



**LANCASTER**  
**CITY COUNCIL**

*Promoting City, Coast & Countryside*

# COUNCIL MEETING

**Wednesday, 25 September 2024 -  
6.00 p.m.  
Morecambe Town Hall**

*Lancaster City Council welcomes members of the public to attend meetings. However, space in the public gallery is limited to 30 seats due to Fire Regulations. The seats are allocated on a first come, first served basis and no standing is permitted. Meetings are livestreamed please click [HERE](#) to watch using MS Teams. Please contact Democratic Support via email [democracy@lancaster.gov.uk](mailto:democracy@lancaster.gov.uk) if you wish to register to speak or ask a question at this meeting. The deadline to register is 12pm on Friday 20 September.*

Mark Davies,  
Chief Executive,  
Town Hall,  
Dalton Square,  
LANCASTER,  
LA1 1PJ



# LANCASTER CITY COUNCIL

*Promoting City, Coast & Countryside*

Sir/Madam,

You are hereby summoned to attend a meeting of the Lancaster City Council to be held in the Town Hall, Morecambe on Wednesday, 25 September 2024 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 24 July 2024 (previously circulated).

3. **DECLARATIONS OF INTEREST**

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

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

Whilst not a legal requirement, in accordance with Council Procedure Rule 9 and in the interests of clarity and transparency, Councillors should declare any disclosable pecuniary interests which they have already declared in the Register, at this point in the meeting.

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

4. **ITEMS OF URGENT BUSINESS**

5. **ANNOUNCEMENTS**

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

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

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

7. **PETITIONS AND ADDRESSES**

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

**OTHER BUSINESS**

8. **PROVISIONAL REVENUE, CAPITAL AND TREASURY MANAGEMENT OUTTURN 2023/2024** (Pages 4 - 21)

Report of Chief Finance Officer.

Published 19 September 2024

9. **ALLOCATION OF SEATS TO POLITICAL GROUPS** (Pages 22 - 26)

Report of Senior Manager, Democratic Support and Elections.

10. **APPOINTMENT TO AN OUTSIDE BODY - LANCASTER CHARITY** (Pages 27 - 28)

Report of Senior Manager, Democratic Support and Elections.

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

Group Administrators to report any changes to Committee Membership.

12. **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.

13. **MINUTES OF CABINET** (Pages 29 - 39)

To receive the Minutes of Meeting of Cabinet held 9 and 31 July 2024.



.....  
Chief Executive

Town Hall,  
Dalton Square,  
LANCASTER,  
LA1 1PJ

Published on, 17 September 2024.

**COUNCIL**

**Annual Treasury Management Outturn Report  
2023/24**

**25 September 2024**

**Report of Chief Finance Officer**

**PURPOSE OF REPORT**

This report seeks Council’s consideration of various matters in connection with the annual Treasury Management outturn report for 2023/24.

**This report is public.**

**RECOMMENDATIONS**

It is recommended that Council:

- (1) **Notes the Annual Treasury Management 2023/24 outturn report and Prudential Indicators as set out at Appendix 1.**

**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 The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals. During 2023/24 the minimum reporting requirements are that the Full Council should receive the following reports:

- an annual treasury strategy in advance of the year (22 February 2023)
- a mid-year (minimum) treasury update report (13 December 2023)
- an annual review following the end of the year describing the activity compared to the strategy (This Report)

1.3 At the Cabinet meeting held on 10 September and Budget & Performance Panel 18 September 2024, Members noted the annual Treasury Management outturn report for 2023/24.

**2.0 TREASURY MANAGEMENT & PRUDENTIAL INDICATORS**

2.1 The report sets out the performance of treasury operations for 2023/24 in terms of long- and short-term borrowing, investment activities and relevant borrowing limits and prudential indicators. Under CIPFA's Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) it is a requirement that an information report on these matters be presented to full Council as well as Cabinet.

**3.0 DETAILS OF CONSULTATION**

3.1 As noted in previously in accordance with the Code requirements both Cabinet and Budget and Performance Panel have considered this report, the minutes of these meetings are available on the Council's website. In addition, officers have liaised with Link Asset Services, the Council's Treasury Advisors, throughout the year.

**4.0 OPTIONS AND OPTIONS ANALYSIS**

4.1 As the report is for noting no additional options are presented.

**5.0 CONCLUSION**

5.1 In considering the Treasury Management outturn position, the Council will have met its statutory and regularity requirements for the 2024/23 financial year.

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

None associated with this report

**LEGAL IMPLICATIONS**

There are no legal implications arising from this report.

**FINANCIAL IMPLICATIONS**

As set out in Appendix A.

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

None associated with this report

**SECTION 151 OFFICER'S COMMENTS**

This report forms part of the Chief Finance Officer's responsibilities, under his role as s151 Officer.

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

None

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**Telephone:** 01524 582603

**Email:** [pthompson@lancaster.gov.uk](mailto:pthompson@lancaster.gov.uk)

**Ref:** N/A

# **Annual Treasury Management Report**

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## **2023/24**

Presented to: Cabinet 10 September 2024  
Budget & Performance Panel 18 September 2024  
Council 25 September 2024

# Annual Treasury Management Review 2023/24

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## Purpose

The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2023/24. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2023/24 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 22 February 2023)
- a mid-year (minimum) treasury update report (Council 13 December 2023)
- an annual review following the end of the year describing the activity compared to the strategy (this report).

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

The Council confirms that it has complied with the requirement under the Code to give prior scrutiny (by Budget and Performance Panel) to all of the above treasury management reports before they were reported to the full Council.

## Introduction and Background

This report summarises the following:-

- Capital activity during the year;
  - Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
  - The actual prudential and treasury indicators;
  - Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
  - Summary of interest rate movements in the year;
  - Detailed debt activity; and
  - Detailed investment activity.
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## 1. The Council's Capital Expenditure and Financing 2023/24

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

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

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

General Fund (GF) £M	2022/23 Actual	2023/24 Estimate	2023/24 Actual
<b>Capital expenditure</b>	<b>10.44</b>	<b>23.97</b>	<b>7.60</b>
Financed in year	(5.83)	(10.85)	(4.01)
<b>Unfinanced capital expenditure (i.e. reliant on an increase in underlying borrowing need)</b>	<b>4.61</b>	<b>13.12</b>	<b>3.59</b>

HRA £M	2022/23 Actual	2023/24 Estimate	2023/24 Actual
<b>Capital expenditure</b>	<b>5.31</b>	<b>7.22</b>	<b>6.76</b>
Financed in year	(5.31)	(7.22)	(6.76)
<b>Unfinanced capital expenditure (i.e. reliant on an increase in underlying borrowing need)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## 2. The Council's Capital Financing Requirement 2023/24

The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2023/24 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

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

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

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

The total CFR can also be reduced by:

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

The Council's 2023/24 MRP Policy (as required by CLG Guidance) was approved as part of the Treasury Management Strategy Report for 2023/24 on 22 February 2023.

The Council's CFR for the year is shown below, and represents a key prudential indicator.

No borrowing has actually been required against these schemes, however, as cash supporting the Council's reserves, balances and cash flow has been used as an interim measure

CFR (£M): General Fund	31 March 2023 Actual	31 March 2024 Estimate	31 March 2024 Actual
<b>Opening balance</b>	<b>58.96</b>	<b>63.56</b>	<b>63.56</b>
Add unfinanced capital expenditure (as above)	4.61	13.12	3.59
Less MRP	(0.01)	(2.63)	(2.66)
Less finance lease repayments	0.00	0.00	0.00
<b>Closing balance</b>	<b>63.56</b>	<b>74.05</b>	<b>64.49</b>

CFR (£M): HRA	31 March 2023 Actual	31 March 2024 Estimate	31 March 2024 Actual
<b>Opening balance</b>	<b>36.18</b>	<b>35.13</b>	<b>35.13</b>
Add unfinanced capital expenditure (as above)	0.00	0.00	0.00
Less Debt Repayment	(1.05)	(1.04)	(1.04)
<b>Closing balance</b>	<b>35.13</b>	<b>34.09</b>	<b>34.09</b>

CFR (£M): Combined	31 March 2023 Actual	31 March 2024 Estimate	31 March 2024 Actual
<b>Opening balance</b>	<b>95.14</b>	<b>98.69</b>	<b>98.69</b>

CFR (£M): Combined	31 March 2023 Actual	31 March 2024 Estimate	31 March 2024 Actual
Add unfinanced capital expenditure (as above)	4.61	13.12	3.59
Less Debt Repayment, Finance Leases and MRP	(1.06)	(3.67)	(3.70)
<b>Closing balance</b>	<b>98.69</b>	<b>108.14</b>	<b>98.58</b>

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

**Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2023/24) plus the estimates of any additional capital financing requirement for the current (2024/25) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2023/24. The table below highlights the Council's gross borrowing position against the CFR. The Treasury Management Strategy for 2023/24 estimated that some borrowing in advance may be undertaken but was within the forecast CFR for the next two years. The Council has, therefore, complied with this prudential indicator.

£M	31 March 2023 Actual	31 March 2024 Estimate	31 March 2024 Actual
Gross borrowing position	59.01	73.47	57.96
CFR	98.69	108.14	98.58

**The authorised limit** - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2023/24 the Council has maintained gross borrowing within its authorised limit.

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

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

	2023/24 Actual
Authorised limit	£115.00M
Maximum gross borrowing position	£57.96M
Operational boundary	£99.00M
Average gross borrowing position	£58.65M
Financing costs as a proportion of net revenue stream - GF	17.98%

Financing costs as a proportion of net revenue stream - HRA

17.52%

### 3. Treasury Position as at 31 March 2024

The Council's debt and investment position is administered to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the end of 2023/24 the Council's treasury position was as follows:

DEBT PORTFOLIO	31 March 2023 Principal £M	Average Rate %	Average Life yrs	31 March 2024 Principal £M	Average Rate %	Average Life yrs
Fixed rate funding:						
PWLB	59.01	4.78	30	57.96	4.81	29
<b>Total debt</b>	<b>59.01</b>			<b>57.96</b>		
<b>CFR</b>	<b>98.69</b>			<b>98.59</b>		
<b>Over / (under) borrowing</b>	<b>(39.69)</b>			<b>(40.63)</b>		

The loan repayment schedule is as follows:

	31 March 2024 Actual £M
Under 12 months	1.04
12 months and within 24 months	1.04
24 months and within 5 years	3.12
5 years and within 10 years	5.21
10 years and within 20 years	8.35
20 years and within 30 years	0.00
More than 30 years	39.20

All investments were placed for under one year.

INVESTMENT PORTFOLIO	31 March 2023 £M	31 March 2023 %	31 March 2024 £M	31 March 2024 %
Money Market Funds	4.00	17.00	0.50	5.00
Other Local Authorities	20.00	83.00	10.00	95.00
<b>Total investments</b>	<b>24.00</b>		<b>10.50</b>	

The average rate of interest payable on PWLB debt in 2023/24 was 4.82%. A total of £2.82M interest was incurred during the year, of which £1.68M was recharged to the HRA.

#### *Interest Payable*

	2023/24
Estimate	£2.82M
Actual	£2.82M

## 4. The Strategy for 2023/24

Investment returns picked up throughout the course of 2023/24 as central banks, including the Bank of England, realised that inflationary pressures were not transitory, and that tighter monetary policy was called for.

Starting April at 4.25%, Bank Rate moved up in stepped increases of either 0.25% or 0.5%, reaching 5.25% by August. By the end of the financial year, no further increases were anticipated.

The change in investment rates meant that local authorities continued to be faced with the challenge of pro-active investment of surplus cash, and this emphasised the need for a detailed working knowledge of cash flow projections so that the appropriate balance between maintaining cash for liquidity purposes, and “laddering” deposits on a rolling basis to lock in the increase in investments rates as duration was extended, became an ongoing feature of the investment landscape.

While the Council has taken a prudent approach to investing surplus monies, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the Global Financial Crisis of 2008/09. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

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

*Against a backdrop of stubborn inflationary pressures, the Russian invasion of Ukraine, and war in the Middle East, UK interest rates have continued to be volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2023/24.*

*Markets have sought an end to central banks’ on-going phase of keeping restrictive monetary policy in place on at least one occasion during 2023/24 but to date only the Swiss National Bank has cut rates and that was at the end of March 2024.*

*UK, EZ and US 10-year yields have all stayed stubbornly high throughout 2023/24. The table below provides a snapshot of the conundrum facing central banks: inflation is easing, albeit gradually, but labour markets remain very tight by historical comparisons, making it an issue of fine judgment as to when rates can be cut.*

	UK	Eurozone	US
<b>Bank Rate</b>	5.25%	4%	5.25%-5.5%
<b>GDP</b>	-0.3%q/q Q4 (-0.2%y/y)	+0.0%q/q Q4 (0.1%y/y)	2.0% Q1 Annualised

<b>Inflation</b>	3.4%/y/y (Feb)	2.4%/y/y (Mar)	3.2%/y/y (Feb)
<b>Unemployment Rate</b>	3.9% (Jan)	6.4% (Feb)	3.9% (Feb)

*The Bank of England sprung no surprises in their March meeting, leaving interest rates at 5.25% for the fifth time in a row and, despite no MPC members no longer voting to raise interest rates, it retained its relatively hawkish guidance. The Bank's communications suggest the MPC is gaining confidence that inflation will fall sustainably back to the 2.0% target. However, although the MPC noted that "the restrictive stance of monetary policy is weighing on activity in the real economy, is leading to a looser labour market and is bearing down on inflationary pressures", conversely it noted that key indicators of inflation persistence remain elevated and policy will be "restrictive for sufficiently long" and "restrictive for an extended period".*

*Of course, the UK economy has started to perform a little better in Q1 2024 but is still recovering from a shallow recession through the second half of 2023. Indeed, Q4 2023 saw negative GDP growth of -0.3% while y/y growth was also negative at -0.2%.*

*But it was a strange recession. Unemployment is currently sub 4%, against a backdrop of still over 900k of job vacancies, and annual wage inflation is running at above 5%. With gas and electricity price caps falling in April 2024, the CPI measure of inflation - which peaked at 11.1% in October 2022 – is now due to slide below the 2% target rate in April and to remain below that Bank of England benchmark for the next couple of years, according to Capital Economics. The Bank of England still needs some convincing on that score, but upcoming inflation and employment releases will settle that argument shortly. It is noted that core CPI was still a heady 4.5% in February and, ideally, needs to fall further.*

*Shoppers largely shrugged off the unusually wet weather in February, whilst rising real household incomes should support retail activity throughout 2024. Furthermore, the impact of higher interest rates on household interest payments is getting close to its peak, even though fixed rate mortgage rates on new loans have shifted up a little since falling close to 4.5% in early 2024.*

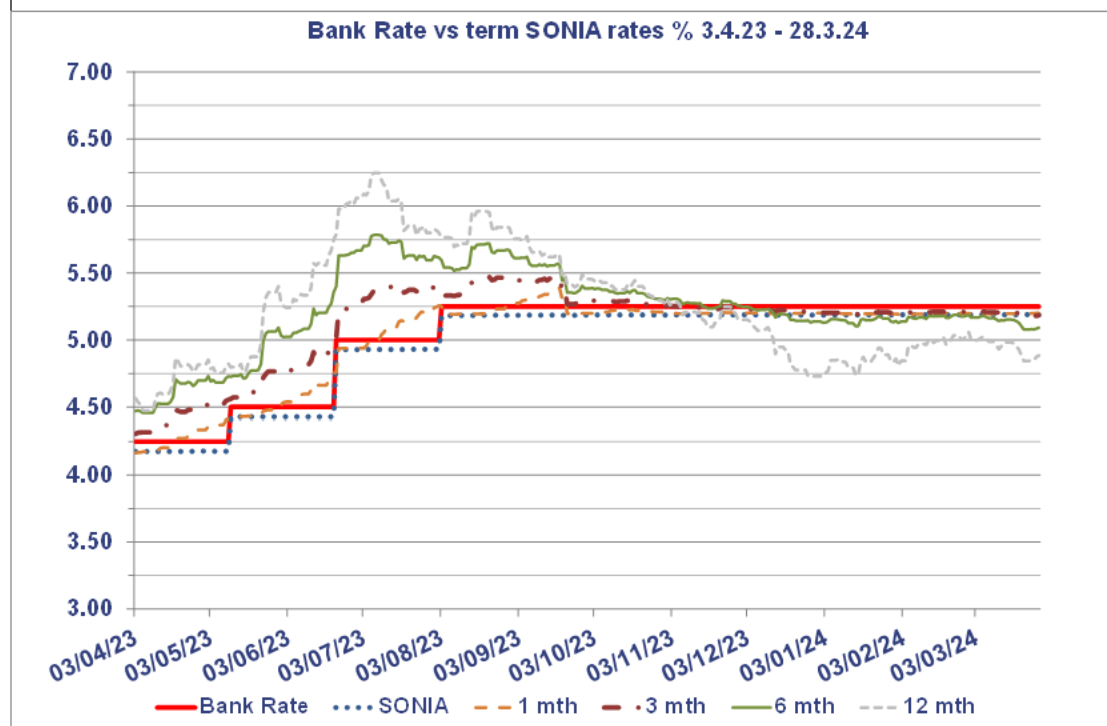
*From a fiscal perspective, the further cuts to national insurance tax (from April) announced in the March Budget will boost real household disposable income by 0.5 - 1.0%. After real household disposable income rose by 1.9% in 2023, Capital Economics forecast it will rise by 1.7% in 2024 and by 2.4% in 2025. These rises in real household disposable income, combined with the earlier fading of the drag from previous rises in interest rates, means GDP growth of 0.5% is envisaged in 2024 and 1.5% in 2025. The Bank of England is less optimistic than that, seeing growth struggling to get near 1% over the next two to three years.*

*As for equity markets, the FTSE 100 has risen to nearly 8,000 and is now only 1% below the all-time high it reached in February 2023. The modest rise in UK equities in February was driven by strong performances in the cyclical industrials and consumer discretionary sectors, whilst communications and basic materials have fared poorly.*

*Despite its performance, the FTSE 100 is still lagging behind the S&P 500, which has been at an all-time high for several weeks.*



## Investment Benchmarking Data – Sterling Overnight Index Averages (Term) 2023/24



## 6. Borrowing Strategy and Control of Interest Rate Risk

During 2023/24, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement set out in paragraph 2), was not fully funded with loan debt. This strategy was prudent as although near-term investment rates were equal to, and sometimes higher than, long-term borrowing costs, the latter are expected to fall back through 2024 and 2025 as inflation concerns are dampened.

The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when the authority may not be able to avoid new borrowing to finance capital expenditure.

Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Section 151 Officer therefore monitored interest rates in financial markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risk:

- if it had been felt that there was a significant risk of a sharp FALL in long and short term rates, (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings would have been postponed, and potential rescheduling from fixed rate funding into short term borrowing would have been considered.
- if it had been felt that there was a significant risk of a much sharper RISE in long and short term rates than initially expected, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.

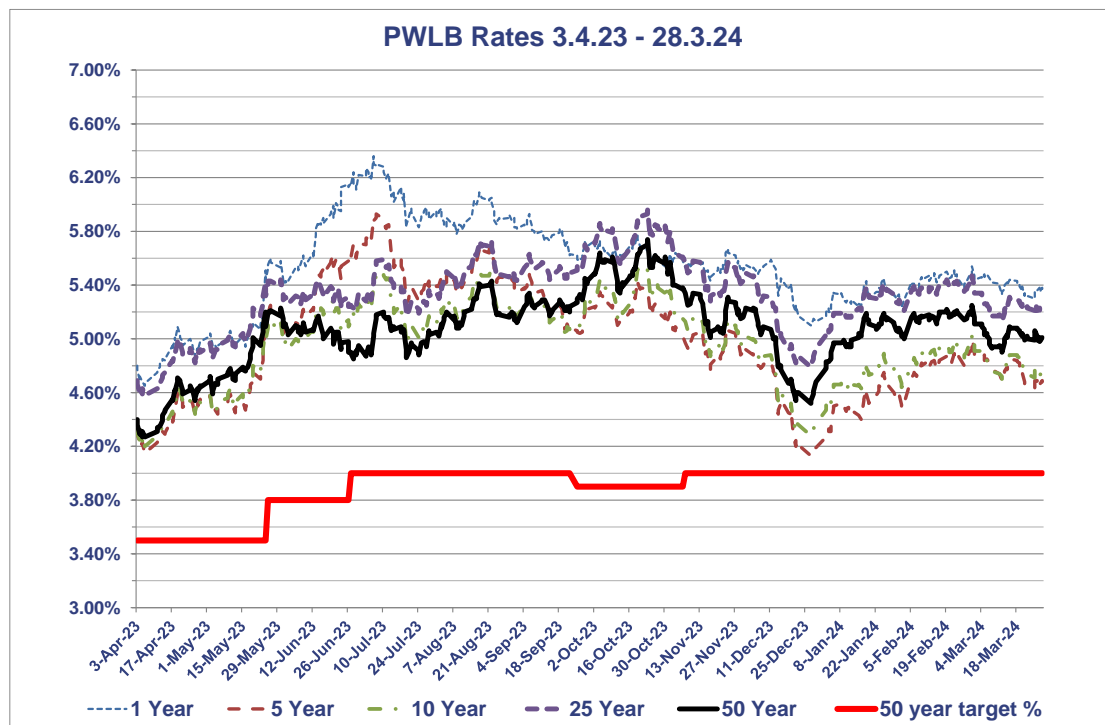
Interest rate forecasts initially suggested further gradual rises in short, medium and longer-term fixed borrowing rates during 2023/24. Bank Rate had initially been forecast to peak at 4.5% but is now expected to have peaked at 5.25%.

By January it had become clear that inflation was moving down significantly from its 40-year double-digit highs, and the Bank of England signalled in March 2024 that the next move in Bank Rate would be down, so long as upcoming inflation and employment data underpinned that view. Currently the CPI measure of inflation stands at 3.4% but is expected to fall materially below 2% over the summer months and stay there in 2025 and 2026. Nonetheless, there remain significant risks to that central forecast, mainly in the form of a very tight labour market putting upward pressure on wages, and continuing geo-political inflationary risks emanating from the prevailing Middle East crisis and the Russian invasion of Ukraine.

Forecasts at the time of approval of the treasury management strategy report for 2023/24 were as follows:

	Mar-23	Mar-24	Mar-25	Dec-25
Bank Rate	4.25	4.00	3.00	2.50
3 Month average earnings	4.30	4.00	3.00	2.50
6 Month average earnings	4.50	4.10	3.00	2.60
12 Month average earnings	4.70	4.20	3.10	2.70
5yr PWLB rate	4.20	3.90	3.40	3.10
10yr PWLB rate	4.30	4.00	3.50	3.30
25yr PWLB rate	4.60	4.20	3.70	3.50
50yr PWLB rate	4.30	3.90	3.50	3.20

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





	1 Year	5 Year	10 Year	25 Year	50 Year
<b>Low</b>	4.65%	4.13%	4.20%	4.58%	4.27%
<b>Date</b>	06/04/2023	27/12/2023	06/04/2023	06/04/2023	05/04/2023
<b>High</b>	6.36%	5.93%	5.53%	5.96%	5.74%
<b>Date</b>	06/07/2023	07/07/2023	23/10/2023	23/10/2023	23/10/2023
<b>Average</b>	5.54%	4.99%	4.97%	5.34%	5.08%
<b>Spread</b>	1.71%	1.80%	1.33%	1.38%	1.47%

## 7. Borrowing Outturn for 2023/24

### Borrowing

No long-term borrowing was undertaken during the year.

### Borrowing in advance of need

The Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

### Rescheduling

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

## 8. Investment Outturn for 2023/24

**Investment Policy** – the Council’s investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by the Council on 22 February 2023. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

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

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

Balance Sheet Resources (£M)	General Fund		HRA		TOTAL	
	31/03/23	31/03/24	31/03/23	31/03/24	31/03/23	31/03/24
Balances	11.68	10.33	0.62	0.75	12.30	11.08
Earmarked reserves	13.63	17.14	10.31	6.93	23.94	24.07
Provisions	4.74	3.98	0.00	0.00	4.74	3.98
Working Capital	15.06	7.28	3.96	3.58	19.02	10.86
<b>Total</b>	<b>45.11</b>	<b>38.73</b>	<b>14.89</b>	<b>11.26</b>	<b>60.00</b>	<b>49.99</b>
<b>Amount Over/(Under) Borrowed</b>						<b>(40.61)</b>
<b>Baseline Investment Balances</b>						<b>9.38</b>

**Investments held by the Council** - the Council maintained an average investment balance of £32.42M of internally managed funds. The average rate of interest earned for the year was 4.90%. The weighted average rate of interest being earned on the investment portfolio at the end of the year is also given. These rates are compared to the average base rate and average 7- day SONIA (Sterling Overnight Index Average).

	2023/24
Lancaster CC Investments full year	4.90
Lancaster CC Investments weighted average at 31 March	5.58
Base Rate	5.03
7 day SONIA rate	4.96

The actual interest earned in 2023/24 was £1.604M.

## 10. Other Risk Management Issues

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

The 2021 CIPFA codes and guidance notes have placed further 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 other types of investment instruments, this change in risk appetite and policy should be brought to members' attention in treasury management update reports.

**LANCASTER CITY COUNCIL**  
**TREASURY MANAGEMENT POLICY STATEMENT**

**Last reported to Council on 28 February 2024**

This reflects the revised CIPFA Treasury Management Code of Practice (Code updated in 2021)

1. This organisation defines its treasury management activities as:  
  
“The management of the authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.
  
  2. This organisation regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation and any financial instruments entered into to manage these risks.
  
  3. This organisation acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.
-

## Treasury Management Glossary of Terms

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

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

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

E.g. a 30 year gilt is issued in 1994 at £1, bearing interest of 8%. In 1999 the market value of the gilt is £1.45. The yield on that gilt is calculated as  $8\%/1.45 = 5.5\%$ .

See also PWLB.

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

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

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**Allocation of Seats to Political Groups**

**25 September 2024**

**Report of the Senior Manager, Democratic Support and Elections**

<b>PURPOSE OF REPORT</b>
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, including the adjustments set out in the table in 3.4 of the report.**

**1.0 Introduction.**

- 1.1 There has been a change since the calculation was agreed at the last Council meeting on 24 July 2024, as a result of Councillor Phil Bradley leaving the Labour group and becoming a non-aligned Independent Councillor.
- 1.2 It should be noted that there is currently a vacancy, following the resignation of Labour Councillor Sophie Maddocks, until a by-election is held on 3 October. Following that by-election, a new calculation will be submitted to the November Council meeting.

**2.0 Change in Composition of the Council**

- 2.1 The make-up of the Council is now:

Green	22
Labour	21
Liberal Democrats	7
Conservative	5
MBIs	3
Non-aligned Independent	2
Vacant	1
	61

- 2.2 The table below shows the changes required across all 78 committee seats based upon the revised political composition of the Council.

### 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 15 Member Committee (Planning Regulatory)

Green	$22/58 \times 15 = 5.6897$	(6)
Labour	$21/58 \times 15 = 5.4310$	(5)
Liberal Democrat	$7/58 \times 15 = 1.8103$	(2)
Conservative	$5/58 \times 15 = 1.2931$	(1)
MBI	$3/58 \times 15 = 0.7759$	(1)
	<b>Total</b>	<b>(15)</b>

#### 10 Member Committee (Licensing Regulatory)\*

Green	$22/58 \times 10 = 3.7931$	(4)
Labour	$21/58 \times 10 = 3.6207$	(4)
Liberal Democrat	$7/58 \times 10 = 1.2069$	(1)
Conservative	$5/58 \times 10 = 0.8621$	(1)
MBI	$3/58 \times 10 = 0.5172$	(0)
	<b>Total</b>	<b>(10)</b>

\*Figures rounded up total eleven; so the group with the smallest residual is rounded down (MBI)

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

Green	$22/58 \times 9 = 3.4138$	(3)
Labour	$21/58 \times 9 = 3.2586$	(3)
Liberal Democrat	$7/58 \times 9 = 1.0862$	(1)
Conservative	$5/58 \times 9 = 0.7759$	(1)
MBI	$3/58 \times 9 = 0.4655$	(1)
	<b>Total</b>	<b>(9)</b>

\*Figures rounded up total 8; so the group with the largest residual is rounded up (MBI)

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

Green	$22/58 \times 7 = 2.6552$	(3)
Labour	$21/58 \times 7 = 2.5345$	(2)
Liberal Democrat	$7/58 \times 7 = 0.8448$	(1)
Conservative	$5/58 \times 7 = 0.6034$	(1)
MBI	$3/58 \times 7 = 0.3621$	(0)
	<b>Total</b>	<b>(7)</b>

\*Figures rounded. However there are only seven seats on each committee so the group with the smallest residual (Labour) is rounded down.

3.3 If all the Committees could be calculated individually, as shown above, the result for the 78 places would give an overall total out of the 78 seats of:-

Green	$6+4+6+15$	$= 31$
Labour	$5+4+6+10$	$= 25$
Liberal Democrat	$2+1+2+5$	$= 10$

Conservative	1+1+2+5	=	9
MBI	1+0+2+0	=	<u>3</u>
	<b>TOTAL</b>		<b><u>78</u></b>

3.4 However, the individual committee calculations are a guide only to the balanced composition of each committee. 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 below under the column “September 2024”. The necessary adjustments are shown in the highlighted right-hand column of that same table.

	July 2024	Actual	Rounded	September 2024	Actual	Rounded	Change
<b>Green</b>	22/60x78	28.5999	<b>29</b>	22/58x78	29.5862	<b>30</b>	<b>+1</b>
<b>Labour</b>	23/60x78	29.8999	<b>30</b>	21/58x78	28.2414	<b>28</b>	<b>-2</b>
<b>Lib Dem</b>	7/60x78	9.0999	<b>9</b>	7/58x78	9.4138	<b>9</b>	<b>-</b>
<b>Cons</b>	5/60x78	6.4999	<b>6</b>	5/58/78	6.7241	<b>7</b>	<b>+1</b>
<b>MBI</b>	3/60x78	3.9000	<b>4</b>	3/58/78	4.0345	<b>4</b>	<b>-</b>
	TOTAL		<b>78</b>	TOTAL		<b>78</b>	

**4.0 Conclusion**

- 4.1 Members are requested to agree the new calculation so that the appropriate adjustments can be made.
- 4.2 Democratic Support has been informed that the Labour Group will be passing one seat on the Planning Committee to the Green Group and one seat on the Appeals Committee to the Conservative Group - following this change to the political composition of the Council. Those adjustments will be dealt with under the standing item on this agenda regarding changes to committee memberships.

<p><b>CONCLUSION OF IMPACT ASSESSMENT</b>  <b>(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</b></p> <p>There are no direct implications as a result of this report.</p>
<p><b>FINANCIAL IMPLICATIONS</b></p> <p>There are no financial implications as a direct result of this report.</p>
<p><b>SECTION 151 OFFICER’S COMMENTS</b></p> <p>The Section 151 Officer has been consulted and has no comments.</p>
<p><b>LEGAL IMPLICATIONS</b></p>



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

## 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 be 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 reinforces 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 be 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.”*

<b>COUNCIL</b>
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## Appointments to an Outside Body – Lancaster Charity

**25 September 2024**

### Report of the Senior Manager, Democratic Support and Elections

<b>PURPOSE OF REPORT</b>
To approve the Labour nomination to replace Councillor Cozler as a Trustee of the Lancaster Charity.
<b>This report is public</b>

#### RECOMMENDATION

- (1) That Council notes that a labour vacancy exists for a Councillor Trustee on the Lancaster Charity in line with the Council resolution in June 2023 (see paragraph 1.1 of the report).
- (2) That a nomination be made by the Labour Group at this meeting and approved for submission to the Lancaster Charity for a Trustee appointment to be made until the next City Council elections in 2027.

#### 1.0 Introduction

- 1.1 The City Council has six places for Councillor Trustees on the Lancaster Charity. Following the elections in 2023, Council resolved at the June Council meeting that:

*“...the six places on the Board of Trustees of the Lancaster Charities be appointed to in approximate proportionality of two Labour, two Green, one Liberal Democrat and one Conservative. If one of the seats is not filled it is to go to a vote at Council.”*

At that meeting Councillors Brookes, Budden, Cozler, McGregor Pritchard and Redfern were appointed. Councillor McGregor subsequently resigned and was replaced by Councillor Tynan in February 2024.

#### 2.0 Proposal Details

- 2.1 The Lancaster Charity have asked that Councillor Cozler be replaced as a Trustee because she has been unable to attend any Board meetings. Therefore, the Labour Group has been asked to nominate another Councillor from their group for consideration by the Lancaster Charity to fill the vacancy.

**3.0 Next Meeting**

3.1 Ideally, the Lancaster Charity has asked for the nominated Councillor to attend their next Board meeting on 9<sup>th</sup> October 2024.

**4.0 Conclusion**

4.1 Council is asked to approve the Labour nomination for recommendation to the Lancaster Chairty.

<p><b>CONCLUSION OF IMPACT ASSESSMENT</b> <b>(including Health &amp; Safety, Equality &amp; Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</b> None directly arising from this report.</p>
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<p><b>LEGAL IMPLICATIONS</b> None directly arising from this report.</p>
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<p><b>FINANCIAL IMPLICATIONS</b> Members of outside bodies are entitled to travel expenses. Costs resulting from this appointment should be minimal and would be met from existing democratic representation budgets.</p>
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<p><b>OTHER RESOURCE IMPLICATIONS</b> None.</p>
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<p><b>SECTION 151 OFFICER'S COMMENTS</b> The Section 151 Officer has been consulted and has no comments.</p>
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<p><b>MONITORING OFFICER'S COMMENTS</b> The Monitoring Officer has been consulted and has no comments.</p>
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<p><b>BACKGROUND PAPERS</b> None</p>	<p><b>Contact Officer:</b> Debbie Chambers <b>Telephone:</b> 01524 582057 <b>E-mail:</b> dchambers@lancaster.gov.uk <b>Ref:</b></p>
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**CABINET**

6.00 P.M.

9TH JULY 2024

**PRESENT:-** Councillors Phillip Black (Chair), Caroline Jackson, Joanne Ainscough, Gina Dowding, Tim Hamilton-Cox, Peter Jackson, Jean Parr, Nick Wilkinson and Jason Wood

Apologies for Absence:

Councillor Catherine Potter

Officers in attendance:

Mark Davies	Chief Executive
Luke Gorst	Chief Officer - Governance and Monitoring Officer
Paul Thompson	Chief Officer - Resources and Section 151 Officer
Mark Cassidy	Chief Officer - Planning and Climate Change
Joanne Wilkinson	Chief Officer - Housing and Property
Elliott Grimshaw	Business Imp & Project Delivery Lead
Liz Bateson	Principal Democratic Support Officer

**10 MINUTES**

The minutes of the meeting held on Tuesday 4 June 2024 were approved as a correct record.

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

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

**12 DECLARATIONS OF INTEREST**

No declarations were made at this point.

**13 PUBLIC SPEAKING**

Members were advised that no members of the public had registered to speak in accordance with Cabinet's agreed procedure.

**14 LANCASTER DISTRICT STRATEGIC PARTNERSHIP'MEMORANDUM OF UNDERSTANDING'****(Cabinet Member with Special Responsibility Councillor Peter Jackson)**

Cabinet received a report from the Chief Executive to request that Cabinet adopt the Memorandum of Understanding (MOU) for the Lancaster District Strategic Partnership.

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

	Option 1: Adopt the MOU and commit the council to the stated objectives of the partnership.	Option 2: Do not adopt the MOU and do not commit to the objectives of the partnership.
Advantages	If adopted, the Chief Executive will sign the MOU and formalise the partnership with all other strategic organisations involved.	No advantages are identified for this option.
Disadvantages	No specific disadvantages are identified for this option.	The Council will need to revise aspects of the MOU with partners. Or if not adopted, the Council will be weakened in its ability to work with partners to deliver mutually beneficial strategic outcomes for the district.
Risks	None identified.	None identified.

The recommended option is to proceed with adopting the MOU so that the Chief Executive can sign the MOU with all other partners and move towards the delivery of outcomes (Option 1). The report provides details of the objectives of the Lancaster District Strategic Partnership and outlines the content and importance of the MOU.

Councillor Peter Jackson proposed, seconded by Councillor Wood:-

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

Councillors then voted:-

***Resolved unanimously:***

- (1) That Cabinet agrees to the principles of the partnership as detailed in the Memorandum of Understanding and authorises the Chief Executive to sign on the Council’s behalf.

**Officer responsible for effecting the decision:**

Chief Executive

**Reasons for making the decision:**

Cabinet adoption of the MOU will enable officers and strategic partners to deliver on the stated objectives outcomes.

The strategic priorities for the Lancaster District Strategic Partnership correlate with the strategic principles of the Council Plan 2024-2027. The partnership may evolve so that there is added resource and capacity, between partners, to deliver projects and services aligned to the strategic and financial decision-making already set out in the Council Plan 2024-2027.

## 15 LGA CORPORATE PEER CHALLENGE FEEDBACK REPORT

**(Cabinet Member with Special Responsibility Councillor Phillip Black)**

Cabinet received a report from the Chief Executive to request that Cabinet formally accepts the feedback in the LGA Corporate Peer Challenge report for the final report to be published by the deadline of 18th July 2024.

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

	Option 1: Accept the findings and recommendations in the report.	Option 2: Do not accept the findings and recommendations in the report.
	If accepted, the report will be published, and the Chief Executive will develop an action plan to act on the recommendations and monitor progress.	No advantages are identified for this option.
	No specific disadvantages are identified for this option.	The Council will need to engage with the LGA on any disputed findings and recommendations. This will slow down the process of establishing an action plan for CPC recommendations.
	None identified.	None identified.

The recommended option is to accept the report findings and recommendations, so that the report can be published and for the Chief Executive to develop an action plan to act on the recommendations (Option 1). The report must be published by 18th July 2024, and the action plan by 4th September 2024.

*The meeting adjourned at 6.22pm whilst a disturbance in the public gallery was resolved. The meeting reconvened at 6.26pm.*

During the debate it was noted that the LGA Executive Summary referred to 'the former seaside resort of Morecambe' and it was agreed to formally minute that Cabinet would like to see the word 'former' removed before the report was made publicly available.

Councillor Phillip Black proposed, seconded by Councillor Dowding:-

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

Councillors then voted:-

**Resolved unanimously:**

- (1) That Cabinet formally acknowledges the work undertaken by the peer team and accepts the feedback in the Corporate Peer Challenge (CPC) report.

- (2) That responsibility for the development of an action plan to meet the CPC recommendations be delegated to the Chief Executive.

**Officer responsible for effecting the decision:**

Chief Executive

**Reasons for making the decision:**

The CPC feedback report provides a number of recommendations that align with the strategic principles of the Council Plan 2024-2027. The development of an action plan for the recommendations will consider the scope of actions in consideration of the strategic and financial decision-making already set out in the Council Plan 2024-2027.

Cabinet acceptance of the findings and recommendations in the CPC report will result in the report being published and a new action plan to be developed to act on the recommendations for organisational developments. Alongside this a comms and engagement plan will ensure that staff, members and partners are briefed on the excellent findings of this review.

**16 EXCLUSION OF THE PRESS AND PUBLIC**

It was proposed by Councillor Wood and seconded by Councillor Hamilton-Cox:-

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

Members then voted as follows:-

***Resolved unanimously:***

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

**17 BURROW BECK SOLAR PROJECT (Pages 7 - 9)**

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

Cabinet received a report from the Chief Officer – Planning & Climate Change to seek approval to deliver a 4MW ground-mounted solar project on land known as ‘Burrow Beck.’ 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 Dowding seconded by Councillor Wood and resolved unanimously when put to the vote:-



***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:**

Chief Officer - Planning and Climate Change

**Reasons for making the decision:**

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

**18 ASSET CONSIDERATION - LANCASTER (Pages 10 - 11)****(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)**

Cabinet received a report from the Chief Officer Housing and Property. 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 Hamilton-Cox, seconded by Councillor Wood and resolved unanimously when put to the vote:-

***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:**

Chief Officer Housing and Property

**Reasons for making the decision:**

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

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Chair

(The meeting ended at 7.14 p.m.)

**Any queries regarding these Minutes, please contact**

Liz Bateson, Democratic Support - email [ebateson@lancaster.gov.uk](mailto:ebateson@lancaster.gov.uk)

MINUTES PUBLISHED ON THURSDAY 11 JULY, 2024.

EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:  
FRIDAY 19 JULY, 2024.

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

Document is Restricted

Document is Restricted

## CABINET

5.00 P.M.

31ST JULY 2024

**PRESENT:-** Councillors Phillip Black (Chair), Caroline Jackson, Joanne Ainscough, Gina Dowding, Tim Hamilton-Cox, Peter Jackson, Jean Parr, Catherine Potter, Nick Wilkinson and Jason Wood.  
(*Councillor Brett Cooper and Councillor Paul Stubbins were also in attendance*)

Officers in attendance:-

Mark Davies	Chief Executive
Luke Gorst	Chief Officer - Governance and Monitoring Officer
Paul Thompson	Chief Officer - Resources and Section 151 Officer
Joanne Wilkinson	Chief Officer - Housing and Property
Debbie Chambers	Senior Manager, Democratic Support and Elections
Daniel Wood	Asset Manager

**19 DECLARATIONS OF INTEREST**

No declarations of interest were made.

**20 EXCLUSION OF THE PRESS AND PUBLIC**

It was proposed by Councillor Wood and seconded by Councillor Parr:

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

Members then voted:-

***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.

**21 GATEWAY, WHITE LUND: MAINTENANCE UPDATES (Pages 3 - 5)****(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)**

Cabinet received a report from the Chief Officer Housing & Property. The report was exempt from publication by virtue of paragraph 3, Schedule 12A of the Local Government Act, 1972.

The Chairman of Overview and Scrutiny Committee had been consulted and agreed to the item being treated as a matter of urgency in accordance with Overview and Scrutiny

Procedure Rule 17 (a) and therefore not subject to call-in.

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 Wood:-

“That recommendations (1) to (5), as set out in the exempt report, be approved.”

Councillors then voted.

***Resolved unanimously:***

The full 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:**

Chief Officer – Housing and Property.

**Reasons for making the decision:**

The reasons are set out in the exempt minute.

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Chair

(The meeting ended at 6.10 p.m.)

**Any queries regarding these Minutes, please contact  
Liz Bateson, Democratic Support - email [ebateson@lancaster.gov.uk](mailto:ebateson@lancaster.gov.uk)**

**MINUTES PUBLISHED ON Friday, 2 August 2024.**

**THIS DECISION IS NOT SUBJECT TO CALL-IN AND CAN BE IMPLEMENTED IMMEDIATELY**

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

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