE PRESS AND PUBLIC

During consideration of this item it became necessary to refer to the exempt information within the report and appendices and it was therefore moved by Councillor Hamilton-Cox and seconded by Councillor Smith:-

“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.

94 PROPOSED REDEVELOPMENT OF ST. LEONARD'S HOUSE**(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)**

Cabinet received a report from the Chief Officer (Resources) which provided detail on the outcome of the Stage 2 development proposals for St Leonard's House and sought a decision to proceed to the next stage of the redevelopment and regeneration process.

The first part of the report was public whereas the remainder of the report including the options, options analysis, including risk assessment and officer preferred option, were exempt from publication by virtue of paragraph 3, of Schedule 12A of the Local Government Act 1972.

Since publication of the report, further legal advice had been received and the Chief Officer outlined the implications that this had on the Officer preferred options and recommendations.

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

- “(1) That Cabinet notes the findings of the ‘Stage 2’ report and supports in principle the proposed redevelopment of St. Leonard's House, potentially as student accommodation.
- (2) That Cabinet authorises Officers to negotiate with strategic partners on a potential transfer of ownership, based on Option 2 of the report and in parallel, to protect the Council's position, Cabinet authorises Officers to undertake wider soft market testing based on Option 4 including adjacent property owners.
- (3) That Officers report back to Cabinet on the outcome of negotiations and any market testing, in order for Cabinet to reach its final decisions on the proposals.

- (4) That Cabinet's budget proposals for 2015/16 onwards be updated to provide for the above."

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet notes the findings of the 'Stage 2' report and supports in principle the proposed redevelopment of St. Leonard's House, potentially as student accommodation.
- (2) That Cabinet authorises Officers to negotiate with strategic partners on a potential transfer of ownership, based on Option 2 of the report and in parallel, to protect the Council's position, Cabinet authorises Officers to undertake wider soft market testing based on Option 4 including adjacent property owners.
- (3) That Officers report back to Cabinet on the outcome of negotiations and any market testing, in order for Cabinet to reach its final decisions on the proposals.
- (4) That Cabinet's budget proposals for 2015/16 onwards be updated to provide for the above.

Officer responsible for effecting the decision:

Chief Officer (Resources)

Reasons for making the decision:

St Leonards House has long been recognised as a liability rather than an asset to the Council and this development proposal looks to address this, alongside pursuing wider benefits including the regeneration potential and freeing up homes to the housing supply chain. The decision aims to help achieve the targets within the Council's Medium Term Financial Strategy whilst also supporting current corporate priorities in connection with Economic Growth, Health and Wellbeing (housing) and Community Leadership (value for money).

Chairman

(The meeting ended at 11.45 a.m.)

**Any queries regarding these Minutes, please contact
Liz Bateson, Democratic Services - telephone (01524) 582047 or email
ebateson@lancaster.gov.uk**

MINUTES PUBLISHED ON THURSDAY 19TH FEBRUARY, 2015.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
FRIDAY 27TH FEBRUARY, 2015.**

