

CABINET

6.00 P.M.

4TH AUGUST 2015

PRESENT:- Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Abbott Bryning, Darren Clifford, Karen Leytham, Richard Newman-Thompson, Margaret Pattison and David Smith

Officers in attendance:-

| | |
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| Mark Cullinan | Chief Executive |
| Sarah Taylor | Chief Officer (Governance) and Monitoring Officer |
| Nadine Muschamp | Chief Officer (Resources) and Section 151 Officer |
| Mark Davies | Chief Officer (Environment) |
| Paul Rogers | Senior Regeneration Officer (Minute 12) |
| Liz Bateson | Principal Democratic Support Officer |

8 MINUTES

The minutes of the meeting held on Tuesday 23rd June 2015 were approved as a correct record.

9 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

10 DECLARATIONS OF INTEREST

Councillor Hanson declared an interest with regard to the Lancaster Business Improvement District (BID) Renewal Draft Proposal report, in view of her appointment to the BID Management Group. (Minute 11 refers).

11 PUBLIC SPEAKING

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

Councillor Hanson had declared an interest with regard to the following item in view of her appointment to the BID Management Group.

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

(Cabinet Member with Special Responsibility Councillor Hanson)

Cabinet received a report from the Chief Officer (Regeneration and Planning) which provided context and information for the endorsement of proposals for a Lancaster Business Improvement District Renewal Ballot in November 2015, as required by statute. The report updated members on potential pre and post ballot issues and resource implications in relation to the City Council's role in the BID renewal process.

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

| | Option 1: : Do nothing (Put off decision until the production of Final Renewal Proposals) | Option 2: Endorse the draft BID Renewal Proposals with endorsement of final BID Renewal Proposals delegated to the Chief Executive. | Option 3: Request material amendments to the draft Renewal Proposal for consideration/ endorsement at a future Cabinet meeting. |
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| Advantages | No advantages. | <p>Early notice that the proposals are technically sound and final document is likely to be compatible with BID Regulations and council policy.</p> <p>Allows for minor and/or non-material technical amendments via officer scrutiny of final document.</p> <p>Allows Lancaster BID to develop its pre-election canvassing strategy and marketing/publishing activities around the BID Renewal Proposals with confidence.</p> | <p>Appropriate if Members consider (based on the draft), a Final Renewal Proposal would be vetoed and that material changes are required.</p> <p>Allows for revised proposals to come forward which are compatible with council policy and regulatory requirements</p> |
| Disadvantages | <p>Creates uncertainty for Lancaster BID.</p> <p>Creates difficulties for Lancaster BID in developing its pre-ballot canvassing strategy and marketing/publishing activities around the BID Renewal Proposals.</p> | No disadvantages identified. | <p>Reputational implications for council if proposals are not endorsed without good reason. Potential delays Lancaster BID's commitment to pre-ballot canvassing strategy and marketing/publishing activities around the BID Renewal Proposals.</p> |
| Risks | September Cabinet is the last date proposals can | No guarantee that BID Renewal Ballot will be successful. | The onus would be on Lancaster BID to address any issues |

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| | <p>formally be endorsed for a November ballot to be enacted under statutory notifications.</p> <p>If there are issues with Final Renewal Proposal compliance at this stage a ballot could be delayed with knock on implications for Lancaster BID in terms of canvassing and for the council in terms of dealing with operational matters in the new year arising from a late 'Yes' ballot</p> | | <p>and prepare a technically/policy compatible Final Renewal Proposal.</p> <p>Risks are as Option 1 in that September Cabinet is the last date proposals can formally be endorsed for a November ballot to be enacted under statutory notifications.</p> |
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On submission of a Final Renewal Proposal the local authority is obliged to endorse the BID proposal and approve it to go forward to a ballot if it meets the regulatory and policy tests mentioned in paragraph 2.3 of the report. The draft proposals provide a good indication of whether it is likely the council will need to use its veto powers.

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

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

The decision to incorporate and take on formal accountable body status is a natural progression for Lancaster BID, one which the majority of national BIDs have taken at the outset or at renewal. The current unincorporated body Lancaster BID, while not formally accountable for BID funds, already acts as employer to the paid BID staff. The current Lancaster BID Management Committee believes incorporation will allow it to achieve significant administrative savings, better value for money and greater local control.

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

BID legislation allows for the council's administrative costs to be recovered through the BID levy and the councils charging has been made clear to Lancaster BID and will be kept under review. Officers have ensured its administrative charges are appropriate, commensurate with the task, and clear to those who will vote (refer to Financial Implications in the report).

Implementation of BIDs is usually underpinned by formal legal agreements between the billing authority and BID delivery body (refer to Background Papers). An Operating Agreement (OA), the formal contract between the BID body and the local authority, should be entered into setting out the various procedures for the collection, payment, monitoring and enforcement of the BID levy. The current OA between the council and North West Chamber of Trade (Appendix 3a) is regarded as having provided a sound basis for the operational relationship to date and will be redrafted to reflect the new relationship with the proposed stand-alone Lancaster BID body.

A feature of the OA is the 'baseline' – a statement/measure of the existing services provided by the city council to the BID area. Production of a baseline and its formal incorporation under the OA (as a "Baseline Agreement") is useful to assist potential levy payers identify added value of services proposed. For example, if the council is involved in delivering services solely for the improvement or benefit of the BID area (funded using the BID levy or other contributions to the BID body) it provides a benchmark to ensure true additionality for BID resources.

While it is regarded as best practice that these operational matters are agreed in principle prior to a ballot (mainly for clarity and as an additional 'selling point' over the BID election period) - the agreements are formally agreed and signed post-ballot.

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

There is no guarantee that a BID Renewal Ballot will be successful. If there is a 'no' vote any remaining funds from the first BID term will be returned to the council who will distribute it back to levy payers under procedure detailed in the 2004 BID regulations.

Councillor Smith proposed, seconded by Councillor Pattison:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the draft Renewal Proposals for Lancaster Business Improvement District (BID) Renewal Ballot are agreed as being in compliance with statutory requirements.
- (2) That the approval of Lancaster BID final Renewal Proposals and the issue of an instruction to proceed to ballot is delegated to the Chief Executive.
- (3) That the current Operating Agreement and Baseline Agreement are revised to reflect proposed changes to the accountable body and the current council

service provision respectively, with approval and post-ballot sign-off of the final documents delegated to the Chief Executive.

Officers responsible for effecting the decision:

Chief Executive
 Chief Officer (Regeneration & Planning)

Reasons for making the decision:

In working towards implementation of Business Improvement Districts the Council will be achieving and/or reviewing and improving upon a number of its corporate objectives/outcomes as defined in the Corporate Plan 2015 -18. The draft BID Renewal Proposals will actively support Sustainable Economic Growth, Clean Green & Safe Places and Community Leadership outcomes, success, measures and actions. Support for a BID in Lancaster is a Priority Action in the Lancaster Cultural Heritage Strategy.

13 ACCOUNTABLE BODY AUTHORISATION FOR COMMUNITY GROUPS

(Cabinet Member with Special Responsibility Councillor Smith)

Cabinet received a report from the Chief Officer (Environment) to consider whether to approve delegated responsibility for the Chief Officers (Environment) and (Resources) to authorise and accept external funding applications and for the Council to act as the accountable body for community bodies working to improve facilities on council owned land.

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

| | Option 1: Delegate Responsibilities as outlined | Option 2: Seek Cabinet approval on each individual basis |
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| Advantages | <p>As there are so many projects in this area of work. This will save time, allowing officers to focus on supporting the community and delivery of the corporate objective for green spaces.</p> <p>It will allow groups to respond quickly to opportunities which arise.</p> <p>Projects are usually funded by three or four different funding bodies. Delegated responsibility will provide flexibility when pulling funding packages together.</p> <p>Enables quick applications to go</p> | <p>Allows consideration of specific budgetary pressures and commitment of future budgets as and when bidding opportunities arise.</p> |

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| | in to maintain community interest. | |
| Disadvantages | Annual commitments against existing budget levels may be incurred, reducing future scope to make savings in those areas. | <p>It does not provide the flexibility and responsiveness which is required for these small scale community projects. Some funding is available at short notice which does not easily fit into council procedures and timescales.</p> <p>Due to the quantity of projects and funding applications – the officer time in complying with these requirements on a project by project basis.</p> |
| Risks | <p>There will be no immediate risk regarding ongoing maintenance costs as this will be addressed at the start of any project, but would be risk associated with committing future years' budgets, potentially.</p> <p>There is a risk that the group don't fulfil their requirements and the funding is reclaimed – Officers work very closely with groups to ensure this does not happen. Acting as the accountable body also allows us to have more control over funding requirements, procurement procedures, quality of work, etc. that may reduce long term risks to the council.</p> | <p>Loss of funding opportunities due to the required timescales.</p> <p>Loss of community interest due to the required timescales especially when funding has been secured and needs spending by a certain date.</p> |

The preferred option is option 1 as it enables the Council to respond more quickly to securing funding for these relatively small scale community projects and the risks and consequences are considered manageable.

Councillor Clifford proposed, seconded by Councillor Leytham:-

“That the recommendations, as set out in the report, be approved with July 2019 revised to July 2017 in recommendation (3)”.

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet delegates authority to the Chief Officer (Environment), in agreement with the Section 151 Officer, to approve the making and acceptance of external funding bids above the key decision threshold where:
 - any such bid is for the purposes of improving public open space in the District; and
 - it can be contained within the budget and policy framework and would not require redirection of resources between service areas, functions or activities on an ongoing basis.
- (2) That Cabinet delegates authority to the Section 151 Officer, in agreement with the Chief Officer (Environment), to adopt the role of “accountable body” where appropriate, in order to support formally constituted ‘Friends of’ and community groups in helping to improve public open space in the District, subject to due diligence and any financial implications being contained within the budget and policy framework.
- (3) That that above delegations remain in place until July 2017 and be subject to review at that time.

Officers responsible for effecting the decision:

Chief Officer (Environment)
Chief Officer (Resources)

Reasons for making the decision:

The decision directly relates to the delivery of the Council’s objective for green spaces: *‘the council will encourage local communities and individuals to take pride in their local area and become involved in protecting and improving the quality of local areas, parks and public spaces in a way that is sustainable.’*

The decision will enable officers to respond more quickly to secure external funding for the improvement of outdoor areas. Whilst deeming the delegation to be sensible Cabinet felt that a two year review would be more appropriate than the proposed four year review. Any specific financial implications or sensitivities arising in relation to an individual project or scheme will be reported to Cabinet for consideration in the usual way.

14 CORPORATE PERFORMANCE MONITORING QUARTER 4 2014/15

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Officer (Governance) which presented the corporate performance monitoring report for Quarter 4 of the 2014/15 performance monitoring cycle and an analysis of the complaints received during 2014/15, as well as providing an update on ongoing business improvement work on corporate business travel and vehicle tracking arrangements.

The report was for comments and noting.

Councillor Hanson proposed, seconded by Councillor Newman-Thompson:-

“That the report be noted.”

Councillors then voted:-

Resolved unanimously:

- (1) That the report be noted.

Officers responsible for effecting the decision:

Chief Officer (Governance)

Reasons for making the decision:

The Council's Performance Management Framework requires the regular reporting of operational, as well as financial performance.

15 URGENT BUSINESS REPORT

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Officer (Governance) to advise Members of actions taken by the Chief Executive, in consultation with the relevant Cabinet Members and requested Cabinet to consider lifting the exemption on the Urgent Business report dated 4th July 2015 with regard to the Visitor Information Centre, The Platform, Morecambe.

It was proposed by Councillor Newman-Thompson, seconded by Councillor Smith and resolved unanimously:-

"That the exemption on the urgent business report be lifted."

It was then proposed by Councillor Bryning, seconded by Councillor Newman-Thompson and resolved unanimously:-

"That recommendation (1) as set out in the report, be approved."

Resolved unanimously:

- (1) That the exemption on the Urgent Business Report (Visitor Information Centre – The Platform, Morecambe) dated 4th July 2015 be lifted.
- (2) That the actions taken by the Chief Executive in consultation with the relevant Cabinet Members in accordance with the Scheme of Delegation, in respect of the following be noted:-

(1) That Officers be authorised to acquire the unexpired 999 year lease for the VIC Offices at the Platform, Morecambe, either through pre-auction negotiations or through participation in the auction, subject to a maximum valuation ceiling of £310K.

(2) That the Capital Support Reserve be used to finance any acquisition, with

any additional incidental costs being met from existing revenue budgets.

- (3) *That (1) and (2) above be subject to consultation being undertaken with a view to waiving call in, in accordance with Overview and Scrutiny Procedure Rule 17, to enable the decision to be implemented immediately.*

Officer responsible for effecting the decision:

Chief Officer (Governance)

Reasons for making the decision:

The exemption was lifted because the reason for the exemption, i.e. not to prejudice the Council's position at auction, was no longer applicable. The Council's bid was not successful and the premises were sold for £323,000.

The decision fulfils the requirements of the City Council's Constitution in advising Cabinet of urgent decisions taken by the Chief Executive in accordance with the City Council's Scheme of Delegation.

16 EXCLUSION OF THE PRESS AND PUBLIC

It was moved by Councillor Hanson and seconded by Councillor Newman-Thompson:-

"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 paragraphs 1 and 2 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 paragraphs 1 and 2 of Schedule 12A of that Act.

The Chief Officers (Resources), (Environment) (Governance) and the Principal Democratic Support Officer left the meeting at this point and were not present during the discussion of, or the voting on, the following item.

17 REORGANISATION OF THE OFFICE OF THE CHIEF EXECUTIVE

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Executive to enable Cabinet to consider a revised structure for the Chief Executive's Office. The report was exempt from publication by virtue of paragraphs 1 and 2 of Schedule 12a of the Local Government Act 1972.

The options, options analysis, including risk assessment and officer preferred option,

were set out in the exempt report.

Councillor Hanson proposed, seconded by Councillor Leytham:-

“That having considered the content and recommendations within the report, Cabinet resolve to defer consideration of the senior leadership and organisation structure issues set out until after a replacement Chief Executive has been recruited.”

Councillors then voted:-

Resolved unanimously:

- (1) That having considered the content and recommendations within the report, Cabinet resolve to defer consideration of the senior leadership and organisation structure issues set out until after a replacement Chief Executive has been recruited.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

Cabinet felt that it would be more appropriate for this to be considered following the appointment of the new Chief Executive.

Chairman

(The meeting ended at 6.30 p.m.)

**Any queries regarding these Minutes, please contact
Liz Bateson, Democratic Services - telephone (01524) 582047 or email
ebateson@lancaster.gov.uk**

MINUTES PUBLISHED ON FRIDAY 7TH AUGUST, 2015.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
MONDAY 17TH AUGUST, 2015.**