

CABINET

6.00 P.M.

3RD DECEMBER 2019

PRESENT:- Councillors Erica Lewis (Chair), Dave Brookes, Tim Hamilton-Cox, Caroline Jackson, John Reynolds, Alistair Sinclair and Anne Whitehead

Apologies for Absence:

Councillors Kevin Frea (Vice-Chair), Janice Hanson and Jean Parr

Officers in attendance:

Daniel Bates	Director of Corporate Services
Mark Davies	Director for Communities and the Environment
Jason Syers	Director for Economic Growth and Regeneration
Paul Thompson	Chief Financial Officer (Head of Finance & Section 151 Officer)
Luke Gorst	Acting Head of Legal Services and Monitoring Officer
Liz Bateson	Principal Democratic Support Officer

42 MINUTES

The minutes of the meeting held on Tuesday 5 November 2019 were approved as a correct record.

43 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

44 DECLARATIONS OF INTEREST

No declarations were made at this point.

45 PUBLIC SPEAKING

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

At this point the Chair requested that standing order 17 (Cabinet Procedure Rule 17) be suspended to allow for questions to be taken from all members as the reports were introduced. The proposal was seconded by Councillor Hamilton-Cox and unanimously agreed.

Resolved unanimously:

(1) That Standing Order 17 (Cabinet Procedure Rule 17) be suspended.

46 DELIVERING OUR AMBITIONS, Q2 2019-20

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Director of Corporate Services that provided members with an update on performance, projects and resources during the second quarter of 2019-20 (July-September 2019).

No options were provided as Cabinet was asked to consider the updates. In response to a question regarding the updating of performance measurements the meeting was advised that this was work in progress. In response to a question on the capital programme, the Leader requested further detail on the governance approval with regard to the electrical works in Dalton Square.

Councillor Whitehead proposed, seconded by Councillor Brookes:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the update on performance, projects and resources for Quarter 2 2019-20 be endorsed.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

Performance, project and resource monitoring provides a link between the Council Plan and operational achievement by providing regular updates on the impact of operational initiatives against strategic aims.

47 TREASURY MANAGEMENT MID YEAR REVIEW 2019-20

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Chief Finance Officer, which sought Cabinet’s consideration of various matters in connection with the Treasury Management Mid-Year Review 2019/20 and associated revisions to the Council’s Prudential Code Indicators.

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

<p>Option 1: Cabinet considers the report and passes to Full Council for approval of the revisions to the Prudential Code indicators.</p>
<p>Advantages: Should Cabinet forward on to Full Council for consideration and approval of the revisions to the Prudential Code indicators is given, the Council will be able to proceed with the purchase of the investment opportunities and associated net revenues.</p>
<p>Disadvantages:</p>

None
<p>Risks: Council does not approve the revisions and the purchases are therefore unable to proceed resulting in the loss of important additional revenue contributions.</p>
<p>Option 2: Cabinet does not consider the report, or pass to Full Council for approval of the revisions to the Prudential Code indicators.</p>
<p>Advantages: None</p>
<p>Disadvantages: Should Cabinet not forward the report on to Full Council for approval, the purchases may stall until a point when Council is able to approve the Treasury Management Strategy and associated indicators, or fail all together resulting in the delay or loss of the associated revenue streams.</p>
<p>Risks: Council does not approve the revisions, the investment and revenue generating opportunities are lost</p>

The officer preferred option is Option 1. The Code requires Full Council to approve any revisions to the Council's Prudential Code Indicators. The Indicators have been revised to allow sufficient flexibility to enable the Council to proceed with its agreed initial purchased, but also allow for those which may occur before 31st March 2020. The acquisition of commercial investment opportunities and the revenues streams form a central pillar in the Councils Funding the Future Strategy and will play a significant role in addressing the budget deficit over the next 4 years.

Councillor Whitehead proposed, seconded by Councillor Reynolds:-

"That the recommendation, as set out in the report, be approved and that the Financial Resilience Group be requested to review the Treasury Management Strategy to ensure it is consistent with the Climate Emergency priority prior to Budget Council in February 2020."

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet endorse the various matters in connection with the Treasury Management Mid-Year Review 2019/20 and associated revisions to the Council's Prudential Indicators.
- (2) That Cabinet recommend that Full Council approve the acquisitions and

associated funding into the Council's capital programme in accordance with the Council's Budget and Policy Framework.

- (3) That Cabinet recommend that Full Council approves the revisions to the Council's Capital Financing Requirement (CFR), the Operational and Authorised limits for External Debt and the Ratio of Borrowing Cost to Net Revenue Stream as set out in the report and Appendix A to the report.
- (4) That the Financial Resilience Group be requested to review the Treasury Management Strategy to ensure it is consistent with the Climate Emergency priority prior to Budget Council in February 2020.

Officer responsible for effecting the decision:

Director of Corporate Services

Reasons for making the decision:

Treasury Management forms part of the Council's Budget Framework and the decision is consistent with the Council's priorities:

A Thriving & Prosperous Economy: Economic Prosperity is a high level Corporate Priority for the City Council; whilst the acquisition of an investment does not give an immediate opportunity to generate short term wealth building, the medium term control of land and redevelopment does.

Clean Green & Safe Neighbourhoods: As the freeholder of an estate the ability to provide renewable energy sources (solar power), can be delivered as part of the asset management strategy, however this can only be undertaken with the tenants consent or once a lease has been determined. The Council cannot force a tenant to change the terms of their lease.

A Smart & Forward Thinking Council: This is the first investment acquisition by the Council, helping to deliver the ambition to be smart, forward thinking and commercially astute. The Property Investment Strategy is one the four pillars of the Funding the Future Strategy which aims to provide financial stability.

48 EXCLUSION OF THE PRESS AND PUBLIC

It was moved by Councillor Hamilton-Cox and seconded by Councillor Brookes:-

"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.

49 SALE OF CABLE/WOOD ST CAR PARK, LANCASTER (Pages 7 - 9)

(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)

Cabinet received a report from the Interim Regeneration Manager to confirm, following the agreement of the sale contract, instructions to exchange contracts in a disposal of a short-term stay surface car park for redevelopment. The report was exempt from publication by virtue of paragraph 3, 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.

It was proposed by Councillor Hamilton-Cox and seconded by Councillor Brookes and resolved:

Resolved:

(5 Members (Councillors Brookes, Hamilton-Cox, Jackson, Lewis and Sinclair) voted in favour, and 2 Members (Councillors Reynolds and Whitehead) abstained.)

- (1) 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:

Director for Economic Growth & Regeneration

Reasons for making the decision:

The decision is consistent with the Council's priorities. Exactly how the decision fits with those priorities is set out in the exempt minute.

Chair

(The meeting ended at 7.05 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 MONDAY 16 DECEMBER 2019.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
TUESDAY 24 DECEMBER 2019.**