

CABINET

6.00 P.M.

26TH JUNE 2018

PRESENT:- Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Nathan Burns, Darren Clifford, Brendan Hughes, 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)
David Brown	Interim Head of Legal and Democratic Services and Monitoring Officer
Paul Thompson	Accountancy Manager (part)
Liz Bateson	Principal Democratic Support Officer

4 MINUTES

The minutes of the meetings held on Tuesday 24th April and Tuesday 15 May 2018 were approved as a correct record.

5 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

6 DECLARATIONS OF INTEREST

No declarations were made at this point.

7 PUBLIC SPEAKING

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

8 AMBITIONS: OUR COUNCIL PLAN 2018-22

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Executive which presented the draft Council Plan 2018-22 ahead of recommending the finalised Council Plan to Council for approval.

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

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 draft Council Plan 2018-22 be endorsed by Cabinet and referred to Full Council for approval.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

Cabinet has given significant consideration to developing its' strategic priorities to guide the organisation in aligning its strategy and resources in implementing a number of key projects and initiatives. Setting out a new Council Plan at this stage creates an opportunity to clearly state the Council's vision for the Lancaster district and, as such must be approved by Council.

9 PROVISIONAL REVENUE, CAPITAL AND TREASURY MANAGEMENT OUTTURN 2017/18

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Officer (Resources) which provided summary information regarding the provisional outturn for 2017/18, including treasury management. It also set out information regarding the carry forward of capital slippage.

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

The City 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 Officer (Resources), 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 budget and associated Government funding reduced again in 2017/18, the Council continued to manage the financial pressures well and it has again improved the Fund's overall financial standing as at 31 March 2018. Similarly, the HRA's standing is currently sound. Although various actions have been outlined in the report, there are no wholly new matters arising that have not previously been reported or highlighted in some form, and this should give some comfort with regard to the adequacy of the Council's financial planning and monitoring arrangements.

Councillor Whitehead proposed, seconded by Councillor Pattison:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the provisional outturn for 2017/18 be endorsed, including the transfers and amendments to Provisions, Reserves and Balances actioned by the Chief Officer (Resources), and the position regarding overspendings.
- (2) That Cabinet approves the requests to carry forward underspent revenue budgets as set out in section 5.2 of the report.
- (3) That the requests for capital slippage and the adjustments to reflect accelerated capital spending on projects as set out at Appendix H to the report be endorsed, with the Capital Programme being updated accordingly.
- (4) That the Annual Treasury Management report and Prudential Indicators as set out at Appendix J to the report be noted and referred on to 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.

10 UPDATE ON PLANNED ACTIVITY FOR THE TRANSFORMATION CHALLENGE AWARD PROJECT

(Cabinet Member with Special Responsibility Councillor Warriner)

Cabinet received a report from the Chief Officer (Health & Housing) to update Cabinet members on the project activity for the Transformation Challenge Award (TCA) and seek endorsement for the revised project activity as agreed by the Partnership (i.e. Lancaster City Council and Lancashire County Council).

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

	Option 1: Continue with originally agreed budget	Option 2: Introduce new project activity and revised budget
Advantages	Broad remit for project work streams	<p>Broad approval for agreed project activity from Health and Wellbeing Partnership</p> <p>Coherent list of projects that complement and support each other</p> <p>Project addresses issues that are most relevant to community</p> <p>Ensures greater participation from Partners</p> <p>Greater emphasis on empowering community</p> <p>Greater emphasis on innovative approaches to transforming the way services are delivered</p> <p>Greater sustainability</p> <p>Outcomes are consistent with original bid</p>
Disadvantages	<p>Considerable amount of time has passed since project activity was agreed with a large amount of staff turn-over meaning interpretation of aims of project activity and associated delivery of outputs made more difficult</p> <p>Extra budget required for targeted enforcement approach following decision not to pursue licensing</p> <p>Some proposed activity would duplicate work undertaken by other Partners in district Reliance on creation of posts, rather than utilising existing</p>	Greater number of projects to coordinate and evaluate

	expertise within community	
Risks	As a large amount of time has passed since the project started, there will have to be some re-appraisal of the original project workstreams, which would likely lead to re-interpretation of their aims with any unspent grant returned to the MHCLG (formerly DCLG) if can't be agreed / delivered.	Greater number of projects, requiring more participation and coordination Potential to duplicate activity if projects are implemented in isolation. Potential for grant clawback by the MHCLG (formerly DCLG), reduced by achieving same outputs as original bid, albeit through slightly revised delivery mechanism.

The officer preferred option was option 2. Considerable effort has gone into building a consensus with partners. There is broad agreement on the main priorities for improving health and wellbeing in the district and the best approach for this. The agreed project activity addresses a number of the underlying problems with innovative, sustainable approaches that are asset based and designed to build resilience in the community. The outcomes will be the same as the original bid - reduction in repeat demand for services, smarter ways of working with focussed populations, improving community safety and wellbeing and empowering the community to build on its own strengths.

Councillor Warriner proposed, seconded by Councillor Hanson:-

"That the recommendations, as set out in the report, be approved and that updates on the Transformation Challenge Award Project be reported to the Housing Regeneration Cabinet Liaison Group."

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet notes the proposed changes to the Transformational Challenge Award project delivery approach.
- (2) That the General Fund Revenue Budget be updated to reflect the proposed project budget delivery changes, split across relevant financial years as appropriate, subject to there being no additional cost implications for the City Council.
- (3) That updates on the Transformation Challenge Award Project be reported to the Housing Regeneration Cabinet Liaison Group.

Officers responsible for effecting the decision:

Chief Officer (Health & Housing)

Chief Officer (Resources)

Reasons for making the decision:

The proposed project activity will still meet the outcomes as expected in the original bid

but now has the benefit of addressing some of the specific issues that have arisen from community feedback and from the involvement of the Health and Wellbeing partnership. Clarity around the project activity should now enable delivery at a pace within the next 12 months to ensure tangible improvements to the lives of some of the most vulnerable in our district. Healthy and Happy Communities is one of the ambitions in the proposed new Council Plan. The revised project activity will directly contribute to some of the outcomes under this ambition.

11 UPDATE ON INFORMATION GOVERNANCE

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Interim Head of Legal & Governance that provided an update on progress made with the GDPR compliance action plan now that the critical date (25th May 2018) had passed and a summary of the relevant policies to note. The report also advised Councillors of their responsibilities in relation to information that they were party to as a Councillor.

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

	Option 1: To continue to implement the GDPR compliance action plan and accept the updated policies	Option 2: To take no action
Advantages	Greater protection for the council from enforcement action from the ICO should a breach occur. Better knowledge of the Council's information and more coherent processes for the creation, storage, use, disposal and destruction of data across the council. Staff are trained and aware of their obligations and how to use and share information more efficiently which in turn should promote improved inter-departmental working.	None
Disadvantages	The extensive work required to ensure compliance is time consuming and onerous for all departments at the Council but the Council's legal obligation will not diminish if we simply ignore the new regulations.	The Council will be at risk of partial compliance which would not protect itself from action from the ICO if an error occurred.

Risks	Moderate. Council is not compliant and although there is a forward plan in place there is still comprehensive work to be done to bring the Council in line with the new regulations.	High. Failing to execute the plan or have a plan in place puts the Council at risk of a fine if there is a data breach which could total up to £17million.
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Option 1, to note the information provided and for Cabinet to continue to champion the roll out of the plan for compliance from the highest level was the officer preferred action.

Councillor Blamire proposed, seconded by Councillor Clifford:-

“That the recommendations, as set out in the report, be approved, and that officers be requested to give consideration as to how to make e-learning more councillor focused.”

Councillors then voted:-

Resolved unanimously:

- (1) That the progress to date be noted.
- (2) That the new policies be noted, and Cabinet continue to support the Council's work to ensure compliance with the new Data Protection Regulations.
- (3) That Cabinet recognise that Councillors have personal liability for the information that they hold, and how it is used, stored, distributed and destroyed.
- (4) That officers be requested to give consideration as to how to make data protection and other e-learning available to Councillors.

Officer responsible for effecting the decision:

Interim Head of Legal & Governance

Reasons for making the decision:

The decision is consistent with the Corporate Plan priority of Community Leadership - commitment to good governance, openness and transparency. Improving the compliance and data security measures within the Council will help to evidence to the ICO that we are committed to the safety, security and appropriate sharing of information and will demonstrate to the residents of Lancaster that we are working to ensure that their rights in relation to information and data protection are upheld.

12 CABINET LIAISON GROUPS AND APPOINTMENTS TO OUTSIDE BODIES, PARTNERSHIPS AND BOARDS

(Cabinet Member with Special Responsibility Councillor Blamire)

Cabinet received a report from the Chief Executive to consider Cabinet Liaison Groups

and appointments to Outside Bodies, Partnerships and Boards.

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

The options regarding Cabinet Liaison Groups were:

- To note existing arrangements and make no amendments.
- To consider and approve, where appropriate, any proposals from Cabinet members.

With regard to Outside Bodies, Partnerships and Boards, Cabinet was requested to make appointments as set out in Appendix C to the report.

Councillor Warriner proposed, seconded by Councillor Clifford:-

“That the recommendations, as set out in the report, be approved with the establishment of a Flooding Cabinet Liaison Group being agreed in principle, the terms of reference of which would be tabled at a later Cabinet meeting.”

Councillors then voted:-

Resolved unanimously:

- (1) That the Cabinet Liaison Groups as set out in Appendix B to the report be re-constituted with the following revisions approved:
 - Revised terms of reference of the Housing Regeneration CLG as set in Appendix B to the report.
 - Canal Corridor CLG to be stood down and replaced by the Canal Quarter CLG.
- (2) That a Flooding Cabinet Liaison Group be established in principle, the terms of reference of which will be agreed by Cabinet at a future meeting.
- (3) That appointments to Outside Bodies, Partnerships and Boards as set out in Appendix C to the report be noted with the following revision:
 - Councillor Pattison appointed to Health & Wellbeing Partnership with Councillor Warriner the substitute.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

The establishment of Cabinet Committees and Cabinet Liaison Groups assists the Cabinet in the discharge of executive functions. Representation on Outside Bodies is part of the City Council's Community Leadership role.

(Cabinet Member with Special Responsibility Councillor Councillor Blamire)

Cabinet received a report from the Chief Executive to report on the key indicators for January - March 2018 (Quarter 4) and the full year April 2017-March 2018.

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

Resolved unanimously:

- (1) That the report be noted.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

The City Council's Performance Management Framework requires regular reporting of operational, as well as financial performance. Performance Monitoring provides a link between operational achievement and the policy framework, by providing regular updates on the impact of operational initiatives against strategic aims and objectives.

14 EXCLUSION OF PRESS AND PUBLIC

As it became necessary to refer to the exempt Appendix it was moved by Councillor Pattison, seconded by Councillor Hanson and resolved unanimously:

Resolved unanimously:

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 press and public were excluded from the meeting at this point.

The Interim Head of Legal & Democratic Services left the meeting at this point.

15 BUDGET SUPPORT RESERVE - PROPOSED ALLOCATIONS**(Cabinet Member with Special Responsibility Councillor Whitehead)**

Cabinet received a report from the Chief Officer (Resources) to consider proposed allocations from the Budget Support Reserve to enable the progress of related matters.

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

Approve the allocation as proposed:

Senior Management - Essentially the proposal is to help ensure that the Council has adequate senior management capacity for the relevant periods, to progress various

initiatives and to protect its interests. Should the allocation be supported, it is advised that some flexibility be built in, to manage the corporate turnover savings position.

Environmental Services restructuring - The proposal provides the one off funding required to produce the ongoing savings agreed by the Council in 2016. It will not impact negatively on service delivery.

Amend the proposed allocations

Should Cabinet consider this option, the rationale and implications of any proposed amendment would need to be considered and addressed.

Do not approve the allocation

Should this option be chosen, regarding the HR proposal, as there are no other obvious sources of financing available at this point, then as a consequence the Council would need to readjust its work priorities, and put in place other arrangements to ensure that meets its legal obligations. There is no guarantee that these could be met from within existing budgets, and so alternative reserve allocations may arise in due course.

Regarding the Environmental Services proposal, the restructuring could not go forward and the budgetary savings and operational efficiencies would not be realised. Alternative ways of achieving savings would need to be identified, but any such options are likely to involve other up-front costs in any event.

The relevant Officer preferred options are as set out in the attachments. In respect of the interim capacity proposal, some flexibility regarding the corporate turnover position is advised; this is reflected in the Member recommendations of this report.

Councillor Whitehead proposed, seconded by Councillor Burns:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet approves a total allocation estimated at £145,000 from the Budget Support Reserve to cover:
 - the continued engagement of the interim Head of Legal and Democratic Services to 31 October 2018, and the interim Human Resources Manager to 31 July 2018, with any further extension being subject to decisions regarding the management restructure; and
 - the one off costs arising from a minor structural reorganisation resulting from Council's decision to reorganise the management and administration of Environmental Services.
- (2) That the allocation regarding interim capacity be subject to the use of turnover savings to help finance the engagement and should any adjustment be required to the allocation, it be addressed through quarterly financial monitoring reporting (through which the corporate turnover position will be monitored).

Officer responsible for effecting the decision:

Chief Officer (Resources)

Reasons for making the decision:

As reflected within its Medium Term Financial Strategy and related Provisions and Reserves Policy, the Council holds a Budget Support Reserve. Its purpose is to provide resources to help finance capacity, feasibility/review and other development work in support of the Council's corporate planning and budgeting arrangements. Allocations from the reserve above the key decision threshold are a matter for Cabinet.

Chairman

(The meeting ended at 6.45 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, 10TH JULY, 2018.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
WEDNESDAY, 18TH JULY, 2018.**