



**LANCASTER**  
**CITY COUNCIL**

*Promoting City, Coast & Countryside*

# **COUNCIL MEETING**

**Wednesday, 24 September 2025 -  
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 19 September 2025*

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, 24 September 2025 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 23 July 2025 (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.

8. **LEADER'S REPORT** (Pages 5 - 9)

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

**MOTIONS ON NOTICE**

9. **COMMUNITY CONCERN OVER BOMBARDMENT OF GAZA AND REAFFIRMING LANCASTER CITY COUNCIL'S COMMITMENT TO HUMAN RIGHTS AND INTERNATIONAL LAW** (Pages 10 - 15)

To consider a motion on notice submitted by Councillors Fish, Dowding, Peter Jackson, Deery and Riches.

Officer Briefing Note published 18 September 2025.

**OTHER BUSINESS**

10. **TREASURY MANAGEMENT OUTTURN 2024/25** (Pages 16 - 33)

Report of the Chief Finance Officer.

Published 18 September 2025

11. **CAPITAL PROGRAMME MID YEAR REVIEW 2025/26** (Pages 34 - 48)

Report of the Chief Finance Officer.

Published 18 September 2025.

12. **APPOINTMENTS TO OUTSIDE BODIES** (Pages 49 - 50)

Report of the Senior Manager, Democratic Support and Elections.

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

Group Administrators to report any changes to Committee Membership.

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

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

15. **MINUTES OF CABINET** (Pages 51 - 56)

To receive the Minutes of Meeting of Cabinet held 31 July 2025.

A handwritten signature in black ink, appearing to read 'Heshon', followed by a long horizontal flourish.

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Chief Executive

Town Hall,  
Dalton Square,  
LANCASTER,  
LA1 1PJ

Published on, 16 September 2025.



## Leader's Report

**24 September 2025**

### Report of the Leader of the Council

#### PURPOSE OF REPORT

To present the Leader's report to Council.

This report is public.

#### RECOMMENDATIONS

**To receive the report of the Leader of Council.**

#### REPORT

##### **1.0 Cabinet**

- 1.1 Information on Cabinet matters is provided in the minutes from the Cabinet meeting held 18 July later in this agenda.

##### **2.0 Decisions required to be taken urgently.**

- 2.1 No urgent Cabinet decisions have been taken since the last Leader's Report

##### **3.0 Leader's Comments**

- 3.1 Below is my Leader's report covering the two months since last Full Council. This summer has continued with very little let up to council business, so I hope everyone had a chance to get away, have a rest and recharge their batteries. My apologies if I have left anything of significance out - please follow up with me in questions.

##### **Eden Morecambe Project.**

- 3.2 This month has seen some significant progress; recruitment commenced for five posts to work with John Pye out of Morecambe Town Hall. There were diggers on the site drilling exploratory holes to ascertain the circumstances for

the foundations. The latest Eden Project Community Conversation at Lancaster and Morecambe College attracted a good audience with plenty of searching questions. I had the opportunity to visit Eden in Cornwall and meet some of those who work there. And also to meet with John Pye to ask follow-up questions.

### **Local Government Reorganisation and Devolution**

- 3.3 Work has continued over the summer at District and Joint Leaders level to refine the unitary offers. It is now established that there will be proposals for two, three, four and five unitary splits of the Lancashire area. Blackpool has proposed a variation on the four-way split. The Pan-Lancashire consultation has been agreed between all authorities and is now live; we urge all councillors to respond to it. The two sets of consultants working on the data have reported preliminary findings to all council leaders - this data is being fed into the submissions for each proposal and will be further refined by consultants working with the interested parties to each proposal.
- 3.4 Our own LGR working group has met formally and informally to work on creating a Lancaster district-based consultation survey. My thanks to members of all parties who put time and energy into questions we could all agree to and officers who have worked on effective ways to ask those questions. It was very difficult to create questions that asked for real choices that indicate the way residents feel without giving them answers or revealing our own bias. Our own survey should begin on 22 September and we urge you to share the link widely. Paper copies will be available.
- 3.5 Stake holders in the district have asked for more information on the process and we have attended meetings organised by the Chamber of Commerce and CVS to answer questions from their members.
- 3.6 On wider devolution matters, I have attended the first Combined Authority Scrutiny Board meeting as one of two District council members who observe. The committee contains a limited number of members with scrutiny experience and has no established Chair as yet. We were disappointed as a committee to find our next meeting was the day before the actual Combined Authority meeting and we were only due to see the final Lancashire Growth Plan at that point. In the event our meeting was cancelled and the Growth Plan went forward without scrutiny.

### **City Council Priorities**

- 3.7 Cabinet and Senior Leadership team continue to look at council priorities and have looked both at the successes in recent years and at how processes might be speeded up by closer working. There are a number of areas that need close attention with the prospect of re-organisation in mind. We have met with members of local organisations to progress the Cultural Strategy as one key priority and also had a very helpful discussion with Prof Vanessa Toulmin on the factors for success in the Winter Gardens project. We are also continuing

developmental work with consultants on the Economic Strategy which now takes local prosperity and inclusive growth as its key theme.

## **Cabinet Meetings**

- 3.8 Cabinet has met twice - details of the meeting are elsewhere in the report. A number of cabinet briefings and informal meetings took place to prepare for both July and September. We are grateful to the Finance team for support over the Medium-Term Financial Strategy refresh.
- 3.9 Cllr Hamilton cox and I attended the Shared Services meeting in Preston for Revenues and Benefits to review current progress with Preston members and officers. We were pleased with progress on collection rates and in particular on commitment to paperless billing which could present significant savings to both authorities. Can we urge you to do this if you haven't already. - city council link [here](#).

## **Assets and Developments**

- 3.10 Work has continued with assets through the OBR Assets group and officers led by Jo Wilkinson. Ryelands House continues to be near completion and we are now expecting an in-principle decision on its future by the end of August. We are tendering for a developer for Centenary House in Morecambe. The Frontierland board will be coming back to cabinet with a recommendation for next steps by the end of this month. Circumstances following the closure of the Williamson Park Cafe improved over the summer with the opening of cabins to serve hot drinks and a covered outdoor seating area. Planning permission for the demolition of the former cafe is in progress and plans are being brought to the Williamson Park Fit for the Future group for a replacement building.
- 3.11 The section of the Canal Quarter in private hands has seen several developments over the summer. The owners served notice of necessary demolitions to dangerous buildings under the Building Act, in particular covering the Mitchells Yard area and buildings to the rear of Moor Lane and St Leonardgate. Cabinet members, mindful of residents past work to preserve valuable structures in the area, visited with the owner. There will be a further request for Planning Permission to demolish other structures which will come to Planning Committee.
- 3.12 During the summer there were further fires on the former Supaskips site and some shocking pictures of young people entering the site and climbing on the roof. Energetic work by Planning officers has persuaded owners to make improvements to the perimeter fencing and remove the internal stairs to the fire escape to prevent access to the roof. We were disappointed to see the former owner's sentence for the offences related to the Supaskips site and business and have appealed to the Attorney General for a review.

## Events, community matters, celebrations and achievements

- 3.13 Our joint work with the county council on community identity, “Who we are” Is continuing - my thanks to members and officers. This project was a response to last year’s community conflicts and has become more necessary and pointed in view of the recent roundabout graffiti and the attack on asylum seekers in Carnforth. Our Chief Executive has pressed Lancashire on the need to remove the graffiti alongside other district officers. In this connection, I will mention the Chief Executive's annual appraisal and say that we expressed our gratitude for the continued high level of achievement by Mark and his team in forwarding the needs and aspirations of our district on so many fronts.
- 3.13 VJ Day proved a big event in our district with possibly the biggest turnout in the county at the morning service in Morecambe and a Lancashire-wide celebration and multi-faith meditation in the evening at the behest of the Lord Lieutenant, led by the Bishop of Lancaster. Cllr Bannon and I were privileged to be asked to speak to represent local family connections with VJ Day itself.
- 3.14 Finally, having started in Morecambe, I will finish in Morecambe. Anxiety over the future of Morecambe Football Club was palpable over the summer across the district and it was with huge relief and hope that we heard the news that the takeover by Panjab Warriors had been approved in mid-August.

## 4.0 Decisions

The following decisions were scheduled to be considered by Cabinet on 16 September 2025

Annual Complaints Report
Renewal to Regulation 7 Direction under Town and Country Planning (Control of Advertisements) (England) Regulation 2007
Adoption of Conservation Area Appraisals for and boundary changes to Over Kellet, Whittington and Yealand Conyers & Redmayne conservation areas
Projects and Performance: Q1 2025-26
Strategic Risk Management
Delivering Our Priorities: Q1 2025/26 (
Capital Programme Mid-Year Review 2025/26
Council Housebuilding Support Fund
Appointments to Outside Bodies
Centenary House (Former Co-op Building), Morecambe: Procurement of a Preferred Developer Partner

The following Officer Delegated Key Decisions have been taken since the last Leader’s Report

<b>ODD1</b>	Re-Roofing of Various Flat Blocks on Vale, Greaves and Hala Estates	Published on 28.08.25
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The following Individual Cabinet Member Decisions have been taken since the last Leader's report.

<b>ICMD 7</b>	Procurement of 240 Litre Recycling Bins with Yellow & Red Lids	Published on 15.07.25 Taken by: Cllr Paul Hart
<b>ICMD 9</b>	Alarm Monitoring Infrastructure Service and Maintenance: Procurement and Total Value Approval	Published on 23.06.25 Taken by: Cllr Caroline Jackson
<b>ICMD 10</b>	UK Shared Prosperity Fund, Grant Award. Theme: Healthy, Safe and Inclusive Communities	Published on 07.07.25 Taken by: Cllr Martin Bottoms
<b>ICMD 11</b>	Rural England Prosperity Fund 2025-26 Grant Awards.	Published on 24.07.25 Taken by: Cllr Peter Jackson

### **Background Papers**

Cabinet agenda of the meeting held on 16 September 2025

**MOTION ON NOTICE****COMMUNITY CONCERN OVER BOMBARDMENT OF GAZA AND REAFFIRMING LANCASTER CITY COUNCIL'S COMMITMENT TO HUMAN RIGHTS AND INTERNATIONAL LAW****This Council notes:**

For 22 months, residents in Lancaster from a range of backgrounds, nationalities and faiths have held a weekly vigil in Market Square to express their horror as the avoidable tragedy in Gaza has unfolded.

The resulting deep humanitarian crisis has prompted a Lancaster-based campaign to fund a water well project in Gaza, led by a Lancaster University PhD graduate who lived here for many years and has since returned to Gaza. Around £35,000 has been raised so far.

Local residents came to speak to Full Council in 2023 imploring the Council to use its influence.

Ward councillors have been approached with requests to represent community concern over the conflict.

Our local communities - frustrated and disappointed in the Government's action to date - look to us to use our local community leadership role to put pressure on the Government and to ensure that the Council is not supporting the arms trade financially.

Lancaster and Lakes Jewish Community and Lancaster Islamic Society have been consulted in the creation of this motion to reduce the risk of harming community cohesion.

The Council's strategic risk register identifies an uncomfortable level of risk that 'International and national issues [can] impact on the strategic and financial context of the Council and/or partners, businesses and communities' (SR11), and unfolding political and military events worldwide, including in Ukraine and Palestine, reinforce this position.

There is immense legal risk associated with investments and cooperation with entities that assist or perpetrate violations of international law.

Lancashire County Pension Fund adopted the revised Responsible Investment Policy in March 2025 which states that 'Considering Human Rights as a priority for the Fund can support the objective of ensuring long-term, sustainable investment performance'.

**Council believes:**

- There is support for the Council to take action from all sections of our community.

- The Council should now take further action in its commitment to amplify the voices of our local communities who want the Council to support their call for human rights and international law to be respected in Gaza, and adhere to robust ethical standards in line with its fiduciary duties in financial matters.
- The Lancashire County Pension Fund, to which the Council as an employer, as well as Council employees and other district residents contribute, should adhere to robust ethical standards, in line with its fiduciary duty towards scheme members and employers.

## **Council resolves to:**

- 1) Request that the Council leader writes to the Prime Minister asking him to call for an immediate and permanent ceasefire to stop the catastrophic loss of life in Gaza and the West Bank, and the return of all hostages.
- 2) Request that the Cabinet member for Finance and Property asks the Chief Finance Officer to explore how the City Council can adopt the following principles to the best of its ability:
  - i. avoid any transactions with financial companies or financial instruments which have direct or indirect links with companies who are investing in or trading with entities implicated in human rights abuses, such as state violence and repression, war and occupation, grave violations of human rights as defined in international law (including war crimes, crimes against humanity, and genocide);
  - ii. avoid any transactions with organisations involved in the production of weapons, weapon parts, or military equipment where there is a risk of the violations listed in (2)i being committed.
  - iii. incorporate wherever possible, and in line with applicable legislation and fiduciary duties, the Principles for Responsible Investment and Guiding Principles on Business and Human Rights.

The above could be achieved by placing investment/debt with the UK Government's Debt Management Office and/or UK-based building societies, and by withdrawing treasury management investment from global financial counter parties. The Cabinet Member for Finance and Property to report back at next Full Council.

- 3) Request that the Cabinet Member for Procurement asks the Chief Officer for Governance to reduce the risk of transactions contravening (2)i and (2)ii via the Council's Procurement Strategy, within legal and other applicable frameworks.

This could be achieved by: the Council creating a self-certification system so that companies tendering for contracts confirm, as a condition of business with the Council, that they do not have supply chain business, investment or debt with companies or financial instruments involved in activities listed in (2)i or (2)ii and; ethical procurement being a guiding principle in the drafting of the Procurement Strategy.

4) Request that the Council leader write to the Lancashire County Pension Fund to:

- i. welcome their revised Responsible Investment Policy adopted in March 2025 and its commitment to human rights;
- ii. ask what measures are being taken to implement it in full;
- iii. and to seek clarification as to whether the policy as implemented will be consistent with the exclusion of investment in the activities mentioned (in (2)i and (2)ii) above.

**PROPOSERS:**

Councillors Tom Fish, Gina Dowding, Peter Jackson, Maria Deery and Sam Riches.

**MONITORING OFFICER AND SECTION 151 OFFICER'S BRIEFING NOTE:**

Motions must be about matters for which the Council has a responsibility, or which affect the area or residents, workers or visitors to the District and must not be potentially defamatory, vexatious, frivolous or offensive.

The Monitoring officer reminds members of the need to ensure that its actions, policies and expressed views, demonstrate, and affirm the Council's commitment to equality, diversity and human rights.

Practically, this includes discharging functions in accordance with s149 Equality Act 2010 (the Act)

The duty under s149 (1) of the Act is mandatory. A public authority must, in the exercise of its functions, have due regard to the need to-

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

A relevant protected characteristic includes someone's race or religion or belief.

Failure to consult on proposals that may affect persons with protected characteristics is *prima facie* evidence of a failure to have due regard to the obligations and circumstances prescribed by s149 of the Act. Hence, without consultation, it is difficult

for a public authority to demonstrate that they are adequately informed on the impact and ramifications of their decision making. Without relevant information, it is very difficult (if at all possible) for a public authority to have due regard under s149 of the Act.

Failure to comply with the Act, and specifically the Council's duty under s149 of the Act, may undermine public confidence and may result in legal challenge (by judicial review). A legal challenge may result in a decision being quashed and the Authority being ordered to pay considerable costs. This could cause significant embarrassment to the Council and undermine the Council's standing in the community – both locally and nationally

When a Court considers whether the s149 duty has been discharged, it will consider the material provided to Councillors and any evidence from the meeting itself.

If the s149 duty has been breached, then it is likely that Councillors will have also breached clause 3 (2) of the Council's code of conduct. This provides that Councillors "must not do anything which may cause [the] Council to breach the Equality Act 2010".

The Council's section 149 duty applies to resolutions of Full Council (see *Jewish Rights Watch v Leicester City Council* [2018] EWCA Civ 1551. )

The Monitoring Officer notes that the proposers have consulted with affected communities in preparing this motion but would like to remind members to be mindful during any debate of their duty to foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

### **Fiduciary Responsibility**

Section 151 of the Local Government Act 1972 assigns the s151 Officer a fiduciary responsibility to local taxpayers at all times. This requires the s151 Officer to oversee and safeguard public funds, balancing the interests of both current and future taxpayers in fulfilling these duties, and to exercise a duty of care in managing Council resources on behalf of the public.

### **Treasury Management**

Treasury Management encompasses the management of the Council's cash flows, borrowing, investments, and related risks. The Council handles considerable sums through its investment activities, exposing it to financial risks such as interest rate fluctuations. Treasury Management activities are governed by the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code), established under the Local Government Act 2003.

The Full Council is required to receive and approve, at minimum, three key reports annually, which include various policies, estimates, and actuals. For 2024/25, the minimum reporting requirements are:

- An annual treasury strategy prior to the start of the year (28 February 2024)
- A mid-year (minimum) treasury update report (13 November 2024)
- An annual review after year-end, comparing activity to the strategy (24 September 2025)

### **Cashflow Management**

When we invest our funds, the following overarching principles are applied:

- **Security:** Safeguarding public funds. The Council's Treasury Management Strategy details counterparty risk and credit ratings.
- **Liquidity:** Ensuring sufficient resources are available to meet financial obligations as they arise, achieved through short, medium, and long-term deposits (365 days).
- **Return:** Achieving financial returns on investments which in turn is used to support the delivery of Council services

Balancing these principles can be difficult but priority is always given to Security and Liquidity over Return.

The s151 Officer has attempted to align the Council investments with Environmental, Social, and Governance (ESG) principles where possible, however balancing these with liquidity needs can be difficult. Whilst we have always sought to invest with other local government bodies often there is a need to place funds for a longer term. As a result, there is always a need for short term deposits via Money Market Funds (MMF) many of which are overseas based.

In 2024/25, access was gained to a range of Environmental, Social, and Governance (ESG) investment options Agency Treasury Services through our Treasury Management advisors (MUFG). Whilst this has assisted it does still present challenges through size and investment period which are often in contradiction with our strategy, as well offering lower returns.

## Current Position

As of 10 September 2025, the following information applies.

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest LT / Fund Rating
MMF Insight	6,000,000	4.04%		MMF	AAAm
MMF Aberdeen Standard Investments	6,000,000	4.13%		MMF	AAAm
MMF LGIM	6,000,000	4.15%		MMF	AAAm
DMO	9,000,000	3.96%	01/09/2025	12/09/2025	AA-
DMO	11,000,000	3.97%	12/08/2025	12/11/2025	AA-
<b>Total Investments</b>	<b>£38,000,000</b>	<b>4.03%</b>			

Whilst there is currently no investments with other Council's there are deposits with UK based MMF's as well as the Debt Management Office (DMO). Information on the MMF's responsible Investment Policies are included below

Insight

[Responsible investment | Insight Investment](#)

Aberdeen Standard

[Aberdeen Standard Investments' Sustainable and Responsible Investment Equity Approach](#)

L&GIM – UK

[UK Corporate Governance and Responsible Investment Principles policy document](#)

## Conclusion

It is acknowledged that ethical considerations can be complex, with multiple reasonable perspectives. For instance, investment in the Debt Management Office may constitute investment in government entities engaged in the production of weapons or military equipment, potentially involving risks outlined in the motion.

This demonstrates that the inclusion of certain elements from the motion could have significant unintended consequences, and decisions regarding counterparty evaluation may depend on subjective criteria. The Council continues to implement measures to align investments with the requirements of the motion. However, conducting thorough due diligence of counterparties' investment arrangements would necessitate additional skills and capacity not currently present within Finance, Legal, or Procurement teams. As a result, undertaking such processes would incur direct costs.



Annual Treasury Management Outturn Report  
2024/25

24 September 2025

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 2024/25.
<b>This report is public.</b>

RECOMMENDATIONS

It is recommended that Council:

- (1)Notes the Annual Treasury Management 2024/25 outturn report and Prudential Indicators as set out at Appendix 1.

1.0 INTRODUCTION

- 1.1The Council’s Treasury Management Activities are regulated by 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.
- 1.2The 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 2024/25 the minimum reporting requirements are that the Full Council should receive the following reports:

• an annual treasury strategy in advance of the year (28 February 2024)

• a mid-year (minimum) treasury update report (13 November 2024)

• an annual review following the end of the year describing the activity compared to the strategy (This Report)

In addition, the Council has received quarterly treasury management update reports (Cabinet 10 September 2024 and Cabinet 11 February 2025).

- 1.3 At the Cabinet meeting held on 16 September and Budget & Performance Panel 17 September 2025, Members noted the annual Treasury Management outturn report for 2024/25.

## **2.0 TREASURY MANAGEMENT & PRUDENTIAL INDICATORS**

- 2.1 The report sets out the performance of treasury operations for 2024/25 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 2024/25 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.

**Contact Officer:** Paul Thompson  
Chief Finance Officer & s151 Officer  
**Telephone:** 01524 582603  
**Email:** [pthompson@lancaster.gov.uk](mailto:pthompson@lancaster.gov.uk)  
**Ref:** N/A

# **Annual Treasury Management Report**

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## **2024/25**

For Noting by Cabinet 31 July 2025

# Annual Treasury Management Review 2024/25

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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 2024/25. 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 2024/25 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 28 February 2024)
- a mid-year (minimum) treasury update report (Council 13 November 2024)
- an annual review following the end of the year describing the activity compared to the strategy (this report).

In addition, the Council has received quarterly treasury management update reports (Cabinet 10 September 2024 and Cabinet 11 February 2025).

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

The Council confirms that it has complied with the requirement under the Code to give prior scrutiny (by Budget and Performance Panel) to all of the above treasury management reports before they were reported to the full Council. Member briefings on treasury management issues have been provided as part of the annual budget process and ahead of all reports in order to support members' scrutiny role.

## Introduction and Background

This report summarises the following:-

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

## 1. The Council's Capital Expenditure and Financing 2024/25

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	2023/24 Actual	2024/25 Estimate	2024/25 Actual
<b>Capital expenditure</b>	<b>7.60</b>	<b>17.34</b>	<b>8.83</b>
Financed in year	(4.01)	(10.83)	(5.61)
<b>Unfinanced capital expenditure (i.e. reliant on an increase in underlying borrowing need)</b>	<b>3.59</b>	<b>6.51</b>	<b>3.22</b>

HRA £M	2023/24 Actual	2024/25 Estimate	2024/25 Actual
<b>Capital expenditure</b>	<b>6.76</b>	<b>7.47</b>	<b>6.39</b>
Financed in year	(6.76)	(7.47)	(6.39)
<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 2024/25

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 2024/25 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 [PWLB] 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 2024/25 MRP Policy (as required by CLG Guidance) was approved as part of the Treasury Management Strategy Report for 2024/25 on 28 February 2024.

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 2024 Actual	31 March 2025 Estimate	31 March 2025 Actual
<b>Opening balance</b>	<b>63.56</b>	<b>68.09</b>	<b>64.49</b>
Add unfinanced capital expenditure (as above)	3.59	6.51	3.22
Less MRP	(2.66)	(2.92)	(2.91)
Less finance lease repayments	0.00	0.00	0.02
<b>Closing balance</b>	<b>64.49</b>	<b>71.68</b>	<b>64.82</b>

CFR (£M): HRA	31 March 2024 Actual	31 March 2025 Estimate	31 March 2025 Actual
<b>Opening balance</b>	<b>35.13</b>	<b>34.09</b>	<b>34.09</b>
Add unfinanced capital expenditure (as above)	0.00	0.00	0.00
Less Debt Repayment	(1.04)	(1.04)	(1.04)
<b>Closing balance</b>	<b>34.09</b>	<b>33.05</b>	<b>33.05</b>

CFR (£M): Combined	31 March 2024 Actual	31 March 2025 Estimate	31 March 2025 Actual
<b>Opening balance</b>	<b>98.69</b>	<b>98.58</b>	<b>98.58</b>
Add unfinanced capital expenditure (as above)	3.59	6.51	3.22
Less Debt Repayment, Finance Leases and MRP	(3.70)	(3.96)	(3.95)
<b>Closing balance</b>	<b>98.58</b>	<b>101.13</b>	<b>97.85</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. The table below highlights the Council's gross borrowing position against the CFR. The Treasury Management Strategy for 2024/25 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 2024 Actual	31 March 2025 Estimate	31 March 2025 Actual
Gross borrowing position	57.96	65.93	56.93
CFR	98.58	101.13	97.85

**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 2024/25 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.

	2024/25 Actual
Authorised limit	£114.00M
Maximum gross borrowing position	£56.93M
Operational boundary	£98.00M
Average gross borrowing position	£57.61M

Financing costs as a proportion of net revenue stream - GF	16.20%
Financing costs as a proportion of net revenue stream - HRA	15.78%

### 3. Treasury Position as at 31 March 2025

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 2024/25 the Council's treasury position was as follows:

DEBT PORTFOLIO	31 March 2024 Principal £M	Average Rate %	Average Life yrs	31 March 2025 Principal £M	Average Rate %	Average Life yrs
Fixed rate funding:						
PWLB	57.96	4.81	29	56.92	4.84	28
<b>Total debt</b>	<b>57.96</b>			<b>56.92</b>		
<b>CFR</b>	<b>98.59</b>			<b>97.85</b>		
<b>Over / (under) borrowing</b>	<b>(40.63)</b>			<b>(40.93)</b>		

The loan repayment schedule is as follows:

	31 March 2025 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	7.29
20 years and within 30 years	23.92
More than 30 years	15.30

All investments were placed for under one year.

INVESTMENT PORTFOLIO	31 March 2024 £M	31 March 2024 %	31 March 2025 £M	31 March 2025 %
Money Market Funds	0.50	5.00	14.60	100.00
Other Local Authorities	10.00	95.00	0.00	0.00
<b>Total investments</b>	<b>10.50</b>		<b>10.50</b>	

The average rate of interest payable on PWLB debt in 2024/25 was 4.84%. A total of £2.79M interest was incurred during the year, of which £1.65M was recharged to the HRA.

#### *Interest Payable*

	2024/25
Estimate	£3.18M
Actual	£2.78M

## 4. The Strategy for 2024/25

Investment returns remained robust throughout 2024/25 with Bank Rate reducing steadily through the course of the financial year (three 0.25% rate cuts in total), and even at the end of March the yield curve was still relatively flat, which might be considered unusual as further Bank Rate cuts were expected in 2025/26.

Bank Rate reductions of 0.25% occurred in August, November and February, bringing the headline rate down from 5.25% to 4.5%. Each of the Bank Rate cuts occurred in the same month as the Bank of England publishes its Quarterly Monetary Policy Report, therein providing a clarity over the timing of potential future rate cuts.

As of early April 2025, market sentiment has been heavily influenced of late by President Trump's wide-ranging trade tariffs policy. Commentators anticipate a growing risk of a US recession, whilst UK GDP is projected by the Office for Budget Responsibility to remain tepid, perhaps achieving 1% GDP growth in 2025/26.

Looking back to 2024/25, investors were able to achieve returns in excess of 5% for all periods ranging from 1 month to 12 months in the spring of 2024 but by March 2025 deposit rates were some 0.75% - 1% lower. Where liquidity requirements were not a drain on day-to-day investment choices, extending duration through the use of "laddered investments" paid off.

That is not to say that investment choices were straight-forward. Concerns over rising inflation after the Autumn Statement in October led to reduced expectations for Bank Rate to fall. Indeed, the CPI measure of inflation is expected to reach c3.75% by the autumn of 2025, which could provide for some presentational issues for a Bank whose primary mandate is to ensure inflation is close to 2% on a two-to-three-year timeframe. At the end of March, only two further rate cuts were priced into the market for 2025 (4% at December 2025). A week later and sentiment had changed dramatically in the wake of the equity market sell-off to the extent that markets now expect three Bank Rate reductions between May and December 2025 (Bank Rate to fall to 3.75%).

## 5. The Economy and Interest Rates (supplied by MUFG Corporate Markets)

UK inflation has proved somewhat stubborn throughout 2024/25. Having started the financial year at 2.3% y/y (April), the CPI measure of inflation briefly dipped to 1.7% y/y in September

before picking up pace again in the latter months. The latest data shows CPI rising by 2.8% y/y (February), but there is a strong likelihood that figure will increase to at least 3.5% by the Autumn of 2025.

Against that backdrop, and the continued lack of progress in ending the Russian invasion of Ukraine, as well as the potentially negative implications for global growth as a consequence of the implementation of US tariff policies by US President Trump in April 2025, Bank Rate reductions have been limited. Bank Rate currently stands at 4.5%, despite the Office for Budget Responsibility reducing its 2025 GDP forecast for the UK economy to only 1% (previously 2% in October).

Moreover, borrowing has becoming increasingly expensive in 2024/25. Gilt yields rose significantly in the wake of the Chancellor's Autumn Statement, and the loosening of fiscal policy, and have remained elevated ever since, as dampened growth expectations and the minimal budget contingency (<£10bn) have stoked market fears that increased levels of borrowing will need to be funded during 2025.

The table below provides a snapshot of the conundrum facing central banks: inflation pressures remain, labour markets are still relatively tight by historical comparisons, and central banks are also having to react to a fundamental re-ordering of economic and defence policies by the US administration.

	UK	Eurozone	US
<b>Bank Rate</b>	4.50%	2.5%	4.25%-4.5%
<b>GDP</b>	0.1%q/q Q4 (1.1%y/y)	+0.1%q/q Q4 (0.7%y/y)	2.4% Q4 Annualised
<b>Inflation</b>	2.8%y/y (Feb)	2.3%y/y (Feb)	2.8%y/y (Feb)
<b>Unemployment Rate</b>	4.4% (Jan)	6.2% (Jan)	4.1% (Feb)

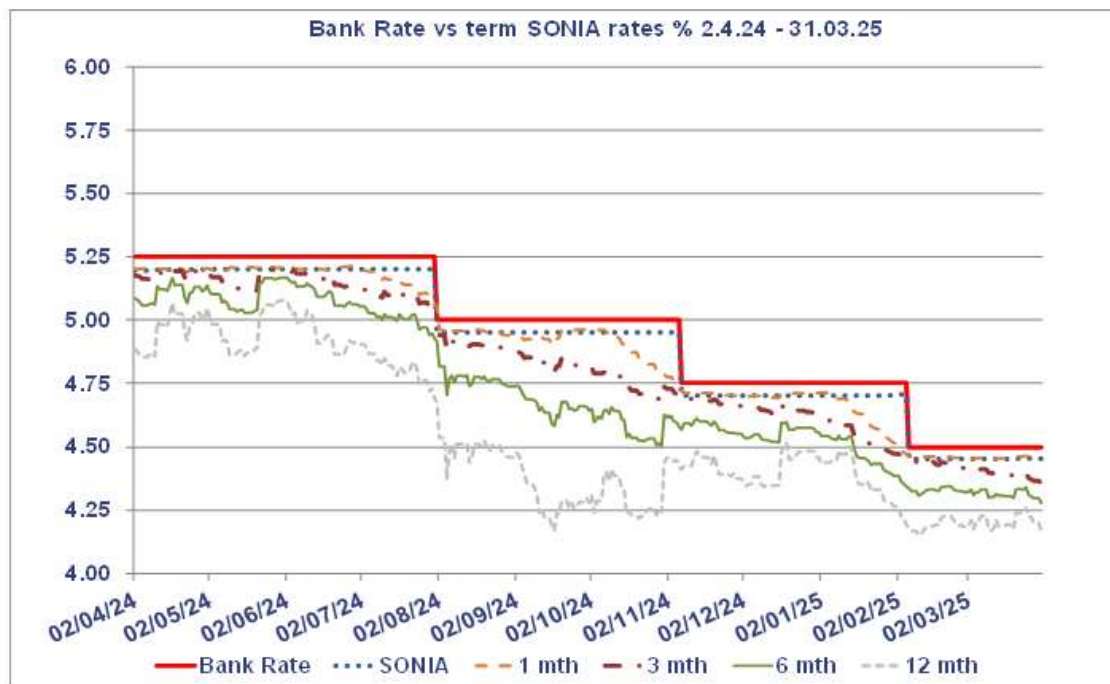
The Bank of England sprung no surprises in their March meeting, leaving Bank Rate unchanged at 4.5% by a vote of 8-1, but suggesting further reductions would be gradual. The Bank of England was always going to continue its cut-hold-cut-hold pattern by leaving interest rates at 4.50% but, in the opposite of what happened at the February meeting, the vote was more hawkish than expected. This suggested that as inflation rises later in the year, the Bank cuts rates even slower, but the initial impact of President Trump's tariff policies in April 2025 on the financial markets underpin our view that the Bank will eventually reduce rates to 3.50%.

Having said that, the Bank still thinks inflation will rise from 2.8% in February to 3¾% in Q3. And while in February it said "inflation is expected to fall back thereafter to around the 2% target", this time it just said it would "fall back thereafter". That may be a sign that the Bank is getting a bit more worried about the "persistence in domestic wages and prices, including from second-round effects". Accordingly, although we expect a series of rate cuts over the next year or so, that does not contradict the Bank taking "a gradual and careful" approach to cutting rates, but a tepid economy will probably reduce inflation further ahead and prompt the Bank to cut at regular intervals.

From a fiscal perspective, the increase in businesses' national insurance and national minimum wage costs from April 2025 is likely to prove a headwind, although in the near-term the Government's efforts to provide 300,000 new homes in each year of the current Parliament is likely to ensure building industry employees are well remunerated, as will the clamp-down on immigration and the generally high levels of sickness amongst the British workforce. Currently wages continue to increase at a rate close to 6% y/y. The MPC would prefer a more sustainable level of c3.5%.

As for equity markets, the FTSE 100 has recently fallen back to 7,700 having hit an all-time intra-day high 8,908 as recently as 3<sup>rd</sup> March. The £ has also endured a topsy-turvy time, hitting a peak of \$1.34 before dropping to \$1.22 in January and then reaching \$1.27 in early April 2025.

## Investment Benchmarking Data – Sterling Overnight Index Averages (Term) 2024/25



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

During 2024/25, 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 2025 and 2026 in light of economic growth concerns and the eventual dampening of inflation. The Authority has sought to minimise the taking on of long-term borrowing at elevated levels (>5%) and has focused on a policy of internal and temporary borrowing, supplemented by short-dated borrowing (<5 years) as appropriate.

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 the stickiness of inflation in the major developed economies, 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 gradual reductions in short, medium and longer-term fixed borrowing rates during 2024/35. Bank Rate did peak at 5.25% as anticipated, but the initial expectation of significant rate reductions did not transpire, primarily because inflation concerns remained elevated. Forecasts were too optimistic from a rate reduction perspective, but more recently the forecasts, updated from November 2024 onwards, look more realistic.

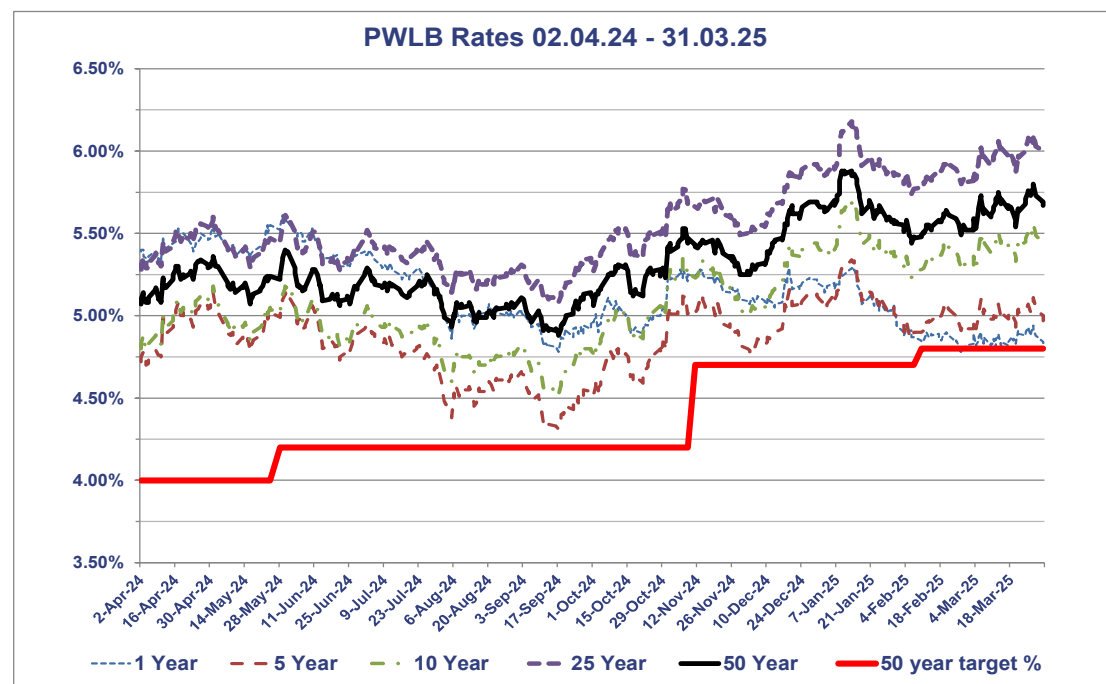
At the start of April 2025, following the introduction of President Trump's trade tariffs policies, the market now expects Bank Rate to fall to 3.75% by the end of December 2025, pulling down the 5- and 10-year parts of the curve too.

This should provide an opportunity for greater certainty to be added to the debt portfolio, although a significant fall in inflation will be required to underpin any material movement lower in the longer part of the curve.

Forecasts at the time of approval of the treasury management strategy report for 2024/25 were as follows:

	Mar-24	Mar-25	Mar-26	Mar-27
Bank Rate	5.25	3.75	3.00	3.00
3 Month average earnings	5.30	3.80	3.00	3.00
6 Month average earnings	5.20	3.70	3.10	3.10
12 Month average earnings	5.00	3.60	3.10	3.20
5yr PWLB rate	4.50	4.10	3.60	3.50
10yr PWLB rate	4.70	4.20	3.80	3.70
25yr PWLB rate	5.20	4.60	4.20	4.10
50yr PWLB rate	5.00	4.40	4.00	3.90

**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>	4.77%	4.31%	4.52%	5.08%	4.88%
<b>Date</b>	26/02/2025	17/09/2024	17/09/2024	17/09/2024	17/09/2024
<b>High</b>	5.61%	5.34%	5.71%	6.18%	5.88%
<b>Date</b>	29/05/2024	13/01/2025	13/01/2025	13/01/2025	09/01/2025
<b>Average</b>	5.14%	4.86%	5.07%	5.56%	5.32%
<b>Spread</b>	0.84%	1.03%	1.19%	1.10%	1.00%

## 7. Borrowing Outturn for 2024/25

### Borrowing

Due to the elevated cost of borrowing long-term, no 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 2024/25

**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 28 February 2024. 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	
	31/03/24	31/03/25	31/03/24	31/03/25	31/03/24	31/03/25
Balances	10.33	10.03	0.75	0.15	11.08	10.18
Earmarked reserves	17.14	19.41	6.93	6.79	24.07	26.20
Provisions	3.98	4.21	0.00	0.00	3.98	4.21
Working Capital	7.28	10.15	3.58	4.17	10.86	14.32
<b>Total</b>	<b>38.73</b>	<b>43.80</b>	<b>11.26</b>	<b>11.11</b>	<b>49.99</b>	<b>54.91</b>
<b>Amount Over/(Under) Borrowed</b>						<b>(40.93)</b>
<b>Baseline Investment Balances</b>						<b>13.98</b>

**Investments held by the Council** - the Council maintained an average investment balance of £26.82M of internally managed funds. The average rate of interest earned for the year was 4.98%. 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).

	2024/25
Lancaster CC Investments full year	4.98
Lancaster CC Investments weighted average at 31 March	4.54
Base Rate	4.95
7 day SONIA rate	4.91

The actual interest earned in 2024/25 was £1.355M.

## 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 26 February 2025**

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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Capital Programme Mid-Year Review 2025/26

24 September 2025

Report of Chief Finance Officer

PURPOSE OF REPORT				
This report provides information regarding the latest position regarding the delivery of the approved capital programme for 2025/26. It also sets out information regarding any delays surrounding capital expenditure and other matters for Members’ consideration.				
Key Decision		Non-Key Decision		Officer Referral
				X
Date of notice of forthcoming key decision			N/A	
This report is public.				

RECOMMENDATIONS OF CABINET:

That Council:

- (1) Approve the adjustments to the capital programme as set out in Appendix C of the report.
- (2) Note that relevant revenue adjustments in respect of minimum revenue provision and future borrowing requirements will be built into projected revenue estimates and considered alongside future reports to Cabinet in respect of the budget and policy framework updates.

1. BACKGROUND

- 1.1. The latest 10-year capital programme was approved by Council on 26 February 2025 shown in **Appendix A**.
- 1.2. The General Fund Capital Programme has been updated to include the following fully grant funded schemes:

UKSPF Affordable Warmth	£0.038M
UKSPF 25/26 External Projects	£0.163M
REPF 25/26 External Projects	£0.150M
UKSPF 25/26 Local Area Energy Plan	£0.095M

Additionally, amounts relating to Wheelie Bins and Salt Ayre Data Centre were moved into the main body of the Capital Programme from Schemes under development following decisions by Cabinet on 20 May 2025 and 8 July 2025 respectively.

- 1.3. The HRA Capital Programme has been updated to include the following fully grant funded scheme:
- Warm Homes: Social Housing Fund
- £0.780M (split over 2025/26-2027/28)

In addition, a virement of £0.042M from Housing Renewal & Renovation to Lift Replacements has been include within the update.

- 1.4. The provisional outturn position for 2024/25 was considered by Cabinet on 31 July 2025. As part of this report, the approval of slippage and accelerated expenditure was gained.
- 1.5. An updated working version of the Capital Programme including the changes detailed above is provided in **Appendix B**.
- 1.6. This report provides Cabinet with an update of the latest position regarding the delivery of the approved capital programme for 2025/26 and requests a reprofiling of the current approved programme as appropriate. By doing this it will allow for more robust revenue estimates which will be built into future projections as part of the 2026/27 budget process which is currently underway.

## **2. CHANGES TO THE GENERAL FUND CAPITAL PROGRAMME**

- 2.1 The changes that this report is requesting to the programme with detailed explanations of the reasoning can be found at **Appendix C**.
- 2.2 To summarise, the following changes have been presented for consideration:-
  - 2025/26 vehicle replacement budget increased by £0.028M to correct for price of vehicle slipped from 2024/25 but also reduced by £0.205M to amend profile of replacements across years
  - 2026/27 to 2028/29 vehicle replacement programme updated to amend profile of vehicle replacement across years (2026/27 +£0.157M, 2027/28 (-£0.053M), 2028/29 (-£0.054M)
  - Inclusion of £0.622M in 2031/32 and £0.860M in 2032/33 for additional vehicle replacements including RCV's which will be replaced with grant funding in 2025/26 being built into future replacement programme
  - inclusion of £0.036M budget to correct inflation on vehicle replacement programme in 2034/35
  - inclusion of new externally funded grant schemes (DEFRA) totalling £0.183M in 2025/26 relating to National Landscapes
  - inclusion of £0.856M additional Disabled Facilities Grant (DFG) funding awarded in 2025/26
  - inclusion of £2.331M assumed DFG funding in 2033/34 and 2034/35
  - movement of £0.057M from Lancaster Heritage Action Zone to 1 Lodge Street Urgent Structural Repairs to cover a shortfall in budget for grant awarded.
  - £0.182KM moved out of the main capital programme for Coopers Field – BLRF back to schemes under development
  - £0.550M expenditure budget and £0.200M income budget slipped from 2025/26 into 2026/27 for King Street
  - £0.060M moved from development pool to main Capital Programme to cover LCC contribution for DEFRA funded electric vehicle charging hub scheme
  - Inclusion of £0.012M UKSPF grant funded Climate and Nature Strategy scheme
  - Inclusion of £0.975M in 2027/28 for Canal Quarter as per decision by Cabinet 31 July 2025
  - Inclusion of £0.850M in 2026/27 for car park improvements as detailed in the car parking strategy

- £1.176M of Brownfield Land release funding has been reprofiled from 2025/26 into 2026/27
- Parks & Open Spaces £0.871M and Salt Ayre Asset Management Plan £1.267M schemes under development slipped into 2026/27

2.3 The proposed revised capital programme can be found at **Appendix D**.

### 3. GENERAL FUND REVENUE IMPLICATIONS

3.1 As previously reported to Cabinet, the provisional outturn for 2024/25 resulted in minimum revenue provision (MRP) savings due to slippage and the use of capital receipts to finance capital acquisitions in 2024/25. The further changes detailed in this report result in further changes to the annual MRP requirement and the following revenue budgetary adjustments will be included in ongoing revenue projections :-

MRP Impact (Revenue Movement)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Provisional Outturn 2024/25	+£0.221M	+£0.190M	(-£0.015M)	(-£0.026M)	(-£0.017M)	+£0.426M
Mid Year Review 2025/26	-	+£0.159M	(-£0.037M)	(-£0.047M)	(-£0.038M)	(-£0.037M)
<b>Total Revenue Movement</b>	<b>+£0.221M</b>	<b>+£0.349M</b>	<b>(-£0.052M)</b>	<b>(-£0.073M)</b>	<b>(-£0.055M)</b>	<b>+£0.389M</b>

It should be noted that projected impacts are expressed as negative ( ) for adverse and positive + for favourable. Therefore an in-year revenue saving as per the table until 31 March 2027 is currently forecast.

3.2 The monitoring information to be presented to Cabinet on 2 December 2025 as part of the Q2 Delivering Our Priorities 2025/26 report will be updated to include the decision to support/reject the recommendations of this report.

### 4. HOUSING REVENUE ACCOUNT

4.1 The changes that this report is requesting to the programme with detailed explanations of the reasoning can be found at **Appendix C**.

4.2 To summarise, the following changes have been presented for consideration:-

- £0.012M UKSPF grant funded budget for Climate and Nature Strategy included under Energy Efficiency/Boiler Replacements in 2025/26

### 5. OPTIONS AND OPTIONS ANALYSIS

5.1 As the report is for consideration and approval, no alternative options are put forward.

### 6. CONCLUSION

6.1 Although the General Fund was able to respond to the financial challenges in 2024/25 and maintain balanced budget positions by utilising its reserves, this does not mean that the financial issues for the Council are resolved, it simply means that the in-year budget pressures were addressed. To put into context, a budget gap of £2.6M is still forecast for 2026/27 and this rises annually to £5.5M in 2029/30 for which the cumulative effect is not sustainable.

- 6.2 Reviewing the Capital Programme will allow for more robust revenue projections which in turn will improve financial planning. This will ensure that funds are allocated according to a set of predefined outcomes, or priorities to ensure that funds are directed toward the Council's key ambitions and statutory functions and away from areas which contribute less or not at all against the predetermined objectives.

<b>RELATIONSHIP TO POLICY FRAMEWORK</b> The Capital and Revenue Programmes forms part of the Council budget framework.	
<b>CONCLUSION OF IMPACT ASSESSMENT</b> <b>(including Health &amp; Safety, Equality &amp; Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)</b> Effective use of the Councils' resources is fundamental to the delivery of its priorities and outcomes.	
<b>LEGAL IMPLICATIONS</b> There are no legal implications directly arising.	
<b>FINANCIAL IMPLICATIONS</b> As set out in the report.	
<b>OTHER RESOURCE IMPLICATIONS</b> <b>Human Resources / Information Services / Property / Open Spaces:</b> References and any related implications are contained within the report and related appendices.	
<b>SECTION 151 OFFICER'S COMMENTS</b> The report has been authored by the Section 151 Officer.	
<b>MONITORING OFFICER'S COMMENTS</b> The Monitoring Officer has been consulted and has no further comments.	
<b>BACKGROUND PAPERS</b> None.	<b>Contact Officers:</b> Paul Thompson Chief Finance Officer & s151 Officer <b>Telephone:</b> 01524 582603 <b>E-mail:</b> <a href="mailto:pthompson@lancaster.gov.uk">pthompson@lancaster.gov.uk</a> <b>Ref:</b>

General Fund Capital Programme

Service / Scheme	2025/26			2026/27			2027/28			2028/29			2029/30		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Environment &amp; Place</b>															
Vehicle Renewals	5,337,000		5,337,000	2,061,000		2,061,000	257,000		257,000	2,238,000		2,238,000	560,000		560,000
Winchester Field and Nature Area	118,000	(47,000)	71,000			0			0			0			0
Food Waste Strategy	1,462,000	(1,462,000)	0			0			0			0			0
Public Bins	500,000		500,000			0			0			0			0
Commercial Venue Improvements	150,000		150,000			0			0			0			0
<b>Housing &amp; Property</b>															
Disabled Facilities Grants	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0
Home Improvement Agency Vehicles	40,000	(40,000)	0			0			0			0			0
1 Lodge Street Urgent Structural Repairs	172,000		172,000			0			0			0			0
Gateway Solar Array	974,000		974,000			0			0			0			0
Commercial & Corporate Property	1,459,000		1,459,000	462,000		462,000	351,000		351,000	494,000		494,000	52,000		52,000
Coopers Fiels - BLRF	180,000	(180,000)	0			0			0			0			0
King Street	600,000	(200,000)	400,000			0			0			0			0
<b>People &amp; Policy</b>															
<b>Planning &amp; Climate Change</b>															
Burrow Beck Solar	3,600,000		3,600,000			0			0			0			0
Property De-carbonisation Works	3,825,000	(1,892,000)	1,933,000			0			0			0			0
<b>Resources</b>															
ICT Systems, Infrastructure & Equipment	392,000		392,000	351,000		351,000	326,000		326,000	181,000		181,000	176,000		176,000
<b>Sustainable Growth</b>															
Lancaster Heritage Action Zone	200,000		200,000			0			0			0			0
Lancaster Heritage Action Zone - St John's Church	500,000		500,000			0			0			0			0
Morecambe Sea Front Parapet Repair	30,000		30,000	30,000		30,000	30,000		30,000			0			0
Our Future Coast	63,000	(63,000)	0	85,000	(85,000)	0			0			0			0
<b>Schemes Under Development</b>															
Electrical Vehicle Charging Hubs	400,000		400,000			0			0			0			0
Parks & Open Spaces Improvement	871,000		871,000			0			0			0			0
SALC 3G Football Pitch			0	800,000	(560,000)	240,000			0			0			0
Salt Ayre Asset Management Plan	1,267,000		1,267,000			0			0			0			0
Wheelie Bins	2,208,000		2,208,000			0			0			0			0
Local Full Fibre Network (supplement)	400,000		400,000			0			0			0			0
<b>GENERAL FUND CAPITAL PROGRAMME</b>	<b>27,079,000</b>	<b>(6,215,000)</b>	<b>20,864,000</b>	<b>6,120,000</b>	<b>(2,976,000)</b>	<b>3,144,000</b>	<b>3,295,000</b>	<b>(2,331,000)</b>	<b>964,000</b>	<b>5,244,000</b>	<b>(2,331,000)</b>	<b>2,913,000</b>	<b>3,119,000</b>	<b>(2,331,000)</b>	<b>788,000</b>
<b>Financing :</b>															
Capital Receipts			0			0			0			0			0
Direct Revenue Financing			0			0			0			0			0
Earmarked Reserves			(109,000)			0			0			0			0
<b>Increase/(Reduction) in Capital Financing Requirement (CFR)</b>			<b>20,755,000</b>			<b>3,144,000</b>			<b>964,000</b>			<b>2,913,000</b>			<b>788,000</b>

Housing Revenue Account Capital Programme

Service / Scheme	2025/26			2026/27			2027/28			2028/29			2029/30		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>HRA</b>															
Adaptations	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000
Energy Efficiency/Boiler Replacement	1,501,000		1,501,000	1,265,000		1,265,000	1,265,000		1,265,000	1,093,000		1,093,000	979,000		979,000
Internal Refurbishment	1,078,000		1,078,000	1,078,000		1,078,000	1,097,000		1,097,000	1,135,000		1,135,000	1,135,000		1,135,000
External Refurbishment	637,000		637,000	270,000		270,000	0		0	0		0	0		0
Environmental Improvements	500,000		500,000	260,000		260,000	260,000		260,000	110,000		110,000	110,000		110,000
Re-roofing/Window Renewals	595,000		595,000	527,000		527,000	1,024,000		1,024,000	1,423,000		1,423,000	744,000		744,000
Rewiring	88,000		88,000	88,000		88,000	90,000		90,000	90,000		90,000	90,000		90,000
Fire Precaution Works	210,000		210,000	150,000		150,000	150,000		150,000	180,000		180,000	180,000		180,000
Housing Renewal and Renovation	957,000		957,000	507,000		507,000	507,000		507,000	207,000		207,000	657,000		657,000
Acquisitions	250,000		250,000	0		0	0		0	0		0	0		0
<b>HRA CAPITAL PROGRAMME</b>	<b>6,116,000</b>	<b>0</b>	<b>6,116,000</b>	<b>4,445,000</b>	<b>0</b>	<b>4,445,000</b>	<b>4,693,000</b>	<b>0</b>	<b>4,693,000</b>	<b>4,538,000</b>	<b>0</b>	<b>4,538,000</b>	<b>4,195,000</b>	<b>0</b>	<b>4,195,000</b>
<b>Financing :</b>															
Capital Receipts			(1,347,000)			0			0			0			0
Direct Revenue Financing			0			0			0			0			0
Earmarked Reserves			0			0			0			0			0
Major Repairs Reserve			(4,769,000)			(4,445,000)			(4,693,000)			(4,538,000)			(4,195,000)
<b>Increase/(Reduction) in Capital Financing Requirement (CFR)</b>			<b>0</b>			<b>0</b>			<b>0</b>			<b>0</b>			<b>0</b>

General Fund Capital Programme

Service / Scheme	2030/31			2031/32			2032/33			2033/34			2034/35			10 YEAR TOTAL (FROM 2025/26)		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Total Gross Programme	Total External Funding	Total Net Programme
£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Environment &amp; Place</b>																		
Vehicle Renewals	2,469,000		2,469,000	5,679,000		5,679,000	3,511,000		3,511,000	1,565,000		1,565,000	2,179,000		2,179,000	25,856,000	0	25,856,000
Winchester Field and Nature Area			0			0			0			0			0	118,000	(47,000)	71,000
Food Waste Strategy			0			0			0			0			0	1,462,000	(1,462,000)	0
Public Bins			0			0			0			0			0	500,000	0	500,000
Commercial Venue Improvements			0			0			0			0			0	150,000	0	150,000
<b>Housing &amp; Property</b>																		
Disabled Facilities Grants	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0			0			0	18,648,000	(18,648,000)	0
Home Improvement Agency Vehicles			0			0			0			0			0	40,000	(40,000)	0
1 Lodge Street Urgent Structural Repairs			0			0			0			0			0	172,000	0	172,000
Gateway Solar Array			0			0			0			0			0	974,000	0	974,000
Commercial & Corporate Property			0	152,000		152,000			0	208,000		208,000	379,000		379,000	3,557,000	0	3,557,000
Coopers Fiels - BLRF			0			0			0			0			0	180,000	(180,000)	0
King Street			0			0			0			0			0	600,000	(200,000)	400,000
<b>People &amp; Policy</b>																		
<b>Planning &amp; Climate Change</b>																		
Burrow Beck Solar			0			0			0			0			0	3,600,000	0	3,600,000
Property De-carbonisation Works			0			0			0			0			0	3,825,000	(1,892,000)	1,933,000
<b>Resources</b>																		
ICT Systems, Infrastructure & Equipment	467,000		467,000	328,000		328,000	190,000		190,000	334,000		334,000	279,000		279,000	3,024,000	0	3,024,000
<b>Sustainable Growth</b>																		
Lancaster Heritage Action Zone			0			0			0			0			0	200,000	0	200,000
Lancaster Heritage Action Zone - St John's Church			0			0			0			0			0	500,000	0	500,000
Morecambe Sea Front Parapet Repair			0			0			0			0			0	90,000	0	90,000
Our Future Coast			0			0			0			0			0	148,000	(148,000)	0
<b>Schemes Under Development</b>																		
Electrical Vehicle Charging Hubs			0			0			0			0			0	400,000	0	400,000
Parks & Open Spaces Improvement			0			0			0			0			0	871,000	0	871,000
SALC 3G Football Pitch			0			0			0			0			0	800,000	(560,000)	240,000
Salt Ayre Asset Management Plan			0			0			0			0			0	1,267,000	0	1,267,000
Wheelie Bins			0			0			0			0			0	2,208,000	0	2,208,000
Local Full Fibre Network (supplement)			0			0			0			0			0	400,000	0	400,000
<b>GENERAL FUND CAPITAL PROGRAMME</b>	5,267,000	(2,331,000)	2,936,000	8,490,000	(2,331,000)	6,159,000	6,032,000	(2,331,000)	3,701,000	2,107,000	0	2,107,000	2,837,000	0	2,837,000	69,590,000	(23,177,000)	46,413,000
<b>Financing :</b>																		
Capital Receipts			0			0			0			0			0			0
Direct Revenue Financing			0			0			0			0			0			0
Earmarked Reserves			0			0			0			0			0			(109,000)
<b>Increase/(Reduction) in Capital Financing Requirement (CFR)</b>			2,936,000			6,159,000			3,701,000			2,107,000			2,837,000			46,304,000

Housing Revenue Account Capital Programme

Service / Scheme	2030/31			2031/32			2032/33			2033/34			2034/35			10 YEAR TOTAL (FROM 2025/26)		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Total Gross Programme	Total External Funding	Total Net Programme
£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>HRA</b>																		
Adaptations	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000	3,000,000	0	3,000,000
Energy Efficiency/Boiler Replacement	790,000		790,000	790,000		790,000	790,000		790,000	790,000		790,000	790,000		790,000	10,053,000	0	10,053,000
Internal Refurbishment	936,000		936,000	946,000		946,000	936,000		936,000	945,000		945,000	945,000		945,000	10,231,000	0	10,231,000
External Refurbishment	192,000		192,000	759,000		759,000	288,000		288,000	0		0	0		0	2,146,000	0	2,146,000
Environmental Improvements	140,000		140,000	140,000		140,000	140,000		140,000	140,000		140,000	140,000		140,000	1,940,000	0	1,940,000
Re-roofing/Window Renewals	686,000		686,000	0		0	1,256,000		1,256,000	1,288,000		1,288,000	1,288,000		1,288,000	8,831,000	0	8,831,000
Rewiring	88,000		88,000	90,000		90,000	88,000		88,000	90,000		90,000	90,000		90,000	892,000	0	892,000
Fire Precaution Works	180,000		180,000	180,000		180,000	180,000		180,000	180,000		180,000	180,000		180,000	1,770,000	0	1,770,000
Housing Renewal and Renovation	657,000		657,000	657,000		657,000	207,000		207,000	207,000		207,000	207,000		207,000	4,770,000	0	4,770,000
Acquisitions	0		0	0		0	0		0	0		0	0		0	250,000	0	250,000
<b>HRA CAPITAL PROGRAMME</b>	3,969,000	0	3,969,000	3,862,000	0	3,862,000	4,185,000	0	4,185,000	3,940,000	0	3,940,000	3,940,000	0	3,940,000	43,883,000	0	43,883,000
<b>Financing :</b>																		
Capital Receipts			0			0			0			0			0			(1,347,000)
Direct Revenue Financing			0			0			0			0			0			0
Earmarked Reserves			(30,000)			(30,000)			(30,000)			(30,000)			(30,000)			(150,000)
Major Repairs Reserve			(3,939,000)			(3,832,000)			(4,155,000)			(3,910,000)			(3,910,000)			(42,386,000)
<b>Increase/(Reduction) in Capital Financing Requirement (CFR)</b>			0			0			0			0			0			0

General Fund Capital Programme

Service / Scheme	2025/26			2026/27			2027/28			2028/29			2029/30		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Environment & Place															
Vehicle Renewals	5,370,000		5,370,000	2,061,000		2,061,000	257,000		257,000	2,238,000		2,238,000	560,000		560,000
LTA Tennis Court Refurbishment	52,000	(52,000)	0			0			0			0			0
Playground The Roods - Warton	60,000	(60,000)	0			0			0			0			0
Winchester Field and Nature Area	118,000	(47,000)	71,000			0			0			0			0
Food Waste Strategy	1,462,000	(1,462,000)	0			0			0			0			0
Public Bins	500,000		500,000			0			0			0			0
Commercial Venue Improvements	150,000		150,000			0			0			0			0
Wheelie Bins	2,208,000		2,208,000			0			0			0			0
Housing & Property															
Disabled Facilities Grants	3,247,000	(3,247,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0
Home Improvement Agency Vehicles	40,000	(40,000)	0			0			0			0			0
1 Lodge Street Urgent Structural Repairs	295,000		295,000			0			0			0			0
Gateway Solar Array	976,000		976,000			0			0			0			0
Commercial & Corporate Property	1,741,000		1,741,000	462,000		462,000	351,000		351,000	494,000		494,000	52,000		52,000
Coopers Fields - BLRF	182,000	(182,000)	0			0			0			0			0
King Street	600,000	(200,000)	400,000			0			0			0			0
White Lund Depot - Offices	272,000		272,000			0			0			0			0
UKSPF 25/26 Affordable Warmth	38,000	(38,000)	0			0			0			0			0
People & Policy															
UKSPF 25/26 External Projects	163,000	(163,000)	0			0			0			0			0
REPF 25/26 External Projects	150,000	(150,000)	0			0			0			0			0
Planning & Climate Change															
Burrow Beck Solar	4,153,000		4,153,000			0			0			0			0
Electric Vehicle Charging Hub	341,000	(341,000)	0			0			0			0			0
Property De-carbonisation Works	4,325,000	(1,892,000)	2,433,000			0			0			0			0
SALC -optimised solar farm, air source heating pumps & glazing	10,000	(10,000)	0			0			0			0			0
UKSPF 25/26 Local Area Energy Plan	95,000	(95,000)	0			0			0			0			0
Resources															
ICT Systems, Infrastructure & Equipment	531,000		531,000	351,000		351,000	326,000		326,000	181,000		181,000	176,000		176,000
ICT Nimble	252,000		252,000			0			0			0			0
Local Full Fibre Network	1,070,000		1,070,000			0			0			0			0
Sustainable Growth															
Lancaster Heritage Action Zone	282,000	(11,000)	271,000			0			0			0			0
Lancaster Heritage Action Zone - St John's Church	500,000		500,000			0			0			0			0
Caton Road Flood Relief Scheme	1,579,000	(1,579,000)	0			0			0			0			0
Centenary House Grant Funded Works	462,000	(462,000)	0			0			0			0			0
Lancaster Square Routes	21,000	(16,000)	5,000			0			0			0			0
Coastal Revival Fund - Morecambe Co-Op Building	8,000	(8,000)	0			0			0			0			0
City Museum Shop	14,000		14,000			0			0			0			0
Morecambe Sea Front Parapet Repair	60,000		60,000	30,000		30,000	30,000		30,000			0			0
Bare Outfall Flooding	18,000		18,000			0			0			0			0
Our Future Coast	367,000	(367,000)	0	85,000	(85,000)	0			0			0			0
Schemes Under Development															
Canal Quarter - Nelson St/St Leonardsgate	2,389,000	(2,389,000)	0			0			0			0			0
Electrical Vehicle Charging Hubs	400,000		400,000			0			0			0			0
Parks & Open Spaces Improvement	871,000		871,000			0			0			0			0
SALC 3G Football Pitch			0	800,000	(560,000)	240,000			0			0			0
Salt Ayre Asset Management Plan	1,267,000		1,267,000			0			0			0			0
GENERAL FUND CAPITAL PROGRAMME	36,639,000	(12,811,000)	23,828,000	6,120,000	(2,976,000)	3,144,000	3,295,000	(2,331,000)	964,000	5,244,000	(2,331,000)	2,913,000	3,119,000	(2,331,000)	788,000
Financing :															
Capital Receipts			0			0			0			0			0
Direct Revenue Financing			0			0			0			0			0
Earmarked Reserves			(109,000)			0			0			0			0
Increase/(Reduction) in Capital Financing Requirement (CFR)			23,719,000			3,144,000			964,000			2,913,000			788,000

General Fund Capital Programme

Service / Scheme	2030/31			2031/32			2032/33			2033/34			2034/35			10 YEAR TOTAL (FROM 2025/26)		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Total Gross Programme	Total External Funding	Total Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Environment &amp; Place</b>																		
Vehicle Renewals	2,469,000		2,469,000	5,679,000		5,679,000	3,511,000		3,511,000	1,565,000		1,565,000	2,179,000		2,179,000	25,889,000	0	25,889,000
LTA Tennis Court Refurbishment			0			0			0			0			0	52,000	(52,000)	0
Playground The Roods - Warton			0			0			0			0			0	60,000	(60,000)	0
Winchester Field and Nature Area			0			0			0			0			0	118,000	(47,000)	71,000
Food Waste Strategy			0			0			0			0			0	1,462,000	(1,462,000)	0
Public Bins			0			0			0			0			0	500,000	0	500,000
Commercial Venue Improvements			0			0			0			0			0	150,000	0	150,000
Wheelie Bins			0			0			0			0			0	2,208,000	0	2,208,000
<b>Housing &amp; Property</b>																		
Disabled Facilities Grants	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0			0			0	19,564,000	(19,564,000)	0
Home Improvement Agency Vehicles			0			0			0			0			0	40,000	(40,000)	0
1 Lodge Street Urgent Structural Repairs			0			0			0			0			0	295,000	0	295,000
Gateway Solar Array			0			0			0			0			0	976,000	0	976,000
Commercial & Corporate Property			0	152,000		152,000			0	208,000		208,000	379,000		379,000	3,839,000	0	3,839,000
Coopers Fiels - BLRF			0			0			0			0			0	182,000	(182,000)	0
King Street			0			0			0			0			0	600,000	(200,000)	400,000
White Lund Depot - Offices			0			0			0			0			0	272,000	0	272,000
UKSPF 25/26 Affordable Warmth			0			0			0			0			0	38,000	(38,000)	0
<b>People &amp; Policy</b>																		
UKSPF 25/26 External Projects			0			0			0			0			0	163,000	(163,000)	0
REPF 25/26 External Projects			0			0			0			0			0	150,000	(150,000)	0
<b>Planning &amp; Climate Change</b>																		
Burrow Beck Solar			0			0			0			0			0	4,153,000	0	4,153,000
Electric Vehicle Charging Hub			0			0			0			0			0	341,000	(341,000)	0
Property De-carbonisation Works			0			0			0			0			0	4,325,000	(1,892,000)	2,433,000
SALC -optimised solar farm, air source heating pumps & glazing			0			0			0			0			0	10,000	(10,000)	0
UKSPF 25/26 Local Area Energy Plan			0			0			0			0			0	95,000	(95,000)	0
<b>Resources</b>																		
ICT Systems, Infrastructure & Equipment	467,000		467,000	328,000		328,000	190,000		190,000	334,000		334,000	279,000		279,000	3,163,000	0	3,163,000
ICT Nimble			0			0			0			0			0	252,000	0	252,000
Local Full Fibre Network			0			0			0			0			0	1,070,000	0	1,070,000
<b>Sustainable Growth</b>																		
Lancaster Heritage Action Zone			0			0			0			0			0	282,000	(11,000)	271,000
Lancaster Heritage Action Zone - St John's Church			0			0			0			0			0	500,000	0	500,000
Caton Road Flood Relief Scheme			0			0			0			0			0	1,579,000	(1,579,000)	0
Centenary House Grant Funded Works			0			0			0			0			0	462,000	(462,000)	0
Lancaster Square Routes			0			0			0			0			0	21,000	(16,000)	5,000
Coastal Revival Fund - Morecambe Co-Op Building			0			0			0			0			0	8,000	(8,000)	0
City Museum Shop			0			0			0			0			0	14,000	0	14,000
Morecambe Sea Front Parapet Repair			0			0			0			0			0	120,000	0	120,000
Bare Outfall Flooding			0			0			0			0			0	18,000	0	18,000
Our Future Coast			0			0			0			0			0	452,000	(452,000)	0
<b>Schemes Under Development</b>																		
Canal Quarter - Nelson St/St Leonardsgate			0			0			0			0			0	2,389,000	(2,389,000)	0
Electrical Vehicle Charging Hubs			0			0			0			0			0	400,000	0	400,000
Parks & Open Spaces Improvement			0			0			0			0			0	871,000	0	871,000
SALC 3G Football Pitch			0			0			0			0			0	800,000	(560,000)	240,000
Salt Ayre Asset Management Plan			0			0			0			0			0	1,267,000	0	1,267,000
<b>GENERAL FUND CAPITAL PROGRAMME</b>	<b>5,267,000</b>	<b>(2,331,000)</b>	<b>2,936,000</b>	<b>8,490,000</b>	<b>(2,331,000)</b>	<b>6,159,000</b>	<b>6,032,000</b>	<b>(2,331,000)</b>	<b>3,701,000</b>	<b>2,107,000</b>	<b>0</b>	<b>2,107,000</b>	<b>2,837,000</b>	<b>0</b>	<b>2,837,000</b>	<b>79,150,000</b>	<b>(29,773,000)</b>	<b>49,377,000</b>
<b>Financing :</b>																		
Capital Receipts			0			0			0			0			0			0
Direct Revenue Financing			0			0			0			0			0			0
Earmarked Reserves			0			0			0			0			0			(109,000)
<b>Increase/(Reduction) in Capital Financing Requirement (CFR)</b>			<b>2,936,000</b>			<b>6,159,000</b>			<b>3,701,000</b>			<b>2,107,000</b>			<b>2,837,000</b>			<b>49,268,000</b>

Housing Revenue Account Capital Programme															
Service / Scheme	2025/26			2026/27			2027/28			2028/29			2029/30		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
HRA															
Adaptations	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000
Energy Efficiency/Boiler Replacement	2,060,400	(226,100)	1,834,300	1,545,700	(280,700)	1,265,000	1,537,900	(272,900)	1,265,000	1,093,000		1,093,000	979,000		979,000
Internal Refurbishment	1,078,000		1,078,000	1,078,000		1,078,000	1,097,000		1,097,000	1,135,000		1,135,000	1,135,000		1,135,000
External Refurbishment	855,400		855,400	270,000		270,000			0			0			0
Environmental Improvements	500,000		500,000	260,000		260,000	260,000		260,000	110,000		110,000	110,000		110,000
Re-roofing/Window Renewals	692,900		692,900	527,000		527,000	1,024,000		1,024,000	1,423,000		1,423,000	744,000		744,000
Rewiring	128,000		128,000	88,000		88,000	90,000		90,000	90,000		90,000	90,000		90,000
Lift Replacements	42,000		42,000			0			0			0			0
Fire Precaution Works	335,000		335,000	150,000		150,000	150,000		150,000	180,000		180,000	180,000		180,000
Housing Renewal and Renovation	997,500	(59,000)	938,500	507,000		507,000	507,000		507,000	207,000		207,000	657,000		657,000
Mainway Regeneration Project	355,500	(355,500)	0			0			0			0			0
Acquisitions	794,900		794,900			0			0			0			0
HRA CAPITAL PROGRAMME	8,139,600	(640,600)	7,499,000	4,725,700	(280,700)	4,445,000	4,965,900	(272,900)	4,693,000	4,538,000	0	4,538,000	4,195,000	0	4,195,000
Financing :															
Capital Receipts			(1,407,600)			0			0			0			0
Direct Revenue Financing			0			0			0			0			0
Earmarked Reserves			0			0			0			0			0
Major Repairs Reserve			(6,091,400)			(4,445,000)			(4,693,000)			(4,538,000)			(4,195,000)
Increase/(Reduction) in Capital Financing Requirement (CFR)			0			0			0			0			0

Housing Revenue Account Capital Programme

Service / Scheme	2030/31			2031/32			2032/33			2033/34			2034/35			10 YEAR TOTAL (FROM 2025/26)		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Total Gross Programme	Total External Funding	Total Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>HRA</b>																		
Adaptations	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000	3,000,000	0	3,000,000
Energy Efficiency/Boiler Replacement	790,000		790,000	790,000		790,000	790,000		790,000	790,000		790,000	790,000		790,000	11,166,000	(779,700)	10,386,300
Internal Refurbishment	936,000		936,000	946,000		946,000	936,000		936,000	945,000		945,000	945,000		945,000	10,231,000	0	10,231,000
External Refurbishment	192,000		192,000	759,000		759,000	288,000		288,000			0			0	2,364,400	0	2,364,400
Environmental Improvements	140,000		140,000	140,000		140,000	140,000		140,000	140,000		140,000	140,000		140,000	1,940,000	0	1,940,000
Re-roofing/Window Renewals	686,000		686,000			0	1,256,000		1,256,000	1,288,000		1,288,000	1,288,000		1,288,000	8,928,900	0	8,928,900
Rewiring	88,000		88,000	90,000		90,000	88,000		88,000	90,000		90,000	90,000		90,000	932,000	0	932,000
Lift Replacements			0			0			0			0			0	42,000	0	42,000
Fire Precaution Works	180,000		180,000	180,000		180,000	180,000		180,000	180,000		180,000	180,000		180,000	1,895,000	0	1,895,000
Housing Renewal and Renovation	657,000		657,000	657,000		657,000	207,000		207,000	207,000		207,000	207,000		207,000	4,810,500	(59,000)	4,751,500
Mainway Regeneration Project			0			0			0			0			0	355,500	(355,500)	0
Acquisitions			0			0			0			0			0	794,900	0	794,900
<b>HRA CAPITAL PROGRAMME</b>	<b>3,969,000</b>	<b>0</b>	<b>3,969,000</b>	<b>3,862,000</b>	<b>0</b>	<b>3,862,000</b>	<b>4,185,000</b>	<b>0</b>	<b>4,185,000</b>	<b>3,940,000</b>	<b>0</b>	<b>3,940,000</b>	<b>3,940,000</b>	<b>0</b>	<b>3,940,000</b>	<b>46,460,200</b>	<b>(1,194,200)</b>	<b>45,266,000</b>
<b>Financing :</b>																		
Capital Receipts			0			0			0			0			0			(1,407,600)
Direct Revenue Financing			0			0			0			0			0			0
Earmarked Reserves			(30,000)			(30,000)			(30,000)			(30,000)			(30,000)			(150,000)
Major Repairs Reserve			(3,939,000)			(3,832,000)			(4,155,000)			(3,910,000)			(3,910,000)			(43,708,400)
<b>Increase/(Reduction) in Capital Financing Requirement (CFR)</b>			<b>0</b>			<b>0</b>			<b>0</b>			<b>0</b>			<b>0</b>			<b>0</b>

CAPITAL PROGRAMME MID YEAR REVIEW 2025/26 - REQUESTED CHANGES											Total 10 year £'000	Reason for Change
	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	2031/32 £'000	2032/33 £'000	2033/34 £'000	2034/35 £'000		
<b>GENERAL FUND</b>												
<b>Environment &amp; Place</b>												
Vehicle Renewals	(177)	157	(53)	(54)			622	860		36	1,391	the vehicle renewal programme has been updated for amended profiles, costs and additional replacement vehicles to include the future replacements of refuse collection vehicles due to be acquired in 2025/26 from grant funding
Capital Access Works	0										0	DEFRA grant of £0.064M accepted to improve footpaths and accessibility
National Landscapes Core Capital Works	0										0	DEFRA grant of £0.119M accepted for National Landscapes Capital works in 2025/26
	(177)	157	(53)	(54)	0	0	622	860	0	36	1,391	
<b>Housing &amp; Property</b>												
Disabled Facilities Grants	0								0	0	0	Increase in 2025/26 budget of £0.856M to reflect actual grant received in year. 2033/34 and 2034/35 budgets increased to include assumed future grant awards.
1 Lodge Street	57										57	£0.057M moved from Lancaster Heritage Action Zone to cover budget shortfall in 2025/26
Coppers Field - BLRF	0										0	£0.182M grant funding returned to schemes under development whilst engagement exercise is completed
King Street	(350)	350									0	£0.350M slipped into 2026/27 as scheme is still in early planning stage
	(293)	350	0	0	0	0	0	0	0	0	57	
<b>Planning &amp; Climate Change</b>												
Electric Vehicle Charging Hub	60										60	£0.060M transferred from schemes under development to cover the Council's contribution to the DEFRA funded scheme
UKSPF 25/26 Climate & Nature Strategy	0										0	£0.012M grant funded scheme included following allocation of 2025/26 UKSPF funding
	60	0	0	0	0	0	0	0	0	0	60	
<b>Sustainable Growth</b>												
Lancaster Heritage Action Zone	(57)										(57)	£0.057M transferred to 1 Lodge Street to cover budget shortfall in 2025/26
Canal Quarter			975								975	£0.975M included in 2027/28 as per Cabinet decision 31.07.2025
	(57)	0	975	0	0	0	0	0	0	0	918	
<b>Schemes Under Development</b>												
Canal Quarter - Nelson St/St Leonardsgate	0	0									0	£0.182M Brownfield Land Release Fund grant returned to schemes under development for St Leonards Gate works. £1.176M slipped from 2025/26 to 2026/27
Car Parking Strategy		850									850	Amounts included for Car Park improvements works as outlined in the report seen by Cabinet on 3rd June 2025
Electrical Vehicle Charging Hubs	(60)										(60)	£0.060M transferred to the main body of the capital programme to cover the Council's contribution for the DEFRA funded scheme
Parks & Open Spaces Improvement	(871)	871									0	Scheme slipped from 2025/26 into 2026/27
Salt Ayre Asset Management Plan	(1,267)	1,267									0	Scheme slipped from 2025/26 into 2026/27
	(2,198)	2,988	0	0	0	0	0	0	0	0	790	
<b>TOTAL GENERAL FUND</b>	<b>(2,665)</b>	<b>3,495</b>	<b>922</b>	<b>(54)</b>	<b>0</b>	<b>0</b>	<b>622</b>	<b>860</b>	<b>0</b>	<b>36</b>	<b>3,216</b>	
<b>HOUSING REVENUE ACCOUNT</b>												
<b>Housing &amp; Property</b>												
Energy Efficiency/Boiler Replacement	0										0	£0.012M UKSPF grant funded climate and nature strategy scheme included under Energy Efficiency/Boiler Replacements in 2025/26
<b>TOTAL HOUSING REVENUE ACCOUNT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL REQUESTED CHANGES</b>	<b>(2,665)</b>	<b>3,495</b>	<b>922</b>	<b>(54)</b>	<b>0</b>	<b>0</b>	<b>622</b>	<b>860</b>	<b>0</b>	<b>36</b>	<b>3,216</b>	

General Fund Capital Programme															
Service / Scheme	2025/26			2026/27			2027/28			2028/29			2029/30		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Environment &amp; Place</b>															
Vehicle Renewals	5,193,000		5,193,000	2,218,000		2,218,000	204,000		204,000	2,184,000		2,184,000	560,000		560,000
LTA Tennis Court Refurbishment	52,000	(52,000)	0			0			0			0			0
Playground The Roods - Warton	60,000	(60,000)	0			0			0			0			0
Winchester Field and Nature Area	118,000	(47,000)	71,000			0			0			0			0
Food Waste Strategy	1,462,000	(1,462,000)	0			0			0			0			0
Public Bins	500,000		500,000			0			0			0			0
Commercial Venue Improvements	150,000		150,000			0			0			0			0
Wheelie Bins	2,208,000		2,208,000			0			0			0			0
Capital Access Works	64,000	(64,000)	0			0			0			0			0
National Landscapes Core Capital	119,000	(119,000)	0			0			0			0			0
<b>Housing &amp; Property</b>															
Disabled Facilities Grants	4,103,000	(4,103,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0
Home Improvement Agency Vehicles	40,000	(40,000)	0			0			0			0			0
UKSPF 25/26 Affordable Warmth	38,000	(38,000)	0			0			0			0			0
1 Lodge Street Urgent Structural Repairs	352,000		352,000			0			0			0			0
Gateway Solar Array	976,000		976,000			0			0			0			0
Commercial & Corporate Property	1,741,000		1,741,000	462,000		462,000	351,000		351,000	494,000		494,000	52,000		52,000
White Lund Depot - Offices	272,000		272,000			0			0			0			0
Coopers Fiels - BLRF	0	0	0			0			0			0			0
King Street	50,000		50,000	550,000	(200,000)	350,000			0			0			0
<b>People &amp; Policy</b>															
UKSPF 25/26 External Projects	163,000	(163,000)	0			0			0			0			0
REPF 25/26 External Projects	150,000	(150,000)	0			0			0			0			0
<b>Planning &amp; Climate Change</b>															
Burrow Beck Solar	4,153,000		4,153,000			0			0			0			0
Electric Vehicle Charging Hub	401,000	(341,000)	60,000			0			0			0			0
Property De-carbonisation Works	4,325,000	(1,892,000)	2,433,000			0			0			0			0
SALC - optimised solar farm, air source heating pumps & glazing	10,000	(10,000)	0			0			0			0			0
UKSPF 25/26 Climate & Nature Strategy	12,000	(12,000)	0			0			0			0			0
UKSPF 25/26 Local Area Energy Plan	95,000	(95,000)	0			0			0			0			0
<b>Resources</b>															
IT Strategy	237,000		237,000	173,000		173,000	103,000		103,000	15,000		15,000	50,000		50,000
IS Desktop Equipment	258,000		258,000	138,000		138,000	198,000		198,000	161,000		161,000	121,000		121,000
ICT Telephony	14,000		14,000	40,000		40,000			0			0			0
ICT Laptop Replacement & e-campus screens	22,000		22,000			0	25,000		25,000	5,000		5,000	5,000		5,000
ICT Nimble	252,000		252,000			0			0			0			0
Local Full Fibre Network (including Data Centre)	1,070,000		1,070,000			0			0			0			0
<b>Sustainable Growth</b>															
Lancaster Heritage Action Zone	225,000	(11,000)	214,000			0			0			0			0
Lancaster Heritage Action Zone - St John's Church	500,000		500,000			0			0			0			0
Caton Road Flood Relief Scheme	1,579,000	(1,579,000)	0			0			0			0			0
Centenary House Grant Funded Works	462,000	(462,000)	0			0			0			0			0
Lancaster Square Routes	21,000	(16,000)	5,000			0			0			0			0
Coastal Revival Fund - Morecambe Co-Op Building	8,000	(8,000)	0			0			0			0			0
City Museum Shop	14,000		14,000			0			0			0			0
Morecambe Sea Front Parapet Repair	60,000		60,000	30,000		30,000	30,000		30,000			0			0
Bare Outfall Flooding	18,000		18,000			0			0			0			0
Our Future Coast	367,000	(367,000)	0	85,000	(85,000)	0			0			0			0
Canal Quarter			0			0	975,000		975,000			0			0
<b>Schemes Under Development</b>															
Canal Quarter	1,395,000	(1,395,000)	0	1,176,000	(1,176,000)	0			0			0			0
Car Parking Strategy			0	850,000		850,000			0			0			0
Electrical Vehicle Charging Hubs	340,000		340,000			0			0			0			0
Parks & Open Spaces Improvement			0	871,000		871,000			0			0			0
SALC 3G Football Pitch			0	800,000	(560,000)	240,000			0			0			0
Salt Ayre Asset Management Plan			0	1,267,000		1,267,000			0			0			0
<b>GENERAL FUND CAPITAL PROGRAMME</b>	<b>33,649,000</b>	<b>(12,486,000)</b>	<b>21,163,000</b>	<b>10,991,000</b>	<b>(4,352,000)</b>	<b>6,639,000</b>	<b>4,217,000</b>	<b>(2,331,000)</b>	<b>1,886,000</b>	<b>5,190,000</b>	<b>(2,331,000)</b>	<b>2,859,000</b>	<b>3,119,000</b>	<b>(2,331,000)</b>	<b>788,000</b>
<b>Financing :</b>															
Capital Receipts			0			0			0			0			0
Direct Revenue Financing			0			0			0			0			0
Earmarked Reserves			(109,000)			0			0			0			0
<b>Increase/(Reduction) in Capital Financing Requirement (CFR)</b>			<b>21,054,000</b>			<b>6,639,000</b>			<b>1,886,000</b>			<b>2,859,000</b>			<b>788,000</b>

General Fund Capital Programme

Service / Scheme	2030/31			2031/32			2032/33			2033/34			2034/35			10 YEAR TOTAL (FROM 2025/26)		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Total Gross Programme	Total External Funding	Total Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Environment &amp; Place</b>																		
Vehicle Renewals	2,469,000		2,469,000	6,301,000		6,301,000	4,371,000		4,371,000	1,565,000		1,565,000	2,215,000		2,215,000	27,280,000	0	27,280,000
LTA Tennis Court Refurbishment			0			0			0			0			0	52,000	(52,000)	0
Playground The Roads - Warton			0			0			0			0			0	60,000	(60,000)	0
Winchester Field and Nature Area			0			0			0			0			0	118,000	(47,000)	71,000
Food Waste Strategy			0			0			0			0			0	1,462,000	(1,462,000)	0
Public Bins			0			0			0			0			0	500,000	0	500,000
Commercial Venue Improvements			0			0			0			0			0	150,000	0	150,000
Wheelie Bins			0			0			0			0			0	2,208,000	0	2,208,000
Capital Access Works			0			0			0			0			0	64,000	(64,000)	0
National Landscapes Core Capital			0			0			0			0			0	119,000	(119,000)	0
<b>Housing &amp; Property</b>																		
Disabled Facilities Grants	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	2,331,000	(2,331,000)	0	25,082,000	(25,082,000)	0
Home Improvement Agency Vehicles			0			0			0			0			0	40,000	(40,000)	0
UKSPF 25/26 Affordable Warmth			0			0			0			0			0	38,000	(38,000)	0
1 Lodge Street Urgent Structural Repairs			0			0			0			0			0	352,000	0	352,000
Gateway Solar Array			0			0			0			0			0	976,000	0	976,000
Commercial & Corporate Property			0	152,000		152,000			0	208,000		208,000	379,000		379,000	3,839,000	0	3,839,000
White Lund Depot - Offices			0			0			0			0			0	272,000	0	272,000
Coopers Fields - BLRF			0			0			0			0			0	0	0	0
King Street			0			0			0			0			0	600,000	(200,000)	400,000
<b>People &amp; Policy</b>																		
UKSPF 25/26 External Projects			0			0			0			0			0	163,000	(163,000)	0
REPF 25/26 External Projects			0			0			0			0			0	150,000	(150,000)	0
<b>Planning &amp; Climate Change</b>																		
Burrow Beck Solar			0			0			0			0			0	4,153,000	0	4,153,000
Electric Vehicle Charging Hub			0			0			0			0			0	401,000	(341,000)	60,000
Property De-carbonisation Works			0			0			0			0			0	4,325,000	(1,892,000)	2,433,000
SALC -optimised solar farm, air source heating pumps & glazing			0			0			0			0			0	10,000	(10,000)	0
UKSPF 25/26 Climate & Nature Strategy			0			0			0			0			0	12,000	(12,000)	0
UKSPF 25/26 Local Area Energy Plan			0			0			0			0			0	95,000	(95,000)	0
<b>Resources</b>																		
IT Strategy	100,000		100,000	115,000		115,000	50,000		50,000	138,000		138,000	103,000		103,000	1,084,000	0	1,084,000
IS Desktop Equipment	162,000		162,000	208,000		208,000	135,000		135,000	156,000		156,000	151,000		151,000	1,688,000	0	1,688,000
ICT Telephony			0			0			0			0			0	54,000	0	54,000
ICT Laptop Replacement & e-campus screens	205,000		205,000	5,000		5,000	5,000		5,000	40,000		40,000	25,000		25,000	337,000	0	337,000
ICT Nimble			0			0			0			0			0	252,000	0	252,000
Local Full Fibre Network (including Data Centre)			0			0			0			0			0	1,070,000	0	1,070,000
<b>Sustainable Growth</b>																		
Lancaster Heritage Action Zone			0			0			0			0			0	225,000	(11,000)	214,000
Lancaster Heritage Action Zone - St John's Church			0			0			0			0			0	500,000	0	500,000
Caton Road Flood Relief Scheme			0			0			0			0			0	1,579,000	(1,579,000)	0
Centenary House Grant Funded Works			0			0			0			0			0	462,000	(462,000)	0
Lancaster Square Routes			0			0			0			0			0	21,000	(16,000)	5,000
Coastal Revival Fund - Morecambe Co-Op Building			0			0			0			0			0	8,000	(8,000)	0
City Museum Shop			0			0			0			0			0	14,000	0	14,000
Morecambe Sea Front Parapet Repair			0			0			0			0			0	120,000	0	120,000
Bare Outfall Flooding			0			0			0			0			0	18,000	0	18,000
Our Future Coast			0			0			0			0			0	452,000	(452,000)	0
Canal Quarter			0			0			0			0			0	975,000	0	975,000
<b>Schemes Under Development</b>																		
Canal Quarter			0			0			0			0			0	2,571,000	(2,571,000)	0
Car Parking Strategy			0			0			0			0			0	850,000	0	850,000
Electrical Vehicle Charging Hubs			0			0			0			0			0	340,000	0	340,000
Parks & Open Spaces Improvement			0			0			0			0			0	871,000	0	871,000
SALC 3G Football Pitch			0			0			0			0			0	800,000	(560,000)	240,000
Salt Ayre Asset Management Plan			0			0			0			0			0	1,267,000	0	1,267,000
<b>GENERAL FUND CAPITAL PROGRAMME</b>	<b>5,267,000</b>	<b>(2,331,000)</b>	<b>2,936,000</b>	<b>9,112,000</b>	<b>(2,331,000)</b>	<b>6,781,000</b>	<b>6,892,000</b>	<b>(2,331,000)</b>	<b>4,561,000</b>	<b>4,438,000</b>	<b>(2,331,000)</b>	<b>2,107,000</b>	<b>5,204,000</b>	<b>(2,331,000)</b>	<b>2,873,000</b>	<b>88,079,000</b>	<b>(35,486,000)</b>	<b>52,593,000</b>
<b>Financing :</b>																		
Capital Receipts			0			0			0			0			0			0
Direct Revenue Financing			0			0			0			0			0			0
Earmarked Reserves			0			0			0			0			0			(109,000)
<b>Increase/(Reduction) in Capital Financing Requirement (CFR)</b>			<b>2,936,000</b>			<b>6,781,000</b>			<b>4,561,000</b>			<b>2,107,000</b>			<b>2,873,000</b>			<b>52,484,000</b>

Housing Revenue Account Capital Programme															
Service / Scheme	2025/26			2026/27			2027/28			2028/29			2029/30		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
HRA															
Adaptations	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000
Energy Efficiency/Boiler Replacement	2,072,400	(238,100)	1,834,300	1,545,700	(280,700)	1,265,000	1,537,900	(272,900)	1,265,000	1,093,000		1,093,000	979,000		979,000
Internal Refurbishment	1,078,000		1,078,000	1,078,000		1,078,000	1,097,000		1,097,000	1,135,000		1,135,000	1,135,000		1,135,000
External Refurbishment	855,400		855,400	270,000		270,000			0			0			0
Environmental Improvements	500,000		500,000	260,000		260,000	260,000		260,000	110,000		110,000	110,000		110,000
Re-roofing/Window Renewals	692,900		692,900	527,000		527,000	1,024,000		1,024,000	1,423,000		1,423,000	744,000		744,000
Rewiring	128,000		128,000	88,000		88,000	90,000		90,000	90,000		90,000	90,000		90,000
Lift Replacements	42,000		42,000			0			0			0			0
Fire Precaution Works	335,000		335,000	150,000		150,000	150,000		150,000	180,000		180,000	180,000		180,000
Housing Renewal and Renovation	997,500	(59,000)	938,500	507,000		507,000	507,000		507,000	207,000		207,000	657,000		657,000
Mainway Regeneration Project	355,500	(355,500)	0			0			0			0			0
Acquisitions	794,900		794,900			0			0			0			0
HRA CAPITAL PROGRAMME	8,151,600	(652,600)	7,499,000	4,725,700	(280,700)	4,445,000	4,965,900	(272,900)	4,693,000	4,538,000	0	4,538,000	4,195,000	0	4,195,000
Financing :															
Capital Receipts			(1,407,600)			0			0			0			0
Direct Revenue Financing			0			0			0			0			0
Earmarked Reserves			0			0			0			0			0
Major Repairs Reserve			(6,091,400)			(4,445,000)			(4,693,000)			(4,538,000)			(4,195,000)
Increase/(Reduction) in Capital Financing Requirement (CFR)			0			0			0			0			0

Housing Revenue Account Capital Programme

Service / Scheme	2030/31			2031/32			2032/33			2033/34			2034/35			10 YEAR TOTAL (FROM 2025/26)		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Total Gross Programme	Total External Funding	Total Net Programme
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>HRA</b>																		
Adaptations	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000	300,000		300,000	3,000,000	0	3,000,000
Energy Efficiency/Boiler Replacement	790,000		790,000	790,000		790,000	790,000		790,000	790,000		790,000	790,000		790,000	11,178,000	(791,700)	10,386,300
Internal Refurbishment	936,000		936,000	946,000		946,000	936,000		936,000	945,000		945,000	945,000		945,000	10,231,000	0	10,231,000
External Refurbishment	192,000		192,000	759,000		759,000	288,000		288,000			0			0	2,364,400	0	2,364,400
Environmental Improvements	140,000		140,000	140,000		140,000	140,000		140,000	140,000		140,000	140,000		140,000	1,940,000	0	1,940,000
Re-roofing/Window Renewals	686,000		686,000			0	1,256,000		1,256,000	1,288,000		1,288,000	1,288,000		1,288,000	8,928,900	0	8,928,900
Rewiring	88,000		88,000	90,000		90,000	88,000		88,000	90,000		90,000	90,000		90,000	932,000	0	932,000
Lift Replacements			0			0			0			0			0	42,000	0	42,000
Fire Precaution Works	180,000		180,000	180,000		180,000	180,000		180,000	180,000		180,000	180,000		180,000	1,895,000	0	1,895,000
Housing Renewal and Renovation	657,000		657,000	657,000		657,000	207,000		207,000	207,000		207,000	207,000		207,000	4,810,500	(59,000)	4,751,500
Mainway Regeneration Project			0			0			0			0			0	355,500	(355,500)	0
Acquisitions			0			0			0			0			0	794,900	0	794,900
<b>HRA CAPITAL PROGRAMME</b>	<b>3,969,000</b>	<b>0</b>	<b>3,969,000</b>	<b>3,862,000</b>	<b>0</b>	<b>3,862,000</b>	<b>4,185,000</b>	<b>0</b>	<b>4,185,000</b>	<b>3,940,000</b>	<b>0</b>	<b>3,940,000</b>	<b>3,940,000</b>	<b>0</b>	<b>3,940,000</b>	<b>46,472,200</b>	<b>(1,206,200)</b>	<b>45,266,000</b>
<b>Financing :</b>																		
Capital Receipts			0			0			0			0			0			(1,407,600)
Direct Revenue Financing			0			0			0			0			0			0
Earmarked Reserves			(30,000)			(30,000)			(30,000)			(30,000)			(30,000)			(150,000)
Major Repairs Reserve			(3,939,000)			(3,832,000)			(4,155,000)			(3,910,000)			(3,910,000)			(43,708,400)
<b>Increase/(Reduction) in Capital Financing Requirement (CFR)</b>			<b>0</b>			<b>0</b>			<b>0</b>			<b>0</b>			<b>0</b>			<b>0</b>

<b>COUNCIL</b>
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**Appointments to Outside Bodies  
24 September 2025  
Report of the Senior Manager, Democratic Support  
and Elections**

<b>PURPOSE OF REPORT</b>
To consider making an appointment to a vacancy on the Local Government Association (LGA) Coastal Issues Special Interest Group (SIG).
<b>This report is public</b>

**RECOMMENDATIONS**

- (1) That Council confirms the basis of appointment for the LGA Coastal Issues SIG as nomination and voting at full Council.
- (2) That, should the basis of appointment be confirmed, that nominations be received and an appointment made at this meeting.

**1.0 Introduction**

- 1.1 Councillor Bradley has resigned from his role on the LGA Coastal Issues SIG due to other commitments, therefore a vacancy on that body has occurred.

**2.0 LGA Coastal Issues Special Interest Group**

- 2.1 This is a group of 57 coastal local authorities, covering 60% of England's coastline.
- 2.2 Information about the group can be found here [www.lgacoastalsig.com](http://www.lgacoastalsig.com).
- 2.3 Members are asked to consider appointing by
  - (a) reconfirming that appointment should be on the basis nomination and voting at full Council; and
  - (b) If this is reconfirmed, that nominations be put forward and an appointment made at this meeting.

**3.0 Conclusion**

- 3.1 Council is asked to consider appointing to the vacancy on the LGA Coastal Issues SIG.

<b>CONCLUSION OF IMPACT ASSESSMENT</b>
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(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)
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None directly arising from this report.
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**LEGAL IMPLICATIONS**

None directly arising from this report.

**FINANCIAL IMPLICATIONS**

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.

**OTHER RESOURCE IMPLICATIONS**

**Human Resources:** None

**Information Services:** None

**Property:** None

**Open Spaces:** None

**SECTION 151 OFFICER'S COMMENTS**

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

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

None

**Contact Officer:** Debbie Chambers

**Telephone:** 01524 582057

**E-mail:** dchambers@lancaster.gov.uk

**Ref:**

**CABINET****4.00 P.M.****31ST JULY 2025**

**PRESENT:-** Councillors Caroline Jackson (Chair), Peter Jackson, Mandy Bannon, Martin Bottoms, Tim Hamilton-Cox, Paul Hart and Sam Riches

Apologies for Absence:-

Councillors Sally Maddocks and Sue Tyldesley

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
William Griffith	Chief Officer - Environment and Place
Jonathan Noad	Chief Officer - Sustainable Growth
Joanne Wilkinson	Chief Officer - Housing and Property
Andrew Kipling	Accountancy Manager
Paul Rogers	Regeneration Service Manager
Liz Bateson	Principal Democratic Support Officer

**33 MINUTES**

The minutes of the meeting held on Tuesday 8 July 2025 were approved as a correct record.

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

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

**35 DECLARATIONS OF INTEREST**

No declarations were made at this point.

**36 PUBLIC SPEAKING**

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

**37 PROVISIONAL REVENUE, CAPITAL AND TREASURY MANAGEMENT OUTTURN 2024/25**

**Cabinet Member with Special Responsibility Councillor Hamilton-Cox)**

Cabinet received a report from the Chief Finance Officer that provided summary information regarding the provisional outturn for 2024/25, 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.

Although the General Fund was able to respond to the financial challenges in 2024/25 and maintain a balanced budget position, this does not mean that the financial issues for the Council are resolved, it simply means that the in-year budget pressures were addressed. To put into context, a budget gap of £2.6M is still forecast for 2026/27 and this rises annually to £5.5M in 2029/30 for which the cumulative effect is not sustainable.

To reiterate the points made in section 4, as at 31 March 2025, the HRA's unallocated reserve balance stands at £0.152M, £0.598M below the minimum recommended level for 2024/25 of £0.750M.

The deficit has been funded from a combination of its unallocated and business support reserves. As a result, and as stated above, the unallocated reserve balance is now below the s151 Officers minimum recommended level. With significant commitments outstanding and potential revenue pressures associated with a number of major projects this position may be further exacerbated. This is not sustainable and the financial health of the HRA is being carefully monitored and detailed plans developed including a review and assessment of the useful life of properties as part of the Quinquennial valuation due in 2026/27.

Work has continued on the Council's Outcomes-Based Resourcing (OBR)/Fit for the Future (FftF) project which examines every area of its budget and matches resources more closely with its priorities. The OBR/FftF programme includes looking at ways the council can do things differently by utilising technology and being more efficient, as well as considering areas in which it can generate more income.

The proposed actions through the OBR/FftF process currently include:

- Application of alternative funding to deliver key Council outcomes
- Detailed review and sensitivity analysis on all key and significant income streams
- Further rationalisation work on the Council's asset base
- Expansion of the investment to reduce cost principle
- The potential use of capital receipts to finance existing projects
- Capitalisation of transformation costs where appropriate • Exploration of closer working and collaboration with other Councils, Public Sector Bodies and Partner Institutions
- Challenging existing cost base through the application of zero-based budgeting principles

Given the size of the ongoing financial issues the Council faces this fundamental reshaping of the Council's services and realigning against its priorities through the OBR/FtF process will be key to shrinking the estimated budget gap and securing the financial sustainability of the Council going forward. The application of OBR/FtF across the Council is a significant piece of ongoing work and it is imperative that the work, or similar principles continues.

Cabinet and Senior Leadership Team have agreed on principles and common goals as they continue to work through the OBR/FtF process.

- We need to continue tackle the structural deficit over the short medium and long term • We need to use reserves carefully to transition
- We want to continue to deliver services that residents/ businesses need and rely on • We want to achieve positive outcomes for our district.

However, if these are not successful and the deficit is not closed, then balances will be required to make up the difference.

It was proposed by Councillor Hamilton-Cox and seconded by Councillor Peter Jackson:

"That recommendations 1 to 4 as set out in the report be approved with recommendation 5 noted."

Councillors then voted:-

***Resolved unanimously:***

- (1) That the provisional outturn for 2024/25 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 to the report.
- (2) That Cabinet approve the treatment of year end overspends and endorse the do1nothing approach in-light of the current situation.
- (3) That Cabinet note and endorse the ongoing projects funded by reserves set out at Appendices 5a and 6 to the report.
- (4) That the requests for capital slippage and the adjustments to reflect accelerated capital spending on projects as set out at Appendices 7 and 8 to the report be endorsed, with the Capital Programme being updated accordingly.
- (5) That the Annual Treasury Management report and Prudential Indicators as set

out at Appendix 2 to the report be noted and referred on to Budget & Performance Panel and Council for information.

**Officer responsible for effecting the decision:**

Chief Officer Resources

**Reasons for making the decision:**

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

**38 EXCLUSION OF THE PRESS AND PUBLIC**

It was moved by Councillor Riches 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.

**39 CANAL QUARTER REGENERATION PHASE III (HERON WORKS) - PROGRESSING DEVELOPMENT DESIGN, PLANNING APPROVAL, AND DELIVERY (Pages 6 - 11)**

**Cabinet Member with Special Responsibility Councillor Peter Jackson**

Cabinet received a report from the Chief Officer Sustainable Growth with regard to the proposal for the Herons Works site and sought approval to progress the scheme.

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

***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 Sustainable Growth

**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 4.58 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 TUESDAY 5 AUGUST, 2025.**

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:  
WEDNESDAY 13 AUGUST , 2025.**

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