

**BUDGET AND
PERFORMANCE PANEL**

6.00 P.M.

27TH JANUARY 2015

PRESENT:- Councillors Dave Brookes (Vice-Chairman), Elizabeth Scott, Keith Sowden, Roger Sherlock (substitute for Richard Newman-Thompson) and Susan Sykes

Apologies for Absence:-

Councillors Tony Anderson (Chairman), Chris Coates, Janet Hall and Richard Newman-Thompson

Also in attendance:-

Councillor Eileen Blamire	Leader of the Council
Councillor Abbott Bryning	Cabinet Member with responsibility for Finance

Councillors June Ashworth, Roger Dennison, Tim Hamilton-Cox, Janice Hanson, Caroline Jackson, Tony Johnson and Roger Mace.

Economic Stakeholder Representatives
Voice Your Views Panel Members

Officers in attendance:-

Nadine Muschamp	Chief Officer (Resources) and Section 151 Officer
Andrew Clarke	Financial Services Manager
Stuart Hampson	HR & OD Manager
Stephen Metcalfe	Principal Democratic Support Officer
Jennifer Milligan	Consultation Officer
Sarah Grandfield	Democratic Support Officer

19 MINUTES

The minutes of the meeting of the Panel held on 11th November 2014 were signed as a correct record.

20 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIRMAN

There were no items of urgent business.

21 DECLARATION OF INTERESTS

There were no declarations of interest.

22 CONSULTATION ON THE COUNTY COUNCIL'S BUDGET PROPOSALS

The Chief Officer (Recourses) advised of the apologies from the County Treasurer, Gill Kilpatrick, who was unable to attend the Panel meeting due to unforeseen circumstances. Copies of the report for the consideration of the Members were attached.

The Chief Officer (Resources) advised Members that the County Budget represented a large budget with complex financial challenges across a high number of services. These budget proposals aimed to make savings of £176 million over the next three years. In the absence of a representative from the County Council any questions would be recorded and put to the County Treasurer in writing for a response.

Panel Members asked a number of questions regarding the following:

- concern in cuts to social services including sleep-in services and the viability of increasing social care visits from 15 minutes to 20 minutes;
- cuts to bus routes, especially rural and the Lune Valley routes;
- cuts to arts funding;
- planning consultation for ecology and archaeology;
- reduced responsiveness to Councillors queries of the County Council's Highways Officers;
- the cost efficiency of taking refuse from Lancaster to Middleton;
- the cost of coming out of the PFI with Global Renewables.

It was proposed by Councillor Sykes and seconded by Councillor Scott: -

“(1) That the report be noted and that the County Treasurer be requested to provide a written response to the issues raised.”

Upon being put to the vote Members voted unanimously in favour of the proposition, whereupon the Chairman declared the motion to be carried.

Resolved:

- (1) That the report be noted and that the County Treasurer be requested to provide a written response to the issues raised.

23 BUDGET AND POLICY FRAMEWORK PROPOSALS 2015/16

The Panel received a presentation from the Chief Officer (Resources) on behalf of the Cabinet regarding the Cabinet's Budget and Policy Framework Proposals for 2015/16. The Leader of the City Council, and Cabinet Member with Responsibility for Finance were in attendance at the meeting to answer questions.

The Chief Officer (Resources) outlined the Council's opening Medium Term Financial Strategy targets to the Panel, these were to:

- Make net savings of £1.0M in 2015/16 and £2.5M in 2016/17;
- Implement savings in year, where practical;
- Council tax increases of 1.99% each year, subject to referendum thresholds.

It was reported that this represented a very similar position to the previous years' position, with the notable difference that use of the £1M of Balances was planned for 2015/16.

The Chief Officer (Resources) advised of the progress made towards the required savings which had been achieved so far. Approximately £600,000 per year had been saved through efficiency savings and managing costs down, and a further £700,000 a year achieved through income generation and improved forecasting. These measures would have some adverse impact on the public and communities but so far major service reductions had been avoided. It was not clear for how long this could be maintained.

The City Council's proposed future direction was outlined. It was proposed that the City Council continue with the existing corporate priorities with a narrower focus but continued ambition.

The City Council had now adopted the "Ensuring Council" as its ethos for delivering its Corporate Plan.

The Chief Officer (Resources) reported that looking forward the upcoming General and Local Elections in 2015 would cause more short-term uncertainty, but after the elections there was an opportunity for better informed medium term planning.

The Cabinet's budget proposals were outlined to the Panel and included the following: -

- Keep council tax increases at 1.99% year on year, subject to local referendum thresholds;
- Continue with service reviews and change programme with a medium term focus on;
 - Efficiency savings and service "trimming";
 - Other organisational development;
 - Invest to save initiatives;
 - Major service reductions;
- Manage any service growth needs through redirection of resources;
- Use spare balances to help deliver all the above – but be aware that they will soon run out if the ongoing funding gap is not tackled.

The Chief Officer (Resources) invited questions and comments. The following issues were raised: -

- The City Council's management of its commercial property portfolio including the cost of running two town halls and the current position regarding St Leonards House, Lancaster;
- If there were any future plans for more shared services with other local authorities;
- If there was any evidence of the cost saving resulting from moving homeless services away from the YMCA;
- What future financial strategy was in place to tackle the current funding gap in the budget;
- Sustainability in the face of continued budget cuts;
- The level of Local Council Tax Support (LCTS) provided by the Council;
- That the processes and costs of appointing an external provider for the annual Lancaster Fireworks Spectacular, which takes place as part of the Light Up Lancaster event, be considered for inclusion on the Panel's Work Programme at the next meeting.

It was proposed by Councillor Sowden and seconded by Councillor Scott:-

“(1) That the report be noted and that the processes and costs of appointing an external provider for the annual Lancaster Fireworks Spectacular, which takes place as part of the Light Up Lancaster event, be considered for inclusion on the Panel’s Work Programme at the next meeting.”

Upon being put to the vote Members voted unanimously in favour of the proposition, whereupon the Chairman declared the motion to be carried.

Resolved:

(1) That the report be noted and that the processes and costs of appointing an external provider for the annual Lancaster Fireworks Spectacular, which takes place as part of the Light Up Lancaster event, be considered for inclusion on the Panel’s Work Programme at the next meeting.

24 LANCASHIRE COMBINED FIRE AUTHORITY BUDGET PROPOSALS

The Chairman advised the Panel that Lancashire Combined Fire Authority had submitted their report for comment. The Chairman invited questions.

It was proposed by Councillor Sherlock and seconded by Councillor Sykes:-

“That the report be noted.”

Upon being put to the vote Members voted unanimously in favour of the proposition, whereupon the Chairman declared the motion to be carried.

Resolved:

(1) That the report be noted.

25 LANCASHIRE POLICE AND CRIME COMMISSIONER BUDGET PROPOSALS

The Chairman advised the Panel that, at its meeting on 26th January 2015, the Lancashire Police and Crime Commissioner’s budget proposals for 2015/16 had been considered by the Lancashire Police and Crime Panel. Copies of the report had been received after publication of the agenda, with paper copies circulated at the meeting for Members’ consideration.

The Chairman invited questions from the Panel, then non-Panel member Councillors and then stakeholders and members of the public.

A number of questions were asked regarding the following:

- the Commissioner’s Reserve fund and whether this was made clear in the survey that took place in relation to their proposed increase in the Council Tax precept by 1.99%;
- the continued funding of PCSO’s;

- whether any of the reported reserve in this year's budget could be diverted to the voluntary, community and faith sector groups which help to reduce crime in the district.

It was proposed by Councillor Sherlock and seconded by Councillor Sowden: -

“(1) That the report be noted and that the Lancashire Police and Crime Commissioner be requested to provide a written response to the issues raised.”

Upon being put to the vote Members voted unanimously in favour of the proposition, whereupon the chairman declared the motion to be carried.

Resolved:

- (1) That the report be noted and that the Lancashire Police and Crime Commissioner be requested to provide a written response to the issues raised.

Chairman

(The meeting ended at 7.20 p.m.)

**Any queries regarding these Minutes, please contact
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