



LANCASTER
CITY COUNCIL

Promoting City, Coast & Countryside

COUNCIL MEETING

Wednesday, 13 July 2016

6.00 p.m.

Morecambe Town Hall

Susan Parsonage,
Chief Executive,
Town Hall,
Dalton Square,
LANCASTER,
LA1 1PJ



LANCASTER CITY COUNCIL

Promoting City, Coast & Countryside

Sir/Madam,

You are hereby summoned to attend a meeting of the Lancaster City Council to be held in the Town Hall, Morecambe on Wednesday, 13 July 2016 commencing at 6.00 p.m. for the following purposes:

1. **APOLOGIES FOR ABSENCE**

2. **MINUTES**

To receive as a correct record the Minutes of the Meetings of the City Council held on 16th May and 15th June, 2016 (previously circulated).

3. **DECLARATIONS OF INTEREST**

To receive declarations by Members of interests in respect of items on this Agenda.

Members are reminded that, in accordance with the Localism Act 2011, they are required to declare any disclosable pecuniary interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Whilst not a legal requirement, in accordance with Council Procedure Rule 10 and in the interests of clarity and transparency, Members should declare any disclosable pecuniary interests which they have already declared in the Register, at this point in the meeting.

In accordance with Part B Section 2 of the Code Of Conduct, Members are required to declare the existence and nature of any other interests as defined in paragraphs 8(1) or 9(2) of the Code of Conduct.

4. **ITEMS OF URGENT BUSINESS**

5. **ANNOUNCEMENTS**

To receive any announcements which may be submitted by the Mayor or Chief Executive.

6. **QUESTIONS FROM THE PUBLIC UNDER COUNCIL PROCEDURE RULE 11**

To receive questions in accordance with the provisions of Council Procedure Rules 11.1 and 11.3 which require members of the public to give at least 3 days' notice in writing of questions to a Member of Cabinet or Committee Chairman.

7. **PETITIONS AND ADDRESSES**

To receive any petitions and/or addresses from members of the public which have been notified to the Chief Executive in accordance with the Council's Constitution.

8. **PETITION - DENNY BECK** (Pages 1 - 5)

To receive a petition and address from Mrs Janet Taylor to Council, notification of which has been received by the Chief Executive in accordance with the Council's Constitution.

Members are advised that the petition has in excess of 200 signatures and relates to a local matter which affects one ward. It has been scheduled for debate at this meeting and a report of the Chief Officer (Regeneration and Planning) is attached, in accordance with the Council's Petition Scheme.

9. **PETITION - RYLANDS PARK**

To receive a petition and address to Council, notification of which has been received by the Chief Executive in accordance with the Council's Constitution.

Members are advised that the petition has in excess of 200 signatures and relates to a local matter which affects one ward. The petition has been scheduled for debate at the next meeting on 28th September 2016, and an officer report will be provided at that meeting to accompany the debate, in accordance with the Council's Petition Scheme.

10. **LEADER'S REPORT** (Pages 6 - 9)

To receive the Cabinet Leader's report on proceedings since the last meeting of Council.

MOTIONS ON NOTICE

11. **MOTIONS ON NOTICE - DIVERSE AND TOLERANT SOCIETY (MOTION 1)** (Page 10)

To consider the following motion submitted by Councillors David Smith, Karen Leytham and Sam Armstrong:-

We are proud to live in a diverse and tolerant society. Racism, xenophobia and hate crimes of any description have no place in our country.

We at Lancaster City Council condemn racism, xenophobia and hate crimes unequivocally.

We will not allow such behaviour to become acceptable. We will work with other bodies, Community Safety Partnership, Communities together, Lancashire county council, Town and Parish councils to challenge such behaviour and prevent such crimes.

Lancaster City council wish to assure all of the Districts residents and visitors that they are valued members of our society.

An officer briefing note is attached.

12. **MOTIONS ON NOTICE - DIVERSE AND TOLERANT SOCIETY (MOTION 2)** (Pages 11 - 12)

To consider the following motion submitted by Councillors Caroline Jackson, Tim-Hamilton-Cox and Rebecca Novell:-

This council notes that:

Lancaster has a good record as a district of tackling hate crime and racist attacks both through police and council action and that its citizens are proud to live in a diverse and tolerant community within a diverse and tolerant society.

It is regrettable that a few racial/hate crime incidents have been reported in the district since the EU referendum but that the police service is confident that previous outreach and confidence-building work means that members of our communities are more willing to report incidents.

This council believes that:

All people living in Lancaster district are valued members of our community regardless of origin and that xenophobic or racist hate cannot become socially acceptable.

This council resolves that:

- 1) Lancaster City Council condemns racism, xenophobia and hate crimes unequivocally and believes that racism, xenophobia and hate crimes have no place in our district or our country.
- 2) Lancaster city council will work to ensure local bodies and programmes are supported to fight and prevent racism and xenophobia.
- 3) That the statements in points 1&2 are displayed prominently on the city council website and that a press release is issued to publicise the motion.
- 4) That O&S reviews the current local and city council measures taken to counter racism, xenophobia, and hate crime and reports back to Full Council within 4 months.
- 5) That all councillors consider increasing their involvement with, and support for, those organisations which strengthen communities and increase tolerance and respect between peoples from different countries, cultures and faiths.

An officer briefing note is attached.

OTHER BUSINESS

13. **APPOINTMENTS TO OUTSIDE BODIES** (Pages 13 - 15)

To consider the report of the Chief Executive.

14. **QUESTIONS UNDER COUNCIL PROCEDURE RULE 12**

To receive questions in accordance with the provisions of Council Procedure Rules 12.2 and 12.4 which require a Member to give at least 3 working days' notice, in writing, of the question to the Chief Executive.

15. **MINUTES OF CABINET** (Pages 16 - 45)

To receive the Minutes of Meetings of Cabinet held on 26th April and 28th June, 2016.



.....
Chief Executive

Town Hall,
Dalton Square,
LANCASTER,
LA1 1PJ

Published on 5 July 2016.

COUNCIL

**Receipt of a petition concerning land at Denny Beck
(Quernmore Parish), identified as potential
development site “UE2” in the October 2015 local plan
consultation**

13th July 2016

Report of Chief Officer (Regeneration and Planning)

PURPOSE OF REPORT

To advise members of the receipt of a petition, with 213 signatures, urging the council not to allocate land at Denny Beck, Quernmore Parish, for development purposes in the forthcoming Local Plan.

This report is public

RECOMMENDATIONS

- (1) **That, although the petition contains sufficient signatures to trigger a Council debate in accordance with the Petition Scheme, Council should, in order to avoid prejudicing the preparation of a Local Plan for Lancaster District, defer full consideration of the issue until a draft Local Plan is debated in due course.**

1.0 Introduction

- 1.1 The Council has received a petition regarding the identification of an area of land as a potential development site as part of a recent local plan consultation. This area of agricultural land is within Quernmore Parish and Lower Lune Valley Ward.

2.0 Proposal Details

- 2.1 Between the 19th October and the 30th November 2015 the Council held a Local Plan consultation called *“People, Homes and Jobs: How should we plan for our district’s future?”* The consultation identified a number of potential new strategic development sites, including urban extensions in Lancaster and sites in the Green Belt between Lancaster and Carnforth. The Council consulted on these potential sites to help it determine if these areas are suitable, available and achievable for development. The council will use the information from the consultation to help it prepare a local plan that allocates enough land to meet identified development needs.

- 2.2 As part of the response to this consultation the council received a petition with 213 signatures which states:

“We the undersigned petition the council to recognise that building on the UE2/Denny Beck area will increase the danger to life and property through flooding as outlined in the NPPF: ‘Inappropriate development in areas at risk of flooding should be avoided by directing development away from areas at highest risk, but where development is necessary, making it safe without increasing flood risk elsewhere.’

“Justification: Advice on Sustainable Drainage Systems from specialists has uncovered that the use of UE2 may exacerbate the danger at Denny Beck by increasing flooding and not taking into account the UK Climate Change Commission who advise planners that extreme rainfall may be 30% worse in future”.

- 2.3 In accordance with the Council’s constitution a petition of 200 signatures relating to a local matter which affects no more than two wards is sufficient to trigger a debate at full Council.

- 2.4 However, Members are advised the Council will have to consider and debate the content of a draft local plan once it has been prepared, potentially later this year. That debate will have to consider the allocation of many development sites. A petition with similar intentions has previously been reported to Council on 3rd February 2016, with regard to land at Manor Lane, Slyne-with-Hest/Bolton-le-Sands that has also been identified for consideration in the same October 2015 local plan consultation. Council resolved that full consideration of the issue be deferred until a draft Local Plan is debated in due course. The council’s officers are well aware of the need to consider many constraints on the development of land before advising council if it is suitable for development. This work is currently ongoing. Further petitions may well be submitted as the local plan’s preparation continues. It is advised that any detailed consideration of individual sites should only be as part of that wider debate. The council will then need to consult on the draft Local Plan.

3.0 Details of Consultation

- 3.1 This petition has been received in response to the Local Plan “*People, Homes, and Jobs*” consultation of October/November 2015. A further Local Plan consultation will be arranged once a draft local plan has been approved for consultation by council. The publication of a draft local plan is anticipated early next year.

4.0 Options and Options Analysis (including risk assessment)

	Option 1: Hold a full debate now on the Denny Beck UE2 site now in advance of considering the content of a draft local plan.	Option 2: Defer a detailed consideration of this site until a draft local plan is prepared and brought to council for consideration.
Advantages	None	Presently the council does not know if the Denny Beck UE2 site is either needed or developable. Much work has still to be

		<p>undertaken. A debate on the draft local plan document later this year will allow all potential development site options to be given parity of consideration and informed by the work that the council's officers will do over the next six months in determining the suitability, availability and achievability of potential site options.</p>
<p>Disadvantages</p>	<p>At this point in time the council does not know if this land is either needed for development or is actually developable. Thus should a full debate be held now then it could not meaningfully be concluded that the site should or should not be identified for development in the local plan.</p>	<p>None</p>
<p>Risks</p>	<p>Should the outcome of a full debate be that the council decides that the land should not be identified in the forthcoming local plan then, by removing a potential development option that decision <i>may</i> mean that the council cannot evidence that sufficient allocations are available in total to meet the total identified needs for housing and employment land. Potentially this may have very serious implications for the ability of the council to prepare and submit a plan to Examination. Importantly, the exclusion of this site in advance of a wider local plan debate may mean that alternative sites need to be identified to meet the overall development land requirements. A debate now that results in the scoping out of one site in advance of a debate on other sites could be subject to a serious legal challenge from a disadvantaged land owner or from other parties who might take issue with one potential site being excluded from</p>	<p>None</p>

	<p>consideration before a properly informed local plan debate takes place as such a decision may increase the need for other sites.</p>	
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5.0 Conclusion

- 5.1 A petition has been received in respect of one of the potential sites identified in the Council’s “People, Homes and Jobs” Local Plan consultation. Currently it is not known if the “UE2” Urban Extension site is either needed for development or is developable. Should the site be needed and be developable it may feature as one of many sites identified in a forthcoming draft local plan. That plan will be the subject of a debate at council and published for consultation. A full debate on one single site cannot be properly informed at this point in time. A decision to scope out one site in principle at this stage could well result in legal challenges from the owners of this site, or from other parties who later object to the need to identify other alternative development sites which have not had the benefit of such prior consideration.

- 5.2 Members are therefore recommended to defer detailed consideration of this site until a draft Local Plan is prepared and brought to council for consideration. Presently the position is that this site may or may not be identified for development in the draft local plan. A full debate at this meeting would be inappropriate, not properly informed, and introduce a significant risk to the prospects of a sound local plan being subsequently achieved.

<p>CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</p> <p>The council has a duty to prepare a local plan to address the housing and other development needs of the community. Parity of consideration of all prospective development sites through a rational approach that allows for the comparison of alternative options is a significant concept in local planning.</p> <p>The council needs to identify development sites that provide opportunities for meeting the district’s overall housing and employment needs in both urban and rural areas.</p>
<p>LEGAL IMPLICATIONS</p> <p>A debate in principle that leads to a decision to scope out an individual development site in advance of considering a draft local plan could well result in cost and delay through consequent legal challenges on the basis that due process was not followed. Challenge could arise from land owners, who may be aggrieved that proper consideration was not given to the potential developability of their asset, or, alternatively from parties aggrieved that the outcome of a prior debate on one site means that alternative development sites, which have not had the benefit of such consideration, may need to be identified for development instead of this site.</p>
<p>FINANCIAL IMPLICATIONS</p> <p>Actions that lead to legal challenge and further delay in advancing a local plan could result in significant direct costs as the council defends its actions. Delay on advancing a plan could</p>

mean that the council become liable for the cost of intervention by the department of Communities and Local Government for failing to prepare a new local plan in accordance with the national timetable set out by the government.

OTHER RESOURCE IMPLICATIONS

Human Resources:

There are no direct implications.

Information Services:

There are no implications.

Property:

There are no implications.

Open Spaces:

The site is in private ownership and is in use for agricultural purposes. There are no implications for the management of public open space or play facilities.

SECTION 151 OFFICER'S COMMENTS

The Deputy s151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

"People, Homes and Jobs: How should we plan for our district's future?" Public consultation 19th October to 30 November 2015. Available in "closed consultations" at:

www.lancaster.gov.uk/planningpolicy

Contact Officer:

Maurice Brophy

Telephone: 01524 582330

E-mail: mbrophy@lancaster.gov.uk

Ref: LDLP



Leader's Report

13 July 2016

Report of the Leader of the Council

PURPOSE OF REPORT
To present the Leader's report to Council.
This report is public.

RECOMMENDATIONS

To receive the report of the Leader of Council.

REPORT

1.0 Cabinet

Information on Cabinet matters is provided in the minutes from the Cabinet meeting held on 28 June 2016, later in this agenda.

2.0 Decisions required to be taken urgently

As required by Access to Information Procedure Rule 17 and Part 1 Section 7 (5.1) of the Constitution, set out below are details of a decision taken under the Urgent Business Procedure.

Capacity Issues as a consequence of Senior Management Vacancies

The Chief Executive consulted with the Leader of the Council to address the senior management vacancies. The reason for the urgency was that a decision was required prior to the next scheduled Cabinet meeting on 28th June 2016.

The decision is set out below:-

Option 1 was approved.

Retain the position as determined at Cabinet in August 2015 as Susan Parsonage, the incoming Chief Executive, will be in place in two months' time, before making any permanent changes. However at the same time address any shortfall in the

interim arrangements, namely there is a pressing need for an interim Legal Services Manager to manage the Legal Services Team and report into Preston City Council's Head of Legal and Democratic Services. Should this option be pursued, the interim Manager would also be required to act as the Council's Senior Information Risk Owner (SIRO), taking on responsibility for information governance, which substantively is part of the Chief Officer (Governance)'s role. Overall, interim arrangements can be less robust than permanent arrangements. However, option 1, is not considered to be a high risk option given its temporary nature and with the additional measures being taken to increase capacity.

3.0 Leader's Comments

The Interim Legal Services Manager is now in place.

On the 12 May I attended a Destination Management Conference at the University Conference Centre. This was a wider group of people who were all involved in Marketing or in Tourism for the district. We were grouped to discuss many questions, ideas, etc for improving and widening our tourism offer. These comments will now be fed back to the representatives of the management group. I sincerely hope that some useful proposals could emerge to put Lancaster on the national map.

On the 23 May a District Leaders' Forum was held in Preston Town Hall. This is a forum for District Leaders to discuss common problems and concerns and to raise questions before the afternoon meeting of Lancashire Leaders' at County Hall. Work plan priorities are on the agenda and of course, Combined Authority/Devolution Status and the idea the businesses are not fully aware of what these are. Waste collection and disposal are always on the agenda. Can we work together, is there still a value in all recycling etc and the costs to districts. Lancashire County Council building closures, City deals and the Lancashire Enterprise Partnership's (LEP) need to have a clear steer from us about our vision for the future.

We then attended the Lancashire Leaders' meeting which updated us on progress towards a Combined Authority. An update on skills talked of local commissioning by Combined Authorities from providers and of capital investment in apprenticeships, careers advice and guidance. It was also seen as an opportunity better to integrate services and health systems as well as higher education participation in these things and our obligations to young people, 18 to 20 year olds, who are unemployed. The productivity gap in Lancashire is 29% to 32% nationally.

Better Homes for Lancashire was another item which recommended establishment of a Senior Officer Housing Steering Group. The council has submitted a bid for funding essential infrastructure to deliver housing growth at South Lancaster as part of the latest Growth Deal funding round (Growth Deal 3). If Lancashire is successful this could mean up to £50 million investment in Lancaster. Lancashire has already received £250 million in previous Growth Deal funds for Housing and Employment Growth around Preston.

The Lancashire Leaders' meeting on the 21 June included an item on Health Care and Integration with feedback on the Member Awareness Sessions. Ours was very

poorly attended, about six people, but it was useful to keep us informed about changes in Lancashire and South Cumbria Health Provision and delivery. Demand is growing and there is an £800 million gap ahead, therefore they must close that gap. Geography is a problem in our area and a small population in South Cumbria that is spread out. A reduction in social care by 2020/21 will be around 41%. The Unitary Leaders' want Local Government to take over, but District Leaders' are wary. The formal request to the Secretary of State to form a Combined Authority has been collated for submission. Once the Secretary of State is satisfied that a Combined Authority is appropriate for Lancashire, Leaders will be asked to place the Parliamentary Order in the Autumn.

This will run alongside some Devolution discussions. It was agreed that Sir Richard Leese be invited to a future meeting to share Manchester's experience. Lancashire MPs were invited by Councillor Mein, Councillor Blackburn and Edwin Booth, Chair of the LEP, to be updated on the Combined Authority; only 4 turned up and it was felt that their backing was needed and another meeting should be arranged. The concept of a Mayor for Lancashire did not receive a good reception. It was said that if we are even to consider Devolution in order to gain large amounts of fund, we need a Shire solution not a Metropolitan one. The different Elected Mayor Models were reported. Apparently, the Government insist on one person to negotiate with, therefore a Mayor. My view is that it is very early to even consider it and I was not alone but some are eager to be in "The Premier League".

Edwin Booth was at the meeting for the Growth Deal 3 update and the LEP is keen to work more closely with the emerging Combined Authority which should give us more information and more input.

The Museums Joint Steering Group met on the 24 May where we received an update on the implementation of County Council changes to the museums services by a verbal report from an officer. The County are receiving expressions of interest, but no decisions have yet been made. The 15 August is the deadline. A Cabinet Working Group has been set up to deal with Museums/Buses. There is a meeting on Lancaster with the Working Group on the 29 June. By the 08 September, the County Cabinet will know who the operators will be. The Maritime Museum's deep cleaning and drying out has now finished. It was hoped that it would reopen at the end of June, but ceiling work affects conservation and the warehouse is still closed. Lancashire County Council is seeking six months deferral to submit Phase 2 submissions for Accreditation for its own museums and ours as we have not yet signed a management agreement as there is no clarity about the future as yet.

Two historic vessels outside Lancaster Maritime Museum have been on display since 1985. Both are traditional "nobbie" vessels (Morecambe Bay Prawners). Both are now in a critical state despite valiant efforts to preserve them. In 2014 grant aid for the Museums Development North West enable the Museums Service to explore options for their future. After wide consultation and discussion, options were looked at. The Nobbie Owners' Association approached the Museums Service and they have submitted a project enquiry to the Heritage Lottery Fund. If successful, they will work on the boats with others, most probably at Liverpool Community College or Liverpool Maritime Museums. Apprentices will learn skills in traditional boat building and woodworking techniques in order to restore the vessels. Once restored they will return to the maritime or another public body, if it

was no longer appropriate for us to accommodate them. This will take around 3-4 years.

The Re-Launch of The Chamber evening was well attended on the 26 May. Edwin Booth and Susan Parsonage both spoke at the meeting. With the good news about Morecambe BID there is a renewed confidence in our area.

On the 02 June I attended the opening of the revamped Lancaster University Library. This is a fantastic improvement and it must be a great place to study. The CEO of the British Library was impressed by the new facilities which of course are newer than theirs.

4.0 Other Matters

Cabinet minutes are attached at the end of this agenda

5.0 Key Decisions

The following Key Decisions were taken by Cabinet on 28 June 2016:

- (1) Review of Museums Service
- (2) Provisional Revenue, Capital and Treasury Management Outturn 2015/16

The following Officer Delegated Key Decisions were taken during this period:

- (1) Electrical Inspections Ryelands and Carnforth
- (2) Pedestrian Wayfinding Commission for Central Morecambe
- (3) Branksome Phase 3 External Works
- (4) Installation of Smoke Alarms at Mainway and Newton
- (5) Supply of Plastic Fencing on Branksome
- (6) Ryelands House Boiler Replacement
- (7) Re-Roofing Kingsway and Trumacar
- (8) Supply of Liquid Fuel to White Lund Depot
- (9) Provision of Services for Stray Dogs and Kennelling

Background Papers

Cabinet agenda and minutes of the meeting held on 28 June 2016.

COUNCIL 13 JULY 2016

MOTION ON NOTICE – DIVERSE AND TOLERANT SOCIETY

To consider the following motion submitted by Councillors David Smith, Karen Leytham and Sam Armstrong:-

“We are proud to live in a diverse and tolerant society. Racism, xenophobia and hate crimes of any description have no place in our country.

We at Lancaster City Council condemn racism, xenophobia and hate crimes unequivocally. We will not allow such behaviour to become acceptable. We will work with other bodies, Community Safety Partnership, Communities together, Lancashire county council, Town and Parish councils to challenge such behaviour and prevent such crimes.

Lancaster City council wish to assure all of the Districts residents and visitors that they are valued members of our society.”

Officer briefing note:-

Community Leadership is one of the four priorities in the Council’s Corporate Plan. The Council is committed to bringing communities together and addressing the major issues affecting the district through working in partnership. The role of the council is summarised in the Corporate Plan and includes maintaining a cohesive community.

As a point of information for Members, Lancaster District Community Safety Partnership (CSP) is a collective of public, voluntary, community and private organisations who come together to do all that they can to make the district’s communities safer. The CSP provides a co-ordinated response to community safety issues, drawing together organisations and people that can make a difference. Lancaster district CSP’s membership comprises:

- Lancaster City Council
- Lancashire Constabulary
- Lancashire County Council
- Lancashire Fire & Rescue Services
- Office of the Police and Crime Commissioner
- Cumbria and Lancashire Community Rehabilitation Company (Probation)
- Youth Offending Team
- North Lancashire CCG

Whilst hate crime isn’t one of the CSP’s current priorities, the Partnership receives information from the Constabulary on crime spikes and trends so it can review its priorities accordingly.

The Communities Together group has representation from many diverse religious and ethnic groups in the district as well as the community and voluntary sector, Lancashire County Council, Lancaster City Council, Lancaster University, University of Cumbria and Lancashire Constabulary.

Section 151 Officer’s comments:-

The Section 151 Officer has been consulted and has no further comments.

Monitoring Officer’s comments:-

The Monitoring Officer has prepared this briefing note in her role as Democratic Services Manager.

COUNCIL 13 JULY 2016**MOTION ON NOTICE – DIVERSE AND TOLERANT SOCIETY (MOTION 2)**

To consider the following motion submitted by Councillors Caroline Jackson, Tim-Hamilton-Cox and Rebecca Novell:-

This council notes that:

Lancaster has a good record as a district of tackling hate crime and racist attacks both through police and council action and that its citizens are proud to live in a diverse and tolerant community within a diverse and tolerant society.

It is regrettable that a few racial/hate crime incidents have been reported in the district since the EU referendum but that the police service is confident that previous outreach and confidence-building work means that members of our communities are more willing to report incidents.

This council believes that:

All people living in Lancaster district are valued members of our community regardless of origin and that xenophobic or racist hate cannot become socially acceptable.

This council resolves that:

- 1) *Lancaster city council condemns racism, xenophobia and hate crimes unequivocally and believes that racism, xenophobia and hate crimes have no place in our district or our country*
- 2) *Lancaster city council will work to ensure local bodies and programmes are supported to fight and prevent racism and xenophobia.*
- 3) *That the statements in points 1&2 are displayed prominently on the city council website and that a press release is issued to publicise the motion.*
- 4) *That O&S reviews the current local and city council measures taken to counter racism, xenophobia, and hate crime and reports back to Full Council within 4 months.*
- 5) *That all councillors consider increasing their involvement with, and support for, those organisations which strengthen communities and increase tolerance and respect between peoples from different countries, cultures and faiths.*

Officer briefing note

To reiterate the points made on the preceding briefing note, Community Leadership is clearly stated as one of the four priorities in the Council's Corporate Plan. The Council is committed to bringing communities together and addressing the major issues affecting the district through working in partnership. One of the roles of the council is to maintain community cohesion.

With regard to the particular resolutions in the motion, officer comments are:

- any support given to local bodies is likely to involve use of resources and any costs would need to be met within existing budgets set by Council for 2016/17
- The statements could be displayed on the City Council website in a banner format to coincide with any press release.
- Council may request or recommend that the Overview and Scrutiny Committee should carry out a review, but it cannot instruct, nor can it set a timetable for

completion of the work. Committee members can then consider this request in the context of other priorities for the Overview and Scrutiny workplan for 2016/17.

Section 151 Officer's comments:-

The Section 151 Officer has been consulted and has no further comments.

Monitoring Officer's comments:-

The Monitoring Officer has prepared this briefing note in her role as Democratic Services Manager.

COUNCIL**Appointments to Outside Bodies****13 July 2016****Report of the Chief Executive****PURPOSE OF REPORT**

To consider making;

- a non-Cabinet appointment to Lancashire County Council's Health Scrutiny Committee;
- an appointment to the James Bond/Henry Welch Trust.

This report is public

RECOMMENDATION

- (1) **That Council considers making appointments to:**
- (a) **Lancashire County Council's Health Scrutiny Committee. (*Only non-Cabinet Members may be nominated.*)**
 - (b) **the James Bond/Henry Welch Trust**

1.0 Lancashire County Council's Health Scrutiny Committee

1.1 At the Annual Council meeting, Councillor Pattison was appointed to Lancashire County Council's Health Scrutiny Committee. Unfortunately, because this is one of the County Council's scrutiny bodies, only non-Cabinet Members can be appointed. Therefore, the appointment made by Council on 16 May is invalid.

1.2 In view of this, Council is asked to fill the vacancy at this meeting by nomination and voting at Council (non-Cabinet nominees only).

2.0 James Bond/Henry Welch Trust

2.1 The James Bond/Henry Welch Trust is a charity, administered by the City Council, for the provision of financial assistance for people with diseases of the chest and lung, and for children with disabilities and other special needs living within the district of the Council.

- 2.2 The trustees meet quarterly to consider requests for financial assistance. Meetings are generally held at Lancaster Town Hall on the last Friday of January, April, July and October, in the afternoon.
- 2.3 The majority of the requests for assistance are on behalf of children with disabilities and special needs. Before a request is considered, a home visit is undertaken by two of the trustees, who are then able to provide further details when the request is being considered. The Council's nominee should be willing to be an active member of the trust, accompanying the Home Visitor on some such visits between meetings. It is difficult to estimate the time commitment, but by way of example, nine requests for assistance were considered at the Trust's meeting in July 2015.
- 2.4 At the Council meeting on 23 September 2015, Council determined that the basis of appointment to the James Bond/Henry Welch Trust should be by nomination and voting at full Council. Councillor Tracy Brown was put forward as the Council's appointment but is now unable to fulfil that role. Council is therefore asked to put forward a Member for appointment by the Trust. If a nomination is made at this meeting, the trustees will be asked to confirm the appointment at their next meeting in late July.

3.0 Conclusion

- 3.1 Council is asked to make a non-Cabinet appointment to the vacancy on Lancashire County Council's Health Scrutiny Committee and to put forward a Council Member for appointment to the James Bond/Henry Welch Trust.

**CONCLUSION OF IMPACT ASSESSMENT
(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

None directly arising from this report.

LEGAL IMPLICATIONS

None directly arising from this report.

FINANCIAL IMPLICATIONS

Members of outside bodies are entitled to travel expenses. Costs resulting from this appointment would be minimal and would be met from existing democratic representation budgets.

OTHER RESOURCE IMPLICATIONS

Human Resources:

None

Information Services:

None

Property:

None

Open Spaces:

None

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has drafted this report in her role as Democratic Services Manager.

BACKGROUND PAPERS

None

Contact Officer: Debbie Chambers

Telephone: 01524 582057

E-mail: dchambers@lancaster.gov.uk

Ref:

CABINET

6.00 P.M.

26TH APRIL 2016

PRESENT:- Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Abbott Bryning, Darren Clifford, Karen Leytham, Margaret Pattison, David Smith and Anne Whitehead

Also present: Councillor Nigel Goodrich (Minute 97)

Officers in attendance:-

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

92 MINUTES

The minutes of the meeting held on Tuesday 29th March 2016 were approved as a correct record.

93 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

94 DECLARATIONS OF INTEREST

Councillors Hanson, Clifford and Pattison declared an with regard to the Morecambe Neighbourhood Plan Application for Area Designation report in view of being members of Morecambe Town Council.(Minute 98 refers).

95 PUBLIC SPEAKING

Members were advised that there had been no requests to speak at the meeting in accordance with Cabinet's agreed procedure.

96 EXCLUSION OF PRESS AND PUBLIC

It was moved by Councillor Clifford and seconded by Councillor Leytham:-

"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 items 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 items 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.

97 REPORTS FROM OVERVIEW AND SCRUTINY COMMITTEE - ST LEONARD'S HOUSE CALL-IN REFERRAL

(Cabinet Member with Special Responsibility Councillor Bryning)

The Chairman of the Overview and Scrutiny Committee presented a report to advise Cabinet of the outcome of the call-in of the Cabinet decision in relation to St Leonard's House, Lancaster held on 14th April 2016, and request Cabinet to consider the recommendations of the Overview and Scrutiny Committee in relation to this matter. The recommendation was set out in a referral report which was exempt from publication by virtue of paragraph 3, Schedule 12A of the Local Government Act 1972.

After some discussion it was moved by Councillor Bryning and seconded by Councillor Hanson:-

- "(1) That Cabinet notes the comments made by the Overview and Scrutiny Committee and reaffirms its previous decision in relation to St Leonard's House on 29 March 2016 (Minute 90 refers)."

Resolved unanimously:

- (1) That Cabinet reaffirms its previous decision in relation to St Leonard's House on 29th March 2016:

- (1) *That Cabinet notes the progress made following the financial commitment made to progress the 'Stage 2' report for the redevelopment of St. Leonard's House as student accommodation.*
- (2) *That Cabinet approves Option 1 as set out in the exempt report, this being the disposal of St. Leonard's House to Robertson Property Limited in line with the exclusivity agreement and other heads of terms developed through the Lancashire Regeneration Property Partnership (LRPP) as set out at Appendix A to the exempt report, in support of the economic well-being of the area.*
- (3) *That progress on this matter be covered in the normal quarterly reporting arrangements.*

Officer responsible for effecting the decision:

Chief Officer (Resources)

Reason for making the decision:

In re-affirming the decision made on 29th March, Cabinet notes the observations made by the Overview and Scrutiny Committee. The decision enables the disposal of St Leonard's House to progress with immediate effect and supports current corporate

priorities in connection with Economic Growth and Health and Wellbeing (Housing).

The press and public were re-admitted to the meeting at this point.

98 MORECAMBE NEIGHBOURHOOD PLAN APPLICATION FOR AREA DESIGNATION

(Cabinet Member with Special Responsibility Councillor Hanson)

Councillors Hanson, Clifford and Pattison had declared an interest in this item in view of being members of Morecambe Town Council.

Cabinet received a report from the Chief Officer (Regeneration & Planning) which sought approval of Morecambe Town Council's Neighbourhood Plan Designation Area Application.

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

A local authority can refuse an application for a neighbourhood plan area designation only on the grounds that the area that is the subject of the application is not an appropriate area. Given that the area that is proposed is the area of the whole parish, there is no suggestion that the subject of this application is not an appropriate area. It follows that there is no reasonable ground for not approving the application, and therefore no realistic other option.

The Morecambe Neighbourhood Plan Area Designation is in line with the current ward boundaries and follow the urban form of Morecambe, whilst there are concerns over the geographical scale of the area designation there have been no formal objections raised. Therefore it is recommended that the application be approved.

Councillor Whitehead proposed, seconded by Councillor Leytham:-

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

Councillors then voted:-

Resolved unanimously:

- (1) To approve the Morecambe Neighbourhood Plan Designation Area Application.
- (2) To update the General Fund Revenue Budget to reflect the DCLG funding and associated expenditure.

Officer responsible for effecting the decision:

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

Reasons for making the decision:

Neighbourhood Planning contributes to the Council's corporate plan priorities,

particularly sustainable economic growth and once adopted will form part of the Council's Lancaster District Local Plan.

99 LICENSING REGULATORY COMMITTEE REFERRALS

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Officer (Environment) to enable consideration of two items referred by the Licensing Regulatory Committee with regard to Hackney Carriage and Private Hire Vehicle plates and the testing of Hackney Carriages and Private Hire Vehicles.

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

In terms of options Cabinet can either confirm that they are satisfied that the current arrangements are in place or request that Officers develop further options that Cabinet can consider.

The officer view is firmly that the current arrangements are very much fit for purpose in terms of ensuring the Council's roles and responsibilities both with regards to safety, regulation and the need to provide services in an efficient, effective and economical manner. Furthermore, the officer view is that significant change to the current system in these two areas would compromise the Council's ability to undertake its regulatory role effectively.

The Officer preferred option is that Cabinet considers the two issues referred to them for consideration and based on the evidence provided recommends that no changes are made to the current arrangements.

Councillor Pattison proposed, seconded by Councillor Smith:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet considers that the current plates issued to hackney carriages/private hire vehicles are appropriate and consistent with best practice.
- (2) That Cabinet considers that the current system of testing hackney carriages/private hire vehicles is appropriate, in terms of frequency and rigour, and satisfactory to ensure high standards of safety for the public, and consistency between vehicles.

Officer responsible for effecting the decision:

Chief Officer (Environment)

Reasons for making the decision:

The decision is consistent with the Council's ethos of stewardship and ensuring the social, economic and environmental wellbeing of the local area and as regulators of public safety, Cabinet would be concerned by any proposals which would reduce the status of the regulations. Cabinet consider that the licence plating system in place provides a level of reassurance and is appropriate and consistent with best practice. Cabinet concurs that the current arrangements for testing vehicles in terms of frequency and vigour ensure high standards of safety for the public and consistency between vehicles as well as an efficient, economical and effective service.

Chairman

(The meeting ended at 6.45 p.m.)

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

MINUTES PUBLISHED ON FRIDAY 29TH APRIL 2016.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES
(WITH THE EXCEPTION OF MINUTE 97): TUESDAY 10TH MAY 2016.**

MINUTE 97 MAY BE IMPLEMENTED WITH IMMEDIATE EFFECT.

CABINET

6.00 P.M.

28TH JUNE 2016

PRESENT:- Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Darren Clifford, James Leyshon, Karen Leytham, Margaret Pattison, David Smith and Anne Whitehead

Officers in attendance:-

Mark Cullinan	Chief Executive
Nadine Muschamp	Chief Officer (Resources) and Section 151 Officer
Anne Marie Harrison	Economic Development Manager
Liz Bateson	Principal Democratic Support Officer

1 MINUTES

The minutes of the meeting held on Tuesday 26 April 2016 were approved as a correct record.

2 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

3 DECLARATIONS OF INTEREST

No declarations were made at this point.

4 PUBLIC SPEAKING

Members were advised that there had been two requests to speak at the meeting from in accordance with Cabinet's agreed procedure, as set out in Cabinet Procedure Rule 2.7, with regard to the Review of Museums Service (Minute 5 refers).

Councillor Roger Mace spoke on behalf of the Friends of Lancaster City Museum and Major Danny Parsonage, trustee of the Kings Own also addressed Cabinet.

5 REVIEW OF MUSEUMS SERVICE

(Cabinet Member with Special Responsibility Councillor Clifford)

Cabinet received a report from the Chief Officer (Regeneration & Planning) to advise Cabinet on the findings of a high level review of the current museums service and seek guidance on the overall strategy and actions which members might wish to pursue to develop a more sustainable museums service for the future.

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

	Advantages	Disadvantages	Risks
Option 1: Close all	Significant revenue savings	Museums service ceases to exist	Legal risk - current management

museums	Potential capital receipts and revenue from the buildings and income from the existing buildings	<p>Negative impact on quality of life in the district through the loss of community, education and visitor services</p> <p>Negative impact on the visitor economy</p> <p>Strongly undermines Lancaster's national status as a heritage city</p> <p>Reputational damage for the Council in terms of funders, partners and the community</p> <p>Transfer of part or all of the museums service into a different delivery vehicle once the service has closed down</p> <p>No alternative provider currently available</p>	<p>agreement requires two years notice</p> <p>Delivery risk - no clear solutions for the disposal of valuable collections although the Council has the responsibility to safeguard these. All options would have cost and resource requirements</p>
Option 2: Continue with current arrangements (Do Nothing)	Continues to provide a museums service for the district	<p>Ongoing revenue costs are high and likely to increase</p> <p>Existing museums are underperforming in terms of footfall and income and do not therefore achieve optimum results for economic impact or improved financial sustainability</p> <p>Collections management arrangements are expensive and</p>	<p>Delivery risk - maintaining a status quo situation for management arrangements seems unlikely to be a long term option due to imminent changes within Lancashire County Council's museums service</p> <p>Financial risk - the City Council's budgets face ongoing pressure over the next few years</p>

		<p>inadequate</p> <p>Current displays/exhibitions urgently require investment to refresh and present to today's audiences</p>	
<p>Option 3: Undertake a range of small scale changes</p>	<p>Some small improvements could improve footfall and income to a limited extent</p>	<p>Ongoing revenue costs are high and likely to increase</p> <p>Very limited opportunity to increase income or gain capital receipts</p> <p>Investment required to deliver small scale changes although the business case to invest in some elements of the current museums service is weak</p> <p>Less likely to attract external funding</p> <p>Limited potential to achieve significant benefits</p> <p>Will not future proof the museums service for the long term</p>	<p>Without significant change the ability to increase footfall might be impeded as the overall impression could be that nothing has really changed.</p>
<p>Option 4: Investigate the feasibility of complete redesign of museums service</p>	<p>Potential to significantly reduce ongoing revenue and repairs and maintenance costs by the reduction in the number of museum buildings</p> <p>Likely to produce capital receipts or revenue income from buildings no longer required as museums</p>	<p>Loss of Maritime and Cottage Museums</p> <p>Temporary interruption to the museums service in order to undertake works required</p> <p>Need to identify capital costs for injection of investment and have confidence about potential income generation.</p>	<p>Legal and HR risks – implications relating to the current management arrangements and in respect of County Council staff need to be clarified and managed</p> <p>No certainty regarding outcome of feasibility, including affordability and sustainability.</p> <p>Risk of abortive feasibility costs.</p>

	<p>Potential increase in income from ancillary services</p> <p>Improved long term arrangements for the care and management of collections in appropriate space</p> <p>A more vibrant and engaging museums service with the potential to considerably increase footfall at the City Museum and through exhibitions and events in other locations</p> <p>Improved links with other heritage buildings in Lancaster plus existing spaces in Morecambe and the coastal area</p> <p>Increased potential to engage external funders as this approach safeguards collections and offers long term strategic change</p>		
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The Officer Preferred Option is Option 4, which enables the Council to investigate whether there is a long term strategic approach to delivery of the museums service; safeguards and protects the existing collections; improves engagement with visitors and communities; and creates opportunities to generate income and therefore reduce net costs. It fits with the actions approved at Budget Council.

The current museums service is structured in a way that is inevitably expensive and yet under achieves, in certain respects. The City Council's budget pressures mean that it is more important than ever that services are cost effective and, as far as possible, financially sustainable. Lancashire County Council which manages the Council's museums service, has recently announced a number of major changes that potentially

have implications for future arrangements.

As part of its own budget process the City Council has agreed to review the museums service. An initial high level review of headline options has now been undertaken to provide Cabinet with an outline proposal that has both challenges and opportunities. The opportunity to reduce the cost base at the same time as improving and revitalising the museums service and potentially increasing both footfall and income is highlighted in this report. Further feasibility work, design and costings are required to test the proposals more fully to establish that they offer the long term benefits anticipated.

Councillor Clifford proposed, seconded by Councillor Leytham:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the opportunity for a complete redesign of the museums service is developed and tested with a view to reducing overall costs, improving the care of collections, improving quality of service and increasing footfall and income;
- (2) That further feasibility work is undertaken to provide information on each of the proposed elements of the strategy, as detailed in the report;
- (3) That a more detailed review of longer term management options is undertaken but that, in the meantime, the City Council requests that the two year notice period, as detailed in the existing Museums Service Partnership Agreement, is reduced to one year;
- (4) That the Chief Officer (Resources) be authorised to allocate up to a maximum of £138.5K from the Restructuring (Budget Support) Reserve in 2016/17 following the procurement of appropriate consultants / museum specialists and that the General Fund Revenue Budget be updated accordingly.

Officers responsible for effecting the decision:

Chief Officer (Regeneration & Planning)

Chief Officer (Resources)

Reasons for making the decision:

The decision supports the Council's Corporate Priorities of Sustainable Economic Growth and Community Leadership, contributing to the attractiveness and offer of the district, as a place to visit or invest in; rationalising the Council's property portfolio to deliver better value for money; and improving efficiency and effectiveness through re-shaping services.

6 IMPROVING MORECAMBE'S MAIN STREETS - NEW PEDESTRIAN CROSSING MARINE ROAD CENTRAL

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Chief Officer (Regeneration & Planning) for Cabinet to consider whether to fund a new designed pedestrian crossing at the seafront in Euston Road, as part of the improvements to Morecambe's main streets.

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

	Option 1: Do not provide the new pedestrian crossing until sufficient external funding can be secured.	Option 2: Provide the new crossing as part of the 'Connecting Victoria Street' project, supplementing the project budget with funding from council reserves.	Option 3: Decide not to provide the new pedestrian crossing
Advantages	Leaves open the prospect of providing the crossing. No expenditure by the council.	Consistent with the MAAP, completes the set of improvements to better connect the seafront and town centre at Euston Road. Early implementation offers best value as it utilises the works capacity of Lancashire county council's local highways team, - available this summer.	No expenditure by the council.
Disadvantages	No certainty as to when the crossing might be provided.	Involves use of council reserves budgeted for MAAP implementation but not yet allocated to any MAAP project.	Not consistent with the MAAP. Improvements for pedestrians are incomplete and not optimal.
Risks	That funding can't be secured and the crossing is not provided. This would fail to maximise the	Early benefits for pedestrians and maximises the potential for increased footfall	Fails to maximise the potential for increased footfall into the town centre and consequential

	<p>potential for increased footfall into the town centre and consequential benefits for trading.</p> <p>Delay in securing the funding needed would have similar if temporary effects.</p> <p>This does not best present the town and centre for new customers with opening of the new M6 Link.</p>	<p>into the town centre and consequential benefits for trading.</p> <p>Best presents the town and centre for new customers with opening of the new M6 Link.</p>	<p>benefits for trading.</p> <p>Does not best present the town and centre for new customers with opening of the new M6 Link.</p>
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Option 2 is preferred as this is consistent with the MAAP and makes appropriate use of funds in the MAAP Reserve. It means the designed crossing can be provided this summer to the benefit of the town centre. Lancashire County Council's local highways team has the capacity to undertake the works this summer. This offers best value and as a delivery approach is preferable to delivery via a stand- alone works contract.

The MAAP sets that Euston Road should be the main route for pedestrians between the seafront and the town centre. A new designed crossing at Marine Road Central is desirable for this and the report sets out options.

Councillor Hanson proposed, seconded by Councillor Clifford:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That approval be given to the use of the Morecambe Area Action Plan Implementation Reserve to supplement the budget for the 'Connecting Victoria Street' project in order to provide the new crossing at Marine Road, as set out in the report.

Officer responsible for effecting the decision:

Chief Officer (Regeneration & Planning)

Reasons for making the decision:

The Morecambe Area Action Plan is part of the corporate policy framework and the proposal relates to a key element in the spatial approach and Action Set 8.

7 PROVISIONAL REVENUE, CAPITAL AND TREASURY MANAGEMENT OUTTURN 2015/16**(Cabinet Member with Special Responsibility Councillor Whitehead)**

Cabinet received a report from the Chief Officer (Resources) which provided summary information regarding the provisional outturn for 2015/16 including Treasury Management. It also set out information regarding the carry forward of capital slippage and other matters for Members' consideration.

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

The City Council has a legal requirement to ensure that its expenditure is fully funded and to produce accounts in accordance with proper accounting practice. In addition, the Prudential Indicators are a statutory requirement linked to the budgetary framework. For these aspects, therefore, there are no alternative options for Cabinet to consider. Members are being asked to endorse certain actions taken by the Chief Officer (Resources), and Cabinet should consider whether it has sufficient information to do so or whether it requires any further justification.

The report requests Cabinet to consider a number of revenue overspending, capital slippage and other budget adjustment matters. The framework for considering these is set out in the report but basically Cabinet may:

- Approve any number of the items / requests, in full or part.
- Refuse various requests and if commitments have already been incurred, require alternative funding options to be identified. Cabinet should note, however, that this may impact on other areas of service delivery.
- Request further information regarding them, if appropriate.

The Officer preferred options are as set out in the recommendations, on the assumption that Members continue to support their previously approved spending plans.

Although the General Fund budget and associated Government funding reduced again in 2015/16, the Council continued to manage the financial pressures well, and has again improved the Fund's overall financial standing as at 31 March 2016. Similarly, the HRA's standing is sound. Whilst net revenue underspendings were experienced on both General Fund and HRA, their scale was lower than in previous years, perhaps reflecting the much tighter financial environment within which the Council is working. Although various actions have been outlined in the report, there are no wholly new matters arising that have not previously been reported or highlighted in some form, and this should give some comfort with regard to the Council's financial planning and monitoring arrangements. This is especially so, given that local government finance appears to be getting more complex. It will be important that capacity is in place to address the various actions highlighted, however, and this is becoming increasingly difficult given the resource pressures that exist.

Councillor Whitehead proposed, seconded by Councillor Leyshon:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the provisional outturn for 2015/16 be endorsed, including the transfers to provisions and Balances actioned by the Chief Officer (Resources), and the position regarding overspendings.
- (2) That the requests for capital slippage and the adjustments to reflect accelerated capital spending on projects as set out at Appendix G to the report, be approved.
- (3) That the Annual Treasury Management report and Prudential Indicators as set out at Appendix H to the report [now appended to the Cabinet minutes] be noted and referred on to Council for information.
- (4) That the implications of renewable energy business rate income be noted, with them being fed into the next update of the Council's Medium Term Financial Strategy (MTFS).

Officer responsible for effecting the decision:

Chief Officer (Resources)

Reasons for making the decision:

The Outturn and Statement of Accounts report on all the financial resources generated and/or used by the Council in providing services or undertaking other activities under the Policy Framework.

8 CABINET LIAISON GROUPS AND APPOINTMENTS TO OUTSIDE BODIES, PARTNERSHIPS AND BOARDS

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Executive to consider the Cabinet Liaison Groups currently constituted and Cabinet appointments to Outside Bodies, Partnerships and Boards.

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

The options regarding Cabinet Liaison Groups are:

- To note existing arrangements and make no amendments.
- To consider and approve, where appropriate, any proposals from Cabinet Members.

With regard to appointments to Outside Bodies, Partnerships and Boards, Cabinet is requested to make appointments as set out in Appendix C to the report.

Councillor Pattison proposed, seconded by Councillor Hanson:-

“That the Cabinet Liaison Groups as set out in Appendix B to the report, be reconvened with the following addition:

- Establishment of a City Council Museums Cabinet Liaison Group, the terms of reference to be agreed at a future Cabinet meeting.

That appointments to Outside Bodies, Partnerships and Boards, as set out in Appendix C, appended to the Minutes, be approved with the following revision:

- Councillor Pattison to replace Councillor Clifford as substitute on the Health and Wellbeing Partnership.

Councillors then voted.

Resolved unanimously:

- (1) That the Cabinet Liaison Groups as set out in Appendix B to the report, be reconvened with the establishment of a City Council Museums Cabinet Liaison Group, the terms of reference of which be agreed at a future Cabinet meeting.
- (2) That appointments to Outside Bodies, Partnerships and Boards, as set out in Appendix C, appended to the Minutes, be approved with Councillor Pattison replacing Councillor Clifford as substitute on the Health and Wellbeing Partnership.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

The establishment of Cabinet Committees and Cabinet Liaison Groups assists the Cabinet in the discharge of executive functions. Representation on Outside Bodies is part of the City Council’s community leadership role.

9 URGENT BUSINESS REPORT

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Executive to advise Members of actions taken by the Chief Executive in consultation with the relevant Cabinet Member with regard to capacity issues as a consequence of the current senior management vacancies.

The report was for noting.

Resolved unanimously:

Option 1 was approved.

Retain the position as determined at Cabinet in August 2015 as Susan Parsonage, the

incoming Chief Executive, will be in place in two months' time, before making any permanent changes. However at the same time address any shortfall in the interim arrangements, namely there is a pressing need for an interim Legal Services Manager to manage the Legal Services Team and report into Preston City Council's Head of Legal and Democratic Services. Should this option be pursued, the interim Manager would also be required to act as the Council's Senior Information Risk Owner (SIRO), taking on responsibility for information governance, which substantively is part of the Chief Officer (Governance)'s role. Overall, interim arrangements can be less robust than permanent arrangements. However, option 1, is not considered to be a high risk option given its temporary nature and with the additional measures being taken to increase capacity.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

The decision fulfils the requirements of the City Council's Constitution in advising Cabinet of urgent decisions taken by the Chief Executive in accordance with the City Council's Scheme of Delegation.

Chairman

(The meeting ended at 6.40 p.m.)

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

MINUTES PUBLISHED ON FRIDAY, 1st JULY 2016.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
MONDAY, 11th JULY 2016.**

Appendix H

Annual Treasury Management Report

2015/16

For Noting by Cabinet 28 June 2016

Annual Treasury Management Review 2015/16

Purpose

The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2015/16. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2015/16 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 04 March 2015)
- a mid-year (minimum) treasury update report (Council 16 December 2015)
- an annual review following the end of the year describing the activity compared to the strategy (this report).

In addition, Members have received quarterly treasury management update reports on which were presented to Cabinet and Budget and Performance Panel.

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

The Council confirms that it has complied with the requirement under the Code to give prior scrutiny (by Budget and Performance Panel) to all of the above treasury management reports before they were reported to the full Council. Member training on treasury management issues was undertaken in February 2016 in order to support the scrutiny role.

Introduction and Background

This report summarises the following:-

- Capital activity during the year;
 - Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
 - The actual prudential and treasury indicators;
 - Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
 - Summary of interest rate movements in the year;
 - Detailed debt activity; and
 - Detailed investment activity.
-

1. The Council's Capital Expenditure and Financing 2015/16

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- if insufficient financing is available from the above sources, or a decision is taken not to apply such resources, the capital expenditure will give rise to a borrowing need (also referred to as "unfinanced", within the tables and sections below).

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

General Fund (GF) £M	2014/15 Actual	2015/16 Estimate	2015/16 Actual
Capital expenditure	5.717	7.695	7.522
Financed in year	5.424	3.373	3.105
Unfinanced capital expenditure (i.e. reliant on an increase in underlying borrowing need)	0.293	4.322	4.417

HRA £M	2014/15 Actual	2015/16 Estimate	2015/16 Actual
Capital expenditure	4.709	4.831	4.875
Financed in year	4.709	4.831	4.875
Unfinanced capital expenditure (i.e. reliant on an increase in underlying borrowing need)	0.000	0.000	0.000

2. The Council's Capital Expenditure and Financing 2015/16

The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2015/16 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury function organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWL] or the money markets), or utilising temporary cash resources within the Council.

Reducing the CFR – the Council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to

make an annual revenue charge, called the Minimum Revenue Provision – MRP, to reduce the CFR. This is effectively a repayment of the non-Housing Revenue Account (HRA) borrowing need (there is no statutory requirement to reduce the HRA CFR). This differs in purpose from other treasury management arrangements, which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- the application of additional capital financing resources (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

The Council's 2015/16 MRP Policy (as required by CLG Guidance) was approved as part of the Treasury Management Strategy Report for 2015/16 on 04 March 2015.

The Council's CFR for the year is shown below, and represents a key prudential indicator. It includes leasing schemes on the balance sheet, which effectively increase the Council's borrowing need. No borrowing is actually required against these schemes, however, as a borrowing facility is included in the contract (if applicable).

CFR (£M): General Fund	31 March 2015 Actual	31 March 2016 Budget	31 March 2016 Actual
Opening balance	33.975	32.681	32.681
Add unfinanced capital expenditure (as above)	0.293	4.322	4.417
Less MRP	(1.383)	(1.513)	(1.456)
Less finance lease repayments	(0.204)	(0.095)	(0.113)
Closing balance	32.681	35.395	35.529

CFR (£M): HRA	31 March 2015 Actual	31 March 2016 Budget	31 March 2016 Actual
Opening balance	44.473	43.432	43.432
Add unfinanced capital expenditure (as above)	0.000	0.000	0.000
Less Debt Repayment	(1.041)	(1.041)	(1.041)
Closing balance	43.432	42.391	42.391

CFR (£M): Combined	31 March 2015 Actual	31 March 2016 Budget	31 March 2016 Actual
Opening balance	78.448	76.113	76.113
Add unfinanced capital expenditure (as above)	0.293	4.322	4.417
Less Debt Repayment, Finance Leases and MRP	(2.628)	(2.649)	(2.610)
Closing balance	76.113	77.786	77.920

Borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit.

Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2015/16) plus the estimates of any additional capital financing requirement for the current (2016/17) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2015/16. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

	31 March 2015 Actual	31 March 2016 Budget	31 March 2016 Actual
Gross borrowing position	£67.572M	£66.659M	£66.418M
CFR	£76.113M	£77.786M	£77.920M

The authorised limit - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2015/16 the Council has maintained gross borrowing within its authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2015/16
Authorised limit	£104.000M
Maximum gross borrowing position	£67.572M
Operational boundary	£87.020M
Average gross borrowing position	£66.995M
Financing costs as a proportion of net revenue stream - GF	15.8%
Financing costs as a proportion of net revenue stream - HRA	21.9%

3. Treasury Position as at 31 March 2016

The Council's debt and investment position is administered to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the end of 2015/16 the Council's treasury (excluding borrowing relating to finance leases) position was as follows:

	31 March 2015 Principal	Average Rate	Average Life yrs	31 March 2016 Principal	Average Rate	Average Life yrs
Fixed rate funding:						
PWLB	£67.332M	4.56%	38	£66.291m	4.59%	37
Total debt	£67.332M			£66.291M		
CFR	£76.113M			£77.920M		
Over / (under) borrowing	(£8.781M)			(£11.629M)		
Total investments	£35.800M	0.39%		£39.216M	0.47%	

All investments were placed for under one year.

The loan repayment schedule is as follows:

	31 March 2015 actual	31 March 2016 actual
Under 12 months	£1.041M	£1.041M
12 months and within 24 months	£1.041M	£1.041M
24 months and within 5 years	£3.124M	£3.124M
5 years and within 10 years	£5.207M	£5.207M
10 years and within 20 years	£10.414M	£10.414M
20 years and within 30 years	£7.290M	£6.249M
More than 30 years	£39.215M	£39.215M

The average rate of interest payable on PWLB debt in 2015/16 was 4.59%. A total of £3.071M interest was incurred during the year, of which £2.004M was recharged to the HRA.

Interest Payable

	2015/16
Estimate	£3.071M
Actual	£3.071M

Prudential Indicators also provide exposure limits that identify the maximum limit for variable / fixed interest rate exposure, based upon the debt position. The table below shows that the outturn position was within the limits set by Members at the beginning of the year. The Council currently only has fixed interest rate debt, although again this could change in future if market conditions warrant or facilitate it.

Fixed/Variable rate limits

	Prudential Indicator (%)	Actual (%)
Fixed Rate	100	100
Variable Rate	30	0

4. The Strategy for 2015/16

The expectation for interest rates within the treasury management strategy for 2015/16 anticipated a low but rising Bank Rate, and gradual rises in medium and longer term fixed borrowing rates during 2016/17. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

5. The Economy and Interest Rates (supplied by Capita Asset Services)

Market expectations for the first increase in Bank Rate moved considerably during 2015/16, starting at quarter 3 2015 but soon moving back to quarter 1 2016. However, by the end of the year, market expectations had moved back radically to quarter 2 2018 due to many fears including concerns that China's economic growth could be heading towards a hard landing; the potential destabilisation of some emerging market countries particularly exposed to the Chinese economic slowdown; and the continuation of the collapse in oil prices during 2015 together with continuing Eurozone growth uncertainties.

These concerns have caused sharp market volatility in equity prices during the year with corresponding impacts on bond prices and bond yields due to safe haven flows. Bank Rate, therefore, remained unchanged at 0.5% for the seventh successive year. Economic growth (GDP) in the UK surged strongly during both 2013/14 and 2014/15 to make the UK the top performing advanced economy in 2014. However, 2015 has been disappointing with growth falling steadily from an annual rate of 2.9% in quarter 1 2015 to 2.1% in quarter 4.

The Funding for Lending Scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks which then resulted in money market investment rates falling materially. These rates continued at very low levels during 2015/16.

The sharp volatility in equity markets during the year was reflected in sharp volatility in bond yields. However, the overall dominant trend in bond yields since July 2015 has been for yields to fall to historically low levels as forecasts for inflation have repeatedly been revised downwards and expectations of increases in central rates have been pushed back. In addition, a notable trend in the year was that several central banks introduced negative interest rates as a measure to stimulate the creation of credit and hence economic growth.

The ECB had announced in January 2015 that it would undertake a full blown quantitative easing programme of purchases of Eurozone government and other bonds starting in March at €60bn per month. This put downward pressure on Eurozone bond yields. There was a further increase in this programme of QE in December 2015. The anti-austerity government in Greece, elected in January 2015 eventually agreed to implement an acceptable programme of cuts to meet EU demands after causing major fears of a breakup of the Eurozone. Nevertheless, there are continuing concerns that a Greek exit has only been delayed.

As for America, the economy has continued to grow healthily on the back of resilient consumer demand. The first increase in the central rate occurred in December 2015 since when there has been a return to caution as to the speed of further increases due to concerns around the risks to world growth.

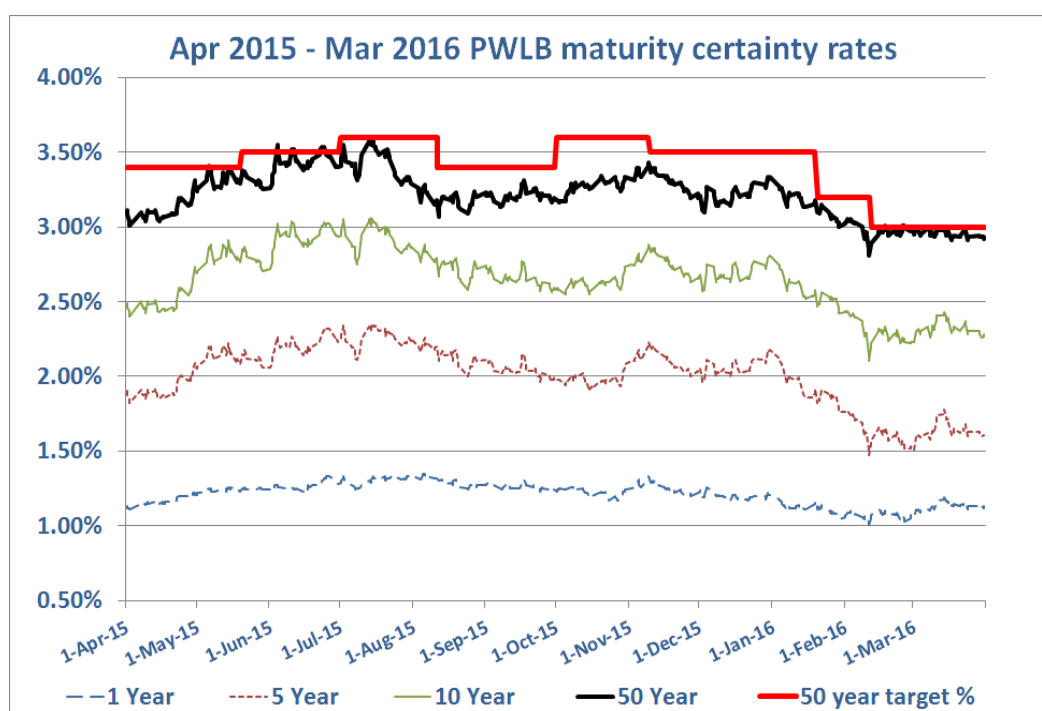
On the international scene, concerns have increased about the slowing of the Chinese economy and also its potential vulnerability to both the bursting of a property bubble and major exposure of its banking system to bad debts. The Japanese economy has also suffered disappointing growth in this financial year despite a huge programme of quantitative

easing, while two of the major emerging market economies, Russia and Brazil, are in recession. The situations in Ukraine, and in the Middle East with ISIS, have also contributed to volatility.

The UK elected a majority Conservative Government in May 2015, removing one potential concern but introducing another due to the promise of a referendum on the UK remaining part of the EU. The government maintained its tight fiscal policy stance but the more recent downturn in expectations for economic growth has made it more difficult to return the public sector net borrowing to a balanced annual position within the period of this parliament.

6. Borrowing Rates in 2015/16

PWLB certainty maturity borrowing rates - the graphs and table for PWLB rates below show, for a selection of maturity periods, the average borrowing rates, the high and low points in rates, spreads and individual rates at the start and the end of the financial year.



7. Borrowing Outturn for 2015/16

Borrowing

No actual borrowing was undertaken during the year.

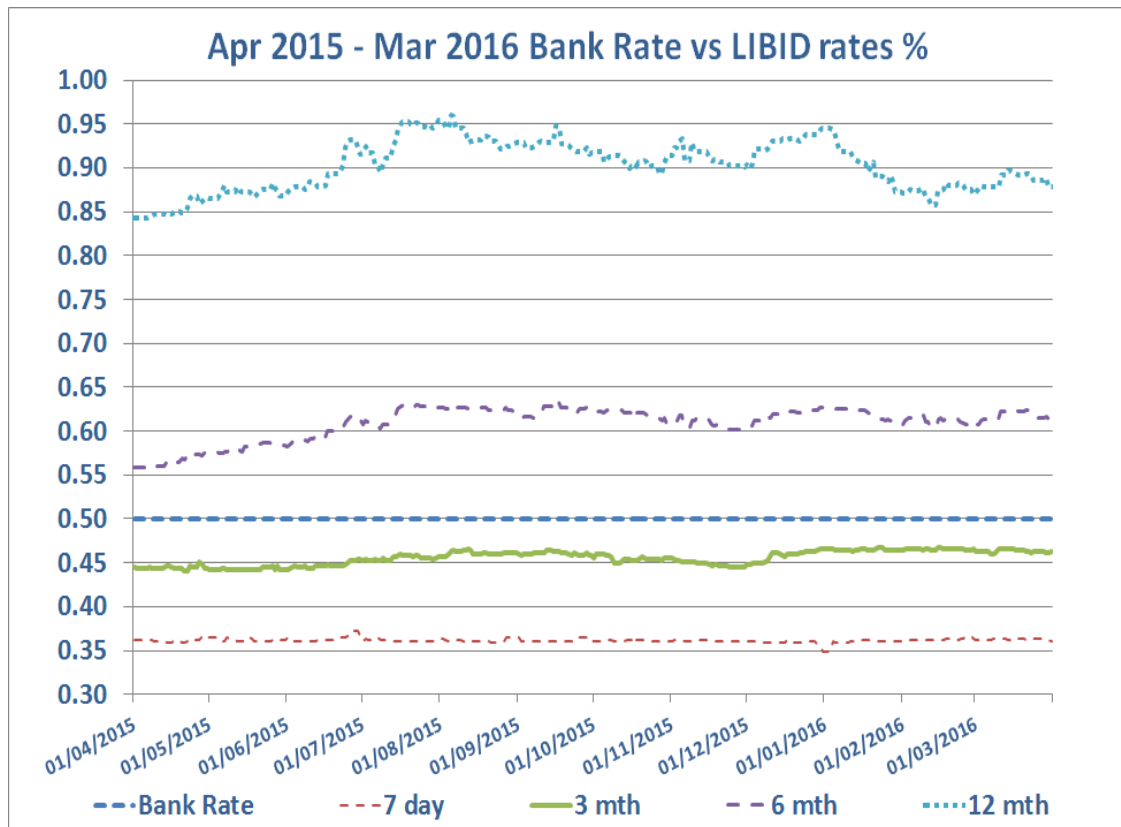
Rescheduling

No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

8. Investment Rates in 2015/16

Bank Rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for seven years. Market expectations as to the timing of the start of monetary tightening started the year at Quarter 1 2016 but then moved back to around Quarter 2 2018 by the end of the year. Deposit rates remained depressed during the whole of the year,

primarily due to the effects of the Funding for Lending Scheme and due to the continuing weak expectations as to when Bank Rate would start rising.



9. Investment Outturn for 2015/16

Investment Policy – the Council’s investment policy is governed by CLG investment guidance, which has been implemented in the annual investment strategy approved by the Council on 04 March 2015. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

Resources – the Council’s cash balances comprise revenue and capital resources and cash flow monies. The Council’s core cash resources comprised as follows:

Balance Sheet Resources (£M)	General Fund		HRA	
	31/03/15	31/03/16	31/03/15	31/03/16
Balances	4.625	4.459	1.041	1.692
Earmarked reserves	6.160	6.406	11.093	10.567
Provisions	1.709	2.524	0.495	0.516
Usable capital receipts	0.000	0.000	0.000	0.000
Total	12.494	13.389	12.629	12.775

Investments held by the Council - the Council maintained an average investment balance of £46.7M of internally managed funds. The average interest earned is compared to the base rate and average 3-month LIBID rate.

	2014/15	2015/16
Lancaster CC Investments	0.39%	0.47%
Base Rate	0.50%	0.50%
3 Month LIBID	0.40%	0.46%

In terms of performance against budget the actual interest earned in 2015/16 was £214K compared to a budget of £179K.

10. Other Risk Management Issues

Many of the risks in relation to treasury management are managed through the setting and monitoring of performance against the relevant Prudential and Treasury Indicators and the approved Investment Strategy, as discussed above.

The Authority's Investment Strategy is designed to engineer risk management into investment activity by reference to credit ratings and the length of deposit to generate a pool of counterparties, together with consideration of other creditworthiness information to refine investment decisions. The Council is required to have a strategy is required under the CIPFA Treasury Management Code, the adoption of which is another Prudential Indicator. The strategy for 2015/16 complied with the latest Code of Practice (November 2011) and relevant Government investment guidance.

11. Conclusion

The Council's treasury activities were in line with its approved policies and strategies. Last year was very quiet in terms of borrowing activity. With respect to investments, longer fixed term investments were placed which helped to increase the average yield for the year. Cash balances will however reduce significantly during 2016/17 with the completion of transactions relating to business rate appeals. This in turn will reduce investment interest, which has already been reflected in future forecasts.

LANCASTER CITY COUNCIL
TREASURY MANAGEMENT POLICY STATEMENT

Last reported to Council on 04 March 2015

This reflects the revised CIPFA Treasury Management Code of Practice (Code updated in 2011).

1. This organisation defines its treasury management activities as:

“The management of the authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.

 2. This organisation regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation and any financial instruments entered into to manage these risks.

 3. This organisation acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.
-

Treasury Management Glossary of Terms

- **Annuity** – method of repaying a loan where the payment amount remains uniform throughout the life of the loan, therefore the split varies such that the proportion of the payment relating to the principal increases as the amount of interest decreases.
- **CIPFA** – the Chartered Institute of Public Finance and Accountancy is the professional body for accountants working in Local Government and other public sector organisations, and it is also the standard setting organisation for Local Government Finance.
- **Call account** – instant access deposit account.
- **Counterparty** – an institution (e.g. a bank) with whom a borrowing or investment transaction is made.
- **Credit Rating** – is an opinion on the credit-worthiness of an institution, based on judgements about the future status of that institution. It is based on any information available regarding the institution: published results, Shareholders' reports, reports from trading partners, and also an analysis of the environment in which the institution operates (e.g. its home economy, and its market sector). The main rating agencies are Fitch, Standard and Poor's, and Moody's. They analyse credit worthiness over up to four headings:
 - **Short Term Rating** – the perceived ability of the organisation to meet its obligations in the short term, this will be based on measures of liquidity.
 - **Long Term Rating** – the ability of the organisation to repay its debts in the long term, based on opinions regarding future stability, e.g. its exposure to 'risky' markets.
 - **Individual/Financial Strength Rating** – a measure of an institution's soundness on a stand-alone basis based on its structure, past performance and credit profile.
 - **Legal Support Rating** – a view of the likelihood, in the case of a financial institution failing, that its obligations would be met, in whole or part, by its shareholders, central bank, or national government.

The rating agencies constantly monitor information received regarding financial institutions, and will amend the credit ratings assigned as necessary.

- **DMADF and the DMO** – The DMADF is the 'Debt Management Account Deposit Facility'; this is highly secure fixed term deposit account with the Debt Management Office (DMO), part of Her Majesty's Treasury.
 - **EIP** – Equal Instalments of Principal, a type of loan where each payment includes an equal amount in respect of loan principal, therefore the interest due with each payment reduces as the principal is eroded, and so the total amount reduces with each instalment.
 - **Gilts** – the name given to bonds issued by the U K Government. Gilts are issued bearing interest at a specified rate, however they are then traded on the markets like shares and their value rises or falls accordingly. The Yield on a gilt is the interest paid divided by the Market Value of that gilt.
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E.g. a 30 year gilt is issued in 1994 at £1, bearing interest of 8%. In 1999 the market value of the gilt is £1.45. The yield on that gilt is calculated as $8\%/1.45 = 5.5\%$.
See also PWLB.

- **LIBID** – The London Inter-Bank Bid Rate, the rate which banks would have to bid to borrow funds from other banks for a given period. The official rate is published by the Bank of England at 11am each day based on trades up to that time.
- **LIBOR** – The London Inter-Bank Offer Rate, the rate at which banks with surplus funds are offering to lend them to other banks, again published at 11am each day.
- **Liquidity** – Relates to the amount of readily available or short term investment money which can be used for either day to day or unforeseen expenses. For example Call Accounts allow instant daily access to invested funds.
- **Maturity** – Type of loan where only payments of interest are made during the life of the loan, with the total amount of principal falling due at the end of the loan period.
- **Money Market Fund (MMF)** – Type of investment where the Council purchases a share of a cash fund that makes short term deposits with a broad range of high quality counterparties. These are highly regulated in terms of average length of deposit and counterparty quality, to ensure AAA rated status.
- **Policy and Strategy Documents** – documents required by the CIPFA Code of Practice on Treasury Management in Local Authorities. These set out the framework for treasury management operations during the year.
- **Public Works Loans Board (PWLB)** – a central government agency providing long and short term loans to Local Authorities. Rates are set daily at a margin over the Gilt yield (see Gilts above). Loans may be taken at fixed or variable rates and as Annuity, Maturity, or EIP loans (see separate definitions) over periods of up to fifty years. Financing is also available from money markets, however because of its nature, currently the PWLB is generally able to offer better terms.
- **Capita Asset Services** – they are the City Council's Treasury Management advisors. They provide advice on borrowing strategy, investment strategy, and vetting of investment counterparties, in addition to ad hoc guidance throughout the year.
- **Yield** – see Gilts

Members may also wish to make reference to *The Councillor's Guide to Local Government Finance*.

APPENDIX C

APPOINTMENTS MADE BY CABINET

ORGANISATION
Lancaster Community Fund Grants Panel (Cabinet Member and 1 member of Council) Cllr Margaret Pattison
Lancashire Leaders Meeting (Leader of the Council) Cllr Eileen Blamire
LGA Coastal Issues Special Interest Group Cllr Darren Clifford
Morecambe Bay Partnership Cllr Janice Hanson
Museums Advisory Panel Cabinet Member (and 1 member of O/S) Cllr Darren Clifford
Lancashire Waste Partnership : Cllr David Smith
Community Safety Partnership Cabinet Member (+ Cabinet Member substitute): Cllr David Smith (Cllr Eileen Blamire substitute)
Health and Wellbeing Partnership Cabinet Member (+ Cabinet Member substitute) : Cllr Karen Leytham (Cllr Darren Clifford substitute)
BID Company Ltd (replacing the Lancaster Business Improvement District (BID) Management Group) - (Cabinet Member for Economic Regeneration) Cllr Janice Hanson
Yorkshire Dales National Park Board – Cabinet Member with responsibility for Rural Affairs – Cllr Margaret Pattison