



**LANCASTER**  
**CITY COUNCIL**

*Promoting City, Coast & Countryside*

# **COUNCIL MEETING**

**Wednesday, 18 December 2019 -  
6.00 p.m.  
Morecambe Town Hall**

*Lancaster City Council welcomes members of the public to attend meetings. However, space in the public gallery is limited to 30 seats due to Fire Regulations. The seats are allocated on a first come, first served basis and no standing is permitted. If you require support in accessing the building, please contact Democratic Services on 01524 582132, or email [democracy@lancaster.gov.uk](mailto:democracy@lancaster.gov.uk)*

Kieran Keane,  
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, 18 December 2019 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 Meeting of the City Council held on 13 November 2019 (previously circulated).

3. **DECLARATIONS OF INTEREST**

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

Councillors 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 9 and in the interests of clarity and transparency, Councillors 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, Councillors 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 - FORMER COUNCILLOR GEOFF WILSON**

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. **LEADER'S REPORT** (Pages 6 - 7)

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

**REPORTS REFERRED FROM CABINET, COMMITTEES OR OVERVIEW AND SCRUTINY**

9. **EXCLUSION OF PRESS AND PUBLIC**

Council is recommended to pass the following recommendation in relation to item 10:-

"That, in accordance with Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business, on the grounds that it could involve the possible disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act."

Members are reminded that, whilst the following item has been marked as exempt, it is for Council itself to decide whether or not to consider it in private or in public. In making the decision, Members should consider the relevant paragraph of Schedule 12A of the Local Government Act 1972, and also whether the public interest in maintaining the exemption outweighs the public interest in disclosing the information. In considering their discretion Members should also be mindful of the advice of Council Officers.

10. **INVESTMENT PROPOSALS** (Pages 8 - 28)

Report of the Portfolio Holder for Finance.

11. **TREASURY MANAGEMENT MID YEAR REVIEW** (Pages 29 - 41)

Report of the Portfolio Holder for Finance.

**MOTIONS ON NOTICE**

12. **MOTION ON NOTICE - FIREWORKS** (Pages 42 - 43)

The following motion on notice has been received from Councillor Hartley. Seconders are Councillors Erica Lewis, Jean Parr, John Reynolds and Jason Wood.

*Fireworks can be frightening for domestic, farm and wild animals. Each year the firework 'season' can last for several weeks around Bonfire Night and again at Christmas/New Year time with the year interspersed with fireworks to mark birthdays/weddings and*

*other events. Added together and there don't seem to be many months when fireworks are not heard!*

*"This Council resolves:*

- to require all public firework displays within the local authority boundaries to be advertised in advance of the event, allowing residents to take precautions for their animals and vulnerable people*
- to actively promote a public awareness campaign about the impact of fireworks on animal welfare and vulnerable people – including the precautions that can be taken to mitigate risks*
- to write to the UK Government urging them to introduce legislation to limit the maximum noise level of fireworks to 90dB for those sold to the public for private displays*
- to encourage local suppliers of fireworks to stock 'quieter' fireworks for public display.*

A briefing note has been provided by officers.

## **OTHER BUSINESS**

### **13. APPOINTMENT OF MAYOR ELECT**

To appoint a Mayor Elect to be put forward for election by the City Council in May 2020, for the municipal year 2020/21.

### **14. LOCALISED COUNCIL TAX SUPPORT SCHEME 2020/21 (Pages 44 - 54)**

Report of the Financial Services Manager.

### **15. COMMITTEE SYSTEM WORKING GROUP (Pages 55 - 57)**

Report of the Democratic Services Manager.

### **16. DISABILITY CHAMPION (Pages 58 - 59)**

Report of the Democratic Services Manager.

### **17. COMMITTEE TIMETABLE 2020/2021 (Pages 60 - 63)**

Report of the Democratic Services Manager.

### **18. PARENTAL LEAVE POLICY FOR COUNCILLORS AND CARERS' ALLOWANCE SCHEME (Pages 64 - 71)**

Report of the Director of Corporate Services.

### **19. APPOINTMENTS AND CHANGES TO COMMITTEE MEMBERSHIP**

Group Administrators to report any changes to Committee Membership.

### **20. 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.

21. **MINUTES OF CABINET** (Pages 72 - 79)

To receive the Minutes of Meeting of Cabinet held 5 November 2019.



.....  
Chief Executive

Town Hall  
Dalton Square  
LANCASTER LA1 1PJ  
Published on Tuesday 10 December, 2019.



**Leader’s Report  
18 December 2019**

**Report of the Leader of the Council**

<b>PURPOSE OF REPORT</b>
To present the Leader’s report to Council.
This report is public.

**RECOMMENDATION**

**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 5 November 2019. The minutes of the Cabinet meeting held on 3 December 2019 were not available at the time of publication of the agenda and will be tabled at the January Council meeting.

**2.0 Decisions required to be taken urgently**

There are no decisions to report since the last Leader’s Report on 13 November 2019.

**3.0 Leader’s Comments**

**Election 2019**

I want to thank all the council staff who have played a role in delivering the 2019 General Election. Any general election is a stretch, a snap general in the run up to Christmas is a particular challenge. Thanks go to our democratic services team and every staff member who joined them for valiantly meeting tight deadlines and managing the marathon that is polling day.

The pre-election period meant that a good number of council meetings and consultations had to be delayed and so there is quite a flurry of activities planned starting the week of the 16th, from the resumption of advisory groups to planning consultations.

## **Eden**

Work has quietly continued on Eden Project during the election period. We have asked the Eden team to come and brief all councillors on the results of their consultations and hope that will happen in the New Year.

## **Budget**

As the key decisions note below and today's council agenda indicates, work continues on the budget. I would encourage any councillor with budget proposals to work with officers to ensure they are as robustly costed as possible, and I would encourage you to offer them to the budget process as early as possible.

### **4.0 Key Decisions**

The following Key Decisions were taken by Cabinet on 5 November 2019:

- (1) Mellishaw Traveller Site – Future Arrangements
- (2) Climate Change Update
- (3) Cultural Investment Framework
- (4) Medium Term Financial Strategy (MTFS)
- (5) Investment Proposals

### **Background Papers**

Cabinet agenda and minutes of the meeting held on 5 November 2019.

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Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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Document is Restricted

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**COUNCIL****Treasury Management Mid-Year Review 2019-20  
18 December 2019****Report of the Portfolio Holder for Finance****PURPOSE OF REPORT**

This report seeks Council's consideration of various matters in connection with the Treasury Management Mid-Year Review 2019/20 and associated revisions to the Prudential Code indicators which incorporate potential property investment acquisitions up to 31st March 2020.

**This report is Public**

**RECOMMENDATIONS**

**That Council:**

- (1) Consider the various matters in connection with the Treasury Management Mid-Year Review 2019/20 and associated revisions to the Council's Prudential Indicators.**

**1.0 INTRODUCTION**

- 1.1 The Mid-Year Review (Appendix A) was presented to Cabinet 03 December 2019 and Budget and Performance Panel 17 December 2019. The report sets out the performance of treasury operations for the first six months of the 2019/20 financial year in terms of long and short term borrowing, investment activities and relevant borrowing limits and prudential indicators. Under CIPFA's Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) it is a requirement that an information report on these matters be presented to Cabinet and full Council.
- 1.2 The report contains a number of revisions to the Council's Prudential Indicators to reflect Cabinet's agreed and proposed property investment acquisitions up to 31st March 2020. These have been considered by Council as part of agenda item 10.

**2.0 PRUDENTIAL INDICATORS**

- 2.1 In compliance with the Prudential Framework the Council sets an annual Treasury Management Strategy including key indicators, determined under regulation, to assist Members in assessing the affordability of borrowing and determining that it is prudent and sustainable.

2.2 The tables set out in Annex A of the report incorporate the impact of the changes on the Treasury Management Strategy.

### 3.0 CONCLUSION

3.1 Council is now asked to consider the Council's Treasury Management performance and the various changes to the Prudential Code Indicators.

#### RELATIONSHIP TO POLICY FRAMEWORK

**A Thriving & Prosperous Economy:** Economic Prosperity is a high level Corporate Priority for the City Council; whilst the acquisition of an existing investment does not give an immediate opportunity to generate short term wealth building the medium term control of land and redevelopment does.

**Clean Green & Safe Neighbourhoods:** As the freeholder of an estate the ability to provide renewable energy sources (solar power), can be delivered as part of the asset management strategy, however this can only be undertaken with the tenants consent or once a lease has determined. We cannot force a tenant to change the terms of their lease.

**A Smart & Forward Thinking Council:** This is the first investment acquisition by the Council, thus enforcing the ambition to be smart, forward thinking and commercially astute. The Property Investment Strategy is one the four pillars of the Funding the Future Strategy which aims to provide financial stability.

#### CONCLUSION OF IMPACT ASSESSMENT

**(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)**

There are no immediate implications for consideration.

#### LEGAL IMPLICATIONS

There are no legal implications stemming from this report.

#### FINANCIAL IMPLICATIONS

As this report is for consideration and the noting of performance there are no immediate financial considerations arising. Agenda item 10 does provide more information regarding the investment proposals.

#### OTHER RESOURCE IMPLICATIONS

**Human Resources:**

None

**Information Services:**

None

**Property:**

None

**Open Spaces:**

None.

**SECTION 151 OFFICER'S COMMENTS**

The s151 Officer has contributed to the production this report.

**MONITORING OFFICER'S COMMENTS**

Monitoring Officer has been consulted and has no further comments

**BACKGROUND PAPERS**

**Contact Officer:** Paul Thompson  
Chief Finance Officer  
**Telephone:** 01524 582603  
**E-mail:** [pthompson@lancaster.gov.uk](mailto:pthompson@lancaster.gov.uk)



**Treasury Management Strategy Statement and Annual  
Investment Strategy**

**Mid-Year Review 2019/20**

**Report of Chief Finance Officer**

## 1. Background

### Capital Strategy

In December 2017 CIPFA (Chartered Institute of Public Finance and Accountancy) issued revised Prudential and Treasury Management codes. As from 2019/20, all local authorities will be required to prepare a Capital Strategy which is intend to provide:

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

A report setting out our Capital Strategy was taken to Council on 27 February 2019.

### Treasury Management

The Council operates a balanced budget, which broadly means that cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management services is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and, on occasion, any debt previously drawn may be restructure to meet Council risk or cost objectives.

Accordingly, treasury management is defined as:

“the management of the local authority's borrowing, 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. Introduction

This report has been written in accordance with the requirements of CIPFA's Code of Practice for Treasury Management.

The primary requirements of the Code are as follows:

- (i) Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- (ii) Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.

- (iii) Receipt by full council of an annual Treasury Management Strategy Statement – including the Annual Investment Strategy and Minimum Revenue Provision Policy – for the year ahead, a Mid-year Review Report and an Annual Report, covering activities during the previous year.
- (iv) Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- (v) Delegation by the council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is Budget and Performance Panel.

This mid-year report covers the following:

An economic update for the first part of the 2019/20 financial year

A review of the Treasury Management Strategy Statement and Annual Investment Strategy

- The Council's capital expenditure, as set out in the Capital Strategy, and prudential indicators
- A review of the Council's investment portfolio for 2019/20
- A review of the Council's borrowing strategy for 2019/20
- A review of any debt rescheduling undertaken during 2019/20
- A review of compliance with Treasury and Prudential Limits for 2019/20
- 

### **3. Economic Background (provided by Link Asset Services)**

*This first half year has been a time of upheaval on the political front as Theresa May resigned as Prime Minister to be replaced by Boris Johnson on a platform of the UK leaving the EU on or 31 October, with or without a deal. However, so far, there has been no majority of MPs for any one option to move forward on enabling Brexit to be implemented. There has been a delay in the date for Brexit to 31 January 2020 and a general election has been called for 12 December. In such circumstances, any interest rate forecasts are subject to material change as the situation evolves*

*The first half of 2019/20 has seen UK economic growth fall as Brexit uncertainty took a toll. In its Inflation Report of 1 August, the Bank of England was notably downbeat about the outlook for both the UK and major world economies. This mirrored investor confidence around the world which is now expecting a significant downturn or possibly even a recession in some developed economies. It was therefore no surprise that the Monetary Policy Committee (MPC) left Bank Rate unchanged at 0.75% throughout 2019, so far, and is expected to hold off on changes until there is some clarity on what is going to happen over Brexit.*

*As for inflation itself, CPI has been hovering around the Bank of England's target of 2% during 2019, (July 2.1%), and is likely to shift only a little upwards over the rest of 2019/20. It does not therefore pose any immediate concern to the MPC at the current time.*

*In the political arena, if there is a general election soon, this could result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the*

expectation of a weak pound and concerns around inflation picking up although, conversely, a weak international backdrop could provide further support for low yielding government bonds and gilts.

#### 4. Interest Rate Forecast

The Council's treasury advisor, Link Asset Services, has provided the following forecast:

Link Asset Services Interest Rate View											
	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25
3 Month LIBID	0.70	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20
6 Month LIBID	0.80	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40
12 Month LIBID	1.00	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60
5yr PWLB Rate	1.20	1.30	1.50	1.60	1.70	1.70	1.80	1.90	2.00	2.00	2.10
10yr PWLB Rate	1.50	1.60	1.80	1.90	2.00	2.00	2.10	2.20	2.30	2.30	2.40
25yr PWLB Rate	2.10	2.30	2.40	2.50	2.60	2.70	2.70	2.80	2.90	3.00	3.00
50yr PWLB Rate	2.00	2.20	2.30	2.40	2.50	2.60	2.60	2.70	2.80	2.90	2.90

*It has been little surprise that the Monetary Policy Committee (MPC) has left Bank Rate unchanged at 0.75% so far in 2019 due to the ongoing uncertainty over Brexit. In its last meeting on 1 August, the MPC became more dovish as it was more concerned about the outlook for both the global and domestic economies. Brexit uncertainty has had a dampening effect on UK GDP growth in 2019, especially around mid-year.*

#### The balance of risks to the UK

- *The overall balance of risks to economic growth in the UK is probably to the downside due to the weight of all the uncertainties over Brexit, as well as a softening global economic picture.*
- *The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also to the downside.*

#### 5. Treasury Management Strategy Statement and Annual Investment Strategy Update

The Treasury Management Strategy (TMS) for 2019/20, which includes the Annual Investment Strategy, was approved by the Council on 27 February 2019. There are no policy changes to the TMS; the details in this report update the position in light of the updated economic position and budgetary changes already approved.

#### 6. Investment Portfolio

The Council aims to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity. As shown by forecasts in section 4, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.75% Bank Rate. Given this risk environment and the fact that increases in the Bank Rate are likely to be gradual and

unlikely to return to the levels seen in previous decades, investment returns are likely to remain low.

Officers confirm that the approved limits within the Annual Investment Strategy were not breached during the quarter ended 30 September 2019.

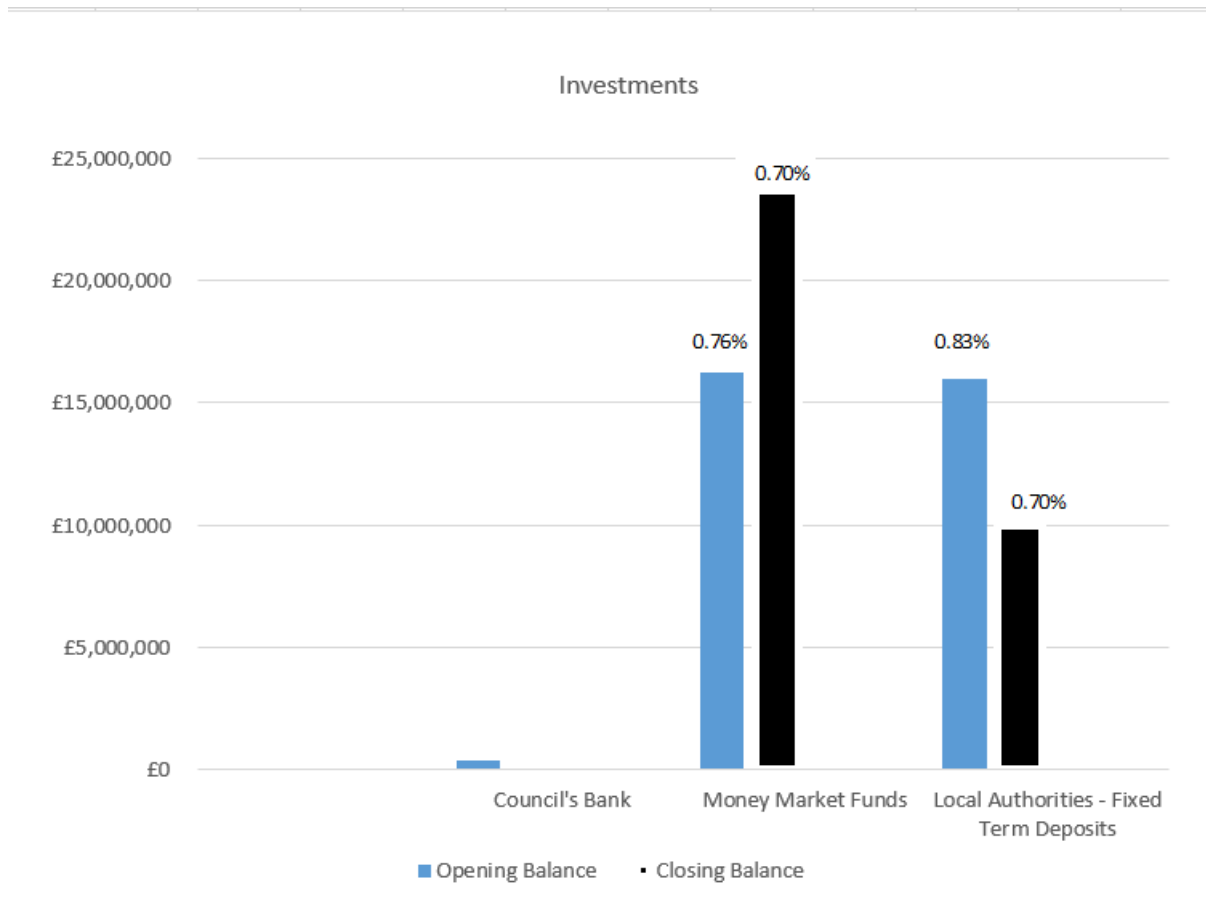
The average level of funds available for investment purposes over the six month period was **£32.9M**. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept and business rate related payments, the receipt of grants and progress on the Capital Programme.

In terms of performance against external benchmarks, the return on investments compared to the 7 day LIBID and bank rates at the end of the period is as follows. This is viewed as reasonable performance, given the need to prioritise security of investments, and liquidity (i.e. making sure that the Council’s cashflow meets its needs):

Base Rate	0.75%
7 day LIBID	0.57%
Lancaster City Council investments	0.74%

**Investment Balances – quarter ended 30 September 2019**

At the start of the year investments totalled £32m rising to £34m by 30 September. Fixed term investments with local authorities fell to £10m whilst Money Market Fund balances increased to £24m.



Other Investments	Term	Maturity Date	Opening 1.4.19 £	Closing 30.9.19 £	Indicative Rate (YTD)	Current Fixed Rate	Interest to Date £
<b>Call Accounts</b>							
Natwest (Cash Manager Plus)			385,684	97,162		0.01%	262
<b>Money Market Funds</b>							
Blackrock Sterling Liquidity First Fund			6,000,000	5,650,000	0.68%		20,285
Blackrock Sterling Government Liquidity Fund			0	0	0.62%		1,900
Insight LGIM			0	0	0.71%		5,491
Aberdeen Life Investments			4,230,000	6,000,000	0.71%		20,654
Goldman Sachs			6,000,000	6,000,000	0.73%		22,629
			0	6,000,000	0.68%		8,343
<b>Fixed Term Deposits</b>							
Thurrock Council	92 days	07/05/2019	5,000,000	0		0.90%	4,438
Thurrock Council	184 days	07/11/2019	0	5,000,000		0.85%	17,117
North Ayrshire Council	89 days	21/05/2019	5,000,000	0		0.90%	6,164
Barking & Dagenham Council	92 days	28/05/2019	5,000,000	0		0.90%	7,454
Barking & Dagenham Council	92 days	28/08/2019	0	0		0.78%	9,403
Barking & Dagenham Council	123 days	27/01/2020	0	5,000,000		0.78%	534
Northamptonshire County Council	363 days	01/04/2019	1,000,000	0		0.70%	19
Glasgow City Council	31 days	01/08/2019	0	0		0.80%	3,397
<b>Sub-total</b>			<b>32,615,684</b>	<b>33,747,162</b>			<b>128,090</b>
						<b>Budgeted income</b>	<b>130,150</b>
							<b>(2,060)</b>

### Investment Counterparty criteria

The current investment counterparty criteria selection approved in the TMS is meeting the requirement of the treasury management function.

## 7. Borrowing

The Council's capital financing requirement (CFR) for 2019/20 was £85.82m as set out at **Annex A**. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. The Council currently has borrowings of £62.13m and has utilised £23.67m of cash flow funds in lieu of borrowing. This is a prudent and cost effective approach in the current economic climate but will require ongoing monitoring in the event that upside risk to gilt yields prevails.

Members are currently being asked to approve the acquisition of an investment property for a commercial return. In order to facilitate this, and to build in sufficient flexibility to make further potential acquisitions during this financial year, the Capital Financing Requirement, Operational Boundary and Authorised limit for external debt have been increased as set out in **Annex A**.

## 8. Debt Rescheduling

Debt rescheduling opportunities have been limited in the current economic climate and following the increase in the margin added to gilt yields which has impacted PWLB new

borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.

## **9. Compliance with Treasury and Prudential Limits**

During the financial year to date the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy and in compliance with the Council's Treasury Management Practices.

It is a statutory duty for the Council to determine and keep under review its affordable borrowing limits. The mid-year position in respect of the Council's approved Treasury and Prudential Indicators (affordability limits) which include the impact of the recommended investments appended **at Annex A**.

## **10. Other Issues**

### **Changes in risk appetite**

The 2018 CIPFA Codes and guidance notes have placed enhanced importance on risk management. Where an authority changes its risk appetite e.g. for moving surplus cash into or out of certain types of investment funds or to other types of investment instruments this change in risk appetite and policy should be brought to members' attention in treasury management update reports. There are no such changes to report.

## ANNEX A

**PRUDENTIAL INDICATORS - MID YEAR REVIEW**

There details in this annex update relevant prudential indicators to reflect the impact of the recommended investments

**Prudential Indicator for Capital Expenditure**

This table shows the current estimates for the General Fund and Housing Revenue Account capital programmes, compared to the original estimates

<b>Capital Expenditure by Service</b>	<b>2019/20</b>	
	<b>Original Estimate £m</b>	<b>Quarter 2 Position £m</b>
Communities and Environment	4.38	4.88
Economic Growth and Regeneration	2.14	2.05
Corporate Services	0.23	0.31
Development Pool	2.45	2.45
<b>Total for General Fund</b>	<b>9.20</b>	<b>9.69</b>
<b>Council Housing (HRA)</b>	<b>4.77</b>	<b>4.77</b>
<b>Commercial activities/non-financial investments</b>	<b>0.00</b>	<b>14.86</b>
<b>Total Capital Expenditure</b>	<b>13.97</b>	<b>29.32</b>

**Changes to the Financing of the Capital Programmes**

This table shows the changes in the financing of the capital programmes, and the level of borrowing required.

<b>Capital Expenditure</b>	<b>2019/20</b>	
	<b>Original Estimate £m</b>	<b>Quarter 2 Position £m</b>
<b>Total capital expenditure</b>	<b>13.97</b>	<b>29.32</b>
Financed by:		
Capital receipts	0.49	0.59
Capital grants	2.44	1.12
Capital reserves	5.13	7.22
Revenue	0.00	0.00
<b>Total Financing</b>	<b>8.06</b>	<b>8.93</b>
<b>Borrowing Requirement</b>	<b>5.91</b>	<b>20.39</b>



## Changes to the Capital Financing Requirement

The following table shows the changes in the financing of the capital programmes, and the level of borrowing required. The latter is recommended to increase by £14.86m.

Capital Financing Requirement	2019/20	
	Original Estimate £m	Quarter 2 Position £m
General Fund	47.49	47.53
HRA	38.31	38.29
Commercial activities/non-financial investments	0.00	14.86
<b>Total Capital Financing Requirement</b>	<b>85.80</b>	<b>100.68</b>
<b>Net movement in CFR</b>	<b>3.30</b>	<b>14.86</b>

## Limits to Borrowing Activity

A key control over treasury management activity is to ensure that over the medium term, net borrowing (borrowings less investments) will only be for capital purposes. Gross external borrowing should not, except in the short term, exceed the total capital financing requirement.

The tables below shows that extra debt is being taken on so formal changes are being recommended to the original approved indicators as set out below.

External Debt v Borrowing Need (CFR)	2019/20	
	Original Estimate £m	Quarter 2 Position £m
External Debt	63.17	63.17
Other long term liabilities	-1.04	-1.04
<b>Total Debt</b>	<b>62.13</b>	<b>62.13</b>
<b>Compared to current approved:</b>		
<b>Capital Financing Requirement</b>	<b>85.80</b>	<b>100.68</b>
<b>Operational Boundary:-</b>		
Debt	<b>85.80</b>	<b>85.82</b>
Commercial activities/non-financial investments	<b>0.00</b>	<b>14.86</b>
<b>Authorised Limit:-</b>		
Debt	<b>102.00</b>	<b>102.00</b>
Commercial activities/non-financial investments	<b>0.00</b>	<b>15.00</b>

**Definitions:****Operational Boundary**

The limit beyond which external debt is not normally expected to exceed is known as the operational boundary.

**Authorised Limit for External Debt**

A further prudential indicator controls the overall level of borrowing. This is the authorised limit which represents the limit beyond which borrowing is prohibited. It reflects the level of borrowing which, whilst not desired, could be afforded in the short term, but it is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements.

**Affordability**

The indicator below shows the proportion of financing costs to net revenue stream

Ratio of Financing Costs to Net Revenue Stream	2019/20		2020/21	2021/22
	Original Estimate	Quarter 2 Position	Estimate	Estimate
	%	%	%	%
General Fund	17.7	16.8	16.6	17.4
HRA	21.5	20.9	20.3	19.5
Commercial activities/non-financial investments	0.00	0.00	3.1	2.8

**Motion on Notice – Fireworks**

Proposer: Cllr Colin Hartley

Seconders: Cllr Erica Lewis, Cllr Jean Parr, Cllr John Reynolds, Cllr Jason Wood

*Fireworks can be frightening for domestic, farm and wild animals. Each year the firework 'season' can last for several weeks around Bonfire Night and again at Christmas/New Year time with the year interspersed with fireworks to mark birthdays/weddings and other events. Added together and there don't seem to be many months when fireworks are not heard!*

*"This Council resolves:*

- to require all public firework displays within the local authority boundaries to be advertised in advance of the event, allowing residents to take precautions for their animals and vulnerable people*
- to actively promote a public awareness campaign about the impact of fireworks on animal welfare and vulnerable people – including the precautions that can be taken to mitigate risks*
- to write to the UK Government urging them to introduce legislation to limit the maximum noise level of fireworks to 90dB for those sold to the public for private displays*
- to encourage local suppliers of fireworks to stock 'quieter' fireworks for public display."*

**OFFICER COMMENTS**

Officer advice on the four points of the motion is-

- to require all public firework displays within the local authority boundaries to be advertised in advance of the event, allowing residents to take precautions for their animals and vulnerable people.**

Organised events on Council owned land require approval. Notice of these events via the Council website and social media can take place.

The Council does not have information on the number of public firework displays that take place on non- Council land. A media release asking organisers of events on non- Council land to advertise their events in advance etc could be done and they could be promoted as above.

This of course would not cover the impromptu firework displays that sometimes take place on both Council and non- Council land.

- to actively promote a public awareness campaign about the impact of fireworks on animal welfare and vulnerable people – including the precautions that can be taken to mitigate risks**

This could be achieved through a Council led media campaign and via the Council website.

- to write to the UK Government urging them to introduce legislation to limit the maximum noise level of fireworks to 90dB for those sold to the public for private displays**

This would be done if requested by Council. The Firework Act 2003 imposes some controls on the sale of fireworks and public fireworks displays. All fireworks sold must comply with BS EN 15947 which currently sets a noise level of 120db, for fireworks available to the public.

- **to encourage local suppliers of fireworks to stock ‘quieter’ fireworks for public display.”**

Council would need to consider the extent to which it would wish to encourage local suppliers to do this and by what means. As an example as part of the campaign outlined above it could be done within existing resources. If more was required eg officers visiting all outlets then the resource implications would need to be considered.

The licensing of retailers selling fireworks is regulated by Trading Standards (Lancashire County Council). Retailers should be visited every year so Council may wish Officers to explore if County would work with the City Council to spread the campaign message of quieter fireworks.

**MONITORING OFFICER COMMENTS:**

The Monitoring Officer has been consulted and has no further comments

**SECTION 151 OFFICER COMMENTS:**

Level of resources required will be dependent upon the decision Council makes. For example a public awareness campaign providing the relevant information on the Council’s website would involve less resource than Council officers visiting all outlets selling fireworks.

**COUNCIL****Localised Council Tax Support Scheme 2020/21****18 December 2019****Report of Financial Services Manager****PURPOSE OF REPORT**

To seek a decision from Council on whether the existing Localised Council Tax Support (LCTS) scheme should be retained in its present format for application in 2020/21.

**This report is public.**

**RECOMMENDATIONS**

- (1) That Council determines whether to retain its existing Localised Council Tax Support Scheme for 2020/21 (Option 1) subject to consequential minor amendments following changes in housing benefit rules; or whether to amend it to reduce entitlement. (Option 2).
- (2) That in the event that Option 1 is approved, that the S151 Officer be authorised to finalise and publish the Council's approved Scheme for 2020/21 and make all other necessary arrangements for its implementation in the next financial year.

**1 BACKGROUND**

- 1.1 Following the abolition of the national Council Tax Benefit (CTB) system back in 2013, each billing authority now has a legal duty to adopt a Localised Council Tax Support (LCTS) scheme.
- 1.2 Each authority is also under a legal obligation to consider, for each year, whether to revise its scheme or to replace it with another scheme. The history of the Council's arrangements is summarised below:
  - The first local scheme was adopted in January 2013 for implementation in 2013/14. The Council chose not to reduce support levels at that time, unlike most other local authorities.
  - In reviewing its scheme since then, Council has decided to retain basic council tax support levels, meaning that working age claimants on low incomes may still be awarded support to cover up to 100% of their council

tax bills.

- The Council has applied some other comparatively minor changes, on the basis that entitlement criteria for LCTS should generally remain in line with other key benefits, most notably Housing Benefit (HB) and Universal Credit (UC).
- 1.3 If a Council does wish to alter its scheme, it must approve any changes by 11 March, otherwise the existing scheme will continue to apply. There is currently no provision for changing a scheme in-year.

## 2 OVERVIEW OF THE COUNCIL'S CURRENT SCHEME

- 2.1 As laid down by Government, there are three general principles that all Local Council Tax Support (LCTS) schemes must follow:
- pensioners should be fully protected;
  - vulnerable groups should be protected as far as possible, as determined locally; and
  - local schemes should support the positive work incentives being introduced through Universal Credit for working age people.
- 2.2 The Council's existing scheme meets these principles, giving protection for certain groups and helping to support work incentives. It provides additional protection for vulnerable people through other income disregards, premiums and allowances. It also provides for annual uplifts associated with inflation, etc.
- 2.3 Under current legislation, pensioners are protected from any locally driven scheme changes, and so any Council decisions impact only on working age claimants.
- 2.4 As Council has so far maintained general support levels, this means that if entitled, a claimant would receive 100% support to cover their council tax bill. Of the 326 schemes in operation nationally, currently the Council is one of the few remaining Councils that still provides full levels of Council Tax Support for working age claimants, depending on their circumstances.
- 2.5 A hardship fund of £40k is built into the LCTS scheme to protect those suffering exceptional hardship. This initiative is financially supported by a contribution from the major precepting authorities, although given that general support levels have been maintained, demand against this continues to be minimal.
- 2.6 The Department for Work and Pensions (DWP) operates a "full" Universal Credit (UC) service in this district, and the Council's existing LCTS scheme accommodates this development. The Council's current LCTS scheme principles are set out in **Appendix A** to this report.
- 2.7 As the impact of UC grows and caseload for housing benefit reduces, it is anticipated that more authorities will look to implement simplified "banded" LCTS schemes that reduces the administrative burden. This is not an option for the City Council in the short-term, but may be something to be considered in the longer term.

### 3. MINOR CONSEQUENTIAL AMENDMENTS

- 3.1 This report sets out a recommendation that the LCTS scheme for 2020/21 be 'retained' in its present form, subject to minor consequential amendments to accommodate the uprating of similar applicable amounts in the Housing Benefit Scheme.
- 3.2 Furthermore, the Council previously replicated a number of measures introduced by the Government in the wider benefits system, to cover payments made from the "We Love Manchester Emergency Fund" and the "London Emergency Trust" and as a result, such payments are now disregarded from the calculation of LCTS in the local scheme for working-age claimants.
- 3.3 The Government has recently introduced similar arrangements, to require authorities to disregard both "urgent" and "exceptional" payments and those made under the formal Windrush Compensation Scheme when determining eligibility for housing benefit and pension-age LCTS.
- 3.4 It is considered that similar disregard provisions should be included in the Council's LCTS scheme for working-age residents from 2020-21 and for future years. The impact of this change is expected to be minimal overall
- 3.5 Most Lancashire Councils are looking to replicate this change in the LCTS scheme for working age claimants.

### 4 CONSULTATION

- 4.1 Members have indicated a preference to retain the existing LCTS scheme in its present format, subject to the scheme principles listed in **Appendix A**. As such, legally there is no need to consult on changes to the scheme at this stage. However, should "Option 2" be the preferred option of the Council, alternative scheme options will need to be developed for consideration by Council early next year, following a swift consultation exercise.
- 4.2 Under Option 1, the Council will write to major precepting authorities setting out the principles of the scheme for 2020/21, acknowledging the fact that they will share the financial cost and risk of any changes made. Their preference has always been for a cost neutral scheme that limits the financial pressure on their budgets as an alternative to cutting essential services.

### 5 OPTIONS AND OPTIONS ANALYSIS

- 5.1 The challenge for the Council is to adopt a scheme that fits with its ambitions and priorities and is considered fair, deliverable and affordable, given statutory obligations and competing pressures for resources. Council is presented with two basic options:
- 5.2 **Option 1:**

**Retain the existing Localised Council Tax Support (LCTS) scheme, subject to minor consequential amendments to match changes in Housing Benefit rules.**

- The existing scheme is considered soundly structured and works well, and offers maximum support for low income families, who may otherwise find themselves in mounting debt.
- The current forecast assumes the continuation of the existing LCTS system and as such, maintaining current levels of support will have no impact on the Council's financial forecast.
- Retaining existing policy principles of keeping various positive entitlement provisions for LCTS in line with other key welfare benefits promotes equality.

### 5.3 Option 2:

#### **Make changes to the existing Localised Council Tax Support (LCTS) Scheme to reduce benefit entitlement for working age claimants.**

- Statistics indicate a gradual monthly reduction in caseload from a high of 12,202 in April 2014 to a current level of 10,738 residents claiming Council Tax Support in the Lancaster district. As pensioners make up 39% (4,137) of claimants, it means any cut in the level of support provided falls on the remaining 61% (6,601) of working age people on low incomes.
- A reduction in the levels of support provided could arguably provide claimants with further incentives to work, reducing their reliance on benefits.
- This option will have greater adverse financial impact on working age households, but would help protect other Council services by requiring less savings to be made by them.
- If levels of support are reduced, the Council would be tasked with the difficulty of collecting this debt from the more vulnerable members of our society, increasing workloads and costs associated with council tax recovery.
- Additional costs associated with developing new scheme options, consultation exercise, legal changes to scheme etc.

## 6 CONCLUSION

- 6.1 The Council's existing LCTS scheme works well in terms of providing support, but at a cost, particularly for the County Council. To date the Council has attached a high priority to maintaining council tax support levels available to working age claimants (pensioners being unaffected by Council's decision).
- 6.2 Adoption of a particular option should be informed by Council's views regarding the relative priority of LCTS, compared with other services and activities in support of future corporate priorities.

### **RELATIONSHIP TO POLICY FRAMEWORK**

The LCTS scheme is developed in support of ambitions within the Council Plan regarding "Healthy and Happy Communities" to optimise access for those that need it most, together with welfare benefits and related support.



**CONCLUSION OF IMPACT ASSESSMENT**

(including Diversity, Human Rights, Community Safety, Sustainability etc)

The ambition is to continue with a LCTS scheme for the Council, which supports the objective of simplicity, but protects the most vulnerable residents in the district. The Council must continue to ensure that it has due regard to equality in making its local scheme, including how it will minimise disadvantage.

The Equality and Human Rights Impact Assessment has been reviewed and can be found as part of **Appendix B**.

**FINANCIAL IMPLICATIONS**

The current forecast assumes the continuation of the existing LCTS scheme which offers a maximum 100% support. As such, should Council approve Option 1, there would be no direct impact on the budget, as it is already assumed that the existing scheme will continue to apply in next year and beyond.

Currently the LCTS system is estimated to cost £10.2M each year, but this is affected by council tax rates and claimant caseload, as well as the decisions of Council. Of this estimated cost, approximately £1.2M falls to the City Council, with the remainder being covered predominantly by the other major precepting authorities (County, Fire, Police) and a small element being met by Parish and Town Councils.

Should Council approve Option 2 and reduce support levels there would be related savings to the Council and major preceptors (County, Fire, Police), subject to level of reduction. Any impact on parishes would be negligible.

Since the introduction of the LCTS scheme, the Government has rolled the Council Tax Support Grant into mainstream Government funding thereby making it difficult to separately identify.

**SECTION 151 OFFICER'S COMMENTS**

The Section 151 Officer has contributed to the production of financial comments.

**LEGAL IMPLICATIONS**

The Local Government Finance Act 1992 (as amended) provides that the Council, as the billing authority, must consider whether to revise its LCTS scheme, or replace it with another scheme by 11<sup>th</sup> March every year. However, it is beneficial for the Council to determine the principles of its LCTS scheme early, in order to build estimates into its Tax Base calculations.

Before a Council can determine to revise or replace its LCTS scheme it must consult any major precepting authority which has the power to issue a precept to it and such other persons as it considers are likely to have an interest in the operation of the scheme. However, these consultation rules do not apply if the Council approves the recommendation to "retain" its existing LCTS scheme.

Likewise, if Council is not proposing to change the existing LCTS scheme then technically there is no requirement to seek approval from full Council. However, it is considered good practice for Council to ratify the existing scheme, given the annual

upratings in April each year to adjust benefits and personal allowances, and other consequential amendments.

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

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**Lancaster City Council  
Summary Principles of the Council Tax Support Scheme**

The Council Tax Support Scheme is based upon the following principles and will:

1. be calculated as a means tested discount, defined primarily by the terms of the former Council Tax Benefit (CTB) Scheme;
2. match/reflect as appropriate specific wider welfare reforms introduced by the Government, such as those that impact upon housing benefits and/or universal credit as examples;
3. protect pensioners (a Government requirement);
4. help protect the most vulnerable members of society as far as possible, as determined locally;
5. retain a local arrangement for war pensions to be disregarded in full;
6. support positive work incentives that are built in to benefit those who find work;
7. include a hardship fund to help claimants who suffer exceptional hardship as a result of council tax support changes; and
8. not include a second adult rebate reduction for working age claimants.

**Class of persons**

The scheme sets out rules for working age claimants. Regulations prescribe a scheme for claimants of state pension credit age and prescribe certain classes of persons who are not eligible to claim council tax support.

Eligibility for council tax support is determined by reference to means testing i.e. the income and capital of the claimant and any partner; and by the income and number of non-dependants in the household.

Eligibility for council tax support is defined by the terms of this scheme. The scheme sets out how council tax support is claimed, calculated and paid, except where amendments are required by statute under the Local Government Finance Act 2012 and/or accompanying legislation.

**Class of reductions**

The scheme aligns with the basic principle of the need to create work incentives.

The scheme is based on the system of making deductions from the eligible council tax for each non-dependant person in the household. The categories of non-dependency are set out in the scheme. Income brackets may be altered in line with the general up-rating arrangements in the scheme, usually adjusted annually to include personal allowances.

Changes will be reflected in the scheme, as considered appropriate, to reflect the Government's ongoing welfare benefits reforms, such as those affecting housing benefit and universal credit as examples.

## **Applications**

An application will be required for all new claims. An appropriate means of application will be decided by the authority and may be revised as required. A review process may be implemented by the local authority for new and existing awards. Awards may be reviewed in a time period to be determined by the authority and failure of the claimant to fulfil any request during a review of their award may result in the termination of that award.

## **General administration of the scheme**

Apart from where statutorily required, advice of any award granted, removed or revised will be by an adjustment to the council tax bill and the bill itself will be the formal notification. The authority reserves the right to include additional notifications.

## **Changes in Circumstances**

Matters relating to the duty for a claimant to notify the Local Authority of a change in circumstances shall generally replicate those that applied to the former CTB Scheme.

## **Appeals process**

Claimants will submit any appeals to the Council in the first instance for a reconsideration of a relevant decision. Once notified of the outcome of this review, the claimant will have a period of two months from the date of the notification to submit an appeal to the Valuation Tribunal.

## **Backdating**

Council Tax Support can be backdated, providing continuous good cause is shown for the delay in claiming.

## **Up-rating**

Following commencement of the scheme, with effect from 1st April each year any figures set out in the scheme may be up-rated by the consumer price index, retail price index or other rate of inflation set out in the preceding September, or by another rate determined with reference to provisions made for Housing Benefit and Universal Credit, or as decided by the authority.

## **Other Matters**

The scheme may be amended to take into account any circumstances subsequently identified, whether through government statute, or other means.



**Lancaster City Council's Equality Impact Assessment**  
**Localised Council Tax Support Scheme 2020/21**

**Section 1: Details:**

<b>Service</b>	Revenues & Benefits Shared Service Resources
<b>Title and brief description (if required)</b>	Localised Council Tax Support Scheme
<b>New or existing</b>	Existing
<b>Author/officer lead</b>	Lead – Head of Shared Service / Benefits Manager
<b>Date</b>	2 <sup>nd</sup> December 2019

**Does this affect staff, customers or other members of the public?**

Yes

**Section 2: Summary:**

**What is the purpose, aims and objectives?**

The Local Government Finance Act 1992 as amended, sets out measures requiring all billing authorities to introduce and maintain a LCTS scheme for each financial year.

The main aims of the LCTS scheme are to ensure fairness and consistency, and to help reduce confusion for claimants.

**Who is intended to benefit and how?**

Under any scheme, support for pensioners must remain at existing levels, and the scheme must be delivered through a national framework of criteria and allowances.

For working age claimants, Councils can choose – through the design of their scheme – whether to alter support entitlements in some way.

Policies and procedures are structured to ensure that all customers receive the correct amount of support and that every claim is considered on its own merits and in accordance with legislation and Government guidance.

**Section 3: Assessing impact**

<b>Is there any potential or evidence that this will or could:</b>		
• Affect people from any protected group differently to others?	Yes	
• Discriminate unlawfully against any protected group?		No
• Affect the relations between protected groups and others?		No
• Encourage protected groups to participate in activities if participation is disproportionately low (won't always be applicable)?		No
• Prevent the council from achieving the aims of its' Equality and Diversity Policy?		No

We hold household and income details of current Council Tax Support recipients and we have access to wider population statistics and can assess equality monitoring data available as part of the survey.

Age including older and younger people and children	Positive re: pensioners - as they are protected from any changes, as directed by Government.  The scheme impacts upon working age claimants only.
Disability	Disabled customers are not adversely affected by the LCTS scheme and are not disadvantaged in comparison to other groups.
Faith, religion or belief	Neutral.
Gender including marriage, pregnancy and maternity	No specific evidence. We do not anticipate this scheme will have a particular equality impact on this protected group.
Gender reassignment	We do not anticipate this scheme will have a particular equality impact on this protected group.
Race	Potentially but if so, very marginally – BME populations seem to be over- represented in unemployment figures and so this may feed through into LCTS claims and entitlement.
Sexual orientation (Including Civic Partnerships)	No specific evidence. We do not anticipate this scheme will have a particular equality impact on this protected group.
Rural communities	No specific evidence. We do not anticipate this scheme will have a particular equality impact on this protected group.
People on low incomes	The scheme relates predominantly to this group, but numbers affected by the specific proposals are expected to be very low.

**Section 4: Next steps:**

**Do you need any more information/evidence eg statistics, consultation? If so, how do you plan to address this?**

No further evidence required.

The proposal is to retain the existing scheme, which works well and offers 100% support.

**How have you taken/will you take the potential impact and evidence into account?**

This Equality Impact Assessment forms part of the Council report to be presented to Members at full Council in December 2019.

**How do you plan to monitor the impact and effectiveness of this change or decision?**

The reasons for applications to the Discretionary Hardship fund will be analysed to establish if any group is suffering extreme detriment under the retained LCTS scheme to enable action to be taken.

The Council has a Hardship Fund, available to assist vulnerable customers, experiencing difficulty in meeting their Council Tax liability.

<b>COUNCIL</b>
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## Committee System Working Group

18 December 2019

### Report of the Democratic Services Manager

<b>PURPOSE OF REPORT</b>
To enable Council to establish a new Committee System Working Group in line with the motion agreed at the 13 November 2019 meeting of Council.
<b>This report is public</b>

#### RECOMMENDATIONS

- (1) That the size of a new Committee System Working Group, as agreed at the meeting of Council held on 13 November 2019, be decided upon this meeting, having regard to the issues raised in paragraph (2) of this report; and
- (2) That members be appointed by political groups to effect political proportionality.

#### 1.0 Introduction

- 1.1 In response to a motion on notice at the last Council meeting on 13 November 2019, Council resolved:

*“This council believes that it might make better use of the skills of all its councillors and improve the democratic accountability of decision making by ceasing the current leader and cabinet model of governance and implementing a committee system. Council will establish a Working Group, with membership in balance, to investigate the best way to introduce a committee system of governance, taking into account the experiences of other councils. The investigation will lead to a detailed, legally and constitutionally sound proposal to be presented to full Council for consideration on or before its meeting in September 2020. That proposal will set out a future programme for implementation of any change to the system of governance.”*

(Minute 81 refers.)

#### 2.0 Proposal Details

- 2.1 Council is asked to decide on a suitable size for the new Working Group, to note the political balance required, consider chairing and substitution issues for the Group, and note its terms of reference.



- 2.2 **Size of the Working Group:** The ideal size, based on current Council bodies, would appear to be seven, or possibly nine members. Most of the Council's Committees, for example, are seven Member committees; Overview and Scrutiny bodies have nine members. The recent Constitution Working Group had seven members.
- 2.3 **Political Balance:**<sup>1</sup> For Councillors' information, political balance for a seven-member group is 3 Labour, 2 MBI, 1 Conservative and 1 Green. For a nine-member group the political balance is 3 Labour, 2 MBI, 2 Conservative and 2 Green.<sup>2</sup>
- 2.4 **Chairing the Working Group:** Council may wish to determine a chair for the group tonight, or leave that to the group to decide at its first meeting.
- 2.5 **Substitution:** Council is asked to consider whether substitution will be allowed and, if so, whether there should be named, or casual substitution, or both. For investigative working groups of this type, it can sometimes be difficult for a casual substitute to keep up to speed with evidence gathering, with the result that some of their lines of questioning may already have been covered in earlier meetings. This can sometimes slow down the group's progress.
- 2.6 **Terms of Reference:** These were determined by the motion passed at the last meeting:
- (1) To investigate the best way to introduce a committee system of governance, taking into account the experiences of other councils.
  - (2) The investigation will lead to a detailed, legally and constitutionally sound proposal to be presented to full Council for consideration on or before its meeting in September 2020.
  - (3) The proposal will set out a future programme for implementation of any change to the system of governance.
- 3.0 Conclusion**
- 3.1 Council is asked to consider the points raised in paragraph (2) and establish the new Committee System Working Group.

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<sup>1</sup> For the sake of clarity, the figures used are based on the political make-up in place when the political balance calculation was agreed by Council on 20 May 2019. That calculation still stands. There is currently a vacancy for Overton Ward; a by-election is due to be held on 12 December 2019 and, depending on the result, the Council's political balance calculation may change slightly.

**CONCLUSION OF IMPACT ASSESSMENT**

**(including Climate Change, Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

None.

**LEGAL IMPLICATIONS**

There are no legal implications as a result of this report.

**FINANCIAL IMPLICATIONS**

There are no financial implications as a result of this report. Any costs associated with the Working Group will be met from the existing Democratic Representation budget held by Democratic Services.

**OTHER RESOURCE IMPLICATIONS**

None.

**SECTION 151 OFFICER'S COMMENTS**

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

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no comments.

**BACKGROUND PAPERS**

None

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**E-mail: [dchambers@lancaster.gov.uk](mailto:dchambers@lancaster.gov.uk)**

**Ref:**



**Disability Champion**

**18 December 2019**

**Report of the Democratic Services Manager**

<b>PURPOSE OF REPORT</b>
To enable Council to appoint a Disability Champion for the remainder of the 2019/20 municipal year.
<b>This report is public</b>

**RECOMMENDATIONS**

- (1) **That the role of Disability Champion be filled by nomination and voting at this council meeting, in line with the Council resolution on 13 November 2019.**

**1.0 Introduction**

1.1 In response to a motion on notice at the last Council meeting on 13 November 2019, Council resolved:

- (1) This Council believes it can better support and improve the services provided by this Council for people with disabilities and their families by re-instating the role of 'Champion for the Disabled' and renaming it 'Disability Champion.'
- (2) Council will establish the 'Disability Champion' role and the role holder will work with the portfolio holder for Communities & Social Justice and support the Lancaster City Council Wellbeing Advisory Group in its exploration of wellbeing and social justice issues in the district. The new 'Disability Champion' role will be filled by nomination and voting at the next Council meeting on the 18 December 2019.

(Minute 82 refers.)

**2.0 Proposal Details**

2.1 Council is asked to receive nominations and appoint a Disability Champion at the meeting this evening.

2.2 The term of office of the appointment will be for the remainder of this municipal year (2019/2020).

2.3 The new Disability Champion's role will be to work with the portfolio holder for Communities & Social Justice and support the Lancaster City Council Wellbeing Advisory Group in its exploration of wellbeing and social justice issues in the district.

**3.0 Conclusion**

3.1 Council created the role and remit of a new Disability Champion at its last meeting in November and is asked to fill that vacant role at this meeting.

<p><b>CONCLUSION OF IMPACT ASSESSMENT</b>  <b>(including Climate Change, Health &amp; Safety, Equality &amp; Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</b></p> <p>Working with the Cabinet Member for Communities and Social Justice, the new Champion will help to promote equality and rights for people with disabilities.</p>	
<p><b>LEGAL IMPLICATIONS</b></p> <p>There are no legal implications as a result of this report.</p>	
<p><b>FINANCIAL IMPLICATIONS</b></p> <p>There are no financial implications as a result of this report. The Disability Champion role will not carry any special responsibility allowance.</p>	
<p><b>OTHER RESOURCE IMPLICATIONS</b></p> <p>None.</p>	
<p><b>SECTION 151 OFFICER'S COMMENTS</b></p> <p>The Section 151 Officer has been consulted and has no comments.</p>	
<p><b>MONITORING OFFICER'S COMMENTS</b></p> <p>The Monitoring Officer has been consulted and has no comments.</p>	
<p><b>BACKGROUND PAPERS</b></p> <p>None</p>	<p><b>Contact Officer: Debbie Chambers</b>  <b>Telephone: 01524 582057</b>  <b>E-mail: dchambers@lancaster.gov.uk</b>  <b>Ref:</b></p>



**Committee Timetable 2020/2021**

**18 December 2019**

**Report of the Democratic Services Manager**

<b>PURPOSE OF REPORT</b>
To consider a timetable of committee meetings for the 2020/21 municipal year.
This report is public.

**RECOMMENDATIONS**

**(1) That Members consider the proposed timetable of meetings, times and venues for the 2020/21 municipal year as set out within the report and appendices.**

**(2) That a final schedule of meetings be agreed.**

**1.0 Introduction**

1.1 Rule 2.2 of the Council Procedure Rules in the Constitution states that “at an Ordinary meeting preceding the Annual Meeting the Council will approve a programme of Ordinary meetings for the next municipal year.” This report is put before Councillors to assist in approving the programme of meetings.

**2.0 Proposal Details**

2.1 The proposed number of meetings, committee start times and venue details are provided at Appendix A to this report, with the draft timetable at Appendix B.

**3.0 Conclusion**

3.1 Members are asked to consider the draft and agree a timetable of meeting dates, times, and venues for the 2020/21 municipal year at this meeting.

**CONCLUSION OF IMPACT ASSESSMENT**

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

None.

**LEGAL IMPLICATIONS**

It is a legal requirement that the City Council publishes its timetable of meetings by the commencement of each Municipal Year. Amendments can be made throughout the year provided at least 5 days' notice is given.

**FINANCIAL IMPLICATIONS**

There are no additional financial implications for the proposed draft timetable. The costs of the meetings will be met from existing budgets.

**OTHER RESOURCE IMPLICATIONS, such as Human Resources; Information Services; Property; Open Spaces:**

None.

**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 been consulted and has no further comments.

**BACKGROUND PAPERS**

None.

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**Ref:**

## Meeting Start Times/Venues/Number of meetings 2020/21

Appendix A

Meeting	Venue(s)	Start Time	Number of meetings
Annual Council (Ceremonial)	Ashton Hall, LTH	12 noon	1
Annual Council (Business)	MTH	6.30pm	1
Council	MTH	6.00pm	8
Council Business Committee	MTH	6.00pm	3
Cabinet	Alternating between LTH/MTH	6.00pm	9
Overview and Scrutiny Committee	MTH	6.00pm	9
Budget and Performance Panel	LTH The stakeholder meeting in January 2018 to be held in MTH commencing at 6.00pm.	6.10pm	5
Licensing Committee	LTH	1.00pm	8
Planning Regulatory Committee	LTH	10.30am	13
Personnel Committee*	LTH	6.10pm, 'or at the rise of JCC, whichever is the later'.	2
JCC	LTH	5.00pm. Chairman to use their discretion regarding an earlier start for JCC depending on the amount of business to be considered.	2
Audit Committee	LTH	6.10pm	4
Standards Committee*	LTH	6.10pm	2

**Notes:**

(LTH = Lancaster Town Hall)

(MTH = Morecambe Town Hall)

The Appeals Committee is convened as and when necessary at LTH with no set day or time.

\*These Committees may begin earlier in the day if additional meetings are convened to hear specific cases.

**DRAFT COMMITTEE TIMETABLE 2020/2021**

**APPENDIX B**

	May 2020	June	July	August	September	October	November	December	January 2021	February	March	April	May	
Mon		1 Planning								1 Planning	1 Planning			Mon
Tue		2			1			1 Planning Site Visit		2-Budget & Perf Panel - MTH	2 Cabinet LTH			Tue
Wed		3	1 Overview & Scrutiny Committee		2			2		3	3			Wed
Thu		4 Licensing	2 Licensing Member Briefing		3 Member Briefing	1 Member Briefing		3		4 Licensing Member Briefing	4 Council Business Committee	1 Member Briefing		Thu
Fri	1	5	3		4	2		4	1 Bank Holiday	5	5	2 Bank Holiday		Fri
Sat	2	6	4	1	5	3		5	2	6	6	3	1	Sat
Sun	3	7	5	2	6	4	1	6	3	7	7	4	2	Sun
Mon	4	8	6	3	7 Planning Site Visit	5 Planning Site Visit	2 Planning Site Visit	7 Planning	4	8	8 Commonwealth Flag Raising	5 Bank Holiday	3 Bank Holiday	Mon
Tue	5	9	7 Budget and Performance Panel	4 Cabinet LTH	8	6	3	8 JCC Personnel Cabinet MTH	5 Planning	9 Cabinet MTH	9	6	4	Tue
Wed	6	10 Audit	8 Council	5 Overview and Scrutiny	9	7	4	9 Overview and Scrutiny Committee	6	10	10 Overview and Scrutiny Committee	7	5	Wed
Thu	7 PCC ELECTIONS	11	9	6	10	8 Licensing	5 Member Briefing	10	7 Licensing Member Briefing	11 Overview and Scrutiny Committee	11 Member Briefing	8	6 CC ELECTIONS	Thu
Fri	8 Bank Holiday	12	10	7	11	9	6	11	8	12	12	9	7	Fri
Sat	9	13	11 Freeman's Court	8	12	10	7	12	9	13	13	10	8	Sat
Sun	10	14	12	9	13	11	8 Remembrance Sunday	13	10	14	14	11	9	Sun
Mon	11	15 Planning Site Visit	13 Planning Site Visit	10 Planning Site Visit	14 Planning	12 Planning	9 Planning	14	11	15	15	12	10	Mon
Tue	12	16	14	11	15 Cabinet MTH	13	10 Budget and Performance Panel	15	12	16	16 Budget and Performance Panel	13 Cabinet MTH	11	Tue
Wed	13	17	15	12	16 Overview and Scrutiny Committee	14	11 Council	16	13	17 Audit	17 Council	14	12	Wed
Thu	14	18 Council Bus Com	16	13	17	15	12	17	14 Standards	18	18 Licensing	15	13	Thu
Fri	15 Annual Council	19	17	14	18	16	13	18	15	19	19	16	14 Annual Council	Fri
Sat	16	20	18	15	19	17	14	19	16	20	20	17	15	Sat
Sun	17 Mayor's Sunday	21	19	16	20	18	15	20	17	21	21	18	16 Mayor's Sunday	Sun
Mon	18 Business Council	22 Planning Armed Forces Day Flag Raising	20 Planning	17 Planning	21	19	16	21 Planning Site Visit	18	22 Planning Site Visit	22 Planning Site Visit	19 Planning Site Visit	17 Business Council	Mon
Tue	19	23 Cabinet MTH	21 JCC Personnel	18 Budget and Performance Panel	22	20	17	22	19 Cabinet LTH	23	23	20	18	Tue
Wed	20	24	22 Audit	19 Council	23	21	18	23 Council	20 Overview and Scrutiny Committee	24 Budget Council	24	21 Overview and Scrutiny	19	Wed
Thu	21	25 Standards	23	20	24	22	19 Licensing	24	21	25	25	22	20	Thu
Fri	22	26	24	21	25	23	20	25 Bank Holiday	22	26	26	23	21	Fri
Sat	23	27	25	22	26	24	21	26	23	27	27	24	22	Sat
Sun	24	28	26	23	27	25	22	27	24	28	28	25	23	Sun
Mon	25 Bank Holiday	29	27	24	28	26	23	28 Bank Holiday	25 Planning Site Visit		29 Planning	26 Planning	24	Mon
Tue	26 Planning Site Visit	30	28	25	29 Budget and Performance Panel	27 Cabinet LTH	24	29	26		30	27	25	Tue
Wed	27		29	26	30 Council	28 Overview and Scrutiny Committee	25 Audit	30	27 Council		31	28 Council	26	Wed
Thu	28		30	27 Licensing		29 Council Business Committee	26	31	28			29	27	Thu
Fri	29		31	28		30	27		29			30	28	Fri
Sat	30			29		31	28		30				29	Sat
Sun	31			30			29		31				30	Sun
Mon				31 Bank Holiday			30						31 Bank Holiday	Mon
Tue														Tue



**COUNCIL****Parental Leave Policy for Councillors  
and Carers' Allowance Scheme****18 December 2019****Report of the Director of Corporate Services****PURPOSE OF REPORT**

To approve a Parental Leave Policy for Councillor and to amend the Carers' Allowance Scheme for Councillors (Appendix A of the Councillor Allowances Scheme in the Constitution).

**This report is public**

**RECOMMENDATIONS**

- (1) **That the Council adopt the proposed Parental Leave Policy for Councillors as set out in Appendix 1.**
- (2) **That the Council amend the existing Carers' Allowance Scheme as set out in Appendix 2.**

**1.0 Introduction**

- 1.1 The Council aims to be a modern and family friendly organisation placing an important emphasis on equality and diversity. As such, it regularly reviews human resources and Member policies to ensure that they meet legislative and good practice requirements.
- 1.2 A review of policies for supporting Members with carer responsibilities has resulted in the following recommended changes:
  - The introduction of a Parental Leave Policy for Members
  - A slight amendment to the existing Carers' Allowances Scheme to change the age defined for a child to 15 from 14 for the purposes of applying the scheme.

**2.0 Proposal Details**

*Parental Leave Policy*

- 2.1 The Council does not currently have a defined Parental Leave Policy for Members. Legislation provides that Members can be absent from Council meeting for up to six months and retain their status as a Councillor. It is felt insufficient to rely on this provision to cover parental leave and so a specific policy is proposed in order to provide better clarity. The policy should also assist to promote increased diversity and increase the appeal of the role to individuals who might otherwise feel excluded for it.
- 2.2 The proposed policy is included at **Appendix 1**. It has been assessed as meeting the requirements of employment law and good practice in supporting individuals in respect of parental leave. The policy provides more clarity with respect to eligibility and relevant processes than is currently available from the six month rule set out in legislation.

#### *Carers' Allowance Scheme*

- 2.3 The Council's constitution currently includes a Carers' Allowance Scheme, as an appendix to the Councillors Allowances Scheme, which applies to Members. A review of the policy against good practice requirement has recommended one minor adjustment in respect of the age by which dependent relatives are defined. The current policy defines dependent children as being 14 and under and it is recommended that this is changed to 15 and under. In all other respects the policy would remain unchanged.
- 2.4 A copy of the amended policy is included as **Appendix 2**.

### **3.0 Consultation**

- 3.1 The views of the Independent Remuneration Panel (IRP) should be sought on any potential changes to Councillors' allowances. Whilst we have no quorate IRP at this time, the Constitution allows for minor amendments to be made following consultation with only the Chair. We have one remaining IRP members whose has looked at the proposals and is supportive of the changes representing good practice.

### **4.0 Conclusion**

- 4.1 Council is asked to approve the introduction of a specific Parental Leave Policy for Members and a slight amendment to the age by which children are defined in the Carers' Allowances Scheme. Taken together, these policies will enable the Council to show that it is following good practice with respect to equality and diversity and in supporting Councillors with parental and/or carers' responsibilities.

**CONCLUSION OF IMPACT ASSESSMENT**

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

The policies are intended to make the role of Councillor more accessible and appealing for parents and carers who might otherwise feel excluded from standing for council.

**LEGAL IMPLICATIONS**

The policies comply with employment law.

**FINANCIAL IMPLICATIONS**

The financial implications arising from the changes to policy are minimal and will be met from the existing budget for Democratic Representation.

**OTHER RESOURCE IMPLICATIONS**

None.

**SECTION 151 OFFICER'S COMMENTS**

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

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no comments.

**BACKGROUND PAPERS**

None

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**Ref:**

## Parental Leave Policy for Councillors

### Introduction

This Policy sets out Councillors' entitlement to maternity, paternity, shared parental and adoption leave and relevant allowances.

The objective of the policy is to ensure that insofar as possible Councillors are able to take appropriate leave at the time of birth or adoption, that both parents are able to take leave, and that reasonable and adequate arrangements are in place to provide cover for portfolio-holders and others in receipt of Special Responsibility Allowances (SRA) during any period of leave taken.

Improved provision for new parents will contribute towards increasing the diversity of experience, age and background of local authority councillors. It will also assist with retaining experienced councillors – particularly women – and making public office more accessible to individuals who might otherwise feel excluded from it.

### 1. Leave Periods

- 1.1 Councillors giving birth are entitled to up to 6 months maternity leave from the due date, with the option to extend up to 52 weeks by agreement if required.
- 1.2 In addition, where the birth is premature, the Councillor is entitled to take leave during the period between the date of the birth and the due date in addition to the 6 months' period. In such cases any leave taken to cover prematurity of 28 days or less shall be deducted from any extension beyond the initial 6 months.
- 1.3 In exceptional circumstances, and only in cases of prematurity of 29 days or more, additional leave may be taken by agreement, and such exceptional leave shall not be deducted from the total 52 week entitlement.
- 1.4 Councillors shall be entitled to take a minimum of 2 weeks paternity leave if they are the biological father or nominated carer of their partner/spouse following the birth of their child(ren).
- 1.5 A Councillor who has made Shared Parental Leave arrangements through their employment is requested to advise the Council of these at the earliest possible opportunity. Every effort will be made to replicate such arrangements in terms of leave from Council.

- 1.6 Where both parents are City Councillors, leave may be shared up to a maximum of 24 weeks for the first six months and 26 weeks for any leave agreed thereafter, up to a maximum of 50 weeks. Special and exceptional arrangements may be made in cases of prematurity.
- 1.7 A Councillor who adopts a child through an approved adoption agency shall be entitled to take up to six months adoption leave from the date of placement, with the option to extend up to 52 weeks by agreement if required.
- 1.8 Any Councillor who takes maternity, shared parental or adoption leave retains their legal duty under the Local Government Act 1972 to attend a meeting of the City Council within a six month period unless the Council Meeting agrees to an extended leave of absence prior to the expiration of that six month period.
- 1.9 Any Councillor intending to take maternity, paternity, shared parental or adoption leave will be responsible for ensuring that they comply with the relevant notice requirements of the Council, both in terms of the point at which the leave starts and the point at which they return.
- 1.10 Any Councillor taking leave should ensure that they respond to reasonable requests for information as promptly as possible, and that they keep officers and colleagues informed and updated in relation to intended dates of return and requests for extension of leave.

## **2. Basic Allowance**

- 2.1 All Councillors shall continue to receive their Basic Allowance in full whilst on maternity, paternity or adoption leave.

## **3. Special Responsibility Allowances**

- 3.1 Councillors entitled to a Special Responsibility Allowance shall continue to receive their allowance in full in the case of maternity, paternity, shared parental or adoption leave.
- 3.2 Where a replacement is appointed to cover the period of absence that person shall receive an SRA on a pro rata basis for the period of the temporary appointment.
- 3.3 The payment of Special Responsibility Allowances, whether to the primary SRA holder or a replacement, during a period of maternity, paternity, shared parental or adoption leave shall continue for a period of six months, or until the date of the next Annual Meeting of the Council, or until the date when the Councillor taking leave is up for election (whichever is soonest). At such a

point, the position will be reviewed, and will be subject to a possible extension for a further six month period.

- 3.4 Should a Councillor appointed to replace the Councillor on maternity, paternity, shared parental or adoption leave already hold a remunerated position, the ordinary rules relating to payment of more than one Special Responsibility Allowances shall apply.
- 3.5 Unless the Councillor taking leave is removed from their post at an Annual General Meeting of the Council whilst on leave, or unless the Party to which they belong loses control of the Council during their leave period, they shall return at the end of their leave period to the same post, or to an alternative post with equivalent status and remuneration which they held before the leave began.

#### **4. Resigning from Office and Elections**

- 4.1 If a Councillor decides not to return at the end of their maternity, paternity, shared parental or adoption leave they must notify the Council at the earliest possible opportunity. All allowances will cease from the effective resignation date.
- 4.2 If an election is held during the Councillor's maternity, paternity, shared parental or adoption leave and they are not re-elected, or decide not to stand for re-election, their basic allowance and SRA if appropriate will cease from the Monday after the election date when they would technically leave office.

## **CARERS' ALLOWANCE SCHEME**

### **1.0 Legality**

- a. The Scheme is established by the Council under the Local Authorities (Members Allowances) (England) Regulations 2003. The Carers' Allowance is payable in respect of the approved duties set out in **Annexes 1-3 of Appendix B**. The scheme requires Councillors claiming the allowance to demonstrate and certify that carer expenses are actually and necessarily incurred in the conduct of their official duties.

### **2.0 Entitlement**

- a. The Scheme provides for payments to be made to Councillors in respect of care for "dependent relatives" living with the Councillor. For the purposes of the scheme, "dependent relatives" are defined as:
  - (i) children aged 15 or under;
  - (ii) elderly relatives requiring full-time care; and
  - (iii) relatives with disabilities who require full-time care.
- b. The allowance is payable for care provided by carers registered by a Councillor with the Council (see paragraph 6. for details). In the case of (i) above, under no circumstances will the allowance be payable to another parent, the parent's spouse or partner. In the case of (ii) and (iii) above, under no circumstances will the allowance be payable in respect of care provided by a member of the Councillor's household.
- c. For meetings or duties within the Council's boundaries as set out in Annexes 1, 2 and 3, the allowance will be paid for the duration of the meeting or otherwise approved duty plus an allowance for up to one hour's travelling time before and after the meeting. For duties outside the Council's boundaries, the allowance will be paid for the duration of the duty plus the actual travelling time to and from the venue. In all instances, total time claimed should be rounded to the nearest half-hour.

### **3.0 Rates of Allowance**

- a. The actual cost of care will be reimbursed, up to a maximum of £8.75 per hour, irrespective of the number of dependants.
- b. Where a dependent relative requires specialist professional care, the full cost of care will be allowed, with the prior written approval of the Director of Corporate Services see paragraph 6 (b).

### **4.0 Claims Procedures**

- a. Councillors wishing to apply for Carers' Allowance must submit an application form to the Director of Corporate Services, declaring that:
  - (i) claims made will only be made in respect of a named dependent relative (or relatives) as defined in the scheme;
  - (ii) claims will only be made in respect of the entitlements set out in 2.0 above;
  - (iii) receipts will be provided in support of all claims; and
  - (iv) where a specialist professional carer is to be engaged, that this is a

necessary expense for which full reimbursement will be claimed.

- b. Councillors are required to notify Democratic Services in the event of their entitlement to Carers' Allowance ending.
- c. All claims will be processed by Financial Services through the Council's payroll system. In exceptional circumstances, and with the approval of the Chief Finance Officer, advance payments may be made in cash and subsequently adjusted through the payroll.

#### **5.0 Taxation and National Insurance Contributions**

- a. Advice from the Council's taxation consultants is that payments made under such a scheme will be subject to Income Tax and NIC's unless an arrangement can be reached with the Inland Revenue and dispensation not to tax obtained on the basis that the payments are reimbursement of costs actually and necessarily incurred.
- b. Because of the potential taxation and NIC implications, all payments must be processed through the Council's payroll system.

#### **6.0 Administration**

- a. The scheme is an integral element of the Councillors' Allowances Scheme, and responsibility for supervising, maintaining and reviewing the scheme is assumed by the Director of Corporate Services in conjunction with the Chief Executive and the Independent Remuneration Panel.
- b. Signed applications for registration of a carer are to be submitted by Councillors for approval by the Director of Corporate Services. Approved applications will be retained by Democratic Services and a copy forwarded to Financial Services.
- c. Claims for payment of the allowance should be submitted by Councillors to Financial Services on the revised standard Councillors' Allowances Forms. All claims must be supported by a signed pro-forma receipt (in the case of care provided by a non-professional carer) or a receipted official invoice in the case of a specialist carer. Financial Services will check all claims for approval of entitlement, accuracy and reasonableness of duties and times claimed, and submission of supporting receipts and invoices.
- d. Any queries regarding entitlement to the allowance, or individual claims, will be referred in the first instance to Democratic Services. Should a dispute arise as to the eligibility of a claim, this will be referred to the Director of Corporate Services or Chief Executive for decision. Should agreement not be reached the matter will then be referred to the Independent Remuneration Panel for arbitration.

#### **7.0 Audit**

Internal Audit will review the systems for payment of Councillors' Allowances on a cyclical basis and include sample testing of Councillors' Allowances transactions in annual probity programmes.



## CABINET

6.00 P.M.

5TH NOVEMBER 2019

**PRESENT:-** Councillors Erica Lewis (Chair), Kevin Frea (Vice-Chair), Dave Brookes, Tim Hamilton-Cox, Janice Hanson, Caroline Jackson, Jean Parr, John Reynolds, Alistair Sinclair and Anne Whitehead

Officers in attendance:

Kieran Keane	Chief Executive
Daniel Bates	Director of Corporate Services
Mark Davies	Director for Communities and the Environment
Jason Syers	Director for Economic Growth and Regeneration
Paul Thompson	Chief Financial Officer (Head of Finance & Section 151 Officer)
Luke Gorst	Solicitor
Richard Crompton	Interim Regeneration Manager
Anne Marie Harrison	Economic Development Manager
Liz Bateson	Principal Democratic Support Officer

**32 MINUTES**

The minutes of the meeting held on Tuesday 1 October 2019 were approved as a correct record.

**33 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER**

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

**34 DECLARATIONS OF INTEREST**

No declarations were made at this point.

**35 PUBLIC SPEAKING**

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

**36 CULTURAL INVESTMENT FRAMEWORK**

**(Cabinet Member with Special Responsibility Councillor Parr)**

Cabinet received a report from the Director for Economic Growth and Regeneration, which sought approval for the Cultural Investment Framework following consultation.

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

Continuing without a framework in place offers no identified benefits and risks public funds being used to promote activities that either do not provide value for money or offer no material benefit. Introducing the framework ensures fairness, consistency and

transparency in terms of allocation of funds, resources and the Council's expectations, aligning the delivery of outcomes with the Council's priorities. The officer preferred option is to agree the draft Cultural Investment Framework.

Councillor Parr proposed, seconded by Councillor Dave Brookes:-

"That the recommendation, as set out in the report, be approved with a revision to the sustainable and deliverable business model/plan section to include 'consider the carbon footprint of both our activities and that of the supply chain involved in their delivery.'"

Councillors then voted:-

***Resolved unanimously:***

- (1) That the draft Cultural Investment Framework as set out in Appendix A to the report, be approved with a revision to the sustainable and deliverable business model/plan section to include 'consider the carbon footprint of both our activities and that of the supply chain involved in their delivery.'

**Officer responsible for effecting the decision:**

Director for Economic Growth and Regeneration

**Reasons for making the decision:**

The proposed Cultural Investment Framework is consistent with the Council Plan. The City Council invests and uses its resources to support arts and culture in the district. It is important that the Council establishes the arrangements necessary to ensure the best possible results from its contribution in a way that is fair, consistent and transparent.

**37 MELLISHAW TRAVELLER SITE - FUTURE ARRANGEMENTS**

**(Cabinet Member with Special Responsibility Councillor Caroline Jackson)**

Cabinet received a report from the Director of Communities and the Environment to consider whether to support in principle the transfer of ownership of Mellishaw Traveller Site from Lancashire County Council and refer to full Council for a decision.

It was noted that the original report had failed to use capital letters when referring to Travellers and Gypsies and this was deeply regrettable and would be addressed in the subsequent report to Council.

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

	<p><b>Option 1:</b> The city council takes ownership of the site undertaking a programme of improvement works as outlined in the report and manages the site at least in the short term.</p>	<p><b>Option 2:</b> The city council does not take on ownership of the site</p>
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<p>Advantages</p>	<p>The homes of the Travellers on the site are secured.</p> <p>The wellbeing of the residents is improved with the peace of mind that the council will own the site. The city council have several years of experience managing this site.</p> <p>An opportunity for the residents on the site to influence the scope and nature of improvement works therefore creating sense of pride and ownership.</p>	<p>Reduced financial outlay compared with any potential re housing costs.</p> <p>The council would still have an enforcement and licensing role in relation to any new owner.</p>
<p>Disadvantages</p>	<p>Substantial additional capital investment required</p> <p>Additional revenue costs required for maintenance and staffing costs in managing the site.</p>	<p>The site would most likely be sold to a private owner with potential impacts on the residents future security of their homes.</p> <p>Increased demand due to homelessness on other statutory or third sector agencies.</p>
<p>Risks</p>	<p>Possible reputational risk to council if council taxpayers not in favour of a large financial outlay for a small percentage of residents.</p> <p>The costs of undertaking the works and managing the site is a best estimate and unforeseen issues may mean the costs could be higher.</p>	<p>Possible reputational risk to council if seen to be failing in safeguarding the residents homes</p>

As there is no statutory duty to provide Traveller sites, there is no officer preferred option.

Following Lancashire County Council's decision to declare Mellishaw Traveller site surplus to their requirements, the report provided information and the potential financial

implications to the City Council if Cabinet was minded to support the council taking ownership of this site.

Councillor Jackson proposed, seconded by Councillor Hanson:-

“That the recommendations, as set out in the report, be approved and referred to full Council when greater detail regarding costings was forthcoming.”

Councillors then voted:-

***Resolved unanimously:***

- (1) That Cabinet supports in principle the transfer of Mellishaw Traveller site from Lancashire County Council to Lancaster City Council for a nominal fee.
- (2) That the decision be referred to Full Council when greater detail regarding costings was forthcoming, in accordance with financial regulations, as the funding requirement is currently not budgeted for and is outside the budget and policy framework.

**Officer responsible for effecting the decision:**

Director for Communities and the Environment

**Reasons for making the decision:**

The decision is consistent with Healthy and Happy Communities within the Council Plan; reducing health inequalities, preventing homelessness and providing access to quality housing. It is also consistent with the Housing Strategy and Local Plan in relation to the provision of pitches for Travellers.

**38 MEDIUM TERM FINANCIAL STRATEGY**

**(Cabinet Member with Special Responsibility Councillor Whitehead)**

Cabinet received a report from the Director of Corporate Services to provide an update on the Council's Medium Term Financial Strategy forecasts for 2020/21 to 2023/24 and outline the approach and timetable for considering the budget framework.

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

Regarding the budget strategy, Cabinet may approve the proposals as set out, or require changes to be made to the suggested approach. The overriding aim of any budget setting process is to approve a balanced budget by statutory deadlines, allocating resources to help ensure delivery of the Council's corporate priorities. The proposed approach is in line with that broad aim, drawing on various strategic matters. Any changes that Cabinet puts forward should also be framed in that context.

Councillor Whitehead proposed, seconded by Councillor Reynolds:-

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

By way of an amendment, which was not accepted as a friendly amendment by Councillor Whitehead, Councillor Hamilton-Cox proposed, seconded by Councillor Brookes:

“That recommendation (2) the 6<sup>th</sup> bullet point on Section 3.1 be revised to ‘recognise an opportunity to focus on prosperity and manage the Council’s tax and business rates base in order to recognise the benefits of projects which focus on sustainable economic growth and meet the climate emergency.”

Councillors then voted on the amendment as follows:

(7 Members (Councillors Brookes, Frea, Hamilton-Cox, Jackson, Lewis, Parr and Sinclair) voted in favour, and 3 Members (Councillors Hanson, Reynolds and Whitehead) voted against.)

The Chair declared the amendment to be carried and Members then voted on the substantive motion, which when put to the vote, was agreed unanimously.

**Resolved unanimously:**

- (1) That the draft budgetary position, set out in section 2 (and appendix 1) to the report for current and future years be approved, accepting that this is an interim update.
- (2) That Cabinet agree the approach to the budget framework as set out in Section 3 of the report with bullet point 6 revised to read: *‘recognise an opportunity to focus on prosperity and manage the Council’s tax and business rates base in order to recognise the benefits of projects which focus on sustainable economic growth and meet the climate emergency.*
- (3) That Cabinet agree the timetable as set out in Section 4 of the report.

**Officer responsible for effecting the decision:**

Director of Corporate Services

**Reasons for making the decision:**

Draft budget proposals will be considered by Cabinet on 14 January 2020 and the Budget and Performance Panel on 21 January 2020.

**39 CLIMATE CHANGE UPDATE**

**(Cabinet Member with Special Responsibility Councillor Frea)**

Cabinet received a report from the Director for Communities and the Environment, which outlined progress following the climate change emergency, declared by the Council in January 2019 and sought endorsement of the approach set out in Appendix 2 to the report, to reduce the Council’s direct CO2 emissions to net zero by 2030.

The options were outlined in the report. The scale of the challenge was huge and required immediate action by all governments, organisations, communities and individuals. Lancaster City Council was planning activities in three key areas-

- The Council's direct carbon emissions of 3018 tonnes. An outline plan as to how the Council could become net zero carbon by 2030 was attached at Appendix 2 to the report.
- The Council's direct areas of wider influence. These were areas where the Council could have a significant impact on reducing wider carbon emissions and mitigating climate in the District- e.g. Council Housing, planning / building control, tree planting.
- The Council's leadership role. The Council did not have any direct control over significant causes of emissions e.g. transport, agriculture, industry and housing. However, the motion made it clear it would adopt a leadership role and engage with, influence and support mitigation of climate change across the whole District.

The outline action plan gave an indication of how the Council's direct operations could become net zero carbon by 2030. Where possible estimates of the costs of the actions had been included to provide a guide for budgetary forecasting purposes. Before actions were implemented detailed costings and business cases would be brought forward or detailed consideration given through the appropriate governance and financial processes. There were potential external sources of funding available for projects that contributed to the climate change agenda. Having an agreed action plan would help in bidding for these as opportunities arose.

Cabinet were asked to approve, in principle, the outline action plan (Appendix 2) to the report. This would allow Officers to develop detailed plans for those actions which would then be referred through the appropriate governance and financial processes.

Included in the financial summary were a number of projects for which pre-approval was sought in order that business cases could be commenced ahead of the annual budget process. At a later date Cabinet would receive further update and action plans for-

- The Council's direct areas of wider influence.
- The Council's leadership role

During the course of the debate it was proposed by Councillor Lewis, seconded by Councillor Reynolds and agreed unanimously that standing order 17 (Cabinet Procedure Rule 17) be suspended to allow for questions to be taken from all members.

***Resolved unanimously:***

- (1) That standing order 17 (Cabinet Procedure Rule 17) be suspended.

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

"That recommendation (1) as set out in the report be approved with recommendation (2) revised as follows: 'to approve funding for the Citizens' Assembly.'"

Councillors then voted:-

***Resolved unanimously:***

- (1) That Cabinet endorses the plan outlined in Appendix 2 to the report, to reduce the

Council's direct CO2 emissions to net zero by 2030. The estimated costs will be used to inform future budget projections. Before actions are implemented detailed business cases will be brought forward through the appropriate governance and financial processes.

(2) That Cabinet approves funding for the Citizens' Assembly.

**Officer responsible for effecting the decision:**

Director for Communities and the Environment

**Reasons for making the decision:**

The development of the Action Plan has involved extensive engagement with a range of stakeholders and the output of the Citizens' Assembly will be used to inform the Council's approach to delivering the requirements of the Climate Change Emergency motion declared by Council on 20 January 2019.

**40 EXCLUSION OF THE PRESS AND PUBLIC**

It was moved by Councillor Lewis and seconded by Councillor Hamilton-Cox:-

"That, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business, on the grounds that it could involve the possible disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act."

Members then voted as follows:-

***Resolved unanimously:***

(1) That, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business, on the grounds that it could involve the possible disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act.

**41 INVESTMENT PROPOSALS (Pages 9 - 10)**

**(Cabinet Member with Special Responsibility Councillor Whitehead)**

Cabinet received a report from the Director for Economic Growth and Regeneration to consider a property investment acquisition in line with the property investment strategy approved at Council. The report was exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972.

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

Councillor Whitehead proposed, seconded by Councillor Hanson:-

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

Councillors then voted:-

***Resolved unanimously:***

- (1) The resolution is set out in a minute exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972.

**Officers responsible for effecting the decision:**

Director for Economic Growth & Regeneration  
Director of Corporate Services

**Reasons for making the decision:**

The decision is consistent with the Council's priorities. Exactly how the decision fits with those priorities is set out in the exempt minute.

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Chair

(The meeting ended at 7.35 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 MONDAY 11 NOVEMBER 2019.**

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:  
TUESDAY 19 NOVEMBER, 2019.**