

CABINET

5.00 P.M.

13TH JULY 2021

PRESENT:- Councillors Caroline Jackson (Chair), Kevin Frea (Vice-Chair), Dave Brookes, Gina Dowding, Tim Hamilton-Cox, Tricia Heath, Erica Lewis, Cary Matthews, Sandra Thornberry and Anne Whitehead

Also in attendance: Iain Gamble (Brabners)

Officers in attendance:-

Kieran Keane	Chief Executive
Mark Davies	Director for Communities and the Environment
Sarah Davies	Director of Corporate Services
Jason Syers	Director for Economic Growth and Regeneration
Paul Thompson	Chief Financial Officer (Head of Finance & Section 151 Officer)
Luke Gorst	Head of Legal Services and Monitoring Officer
Mark Cassidy	Head of Planning and Place
Sally Lowton	Property and Contracts Solicitor
Fiona Clark	Planning Officer (Policy)
Paul Hatch	Senior Planning Policy Officer
Diane Neville	Senior Planning Officer (Policy)
Liz Bateson	Principal Democratic Support Officer, Democratic Services

12 MINUTES

The minutes of the meeting held on Tuesday 8 June 2021 were approved as a correct record.

13 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

14 DECLARATIONS OF INTEREST

No declarations were made at this point.

15 PUBLIC SPEAKING

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

16 PROVISIONAL GENERAL FUND OUTTURN 2020/21

The Chair informed Members that this item had been deferred. Cabinet would receive a briefing on Outturn before the affordable priorities meeting with a formal report tabled at September Cabinet before being considered by the Budget & Performance Panel.

At this point the Chair advised the meeting that she intended to re-order the agenda so as

not to unduly detain Iain Gamble from Brabners who had been invited to respond to questions in relation to the exempt Eden report.

17 EXCLUSION OF THE PRESS AND PUBLIC

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

“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.

18 EDEN PROJECT NORTH (Pages 12 - 13)

(Cabinet Members with Special Responsibility Councillors Jackson & Hamilton-Cox)

Cabinet received a report from the Chief Executive which 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 Jackson, seconded by Councillor Hamilton-Cox and:-

Resolved unanimously:

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:

Chief Executive

Reasons for making the decision:

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

Iain Gamble left the meeting and the Chair revised the order of the agenda to enable the two exempt Shared Services reports to be considered at that point.

19 SHARED SERVICES AGREEMENT - REVENUES AND BENEFITS

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Director of Corporate Services which sought approval for the continuation of the existing shared service arrangement with Preston City Council; to establish a Joint Committee of representative members from both authorities and through delegations to that Joint Committee, to provide revenues and benefit functions for both Councils. The report was exempt from publication by virtue of Paragraph 3 of Schedule 12A of the Local Government Act, 1972.

The Chair asked that her thanks be conveyed to the Revenues and Benefits staff for the work undertaken during lockdown with regard to the distribution of grants and benefits.

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

Option 1: To agree the continuation of the shared service arrangements with Preston City Council, in relation to the Council's Revenues and Benefits functions

Advantages: Strong record of business transformation
Exceeded budget savings targets with further opportunities for economies of scale
Strong governance arrangements in place
Continuity of service delivery, Retain local knowledge in a critical service

Disadvantages: None identified

Risks: Government re-organisation could temporarily disrupt the arrangement at any point, but the risk is mitigated by the option of a two year notice period which can be served by either Council at any time.

Option 2: To not agree the continuation of the shared service arrangements with Preston City Council and instead instruct Officers to consider alternative options of service delivery.

Advantages: None identified

Disadvantages: Additional cost elements in unravelling existing arrangements
No continuity in service delivery
A break up of the partnership would create uncertainty and insecurity for staff within the shared service with the likelihood of losing key staff to longer term opportunities.

Risks: There are implications for the Council if the arrangement doesn't proceed with the risk of losing key staff and the additional costs in achieving a reduction in HR resources.

The need to increase ICT support, storage capacity and infrastructure to re-establish the revenues and benefits service in the City Council environment.

The officer preferred option is Option 1, as this provides continuity and is considered the most cost effective option, retaining existing staff whilst providing the opportunity for further economies of scale.

Councillor Whitehead proposed, seconded by Councillor Lewis:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet agrees to the continuation of the shared service arrangements with Preston City Council, in relation to the Council’s Revenues and Benefits functions and that a further Shared Revenues and Benefits Service Agreement with Preston City Council be entered into on an outline 10 year basis, underpinned by a rolling 2- year notice period, to commence on 1 July 2021.
- (2) That Cabinet agrees to the following:
 - (i) to establish a Shared Revenue and Benefits Service Joint Committee to carry out the delegated revenues and benefits functions on behalf of Preston City Council and Lancaster City Council;
 - (ii) to agree the Terms of Reference of the Shared Revenue and Benefits Service Joint Committee, as set out in Appendix 1 to the report;
 - (iii) to delegate the revenues and benefits functions to the Shared Revenue and Benefits Service Joint Committee, as set out in Appendix 2 to the report; and
 - (iv) to agree that the Shared Revenue and Benefits Service Joint Committee shall be fixed with two Executive Members from Lancaster City Council and two Executive Members from Preston City Council for the term of the agreement.

Officer responsible for effecting the decision:

Director of Corporate Services

Reasons for making the decision:

The Shared Service agreement is consistent with the Council’s ambition of creating an “Inclusive and Prosperous Local Economy” in developing policies to help business, and the work undertaken contributes towards a “Healthy and Happy Community” in optimising the access to benefits and related support for those that need it most. Joining up the Revenues and Benefits services of both Councils in 2011 has proven successful and the decision enables the arrangements to be continued following the expiry of the existing agreement on 30 June 2021.

20 SHARED SERVICES AGREEMENT - FRAUD INVESTIGATION SERVICES

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Director of Corporate Services which sought approval for the continuation of the existing cost sharing arrangement with Preston City Council and Fylde Borough Council to provide a Corporate Enquiry Team, to help prevent and detect fraud in the local authority area. The report was exempt from publication by virtue of Schedule 12A, Paragraph 3 of the Local Government Act 1972.

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

Option 1: To agree the continuation of the cost sharing arrangement with Preston City Council and Fylde Borough Council, in relation to the Council's counter fraud activities

Advantages: Objective for the team to be self-financing Flexibility and responsiveness to changing levels of demand/need within the partner organisations.
Existing links and collaboration with Internal Audit
The retention of qualified staff with proven expertise in the fraud environment

Disadvantages: None identified

Risks: Failure to achieve self-financing objective

Option 2: To not agree the continuation of the shared service arrangements with Preston City Council and Fylde Borough Council, and instead instruct Officers to consider alternative options to prevent and detect fraud in the local authority environment.

Advantages: None identified

Disadvantages: Shortage of specialist counter fraud skills within the Council
Lost opportunity for tackling fraud in a cost-effective, collaborative manner.
Inevitable disruption No continuity in service delivery
A break up of the partnership would create uncertainty and insecurity for staff within the shared service with the likelihood of losing key staff.

Risks: There are implications for the Council if the arrangement doesn't proceed with the risk of not having an adequate deterrent in place to prevent fraud if experienced staff are lost, nor the resources in place to investigate fraudulent activity.

The officer preferred option is Option 1. The landscape in which Councils operate has changed as a result of Covid-19; there now being a higher profile regarding fraud and its impact on public funds generally, at a time when Councils and other public bodies are facing huge financial challenges. Continuation of the cost sharing arrangement for counter fraud services ensures the Council is resourced to prevent fraud from occurring, and where prevention is not possible, is resourced to provide a proportionate response, enabling the timely and effective detection, investigation and prosecution of fraudsters.

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 Cabinet approves the continuation of the cost sharing arrangement with Preston City Council and Fylde Borough Council on an outline 10 year basis underpinned by a rolling 1-year notice period, for services in relation to counter fraud activity.

Officer responsible for effecting the decision:

Director of Corporate Services

Reasons for making the decision:

The decision is consistent with the corporate priority of being a responsible Council, protecting the public purse, with an ambition to create an “Inclusive and Prosperous Local Economy”. The Council has established a reputation as an authority that takes firm action against fraud and corruption on behalf of the community it serves. The decision enables the successful cost sharing arrangement with Preston City Council and Fylde Borough Council which was set up in 2015 to prevent, detect and investigate corporate (non-benefit) fraud and irregularity to continue.

With the consent of the meeting, the press and public were re-admitted at this point and the Chair confirmed a further re-order to the agenda with the Climate Emergency Review of the Local Plan brought forward for the convenience of the officers in attendance for that item.

21 CLIMATE EMERGENCY REVIEW OF THE LOCAL PLAN FOR LANCASTER DISTRICT - PREPARATION OF A CONSULTATION DRAFT (REGULATION 18)

(Cabinet Member with Special Responsibility Councillor Dowding)

Cabinet received a report from the Director for Economic Growth & Regeneration which set out progress on the preparation of the Climate Emergency Review of the Local Plan (CELPR) following its adoption by Council on the 29th July 2020. The report sought the endorsement of Cabinet for progress made to date in the process of reviewing the content of the Local Plan documents and approval for the publication of the draft documents for a period of consultation under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

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

Option 1: Publish and consult on the draft policies contained in the CELPR.
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<p>Advantages: By publishing the draft revised CELPR documents for consultation under Regulation 18 the Council can make progress with its ambitious timetable for the Local Plan Review and help ensure that better outcomes from development for climate change mitigation and adaptation are achieved as promptly as plan preparation processes permit.</p>

Disadvantages: None apparent.

Risks: None

Option 2: Do not publish and consult on the draft policies contained in the CELPR.

Advantages: None apparent.

Disadvantages: This option would be contrary to the Council's published timetable for preparing the CELPR as set out in the published Local Development Scheme as approved by Council in July 2020 (and subsequently kept up to date). The Council will not make progress on the objective of helping to address the Climate Emergency Declaration promptly by promptly reviewing the adopted Local Plan. Resources, including significant officer time spent on the review to date would not have been usefully deployed.

Risks: This option would present several risks including:

- Delays in eventually adopting a revised plan means that development proposals will continue to be determined in the context of the existing adopted policies rather than in the context of policies that take better account of the challenge of climate Change.
- Reputational damage to the Council from not following through with a consultation on a Draft Plan that it has made prior public commitment to undertake.
- Delay in advancing the process may mean that the externally procured evidence may become out of date and will need to be refreshed again; incurring further costs and delays.

Councillor Dowding proposed, seconded by Councillor Frea:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the Council undertakes public consultation on the draft revised versions of the Local Plan documents; specifically, Part A: Strategic Policies & Land Allocations DPD and Part B: Development Management DPD; and,
- (2) That the Council publishes the background evidence and supporting material which have informed the Local Plan Review process to date, including Sustainability Appraisal and Habitats Regulation Assessment.

Officer responsible for effecting the decision:

Director for Economic Growth & Regeneration

Reasons for making the decision:

The purpose of the Climate Emergency Review of the Local Plan was to ensure greater

alignment with the Council's ambitions around Climate Change in recognition of the Council's Climate Emergency Declaration of January 2019. The CELPR will assist with the delivery of many of the Council's corporate priorities, including the creation of a more sustainable district, the provision of an inclusive and prosperous local economy and support for developing healthy and happy communities.

22 RELEASE OF CAPITAL PROGRAMME – DEVELOPMENT POOL ALLOCATION FOR THE PURCHASE OF AN ELECTRIC VAN FOR THE ENGINEERING TEAM WITHIN PROPERTY, INVESTMENT AND REGENERATION

(Cabinet Members with Special Responsibility Councillors Hamilton-Cox & Whitehead)

Cabinet received a report from the Director for Economic Growth & Regeneration to request the release of £15K of allocated budget within the Capital Programme – Development Pool.

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

Options Analysis Option 1 – Continue with current diesel van hire arrangement (do nothing)

Advantages: Current van is fit for purpose for transportation, maintenance, and monitoring activities.

Disadvantages: Takes no action to tackle climate emergency and the goal of being net zero carbon by 2030.

Risks: The approach is different to that being applied to other fleet/hire vehicles and the Council is not seen to lead by example by switching to EV.

Options Analysis Option 2 – Switch to a EV hire vehicle

Advantages: Helps to achieve the Councils zero carbon priorities

Disadvantages: Hire of like for like EV vehicle would be a substantial increase in current annual hire costs for a diesel vehicle.

Risks: The approach is different to that being applied to other fleet/hire vehicles and the Council is not seen to lead by example by switching to EV.

Options Analysis Option 3 – Purchase a EV hire vehicle from the Council Capital Programme

Advantages: Helps to achieve the Councils zero carbon priorities
Utilises revenue savings on current contract hire budget within 5 years
Leaves residual value at the end so more cost effective than hiring

Disadvantages: None

Risks: n/a

The officer preferred option was Option 3.

Councillor Hamilton-Cox proposed, seconded by Councillor Whitehead:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet approves the release of £15,000 from the development pool section of the general fund capital programme for the purchase of an electric van for the Engineering team and notes that the purchase cost is likely to be in the region of £18,000.
- (2) That the general fund revenue and capital budgets are updated as appropriate, as part of the forthcoming budget exercise.

Officer responsible for effecting the decision:

Director for Economic Growth & Regeneration
Chief Finance Officer

Reasons for making the decision:

The decision is consistent with Council Priorities as switching from diesel aligns with the Council's aim towards carbon zero. The engineering team currently have access to a Peugeot Partner diesel van on a long-term hire agreement. Transferring to its electric van equivalent on hire is not cost effective so an allocation was made in the GF Capital Programme Pool of £15,000 to purchase a van outright as part of the council's vehicle capital programme. This will generate annual revenue savings within the coast protection budget area of approximately £3,000 per annum, subsequently leading to a minimal cost over the life expectancy of the vehicle.

23 RELEASE OF CAPITAL RESERVES FOR THE SOUTH LANCASTER GROWTH CATALYST (HIF PROGRAMME)

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Director for Economic Growth & Regeneration to request the release of the allocated budget of £4.6M from the Capital Programme.

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

Option 1. Do Nothing/ Defer

Advantages - None

Disadvantages - May miss the milestone deadlines contained in the main Grant Determination Agreement (GDA) between Lancashire County Council and Homes England.

Risks - Failure to meet GDA milestones may put at risk the £140M HIF settlement.

Option 2 Approve

Advantages - Governance approvals and funding commitments will be in place in accordance with and subject to the approval of the Collaboration Agreement. It will be compliant with the GDA funding milestones.

Disadvantages - None

Risks - None

Councillor Whitehead proposed, seconded by Councillor Lewis:-

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

Following much discussion and in view of the concern raised by some members regarding the lack of a business case and limited detail within the Budget report, the Chair advised the meeting that she was minded to suggest an amendment that the money be released subject to a full business case. After further consideration the Chair acknowledged that such an amendment was not appropriate.

Councillors then voted:-

Resolved:

(5 Members (Councillors Heath, Lewis, Matthews, Thornberry & Whitehead) voted in favour, 4 Members (Councillors Brookes, Dowding, Hamilton-Cox & Jackson) voted against and 1 Member (Councillor Frea) abstained.)

- (1) That in order to meet the requirements of the Collaboration Agreement with Lancashire County Council, Cabinet approves the release of the allocated budget of £4.6M from the development pool section of the general fund capital programme, which represents the local match funding element of the Housing Infrastructure Fund for the South Lancaster Growth Catalyst, a partnership with Lancashire County Council and Homes England.

Officers responsible for effecting the decision:

Director for Economic Growth & Regeneration
Chief Finance Officer

Reasons for making the decision:

The decision will enable Lancaster City Council, as part of the Collaboration Agreement between the City Council and Lancashire County Council, to demonstrate that it has the

necessary governance and funding approvals in place and that budgets can be committed without the need for further approvals. The decision is a matter of governance and only commits the release of capital reserves once the Collaboration Agreement has been signed and approved by Council.

Chair

(The meeting ended at 7.07 p.m.)

**Any queries regarding these Minutes, please contact
Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk**

MINUTES PUBLISHED ON FRIDAY 16 JULY 2021.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
MONDAY 26 JULY, 2021.**

Document is Restricted