LANCASTER
CITY COUNCIL

Promoting City, Coast & Countryside

COUNCIL MEETING

Wednesday, 16 December 2020 - 6.00 p.m.

THIS WILL BE A VIRTUAL MEETING

Please note – this will be a 'remote meeting', a link to which will be available on Lancaster City Council's Website at least 24 hours before the meeting or click here. Access is through Microsoft 'Teams'. Anyone wishing to speak at Council should apply to register by contacting democracy@lancaster.gov.uk with a copy of their speech no later than 12:00pm on Friday 11 December 2020.

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 remotely via MS Teams Live on Wednesday, 16 December 2020 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 30 September, 5 November and 8 December 2020 (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** (Pages 6 - 7)

Report of the Director of Corporate Services on Executive Arrangements. (This report was published on 14 December 2020).

5. **ANNOUNCEMENTS**

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

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

To receive questions in accordance with the provisions of Council Procedure Rules 11.1

and 11.3 which require members of the public to give at least 3 days' notice in writing of questions to a Member of Cabinet or Committee Chairman.

7. **PETITIONS AND ADDRESSES** (Page 8)

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 9 - 13)

To receive the Cabinet Leader's report on proceedings since the last meeting of Council. *This report was published on 15 December 2020.*

REPORTS REFERRED FROM CABINET, COMMITTEES OR OVERVIEW AND SCRUTINY

9. **LOCALISED COUNCIL TAX SUPPORT SCHEME 2021/22** (Pages 14 - 27)

Report of Cabinet.

10. **BUDGET AND POLICY FRAMEWORK UPDATE - REVISION TO 2020/21 BUDGET** (Pages 28 - 35)

Report of Cabinet (to follow). *This report was published on 11 December 2020.*

11. **PROCUREMENT STRATEGY 2020-2024** (Pages 36 - 51)

Report of Cabinet.

MOTIONS ON NOTICE

12. **MOTION ON NOTICE - LOCAL ELECTRICITY BILL** (Page 52)

The required notice has been given to the Chief Executive of the following motion, to be proposed by Councillor Dowding and seconded by Councillor Bannon:-

Lancaster City Council

(i) acknowledges the efforts that this council has made to reduce greenhouse gas emissions, and promote and install renewable energy as part of its intention to become net -zero carbon, particularly since its Declaration of a Climate Emergency in January 2019.

(ii) further recognises

- that very large financial setup and running costs involved in selling locally generated renewable electricity to local customers result in it being nearly impossible for local renewable electricity generators to do so,
- that making these financial costs proportionate to the scale of a renewable electricity supplier's operation would enable and empower new local businesses in Lancaster and Lancashire, or councils such as the existing Lancaster City Council or any successors, to more easily be providers of locally generated renewable electricity directly to local customers, and
- that revenues received by new local renewable electricity providers could be used to help improve the local economy, local services and facilities and to reduce local greenhouse gas emissions;

(iii) accordingly resolves to support the Local Electricity Bill, supported by 187 MPs which, if made law, would establish a Right to Local Supply which would promote local renewable electricity supply companies and co-operatives by making the setup and running costs of selling renewable electricity to local customers proportionate to the size of the supply operation; and

(iv) further resolves to

- inform the local media of this decision,
- write to local MPs, asking them to support the Bill, and write to the organisers of the campaign for the Bill, Power for People, (at 8 Delancey Passage, Camden, London NW1 7NN or info@powerforpeole.org.uk) expressing its support.

An officer briefing note is enclosed.

13. **MOTION ON NOTICE - SUPPORTING UNIVERSAL BASIC INCOME** (Pages 53 - 54)

The required notice has been given to the Chief Executive of a motion set out in full on the agenda papers enclosed, to be proposed by Councillor Dant and seconded by Councillors Wood and Young.

A briefing note is included at the end the motion.

OTHER BUSINESS

14. **CLIMATE CHANGE - OUTCOMES OF THE PEOPLES' JURY** (Pages 55 - 65)

Report of Director for Communities and Environment.

15. **TREASURY MANAGEMENT MID-YEAR REVIEW 2020/21** (Pages 66 - 82)

Report of the Chief Finance Officer.

16. **ALLOCATION OF SEATS TO POLITICAL GROUPS** (Pages 83 - 87)

Report of the Head of Democratic Services.

17. **APPOINTMENT OF THE RETURNING OFFICER** (Pages 88 - 89)

Report of the Head of Democratic Services.

18. **APPOINTMENT TO THE LANCASHIRE POLICE AND CRIME PANEL** (Pages 90 - 91)

Report of the Head of Democratic Services.

19. **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.

20. **MINUTES OF CABINET** (Pages 92 - 136)

To receive the minutes of four meetings of Cabinet held on 15 September, 6 and 27 of October and 5 November.

21. **APPOINTMENTS AND CHANGES TO COMMITTEE MEMBERSHIP**

Group Administrators to report any changes to Committee Membership.

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Chief Executive

Town Hall,
Dalton Square,
LANCASTER,
LA1 1PJ

Published on Tuesday 8 December, 2020.

COUNCIL

Urgent Business - Executive Arrangements

16 December 2020

Report of the Director of Corporate Services

PURPOSE OF REPORT
To inform Council changes made to Cabinet members and portfolio holders.
This report is public

RECOMMENDATIONS

(1) That the report be noted.

1.0 Background

1.1 Amendments to the Scheme of delegation relating to Executive functions may be made by the Leader in accordance with Paragraph 4(b) of section 2 of Part 3 of the Constitution. Any amendments that are made by the Leader are reported to the Director of Corporate Services, and any other officers concerned. The Director of Corporate Services then presents a report to the next ordinary meeting of Council setting out the changes made by the Leader.

1.2 This information was not available at the time of agenda publication but is presented as urgent business as the changes are referred to elsewhere on the agenda in the Leader's report.

2.0 Cabinet Members for Finance

2.1 The Leader has advised of changes to Cabinet Members and Portfolios.

Cabinet is now composed of:

Cllr Dr Erica Lewis – Leader
Cllr Janice Hanson – Deputy Leader/Economic Regeneration & Planning
Cllr Anne Whitehead – Finance & Resources
Cllr Janice Hanson – Economic Regeneration & Planning
Cllr Tim Hamilton-Cox – Sustainable Economic Prosperity
Cllr Merv Evans – Economic Recovery & Resilience
Cllr Jean Parr – Arts, Culture, Leisure & Wellbeing
Cllr Caroline Jackson – Housing
Cllr Dave Brookes – Natural Environment

Cllr Gina Dowding – Sustainable Neighbourhoods
Cllr Kevin Frea – Climate Action

3.0 Conclusion

3.1 This report is required in accordance with the Constitution and is simply for noting.

CONCLUSION OF IMPACT ASSESSMENT **(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)** None directly arising from this report.
LEGAL IMPLICATIONS As set out in the report.
FINANCIAL IMPLICATIONS Cabinet members are entitled to an allowance of £5,640.60 per annum. Allowances for a Leader, Deputy Leader and maximum of eight other Cabinet Members are included in existing budgets.
OTHER RESOURCE IMPLICATIONS **Human Resources, Information Services, Property and Open Spaces:** 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	**Contact Officer:** Debbie Chambers **Telephone:** 01524 582057 **E-mail:** dchambers@lancaster.gov.uk **Ref:**

The following address will be delivered by local resident Ms Meg Lounds who is a member of the People's Jury Climate Change.

'We are facing a climate emergency which makes us concerned and worried about the future. We have heard from a range of experts and we now believe that if we take immediate action, we have the tools and the hope that we can address this emergency. We believe that the only suitable response will be one that brings many organisations and individuals together to work collectively and not separately. This is bigger than Lancaster. We recognise that many difficult decisions lie ahead but that we must act immediately and not allow a quest for perfection to get in the way of making progress. We need to take action today, not in 30 years time. A journey starts with a small step which all of us can achieve. The people of the Lancaster district need to see confident leadership, positive changes made and a clear plan for the future. Our City and County Councils must accept that progressive change to fight the climate change emergency will have financial implications. Not being able to fund the recommendations we have listed here is no reason for inaction as money won't matter in a world that won't exist as we know it. The response to the climate emergency needs to be one that moves away from politicians making all the decisions but instead reaches out to the wider public and communities for ideas of how to achieve our recommendations. It's time for our councils to listen to the people of Lancaster and district and take action now, leading the way to make changes in response to this emergency'.

COUNCIL

Leader's Report

18 December 2020

Report of the Leader of the Council

PURPOSE OF REPORT
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 meetings held 15 September 2020, and 6 October 2020, 27 October 2020, 5 November 2020 & 24 November 2020. The minutes of the meeting held on 8 December 2020 were not available at the time of publication of the agenda and will be tabled at the December Council meeting.

2.0 Decisions required to be taken urgently

No urgent Cabinet decisions have been taken in this period.

3.0 Leader's Comments

COVID

At the time of writing the Lancaster District's infection rates have fallen once again to somewhat more than half of the national infection rate. However, the infection rate is only one of the government's five factors. The other four being – direction of travel of the infection rate, infection rate among the over 60s, test positivity rate, and local NHS pressures. We know that a reassessment of our tier will have been based on the data available on the 15th, for a decision on the 16th, announcement on the 17th and implementation of the 19th. The majority of leaders across Lancashire have continued to advocate for Lancashire to be assessed on a sub-regional level.

I have worked to mobilise leaders across Lancashire to raise with government our concerns that there has been less economic support provided by the government to businesses in Lancashire than in other parts of the country. As you will remember, when we agreed to go into tier 3, Lancashire leaders agreed with the government £20 per head in economic support. However, when the government subsequently announced four weeks of national lockdown, they granted everyone that same £20 per head in economic support, and no further support for Lancashire, Greater Manchester or Liverpool. Thus, short-changing Lancashire businesses by £15 per head at least.

Our business support team continues to work hard to distribute the funds we do have available to support local businesses. However, the almost inevitable outcome of reducing levels of government support and businesses already stretched thin, is that businesses are suffering in our district.

The council continues to work with parish councils and community partners to support residents with food, housing and social support. If you are working with residents who are experiencing financial hardship as a direct result of COVID and do not have the financial resources to meet immediate short-term needs and are on a low income, remember they may be eligible for emergency financial assistance. More details www.lancaster.gov.uk/coronavirus

All expectations are that we will see a rise in infections in the new year, following the relaxation of rules over Christmas. The virus won't be taking a break & remember 🧼 hands – 😷 face – ↔ space is still the best protection we have.

Climate Emergency

Tonight, we are pleased to welcome members of our People's Jury to our meeting and grateful that they have given their time to address us. The recommendations of the People's Jury appear elsewhere on the agenda and we will ask cabinet to ensure that each recommendation is carefully considered and that we finds ways to act and to encourage others to act on the recommendations.

Earlier this month many of us noted that it has been five years since Storm Desmond. For many residents and businesses, too little has changed since Desmond. This week the Caton Road flood defences will reach technical completion, but many areas of Lancaster are still awaiting survey reports.

Many people observe that Lancaster hasn't always flooded like this. The causes & reasons are complex. Reducing flood risk & helping communities to become more resilient to flooding is hard work, but across the district, there is a network of flood groups & community emergency groups each doing their bit to try & make their neighbourhood safer & stronger. Thank you to everyone who is part of one of these groups.

The Bay

Following last week's cabinet and council meetings across Lancaster, South Lakeland & Barrow endorsing the submission of the Bay authority proposal our proposal was submitted to government. This week, along with the leaders of South

Lakeland and Barrow, I met with Luke Hall MP, the Minister for Local Government, and senior Ministry officials to further outline our proposal.

The Minister advises that proposals will be read over the Christmas/New Year period, and that consultation on one or more models will begin in early to mid-February for an expected eight-week period, with a decision to be announced before the summer recess.

New cabinet

I am pleased to advise of new appointments & changes to portfolio titles. Portfolio details are provided at attachment A.

Cllr Dr Erica Lewis – Leader – Strategic Initiatives, Partnerships & Emergency Responses
Cllr Janice Hanson – Deputy Leader – Economic Regeneration & Planning
Cllr Anne Whitehead – Finance & Resources
Cllr Tim Hamilton-Cox – Sustainable Economic Prosperity
Cllr Merv Evans – Economic Recovery & Resilience
Cllr Jean Parr – Arts, Culture, Leisure & Wellbeing
Cllr Caroline Jackson – Housing
Cllr Dave Brookes – Natural Environment
Cllr Gina Dowding – Sustainable Neighbourhoods
Cllr Kevin Frea – Climate Action

Merry Christmas & Happy Holidays

After what has been a very odd year, I want to say thank you once again to officers and councillors for the care you have taken in supporting residents, local businesses and organisations. The feedback I get time and time again, is that our council has maintained more work through the pandemic, as well as providing more support to the district through the pandemic than many other councils. We can be justly proud of the service Lancaster City Council has provided this year.

I hope everyone will have the opportunity to catch up with family & friends in safe ways across the holiday season and return refreshed for the challenges of a new year.

To those who will stay on roster across the holidays to support residents and keep us safe in case of emergency. Thank you.

4.0 Decisions

The following Decisions were taken by Cabinet on 6 October 2020:

(1) Covid-19 Pandemic – Policy for decision making and spending delegations within the Budget & Policy Framework – Public Realm
(2) Covid-19 Pandemic – Policy for decision making and spending delegations within the Budget & Policy Framework – Purchase of electric vans
(3) Installation of Solar PV Panels to sheltered scheme bungalows

The following Decisions were taken by Cabinet on 27 October 2020

(1) Proposed designation of Conservation Area Slyne Road
(2) Direction under Article 4 of the Town and Country Planning (General Permitted Development) Order 2015
(3) Preparation of Lancaster South Area Action Plan Development Plan Document
(4) Review of Housing Allocations Policy
(5) The Homes Strategy for Lancaster District
(6) Options to set up the Housing LATCo
(7) Adoption of Public Space Protection Orders (Dog control)
(8) Green Waste Subscription fees
(9) Lancaster Business Improvement District Renewal
(10) Capital Investment Strategy
(11) Investment Proposal: Site Acquisition
(12) Investment Proposal

The following decision was taken at an extraordinary meeting of Cabinet on 5 November 2020:

(1) Local Government Reform Developments

The following decisions were taken by Cabinet on 24 November 2020:

(1) Delivering our Ambitions Quarter 2
(2) Treasury Management Mid-Year Review
(3) Localised Council Tax Support Scheme
(4) Budget & Policy Update - Revision to 2020/21 Budget

The following decisions were taken by Cabinet on 8 December 2020:

(1) Residential Conversions and Houses in Multiple Occupation
(2) Local Government Reform proposal for the Bay area

The following Officer Delegated Key Decisions have been taken since the last Leader's report :

ODD3 Procurement of 6 Electric Pool Cars
ODD4 Purchase of 14 Electric Vans
ODD5 Approval of Lancaster BID Renewal Proposals

Background Papers

Cabinet agendas 6 October 2020, 27 October 2020, 5 November, 24 November, 8 December

Cllr Dr Erica Lewis – Leader – Strategic Initiatives, Partnerships & Emergency Responses

- Principal spokesperson, communications & press office
- Lead on establishment & achievement of council priorities & principles
- Community & stakeholder engagement & development
- Emergency response, community resilience & recovery
- Governance
- Human Resources
- Customer & Advice Services
- Soft Facilities Management

Cllr Anne Whitehead – Finance & Resources

- Strategic control of financial resources
- Treasury Management
- Procurement & Fair Trade
- Audit
- Financial Services
- Revenues & Benefits
- Democratic, civic & mayoral support
- Elections
- Legal services

Cllr Jean Parr – Arts, Culture, Leisure & Wellbeing

- Arts, Culture, Festivals, Events & Museums
- Visitor Information Centres
- Sport & Leisure
- Community health & wellbeing
- Equalities & social justice initiatives including age; disability; race; religion or belief; sex, gender or gender identity.
- Community safety

Cllr Caroline Jackson – Housing

- Council Housing
- Homelessness
- Private sector housing
- Social Housing
- Caravan sites
- Traveller sites
- Refugee housing
- Household support & resilience

Cllr Janice Hanson – Deputy Leader – Economic Regeneration & Planning

- Economic regeneration
- Planning including local plan
- Conservation & urban design
- Development & building control
- Compulsory purchase
- Climate change resilience
- Neighbourhood Plans
- Transport policy & Parking

Cllr Merv Evans – Economic Recovery & Resilience

- Tourism & Marketing
- Hospitality
- Community wealth building
- Fair work charter - good jobs & fair pay

Cllr Tim Hamilton-Cox – Sustainable Economic Prosperity

- Responsible & resilient businesses & industry
- Asset & property management
- Green jobs & skills
- Digital strategy & ICT
- Markets
- Hard facilities management

Cllr Dave Brookes – Natural Environment

- Waste & recycling
- Parks & green spaces
- Street cleansing
- Commons, reserves, open spaces
- Water including rivers, coast, & flooding
- Nature conservation
- Biodiversity

Cllr Gina Dowding – Sustainable Neighbourhoods

- Active transport & modal shift
- Environmental health & enforcement including air quality
- Allotments, food production & food waste
- Council owned community facilities

Cllr Kevin Frea – Climate Action

- Community action
- Climate partnerships
- Renewable Energy Production & Energy Efficiency
- Rural communities & AONB

Reflecting new ways of working across the council, cabinet members will increasingly work in & across the SDG clusters (social, environmental, economic & governance) this should help manage inevitable cross-overs and provide back up in case of sickness or absence. All portfolio holders will work to meet the climate emergency, build community wealth, reduce inequalities & increase well-being, as well as to increase community engagement & power

COUNCIL

Localised Council Tax Support Scheme 2021/22

16 December 2020

Report of Cabinet

PURPOSE OF REPORT
To seek a decision from Council on retaining the existing Localised Council Tax Support (LCTS) scheme in its present format for application in 2021/22.
This report is public.

RECOMMENDATIONS OF CABINET

(1) That Option (1), the retention of the existing Localised Council Tax Support (LCTS) scheme for 2021/22, subject to minor consequential amendments to match changes in Housing Benefit rules, be approved.

(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 2021/22 and make all other necessary arrangements for its implementation in the next financial year.

1.0 Introduction

1.1 Cabinet considered the report of the Head of the Shared Service for Revenues and Benefits (attached) at its meeting on 24 November 2020. The report set out the background and overview to the Council's current scheme and presented and analysed the options of retaining the current scheme or making changes.

2.0 Proposal

2.1 Cabinet resolved:

That Cabinet supports Option (1), the retention of the existing Localised Council Tax Support (LCTS) scheme, subject to minor consequential amendments to match changes in Housing Benefit rules and that the associated options included at Appendix A to the report, be presented to Full Council for its deliberation and approval.

3.0 Conclusion

3.1 Council is asked to approve the retention of the existing Localised Council Tax Support (LCTS) scheme for 2021/22.

RELATIONSHIP TO POLICY FRAMEWORK
As shown on the Cabinet report attached.
CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability etc) As shown on the Cabinet report attached.
FINANCIAL IMPLICATIONS Since the original Cabinet Report the Government has confirmed in its 2020 Spending Review that Councils will continue to receive unringfenced grant funding to enable them to continue reducing Council Tax bills for those working age LCTS recipients least able to pay. Other comments are as shown on the Cabinet report attached.
SECTION 151 OFFICER'S COMMENTS As shown on the Cabinet report attached.
LEGAL IMPLICATIONS As shown on the Cabinet report attached.
MONITORING OFFICER'S COMMENTS As shown on the Cabinet report attached.

BACKGROUND PAPERS	Contact Officer: Adrian Robinson Head of Shared Service Telephone: 01772 906023 E-mail: a.robinson@preston.gov.uk

Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	**Date**	24.11.20
Title	Localised Council Tax Support Scheme 2021/22		
Report of	Head of Shared Service		

Purpose of the Report

To enable Cabinet, to consider the existing Localised Council Tax Support (LCTS) and the options available, ahead of formal consideration and approval by Council for application in 2021/22.

Key Decision (Y/N)	**N**	**Date of Notice**		**Exempt (Y/N)**	**N**

Report Summary

Cabinet's views are sought as to whether to retain the existing Localised Council Tax Support Scheme for 2021/22 (Option 1) subject to future consequential minor amendments following changes in housing benefit rules; or whether to amend it to reduce entitlement. (Option 2).

Recommendations

(1) That Cabinet considers the Localised Council Tax Support Scheme for 2021/22 and the associated options included at Appendix A to be presented to Full Council for their deliberation and approval.

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(s), where applicable

Climate	**Wellbeing & Social Value**
Digital	**Health & Safety**
Equality	**Community Safety**

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***.

Details of Consultation

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.

Under Option 1, the Council will write to major precepting authorities setting out the principles of the scheme for 2021/22, 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.

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 11th 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 any other consequential amendments.

Financial Implications

Currently the LCTS system is estimated to cost £11.2M each year, but this is affected by council tax rates and claimant caseload, as well as the decisions of Council. Due to Covid-19 the cost of the scheme has increased, albeit temporarily. Of this estimated cost, approximately £1.3M 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.

Other Resource or Risk Implications

Section 151 Officer's Comments	
The Section 151 Officer has contributed to the production of financial comments.	
Monitoring Officer's Comments	
The Monitoring Officer has been consulted and has no further comments.	
Contact Officer	Adrian Robinson
Tel	01772 906023
Email	a.robinson@preston.gov.uk
Links to Background Papers	

1.0 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 other comparatively minor changes over the years, 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.

2.0 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 are 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 For 2020-21, all working age recipients with something to pay has received a further reduction in their annual Council Tax bill of up to £300, funded by government and offered by the Council, to support vulnerable people and households affected most by coronavirus. The scheme ends on 31 March 2021 and is unlikely to be extended with current expenditure to date amounting to £881k

2.8 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 annual uprating of similar applicable amounts in the Housing Benefit Scheme.

3.0 Options and Options Analysis (including risk assessment)

3.1 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:

3.2 **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 would normally have no impact on the Council's financial forecast. However, caseload is on the increase due to Covid-19, and it's expected that take-up will remain higher than usual through the early part of next year.

- Retaining existing policy principles of keeping various positive entitlement provisions for LCTS in line with other key welfare benefits promotes equality.

3.3 **Option 2:**

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

- Whilst caseload numbers are on the increase month by month due to the impact of Covid-19 with a current level of 11,249 residents claiming Council Tax Support in the Lancaster district, they have gradually reduced over the years from a high of 12,202 in April 2014. As pensioners make up 36% (3,995) of claimants, it means any cut in the level of support provided falls on the remaining 64% (7,253) of working age people on low incomes, indicating an increase in number from (6,601) in the previous year.

- A reduction in the levels of support provided could arguably provide claimants with further incentives to work, reducing their reliance on benefits, although the jobs market is particularly deflated at this difficult time.

- 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.

4.0 Conclusion

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).

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.

APPENDIX A

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;
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.

APPENDIX B

Lancaster City Council's Equality Impact Assessment

Localised Council Tax Support Scheme 2021/22

Section 1: Details:

Service	Revenues & Benefits Shared Service Resources
Title and brief description (if required)	Localised Council Tax Support Scheme
New or existing	Existing
Author/officer lead	Lead – Head of Shared Service / Benefits Manager
Date	16th November 2020

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

Is there any potential or evidence that this will or could:		
• 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 2020.

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

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.

COUNCIL

Budget & Policy Framework
16 December 2020

Report of Cabinet

PURPOSE OF REPORT
This report provides an update on the Council's financial position to help inform the development of corporate planning and budget proposals.
This report is Public

RECOMMENDATION OF CABINET

That Council notes:

(1) The revised budgetary position 2020/21 which is fixed for future monitoring purposes.

(2) The draft future years estimates as set out in the report as the latest information available, accepting that this is an interim position.

1.0 INTRODUCTION

1.1 This report provides an update on the Council's budgetary position in view of the impact of COVID-19. At the time of writing the Government had only recently announced the outcome of its Spending Review and although the report does provide Members with headline messages officers are still working through the implications. It is hoped further details will be provided following the Local Government Settlement which is due imminently. On this basis the report is an interim update and primarily for information.

1.2 At its meeting on 24 November, Cabinet considered an earlier version of the report of the Chief Finance Officer. The report has been subjected to minor amendments reflecting the Spending Review.

2.0 SUMMARY POSITION

2.1 In support of the existing Corporate Plan, at Council on 26 February 2020 Members approved the current year's budget at **£17.903M**, excluding parish precepts, giving rise

to a council tax requirement of **£9.672M**. Since then, various changes have become apparent through monitoring and more significantly through the impact of COVID-19.

2.2 To draw the changes together, an in-depth update of the current year budget has now been completed, the results of which are included at Appendices A and B. We are currently projecting an overall year end surplus against budget of **£2.078M**. However, Members need to be aware that this is a result of a formal statutory adjustment within the Collection Fund to recognise the Green Energy Disregard monies with the Council's General Fund. Members would be advised to note that this classification is subject to confirmation and so is currently at risk. Further explanation is provided at paragraphs 3.3 – 3.7 below.

3.0 GENERAL FUND REVENUE BUDGET: SUMMARY

CURRENT YEAR POSITION

3.1 The underlying General Fund budget forecast is for net spending of **£19.396M** giving a projected net overspend of (£1.491M). The position is explored further in section 3.4 of this report. This revised position is now fixed and anything that changes now will be treated as an under /overspend.

3.2 A summary of the forecast General Fund revenue position for the main service accounts of the Council is set out in table 1 below with further details provided at appendix A.

Table 1 General Fund Service Analysis

	Original Budget 2020/21 £'000	Revised Budget 2020/21 £'000	Projected Variance 2020/21 £'000
Communities and Environment	5,516	6,438	(922)
Economic Growth and Regeneration	4,192	4,076	116
Corporate Services	5,592	6,707	(1,115)
Chief Executive	1,023	974	49
Other Items	2,691	2,322	369
Sub Total	**19,014**	**20,517**	**(1,505)**
Net Recharges to Housing Revenue Account	(1,008)	(1,008)	0
RMS Capital Charges (now Housing Revenue Account)	(113)	(113)	0
Reserve funded items included in above analysis	10	0	10
Sub Total	**(1,111)**	**(1,121)**	**10**
General Fund Revenue Budget	**17,903**	**19,396**	**(1,495)**
Revenue Support Grant	(203)	(203)	0
Net Business Rates Income	(8,028)	(11,597)	3,569
Council Tax Requirement	**9,672**	**7,596**	**2,078**

3.3 Net Business Rates Income Green Energy Disregard

The Council can retain 100% of any business rates income from renewable energy projects for which they grant planning permission. During the collation of the return (NNDR 1) which determines the relative shares for 2020/21 in January 2020 Walney

Sub Station extension was identified as potentially qualifying for the Green Energy Disregard. It was, however, necessary at this stage to obtain both internal and specialist external advice to support the classification. Whilst the City Council dealt with the planning permission it is a national infrastructure project. It was not possible to obtain this within the required timescales for the return.

3.4 Expert external advice supported the view that the **£2.085M** income did qualify for the disregard. It was, therefore, included in our final accounts for 2019/20 for the Collection Fund and in the submission of the actual outturn to central government.

3.5 Our monitoring position and revised budget reflect the full impact of treating the substation as a green energy property. The resulting favourable variance will help to offset the effect of the exceptional in-year deficit on the Collection Fund created by the impact of COVID-19 and the Council's share of the actual deficit brought forward of **£0.789M**.

3.6 Members must be aware that a risk does remain that central government may not agree with the green energy classification. Should our assessment be challenged the **£2.085M** would be reclassified as Business Rates "growth" of which the Council would only be able to retain 40%, c **£0.800M**. Once central government resets the Council's funding baseline this benefit would cease.

3.7 Members would be advised not to use this fortuitous gain to fund the current underlying structural deficit in the long term and continue to review and address the deficit through the processes prescribed within the Funding the Future Strategy. However, it is accepted that in these exceptional times it is difficult not to utilise this in this and the next financial year as it provides a simplistic opportunity to balance the budget in the short term. Table paragraph 7.1 table 3 incorporates this money for ease of analysis.

4.0 VARIANCE ANALYSIS: WHY HAVE BUDGET PROJECTIONS CHANGED

4.1. It should be noted that the Delivering our Ambitions (DoA) Q2 and revised budget were set in conjunction with each other as the latest known position at that time. The variances have been considered by both Cabinet (24 November 2020) and Budget & Performance Panel (01 December 2020) as part of their consideration of the DoA Q2 report.

4.2 The forecasting includes the impact of the Government's recent Sales, Fees and Charges (SFC) compensation scheme which involves a 5% deductible rate, whereby the Council will absorb losses up to 5% of our planned 2020/21 sales, fees and charges income. The Government then provides compensation of 75p in every pound of relevant losses.

4.3 Projected loss of income from fees & charges is **£5.671M** with estimated compensation **£3.910M** resulting in a forecast loss **£1.761M**. The estimated compensation has been included in the revised estimates.

5.0 PROVISIONS, RESERVES AND BALANCES

5.1 2019/20 provisional outturn has seen the Councils level of reserves reduce; we are currently projecting the Council's combined level of usable reserves to decrease to

£16.225M against the budgeted balance of **£16.369M** and so remain relatively healthy. Table 2 below provides summary analysis

Table 2 Reserves

Reserves Statement (Including Unallocated Balances)

	<----- ORIGINAL BUDGET ----->					<----- PROJECTED OUTTURN ----->				
	31 March 2020	From Revenue	To / (From) Capital	To Revenue	**31 March 2021**	**31 March 2020**	From Revenue	To / (From) Capital	To Revenue	**31 March 2021**
	£	£	£	£	**£**	**£**	£	£	£	**£**
Unallocated Balances	**(5,713,800)**	**(226,000)**			**(5,939,800)**	**(5,045,000)**	**(225,980)**		2,000,000	**(3,270,980)**
Earmarked Reserves:										
Total Earmarked Reserves	**(12,846,400)**	**(1,797,800)**	**943,000**	**3,271,700**	**(10,429,500)**	**(15,319,700)**	**(3,743,200)**	**295,000**	**5,773,800**	**(12,954,100)**
Total Combined Reserves	**(18,560,200)**	**(2,023,800)**	**943,000**	**3,271,700**	**(16,369,300)**	**(20,364,700)**	**(3,969,180)**	**295,000**	**7,773,800**	**(16,225,080)**

5.2 General Fund Unallocated Balances are forecast to reduce from the budgeted position of **£5.940M** to **£3.271M** to reflect the Council's allocation of **£2M** to support vulnerable people and local businesses during the pandemic and the impact of 2019/20 outturn. Members should note this does not include the appropriation into reserves of the forecast surplus. Current s151 officer advice would be to transfer any 2020/21-year end surplus into unallocated reserves to facilitate managing the levels of future uncertainty that remain.

5.3 Earmarked Reserves are showing a projected balance of (**£12.954M)**, an overall increase against budget **(£10.430M)** of **£2.525M.**

5.4 The use of the Council's reserves to manage fluctuations in expenditure and income will be key to the delivery of the Council's stated priorities and outcomes over the next 4 years and will be kept under review by Officers and Members.

5.5 In addition the s151 Officer is required to make an annual assessment of the adequacy of the Council's level of reserves as well as setting a minimum level of unallocated reserves, which is currently set at **£2.5M**.

6.0 GOVERNMENT FUNDING PROSPECTS

6.1 Members will be aware that Local Government funding has changed significantly over recent years. Significant reductions in central funding have taken place in the Revenue Support Grant which accounted for more than half of Lancaster City Council's funding in 2010/11.

6.2 As a result the Council is now almost entirely reliant on Council Tax and Business Rates to fund net expenditure and it is therefore important to provide regular estimates of these important funding streams.

Comprehensive Spending Review

6.3 Government announced the outcome of its Spending Review, 25 November 2020. However, it has abandoned its long-term review amid the economic uncertainty caused by the COVID-19 pandemic and restricted the announcement to a one-year settlement.

6.4 The decision to limit this year's Spending Review to a single year, rather than the usual three or four, could be considered a sensible one. The uncertainties created by COVID-19 are too great to provide a realistic set of spending plans for the next three or four years as inevitably they will need to be revisited.

6.5 However, setting budgets for only one year significantly reduces the level of certainty needed to plan effectively and efficiently, and arguably adds to the large degree of uncertainty already hanging over both the public sector and the wider economy.

6.6 Details of the impact of the spending review and the Councils approach to balancing the budget is provided in Section 7 below.

7.0 BALANCING THE BUDGET TO 2024/25

7.1 Officers have undertaken a detailed review of the current and future years budgets reported to Council 26 February 2020. This review included incorporated approved and known changes as well as, a comprehensive salary and inflation reviews. The outcome of this review and the current draft position are provided in table 3 below.

Table 3: General Fund Revenue Budget Projections

General Fund Revenue Budget Projections 2020/21 to 2024/25

For Consideration by Council 24 February 2021

BUDGET PROJECTIONS

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Revenue Budget/Forecast as at 26 February 2020	**17,903**	**18,131**	**18,322**	**18,883**	**19,261**
Base Budget Changes					
Operational Changes	1,494	2,538	1,205	1,891	2,289
Latest Budgetary Position	**19,397**	**20,669**	**19,527**	**20,774**	**21,550**
Outcomes Based Resourcing Proposals:					
Maintaining Service at Functional Levels	-	-	-	-	-
Savings/Growth Proposals	-	-	-	-	-
Contributions from Reserves re Budget Proposals	-	-	-	-	-
Revenue Implication of New Capital Schemes	-	-	-	-	-
	-	-	-	-	-
Contribution to/(from) GF Unallocated Reserve	-	-	-	-	-
General Fund Revenue Budget	**19,397**	**20,669**	**19,527**	**20,774**	**21,550**
Core Funding:					
Revenue Support Grant	(203)	-	-	-	-
Net Business Rates Income	(11,597)	(9,995)	(8,467)	(8,556)	(9,055)
Council Tax Requirement	**7,597**	**10,674**	**11,060**	**12,218**	**12,495**
Estimated Council Tax Income - **(Increases based on £x for 21/22 then max allowable)**	**9,672**	**9,881**	**10,140**	**10,453**	**10,771**
Resulting Base Budget (Surplus)/Deficit	**(2,075)**	**793**	**920**	**1,765**	**1,724**
Original MTFS Savings Requirement	***0***	***1,558***	***1,234***	***1,270***	***N/A***
Change	***(2,075)***	***(765)***	***(314)***	***+495***	***N/A***

Outcomes Based Resourcing

7.2 In line with the Council's Funding the Future Strategy we have commenced with Outcomes Based Resourcing (OBR). This is a method of budgeting which funds are

allocated according to a set of predefined outcomes, or priorities using a zero-based approach, that is to say as if the decision is being made as if for the first time.

7.3 Like most Council's we have applied incremental budgeting techniques for many years, and this can encourage a restrictive mindset limiting ambition in respect of what we can afford. OBR turns incremental thinking on its head and first considers ambition and then directs resources towards those ambitions, diverting them from areas which are no longer the priority they were.

7.4 All existing Council services will be sub-divided into one of eight areas within each subjected to several key questions. Service subsets and example questions are provided at table 4 below

Table 4

Service Classification	Key Questions
• Trading services • Break-even services • Property holdings • Other income • Support Services • Statutory Services • Required Services • Discretionary Services	• Does service meet our priority aims? • What is impact of service? (what would be the impact of ceasing the service?) • How does cost of service benchmark with other similar authorities? • Could the service be shared / operated via an LATCo or some other vehicle?

7.5 Based on the results of these questions the Council might wish to consider the following actions to those services

- Grow the service(s)
- Sustain / Protect the service(s)
- Re-focus – retain budget but change focus towards corporate priorities
- Retreat – managed withdrawal
- Stop

Comprehensive Spending Review 2020

7.6 The government's Spending Review 2020 (SR20) 25 November 2020 did provide some certainty for Councils next year; however, the long-term outlook remains unclear. Public finances will undoubtedly be under huge strain in the years ahead but investment in our local public services is critical to our national recovery next year and beyond.

7.7 The following paragraphs aim to provide Members with a high-level summary of the key areas of SR20. Full details of SR20 are available via the following link https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/938052/SR20_Web_Accessible.pdf

COVID -19 Funding

7.8 The Chancellor made several announcements to support local authorities in meeting the COVID-19 pressures next year, including £1.55BN to meet additional expenditure pressures as a result of COVID-19, £670M to support households that are least able

to afford Council Tax payments, £762M to compensate for 75 per cent of irrecoverable loss of Council Tax and Business Rates revenues in 2020/21, and extending the existing COVID-19 sales, fees and charges reimbursement scheme for a further 3 months until the end of June 2021.

Business Rates

7.09 Business rates is now a fundamental part of the local government finance settlement and, with council tax, accounts for most of the local government financing. Members will recall Government is undertaking a fundamental review of the business rates system and recently announced that it would delay the move to 75 per cent Business Rates Retention and the implementation of the fair funding review.

7.10 As part of SR20 Government has decided to freeze the business rates multiplier for 2021/22. It is expected that Councils will be fully compensated for this via the existing Cap Compensation adjustment calculation. In addition to the freezing of the multiplier it has decided not to proceed with a reset of business rates baselines in 2021/22 which would have effectively removed all existing growth from the system although no commitment has been given for future timings.

7.11 In addition to those above the impact of COVID-19 on previous forecasts for business rates growth is being revisited. Also as noted previously a risk remains around our classification of Walney Sub Station Extension under the Governments Green Energy disregard scheme.

Council Tax

7.12 Council tax is the Council's primary source of funding and is calculated by multiplying the taxbase, the number of eligible residential properties (expressed in band D equivalents), by the level of the district council precept which is determined each year. Previous forecasts have included around 1% for growth within the Council Tax base. Considering current circumstances, we are currently reviewing the potential for growth.

7.13 SR20 reconfirmed the Government's referendum criteria which limits increases in the Council's element of Council Tax to 2% or £5, whichever is greater. For the purposes of forecasting, it has been assumed that the Council will increase council tax by £5, the maximum allowed, in each of the next three years. Upper tier Councils such as Lancashire County Council will be able to continue to levy an adult social care precept. In addition, Police and Crime Commissioners (PCCs) will have the flexibility to increase funding in 2021/22 with a £15 council tax referendum limit on a Band D property.

New Homes Bonus

7.14 New Homes Bonus is a reward grant which is calculated from council taxbase figures. The Government will maintain the existing New Homes Bonus scheme for a further year but will consult on reforms with a view to implementing reform in 2022/23.There is a risk that the Government will seek to further reduce the grant in future years which would increase the budget gap at the Council.

Public Sector Pay Freeze

7.15 Public sector pay rises will be frozen for 2021/22 with workers earning less than £24,000 receiving a minimum £250 increase. An initial uplift of 2% was included for planning assumptions, we are currently working through the details.

Public Works Loan Board (PWLB)

7.16 Alongside the Spending Review, the Government published revised lending terms for the PWLB. These changes will have significant implications for the Capital Programme, and investment for yield may be constrained. A small task and finish team comprising representatives from Property, Investment and Finance, and led by the Directors of Economic Growth and Regeneration and Corporate Services is reviewing the implications of this change on services, and will bring forward a diversified funding proposal alongside clarifying the technical implications of the PWLB change.

7.17 Despite the details provided by SR20 there remains a high level of uncertainty, it is hoped the upcoming Local Government Finance Settlement will provide the level of clarity required.

8.0 OPTIONS AND OPTIONS ANALYSIS

8.1 As the report is for consideration no alternative options are put forward

9.0 CONCLUSION

There remain significant uncertainties in terms of Local Government funding over the next couple of years. These uncertainties have been exacerbated by current COVID-19 situation. Once more clarity is available following Local Government Settlement details will be shared with Cabinet and presented to Council at the earliest opportunity.

COUNCIL

Procurement Strategy 2020-2024
16 December 2020

Report of Cabinet

PURPOSE OF REPORT To seek approval of the Procurement Strategy for 2020-2024.					
Key Decision		**Non-Key Decision**		**Referral from Cabinet Member**	
Date of notice of forthcoming key decision					
This report is Public					

RECOMMENDATION OF CABINET

That Council:

(1) Adopt the Procurement Strategy for 2020-2024.

1.0 INTRODUCTION

1.1 Cabinet considered the report of the Director of Corporate Services at its meeting on 14 July 2020.

1.2 The Procurement Strategy will reset and implement the Council's objectives with respect to procurement over the next four years. Crucially, the strategy sets out key principles which will enable to the Council to buy local more often whilst maintaining a focus on value for money. This will be achieved by introducing the measurement of social value, particularly in relation to the climate emergency and local community wealth building, as part of the procurement assessment process.

2.0 PROPOSAL DETAILS

2.1 In January 2020, Council adopted revised priorities which place an emphasis on addressing the climate emergency, declared a year earlier, as well as community wealth building. Additionally, the Government, in its National Procurement Strategy, has highlighted the importance of driving community benefits particularly in relation to local economic, social, and environmental well-being.

2.2 The revised Procurement Strategy responds to the local and national priorities to ensure that future spending decisions maintain good value for the taxpayer whilst delivering wider local economic, social and environmental benefits.

2.3 The Strategy sets out the following key objectives:

- Support long term financial sustainability of the Council by ensuring Value for Money via efficient; effective; transparent, legally compliant, and equitable procurement activities.
- Maximise social value benefits from procurement activities by ensuring that the climate emergency and community wealth building measures are included in procurement assessments.
- To support local businesses to bid, win and deliver Council contracts.
- To adapt and respond to the changing landscape of Local Government.

2.4 In order to achieve the above objectives, changes are required to the Council's contract procedure rules. These were updated and approved by the Audit Committee on 25 November 2020. The strategy also includes the development of a toolkit which covers the full procurement cycle from identifying need, to selecting a supplier and recognising the procurement benefits including wider economic, social, and environmental outcomes.

2.5 The draft Procurement Strategy is included at **Appendix A** of this report.

3.0 CONSULTATION

3.1 The Council's Constitution requires that when a new or existing strategy is being considered, the Overview and Scrutiny Committee or Budget and Performance Panel have an opportunity to comment. If it considers it appropriate, Cabinet may then amend its proposals before submitting them to Council for consideration.

3.2 Budget and Performance Panel considered the Procurement Strategy at its meeting 01 December 2020 and did not make any comments requiring reconsideration or amendment of the strategy by Cabinet.

4.0 OPTIONS AND OPTIONS ANALYSIS (INCLUDING RISK ASSESSMENT)

Option 1: Council adopts the Procurement Strategy.
Advantages: This will allow early adoption which will enable more pro-active procurement which supports the delivery of wider community benefits which address the climate emergency and community wealth building aspirations.
Disadvantages: None identified.
Risks: Potential for sub-optimal procurement decisions if processes for incorporating social value are not clear and consistent.
Option 2: Do not agree the Procurement Strategy.
Advantages: No changes to existing processes which are well established which focus on cost and quality (but not social value) and make use of national frameworks to deliver a combination of low cost and quality.
Disadvantages: Council will miss out on opportunity to address key corporate themes including climate emergency and community wealth building in procurement decisions and the wider social, economic, and environmental benefits which would accrue from their incorporation in the assessment process.
Risks: Council may be assessed as not meeting its own corporate priorities and those set out in the National Procurement Strategy.

5.0 OFFICER PREFERRED OPTION (AND COMMENTS)

5.1 The officer preferred option is Option 1. Approval of the Procurement Strategy will deliver a more proactive approach to procurement and demonstrable improvements in social value arising from expenditure decisions.

6.0 CONCLUSION

6.1 The Procurement Strategy covers the next four years. Whilst the strategy maintains a focus on value for money in procurement decisions, it also sets out the importance of the Council's procurement to the local economy and an ambition to maximise expenditure with local organisations, enhance community wealth building and seek increased social value from spending decisions.

RELATIONSHIP TO POLICY FRAMEWORK

The Procurement Strategy will assist in the delivery of the Council's recently adopted priorities.

An Inclusive and Prosperous Local Economy

- advocating for fair employment and just labour markets that increase prosperity and reduce income inequality
- supporting new and existing enterprises in sustainable innovation and the strengthening of local supply networks

The objectives set out in the Procurement Strategy cover the maximisation of social value benefits. This will include incorporating adoption of fair work charter in the evaluation criteria. The objectives also set out how the Council will support local businesses, and this will include developing local frameworks and supply chains.

A Sustainable District

- net zero carbon by 2030 while supporting other individuals, businesses, and organisations across the district to reach the same goal

Minimisation of environmental impact will be incorporated into evaluation criteria.

A Co-operative, Kind and Responsible Council

- providing value for money and ensuring that we are financially resilient and sustainable

The objectives set out in the Procurement Strategy cover maximising value for money as well as delivering wider economic, environmental, and social outcomes.
In addition to assisting the delivery of priorities, the Procurement Strategy will focus on the key corporate themes of Climate Emergency and Community Wealth Building via the adoption of relevant measures to be included in evaluation criteria.

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

LEGAL IMPLICATIONS

There are no direct legal implications arising from this report. In the event of the adoption of the Procurement Strategy and the effect on the diversity of the supply chain, legal will be able to advise upon the suitability of any standard contracts used in procurement, having regard to the size of the businesses involved.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising from this report which covers approval of a Procurement Strategy. However, as the strategy indicates, the Council will spend around £19m on goods and services in 2020/21 and therefore effective procurement decisions will secure value for money from Council expenditure as well as the delivery of wider economic, social and environmental benefits.

OTHER RESOURCE IMPLICATIONS

It will be necessary to provide support to budget holders to maximise benefits from more proactive procurement. Any action plan would include the development of a procurement toolkit including measures to show improved outcomes.

SECTION 151 OFFICER'S COMMENTS
The s151 Officer has contributed to the writing of this report and to the development of the Procurement Strategy.
MONITORING OFFICER'S COMMENTS
Any changes to the Contract Procedure Rules and Financial Procedure Rules that may flow from this are a matter for Audit Committee

BACKGROUND PAPERS	
Cabinet 14-07-20 Agenda for Cabinet on Tuesday, 14th July 2020, 6.00 p.m. - Lancaster City Council **Budget & Performance Panel 01-12-20** Agenda for Budget and Performance Panel on Tuesday, 1st December 2020, 6.00 p.m. - Lancaster City Council	**Contact Officer:** Paul Thompson Chief Finance Officer **Telephone:** 01524 582603 **E-mail:** pthompson@lancaster.gov.uk

Procurement Strategy

……developed to establish the direction of how procurement should be organised in order to implement procurement policies.
(CIPS)

2020– 2024

Table of Contents

Introduction 3
Aims 3
Setting the scene 4
Objectives 5
Steps to Achieve the Procurement Strategy – Meeting Lancaster's Values 6
The Nation Procurement Strategy – Delivering the ambition 8
Summary 10
Appendix A 11

Introduction

The procurement strategy aims to help us deliver excellence in the procurement and commissioning of goods, works, and services. It supports the delivery of the council's priorities and strategies in areas such as equality, asset management, climate change emergency and Local Wealth Building.

Procurement covers the whole process from the initial identification of a need for a service or goods, decisions about how and who provides the service, through selecting a supplier or partner, receiving the goods or service, managing a contract, achieving the benefits expected, to finally disposing of an asset or ending a contract.

Good practice and legislation encourages staff to consider wider social, economic and environmental impacts and outcomes from procurement decisions. It also stresses the need to include the public, customers and people who are the ultimate users of services in their design, selection and delivery, where appropriate.

The Council has a good track record of working in partnership with others such as the County Council, other District Councils, professional buying organisations and with consultants. The procurement function will continue to encourage working in partnership.

Aims

The procurement strategy will communicate to all stakeholders, including Council Members, Chief Officers and Council staff the Council's vision for the way forward in procuring its goods, works and services.

The document seeks to set out the Council's high level, strategic plans for how procurement will be organised and managed in support of the Values.

Flexibility is required to allow the Council to respond to the rapidly changing environment surrounding public sector procurement, taking into account our own experiences and those of others and to integrate improvements into our processes and systems.

Setting the scene

Getting procurement right is important not only because it is about improving the delivery and cost effectiveness of quality public services to our customers across the district, but also because the choices we make on a contract or partnering agreement signifies the type of authority the Council wants to be and how we are perceived by residents, businesses and other stakeholders.

Lancaster City Council has largely devolved procurement activity, more than 200 officers are involved in the procurement process using Civica Purchasing. However, other orders are raised relating to municipal properties and Council housing stock via Tech Forge and TOTAL. Many more officers are involved in the bill payment process and in the procurement process as project, budget and contract managers.

In January 2020 Council adopted the outline Strategic Priorities (appendix A) the overarching Priorities and Themes will be taken forward within this procurement strategy.

On 30th January 2019 at Full Council, a Climate Emergency was declared, with the Council aiming to be net-zero carbon by 2030.

July 2018 saw the launch of a new national procurement strategy 'Delivering the Ambition'. This strategy focuses on three themes, which consultation has shown reflect local government's priorities:

- Showing leadership
- Behaving commercially
- Driving community benefits

Each theme has a number of key areas and four enablers have been identified:

- Developing Talent
- Exploring digital technology
- Enabling innovation
- Embedding change

Procurement will respond to the challenges of the corporate Priorities, Themes, Climate Emergency declaration and the National Procurement Strategy.

It should also be noted that work is being undertaken by the Lancashire Economic Development Officers Group (LEDOG) to progress the way in which Public Procurement with a particular focus on using standard processes to realise wider economic, social and environmental outcomes. Procurement will contribute and will work to regionally standardise processes and procedures across Lancashire, where this should benefit SME[1] suppliers

[1] SME – Small, Medium Enterprises definition, The category of micro, **small** and **medium**-sized **enterprises** (SMEs) is made up of **enterprises** which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro.

Objectives

This strategy aims to pull together Lancaster City Councils Priorities, Outcomes Based Budgeting Principles, the relevant National Procurement Strategy 2018 themes and enablers and to:

- to support the Council's long-term financial sustainability and drive efficiencies by ensuring all procurement activities are efficient; effective; transparent, legally compliant and equitable, thereby delivering value for money for the local economy and commercial and social benefits.

- to support local economic growth whilst responding to commissioning requirements, encouraging and supporting local organisations to bid, win and deliver Council contracts where possible.

- to optimise the social value deliverables and opportunities through contracting arrangements where appropriate and proportionate to do so, delivering wider social, economic and environmental benefits to the people and communities of the Lancaster district.

- Respond responsibly to the changing landscape of Local Government

- Support and contribute to the delivery of Lancaster's Outcomes Based Budgeting Principles, introducing, Climate Action, Community wealth Building, and Community engagement, in the evaluation of significant contracts.

It should be recognised that the environment is fast changing and that developments in the withdrawal from the EU, may require changes in strategy sometime in the period covered by this strategy. Any targets, recommendations and outcomes linked to this strategy will be delivered as resources allow and many be ongoing.

Steps to Achieve the Procurement Strategy – Meeting Lancaster's Values

Procurement is a small corporate resource with a vision to be an enabling function that supports the Council to be effective, providing value for money, supporting local business and achieving social value to meet the needs of Lancaster's residents and business. In 2018/19 the budgets available for spend on goods, works and services was £20 million pounds and for 2019/20 was £19 million, highlighting that as a Council we need to do more for less and think of ways in which the Council can use its spending power to deliver further benefits to the district. In order to achieve the objectives of this Procurement Strategy Procurement staff, will provide high quality procurement support to individual officers and services in commissioning and procurement activities to shape the local economy to deliver community benefits, value for money and to support the Councils declaration to be carbon neutral by 2030. Whilst complying with regulations using the following as a framework to establish a work plan.

- Introduce local supply chain opportunities into our procurement activities.
- Develop and implement a Social Value Procurement Policy with supporting guidance for officers on the application and appropriateness of the National Social Value Measurement (TOMs) Framework. Provide suppliers with a toolkit to give guidance, information and support when considering social value in response to an opportunity.
- Work with first tier suppliers to create supply chain opportunities for Lancaster businesses.
- Work within legal frameworks to proactively source goods, works and services from suppliers within the District, where there is the capability, competence and competition, ensuring that best value is achieved.
- Measure local spend as a means of identifying and reducing barriers to SME and Micro-organisations.
- Introduce an Ethical Procurement Policy.
- Improve contract management across the Council.
- Ensure the potential for procurement fraud is minimised.
- Staff that show clear and visible personal commitment to all the council's services and show enthusiastic tone and ethos.
- Insist on main contractors acting fairly with supply chains, mandating timely payment through contract clauses.
- Develop a baseline of council Expenditure and a commitment to increase spend in the local economy (or if this is a significantly high % already use 'maintain' instead)
- Promote council contracts through a single portal to make it easier for local SME's to access more procurement opportunities.

- Provide commercial acumen to Services to assist with key projects and to identify improved procurement opportunities.
- Encourage early engagement of the procurement team with Services in strategic decision-making to maximise savings and service delivery.
- Review whether efficiencies could be achieved by joining up contract management teams.
- Ensure procurement has early engagement with services on re-procurements
- Explore opportunities to procure through existing routes to market.
- Ensure all significant contracts are effectively managed by improving our approach to Contract Management. Where applicable incorporate KPI's into contracts to measure contract outputs including Social Value outcomes and ensure competitiveness over the life of the contract.
- Maintain Lancaster's electronic capacity whilst working with suppliers to conduct more e-business. E.g. supporting the P2P project.
- Review our procurement processes, systems and tools to ensure they are fit for purpose.

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The Nation Procurement Strategy – Delivering the ambition

The Councils Procurement Strategy (2020 – 2024) builds upon the previous strategy and reflects both local and national priorities. It describes the ambition for Strategic Procurement and the role in which procurement officers will play in achieving the Councils priorities and Principles.

The 2018 national strategy is not about compliance or tactical issues, it focuses on three themes which reflect local government's priorities until 2022. The themes are broken down into several key areas. The themes are presented as maturity models to make objective setting and measurement easier. Councils are expected to use a toolkit to set local goals and assess progress against each of the theme's maturity level. Each Council will have differing objectives and levels of maturity they want to set as a target. Lancaster's Priorities and Theme's fit within the model of the National Procurement strategy and will support the level of maturity that Lancaster can attain.

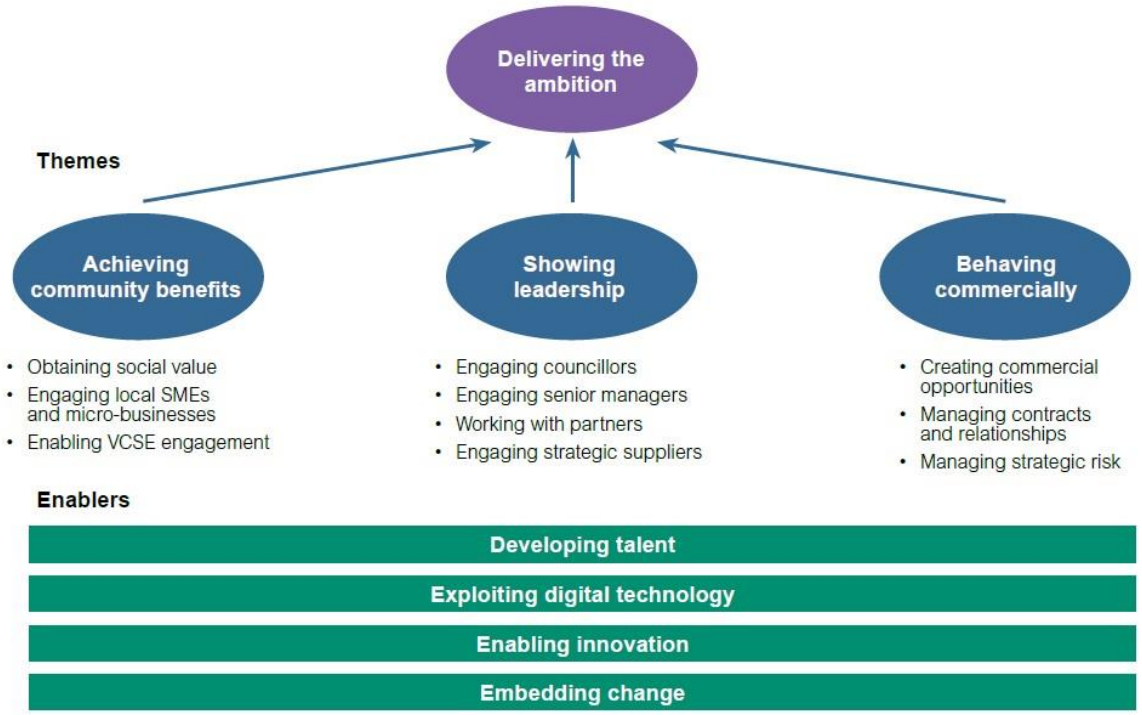
The strategy identifies four enablers which will address several cross-cutting issues that will need to be facilitated in order to realise our ambitions in the key areas

Themes

- **Achieving community benefits**
- **Showing Leadership**
- **Behaving Commercially**

Enablers

- **Developing talent**
- **Exploiting digital technology**
- **Enabling innovation**
- **Embedding change**


Delivering the ambition
Themes
Achieving community benefits
Showing leadership
Behaving commercially
• Obtaining social value
• Engaging local SMEs and micro-businesses
• Enabling VCSE engagement
• Engaging councillors
• Engaging senior managers
• Working with partners
• Engaging strategic suppliers
• Creating commercial opportunities
• Managing contracts and relationships
• Managing strategic risk
Enablers
Developing talent
Exploiting digital technology
Enabling innovation
Embedding change

Summary

In order for Lancaster City Council to achieve the ambitions of this procurement strategy a number of key changes, need to happen, be created or developed.

The key areas for the next four years will be to embed a philosophy/culture of achieving Local Wealth Building within the supply chain and directly apply social value criteria to all contracts over a value of £100k. Any opportunity below this threshold should always seek to extend the value of the public spend where appropriate and proportionate to do so.

Procurement will, in addition to the adoption of the Local Wealth Building philosophy and culture, seek to drive further improvement in the procurement discipline. Procurement has a significant part to play in the adoption of the P2P (Procure to Pay) process, work will continue to support this efficiency project, exploring new and underused technologies.

Procurement is a devolved activity with a large number of staff within the procurement process having very little relevant procurement experience beyond the administrative function. More senior officers undertake tendering processes as part of a multi-skilled role and are not classed as contract commissionaires or managers. This situation limits the central resources ability to deliver a more strategic, corporate and aggregated approach.

The policies and procedures for the commissioning and procurement of goods, works or services will be reviewed and updated, introducing new policies in line with current best practice and in support of the Outcome Based Budgeting Principles. These will be, but not limited to-

- Ethical Procurement Policy
- Social Value procurement Policy
- Statements and guidance for suppliers on Lancaster City Councils commitment to Social Value and the role they can play in helping the Council achieve Local Wealth Building
- Revision of the Contract Procedure Rules to enforce Lancaster's Principles of Social Value in commissioning and procurement
- Production of a Social Value Toolkit for officers and suppliers.

Appendix A

Priorities 2020

Priorities / Themes	A Sustainable District	An Inclusive and Prosperous Local Economy	Healthy and Happy Communities	A Co-operative, Kind and Responsible Council
Climate Emergency *Taking action to meet the challenges of the climate emergency* **Community Wealth-Building** *Building a sustainable and just local economy that benefits people and organisations* **Community Engagement** *Drawing on the wealth of skills and knowledge in the community and working in partnership*	net zero carbon by 2030 while supporting other individuals, businesses and organisations across the district to reach the same goal moving towards zero residual waste to landfill and incineration increasing the amount of sustainable energy produced in the district and decreasing the district's energy use transitioning to an accessible and inclusive low-carbon and active transport system supporting our communities to be resilient to flooding and adapt to the wider effects of climate change increasing the biodiversity of our district	supporting the development of new skills and improved prospects for our residents within an environmentally sustainable local economy advocating for fair employment and just labour markets that increase prosperity and reduce income inequality supporting new and existing enterprises in sustainable innovation and the strengthening of local supply networks using our land, property, finance and procurement to benefit local communities and encouraging residents, businesses, organisations and institutions to do the same securing investment and regeneration across the Lancaster and South Cumbria Economic Region	supporting wellbeing and ensuring local communities are engaged, involved and connected addressing health and income inequality, food and fuel poverty, mental health needs, and loneliness focused on early-intervention approaches and involving our communities in service design and delivery (re)developing housing to ensure people of all incomes are comfortable, warm and able to maintain their independence improving access to the arts, culture, leisure and recreation, supporting our thriving arts and culture sector keeping our district's neighbourhoods, parks, beaches and open space clean, well-maintained and safe	listening to our communities and treating everyone with equal respect, being friendly, honest, and empathetic working in partnership with residents, local organisations and partners recognising the strengths and skills in our community investing in developing the strengths and skills of our staff and councillors focused on serving our residents, local organisations and district embracing innovative ways of working to improve service delivery and the operations of the council providing value for money and ensuring that we are financially resilient and sustainable

NOTICE OF MOTION: LOCAL ELECTRICITY BILL

To be proposed by Cllr Dowding and seconded by Cllr Bannon.

Lancaster City Council

(i) acknowledges the efforts that this council has made to reduce greenhouse gas emissions, and promote and install renewable energy as part of its intention to become net -zero carbon, particularly since its Declaration of a Climate Emergency in January 2019.

(ii) further recognises
- that very large financial setup and running costs involved in selling locally generated renewable electricity to local customers result in it being nearly impossible for local renewable electricity generators to do so,
- that making these financial costs proportionate to the scale of a renewable electricity supplier's operation would enable and empower new local businesses in Lancaster and Lancashire, or councils such as the existing Lancaster City Council or any successors, to more easily be providers of locally generated renewable electricity directly to local customers, and
- that revenues received by new local renewable electricity providers could be used to help improve the local economy, local services and facilities and to reduce local greenhouse gas emissions;

(iii) accordingly resolves to support the Local Electricity Bill, supported by 187 MPs which, if made law, would establish a Right to Local Supply which would promote local renewable electricity supply companies and co-operatives by making the setup and running costs of selling renewable electricity to local customers proportionate to the size of the supply operation; and

(iv) further resolves to
- inform the local media of this decision,
- write to local MPs, asking them to support the Bill, and write to the organisers of the campaign for the Bill, Power for People, (at 8 Delancey Passage, Camden, London NW1 7NN or info@powerforpeole.org.uk) expressing its support.

OFFICER BRIEFING NOTE

The motion raises awareness of the Local Electricity Bill and the reasons for it and seeks support for it to become law. It is for the Council to decide whether it wishes to support this motion or otherwise.

MONITORING OFFICER COMMENTS

The Monitoring Officer has been consulted and has no comments.

SECTION 151 OFFICER COMMENTS

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

Supporting Universal Basic Income

Motion proposed by Tim Dant, Seconded by Jason Wood and Joanna Young

To be submitted for consideration at Lancaster Full Council, 16th December 2020

Preamble

A Universal Basic Income (UBI) is a non-means-tested payment to cover the basic cost of living that is paid by the state equally to all citizens individually, regardless of employment status, wealth, or marital status. UBI has been widely debated over the last thirty odd years, most recently in the UK parliament on 13th October 2020[1], and research has involved a number of pilot projects around the world.[2] Advocates have recently argued that it is the fairest, most effective way to mitigate the effects of coronavirus on people's incomes. A network of Universal Basic Income Labs has been set up to work with local authorities and other organisations across the UK to develop UBI proposals.[3] The design of UBI pilot studies aims to address problems such as poverty, inequality, discrimination and environmental damage, both in the long-term and immediately in relation to coronavirus.

UBI has the potential to address key challenges such as inequality, poverty, precarious employment, loss of community, and climate change, by:

- Giving employers a more flexible workforce whilst giving employees greater freedom to change their jobs;
- Valuing unpaid work, such as caring for family members and voluntary work;
- Removing the negative impacts, including detrimental health effects, of benefit sanctions and rules;
- Giving people more equal resources within the family, workplace and society;
- Breaking the link between work and consumption, thus helping reduce the strain on the environment;
- Boosting community wealth building while enabling greater opportunities for people to work in community and cultural activities or to train or reskill in areas that will be needed to transition to a lower-carbon economy.

Motion

This Council believes that everyone in society should be able to afford the basics. No one should be left in destitution or forced to use a foodbank and so, **this Council resolves:**

Motion

This Council believes that everyone in society should be able to afford the basics. No one should be left in destitution or forced to use a foodbank and so, **this Council resolves:**

1. To join the network of UBI Labs and seek Government support for a UBI pilot study in the District.

2. That the Chief Executive write on behalf of Lancaster City Council to: the Secretary of State for Work and Pensions, the Chancellor of the Exchequer, the Prime Minister, and the leaders of all political parties in parliament, all Lancaster MPs, and to Lancashire County Council saying the following:
   a. That the current benefit system, in particular Universal Credit, is failing Lancaster District citizens and causing serious financial hardship and debt;
   b. The Covid-19 crisis has increased the numbers of people facing poverty[4] which, without adequate government support for local communities, will continue to increase.
   c. Given its history of social innovation, wealth of expertise, and active networks across community, business and public services, Lancaster is ideally placed to pilot a UBI.
   d. The success of a UBI pilot should not be measured only by impact upon take-up of paid work, but also the impact upon communities and what the people within them do, how they feel, and how they relate to others and the environment around them.

OFFICER BRIEFING NOTE

A number of Councils have already adopted similar motions. The resource implications at this early stage are minimal. It is entirely for Lancaster City Council to decide whether it wishes to support this motion.

MONITORING OFFICER COMMENTS
The Monitoring Officer has been consulted and has no comments.

SECTION 151 OFFICER COMMENTS
The Section 151 Officer has been consulted and has no comments.

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[1] https://commonslibrary.parliament.uk/research-briefings/cdp-2020-0096/
[2] Standing, Guy (2017) Basic Income: And how we can make it happen, Harmondsworth: Pelican Books, pp: 249-278; Lowery, Annie (2018) Give People Money: How a Universal Income would end Poverty, revolutionize work, and remake the world, Penguin Random House.
[3] https://www.ubilabnetwork.org/ The network began in Sheffield and a number of other local authorities have passed motions such as this one including: Liverpool, Leeds, Hull, Kirklees, York, Norwich, Leeds, Lewes, Newry, Mourne and Down, Derry City and Strabane.
[4] See:
https://www.nomisweb.co.uk/reports/lmp/la/1946157095/subreports/cc_time_series/report.aspx?
Online resources on UBI:
https://www.basicincome.org.uk/
https://en.wikipedia.org/wiki/Universal_basic_income_in_the_United_Kingdom
https://citizensincome.org/
https://www.opendemocracy.net/en/beyond-trafficking-and-slavery/basic-income-could-virtually-eliminate-poverty-in-the-united-kingdom-at-a-cost-of-67-billion-per-year/
https://commonslibrary.parliament.uk/research-briefings/cdp-2020-0096/

COUNCIL

Climate Change- Outcomes of the People's Jury 16th Dec 2020

Report of Director for Communities and Environment

PURPOSE OF REPORT
To present to Council the outcomes of the People's Jury and recommend further steps.
This report is public.

RECOMMENDATIONS

(1) That Council notes the outcomes of the People's Jury.
(2) That Council thanks the residents of our District who were members of the People's Jury for their contribution.
(3) That Council notes that Cabinet will engage with our communities and local organisations to develop a response and action plans to address the recommendations from the People's Jury .
(4) That the response and action plans are reported back to Council for noting.

1.0 Introduction

1.1 As part of the Council's declaration of climate emergency on 30th Jan 2019 the following was agreed-

…the Cabinet member with responsibility for Climate Change, working with the Climate Change Cabinet Liaison group, convenes a Citizens' Assembly in 2019 in order to help identify how the Council's activities might be made net-zero carbon by 2030;

- *To consider systematically the climate change impact of each area of the Council's activities;*
- *To increase local resilience to climate impacts already in the system;*
- *To maximise local benefits of these actions in other sectors such as health, agriculture, transport and the economy;*
- *To support and work with all other relevant agencies towards making the Lancaster District Zero Carbon within the same timescale;*
- *Other actions that could be recommended include (but are not restricted to): increasing the efficiency of buildings; prioritizing these measures for council housing and private sector housing to address fuel poverty; building solar and other renewable energy generating and storage plant; requiring all new housing and commercial developments to be low carbon; replacing the vehicle fleet with electric and/or hydrogen powered vehicles; switching to*

100% fossil-fuel-free energy; setting up a council run energy company (i.e. Robin Hood Energy) and adapting the council's purchasing policy; commissioning consultations with the district's young citizens, who will be most affected by the effects of climate change;

1.2 As has been previously reported to Council 'Shared Futures CIC' were commissioned to facilitate this.

1.3 Based on the size of our District it was more appropriate to hold a jury rather than assembly.

1.4 The 28 members of the People's Jury were chosen to reflect the make-up of the District in relation to gender, age, ethnicity, disability, geography, attitude to climate change and deprivation.

1.5 Specifically, the People's Jury members were tasked with answering the question *'What do we need to do in our homes, neighbourhoods and district to respond to the emergency of climate change?'*

1.6 To help them, the People's Jury members heard from a series of experts on a range of different subjects.

1.7 The recommendations from the People's Jury were presented to cabinet members, members of the oversight panel & key stakeholders on Monday 23rd Nov 2020 to stakeholders representing sectors including transport, agriculture, education, housing and the City and County Council.

1.8 The public launch of the jury's report was held on 7th Dec 2020 and all Councillors were invited to attend.

2.0 Proposal

2.1 The recommendations from the People's Jury are attached to this report.

2.2 Some of the recommendations relate to areas over which the Council has direct control. Many of the recommendations relate to areas the Council has no direct control over. It is important to note that whilst the Council has commissioned the work delivery of the recommendations will depend very much on many different stakeholders taking responsibility for their areas. The Council has strategic role in leadership, coordination, oversight and influence. Hence the request for the Council to have the report formally handed over to it.

2.3 Council is requested to note the outcomes and formally thank the members of the People's Jury for their work.

2.4 Council is also notes that the Cabinet will lead on the coordination of responses and action plans to address the recommendations from the People's Jury.

2.5 Successful response to the emergency climate change requires the efforts of all. There is already a Climate Change Advisory Group that can support Cabinet on this. Consideration should also be given to seeking the ongoing support of People's Jury members in the response and action planning.

3.0 Details of Consultation

3.1 As set out in the report.

4.0 Conclusion

4.1 The report sets out a means of ensuring the outcomes of the People's Jury are used to address the emergency of climate change.

CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing): None as a direct result of this report
LEGAL IMPLICATIONS None arising out of this report
FINANCIAL IMPLICATIONS There are no direct financial implications arising from this report. However, further work will be generated from collating the findings of the group and initially this can be managed from within existing workloads and budgets. Upon addressing the recommendations, any future decisions with a financial consequence that sit outside the budget framework will be subject to further reports, prior to their adoption.
OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces None as a direct result of this report
SECTION 151 OFFICER'S COMMENTS The section 151 Officer has been consulted and has no further comments
MONITORING OFFICER'S COMMENTS Any ideas coming from the People's Jury would more than likely be for Cabinet to decide unless they fell outside, or were not in accordance with, the Budget & Policy framework. Full Council may however make a recommendation to Cabinet for them to make the decision regarding implementation. The decisions would fall within Cabinet's powers to be responsible for the economic, social and environmental well- being of the area.

BACKGROUND PAPERS	**Contact Officer- Mark Davies** **Telephone:** 01524 582401 **Email:** mdavies@lancaster.gov.uk

LANCASTER CITY COUNCIL
Promoting City, Coast & Countryside

Lancaster district Climate Change People's Jury recommendations

The question considered by the Lancaster district Climate Change People's Jury was *'What do we need to do in our homes, neighbourhoods and district to respond to the emergency of climate change?'*

Jury statement

The following statement was written by a group of jury members and then edited and discussed by the rest of the jury. All of the 26 jury members who voted on the recommendations either strongly support or support the statement:

'We are facing a climate emergency which makes us concerned and worried about the future.
We have heard from a range of experts and we now believe that if we take immediate action, we have the tools and the hope that we can address this emergency.
We believe that the only suitable response will be one that brings many organisations and individuals together to work collectively and not separately. This is bigger than Lancaster.
We recognise that many difficult decisions lie ahead but that we must act immediately and not allow a quest for perfection to get in the way of making progress. We need to take action today, not in 30 years time. A journey starts with a small step which all of us can achieve.
The people of the Lancaster district need to see confident leadership, positive changes made and a clear plan for the future.
Our City and County Councils must accept that progressive change to fight the climate change emergency will have financial implications. Not being able to fund the recommendations we have listed here is no reason for inaction as money won't matter in a world that won't exist as we know it.
The response to the climate emergency needs to be one that moves away from politicians making all the decisions but instead reaches out to the wider public and communities for ideas of how to achieve our recommendations. It's time for our councils to listen to the people of Lancaster and district and take action now, leading the way to make changes in response to this emergency'.

Shared Future
A Community Interest Company

Recommendations *The recommendations have been put into themes for the purposes of the small group discussions*	Votes	Rank
COMMUNICATIONS, EDUCATION AND COUNCIL LEADERSHIP 1) Local schools must **educate young people about climate change** / emission reduction: a) Climate change must become part of the national curriculum, from reception upwards. b) At least 1 teacher in each setting (inc. infants, juniors) accredited to teach climate change c) Opportunities should be available for children and teachers to explore together the carbon footprint of their school and how to reduce it. d) Basic skills taught weekly - food growing; seasonal, local foods, meal planning, preparation and storage; cooking from scratch, reducing waste; make do and mend, repurposing and gaining a better understanding of where their food comes from (e.g. visits to farms) etc. e) All schools having allotments which encourage bug houses/habitats (insects or beehives or butterflies), growing pollinating plants and composting and an area of water. f) Organising intergenerational community projects e.g. litter picking and using junk to create something. Extend above learning opportunities to further education providers and prisons.	44	1st
COMMUNICATIONS, EDUCATION AND COUNCIL LEADERSHIP 2) The **council** should **frame all** of their **work in** the **context of the climate emergency**, and act accordingly as it has done in response to COVID 19. There must be a stronger recognition of the problem at government level. a) Climate change should be a permanent agenda item at every council meeting. b) All councillors should take part in a climate change training programme so they have the knowledge needed to address the issue. c) We must ensure that action on climate change is not disrupted by party politics. The council should investigate how we can ensure that action on climate change happens irrespective of changes at elections. A long term plan (initially for 10 years to 2030) should be agreed with cross party support to ensure continuity of action As a jury we feel people care about the climate change emergency but it seems many of those in power don't care enough (e.g. the new coal mine opening in Cumbria). We need to educate influential people in the way the jury have been educated - show them, don't tell them.	40	=2nd

FOOD/FARMING AND WASTE/RECYCLING 3) Council to work with local partners to **reduce waste from households and businesses**: a) Commit to zero single plastic use in any council premises e.g. schools, Salt Ayre Leisure Centre (lead by example) and encourage local businesses to do the same e.g. takeaways, encourage hotels /catering establishments, to only use biodegradable waste bags, use wooden cutlery b) Support and promote reuse and encourage a make and mend approach - i.e. a) promote and support Freecycle, Olio, Community Swaps. b) establish a space at a local recycling depot for the public to reuse c) encourage DIY stores to introduce a paint tin return facility. c) Promote and commission community leadership initiatives that encourage the sharing of resources such as goods libraries e.g. tool pools, toy libraries etc. d) Deliver community education initiatives for cooking, upcycling, repurposing, e) Give households composting bins and make recycling easier for example having one collection point or by enabling all recycling to be in one household bin (like Cheshire West and East) f) Investigate and invest in local technology to turn methane from waste into energy. This could be self-sustaining through selling the energy and the by-product (compost). g) Ban all plastic bags with only reusable options available	40	=2nd
FOOD/FARMING AND WASTE/RECYCLING 4) The council should fully support the **sustainable food place partnership and sign up to the global declaration** i.e. the C40 Good Food Cities declaration which includes a range of commitments including ensuring that when governments or other public institutions directly purchase food that is served in schools, hospitals etc. those meals must be healthy and sustainable and supporting an overall increase of healthy plant-based food consumption.	38	=4th
COMMUNICATIONS, EDUCATION AND COUNCIL LEADERSHIP 5) There should be a strong **campaign to convince people to take action** - this should not be based upon shocking people into changing their ways, but instead should be community led, regular, empowering, positive and focus on the positive effects of such changes on the community as well as climate, so giving people some control back in our changing world. This should include visual representations to show people what's happening and could happen in future depending on what progress is made. Such a campaign should find ways for residents to see the link with local flooding as a hook to encourage people to take action.	38	=4th
FOOD/FARMING AND WASTE/RECYCLING 6) Introduce **incentives to local producers and growers** so that their produce is easily available and well promoted through: a) free market stalls, grants/subsidies, free advertising, supermarkets having a local produce aisle/section, a council website/app (which would allow you for example to find your local milkman) etc. b) establish a "proper" market - which assembles all the local producers under one roof to make it easier for people to buy locally in an affordable and accessible way. c) Efforts should be made to enable people to buy from local producers and	37	=6th

growers outside of 9-to-5 working hours.		
FOOD/FARMING AND WASTE/RECYCLING 7) **Tackle food waste**: One third of all food produced goes to waste. Households are responsible for around 53%. We should: a) Restart food waste collections for all local households. (Council to confirm the reason why this was stopped in the City Council area) b) Incentivise supermarkets and local food shops/outlets including fast food takeaways to donate surplus food to customers/local food banks/community initiatives and reduce consumer waste by reducing special offers which encourages bulk buying of short shelf life goods. Encourage businesses to use existing systems like apps such as 'Too good to go' and Eggcup, the local business addressing food waste. c) Investigate ways that retailers can be made responsible for the cost of dumping the food waste they create so encouraging them to waste less.	37	=6th
FOOD/FARMING AND WASTE/RECYCLING 8) **Make it easier for people to grow their own food**. Allotments and food growing spaces serve to both address climate change, promote sustainable living and many other issues faced by our community i.e. growing as a tool for community based improvements - social cohesion, mental and physical wellbeing as well as using allotment/growing to address food waste through composting. a) Conduct a survey/audit of land which is suitable for crops, vegetables, fruit growing and for small mixed farms. Also identify land available for tree planting, hedge rows and wild meadows. b) The council should firstly, open more allotments and growing space and secondly raise awareness that residents can request more allotments. c) Additional land for allotments/community growing areas should be identified and large private landowners encouraged or incentivised to release such land.	36	=8th
HOUSING 9) **All new housing must**: a) Have at least one of the following as a green energy supply, direct to the property: a) Ground or air source heat pump or b) solar panels. Roofs should be constructed so they are suitable for solar panels b) have adequate drainage so there is no additional flood risk c) have hedges instead of fences (e.g. Halton co-housing) and green spaces d) Be built to A/B energy performance rating. e) Be constructed with more sustainable materials f) Any developer building new homes in the area should pay towards the retrofit of existing local properties, allocated for example, by a community lottery (a target could be applied to this to ensure consistent investment across developers). g) Green belt development should be avoided. Any houses built on green belt must be passive house standard.	36	=8th
TRANSPORT 10) We must **make it easier for people to not use cars**: a) Make it easier to cycle: a) set up a simple to use, easy access ebike / electric scooter rental scheme (including the University) b) provide more places to lock your bike c) the provision of a network of clearly demarcated, safe cycle lanes d) Encourage cyclists to use high vis clothing, lights, helmets.	35	10th

b) Encourage people to walk: make pavements wider, smoother and more accessible. Experiment with dropped kerbs that mean the pavement/road transition is less defined, so making the town more pedestrian friendly.		
COMMUNICATIONS, EDUCATION AND COUNCIL LEADERSHIP 11) Lancaster City Council need to **invest in good quality messaging and marketing** using a range of mediums to promote: a) The reality and urgency of the climate emergency b) Information on food planning, batch cooking, eating seasonally, reducing waste c) Recycling and composting Council to regularly publish statistics on the amount of a) household materials recycled b) recycled materials from households sent to landfill c) sent abroad to be 'recycled' (and to which country). A council committee should be accountable and responsible for acting on these findings	34	=11th
COMMUNICATIONS, EDUCATION AND COUNCIL LEADERSHIP 12) Lancaster Council should commit to a **yearly climate emergency action event** such as a festival to educate the public about their role in reducing the carbon footprint and share messages around sustainability, whilst promoting local and ethical producers, sellers and community initiatives as well as celebrate the achievements in reducing emissions year on year. Such an event could be combined with an existing event/s/festival/s to be a fun and informal way for people to learn about all aspects of climate change. Ideas for the event include: food from local producers/farmers, sustainable drinks, stalls for companies, competitions for the best revamped outfit or piece of furniture, best community project, best grown vegetable, retrofitting initiatives etc.	34	=11th
COMMUNICATIONS, EDUCATION AND COUNCIL LEADERSHIP 13) The Council **should further develop its existing proposals in response to the climate change emergency declaration and create a climate change department** reporting to the Deputy Leader of the council with portfolio role for climate change and the existing Cabinet Advisory Group. This department should have clear deliverables which can be transparently monitored and have a budget to implement activities.	34	=11th
FOOD/FARMING AND WASTE/RECYCLING 14) **Make it easier for people to choose foods that have a lower carbon footprint** by: a) introducing a traffic light system on foods, a carbon footprint indicator. Including a simple marketing campaign to educate public and producers on its meaning and penalties for those that score high (e.g. higher tax) b) promoting plant-based foods and introducing measures to reduce meat consumption e.g. councils, caterers etc. to include more plant-based foods in their menus. c) Encouraging and supporting local restaurants and cafes to display the carbon footprint of the different choices on their menus and advertise support for the scheme in the windows of their premises to help educate the wider public.	33	=14th
COMMUNICATIONS, EDUCATION AND COUNCIL LEADERSHIP 15) Members of the Lancaster District Climate Change People's Jury should be appointed as an **implementation steering group**. Council should report to them on action taken as a result of recommendations. The group would provide a) continuous scrutiny on actions taken about climate change, so ensuring there are	33	=14th

deliverables and b) a source of advice and support. The Council reporting to the implementation steering group should be based upon key milestones and the identification of key individuals who hold responsibility for ensuring actions are completed		
HOUSING 16) The Council should expand on existing plans (e.g. solar farms) to prioritise and invest in **green energy sector** industry and employment and encourage and incentivise (e.g. through planning) others to do so.	33	=14th
HOUSING 17) The council should design and deliver a process to ensure that **every house** in Lancaster and district is **assessed for energy performance**, whether rented or privately owned. The assessment process should include information and advice about what can be done to improve the energy performance of the house and signpost where people can go for financial and/or technical or other support in order to make improvements. The council should investigate what incentives would best encourage people to take up this offer and make improvements e.g. reclaim VAT on the cost of materials, lower energy bills.	32	=17th
TRANSPORT 18) We must make it as easy as possible for people to take up the use of **electric vehicles**. The infrastructure must be in place so that as the cost of cars comes down people can switch easily: a) Subsidise members of the public / residents of a street to fit their own EV charging points. b) Encouraging businesses and other large employers that have car parks at their places of work to install charging points. c) Offering free licenses/reduced taxes to taxi companies using electric or hybrid vehicles. d) Once a public bus has been decommissioned it should be replaced by an electric bus.	32	=17th
COMMUNICATIONS, EDUCATION AND COUNCIL LEADERSHIP 19) **Pensions and fossil fuel investments**. The jury recommends that the Council should inform its pension stakeholders about the link between pension investments, fossil fuels and climate change and run a consultation with options as follows a) Do nothing b) Divest c) Use the influence with companies with fossil fuel investments to promote strategies to mitigate climate change This consultation process would give pension fund trustees a mandate to make change based on stakeholder feedback. The jury would like all organisations represented on the Climate Change Jury Oversight Panel to do the same (e.g. Lancaster University) and encourage other local businesses to take similar action	31	19th
TRANSPORT etc 20) We must increase the local population's **digital literacy and access to technology** and equipment so that we make the digital world accessible and encourage more flexible and home working so reducing emissions from transport caused by journeys to work. Covid has started to make this possible we need to make sure it continues a) The Council should take steps itself and support businesses to promote	30	20th

working from home/flexible working. As a People's Jury we have demonstrated how easy it is to run meetings remotely for most occasions b) Widely available lessons on how to use zoom / virtual meetings, the use of devices, connecting to the internet. A team of volunteer tutors (like Silver Surfers in the library) could visit people in their homes c) A laptop rental scheme		
COMMUNICATIONS, EDUCATION AND COUNCIL LEADERSHIP 21) The council needs to invest in **an Education Centre** that is open to all, accessible (in terms of cost, physical access and transport) linked with the Eden project that educates adults and children about food production; drivers of climate change, possible solutions and shares the learning of the citizen's jury. It must be fun. The power station had a similar learning centre, this could be done through the network of libraries and collections and be offered online too.	29	21st
TRANSPORT 22) We must make it easier for people to use **public transport** through an **adequate, regular bus service**. a) There should be a commissioned piece of research reviewing levels of bus use at peak times and analysing how to reduce traffic in the centre of Lancaster and how this links with the current provision of public transport (buses and trains). Prior to COVID buses were always too full which discouraged many to use the bus, this must be addressed. This research should consider the possibility of non privatised council run services on busier routes. b) All buses should be free for students, children and over 60s c) We need an integrated travel system, that is coordinated (for trains, buses and e bike hire), fare capped and uses a one ticket system, like Transport for London (a Shrimp Card?) We recognise the logistics for this would be very complicated, so the sooner this is looked at the better.	27	=22nd
FOOD/FARMING AND WASTE/RECYCLING **23)** Create a working group made up of people that can influence change, encouraging mutual responsibility, shared vision & mutual action towards **carbon neutral farms.** This working group could include local producers, farmers, representatives of existing groups such as the NFU, Soil Association, academics, climate change campaign groups, large corporates (e.g. supermarkets).	27	=22nd
FOOD/FARMING AND WASTE/RECYCLING 24) At present the subscription fee for the **garden waste** collection service is £40, this should be reduced.	23	24th
FOOD/FARMING AND WASTE/RECYCLING 25) The Council should introduce a local **Green Reward scheme**, where individuals earn points to exchange for discounts on goods or services by reducing their carbon footprint. For example by demonstrating using a renewable energy supplier, reducing yearly mileage (proven by MOT certificate), electric car charge points. Points to be redeemed at local businesses and services therefore reinvesting in the local economy.	17	25th

COUNCIL

Treasury Management Mid-Year Review 2020/21
16 December 2020

Report of the Chief Finance Officer

PURPOSE OF REPORT This report seeks Council's consideration of various matters in connection with the Treasury Management Mid-Year Review 2020/21.					
Key Decision		**Non-Key Decision**		**Referral from Cabinet Member**	
Date of notice of forthcoming key decision					
This report is Public					

RECOMMENDATIONS

That Council:

(1) Consider the various matters in connection with the Treasury Management Mid-Year Review 2020/21.

1.0 INTRODUCTION

1.1 The Council's Treasury Management Activities are regulated the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) issued under the Local Government Act 2003

1.2 During 2020/21 the minimum reporting requirements are that the Full Council should receive the following reports:

- An annual treasury strategy in advance of the year (Council 26 February 2020)
- A mid-year (minimum) treasury update report (This report).
- An annual review following the end of the year describing the activity compared to the strategy

1.3 In addition, Members will receive treasury management update reports on which are presented to Cabinet and Budget and Performance Panel.

2.0 BACKGROUND

2.1 The Mid-Year Review (Appendix A) sets out the performance of treasury operations for the first six months of the 2020/21 financial year in terms of long- and short-term borrowing, investment activities and relevant borrowing limits and prudential indicators.

2.2 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.

3.0 SUMMARY DETAILS

Investments

3.1 The average level of funds available for investment purposes over the six-month period was £41.0M. 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.

3.2 The Council's investments returned an average rate 0.05% on deposit generating c£51K of interest against a budget of c£54K.

Borrowing

3.3 The Council has not undertaken any new borrowing which currently stands at £61.084M. This figure is spilt between the General Fund (£39.215M) and Housing Revenue Account (£22.869M). All current borrowing is via the Public Works Loan Board (PWLB) and is a mixture of Maturity and Equal Interest & Principal (EIP) loans with interest rates ranging from 3.03% - 7.87%.

3.4 Although COVID-19 has impacted the Council's capital programme it may be necessary to undertake some new borrowing during this financial year to deliver on its Priorities and Outcomes. This will be considered when the need arises and will be in consultation with the Council's external advisors.

Changes to Prudential Indicators

3.5 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 in determining that it is prudent and sustainable.

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

Capital Expenditure by Service	2020/21 Original Estimate £m	2020/21 Quarter 2 Position £m
Communities and Environment	9.57	3.58
Economic Growth and Regeneration	6.26	7.01
Corporate Services	0.28	0.30
Development Pool	13.13	0.30
Total for General Fund	**29.24**	**11.18**
Council Housing (HRA)	**4.12**	**3.54**
Commercial activities/non-financial investments	**16.00**	**16.00**
Total Capital Expenditure	**49.36**	**30.72**

3.7 Capital Expenditure by service is in line with figures provided with the published Q2 monitoring (Delivering our Ambitions Q2). The reduction in capital expenditure reflects programmes placed on hold due to COVID-19.

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

Capital Expenditure	2020/21 Original Estimate £m	2020/21 Quarter 2 Position £m
Total capital expenditure	**49.36**	**30.72**
Financed by:		
Capital receipts	0.57	0.56
Capital grants	12.09	7.56
Capital reserves	4.51	3.27
Revenue	0.00	0.01
Total Financing	**17.17**	**11.40**
Borrowing Requirement	**32.19**	**19.33**

3.9 The Capital Financing Requirement (CFR) measures the Council's underlining need to borrow for capital purpose, i.e. its borrowing requirement. The CFR is the amount of capital expenditure that has not yet been financed by capital receipts, capital grants or contributions from revenue.

Capital Financing Requirement	**2020/21**	
	Original Estimate £m	**Quarter 2 Position £m**
General Fund	57.67	45.05
HRA	37.25	37.25
Commercial activities/non-financial investments	30.75	20.93
Total Capital Financing Requirement	**125.67**	**103.23**
Net movement in CFR	**38.97**	**-22.45**

3.10 The table shows that the capital financing requirement (CFR) is £22.42M lower than the original estimate due to the 2020/21 Budget being set prior to the coronavirus outbreak and subsequent lockdowns which have prevented progress and restricted spending on non-urgent works.

3.11 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.

3.12 The table below shows compliance with this control as the Council's external borrowing £61.09M compared to its CFR £103.23M.

External Debt v Borrowing Need (CFR)	**2020/21**	
	Original Estimate £m	**Quarter 2 Position £m**
External Debt	62.13	62.13
Other long term liabilities	-1.04	-1.04
Expected Change in Other long term liabilities	33.00	0.00
Total Debt	**94.09**	**61.09**
Compared to current :		
Capital Financing Requirement	**125.67**	**103.23**
Operational Boundary:-		
Debt	**125.67**	**125.67**
Authorised Limit:-		
Debt	**142.00**	**142.00**

4.0 CONSULTATION

4.1 In accordance with regulations the Treasury Management Mid Year Review 2020/21 has been presented to Cabinet and Budget & Performance Panel.

4.2 Consultation has been undertaken with the Council's external Treasury Management Advisors.

5.0 OPTIONS AND OPTIONS ANALYSIS

5.1 As the report is for consideration and noting of performance by Council no alternative options are put forward, but Council could make supplementary recommendations regarding any matters arising.

6.0 CONCLUSION

6.1 Consideration of Treasury Management Mid-Year Review by Full Council will ensure the Council complies with CIPFA's Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code**).**

RELATIONSHIP TO POLICY FRAMEWORK Treasury Management forms part of the Councils budget framework. Effective Treasury Management and use of the Councils' resources is fundamental to the delivery of its priorities and outcomes
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.
OTHER RESOURCE IMPLICATIONS There are no additional resource or risk implications
SECTION 151 OFFICER'S COMMENTS The s151 Officer has written this report in his role as Chief Finance Officer.

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

Appendix A

Treasury Management Strategy Statement and Annual Investment Strategy

Mid-Year Review 2020/21

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 2020/21, all local authorities will be required to prepare a Capital Strategy which is intended 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 26 February 2020.

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 restructured 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 2020/21 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 2020/21
- A review of the Council's borrowing strategy for 2020/21
- A review of any debt rescheduling undertaken during 2020/21
- A review of compliance with Treasury and Prudential Limits for 2020/21

3. Economics update (provided by Link Asset Services)

As expected, the Bank of England's Monetary Policy Committee kept Bank Rate unchanged on 6th August. It also kept unchanged the level of quantitative easing at £745bn. Its forecasts were optimistic in terms of three areas:

- *The fall in **GDP** in the first half of 2020 was revised from 28% to 23% (subsequently revised to -21.8%). This is still one of the largest falls in output of any developed nation. However, it is only to be expected as the UK economy is heavily skewed towards consumer-facing services – an area which was particularly vulnerable to being damaged by lockdown.*
- *The peak in the **unemployment rate** was revised down from 9% in Q2 to 7½% by Q4 2020.*
- *It forecast that there would be excess demand in the economy by Q3 2022 causing CPI **inflation** to rise above the 2% target in Q3 2022, (based on market interest rate expectations for a further loosening in policy). Nevertheless, even if the Bank were to leave policy unchanged, inflation was still projected to be above 2% in 2023.*

*It also squashed any idea of using **negative interest rates**, at least in the next six months or so. It suggested that while negative rates can work in some circumstances, it would be "less effective as a tool to stimulate the economy" at this time when banks are worried about future loan losses. It also has "other instruments available", including QE and the use of forward guidance.*

*The MPC expected the £300bn of **quantitative easing** purchases announced between its March and June meetings to continue until the "turn of the year". This implies that the pace of purchases will slow further to about £4bn a week, down from £14bn a week at the height of the crisis and £7bn more recently.*

*Overall, **the pace of recovery** is not expected to be in the form of a rapid V shape, but a more elongated and prolonged one after a sharp recovery in June through to August which left the economy 11.7% smaller than in February. The last three months of 2020 are now likely to show no growth as consumers will probably remain cautious in spending and uncertainty over the outcome of the UK/EU trade negotiations concluding at the end of the year will also be a headwind. If the Bank felt it did need to provide further support to recovery, then it is likely that the tool of choice would be more QE.*

*There will be some **painful longer term adjustments** as e.g. office space and travel by planes, trains and buses may not recover to their previous level of use for several years, or possibly ever. There is also likely to be a reversal of globalisation as this crisis has shown up how vulnerable long-distance supply chains are. On the other hand, digital services is one area that has already seen huge growth.*

*One key addition to **the Bank's forward guidance** was a new phrase in the policy statement, namely that "it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and achieving the 2% target sustainably". That seems designed to say, in effect, that even if inflation rises to 2% in a couple of years' time, do not expect any action from the MPC to raise Bank Rate – until they can clearly see that level of inflation is going to be persistently above target if it takes no action to raise Bank Rate*

4. Interest Rate Forecast

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

Link Group Interest Rate View 11.8.20										
	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month average earnings	0.05	0.05	0.05	0.05	0.05	-	-	-	-	-
6 month average earnings	0.10	0.10	0.10	0.10	0.10	-	-	-	-	-
12 month average earnings	0.15	0.15	0.15	0.15	0.15	-	-	-	-	-
5yr PWLB Rate	1.90	2.00	2.00	2.00	2.00	2.00	2.10	2.10	2.10	2.10
10yr PWLB Rate	2.10	2.10	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.30
25yr PWLB Rate	2.50	2.50	2.50	2.60	2.60	2.60	2.70	2.70	2.70	2.70
50yr PWLB Rate	2.30	2.30	2.30	2.40	2.40	2.40	2.50	2.50	2.50	2.50

The coronavirus outbreak has done huge economic damage to the UK and economies around the world. After the Bank of England took emergency action in March to cut Bank Rate to first 0.25%, and then to 0.10%, it left Bank Rate unchanged at its meeting on 6th August (and the subsequent September meeting), although some forecasters had suggested that a cut into negative territory could happen. However, the Governor of the Bank of England has made it clear that he currently thinks that such a move would do more damage than good and that more quantitative easing is the favoured tool if further action becomes necessary. As shown in the forecast table above, no increase in Bank Rate is expected within the forecast horizon ending on 31st March 2023 as economic recovery is expected to be only gradual and, therefore, prolonged

5. Treasury Management Strategy Statement and Annual Investment Strategy Update

The Treasury Management Strategy (TMS) for 2020/21, which includes the Annual Investment Strategy, was approved by the Council on 26 February 2020. 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 now impossible to earn the level of interest rates commonly seen in previous decades as all investment rates are barely above zero now that Bank Rate is at 0.10%, while some entities, including more recently the Debt Management Account Deposit Facility (DMADF), are offering negative rates of return in some shorter time periods. Given this risk environment and the fact that increases in Bank Rate are unlikely to occur before the end of the current forecast horizon of 31st March 2023, investment returns are expected to remain low.

Officers confirm that the approved limits within the Annual Investment Strategy were not breached during the quarter ended 30 September 2020.

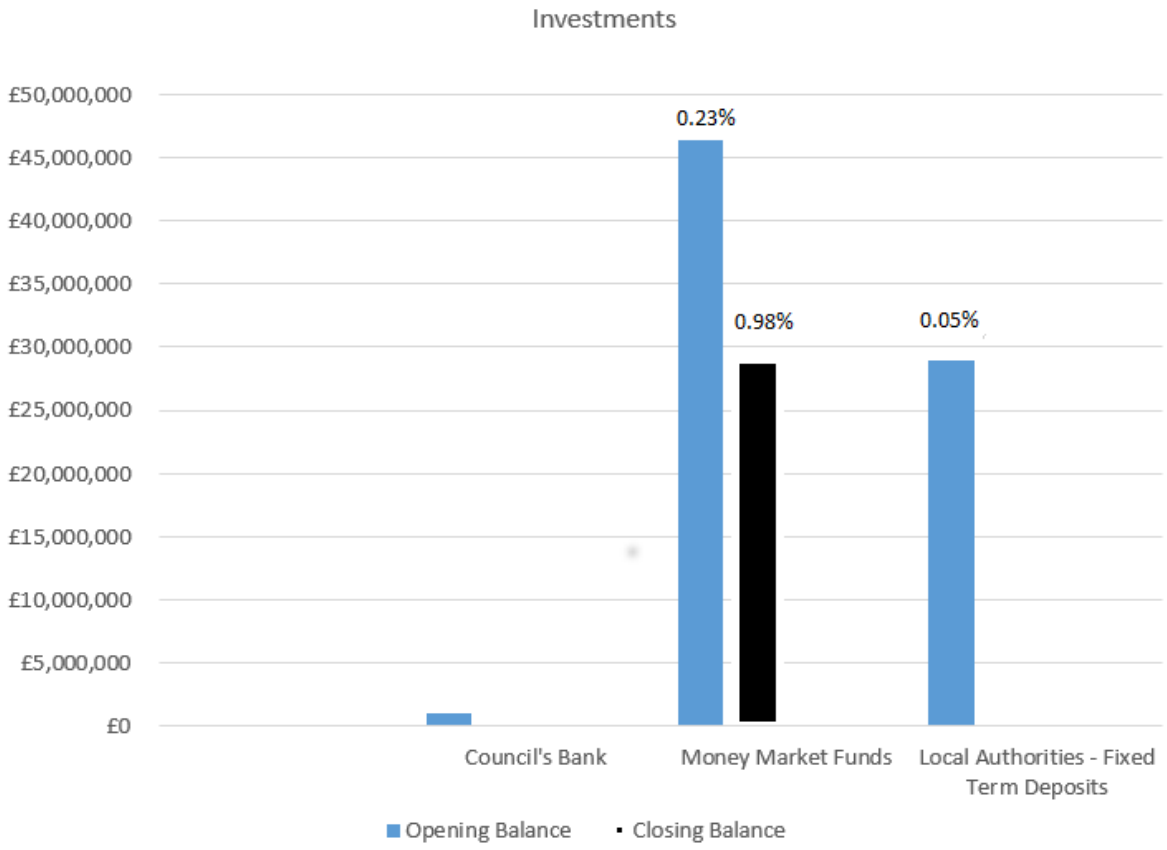
The average level of funds available for investment purposes over the six month period was **£41.0M**. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept and business rate related payments, the receipt of grants and progress 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	0.10%
7 day LIBID	-0.06%
Lancaster City Council investments	0.05%

Investment Balances – quarter ended 30 September 2020

At the start of the year investments totalled £75M falling to £29M by 30 September. Fixed term investments with local authorities fell to £0 whilst Money Market Fund balances fell to £29M.



Other Investments	Term	Maturity Date	Opening 1.4.20 £	Closing 30.9.20 £	Indicative Rate (YTD)	Current Fixed Rate	Interest to Date £
Call Accounts							
Natwest (Cash Manager Plus)			1,029,364	511,385		0.01%	249
Money Market Funds							
Blackrock Sterling Liquidity First Fund			6,000,000	5,000,000	0.01%		3,896
Blackrock Sterling Government Liquidity Fund			4,400,000		0.00%		287
Insight			6,000,000		0.01%		2,740
LGIM			6,000,000	6,000,000	0.05%		6,162
Aberdeen Life Investments			6,000,000	6,000,000	0.09%		7,142
Goldman Sachs			6,000,000		0.01%		2,230
Lancashire County Council			12,000,000	12,000,000	0.05%		1,020
Fixed Term Deposits							
South Somerset Council	19 days	20/04/2020	4,000,000	0		1.05%	2,186
Gwynedd Council	16 days	17/04/2020	5,000,000	0		1.15%	2,521
Gloucester City Council	16 days	17/04/2020	5,000,000	0		1.15%	2,521
London Borough of Islington	30 days	01/05/2020	5,000,000	0		1.00%	4,110
London Borough of Barking & Dage	26 days	27/04/2002	5,000,000	0		0.78%	2,278
Thurrock Council	29 days	30/04/2020	5,000,000	0		0.85%	3,377
Cheshire East Council	38 days	29/05/2020	0	0		0.30%	1,562
Cheshire East Council	61 days	29/07/2020	0	0		0.28%	2,340
Perth & Kinross Council	30 days	27/05/2020	0	0		0.45%	1,849
Cheltenham Borough Council	31 days	04/06/2020	0	0		0.45%	1,911
Cheltenham Borough Council	61 days	04/08/2020	0	0		0.30%	2,507
Sub-total			**76,429,364**	**29,511,385**			**50,886**
						Budgeted income	**53,500**
							(2,614)

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 2020/21 was forecast as £125.67M 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 £61.08M. It intended to utilise £31.59M of cash flow funds in lieu of borrowing and take out new borrowing of £33M. The current forecast CFR at quarter 2 is, however, £103.23M as some capital expenditure funded by unsupported borrowing is now expected to slip.

Due to the increase in PWLB margins over gilt yields in October 2019, and the subsequent consultation on these margins by HM Treasury - which ended on 31st July 2020 - the Authority has refrained from undertaking new long-term PWLB borrowing for the present and has met its requirements for additional borrowing by using short-term borrowing until such time as new PWLB margins are finally determined. In addition, the effect of coronavirus on the capital programme objectives are being assessed. Therefore, our borrowing strategy will be reviewed and then revised in order to achieve optimum value and risk exposure in the long-term.

It may remain necessary to undertake some new borrowing during this financial year.

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.

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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. During the half year ended 30th September 2020, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2020 and no difficulties are envisaged for the current or future years in complying with these indicators.

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.

Capital Expenditure by Service	2020/21	
	Original Estimate £m	Quarter 2 Position £m
Communities and Environment	9.57	3.58
Economic Growth and Regeneration	6.26	7.01
Corporate Services	0.28	0.30
Development Pool	13.13	0.30
Total for General Fund	**29.24**	**11.18**
Council Housing (HRA)	**4.12**	**3.54**
Commercial activities/non-financial investments	**16.00**	**16.00**
Total Capital Expenditure	**49.36**	**30.72**

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.

Capital Expenditure	2020/21	
	Original Estimate £m	Quarter 2 Position £m
Total capital expenditure	**49.36**	**30.72**
Financed by:		
Capital receipts	0.57	0.56
Capital grants	12.09	7.56
Capital reserves	4.51	3.27
Revenue	0.00	0.01
Total Financing	**17.17**	**11.40**
Borrowing Requirement	**32.19**	**19.33**

Changes to the Capital Financing Requirement

The following table shows that the capital financing requirement (CFR) is £22.42M lower than the original estimate due to the 2020/21 Budget being set prior to the coronavirus outbreak and subsequent lockdowns which have prevented progress and restricted spending on non urgent works.

Capital Financing Requirement	2020/21 Original Estimate £m	2020/21 Quarter 2 Position £m
General Fund	57.67	45.05
HRA	37.25	37.25
Commercial activities/non-financial investments	30.75	20.93
Total Capital Financing Requirement	**125.67**	**103.23**
Net movement in CFR	**38.97**	**-22.45**

External Debt v Borrowing Need (CFR)	2020/21 Original Estimate £m	2020/21 Quarter 2 Position £m
External Debt	62.13	62.13
Other long term liabilities	-1.04	-1.04
Expected Change in Other long term liabilities	33.00	0.00
Total Debt	**94.09**	**61.09**
Compared to current :		
Capital Financing Requirement	**125.67**	**103.23**
Operational Boundary:-		
Debt	**125.67**	**125.67**
Authorised Limit:-		
Debt	**142.00**	**142.00**

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.

COUNCIL

Allocation of Seats to Political Groups
16 December 2020
Report of the Head of Democratic Services

PURPOSE OF REPORT
To advise Council of the calculations relating to the allocation of seats in accordance with the Local Government and Housing Act 1989 following a change to the political composition of the Council.
This report is public.

RECOMMENDATIONS

1) That in accordance with Section 15 of the Local Government and Housing Act, 1989 and Part 4 of the Local Government (Committees and Political Groups) Regulations, 1990, the City Council approves the calculations and allocation of seats set out in this report.

2) That the necessary adjustments to effect the new calculation be agreed.

1.0 Introduction

1.1 A calculation of political composition is undertaken at each annual Council meeting to determine the political balance on the Council's committees. This was done at the Council meeting on 18 May 2020 on the full council number of 60 Councillors. It is a requirement that re-calculations are made as and when the political make-up of the Council changes.

1.2 On 18 November 2020, Councillors Frea, O'Dwyer-Henry, Penny, Sinclair and Whearty recently resigned from the Labour group and formed a new group – the Eco-Socialist Independent Group. One 19 November 2020, both of the Council's non-aligned Independent Members, Councillors Goodwin and Reynolds, joined the Independent Group. These changes affect the political balance on the Council, which is currently 59 Members due to the vacancy at Kellet Ward. This report therefore recalculates political balance on the current composition of 59 Councillors, all of whom are now aligned to a political grouping.

2.0 Change in Composition of the Council

2.1 The make-up of the Council is now:

Labour	14
Conservatives	12
Green	10
Morecambe Bay Independents (MBI)	9
Independent Group	7
Eco-Socialist Independents	5
Liberal Democrats	2
	59

2.2 The calculation was last undertaken on 30 September 2020. The table below shows the changes required across all 78 committee seats based upon the revised political composition of the Council.

2.3 The figures for September were based upon a pro rata share of 78 seats across 57 Councillors using roundings (2 were non-aligned at that time, and not included in the calculation, plus on vacant seat in Kellet Ward). The figures for December are based on a pro rata share of 78 seats across 59 councillors using roundings (the two non-aligned Councillors have joined groups however there is still a vacant seat in Kellet Ward).

	Sept 2020	Dec 2020	Sept 2020	Dec 2020	**Change**
Labour	19/57	14/59x78	26	18	-8
Conservatives	12/57	12/59x78	16	16	
Green	10/57	10/59x78	14	13	-1
MBI	9/57	9/59x78	12	12	
Independent Group	5/57	7/59x78	7	9	+2
Eco-Socialist Inde	N/A	5/59x78	0	7	+7
Liberal Democrats	2/57	2/59x78	3	3	
			78	78	

2.4 Group leaders and administrators were informed of the new calculation on 3 December and were asked to liaise regarding the changes necessary. The Head of Democratic Services hopes to circulate a new seating arrangement, which has been informally agreed by all groups, prior to the meeting for formal approval.

3.0 Political Balance on Committees

3.1 If political balance was calculated separately on each committee the figure would be as set out below for each size of committee:-

3.2 <u>15 Member Committee (Planning Regulatory)</u>

Labour	3.5143	(4)
Conservative	3.0122	(3)
Green	2.5102	(3)
MBI	2.2592	(2)
Independent Group	1.7571	(2)
Eco-Socialist Independents	1.2551	(1)
Liberal Democrats	0.5020	(0)

(Liberal Democrats should have a seat when rounded, but they have been rounded down, as the group with the smallest residual, to give the total of 15)

<u>10 Member Committee (Licensing)</u>

Labour	2.1964	(2)
Conservative	1.8826	(2)
Green	1.5689	(2)
MBI	1.4120	(2)
Independent Group	1.0982	(1)
Eco-Socialist Independents	0.7844	(1)
Liberal Democrats	0.3138	(0)

(MBIs should have one seat when rounded, but they have been rounded up to two, as the group with the largest residual, to give the total of 10)

9 Member Committees x 2 (Overview and Scrutiny, Budget and Performance)

Labour	2.1964	(2)
Conservative	1.8826	(2)
Green	1.5689	(2)
MBI	1.4120	(1)
Independent Group	1.0982	(1)
Eco-Socialist Independents	0.7844	(1)
Liberal Democrats	0.3138	(0)

7 Member Committees x 5 (Personnel, Audit, CBC, Appeals, Standards)

Labour	1.7083	(2)
Conservative	1.4643	(1)
Green	1.2202	(1)
MBI	1.0982	(1)
Independent Group	0.8542	(1)
Eco-Socialist Independents	0.6101	(1)
Liberal Democrats	0.2440	(0)

3.3 Using these calculations would give an overall total out of the 78 seats of:-

Labour	20
Conservative	14
Green	14
MBI	11
Independent Group	10
Eco-Socialist Independents	9
Liberal Democrats	0

3.4 However, the calculation of the 78 committee places on all standing committees **must** be undertaken using rules A-E, set out in s. 15(5) of the Local Government and Housing Act 1989. Those rules are explained in ***Appendix A*** and the aggregate calculation is as shown on the table at 2.3 under the column “Dec 2020”. The necessary adjustments are shown in the highlighted right-hand column of that same table.

4.0 Conclusion

4.1 Members are requested to agree the new calculation so that the appropriate adjustment can be made following a change to the political composition of the Council.

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

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

FINANCIAL IMPLICATIONS There are no financial implications as a direct result of this report.	
SECTION 151 OFFICER'S COMMENTS The Section 151 Officer has been consulted and has no comments	
LEGAL IMPLICATIONS This report has been prepared in accordance with the provisions of Section 15 of the Local Government and Housing Act, 1989 and Part 4 of the Local Government (Committees and Political Groups) Regulations 1990.	
MONITORING OFFICER'S COMMENTS The Monitoring Officer has been consulted and has no comments	
BACKGROUND PAPERS	**Contact Officer:** Debbie Chambers **Telephone:** 01524 582057 **E-mail:** dchambers@lancaster.gov.uk

Appendix A

THE RULES

The main rules are set out in s. 15(5) LGHA, and they are to be applied sequentially. So Rule B cannot override Rule A; Rule C cannot override Rules A and B; and Rule D cannot override Rules A, B or C. An additional rule is set out in s. 16.

Rule A: all the seats on a committee or sub-committee may not be allocated to members of the same political Group. Note that this does not require that each political Group needs to represented on each committee or sub-committee.

Rule B: where a majority of the members of Council are members of the same political Group, a majority of the seats on each committee and sub-committee must be allocated to that political Group. So, where there is a majority Group, it must be allocated a minimum of 2 seats on each committee or sub-committee of 3 members, 3 seats on each committee or sub-committee of 4 members, and so on. This means that, where a political Group enjoys a narrow majority on Council, that majority Group will be allocated significantly more seats than would result from simple proportionality. Incidentally, the combination of Rules A and B reinforce the point that the minimum size of a committee or sub-committee ought to be 3.

Rule C: deals with the aggregate of seats on all committees, taken together. [It does not apply to sub-committees, joint committees or outside bodies (see later)]. It provides that, subject to Rules A and B, the relationship between the total number of committee seats allocated to each Group and the total number of seats on all committees must, as near as possible, be the same as the relationship between the number of members of the Group as a proportion of the total number of members of Council. This is subject to Rules A and B.

Rule D: Having worked out how many committee seats are to be allocated to each political Group, Rule D then determines which committees those seats relate to. Rule D now says that, taking each committee separately, the seats on that committee must allocated as close to proportionately as possible, without offending Rules A, B or C

There is also a "**Rule E**", inserted into s.16 by reg. 16(3), which provides that, where appointments to seats are to be made other than in accordance with Rules A to D (i.e. to seats which are not allocated to a political Group) then the Council or the committee must appoint members to those seats who are not members of a political Group. The exact wording is:

"(2A) Where appointments fall to be made to seats on a body to which section 15 applies otherwise than in accordance with a determination under that section, it shall be the duty of the authority or the committee, as the case may be, so to exercise their power to make appointments as to secure that the persons appointed to those seats are not members of any political Group."

COUNCIL

Appointment of the Returning Officer

16 December 2020

Report of the Head of Democratic Services

PURPOSE OF REPORT
For Council to consider appointing the City Council's Director, Communities and Environment, Mr Mark Davies, as the Council's Returning Officer with immediate effect.
This report is public

RECOMMENDATION

(1) That Council appoints Mr Mark Davies, Director, Communities and the Environment to the role of Returning Officer with immediate effect.

1.0 Background

1.1 The role of a Returning Officer (RO) is enshrined in law. It can fall automatically upon the holder of specific job, such as Chief Executive, as is currently the case at the City Council, or it can be applied to an individual appointed by Council. Performance standards for the RO are set by the Electoral Commission.

2.0 Reasons for the Appointment

2.1 The City Council is required to have a RO in place.

2.2 On 25 September 2019, the Council appointed its Chief Executive, Mr Kieran Keane, to the role of RO. However, Mr Keane has prior commitments in May 2021 which will mean he is unable to perform the duties of RO. Mr Mark Davies, the Council's Director for Communities and Environment, is therefore recommended to Council for appointment as RO. Mr Davies has significant experience of elections having been involved in inspection duties on polling day and providing the security arrangements at the counts for many years.

2.3 In May 2021, the City Council is scheduled to run elections for the Police and Crime Commissioner for Lancashire and Lancashire County Council as well as any City and Parish by-elections which are called. There is currently a vacancy for Kellet ward, although an election has not yet been requested.

2.4 Work is already underway to prepare for these major elections, therefore the recommendation is for the new RO to be in place immediately.

3.0 Conclusion

3.1 Council is asked to appoint the City Council's Director for Communities and Environment, Mr Mark Davies, as RO with effect from this meeting.

CONCLUSION OF IMPACT ASSESSMENT **(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)** None directly arising from this report.	
LEGAL IMPLICATIONS As set out above in 2.1. The Council must have an RO in place.	
FINANCIAL IMPLICATIONS RO fees for external elections are set, and paid for, by the party requesting the election (a fees and charges order is produced for Parliamentary elections, for example, which sets the fees for all ROs).	
OTHER RESOURCE IMPLICATIONS None.	
SECTION 151 OFFICER'S COMMENTS The S151 Officer has been consulted and has no further comments	
MONITORING OFFICER'S COMMENTS The Monitoring Officer has been consulted and has no further comments	
BACKGROUND PAPERS None	**Contact Officer:** Debbie Chambers **Telephone:** 01524 582057 **E-mail:** dchambers@lancaster.gov.uk **Ref:**

COUNCIL

Appointment to the Lancashire Police and Crime Panel 16 December 2020

Report of the Head of Democratic Services

PURPOSE OF REPORT
To enable Council to make an appropriate nomination for a member of the Lancashire Police and Crime Panel following recent changes to Cabinet.
This report is public

RECOMMENDATION

(1) That Council nominates the most appropriate Cabinet portfolio holder for the Lancaster District seat on the Lancashire Police and Crime Panel for the remainder of the Municipal Year 2020/21.

1.0 Introduction

1.1 A Police and Crime Panel (PCP) for Lancaster was established as a formal Joint Committee of the 15 local authorities for the Lancashire Police force area in 2012. The arrangements, procedural rules and terms of reference of the Panel, put forward by the County Council as Panel co-ordinators, were agreed by Lancaster City Council on 14 May 2012.

1.2 PCPs were established in accordance with the Police Reform and Social Responsibility Act 2011. The legislation provides that a 'balanced appointment objective' must be met, as far as is reasonably practicable. This means that the members of the Panel, when taken together, should represent the political make up and represent all parts of the relevant local authorities for the police area. Blackburn with Darwen, as the host authority, effect the political balance.

2.0 Proposal

2.1 In the past, where one nomination has been requested the Cabinet Member whose portfolio includes community safety has been put forward. On 24 June 2020, Councillor Sinclair, being the most appropriate Member as the Cabinet portfolio holder for Communities and Social Justice, was appointed for the municipal year 2020/21. Councillor Wood was appointed as the Council's named substitute. Councillor Sinclair is no longer a Cabinet member and therefore Council is asked to nominate a Councillor the role, and this would usually be the most relevant portfolio holder.

3.0 Conclusion

3.1 Making a nomination at this meeting will enable Lancaster City Council to be represented at the Panel's meeting for the remainder of the municipal year.

CONCLUSION OF IMPACT ASSESSMENT **(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)** None.
LEGAL IMPLICATIONS There are no legal implications arising directly from this report.
FINANCIAL IMPLICATIONS There are no financial implications for the authority. The administration costs of the panel are paid by the Home Office to Blackburn-with-Darwen Council as the host authority and reimbursement for travel expenses can be claimed from Blackburn-with-Darwen.
OTHER RESOURCE IMPLICATIONS **Human Resources; Information Services; Property; Open Spaces:** 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.	**Contact Officer:** Debbie Chambers **Telephone:** 01524 582057 **E-mail:** dchambers@lancaster.gov.uk **Ref:**

CABINET

6.00 P.M. **15TH SEPTEMBER 2020**

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

Apologies for Absence:

Cllr Erica Lewis (Chair)

Officers in attendance:

Kieran Keane	Chief Executive
Daniel Bates	Director of Corporate Services
Jason Syers	Director for Economic Growth and Regeneration
Paul Thompson	Chief Financial Officer (Head of Finance & Section 151 Officer)
Luke Gorst	Head of Legal Services and Monitoring Officer
Mark Cassidy	Planning Manager
Debbie Chambers	Head of Democratic Services and Deputy Monitoring Officer
Maurice Brophy	Planning and Housing Policy Manager
Sarah Price	Capital Projects and Facilities Manager
Paul Rogers	Senior Regeneration Officer
Liz Bateson	Principal Democratic Support Officer

In the absence of the Leader, the Vice-Chair took the Chair

37 MINUTES

The minutes of the meeting held on Monday 17 August 2020 were approved as a correct record.

38 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

39 DECLARATIONS OF INTEREST

No declarations were made at this point.

40 PUBLIC SPEAKING

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

41 CAPITAL INVESTMENT STRATEGY 2020/24

It was noted that this item had been deferred for consideration at October's Cabinet.

42 PROVISIONAL REVENUE, CAPITAL AND TREASURY MANAGEMENT OUTTURN 2019/20

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Finance Officer that provided summary information regarding the provisional outturn for 2019/20, including treasury management. It also set out information regarding the carry forward of capital slippage and other matters for Members' consideration.

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

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

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

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

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

Despite the financial challenges faced by the Council and the associated reductions in Government funding, the financial standing of the Council remains relatively healthy as at 31 March 2020. Officers are undertaking several pieces of work to understanding the areas of significant variance and where appropriate undertake corrective action going forward. This will lead to further improvements to the Council's budget setting and financial monitoring processes.

Councillor Whitehead proposed, seconded by Councillor Hanson:-

"That the recommendations, as set out in the report, be approved and that recommendation (3) be revised to read 'Appendix 7' rather than 'Appendix 8."

Councillors then voted:-

Resolved unanimously:

(1) That the provisional outturn for 2019/20 be endorsed, including the transfers to and from Reserves and Balances actioned by the Chief Finance Officer, as set

out in 5.1 and Appendix 5 of the report.

(2) That Cabinet approve the treatment of year end overspends and endorse the do-nothing approach in-light of the current pandemic situation.

(3) That the requests for capital slippage and the adjustments to reflect accelerated capital spending on projects as set out at Appendix 7 of the report be endorsed, with the Capital Programme being updated accordingly.

(4) That the Annual Treasury Management report and Prudential Indicators as set out at Appendix 2 of the report, be noted and referred on to Council for information.

Officer responsible for effecting the decision:

Chief Finance Officer

Reasons for making the decision:

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

43 DELIVERING OUR AMBITIONS QUARTER 1 - 2020/21

It was noted that this item had been deferred for consideration at October's Cabinet meeting.

44 COVID 19 PANDEMIC - POLICY FOR DECISION MAKING AND SPENDING DELEGATIONS WITHIN THE BUDGET AND POLICY FRAMEWORK - AWARD OF CONTRACT ELECTRIC POOL CARS

(Cabinet Member with Special Responsibility Councillor Frea)

Cabinet received a report from the Director for Communities and the Environment which sought authorisation to complete an award of contract in accordance with the 'Covid-19 Pandemic- Policy for decision making and spending delegations within the Budget and Police Framework'

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

The options were to either authorise completion of the award of contract or not.

Not authorising this will still mean that the Co-Wheels car scheme will go ahead using only the existing pool cars. The number of which is insufficient to achieve the change needed.

If not approved, it would conflict with the Council's climate change aspirations.

The officer preferred option was to authorise officers to award the contract.

Councillor Parr proposed, seconded by Councillor Brookes:-

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

Councillors then voted:-

Resolved unanimously:

That Cabinet authorises officers to complete the award of contract for 6 electric vehicles.

Officers responsible for effecting the decision:

Director for Communities and the Environment

Reasons for making the decision:

In 2018/19, 154 city council employees claimed the casual mileage allowance. Approximately 105,000 business miles were driven during this period, producing an estimated 31t(CO2) of greenhouse gases. The cost to the council for the mileage claims was £47,144 and rose to £50,000 in 2019/20. The decision is consistent with the Council's target to become carbon neutral by 2030.

The funding for the additional pool cars was approved in the Council's budget for 2020/21.

Having previously advised the meeting that non-executive members were able to participate in the meeting, and following the advice of the Monitoring Officer, the Chair formally moved that standing order 17 (Cabinet Procedure Rule 17) be suspended to allow for questions to be taken from all members as the reports were introduced. The proposal was seconded by Councillor Jackson and agreed unanimously.

Resolved unanimously:

(1) That Standing Order 17 (Cabinet Procedure Rule 17) be suspended.

45 COVID 19 FINANCIAL UPDATE

It was noted that this item had been deferred for consideration at October's Cabinet meeting.

46 REPAIRS TO COUNCIL ASSET - 1 LODGE STREET, LANCASTER

(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)

Cabinet received a report from the Director for Economic Growth & Regeneration which provided an overview of the general and structural work required to the property at 1 Lodge Street, Lancaster. The repairs were necessary to bring back into repair a Council asset that has become significantly dilapidated over a long period of time. The work will bring the property into a lettable standard and forms part of the Council's wider strategic regeneration objectives within the Canal Quarter within which 1 Lodge Street is located.

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

Option 1: Do nothing
Advantages: The council does not spend the allocation of capital funds requested.
Disadvantages: The asset will continue to deteriorate and eventually become unsafe. There are already props in place in order to prevent possible roof collapse.
A significant site within the Canal Quarter will remain unsightly.
Risks: The building could become unsafe/a dangerous structure if it continues to be left.
If our lack of action impacts the tenants, public or adjoining buildings, there could be significant reputational damage.
Option 2: Complete the works as described
Advantages: Protect a Council asset that sits in the prominent Canal Quarter area of Lancaster.
Allow the Council the opportunity to bring the asset to a lettable state.
Disadvantages: There is a capital cost to the Council.
Risks: Delay in reaching new lease terms with the existing tenant, based on a new business plan and cultural service level agreement.

The officer preferred option is Option 2. The condition of the asset has been of concern for some time and it is now beyond minor/remedial repair.

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

"To delegate to the Leader and portfolio holders the decision on whether to use the capital budget of £486,450 to undertake the necessary works to repair the building and bring it into a lettable condition."

Councillors then voted:-

Resolved unanimously:

(1) That Cabinet delegates to the Leader and portfolio holders the decision on whether to use the capital budget of £486,450 to undertake the necessary works to repair the building and bring it into a lettable condition.

Officer responsible for effecting the decision:

Director for Economic Growth & Regeneration

Reasons for making the decision:

Whilst Cabinet had no hesitation in approving the budget for the repairs there were various issues that needed to be addressed. The decision enables the relevant portfolio holders to meet as an informal steering as soon as practical and work through those issues in order that the Leader could authorise the release of funds when the outstanding matters had been resolved.

Carrying out the essential repair works to Council assets demonstrates sound asset management and optimisation of Council assets. Any further deterioration could impact on the safety of neighbouring properties and leave the Council open to claims from third parties in the event of damage. Once the work is completed the Council will then be able to lease the improved building. The decision is also consistent with the Council's ambition of encouraging a "A thriving and Prosperous economy."

47 LOCAL PLAN FOR LANCASTER DISTRICT CLIMATE EMERGENCY REVIEW: FORMAL COMMENCEMENT OF REVIEW PROCESS AND LAUNCH OF SCOPING CONSULTATION

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Director for Economic Growth & Regeneration to inform Cabinet of the recently adopted Local Plan for Lancaster District and to seek endorsement for the formal commencement of the Climate Emergency Review of the Local Plan, and, advise members of the review stages and processes, including the launch of the Scoping Consultation.

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

Option 1: To formally commence the Local Plan Review and undertake a Scoping Consultation.
Advantages: This will enable the Council to begin to implement its decision to review the Local Plan documents in the context of the Climate Emergency. The scoping provides an early opportunity for the local community, stakeholders, or any interested party to put their views forward on the scope and content of the plan. Given this review is not a full review of the Local Plan, there is much value in seeking clarity on which matters will be re-visited and which will not.
Disadvantages: None known.
Risks: None known.
Option 2: To not formally commence the Local Plan Review and/or undertake a Scoping Consultation.
Advantages: None known.

Disadvantages: To not immediately commence the local plan review that the Council has just committed itself to would be a surprising decision and would send a confused message to the community and stakeholders on the Council's intentions. Alternatively, to review the plan without the early engagement offered by the practice of a scoping consultation could lead to delays and unclarity later in the process, as issues may have been overlooked or not fully explored and considered.
Risks: To not commence the Climate Emergency Review of the plan, which the Council formally resolved to undertake on 29 July; and/or to proceed to review the local plan without a scoping stage consultation would not be to the benefit of the reputation of the Council. To proceed without a scoping consultation introduces a risk, that is wholly avoidable, that an Inspector may not be content that the reviewed plan has been properly prepared due to inadequate community engagement.

The officer preferred option is Option 1: To formally commence the Local Plan Review and undertake a Scoping Consultation. It is recommended that early engagement takes place with all interested parties to make clear that the review process has begun and to invite comments on the scope of the review. The scoping will help clarify that this is an expeditious review of the plan's policies in the context of the Council's declaration of a Climate Emergency and not a full review.

Cabinet is advised that evidence of early engagement in the plan-making process is important. An Inspector will consider the robustness of engagement in determining if the plan has been properly prepared. Evidence of proactive and constructive engagement with the local community and other key stakeholders in the process is expected. Should the Council fail to proactively engage, then this may become a significant issue later in the process and introduce an avoidable risk when it comes to examining the soundness of the plan.

Councillor Hanson proposed, seconded by Councillor Frea:-

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

Councillors then voted:-

Resolved unanimously:

(1) That the commencement of the "Climate Emergency" Review of the Local Plan for Lancaster District be formally endorsed in accordance with the commitment made at Council on 29 July 2020 and that the timetable described in Local Development Scheme (LDS) also approved by Council on 29 July 2020 be endorsed.

(2) That the launch of the first stage of the review process be endorsed; the scoping consultation, to run for the eight-week period from Friday 25 September to Friday 20 November 2020.

Officers responsible for effecting the decision:

Director for Economic Growth and Regeneration

Reasons for making the decision:

A "Local Plan for Lancaster District" was adopted by Council on 29 July 2020. At the same meeting Council approved a new Local Development Scheme (the Local Plan preparation timetable) describing the intention to expeditiously review the just-adopted documents to provide the opportunity to give further consideration to the efficacy of policies in responding to climate change following the Council's declaration of a Climate Emergency on 30 January 2019.

Cabinet's decision formally starts that review process and launches that process with a scoping consultation. Cabinet will continue to be involved in the review process as the reviewed documents are developed and advanced towards a Council resolution to publish and submit the revised documents to Government.

Commencing the review and engaging the community on the scope of the review should help in providing clarity on the Council's intentions for re-visiting the Local Plan in the context of the Climate Emergency declaration.

48 REGULATION 7 DIRECTION UNDER TOWN AND COUNTRY PLANNING (CONTROL OF ADVERTISEMENTS) (ENGLAND) REGULATION 2007

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Director for Economic Growth and Regeneration to consider a proposal for a Direction under Regulation 7 of the Town and Country Planning (Control of Advertisements) (England) Regulations 2007 to remove deemed consent for 'To Let' boards on residential properties within Schedule 3, Part 1, Class 3 A (an advertisement relating to the sale or letting, for residential, agricultural, industrial or commercial use or for development for such use, of the land or premises on which it is displayed). The report sought authorisation for the Director of Economic Growth and Regeneration to proceed with the statutory process and submit a proposal to the Secretary of State requesting that a Direction under Regulation 7 was made.

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

Option 1: Submit a request to the Secretary of State for the designation of a Direction under Regulation 7 of the Town and Country Planning (Control of Advertisements) (England) Regulations 2007 for the wards of Bulk, Castle, John O'Gaunt, Marsh, Scotforth East and Scotforth West.
Advantages: A Direction will allow management of the number of To Let boards displayed. This will reduce the proliferation and clutter arising from the excessive display of boards within terraced streets and improve the visual amenity of the areas designated.
A restriction on all "To Let" signs, is the simplest way implement and enforce controls. The process to gather evidence and prosecute is less resource intensive than collating evidence with regard to individual signs. A Direction across all wards to the south of the river will ensure consistency and clear boundaries to agents.

Disadvantages: As signage has not been regularly enforced due to the complexity and number of signs, a Direction may increase the enforcement necessary to ensure that it is effectively implemented.
If objections are received, the Secretary of State may to call a public hearing which has staffing and financial resource implications.
Risks:
If a Direction is not implemented in accordance with the statutory procedures, there is a risk of legal challenge and compensation claims.
The Secretary of State may amend the area to be designated or refuse to make a Direction due the low percentages of HMOs in some wards. If refused a subsequent application could then be made for a reduced area.
Option 2: Submit a request for a Direction under Regulation 7 of the Town and Country Planning (Control of Advertisements) (England) Regulations 2007 for the wards of Bulk, Castle, John O'Gaunt and Scotforth West, as originally proposed.
Advantages: The evidence with regard to the number of HMOs and the visual impact of To Let boards within the original wards proposed is stronger for the wards with the highest percentages of HMOs.
Disadvantages: Failure to take account of consultation responses received and the proliferation and clutter of To Let signs will continue to adversely affect the visual amenity in these areas.
As signage has not been regularly enforced due to the complexity and number of signs, a Direction may increase the enforcement necessary to ensure that it is effectively implemented.
If objections are received, the Secretary of State is likely to call a public hearing which has staffing and financial resource implications.
Risks: If a Direction is not implemented in accordance with the statutory procedures, there is a risk of legal challenge and compensation claims.
Option 3: Do not progress a Regulation 7 Direction under the Town and Country Planning (Control of Advertisements) (England) Regulations 2007.
Advantages: None
Disadvantages: The proliferation and clutter of To Let signs will continue to adversely affect the visual amenity of the areas.
Risks: None

The officer preferred option is Option 1, to submit a request to the Secretary of State for the designation of a Direction under Regulation 7 of the Town and Country Planning (Control of Advertisements) (England) Regulations 2007 for the wards of Bulk, Castle, John O'Gaunt, Marsh, Scotforth East and Scotforth West. These actions will ensure that the concentration of HMOs and associated To Let boards can be managed to better protect the amenity of residents and the character and appearance of the areas proposed to the designated.

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

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

Councillors then voted:-

Resolved unanimously:

That Cabinet authorise the Director for Economic Growth and Regeneration to make a proposal to the Secretary of State for a Regulation 7 Direction under the Town and Country Planning (Control of Advertisements) (England) Regulations 2007, to prohibit the display of "To Let" boards on residential properties in the wards of Bulk, Castle, John O'Gaunt, Marsh, Scotforth East and Scotforth West, without express consent and to comply with all necessary requirements.

Officer responsible for effecting the decision:

Director for Economic Growth & Regeneration

Reasons for making the decision:

The decision is consistent with the ambition within the Council Plan to make our neighbourhoods clean, well maintained and safe and is consistent with policies including:-

- Policies within the Lancaster District Local Plan which seek to improve the amenity of residents in Lancaster and to protect the character and appearance.

- Policies in the Strategic Policies and Land Allocations Development Plan Document which aims to ensure that development, including uses of buildings, maintain the district's heritage (SP7).

- Policy DM21 which seeks to ensure that signage is well designed and appropriately sited and does not contribute to an unsightly proliferation or clutter of signage. Policies DM37 to 41 which seek to ensure that the district heritage is protected or enhanced.

The decision aims to address the detrimental impacts of the concentration of letting boards associated with HMOs in accordance with the ambitions of the Council Plan and the Local Plan.

49 EXCLUSION OF THE PRESS AND PUBLIC

It was moved by Councillor Brookes 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."

There was no dissent to the proposition.

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.

The 'Live' Teams meeting concluded at this point and Cabinet reconvened in a private Teams meeting.

50 HEYSHAM GATEWAY - USE OF RESERVES (Pages 13 - 16)

(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)

Cabinet received a report from the Director for Economic Growth and Regeneration which 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 Hamilton-Cox proposed, seconded by Councillor Parr:-

Resolved unanimously:

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.

Officer responsible for effecting the decision:

Director for Economic Growth & Regeneration

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.

.....

Chair

(The meeting ended at 7.10 p.m.)

Any queries regarding these Minutes, please contact
Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk

MINUTES PUBLISHED ON MONDAY 21 SEPTEMBER, 2020.

EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES: TUESDAY 29 SEPTEMBER, 2020.

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

Document is Restricted

CABINET

5.00 P.M. **6TH OCTOBER 2020**

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

Apologies for Absence:

Councillor Alistair Sinclair

Officers in attendance:

Kieran Keane	Chief Executive
Mark Davies	Director for Communities and the Environment
Paul Thompson	Chief Financial Officer (Head of Finance & Section 151 Officer)
Debbie Chambers	Head of Democratic Services and Deputy Monitoring Officer
Liz Bateson	Principal Democratic Support Officer, Democratic Services

51 MINUTES

The minutes of the meeting held on Tuesday 15 September 2020 were approved as a correct record.

52 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

53 DECLARATIONS OF INTEREST

Councillor Hanson sought clarification as to whether she needed to declare an interest in the report on the Installation of Solar PV Panels to sheltered scheme bungalows in view of her brother residing in sheltered accommodation although she was uncertain whether he would be directly affected by the decision at this point. Prior to consideration of the item the Deputy Monitoring Officer advised Councillor Hanson that whilst the interest was not a DPI it would be regarded as an ‘other’ interest. Councillor Hanson then advised the meeting that she would not participate in the discussion or vote on the item (Minute 57 refers.)

54 PUBLIC SPEAKING

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

At this point the Chair requested that standing order 17 (Cabinet Procedure Rule 17) be suspended to allow for questions to be taken from all members as the reports were introduced. The proposal was moved by Councillor Brookes, seconded by Councillor Frea and there was no dissent to the proposal.

Resolved unanimously:

(1) That Standing Order 17 (Cabinet Procedure Rule 17) be suspended.

55 COVID-19 PANDEMIC- POLICY FOR DECISION MAKING AND SPENDING DELEGATIONS WITHIN THE BUDGET AND POLICE FRAMEWORK - PUBLIC REALM

(Cabinet Members with Special Responsibility Councillors Brookes & Hanson)

Cabinet received a report from the Director for Communities and Environment that sought authorisation to commit expenditure in accordance with the 'Covid-19 Pandemic Policy for decision making and spending delegations within the Budget and Policy Framework.' Approval was sought to spend on a Mini zoo upgrade at Williamson Park, Car Parking Machine replacement and a Footpath replacement at Happy Mount Park as appended to the report.

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

Option 1- To support the spend for the outlined revenue and capital schemes
Option 2 – Not support the spend for the outlined revenue and capital schemes

Option 1: Support the spend
Advantages:
Help to maintain and generate additional income
Disadvantages:
Additional spend of revenue during pandemic
Risks:
Levels of income estimates may not be achieved
Option 2: Spend is not supported
Advantages:
Finances can be reallocated to other areas
Disadvantages:
Income streams within the public realm will not be met
Standard of the public realm will deteriorate
Risks:
Levels of income estimates may not be achieved

The officer preferred option is Option1 on the basis that the outlined tasks need to be addressed to ensure facilities and operations can achieve income levels and corporate priorities.

Councillor Brookes proposed, seconded by Councillor Hanson:-

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

Councillors then voted:-

Resolved unanimously:

That officers be authorised to proceed with the following projects as detailed in the report:-

- The allocation of £24K to complete the mini-zoo project at Williamson Park.
- Approval to spend £85K to install 20 new pay and display car parking machines.
- The allocation of £112K to replace footpaths at Happy Mount Park.

Officer responsible for effecting the decision:

Director for Communities and the Environment

Reasons for making the decision:

The 'Covid-19 Pandemic- Policy' for decision making and spending delegations within the Budget and Policy Framework' states all decisions on the use of reserves, the commencement of new capital projects or re-commencement of capital projects halted by the pandemic will require approval of cabinet irrespective of the financial level. In the area of Public Realm the 3 projects considered at this meeting were previously agreed and budgeted for and now required Cabinet approval to commence or recommence.

The decision is consistent with the Council's priority of Healthy and Happy Communities: Keeping our districts neighbourhoods, parks, beaches and open space clean, well-maintained and safe.

56 COVID-19 PANDEMIC- POLICY FOR DECISION MAKING AND SPENDING DELEGATIONS WITHIN THE BUDGET AND POLICE FRAMEWORK - AWARD OF CONTRACT- PURCHASE A TOTAL OF 14 ELECTRIC VANS

(Cabinet Member with Special Responsibility Councillor Frea)

Cabinet received a report from the Director for Communities and the Environment which sought authorisation to complete an award of contract in accordance with the 'Covid-19 Pandemic- Policy for decision making and spending delegations within the Budget and Police Framework.' This was with regard to the purchase of electric vans.

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

The options are to either authorise completion of the award of contract or not. If not approved, it would conflict with the Council's climate change aspirations. The officer preferred option was to authorise officers to award the contract.

Councillor Frea proposed, seconded by Councillor Brookes:-

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

Councillors then voted:-

Resolved unanimously:

(1) That Cabinet authorises officers to complete the award of contract for 14 electric vehicles.

Officer responsible for effecting the decision:

Director for Communities and the Environment

Reasons for making the decision:

The Council has a target to become carbon neutral by 2030. As part of the City Council's ongoing Fleet Replacement Programme, a selection of vehicles was identified that could be replaced with an electric alternative, without compromising either operating or service levels. The funding for the additional electric vans was approved in the Council's budget for 2020/21.

57 INSTALLATION OF SOLAR PV PANELS TO SHELTERED SCHEME BUNGALOWS

(Cabinet Member with Special Responsibility Councillor Caroline Jackson)

Cabinet received a report from the Director for Communities and the Environment that sought authorisation to redirect unspent HRA funds from the existing Capital Programme in accordance with the decision making and spending delegations within the Budget and Policy Framework.

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

The options are to either authorise the redirection of existing capital funds enabling the award of contract, or not. If not approved, it could potentially conflict with the Council's climate change aspirations and the need to improve the EPC rating of our homes.

The officer preferred option is to authorise officers to redirect capital funds and award a contract for the installation of Solar PV panels.

Councillor Jackson proposed, seconded by Councillor Brookes:-

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

Councillors then voted:-

Having declared an interest Councillor Hanson did not take part in the discussions or vote on this item.

Resolved:

That Cabinet authorises officers to redirect funds to procure and award a contract for the installation of Solar PV panels to 35 sheltered bungalows, which is estimated to deliver a CO2 saving of 35 tonnes per year.

Officer responsible for effecting the decision:

Director for Communities and the Environment

Reasons for making the decision:

The Council has a target to be Carbon Neutral by 2030. The installation of Solar PV panels is one of a range of measures designed to improve the thermal comfort of homes, lower customers energy bills and reduce the impact of harmful carbon dioxide into the atmosphere and thus increasing the overall EPC rating of these properties. A further benefit of this will be a reduction in energy bills for residents in our sheltered bungalows, supporting health and wellbeing.

.....

Chair

(The meeting ended at 5.42 p.m.)

Any queries regarding these Minutes, please contact
Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk

MINUTES PUBLISHED ON FRIDAY 9 OCTOBER, 2020

EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES: MONDAY 19 OCTOBER, 2020.

CABINET

6.00 P.M. **27TH OCTOBER 2020**

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

Officers in attendance:-

Kieran Keane	Chief Executive
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	Head of Legal Services and Monitoring Officer
Mark Cassidy	Head of Planning and Place
Maurice Brophy	Planning and Housing Policy Manager
Paul Rogers	Senior Regeneration Officer
Joanne Wilkinson	Head of Housing
Kathy Beaton	Housing Strategy Officer
Hannah Little	Legal Assistant
Sally Lowton	Conveyancing Lawyer
Fiona Clark	Planning Officer (Policy)
David James	Principal Conservation Officer
Liz Bateson	Principal Democratic Support Officer, Democratic Services

58 MINUTES

The minutes of the meeting held on Tuesday 6 October 2020 were agreed as a correct record.

59 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

60 DECLARATIONS OF INTEREST

Councillor Hamilton-Cox declared an ‘other’ interest in the BID renewal report (Agenda item 14) as a member of the BID Management Committee by virtue of his Cabinet portfolio.

The following Councillors declared an ‘other’ interest in the Direction under Article 4 report (Agenda item 7):

- Councillor Sinclair in view of him residing in one of the areas in Castle Ward that would be impacted. He confirmed that he had been advised that he did not need to withdraw for that item.
- Councillor Brookes confirmed that he also lived in one of the areas affected.
- Councillor Hamilton-Cox declared that he owned a property within the area affected.

- Councillor Jackson advised that she lived within the affected area.
- Councillor Parr declared that she resided in Skerton West which was in the affected area.

61 PUBLIC SPEAKING

Members were advised that there had been a request to speak at the meeting from a member of the public in accordance with Cabinet's agreed procedure, as set out in Cabinet Procedure Rule 18, with regard to the Lancaster Business Improvement District (BID) Renewal report. (Minute 65 refers). It was noted that Mr Tony Johnson was experiencing technical difficulties accessing the meeting and therefore the Chair advised the meeting that the order of the agenda would be revised to enable Mr Johnson to address Cabinet when the technical difficulties were resolved.

At this point the Chair requested that standing order 17 (Cabinet Procedure Rule 17) be suspended to allow for questions to be taken from all members as the reports were introduced. The proposal was moved by Councillor Brookes, seconded by Councillor Sinclair and there was no dissent to the proposal.

Resolved unanimously:

(1) That Standing Order 17 (Cabinet Procedure Rule 17) be suspended.

62 PROPOSED DESIGNATION OF CONSERVATION AREA SLYNE ROAD, SKERTON

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Director for Economic Growth and Regeneration that related to the proposed designation of a conservation area for part of Slyne Road, Skerton, Lancaster. The report informed Cabinet of the outcome of a consultation on the proposals and recommended that Cabinet approved the designation.

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

Option 1: That the conservation area designation is approved.
Advantages: The designation would be consistent with our statutory duties under Section 69 of the 1990 Act and would give appropriate protection to the special architectural and historic interest of the area.
Disadvantages: None
Risks: None
Option 2: That the conservation area designation is not approved.
Advantages: None
Disadvantages: The special architectural and historic interest of the area would not be preserved and enhanced, including historic buildings and other features which contribute to this. An unlisted building that is important to the character of the area is under threat of demolition and designation may result in its loss.
Risks: That the special architectural and historic interest of the area is not preserved and enhanced and that historic buildings and other features in the area, including the

building currently under threat of demolition, may be lost.

The officer preferred option is Option 1.

Councillor Hanson proposed, seconded by Councillor Brookes:-

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

Councillors then voted:-

Resolved unanimously:

(1) That Cabinet approve the designation of a conservation area for the area in question.

Officer responsible for effecting the decision:

Director for Economic Growth and Regeneration

Reasons for making the decision:

Under section 69 of the Town and Country Planning (Listed Building and Conservation Area) Act 1990, the Local Planning Authority has a duty to consider which parts of their area are areas of special architectural or historic interest the character or appearance of which it is desirable to preserve or enhance, and shall designate those areas as conservation areas. Our Local Plan contains policies for the management of conservation areas in response to planning applications for development. The area in question provides a distinctive and attractive approach to the city, similar to the Greaves Road Conservation Area to the south of the city centre. Although some modern development has undoubtedly left its mark on the area, it remains of special architectural and historic interest and is therefore worthy of designation.

63 DIRECTION UNDER ARTICLE 4 OF THE TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT) ORDER 2015

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Director for Economic Growth and Regeneration to consider a proposal for the designation of a Direction under Article 4 of the Town and Country Planning (General Permitted Development) Order 2015 to remove the permitted development rights for development consisting of a change of use from a Class C3 (dwellinghouse) to a use falling within Class C4 (houses in multiple occupation), contained in Class L(b) of Part 3 Schedule 2 of the Town and Country Planning (General Permitted Development Order). The proposal would mean that planning permission was required to change the use of a dwellinghouse to a house in multiple occupation (with 3-6 occupants). The report sought authorisation for the Director of Economic Growth and Regeneration to proceed with the statutory process and 'make' the Article 4.

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

Option 1: Make a non-immediate Article 4, to include the Lancaster wards of Bulk,

Castle, John O'Gaunt, Marsh, Scotforth East, Scotforth West, Skerton East and Skerton West, plus the village of Galgate.
Advantages: The option will provide a blanket approach to be applied across the city and Galgate. This option will protect traditional housing stock and residential areas from concentrations of HMOs increasing above the 10% in 100m radius contained within policy DM13, where they do not already do so, and further increases where they exceed this threshold at present. It will ensure consistency and a comprehensive management of HMO distribution in the future.
Disadvantages: Greater demands on resources to process planning applications and enforce the policy and Article 4.
Risks: Compensation claims may be made but the use of a non-immediate Article 4 will minimise the risks of compensation claims.
Option 2: Do not progress an Article 4.
Advantages: No further resources required to apply the Article 4 or deal with the increase in applications and enforcement issues arising.
Disadvantages: This option would see a continuation of increases in small HMOs, contrary to the aims of policy DM13 and policies SP9 and DM1 which seek to ensure balanced communities.
Risks: None

The officer preferred option is Option 1, make a non-immediate Article 4 Direction. This option will ensure protect traditional housing stock and amenity within residential areas, in accordance with policies SP9 and DM13 of the Local Plan.

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

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

Councillors then voted:-

Resolved:

(Councillor Jackson was experiencing technical issues at this time and was not able to participate in the vote.)

(1) That Cabinet authorise the Director of Economic Growth and Regeneration to make a Direction under Article 4 of the Town and Country Planning (General Permitted Development) Order 2015 to remove the permitted development rights for development consisting of a change of use from a Class C3 (dwellinghouse) to a use falling within Class C4 (houses in multiple occupation), contained in Class L(b) of Part 3 Schedule 2 of the Town and Country Planning (General Permitted Development Order), in the Lancaster wards of Bulk, Castle, John O'Gaunt, Marsh, Scotforth East, Scotforth West, Skerton East and Skerton West, plus the village of Galgate.

Officer responsible for effecting the decision:

Director for Economic Growth and Regeneration

Reasons for making the decision:

The decision is consistent with the Council Plan that includes ambitions to enhance community cohesion. The Lancaster District Local Plan includes policies which seek to improve the amenity of residents in Lancaster. Policies in the Strategic Policies and Land Allocations Development Plan Document aim to ensure that development, including uses of buildings, create strong and vibrant communities (SP9). Policy DM13 of the Development Management DPD aims to control the concentration of HMOs. The proposals seek to address the detrimental impacts of concentration of HMOs in accordance with the ambitions of the Council Plan and the Local Plan.

64 PREPARATION OF LANCASTER SOUTH AREA ACTION PLAN DEVELOPMENT PLAN DOCUMENT

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Director for Economic Growth and Regeneration that sought endorsement for the formal commencement of the Lancaster South Area Action Plan (AAP) Development Plan Document (DPD) Plan.

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

Option 1: To endorse the formal commencement of work on the statutory stages of preparing the Lancaster South Area Action Plan in accordance with the commitment described in the adopted Local Plan for Lancaster District and the timetable provided in the Lancaster District Local Development Scheme (LDS) as approved by Council on 29 July 2020.
Advantages: This will enable the Council to move from the current Local Plan position of an identified Broad Location for Growth in Lancaster South to one where land is formally allocated with accompanying polices with development plan weight, including on securing community benefits. This will enable the delivery of development needs during both the period of the current Local Plan and for many years beyond. Evidence of the intention to progress development plan policy in Lancaster South will support the case that has been made by the County Council for national funding contributions transport related infrastructure in Lancaster district.
Disadvantages: None apparent. To not progress with an AAP, that accompanies and supports the Masterplan and Design Code, means that it will remain wholly unclear how the delivery of development requirements in Lancaster south is to be realised. The absence of development plan policies would leave the Council more exposed to development proposals being brought forward on sites that are not identified by the just-adopted Local Plan.
Risks: There are challenges and costs associated with preparing the AAP that will enable the implementation of a Masterplan for Lancaster South in accordance with a Design Code, however, if the Council is to achieve development needed to meet the needs of the community and economy these challenges and costs are unavoidable. The preparation of an APP takes time as a consequence of the regulatory obligations on consultation, submission, and independent examination. Development proposals may have to be determined whilst the AAP is still in progress. The Council can also anticipate challenge from residents, who may not be supportive of development in this area, and from developers who may not be supportive of the expectations that policy in support of a holistic new settlement Masterplan and Design Code will place upon their development proposals.

Option 2: To not endorse the formal commencement of work on the statutory stages of preparing the Lancaster South Area Action Plan in accordance with the commitment described in the adopted Local Plan for Lancaster District and the timetable provided in the Lancaster District Local Development Scheme (LDS) as approved by Council on 29 July 2020.
Advantages: None apparent.
Disadvantages: The community, developers and stakeholders would be left wholly unsure about how the Council intends to achieve the delivery of development in Lancaster South in accordance with an overall plan. Infrastructure funders and developers would be left unsure as to this Council's commitment and timetable for achieving development in Lancaster south. To proceed with the commitment to prepare an further Development Plan Document would mean that planning proposals in south Lancaster would have to be determined in accordance with policy within existing Development Plan Documents, notably Policy SG1 of the adopted Local Plan. Policy SG1 only identifies a Broad Location for Growth and a series of broad development principles. It would be very challenging to determine development proposals for a new settlement on only the principles established to date.
Risks: Lack of progress in advancing the development plan position will make it difficult to determine planning proposals that come forward in Lancaster south. Lack of an overall plan for the area will mean that development proposals will come forward as individual proposals and not contribute well to the achievement of a distinctive new community or realise community benefits such as contributions to education and affordable housing. An inability to demonstrate how progress is to be made on achieving development in the Broad Location for Growth will leave the district more open to proposals coming forward on sites that are not identified in the Local Plan.

Councillor Hanson proposed, seconded by Councillor Sinclair:-

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

At this point the Chair advised the meeting that the public speaker had been able to join the meeting and with the agreement of the meeting the debate was suspended to enable Mr Johnson to address Cabinet. The Chair also confirmed a further revision to the order of the agenda with the BID report being considered immediately after Mr Johnson's address so as not to detain him unnecessarily.

Mr Tony Johnson addressed the meeting in support of the Lancaster Business Improvement District (BID) Renewal Draft Proposal.

65 LANCASTER BUSINESS IMPROVEMENT DISTRICT (BID) RENEWAL - DRAFT PROPOSAL

(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)

Cabinet received a report from the Director for Economic Growth and Regeneration which provided context and information for the endorsement of proposals for a Lancaster Business Improvement District (BID) Renewal Ballot (closing on 11th February 2021) as required by statutory provisions. The report updated Members on the pre- and post- ballot issues and resource implications in relation to the city council's role

in the BID renewal process.

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

Option 1: Do nothing (Put off decision until the production of Final Renewal Proposals)
Advantages: No advantages.
Disadvantages: Creates uncertainty for Lancaster BID. Creates difficulties for Lancaster BID in developing its pre-ballot canvassing strategy and marketing/publishing activities around the BID Renewal Proposals.
Risks: Due to the impact of Covid-19 this is Cabinet is the last date proposals can formally be endorsed for February ballot to be comfortably enacted under statutory notifications. If there are issues with Renewal Proposal compliance at this stage a ballot could be delayed with knock on implications for Lancaster BID in terms of canvassing and for the council in terms of dealing with operational matters in the new year arising from a late 'Yes' ballot.
Option 2: Endorse the draft BID Renewal Proposals with endorsement of final BID Renewal Proposals delegated to the Chief Executive.
Advantages: Timely notice that the proposals are technically sound and the final document is likely to be compatible with BID Regulations and council policy. Allows for minor and/or non-material technical amendments via officer scrutiny of final Renewal Proposals document. Allows Lancaster BID to continue to develop its pre-election canvassing strategy and marketing/publishing activities around the BID Renewal Proposals with confidence.
Disadvantages: No disadvantages identified.
Risks: No guarantee that BID Renewal Ballot will be successful.
Option 3: Request material amendments to the draft Renewal Proposal for consideration/ endorsement at a future Cabinet meeting.
Advantages: This would only be if it was considered (based on the draft), a Final Renewal Proposal would be vetoed because matters contained conflict with council policy and extensive material changes are required. Allows for revised proposals to come forward which are compatible with council policy and regulatory requirements.
Disadvantages: Reputational implications for council if proposals are not endorsed without good reason. Potential delays Lancaster BID's commitment to pre-ballot canvassing strategy and marketing/publishing activities around the BID Renewal Proposals.
Risks: If there are issues with compatibility with the council's policy framework the onus would be on Lancaster BID to address any issues and prepare a technically/policy compatible Final Renewal Proposal. Risks are as Option 1 in that this Cabinet is, realistically, the last date proposals can formally be endorsed by Cabinet for a ballot to be enacted under the current statutory notification timetable.

On submission of a Final Renewal Proposal the local authority is obliged to endorse the BID proposal and approve it to go forward to a ballot if it meets the defined regulatory and policy tests. The draft proposals provide a good indication of whether it is likely the council needs to use its veto powers.

The draft proposals do not conflict with any published council polices and a successful BID will continue to actively support the council's corporate objectives particularly in the areas of Economic Growth, Clean Green & Safe Places and Community Leadership. The work of Lancaster BID in canvassing opinion and consultation appear to show a good level of support for the way the BID proposals have been shaped.

The amount of prior discussion between the BID proposer and the local authority before submitting the BID draft proposals to the authority has been sufficient and it is expected consultation will continue up to the submission of final proposals. The costs incurred and due in developing BID proposals, canvassing and balloting have been allowed for within the BID's current budget.

There are no advantages in holding over on endorsement pending Final Proposals (Option 1) and officers consider there are no material alterations required (Option 3). **The preferred Option is therefore Option 2, to endorse the draft Renewal Proposals**. It follows that an appropriate level of delegated authority is required to ensure the outstanding matters are addressed and so that final proposals can be approved to move forward to ballot. As these issues are mainly technical and operational it is recommended this be undertaken through delegated decision by the Chief Executive.

Members should note the city council will continue to be liable for the levy on rateable property it occupies/holds should a ballot be successful (refer to Financial Implications). As a potential levy payer the council is eligible to vote in a ballot. There are no statutory rules on how individual local authorities treat this. Cabinet has previously escalated the voting decision to Full Council (who have previously considered a report prior to the voting period), and officers have anticipated the continuation of this arrangement.

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

"That the recommendations, as set out in the report, be approved with a further recommendation assuming that the other recommendations were approved, that Cabinet asks full Council to determine which way the Council will vote in the forthcoming ballot in accordance with previous precedent."

In response to the additional recommendation the Monitoring Officer suggested that further clarification was necessary, and the Chair suspended the meeting for 10 minutes to enable the Monitoring Officer to provide advice on this issue. The meeting reconvened at 19.25 when the Monitoring Officer advised that there was no reason for the decision to be put to full Council as the decision was an Executive decision.

Following on from the Monitoring Officer's advice Councillor Hamilton-Cox moved the recommendations as set out in the report, with a revised recommendation (4): "that Cabinet supports a 'yes' vote in the forthcoming BID renewal ballot."

Councillors then voted:-

Resolved unanimously:

(1) The draft Renewal Proposals for Lancaster Business Improvement District (BID) Renewal Ballot are agreed as being in compliance with the statutory requirements and are not in conflict with the council's corporate policy framework.

(2) That approval of Lancaster BID final Renewal Proposals and the issue of an instruction to proceed to ballot is delegated to the Chief Executive.

(3) That the current Operating Agreement and Baseline Agreement are revised to reflect any changes/amendments required between the parties and current council service provision respectively, with approval and post-ballot sign-off of the final documents delegated to the Chief Executive.

(4) That Cabinet supports a 'yes' vote in the forthcoming BID renewal ballot.

Officers responsible for effecting the decision:

Chief Executive
Director for Economic Growth and Regeneration

Reasons for making the decision:

In working towards implementation of Business Improvement Districts the council will be achieving and/or reviewing and improving upon a number of its corporate objectives/outcomes as defined in the Council Plan. The draft BID Renewal Proposals will actively support Sustainable Economic Growth, Clean Green & Safe Places and Community Leadership outcomes, success, measures and actions.

66 PREPARATION OF LANCASTER SOUTH AREA ACTION PLAN DEVELOPMENT PLAN DOCUMENT - CONTINUED

At this point Cabinet returned to the debate had had been suspended as detailed in Minute 64.

The recommendations as set out in the report had been proposed by Councillor Hanson and seconded by Councillor Sinclair.

By way of an amendment, Councillor Hamilton-Cox proposed and Councillor Brookes seconded:

"That the following additional recommendations be approved:

(1) Given both the overarching context of the climate emergency and the uncertainty over funding cabinet asks for the AAP and masterplan to be advanced on the basis that the Galgate bypass and connecting road infrastructure may or may not progress.

(2) Given the substantial infrastructure costs of developing new settlements, cabinet asks that the initial work of the AAP should include detailed viability assessments of phases of development.

(3) Given the crucial importance of maintaining and improving biodiversity, cabinet asks that the AAP and masterplan are advanced so as to avoid planned development impacting on the Lancaster canal and adjacent ancient woodland biological heritage

sites."

Councillors then voted on the amendment as follows: -

(3 Members (Councillors Brookes, Hamilton-Cox and Jackson) voted in favour, 6 Members (Councillors Frea, Hanson, Lewis, Parr, Sinclair & Whitehead) voted against whereupon the Chair declared the amendment to be lost.

Cabinet then voted on the original proposition.

Resolved unanimously:

(1) That Cabinet formally endorses the commencement of work on the statutory stages of preparing the Lancaster South Area Action Plan in accordance with the commitment described in the adopted Local Plan for Lancaster District and the timetable provided in the Lancaster District Local Development Scheme as approved by Council on 29 July 2020.

(2) That Cabinet authorises officers to commence with the projects as set out in the report.

Officer responsible for effecting the decision:

Director for Economic Growth and Regeneration

Reasons for making the decision:

The Local Development Plan and Development Plan Documents are part of the Council's Policy Framework. The Council is obliged to prepare and maintain the Development Plan for Lancaster District as described by Section 19 of the Planning and Compulsory Purchase Act 2004. A "Local Plan for Lancaster District", specifically, the Strategic Policies & Land Allocations Development Plan Document and the Review of the Development Management Development Plan Document, was adopted by Council on 29 July 2020. The Local Plan and the adopted Local Development Scheme commit the Council to preparing an AAP for Lancaster South.

67 REVIEW OF HOUSING ALLOCATIONS POLICY OCTOBER 2020

(Cabinet Member with Special Responsibility Councillor Jackson)

Cabinet received a report from the Director for Communities and the Environment that outlined the Council's review of the social housing Allocations Policy and recommended changes to enable the city council to best meet housing need within a backdrop of reduced turnover of council stock and increases in homelessness.

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

Option 1: Approve the revised Housing Allocations Policy
Advantages: Prevents complaints, legal challenges and Ombudsman Complaints. To have in place a fair and transparent policy, which enables city council to allocate properties those in greatest housing need and enable officers to make the best use of

the council, is housing stock.
Disadvantages: No notable disadvantages.
Risks: The revised allocations policy has been reviewed in line with current up to date guidance to avoid risks associated with legal challenge.
Option 2: Retain existing Housing Allocations Policy
Advantages: No notable advantages.
Disadvantages: Not up to date with current government guidance, homeless households will remain in costly temporary accommodation for longer than necessary and increase the numbers of households in temporary accommodation at any given time due to lack of suitable move on accommodation through the housing register.
Risks: Legal challenge and or Ombudsman complaints. Increased expenditure to the B&B and temporary accommodation budgets. MHCLG - legal requirement to report any families accommodated in B&B in placement goes over 6 weeks.

The officer preferred option is Option 1. Option 1 to approve the revised allocation policy will ensure the policy meets our statutory duties having regard for current government guidance and legislation. By approving the revised allocation policy, officers will be able to ensure accommodation is made available to our most vulnerable and those in greatest housing need, whilst also making sure we get the best use of the council's limited housing stock.

Councillor Jackson proposed, seconded by Councillor Brookes:-

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

Councillors then voted:-

Resolved unanimously:

(1) That the changes be approved, and the revised Housing Allocations Policy 2020 be adopted.

Officer responsible for effecting the decision:

Director for Communities and the Environment

Reasons for making the decision:

The City Council's existing allocations policy has not been reviewed since March 2018. The Council is required to update the allocations policy to ensure it meets statutory guidance, to ensure the policy still reflects local priorities and is "fit for purpose". The policy has been reviewed in light of recent case law, changes to priority for armed forces and their families, people affected by domestic abuse in refuge accommodation and the implications for homeless households placed in temporary accommodation since the implementation of the Homeless Reduction Act 2017.

The decision is consistent with the Council's approved priorities, which includes a sustainable District, Happy, and Healthy Communities. The decision also fits with the Local plan and will contribute to increasing the supply of housing in Lancaster district and directly contribute to the Homes Strategy 2020-2025.

68 THE HOMES STRATEGY FOR LANCASTER DISTRICT 2020-2025

(Cabinet Member with Special Responsibility Councillor Jackson)

Cabinet received a joint report from the Director for Communities and the Environment and Director for Economic Growth and Regeneration which presented the new Homes Strategy and Action Plan 2020-2025 for Lancaster District to Cabinet for initial endorsement and authority to consult.

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

Option 1: Approve the draft Homes Strategy 2020-25
Advantages: The council will have an up to date Housing Strategy within its policy framework. The Strategy outputs will make a significant contribution to increasing the provision of good quality energy efficient homes and affordable housing to meet those in the most housing need. It will positively contribute towards Climate Change mitigation. It will increase the portfolio of housing owned by Lancaster City Council. It will contribute to the council's Investment Strategy. It ratifies the council's commitment to jointly agreed priorities with other statutory organisations.
Disadvantages: The implementation of the Homes Strategy will have significant resource implications primarily but not exclusively in relation to capital funding.
Risks: The council will need to set up a Housing LATCo in order to bring forward a more diverse mix of housing tenures in Lancaster district. This is a new way of working requiring specialist legal and finance advice initially as well as in the longer term impacting upon support services and separate governance arrangements will need to be established. Capital schemes identified have not yet been through a due diligence process to assess full costs and risks although an existing framework is already in place to assess proposed commercial investments. Future demand for housing but given the level of housing need identified and the standards being achieved. Market housing provision is a new area of business for the council but the existing council housing teams are well experienced to manage any PRS properties although outright sale units would be a new area of business for the council requiring proper market analysis and research.
Option 2: Do not approve the draft Homes Strategy 2020-25
Advantages: The council will not need to raise the capital and revenue funding required to implement the Homes Strategy.
Disadvantages: The council will not be contributing to increasing the supply of good quality energy efficient homes in Lancaster district. This will have wider implications upon the effectiveness of other approved Strategies i.e. the Homelessness Strategy 2020-23 by increasing the range of housing available to prevent homelessness. Limited opportunities/benefits around climate change mitigation. The council will primarily be an enabler rather than a provider of new housing.
Risks: The council will be less likely to achieve its agreed objectives and statutory duties around homelessness. The proposed regeneration of Mainway estate could lead to significant issues around the structure and quality of existing council properties. For schemes like Canal Quarter, the council as a key landowner could lose control in bringing forward a scheme which meets all its objectives and opportunities to generate

cross subsidies. Lost opportunities to continue the regeneration of Morecambe and to diversify the affordable housing offer for older people relying solely on Registered Provider activity. Reputational damage.

The officer preferred option is Option 1. Lancaster City Council has the opportunity to approve an ambitious Homes Strategy for Lancaster district which will allow the council to commence programmes of new build housing, acquire and improve existing housing, diversify its housing offer, and most importantly, increase the choice and quality of housing across tenures to meet the need of its diverse communities, whilst making a positive contribution towards climate change mitigation. Cabinet is therefore asked to approve the draft Homes Strategy and Action Plan 2020-25 and allow a further period of consultation to engage with key stakeholders before final endorsement.

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

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

Councillors then voted:-

Resolved unanimously:

(1) That Cabinet approve the draft Homes Strategy and Action Plan 2020-2025 and authorise officers to consult key partners and stakeholders.

(2) That the Homes Strategy will then be adopted unless the consultation results in any proposed changes to the Action Plan which will be reported back to Cabinet for final endorsement.

Officers responsible for effecting the decision:

Director for Communities and the Environment
Director for Economic Growth and Regeneration

Reasons for making the decision:

The decision is consistent with the Council Priorities including Happy and Healthy Communities, a Sustainable District and an Inclusive and Prosperous Local Economy. The decision is also consistent with the Local Plan and contributes towards the provision of housing to meet a locally identified need and opportunities to increase the choice and supply of affordable housing. This Homes Strategy replaces the previous Housing Strategy 2012 – 2017.

69 OPTIONS TO SET UP THE HOUSING LATCO

(Cabinet Member with Special Responsibility Councillor Jackson)

Cabinet received a joint report from the Director for Communities and the Environment and Director for Economic Growth and Regeneration to update members on the findings of the specialist legal and finance advice sought on options to set up the Housing LATCo (Local Authority Trading Company) and to recommend to Cabinet that they approve the establishment of the Housing LATCo.

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

Option 1: Approve the establishment of the proposed Housing LATCo
Advantages: Will allow a blend of prudential borrowing through the General Fund and HRA to deliver the strategic housing projects identified. Offers potential to create mixed tenure schemes, cross subsidises affordable housing and can create surpluses which could address the future years budget deficit. Diversifies the council's existing housing portfolio. The council is more able to meet a growing local housing need.
Disadvantages: Set up and operational running costs will be required. There will be capacity issues within the existing workforce in terms of support services with new skill sets needed.
Risks: New area of business for the council with different forms of tenure being provided. Demand for housing products although demand data suggests this would be low risk. Different governance arrangements in place. It could be some time before the LATCo is able to create surpluses. Property values can go down as well as up. The costs associated with producing zero carbon homes could mean schemes are marginal/unviable.
Option 2: Do not approve the establishment of the proposed Housing LATCo.
Advantages: No direct financial risk or exposure to the council. Some outputs could still be achieved through partnerships/the council acting in an enabling capacity.
Disadvantages: The council is not delivering a its key housing and regeneration priorities, growing and diversifying its housing portfolio to meet a wide range of housing need or proactively contributing to climate change through the provision of its own zero carbon homes. Surpluses could only be created through other forms of commercial investments which do not generate the same social value.
Risks: The HRA would be the only source of borrowing with limited headroom. There would be limited scope to provide holistic solutions to regeneration priorities. In areas like the West End, other costs associated with ASB/fly tipping, health inequalities and fuel poverty are likely to increase.

The officer preferred option is Option 1. This is the only mechanism that will allow the council to bring all of their key strategic housing projects into fruition. Investment into housing development cannot be seen as risk free, and house prices and values can fluctuate but as this is a vehicle which will assumes a longer term investment plan, the Savills report clearly demonstrates the successes achieved through housing investment vehicles, and that a scheme of acquisitions in Morecambe can be delivered viably if a longer borrowing period is assumed.

Cabinet approval was required to set up the new Housing LATCo taking account of the specialist legal and financial advice obtained, committing a further £50K to appoint Trowers to undertake the necessary actions and preparation of legal documentation, and to delegate authority to the Chief Executive in consultation with the Leader and Portfolio Holder for Housing to agree the composition of the Board of Directors and the arrangements for the council to discharge its role as Shareholder of the Housing LATCo and report back to Cabinet for consideration and approval.

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

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

Councillors then voted:-

Resolved unanimously:

(1) That Cabinet approve the establishment of a wholly owned company (Housing LATCo) limited by shares and delegate authority to the Chief Executive in consultation with the Section 151 Officer to take all necessary steps to incorporate the company, and enter into all necessary documents to facilitate the company's operation including the Articles of Association, Shareholder Agreement, Loan Agreement, Services Agreement and Secondment Agreement.

(2) That Cabinet delegate authority to the Chief Executive in consultation with the Leader and Portfolio Holder for Housing to agree the composition of the Board of Directors and the arrangements for the council to discharge its role as Shareholder of the Housing LATCo.

(3) That a further budget of £50K is approved to re-appoint Trowers & Hamlins LLP to provide the necessary legal advice and prepare the documentation.

Officers responsible for effecting the decision:

Chief Executive
Director for Economic Growth & Regeneration
Director for Communities and the Environment
Section 151 Officer

Reasons for making the decision:

The decision is consistent with the Council Priorities including Happy and Healthy Communities, a Sustainable District, and an Inclusive and Prosperous Local Economy. The decision is also consistent with the Local Plan and will contribute towards the provision of housing to meet a locally identified need and opportunities to increase the choice and supply of affordable housing. The Housing Strategy will provide the necessary framework to deliver the strategic housing priorities identified.

70 TO SEEK APPROVAL FOR THE ADOPTION OF PUBLIC SPACE PROTECTION ORDERS (DOG CONTROL)

(Cabinet Member with Special Responsibility Councillor Sinclair)

Cabinet received a report from the Director for Communities and the Environment that sought approval for the adoption of four Public Space Protection Orders (Dog Controls) for a period of 3 years.

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

Option 1: Adopt the PSPOs as proposed in the consultation, with no amendments
Advantages: • Reflects the majority of representation made during the public consultation • Enables less able bodied people to continue to exercise dogs off leads on the flat hard surfaces of 'cycle ways' • More consistent and less confusing enforcement

• More rapid, effective and efficient enforcement
Disadvantages: • None identified
Risks: The decision concerning dogs on leads would not reflect the views of all consultees
Option 2: Adopting the PSPO, but including dogs on leads for cycle ways
Advantages: Supportive of a minority view of consultees
Disadvantages: • Unpopularity with local communities of applying dogs on leads to cycle ways. • Reduced availability of off lead dog exercise areas, particularly in areas where there are few alternatives. • Need for more enforcement than option 1.
Risks: The decision concerning dogs on leads would not reflect the views of all consultees. It would be difficult to enforce.
Option 3: Do not adopt the PSPOs (Dog Control)
Advantages: • Saving on staff time to implement new Dog Control Orders, and advertising for signage costs.
Disadvantages: • Confusion from discontinuation of existing enforcement. • Going against majority of consultees • Return to a system of enforcement which is unclear and inconsistent • Unnecessary expense and complications in having to prosecute for offences instead of applying fixed penalty notices available under options 1 and 2 leading to delays and lower efficiency and cost-effectiveness • The extent of land within the district on which regulatory dog controls apply would remain limited.
Risks: The decision not to introduce available dog-related regulatory measures for public protection would lead to criticism, particularly given the strength of public feeling about aspects of irresponsible dog ownership.

The officer preferred option is Option 1 to adopt the PSPOs (Dog Control) as consulted on. This option addresses needs for public protection, supports further enforcement and most closely reflects the majority of public comment arising from the consultation. Adoption of the original Dog Control Orders has led to more straightforward and effective dog control and enforcement in the district. There continues to be considerable public support for enforcement, and this was confirmed by comments received in the recent consultation but balanced with a fair approach towards responsible dog owners.

Councillor Sinclair proposed, seconded by Councillor Brookes:-

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

Councillors then voted:-

Resolved unanimously:

(1) That the four Public Space Protection Orders (Dog Control) be made, to include provisions as appended to the report.

(2) That authority be delegated to the Head of Public Protection to designate in writing authorised officers for the purposes of issuing fixed penalty fines.

Officer responsible for effecting the decision:

Director for Communities and the Environment

Reasons for making the decision:

Cabinet approved a number of dog control orders that enabled the council to deal with issues such as dog fouling on our streets and parks, dogs and leads, and dogs out of control which can cause road traffic accidents, nuisance and aggression in 2012. Originally introduced under the Clean Neighbourhoods and Environment Act 2005, they were converted to become Public Space Protection Orders (PSPOs) in 2017 following a change in legislation to the new Anti-social Behaviour, Crime and Policing Act 2014. The PSPOs have now been reviewed in order that they can be implemented for a further 3 year period.

The decision is consistent with the Council priority of Healthy and Happy Communities, keeping the district's neighbourhoods, parks, beaches and open space clean, well-maintained and safe.

71 GREEN WASTE SUBSCRIPTION FEES

(Cabinet Member with Special Responsibility Councillor Brookes)

Cabinet received a report from the Director for Communities and the Environment to request that Cabinet took an early decision, outside of fee and charges timeline, to agree future fees for green waste subscription. The decision needed to be taken early as the subscription service runs in line with the calendar year and would commence prior to budget council in February 2021.

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

Option 1: Freeze the charge at £40.00 for the next 2 subscription years
Advantages: Maintains the existing level of charge for users of the service. Provides a comparable basis for income forecasts in 2021/22. Offers residents a service that equates to £1.81 per collection.
Disadvantages: Income forecasts are of course based on estimates. If subscription numbers lower this will have a negative impact on the budget.
Risks: Service users choose not to subscribe to the service.
Option 2: Recommend a different level of charge (e.g. increase by inflation)
Advantages: Inflationary increases of 3% would budget for an additional £26,800 in revenue.
Disadvantages: No guarantee of achieving the additional figure if charges are increased.
Risks: Residents may choose not to subscribe due to increase which could lead to reduction in income May lead to increases in fly tipping.

The officer preferred option is Option1 on the basis that the current over achievement in income of £46,500 would cover any inflation rises and will assist in protecting subscriber numbers and income levels.

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

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

Councillors then voted:-

Resolved unanimously:

(1) That Cabinet authorises the officer's recommendation to freeze green waste subscription charges at £40.00 for a period of two years. This will be for the 2021/22 and 2022/23 financial years.

Officer responsible for effecting the decision:

Director for Communities and the Environment

Reasons for making the decision:

Freezing the subscription charges for the next two financial years should protect the retention of subscription numbers and income management. The decision is consistent with Council priorities with regard to a Sustainable district and Happy and Healthy Communities and with the Council's target to become carbon neutral by 2030.

72 CAPITAL INVESTMENT STRATEGY

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Executive that proposed a Capital Investment Strategy for 2020-21 to 2024/25, to cover all capital investments made by the Council. The Strategy reflected the aspirations of Council's Funding the Future, and the Medium-Term Financial Strategies.

The proposed Capital Investment Strategy was designed to cover all the Council's capital investments from 2020-21 to 2024-25, including projects and schemes that support:

- Economic Regeneration
- Delivery of a Social Return, for example Housing
- Income Generation including Property Investment
- Carbon Zero + Initiatives that address the Climate Emergency
- Operational Service Delivery

Whilst the Council delivered significant value in our district through its ongoing operations, capital investment provided the opportunity to deliver further long-term, sustainable outcomes in each of those areas. The Strategy proposed outcome targets against each of the workstreams listed above, underpinned by the processes, skills and capacity, and monitoring through which desired outcomes could be delivered.

Councillor Whitehead proposed, seconded by Councillor Hanson:-

"That Cabinet recommends that this draft of the Capital Investment Strategy and the associated appendices included at Appendix A be sent to the Budget & Policy Panel for

review. An updated version taking account of comments received should be considered by Cabinet, prior to being recommended for adoption by Full Council into the Budget & Policy Framework."

Councillors then voted:-

Resolved unanimously:

(1) That Cabinet recommends that this draft of the Capital Investment Strategy and the associated appendices included at Appendix A be sent to the Budget & Policy Panel for review. An updated version taking account of comments received should be considered by Cabinet, prior to being recommended for adoption by Full Council into the Budget & Policy Framework.

Officers responsible for effecting the decision:
Chief Executive
151 Officer

Reasons for making the decision:

The proposed Capital Investment Strategy supports the Medium-Term Financial Strategy. Capital and Investment Strategies form part of the Budget Framework and their adoption is a function of Full Council. The Council's Constitution requires that when a new or existing strategy is being considered, the Overview and Scrutiny Committee or Budget and Performance Panel have an opportunity to comment. If it considers it appropriate, Cabinet may then amend its proposals before submitting them to Council for consideration. The Budget and Performance Panel will have the opportunity to comment on the proposals at its meeting on 10 November 2020.

73 EXCLUSION OF THE PRESS AND PUBLIC

It was moved by Councillor Jackson and seconded by Councillor Whitehead:-

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

There was no dissent to the proposal.

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.

The 'Live' Teams meeting concluded at 8.58pm. Cabinet reconvened in a private Teams meeting to consider the exempt reports.

74 ARRANGEMENTS FOR REPAIR OF LODGE STREET PREMISES

The Chair advised the meeting that this report had been withdrawn from the agenda.

75 INVESTMENT PROPOSAL: SITE ACQUISITION (Pages 22 - 25)

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Director for Economic Growth and Regeneration with regard to an investment proposal: site acquisition. 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.

It was proposed by Councillor Whitehead, seconded by Councillor Hamilton-Cox resolved unanimously:-

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.

Officer responsible for effecting the decision:

Director for Economic Growth and Regeneration

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.

76 INVESTMENT PROPOSAL (Pages 26 - 29)

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Director for Economic Growth & Regeneration which 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.

It was proposed by Councillor Whitehead, seconded by Councillor Hanson and resolved:-

Resolved:

(7 Members (Councillors Brookes, Frea, Hanson, Lewis, Parr, Sinclair & Whitehead) voted in favour, 1 Member (Councillor Hamilton-Cox) voted against and 1 Member (Councillor Jackson) abstained.)

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.

Officer responsible for effecting the decision:

Director for Economic Growth & Regeneration

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 9.41 p.m.)

Any queries regarding these Minutes, please contact
Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk

MINUTES PUBLISHED ON MONDAY 2 NOVEMBER, 2020.

EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES: TUESDAY 10 NOVEMBER ,2020.

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

Document is Restricted

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

Document is Restricted

CABINET

11.00 A.M. **5TH NOVEMBER 2020**

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

Apologies for Absence:

Councillor Jean Parr

Officers in attendance:

Kieran Keane	Chief Executive
Mark Davies	Director for Communities and the Environment
Daniel Bates	Director of Corporate Services
Paul Thompson	Chief Financial Officer (Head of Finance & Section 151 Officer)
Luke Gorst	Head of Legal Services and Monitoring Officer
Debbie Chambers	Head of Democratic Services and Deputy Monitoring Officer
Liz Bateson	Principal Democratic Support Officer

77 DECLARATIONS OF INTEREST

There were no declarations of interest made at this point.

78 PUBLIC SPEAKING

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

At this point the Chair requested that standing order 17 (Cabinet Procedure Rule 17) be suspended to allow for questions to be taken from all members as the reports were introduced. The proposal was moved by Councillor Brookes, seconded by Councillor Frea and there was no dissent to the proposal.

Resolved unanimously:

(1) That Standing Order 17 (Cabinet Procedure Rule 17) be suspended.

79 LOCAL GOVERNMENT REFORM DEVELOPMENTS

(Cabinet Member with Special Responsibility Councillor Lewis)

Cabinet received a report from the Chief Executive to request Cabinet's endorsement of the outline case for a unitary authority for The Bay area and that Cabinet recommend this to council, noting that the Government had now requested unitary proposals from Cumbria be submitted on or before 9 November.

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

Option 1: Submit a proposal for a unitary council for The Bay
Advantages: This would mean that the opportunity and benefits of a unitary council, based on the footprint of the three councils around The Bay, would remain on the table and be considered by Government. Delivery of The Bay Prosperity and Resilience Strategy would be enhanced by unitary status with further influence over budgets and delivery of services on The Bay footprint. The district, representing the interests of its residents and businesses, will have a direct role in influencing development of unitary proposals building on between the strong relationships between the three councils, existing joint working arrangements and a shared health services footprint. The draft Outline Proposal at Appendix A highlights in more detail the economic, social and environmental benefits and opportunities which could be realised for residents and businesses.
Disadvantages: The benefits and opportunities highlighted in the draft Outline Proposal would be foregone if a proposal were not submitted as The Bay option will no longer be on the table. By not submitting a proposal, the Council would significantly reduce its influence in the reorganisation of local government and the ability to achieve reform rather than simply structural change. If The Bay option is no longer on the table, the default option for Lancaster district will be, if matters proceed further, to become part of a North Lancashire/ Blackpool unitary, for which no case has been made but which appears to offer few benefits for the district, in terms of building on shared services, TTWAs, economic and community links, shared purpose and strategy, other than at the pan Lancashire level.
Risks: The high-level case does not meet government requirements. This will be mitigated by ensuring compliance with criteria is clear and a compelling case is made based on evidence and public opinion. The three councils have secured strong external advice to ensure criteria can be met. Proposal does not gain support of local bodies and the public. Early communications suggest strong support for the proposal but further detailed engagement will highlight the views of partners and public. The councils would not wish to submit a proposal without strong local support Page 9 Local government reform distracts from other priorities. Although this is not an ideal time, the government has set the timetable for these developments and the Council can prioritise work to ensure the right arrangements that secure the best benefits for residents, for the short, medium and long term future, are agreed for the district.
Option 2: Do not submit a proposal for a unitary council for The Bay
Advantages: None
Disadvantages: Not submitting a proposal would mean that the opportunity and benefits of a unitary council, based on the footprint of the three councils around The Bay, would not be considered by Government alongside other proposals submitted. The benefits and opportunities identified in the draft outline proposal will not be realised for residents and businesses, if a proposal were not submitted. By not submitting a proposal, the Council would significantly reduce its influence in the reorganisation of local government. Loss of potential benefits to residents and businesses. If a proposal for The Bay is not submitted, it is understood that the Council will become part of a North Lancashire/ Blackpool unitary proposal, for which there does not appear to be any evidence that string economic, social and environmental benefits, equivalent to those identified for The Bay proposal, can be delivered.

Risks: The option of a North Lancashire / Blackpool unitary has not been developed and Lancashire has not been invited to submit at this early stage. However, if The Bay option does not remain on the table, this would be the only option available. There is no meaningful way to assess the impact of this on the district. Loss of local determination. If The Bay proposal is not submitted, local residents are likely to have no choice in terms of future unitary arrangements.

The officer preferred option is Option One as this allows The Bay to remain on the table as a unitary option that would include Lancaster district, allowing district leaders and communities a say in what happens in the future, building on the strong relationship and joint working around The Bay and enabling the delivery of identified economic, social and environmental benefits for the area.

Councillor Lewis proposed, seconded by Councillor Frea:-

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

Councillors then voted:-

Resolved unanimously:

(1) That Cabinet agrees the outline proposal as attached at Appendix 1 to the report and recommends it to Council for approval and submission to the Ministry of Housing, Communities and Local Government by 9 November 2020.

(2) That Cabinet recommends to Council that the Chief Executive and Leader are delegated to approve any minor amendments that may arise following consideration by South Lakeland and Barrow Councils prior to submission and to continue with the work on the final proposal.

(3) That Cabinet agrees that a final proposal can be submitted to a future meeting of Cabinet and Council prior to the requested deadline from Government of 9 December 2020, noting that a date of 8 December has been scheduled for this purpose.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

Exploring the case for reorganisation and reform will consider the benefits a change to local government could deliver for economic prosperity and resilience within the highly valued environment of Morecambe Bay, with opportunity to improve and maximise the wellbeing of residents. This accords with the Council’s priorities of working across boundaries to deliver economic prosperity, strong and involved communities, community wealth, health and well-being, social value and meeting the climate emergency. A key requirement of the proposal is that it demonstrates improvement to local government and service delivery and provide stronger strategic and local leadership across the area of the proposal. The draft Outline Proposal indicates the benefits it seeks to realise for the health, social, economic and environmental wellbeing of the area. The Full Proposal

when developed will provide a clear assessment of impact to inform the Council's decision on the Full Proposal.

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Chair

(The meeting ended at 11.54 a.m.)

Any queries regarding these Minutes, please contact
Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk

MINUTES PUBLISHED ON FRIDAY 6 NOVEMBER, 2020

THE DECISION TAKEN AT THIS MEETING (MINUTE 79) WAS NOT SUBJECT TO CALL-IN AS IT WAS REFERRED TO THE EXTRA ORDINARY COUNCIL MEETING HELD LATER THE SAME DAY.