

CABINET

6.00 P.M.

13TH FEBRUARY 2018

PRESENT:- Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Darren Clifford, Brendan Hughes, James Leyshon, Margaret Pattison, Andrew Warriner and Anne Whitehead

Officers in attendance:-

Susan Parsonage	Chief Executive
Kieran Keane	Assistant Chief Executive
Nadine Muschamp	Chief Officer (Resources) and Section 151 Officer
Mark Davies	Chief Officer (Environment)
Suzanne Lodge	Chief Officer (Health and Housing)
Anne Marie Harrison	Economic Development Manager
David Lawson	Regeneration Manager
Liz Bateson	Principal Democratic Support Officer

69 MINUTES

The minutes of the meeting held on Tuesday 16th January 2018 were approved as a correct record.

70 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

71 DECLARATIONS OF INTEREST

No declarations were made at this point.

72 PUBLIC SPEAKING

Members were advised that there had been a request to speak at the meeting from a member of the public in accordance with Cabinet's agreed procedure, as set out in Cabinet Procedure Rule 2.7, with regard to the Overview and Scrutiny Report (Minute 73 refers). Paul Gardner addressed Cabinet in his capacity as the Chair of Trustees of Citizens Advice North Lancashire. Helen Greatorex, Chief Officer, Citizens Advice North Lancashire was also in attendance.

73 REPORT FROM OVERVIEW & SCRUTINY COMMITTEE

(Cabinet Member with Special Responsibility Councillor Pattison)

Councillor Ashworth, as Chairman of the Overview and Scrutiny Committee, presented a referral report from the Overview and Scrutiny Committee with regard to the Voluntary, Community and Faith Sector task group report. Cabinet were advised that the Committee had rejected the task group report and that whilst there were no plans to reconstitute the task group, the Overview & Scrutiny Committee would work with the Budget & Performance Panel to ensure the additional work identified by the Committee during their consideration of the task group report would be undertaken.

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

The options available to Cabinet are:-

1. To accept the recommendations of Overview and Scrutiny.
2. Not to accept the recommendations of Overview and Scrutiny.
3. To make alternative proposals to those recommended by Overview and Scrutiny.

The Overview and Scrutiny Committee preferred option was to accept recommendation (2), as set out in the report: *“That Cabinet be recommended to retain the current status quo regarding voluntary community and faith sector commissioning grant funding for 2018/19.”*

Councillor Pattison proposed, seconded by Councillor Hughes:-

- “(1) That Cabinet retains the current status quo regarding voluntary community and faith sector commissioning grant funding for 2018/19.
- (2) That officers be requested to explore the possibility of introducing a local lottery to help support Voluntary Community Faith Sector funding in the future.
- (3) That the following comments be forwarded to the Overview & Scrutiny Committee:
- That the Overview & Scrutiny Committee consider conflicts of interest when appointing task group members (particularly the chairman)
 - That the Overview & Scrutiny Committee considers the inclusion of the following items when progressing the work on the voluntary community and faith sector commissioning framework:
 - a. *Description of the current procedure of the Council for allocating grants*
 - b. *How much officer time is devoted to the allocation and management of grants each year?*
 - c. *What are the Council’s priority areas for allocating grants and should these change?*
 - d. *How do organisations apply for grants, and how easy is it for new ones to apply?*
 - e. *What does the Council require of organisations receiving grants (e.g. reports, outcomes) and does this need to change?*
 - f. *Evidence from stakeholders or service providers.”*

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet retains the current status quo regarding voluntary community and faith sector commissioning grant funding for 2018/19.
- (2) That officers be requested to explore the possibility of introducing a local lottery to help support support Voluntary Community Faith Sector funding in the future.

- (3) That the following comments be forwarded to the Overview & Scrutiny Committee:
- That the Overview & Scrutiny Committee consider conflicts of interest when appointing task group members (particularly the chairman)
 - That the Overview & Scrutiny Committee considers the inclusion of the following items when progressing the work on the voluntary community and faith sector commissioning framework:
 - a. *Description of the current procedure of the Council for allocating grants*
 - b. *How much officer time is devoted to the allocation and management of grants each year?*
 - c. *What are the Council's priority areas for allocating grants and should these change?*
 - d. *How do organisations apply for grants, and how easy is it for new ones to apply?*
 - e. *What does the Council require of organisations receiving grants (e.g. reports, outcomes) and does this need to change?*
 - f. *Evidence from stakeholders or service providers.*

Officers responsible for effecting the decision:

Chief Officer (Environment)
 Chief Officer (Health & Housing)
 Interim Head of Legal & Democratic Services

Reasons for making the decision:

The recommendations will assist the City Council in meeting the Corporate Plan priorities for Community Leadership and Health and Wellbeing and enables the Overview and Scrutiny Committee to report to Cabinet within the next financial year after having considered more evidence-based options for the future.

74 BEYOND THE CASTLE ARCHAEOLOGICAL SITE

(Cabinet Member with Special Responsibility Councillor Clifford)

Cabinet received a report from the Chief Officer (Regeneration & Planning) to note the initial recent archaeological findings and their potential national significance and consider the recommendations for future work that offers a comprehensive strategic direction for managing future work across the site.

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

Option 1: Do Nothing	Option 2: Continue piecemeal / ad hoc approach	Option 3: Take forward a comprehensive approach (PREFERRED OPTION)
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Advantages	<p>With no archaeological investigations or further works there are no additional demands for council resources.</p>	<p>Limited demand on staff resources.</p>	<p>Provides the best conditions to discover and record Lancaster's Roman archaeological history.</p> <p>Maximises potential for economic benefits, including visitor numbers and spend.</p> <p>Significant discoveries would contribute to the museums service and the uniqueness of the local collections.</p> <p>Sets formal framework for future project work that will meet funder's requirements and best practice in archaeology.</p> <p>Developing and implementing a comprehensive management plan for the site will enable a proactive approach that plans costed works and in the long term provides better quality service that is more cost effective.</p> <p>The council can meet its responsibilities by taking a leadership role in ensuring appropriate management and development of the site.</p> <p>Potential new income generation opportunities from special exhibitions, workshops and seminars, merchandising and catering.</p>
Disadvantages	<p>The opportunity to discover and tell Lancaster's Roman story and raise Lancaster's profile, is not taken.</p> <p>Tourism, museums and wider economic benefits not delivered.</p> <p>Some work on the site is still required but is unlikely to attract significant external funding.</p>	<p>Agenda for future work is reactive with the potential for the agenda to be set by others without the benefit of expert advice or an agreed strategy.</p> <p>Lacks scale to secure significant funding, leading to a reduced and poorer quality evidence base.</p> <p>Missed opportunities to capitalise on developing plans for the museums service.</p>	<p>Current staff resources required to coordinate approach at this early stage.</p> <p>Some financial implications for the council, but also external funding opportunities.</p>

Risks	<p>Site has some condition issues that present a risk to the archaeological record and Scheduled Ancient Monument.</p> <p>There is currently limited protection of the site, which constrains the ability to ensure the site is investigated / excavated appropriately.</p> <p>Implicit to the <i>do nothing approach</i> is an acceptance of a reactive approach to maintenance that could prove more costly over the long term.</p> <p>Potential reputational damage to the Council in terms of its responsibilities for the site.</p> <p>Intellectual property rights relating to the understanding of the site may not be limited to the Council and its agreed partners.</p>	<p>Absence of comprehensive management plan likely to lead to a reactive approach that could be more costly and fail to protect heritage assets in the short term.</p> <p>Potential reputational damage to the Council in terms of its responsibilities for the site.</p>	<p>Resource/ space requirements for finds, archives and to provide suitable working and visitor areas are not currently available. This can be addressed by emerging options for the museums in the next year or so.</p> <p>External funding is not guaranteed. Liaison with funders will help to gauge interest and support.</p> <p>The Roman story may turn out to be less significant than expected. This seems unlikely but the process of revealing the heritage of the site will be of huge interest to experts and amateur archaeologists in any event.</p>
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The officer preferred option is Option 3 (Take forward a comprehensive approach) as it ensures that the City Council is able to guide the future archaeological investigations within a robust framework that provides the greatest chance of securing external funding necessary. The actions are all linked to the successful achievement of discovering Lancaster’s Roman story and the significant benefits it could bring to the city, subject to the quality and significance of the finds and there being a viable and affordable business case.

Option 1 (Do nothing) fails to acknowledge and capitalise on the potential offered by the new understanding of Lancaster’s Roman history. With discoveries likely to be of national significance this would seem to be a missed opportunity. It may avoid further cost pressures, however.

Option 2 (Continue piecemeal approach) may provide limited benefits, but will ultimately yield a fragmented archaeological story due to the small scale of investigation over a protracted period.

This project is at an important point and the actions set out in Option 3 provide a comprehensive programme to successfully maximise this heritage opportunity. This

approach recognises the likely national significance of the site, as well as its importance to Lancaster. The scale of archaeological potential has the ability to put Lancaster 'on the map' as a significant Roman heritage site offering new possibilities as a heritage destination, public space and place of discovery. Telling Lancaster's Roman archaeology story through further excavation, interpretation and display can be an essential ingredient in the city's offer for visitors and for local communities, bringing with it significant economic benefits. A strategic partnership with expert advisors, including Universities, is likely to arise from this work with the potential to benefit Lancaster well into the future.

Councillor Clifford proposed, seconded by Councillor Leyshon:-

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

Councillors then voted:-

Resolved unanimously:

That, subject to the resolutions of Budget Council:

- (1) The Council works with Historic England to establish appropriate protection of the site, including a possible extension of the Scheduled Ancient Monument (SAM).
- (2) A formal academic report is commissioned to capture archaeological understanding of the site, to date, and to provide a basis upon which future development of the site can be established.
- (3) An active Site Management Plan is developed to provide ongoing care of the site along with prioritised recommendations for urgent remedial repairs, noting that its implementation may require additional funding in future years.
- (4) An expert project board is established for the site that will set out a five year archaeological research framework and can assist in developing academic, heritage, scientific research and funding partnerships.
- (5) Early work is undertaken to develop a medium term funding strategy for the five year research framework.
- (6) Cabinet notes potential requirements for space, preferably adjacent to the archaeological site, for visitor, museum, education and commercial services.

Officer responsible for effecting the decision:

Economic Development Manager

Reasons for making the decision:

The decision is consistent with the following outcome of the Corporate Plan 2016-2020, Sustainable Economic Growth: "*The attractiveness and offer of the district as a place to visit or invest in will be improved. Enhance Lancaster's urban centre through investment*

in the built environment, heritage assets and the public realm.” The decision also recognises the importance of the visitor economy to the district and the work this report will take forward has the potential to make a strong contribution to Lancaster’s history and its narrative.

75 RESHAPING THE COUNCIL'S MUSEUMS SERVICE

(Cabinet Member with Special Responsibility Councillor Clifford)

Cabinet received a report from the Chief Officer (Regeneration & Planning) which provided the final independent consultants report and requested that Cabinet noted its suggestions for the future direction for the City Council’s museums service and considered some early actions to underpin successful future management and development.

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

Options relating to this report are limited as all recommendations are effectively proposing the means by which earlier decisions can be implemented effectively. Recommendations in relation to the potential Collections Centre and how it might inform the wider museums review will be considered in more detail in a later report.

In terms of risk it should be noted that there are risks associated with the transfer of the service back to the council. However, recommendations in this report are designed to mitigate these risks.

The work undertaken to date has been informative and it is clear that the City Council’s museums have the potential for a greater impact, increased presence and profile and, at the same time, to be more sustainable in financial terms. By agreeing to take the museums service in-house the council has already made a strong commitment to repositioning the offer.

The independent AP&P report presents a series of significant operational and financial implications and considerations which cannot be fully determined at this stage. In the immediate short term, however, the City Council has to deliver the effective re-integration of the museums service into its establishment and this, in itself will be complex in legal, financial and management terms.

At this stage, Cabinet is therefore asked to agree that officers focus on the successful transfer of the Museums Service back to the City Council and recruitment of a specialist manager to play a key role in management and development of the service. This will be undertaken alongside the development of a HLF Resilient Heritage funding bid and more detailed consideration of options for a potential new Collections Centre and identification of a preferred site.

Councillor Clifford proposed, seconded by Councillor Hanson:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet reviews and notes the independent consultant report “Reshaping of Lancaster District’s Museums Offer – Report of Findings and Recommendations (Aitken, Prince and Pearce)” at Appendix A to the report.
- (2) That Cabinet notes the initial focus of work over the next 6 months is the successful transfer of the museums service back to the Council and recruitment of a specialist manager to play a key role in management and development of the service.
- (3) That specialist funding support and match funding of up to £37,500 are provided to enable the development, submission and acceptance of a Resilient Heritage funding bid, from the remaining previously approved Budget Support Reserve allocation for the Museums Review, and subject to appropriate due diligence being undertaken.
- (4) That delegated authority be given to the Chief Officer (Resources) to update the General Fund Revenue Budget to reflect the additional expenditure and associated Resilient Heritage funding, if successful, subject to remaining budget neutral for the Council.
- (5) That a preferred site option for a purpose-built Collections Centre is prepared (to inform the wider Museums Review), for consideration as part of a future report and in order to feed into the relevant annual budget process.
- (6) That a further report is provided for Cabinet towards the end of 2018 when the museums service has transferred back to the Council.

Officers responsible for effecting the decision:

Chief Officer (Resources)
Economic Development Manager

Reasons for making the decision:

The decision is consistent with the Council’s Corporate Priorities of Sustainable Economic Growth and Community Leadership, contributing to the attractiveness and offer of the district, as a place to visit or invest in; rationalising the Council’s property portfolio to deliver better value for money; and improving efficiency and effectiveness through re-shaping services.

76 FEES AND CHARGES REVIEW - 2018/19**(Cabinet Members with Special Responsibility Councillors Whitehead & Leyshon)**

Cabinet received a joint report from the Chief Officer (Resources) and Chief Officer (Environment) to consider the annual review of fees and charges for 2018/19.

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

The attached policy remains substantively unchanged and it is considered that it remains fit for purpose (at least in the short term) and it adequately covers Cabinet's budget proposals. As such, no options are presented and Cabinet is simply requested to endorse the policy, with a review being undertaken next year.

Options regarding car parking charges are covered in Appendix C to the report.

Options Appraisal

Advantages	Disadvantages	Risks
<p><u>Option 1A</u></p> <p>This option freezes the most popular parking tariff of 1 hour that accounts for nearly 40% of overall parking transactions</p> <p>The 1 hour parking tariff often provides a guide or perception of the overall level of charging and maintaining this tariff at its current level for as long as possible is beneficial</p> <p>By not increasing the 1 hour tariff and limiting the 2 hour increase to 10p differential charging is maintained in Lancaster with on-street parking charges as agreed with the County Council</p>	<p>This option includes increasing the popular 2 hour tariff by 10p which was last increased in 2014/15.</p> <p>This option includes increasing the 4 hour tariff by 20p rather than by 10p</p> <p>This option includes increasing the over 3 hour long stay (all day) charge in Morecambe by 20p</p> <p>This option includes increasing 3 tariffs that were also increased in 2017/18.</p>	<p>Increasing the popular 2 hour tariff affects a large proportion of customers and could encourage customers to only stay for 1 hour.</p> <p>Increasing the Full Day charge at Williamson Park again could reduce the number of visitors to the Park or further displace onto the surrounding streets.</p>
<p><u>Option 1B</u></p> <p>This option avoids the need to increase the second most popular 2 hour tariff</p> <p>This option reduces the 4 hour short stay increase to 10p rather than 20p</p> <p>This option reduces the number of tariffs to be increased again as well as in</p>	<p>This option affects the most popular 1 hour parking tariff that accounts for nearly 40% of total transactions.</p> <p>This option would result in the differential charge with on-street parking charges in Lancaster not being maintained if County do not increase their 1 hour charge</p>	<p>Increasing the most popular tariff is likely to have a detrimental effect on usage and could encourage shoppers and visitors to go elsewhere</p>

<p>2017/18 to 2 rather than 3</p> <p><u>Option 1C</u></p> <p>This option makes the largest contribution to car parking revenue and combines the increases outlined in Options 1A and 1B</p> <p><u>Option 2A</u></p> <p>Introducing evening parking charges on Pedder Street car park would allow the charges to be trialled and the impacts monitored</p> <p>This could lead to the justification of wider evening charging in Morecambe</p> <p><u>Option 2B</u></p> <p>Introducing evening parking charges on selected car parks in Morecambe would generate additional income and would be consistent with Lancaster's car parking charges.</p>	<p>This option includes increasing 2 tariffs that were increased in 2017/18</p> <p>This option affects a large proportion of customers including the most popular 1 and 2 hour parking tariffs and other selected tariffs</p> <p>This option would also result in the differential charge with on-street parking charges in Lancaster not being maintained if County do not increase their 1 hour charge</p> <p>Introducing evening parking charges on one car park would result in just one area of Morecambe being affected by the charges and none of the other car parks</p> <p>This would remove one of the evening parking options for residents who live between two town centre resident parking schemes increasing the demand for unrestricted on street parking spaces</p> <p>Introducing evening parking charges on selected car parks would effectively lead to a two tier charging system if other car parks remained free of charge overnight.</p>	<p>Increasing both of the most popular tariffs and other selected tariffs is likely to carry the greatest risk of there being a detrimental effect on usage and shoppers and visitors going elsewhere</p> <p>Introducing evening parking charges on Pedder Street car park could result in customers transferring to the other main town centre car parks</p> <p>Introducing evening car parking charges could lead to greater demand for unrestricted on-street car parking spaces and reduce the provision for residents who do not live in a residents parking zone.</p>
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<p><u>Option 2C</u></p> <p>Introducing evening parking charges on all main car parks in Morecambe would lead to a fairer charging regime and would generate further additional income</p> <p><u>Option 3A</u></p> <p>This option maintains the traditional free parking arrangements leading up to Christmas and encourages shoppers to shop locally.</p> <p>The cost of this option is already included in the 2018/19 Draft Budget.</p> <p><u>Option 3B</u></p> <p>This option removes the traditional free parking at Christmas and potentially has a positive impact on the budget position and also potentially reduces the need to increase other tariffs.</p> <p><u>Option 4</u></p> <p>Car Park permits charges have not been increased</p>	<p>Introducing evening parking charges on all main car parks would be unpopular</p> <p>This option indirectly affects the total income that could potentially be generated from parking and also potentially increases the need for price increases from other tariffs.</p> <p>This option would remove the long standing concession of providing free parking leading up to Christmas</p> <p>The increase could result in less permit</p>	<p>Introducing evening car parking charges could have a detrimental effect on Morecambe's night time economy</p> <p>Introducing evening car parking charges on all main car parks could lead to even greater demand for unrestricted on-street car parking spaces and reduce the provision for residents who do not live in a residents parking zone.</p> <p>Introducing evening parking charges on all main car parks could lead to a wider detrimental effect on Morecambe's night time economy</p> <p>The option could encourage shoppers to shop elsewhere and have a negative impact on city and town centre viability at Christmas</p> <p>Potentially less income if sales reduce by more</p>
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<p>since 2014/15 and 3% is a relatively small increase in 4 years.</p>	<p>sales</p>	<p>than 3%.</p>
<p>This increase still represents good value compared with daily long stay parking charges.</p>	<p>Charges will be introduced to offset the cost of enforcement and other operational costs.</p>	<p>Drivers receiving Penalty Charge Notices (PCNs) could feel aggrieved due to confusion over the types of parking spaces.</p>
<p><u>Option 5</u></p>	<p>Charges will be introduced to offset the cost of enforcement and other operational costs.</p>	<p>Drivers receiving Penalty Charge Notices (PCNs) could feel aggrieved due to confusion over the types of parking spaces.</p>
<p>This option provides formal management of the car park and will give priority to residents and businesses.</p>	<p>Charges will be introduced to offset the cost of enforcement and other operational costs.</p>	<p>Drivers receiving Penalty Charge Notices (PCNs) could feel aggrieved due to confusion over the types of parking spaces.</p>
<p>This option prevents the long-term parking of vehicles and commuter parking.</p>	<p>Charges will be introduced to offset the cost of enforcement and other operational costs.</p>	<p>Drivers receiving Penalty Charge Notices (PCNs) could feel aggrieved due to confusion over the types of parking spaces.</p>
<p><u>Option 6</u></p>	<p>This option could lead to enforcement issues between designated and pay and display spaces.</p>	<p>None</p>
<p>This option provides designated parking as agreed during negotiations with the Lancashire Fire and Rescue Service.</p>	<p>This option could lead to enforcement issues between designated and pay and display spaces.</p>	<p>None</p>
<p>This option will provide an element of guaranteed income from the designated spaces.</p>	<p>This option could lead to enforcement issues between designated and pay and display spaces.</p>	<p>None</p>
<p><u>Option 7</u></p>	<p>None</p>	<p>None</p>
<p>This option allows formal enforcement of the car park and provides appropriate arrangements for unauthorised parking.</p>	<p>None</p>	<p>None</p>
<p>This option protects the parking spaces giving priority to Pool Car parking.</p>	<p>None</p>	<p>None</p>

Councillor Whitehead proposed that Cabinet should vote on the general fees first. Councillor Hughes advised the meeting of a revision to the Bulky Waste proposals with a sliding scale of charges as follows: 1 item for £20, 2 items for £25, 3 or 4 items for £30 with a charge of £8 for each additional item.

Councillor Whitehead proposed, seconded by Councillor Hughes:-

“That Cabinet endorses the Fees and Charges Policy as set out at Appendix A to the report and that with regard to Bulky Waste proposals the following sliding scale of charges be applied: 1 item for £20, 2 items for £25, 3 or 4 items for £30 with a charge of £8 for each additional item.”

Cabinet Members then voted.

Resolved:

(7 Members (Councillors Blamire, Clifford, Hughes, Leyshon, Pattison, Warriner & Whitehead) voted in favour, and 1 Member (Councillor Hanson) abstained.)

- (1) That Cabinet endorses the Fees and Charges Policy as set out at Appendix A to the report and that with regard to Bulky Waste proposals the following sliding scale of charges be applied: 1 item for £20, 2 items for £25, 3 or 4 items for £30 with a charge of £8 for each additional item.

Cabinet then considered car parking charges. Councillor Leyshon moved, seconded by Whitehead:

“That the following options be approved:

- Off Street Parking charges, option 1C be approved, with the daily charge for Williamson Park increasing to £2.00.
- Evening Parking charges in Morecambe – Trial in Pedder Street & Billy Hill car parks only
- Retain Free Christmas parking on the Sundays and Thursday evenings prior to Christmas
- Increase car parking permits by 3%
- Introduce formal management and parking charges on St George’s Quay car park
- Incorporate 7 designated car parking spaces for Lancashire Fire & Rescue Service in Cable Street
- Reintroduce formal enforcement of Friars Passage car park for pool cars.
- Instruct officers to work up over the coming year the viability of transferable tickets and pay on exit parking charges in selective car parks.
- That the Off Street Parking places Order is amended at the earliest opportunity to implement the changes outlined in Options 5, 6 & 7.”

Councillors then voted:-

Resolved unanimously:

- (2) That the following options be approved:

- Option 1 - Off Street Parking charges - option 1C be approved, with the daily charge for Williamson Park car park increasing to £2.00.
- Option 2 - Evening Parking charges in Morecambe – Trial in Pedder Street & Billy Hill car parks only
- Option 3 - Retain free Christmas parking on the Sundays and Thursday evenings prior to Christmas
- Option 4 - Increase car parking permits by 3%
- Option 5 - Introduce formal management and parking charges on St George’s

- Quay car park as outlined in Table C of the car parking report (Appendix C)
- Option 6 - Incorporate 7 designated car parking spaces in Cable Street when the car park is extended, subject to being approved as part of Cabinet's budget proposals included elsewhere on the agenda.
 - Option 7 - Reintroduce formal enforcement of Friars Passage car park for pool cars.
 - Option 8 – that officers be instructed to work up over the coming year the viability of transferable tickets and pay on exit parking charges in selective car parks.
 - That the Off Street Parking places Order is amended at the earliest opportunity to implement the changes outlined in Options 5, 6 & 7.

Officers responsible for effecting the decision:

Chief Officer (Resources)
Chief Officer (Environment)

Reasons for making the decision:

Fees and charges form an integral part of the budget setting process, which in turn relates to the Council's priorities. Under the Medium Term Financial Strategy (MTFS), income generation is a specific initiative for helping to balance the budget. The proposed increases are considered to be fair and reasonable.

77 BUDGET AND POLICY FRAMEWORK UPDATE 2018 TO 2022 - GENERAL FUND REVENUE BUDGET AND CAPITAL PROGRAMME

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Officer (Resources) to inform Cabinet of the latest General Fund budget and council tax position so it can make recommendations back to Council in order to complete the budget setting process.

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

Cabinet is now requested to finalise its preferred revenue budget and capital programme proposals for referral on to Council, using the latest information as set out in this report.

Revenue Budget

Cabinet may adjust its revenue budget proposals, as long as the overall budget for 2018/19 balances and fits with the proposed council tax level. The Chief Officer (Resources), as s151 Officer, continues to advise that wherever possible, emphasis should be on reducing future years' net spending.

Capital Programme

Cabinet may adjust its capital investment and financing proposals to reflect spending commitments and priorities but overall its proposals for 2017/18 and 2018/19 must balance. Whilst there is no legal requirement to have a programme balanced over the full 5-year period, it is considered good practice to do so – or at least have clear plans in place to manage the financing position over that time.

In deciding its final proposals, Cabinet is asked also to take into account the relevant basic principles of the Prudential Code (as being updated), which include:

- *that the capital investment plans of local authorities are affordable, prudent and sustainable, and*
- *that local strategic planning, asset management planning and proper options appraisal are supported.*

Other Budget Framework Matters (Reserves and Provisions / MTFS)

Given known commitments, risks and approved council tax targets there is limited flexibility in financial terms, but depending on priorities Cabinet may consider putting forward alternatives for various reserves, or different approaches for addressing the medium term budget deficit through the MTFS.

Proposals to be put forward by Cabinet should fit with any external constraints and the budgetary framework already approved. The recommendations as set out meet these requirements; the detailed supporting budget proposals are then a matter for Members.

Councillor Whitehead proposed, seconded by Councillor Clifford:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet determines its response to the feedback from Council (as set out in section 8 of the report) as part of finalising its budget proposals prior to the Budget Council agenda being published.
- (2) That Cabinet endorses the review of Provisions, Reserves and Balances undertaken by the s151 Officer, and notes her advice regarding the minimum level of Balances being maintained at £1.5M, subject to annual review.
- (3) That subject to any changes arising from the above, and any further budget amendments arising in or agreed by Cabinet after this meeting, Cabinet be recommended to approve for referral on to Budget Council:
 - the 2018/19 General Fund Net Revenue Budget and resulting Council Tax Requirement excluding parish precepts (current position at Appendix A to the report);
 - its supporting budget proposals (current summary of proposals at Appendix B to the report);
 - the resulting position on provisions and reserves (current position at Appendix D to the report); and
 - the resulting Capital Programme (current position at Appendix E to the report).
- (4) That the Finance Portfolio Holder be given delegated authority to update the Medium Term Financial Strategy accordingly, for referral on to Budget Council.

Officer responsible for effecting the decision:

Chief Officer (Resources)

Reasons for making the decision:

The decision enables Cabinet to make recommendations back to Council in order to complete the budget setting process for 2018/19.

78 TREASURY MANAGEMENT STRATEGY 2018/19**(Cabinet Member with Special Responsibility Councillor Whitehead)**

Cabinet received a report from the Chief Officer (Resources) which set out the 2018/19 Treasury Management Framework for Cabinet's approval and referral on to Council.

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

Cabinet may put forward alternative proposals or amendments to the proposed Strategy in Appendix B to the report, but these would have to be considered in light of legislative, professional and economic factors, and importantly, any alternative views regarding the Council's risk appetite. As such no further options analysis is available at this time.

Furthermore, the Strategy must fit with other aspects of Cabinet's budget proposals, such as investment interest estimates and underlying prudential borrowing assumptions, feeding into Prudential and Treasury Management Indicators. There are no options available regarding other components of the overall framework, as covered in Appendices C and D to the report.

The officer preferred option is to approve the framework as attached to the report, allowing for any amendments being made under delegated authority prior to referral to Council. This is based on the Council continuing to have a comparatively low risk appetite regarding the security and liquidity of investments particularly, but recognising that some flexibility should help improve returns, whilst still effectively mitigating risk. It is stressed that in terms of treasury activity, there is no risk free approach. It is felt, however, that the measures set out above provide a fit for purpose framework within which to work, pending any update during the course of next year.

Councillor Whitehead proposed, seconded by Councillor Clifford:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the Finance Portfolio Holder be given delegated authority to agree the Treasury Management Framework, as updated for Cabinet's final budget proposals, for referral on to Council.

Officers responsible for effecting the decision:

Chief Officer (Resources)

Reasons for making the decision:

The proposed Treasury Management framework forms part of the Council's Budget and Policy framework, and fits into the Medium Term Financial Strategy.

79 CORPORATE FINANCIAL MONITORING 2017/18 - QUARTER 3

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Officer (Resources) which provided an overview of the Council's financial position for Quarter 3 of the 2017/18 monitoring cycle and the supporting actions underway.

As the report was primarily for noting and comments, no options were provided.

Resolved unanimously:

- (1) That the report and supporting actions set out therein, be noted.

Chairman

(The meeting ended at 7.15 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 TUESDAY 20TH FEBRUARY 2018.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
WEDNESDAY 28TH FEBRUARY, 2018.**