

CABINET

Proposals for the Governance Arrangements for Investment Decisions 15 January 2019

Report of Monitoring Officer

PURPOSE OF REPORT			
To provide a proposal for the governance of investment decisions for Cabinet to consider if it is appropriate to refer to full council.			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date of notice of forthcoming key decision	3 December 2018		
This report is public.			

RECOMMENDATIONS OF COUNCILLORS BLAMIRE AND HANSON

- (1) The draft council report in Annex A be referred to full council for approval.

1.0 Introduction

- 1.1 Lancaster City Council is proposing to consider opportunities for commercial property investments. The commercial timetable for investments is often competitive and fast moving. The proposed arrangements are designed to allow Lancaster City Council sufficient flexibility in respect of delegated authority to enable proper evidence led scrutinised decisions to be made in a timely manner. This is working within the current constitution.
- 1.2 The report also proposes further policy development to allow delegated decision making by an individual cabinet member and officers. If the current in principle proposals are accepted by Council additional detailed policy proposals will need preparing for Cabinet to make a further recommendation to Council to amend the constitution.

2.0 Proposal Details

- 2.1 The details are provided in the attached draft report. Cabinet is required to make these policy proposals to Council for approval. If Council agree the principles it will require Cabinet and Scrutiny will finalise the detailed policy and procedure
- 2.2 The primary changes relate to the process adopted for making decisions. The proposed process is set out in the attached draft report for Council. It provides for a much earlier engagement between officers and Cabinet Members and Scrutiny. This will allow Members to be fully briefed and aware of proposals before being asked to make decisions. The key element to the reducing the timescales is to ensure members are fully conversant with the proposals and any concerns or additional information

required by Members is resolved at an early stage. It is anticipated that earlier involvement of the Scrutiny function will also permit the benefit of cross party perspectives contributing to the decision and avoiding unnecessary 'call in'.

- 2.3 This If the changes prove successful, Cabinet may then choose to ask officers to prepare additional policy proposals to amend the constitution to provide for delegations to individual cabinet members and officers.

3.0 Details of Consultation

- 3.1 Officers have provided a series of briefing session on the funding for the future strategy which have been open to all members. In respect of the commercial investment strategy, Briefing have been made available to cabinet, Scrutiny with an invitation to all members. A workshop open to all members held on the 11 January 2019 after which the attached report was updated. A questionnaire was also provided to all members and announced at the December 2018 council meeting.
- 3.2 In the event Council approves the policy concept the underlying process or procedure rules should be considered and agreed. If any alteration to either cabinet or scrutiny procedure rules are required, it will then return to Council for approval together with any further proposals for additional delegations.

4.0 Options and Options Analysis [including risk assessment]

	Option 1: Approve	Option 2: Not Approve
Advantages	Creates the opportunity for commercial investment decisions to be made	No change
Disadvantages	None	No change
Risks	New system of working which may increase risk	No effective commercial investment occurs

5.0 Officer Preferred Option (and comments)

- 5.1 Approve the attached paper to full Council

RELATIONSHIP TO POLICY FRAMEWORK

This proposal will relate directly to the Medium Term Financial Strategy and the implementation of the funding the future programme

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Human Resources, Sustainability and Rural Proofing)

None

LEGAL IMPLICATIONS

The proposals are within the constitution, and will require procedures to be refined by the relevant committees. Any additional proposed delegations to individual cabinet member or officers will require constitutional amendments to Article 7.

FINANCIAL IMPLICATIONS	
There are no direct financial implications associated with the governance process. However, property investments will require borrowing in order to make a financial return. The yield calculation within the Property Investment Strategy is designed to ensure that financial implications from any property investment are captured.	
OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:	
This proposal supports the generation of commercial opportunities arising from the regeneration directorate.	
SECTION 151 OFFICER'S COMMENTS	
The Section 151 Officer has been involved in the drafting of this paper.	
MONITORING OFFICER'S COMMENTS	
The Monitoring Officer has been involved in the drafting of this paper.	
BACKGROUND PAPERS	Contact Officer: David Brown Telephone: 01524 58 2000 E-mail: dbrown@lancaster.gov.uk Ref: