



Committee: CABINET

Date: TUESDAY, 12 JULY 2022

Venue: MORECAMBE TOWN HALL

Time: 6.00 P.M.

A G E N D A

1. **Apologies**

2. **Minutes**

To receive as a correct record the minutes of Cabinet held on Tuesday, 7 June 2022 (previously circulated).

3. **Items of Urgent Business Authorised by the Leader**

To consider any such items authorised by the Leader and to consider where in the agenda the item(s) are to be considered.

4. **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.

5. **Public Speaking**

To consider any such requests received in accordance with the approved procedure.

Reports from Overview and Scrutiny

None

Reports

6. **UK Shared Prosperity Fund (Pages 3 - 8)**
(Cabinet Member with Special Responsibility Councillor Caroline Jackson)
Report of Chief Executive
7. **No. 1 Gateway, White Lund Industrial Estate, Morecambe – Roof/Cladding Refurbishment and Other Planned Landlord Works**
(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)
Report of Director for Economic Growth & Regeneration (report to follow)
8. **Appointment of Chair for Shareholders' Committee (Pages 9 - 12)**
(Cabinet Member with Special Responsibility Councillor Caroline Jackson)
Report of the Head of Housing

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Caroline Jackson (Chair), Kevin Frea (Vice-Chair), Dave Brookes, Gina Dowding, Tim Hamilton-Cox, Tricia Heath, Cary Matthews, Sandra Thornberry, Anne Whitehead and Jason Wood

(ii) Queries regarding this Agenda

Please contact Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk.

(iii) Changes to Membership, substitutions or apologies

Please contact Democratic Support, telephone 582170, or alternatively email democracy@lancaster.gov.uk.

MARK DAVIES,
CHIEF EXECUTIVE,
TOWN HALL,
DALTON SQUARE,
LANCASTER, LA1 1PJ

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CABINET

UK Shared Prosperity Fund Tuesday 12 July 2022

Report of Chief Executive

PURPOSE OF REPORT			
To set out the council's approach to developing an Investment Plan for the UK Shared Prosperity Fund (UKSPF), ahead of a subsequent Cabinet meeting to approve the Investment Plan itself on Tuesday 26 July 2022.			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date of notice of forthcoming key decision		13 June 2022	
This report is public			

RECOMMENDATIONS OF COUNCILLOR CAROLINE JACKSON

- (1) That Cabinet approve the development of a UK Shared Prosperity Fund (UKSPF) Investment Plan with the theme of “addressing the Climate Emergency”, seeking to utilise UKSPF investment to support initiatives that will contribute to the district’s environmental and decarbonisation goals.
- (2) That Cabinet approve a structure for evaluating UKSPF investments based on the Critical Success Factors set out in section 4 of this report.
- (3) That Cabinet consider in principle the possible inclusion of a blend of local investments alongside collaborative initiatives across Lancashire and Morecambe Bay in the Investment Plan, as set out in section 5 of this report.

1.0 Introduction

- 1.1 The UK Shared Prosperity Fund was launched on 13 April 2022. The £2.6bn aims to deliver on the government’s Levelling Up ambitions and replaces European structural funding (ESIF and ERDF).
- 1.2 The £2.6bn Fund has been allocated to each place (at district level for two-tier local authority areas) across three years from 2022-25 via a funding formula rather than a competitive process.
- 1.3 Each place’s allocation is subject to the development of a local Investment Plan, facilitated by the lead local authority for each place and submitted to government by the deadline of Monday 1 August 2022.
- 1.4 Lancaster City Council is the lead local authority for the Lancaster district, and is therefore responsible for developing and submitting the Investment Plan.
- 1.5 The Investment Plan must set out how the funding will be invested in accordance with the government’s three priorities for the Fund, as described in the Fund’s online Prospectus:

- Community and Place
- Supporting Local Business
- People and Skills

1.6 The Lancaster district's allocation totals £5,293,336 across the Fund's three-year lifecycle. This represents one of the highest allocations for any district authority in England. The funding is apportioned to release the highest level of resource during the third year (2024-25), with a year-by-year breakdown of revenue and capital shown below:

2022-23		2024-25		2025-26	
Revenue	Capital	Revenue	Capital	Revenue	Capital
£578,156	£64,240	£1,117,767	£167,023	£2,692,921	£673,230

2.0 Investment Plan Development Process

- 2.1 The UKSPF Prospectus sets out clear expectations for the development and delivery of local Investment Plans. The prescribed approach is based on a collaborative, inclusive model, working with a wide range of local cross-sector partners via a Local Partnership Group.
- 2.2 A Local Partnership Group has been convened based on the membership suggested in the UKSPF Prospectus. The group will meet three times during June and July 2022 in an advisory capacity, to shape and contribute to the Investment Plan development process.
- 2.3 The Investment Plan must be signed off by the lead local authority's Leader, Chief Executive and Chief Finance Officer before submission. This will be achieved via an additional Cabinet meeting on Tuesday 26 July 2022, to allow for finalisation and submission of the Plan ahead of the deadline on Monday 1 August 2022.
- 2.4 The council's process for developing an Investment Plan in line with the guidance in the Prospectus includes a number of steps, ongoing through June and July 2022 and summarised below:
- Engaging with local stakeholders
 - Holding focus group sessions on each of the UKSPF priorities
 - Inviting proposals for investment
 - Prioritising the 'interventions' prescribed in the Prospectus
 - Allocating funding to each priority and intervention
 - Completing the Investment Plan template with allocations and other contextual information

3.0 Overarching Theme: Addressing the Climate Emergency

- 3.1 It is proposed that the development and delivery of a robust and transformational UKSPF Investment Plan for the Lancaster district would be well served by a coherent, overarching theme or narrative to which each investment would contribute.
- 3.2 The council's prioritisation of addressing the Climate Emergency represents a strategic and logical opportunity around which the UKSPF Investment Plan could be focused.
- 3.3 The UKSPF Prospectus supports this approach, suggesting that investments should *'demonstrate the extent of contribution to net zero and nature*

recovery objectives' in line with government policy.

3.4 In practice, this would mean considering each potential UKSPF investment with the question "*how does this initiative contribute to addressing the Climate Emergency?*".

3.5 The cross-sector approach to UKSPF development and delivery supports the approach, recognising that the council's own decarbonisation activities will have a significant but small impact on the district's total emissions. A partnership approach to releasing investment in Climate Emergency initiatives through UKSPF could leverage substantial further resource and impact across sectors.

4.0 Critical Success Factors and Evaluation

4.1 Developing a robust Investment Plan in an equitable and transparent way will require a consistent set of evaluation criteria against which potential investments can be considered.

4.2 With "*addressing the Climate Emergency*" as the overarching theme, it is proposed that the following Critical Success Factors be adopted as the mechanism for evaluating investment proposals:

- **Climate Emergency:** how does this initiative contribute to addressing the Climate Emergency?
- **Affordable:** have funding sources been identified and can be delivered within budget?
- **Deliverable:** are delivery mechanisms clear?
- **Impact:** will the project have a significant impact on the UKSPF objectives for people in the Lancaster district?
- **Inclusive:** will the project contribute to equal access to opportunities for all people in society in the Lancaster district?
- **Collaborative:** will the project exploit its potential to maximise value for money across sectors, organisations and geographies?
- **Proven Track Record:** does the project or organisation have a record of successful local delivery?
- **Scalable:** can the project spend and output targets be flexibly increased or decreased in amount according to investment opportunities?

5.0 Potential Investment Types

5.1 The UKSPF Prospectus sets out an expectation that lead local authorities will take a collaborative approach to Investment Plan development and delivery, both across sectors and geographies where opportunities exist to do so.

5.2 The council's activities and communications on UKSPF have consistently reinforced the message that local partnership initiatives are strongly encouraged, to maximise the contribution and impact of all local partners.

5.3 It is also recognised that some UKSPF investment proposals may benefit from being scaled across a wider geography than the Lancaster district. In particular, there may be opportunities to collaborate advantageously across two geographies:

- The wider Lancashire area, where existing networks and collaborations could be successfully leveraged through UKSPF investment
- The functional economic area of Morecambe Bay (currently undergoing transition to the Westmorland & Furness unitary authority),

recognising that the Bay represents an existing footprint for both health and care as well as innovation and industry.

5.4 Initiatives covering the Lancashire and/or Morecambe Bay geographies may be proposed through the Investment Plan development process. Cabinet is asked to agree in principles that opportunities to invest UKSPF funds across a wider geography than the Lancaster district should be considered, where proposals are likely to deliver a positive impact against the investment criteria.

6.0 Details of Consultation

6.1 Within the timescale constraints of the UKSPF process, the council is undertaking extensive consultation in line with the UKSPF Prospectus, including:

- Specific stakeholder engagement across key local sectors
- Public focus groups covering each of the UKSPF priorities
- An open call for local partners to submit investment proposals
- A wide-ranging Local Partnership Group to advise and support the process

7.0 Options and Options Analysis (including risk assessment)

	Option 1: Approve the recommendations set out in the report	Option 2: Propose amendments to the suggested approach set out in the report
Advantages	Officers and members will be well-placed to continue and finalise a robust, inclusive and comprehensive Investment Plan development process.	With Cabinet as the responsible body for approving the Investment Plan, the views of Cabinet members are highly valuable to shaping the process. As such, the perspectives of members are welcomed in shaping the Investment Plan throughout its development.
Disadvantages	No specific disadvantages to this approach, other than officer and member time and input required to deliver a comprehensive process.	Adjustments to the proposed approach can be accommodated to a certain extent, depending on the level of disruption to the process and the fulfilment of the Investment Plan criteria set by government.
Risks	The timescales for developing and submitting an Investment Plan provide limited time for deliberation both within the council and across the Local Partnership Group. A proactive, transparent and engaging approach is required from all parties to deliver a really successful and transformation Investment Plan.	Any significant disruption to the process could compromise the council's ability to develop and submit an Investment Plan that fulfils and exceeds the criteria set out by government in the UKSPF Prospectus.

8.0 Officer Preferred Option (and comments)

8.1 The officer preferred option is Option 1. However, as set out in section 7, the views of Cabinet members are integral to developing and signing off a successful Investment Plan. Officers will accommodate the perspectives of members in shaping the Investment Plan wherever possible.

9.0 Conclusion

- 9.1 The UKSPF presents a clear opportunity for the council and its partners to contribute to shaping the future of the district's environment, economy and society. The Fund's criteria are strongly aligned with the council's Plan 2030 priorities, and focusing the Investment Plan on initiatives that will contribute to addressing the Climate Emergency provides an opportunity to create significant local impact beyond that which the council could achieve otherwise.
- 9.2 The Lancaster district has been allocated one of the highest levels of funding for a district authority in England. As such, this report sets out the key elements of the proposed robust, comprehensive and collaborative approach to developing and delivering a local Investment Plan.

RELATIONSHIP TO POLICY FRAMEWORK

The three priorities of the UKSPF – community and place, supporting local business, and people and skills – are closely aligned to the council's economic and social priorities in its Core Plan 2030.

The proposed approach to developing a UKSPF Investment Plan that contributes to addressing the Climate Emergency provides further strategic alignment.

The partnership-based Investment Plan development and delivery process supports the council's goals of partnership and enabling.

CONCLUSION OF IMPACT ASSESSMENT

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

The UKSPF Investment Plan is subject to the Public Sector Equality Duty; the Investment Plan proposed for approval in late July will be assessed for its equality impact.

LEGAL IMPLICATIONS

Legal Services has been consulted and has no concerns. Legal Services will be able to assist in respect of any future funding agreements should any Investment Plan be approved.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising from this report.

At this point in time, there is currently no budgetary provision to support this funding stream. As detailed in the section below, £211,733 will be available for administration of the scheme over the three-year cycle and this will be used as appropriate, with the remainder of internal resource requirements needing to be managed from within existing budgets.

OTHER RESOURCE IMPLICATIONS

Human Resources:

The UKSPF Prospectus allocates 4% of each place's total funding for local authorities to administer the Fund. Based on the Lancaster district's allocation, this would provide £211,733 across the Fund's three-year lifecycle.

It is proposed that this funding be utilised to provide administrative resource within the council's workforce, in accordance with relevant council policies and procedures.

Information Services:

No direct implications, although some funding initiatives may have an impact.

Property:

No direct implications, although some funding initiatives may have an impact.

Open Spaces:

No direct implications, although some funding initiatives may have an impact.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer would request that both Members and Officers consider that the Council currently has a significant structural budget deficit and so funding initiatives will need to be (at a minimum) cost neutral to the Council, or be subject to the usual arrangements surrounding the support of items not included within the budget framework.

MONITORING OFFICER'S COMMENTS

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

BACKGROUND PAPERS

N/A

Contact Officer: Chief Executive

Telephone: 01524 582011

E-mail: chiefexecutive@lancaster.gov.uk

Ref: [Click here and type Ref, if applicable]

CABINET

**Appointment of Chair for Shareholders'
Committee
12th July 2022**

Report of Head of Housing

PURPOSE OF REPORT				
The report seeks to appoint a Chair of the Shareholders' Committee for Morehomes for the Bay (Developments) Limited and Morehomes for the Bay (Investments) Limited.				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input checked="" type="checkbox"/>	Referral from Cabinet Member
Date of notice of forthcoming key decision	N/A			
This report is public				

RECOMMENDATION:

- (1) That Cabinet discuss and nominate a Chair of the Shareholders' Committee for Morehomes for the Bay (Developments) Limited, and Morehomes for the Bay (Investments) Limited, in accordance with the Shareholders' Agreement.

1.0 Introduction

- 1.1 Morehomes for the Bay (Developments) Limited and Morehomes for the Bay (Investments) Limited were incorporated on 21st June 2021. Since that time Officers have been working on preparation of a Company Business Plan as well as exploring options for future business for the companies.

- 1.2 Prior to bringing related matters forward to the Shareholders Committee for consideration, the Council is required to nominate a Chairperson of the Shareholders' Committee, as outlined within the Shareholders' Agreement Terms of Reference (paragraph 2.3), as signed on 23rd September 2021.

2.0 Details of Consultation

- 2.1 Consultation has not been required – as per the Shareholders Committee Terms of Reference the Council should appoint the Chair of the Committee.

3.0 Options and Options Analysis (including risk assessment)

	Option 1: Appoint a Chair of the Shareholders' Committee (Morehomes for the Bay (Investments) Limited and Morehomes for the Bay (Developments) Limited).	Option 2: Do not appoint a Chair of the Shareholders' Committee (Morehomes for the Bay (Investments) Limited and Morehomes for the Bay (Developments) Limited).
Advantages	The Morehomes for the Bay companies will be able to proceed in bringing forward future related items of business to the Shareholders' Committee and Cabinet.	None known.
Disadvantages	None known.	Not appointing a Chair of the Shareholders' Committee will result in business of the Companies not being able to be progressed.
Risks	No specific risks known.	Not appointing a Chair of the Shareholders' Committee will result in business of the Companies not being able to be progressed, this will effectively result in the Companies being unable to perform its required functions and being unable to progress any of its intended work.

4.0 Officer Preferred Option (and comments)

- 4.1 The officer preferred option is Option 1. Appointing a Chair of the Shareholders' Committee will result in meetings of the Shareholders' Committee being able to be convened and undertaken and items of required business being able to be brought forward and discussed.

5.0 Conclusion

- 5.1 The report outlines the need to appoint a Chair of the Shareholders Committee to assist with the Companies being able to progress programmes of work.

RELATIONSHIP TO POLICY FRAMEWORK

Whilst the decision contained within this report has limited scope / links to Policy Framework the establishment of Morehomes for the Bay can be seen to directly link with the following:

Council Priorities – Happy and Healthy Communities, a Sustainable District, an Inclusive and Prosperous Local Economy Local Plan – contributes towards the provision of housing to meet a locally identified need and opportunities to increase the choice and supply of good quality housing. Housing Strategy – directly aligns to the key actions identified in the Homes Strategy for Lancaster district 2020-2025.

CONCLUSION OF IMPACT ASSESSMENT

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

The specific decision within this report has limited scope in terms of impact, the establishment of the Morehomes for the Bay companies has previously been noted as not having any adverse impacts and should have some positive impacts particularly on climate change, equality and wellbeing / social value once operational.

LEGAL IMPLICATIONS

There are no legal implications stemming from this report.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising from this report.

OTHER RESOURCE IMPLICATIONS

Human Resources:

There are no Human Resource implications arising from this report.

Information Services:

There are no Information Services implications arising from this report.

Property:

There are no Property implications arising from this report.

Open Spaces:

There are no Open Spaces implications arising from this report.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and has no comments to add

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no comments to add

BACKGROUND PAPERS

Update on the Housing Latco – 2nd
March 2021 Cabinet.

Contact Officer: Jo Wilkinson

Telephone: 01524 582762

E-mail: jowilkinson@lancaster.gov.uk

Ref: N/A