

CABINET

6.00 P.M.

17TH JANUARY 2023

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

Officers in attendance:-

Mark Davies	Chief Executive
Luke Gorst	Head of Legal Services and Monitoring Officer
Paul Thompson	Chief Financial Officer (Head of Finance & Section 151 Officer)
Joanne Wilkinson	Head of Housing
Paul Rogers	Senior Regeneration Officer
Clare Brown	Project Delivery Lead
Liz Bateson	Principal Democratic Support Officer

55 MINUTES

The minutes of the meeting held on Tuesday 6 December 2022 were approved as a correct record.

56 ITEMS OF URGENT BUSINESS AUTHORISED BY THE LEADER

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

57 DECLARATIONS OF INTEREST

No declarations were made at this point.

58 PUBLIC SPEAKING

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

59 FAIR WORK CHARTER

(Cabinet Member with Special Responsibility Councillor Wood)

Cabinet received a report from the Chief Executive which updated Cabinet on progress on the Fair Work Charter and sought approval for the draft charter to progress to external consultation and implementation via a partnership model.

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

	Option 1: Approve draft charter and proposals to implement and further engage with the business community.	Option 2: Reject the draft charter and proposals to implement and further engage with the business community
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<p>Advantages</p>	<ul style="list-style-type: none"> • Further progress can be made on a key element of plan 2030. • The council can play a part in reducing labour market inequalities taking a leading role and modelling best practice. 	<ul style="list-style-type: none"> • Resources are stretched within our teams, this would free resource for other key projects • Avoidance of any potential cost of implementation.
<p>Disadvantages</p>	<ul style="list-style-type: none"> • Potential sign ups (members) could be low given our small business community is our largest sector. Internal resource required to implement would need to be considered against other key projects and initiatives. 	<ul style="list-style-type: none"> • Without the charter to progress the council wouldn't have a vessel by which to have a conversation with businesses regarding labour market inequality. • Given the cost of living crisis that we are also facing, our corporate ambitions to improve the prosperity of our local economy not progressing the charter would be a negative. Other initiatives would need to be considered to meet our ambitions
<p>Risks</p>	<ul style="list-style-type: none"> • The implementation of the charter could have some potential costs around marketing which will need to be referred into this committee following the external engagement process. It is hoped that by developing the charter with partners these costs will be minimised. 	<ul style="list-style-type: none"> • Labour market inequalities continue without intervention and our district struggles to build back better from the pandemic and survive the current economic crisis.

The officer preferred option is for the draft charter and implementation and engagement proposals to be approved.

Councillor Wood proposed, seconded by Councillor Caroline Jackson:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That the progress made on the development of a Lancaster District Fair Work Charter to reduce social inequality and drive improvements to pay and working conditions of local residents be noted.
- (2) That the current draft be approved and further external consultation with a focus

on local businesses be authorised.

- (3) That the Fair Work Charter engagement and implementation plan be approved.
- (4) That Cabinet recommends that Personnel Committee agrees that the Council, as an employer, will commit to the Fair Work Charter journey.

Officer responsible for effecting the decision:

Chief Executive

Reasons for making the decision:

The rationale of the introduction of Fair Work Charters is built on the business case that to offer decent terms and conditions of employment is equally good for business, employees and local society. The proven benefits are that good terms of employment attract high calibre staff, enhance productivity and customer experience which, in turn, all support profitability or organisational success as well as quality of life for employees. This creates increased wealth and demand for products and services within the local community.

The decision is consistent with the key priorities and outcomes as set out within Plan 2030. Fair Work sits as one of the pillars of Community Wealth Building and within the overall ambition to have an inclusive and prosperous economy within the district. The charter aims to reduce labour market inequality a key linked component of which is climate justice as an integral part of social justice and economic prosperity.

60 CORPORATE FEES & CHARGES REVIEW 2023/24

(Cabinet Member with Special Responsibility Councillor Whitehead)

Cabinet received a report from the Head of Financial Services that asked Members to endorse the Fees and Charges Policy for 2023/24 and also to consider a range of charging options as deemed appropriate to the service area.

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

	Option 1: To support the inflationary increases/freezes as outlined in the report.	Option 2: To not support the inflationary increases/freezes as outlined in the report.
Advantages	This protects the client base in two of the Council’s largest fee earning areas (parking and garden waste), especially in the current cost of living crisis whilst providing a fair percentage uplift in other areas.	There could be an opportunity to use fees and charges to contribute further to the general fund net position.
Disadvantages	The chance to increase fees and charges at above	The draft revenue budget has been prepared with the

	inflationary levels would be foregone.	inclusion of the items raised in this report. Any further proposals would require further consideration prior to being fed into the budget process.
Risks	Cost of living and the return from the pandemic have reshaped people's habits. The income targets already set could in advance of projected spend 23/24, resulting in a shortfall within the accounts.	Increasing fees to higher than suggested levels would most likely result in resistance and potentially not achieve the targets originally set.

The officer preferred option is Option 1.

Fees and Charges are reviewed on an annual basis and as outlined within the report, significant factors have become apparent as to why differing treatment is required within a couple of areas. It is felt that the recommendations made are of a fair nature and in-line with the policy attached to the report.

Councillor Whitehead proposed, seconded by Councillor Wood:-

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet endorses the Fees and Charges Policy as set out at Appendix A to the report, and during 2023/24 as part of the mid-year budget strategy review determines whether any other areas of income generation be explored further for 2024/25 onwards.
- (2) That Cabinet endorses the freezing of car parking pay and display charges, for a further twelve month period.
- (3) That Cabinet endorses the increase of garden waste collection charges by £1 to £41 per annum.
- (4) That Cabinet endorses the return to applying inflationary increases to fees and charges across all remaining areas as appropriate, as reported as part of the current 2023/24 budget setting process.
- (5) That Cabinet endorses the implementation of the new charge in respect of electrical vehicle recharging on off-street car parks, as reported as part of the current 2023/24 budget setting process.

Officer responsible for effecting the decision:

Head of Financial Services

Reasons for making the decision:

Between 2022/23 and 2023/24 gross income from comparative fees and charges is expected to increase from £18.27M to £18.58M, representing a moderate increase of £0.31M or 1.7%. It should be noted that a number of income budgets were significantly reduced in 2021/22 due to the pandemic and where appropriate were returned to pre pandemic levels when formulating the 2022/23 revenue budgets. However, during the current financial year it has become clearly substantiated by monitoring processes in place that income levels are still suffering. The cost of living crisis has added a further burden to this area and the 2023/24 budgets have been projected with this in mind.

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.

61 BUDGET & POLICY FRAMEWORK UPDATE 2023/24 - 2027/28**(Cabinet Member with Special Responsibility Councillor Whitehead)**

Cabinet received a report from the Chief Finance Officer that provided an update on the Council's budget strategy for 2023/24 and financial outlook up to 2027/28. Specifically, the report considered the budget and Council Tax proposals for 2023/24

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

It is essential that the Council Tax rate is set in line with the Council Tax billing timetable. Any delay would put the Council at risk of not being able to collect the tax which would have serious cash flow implications.

Regarding the budget strategy, Cabinet may approve the proposals as set out, or ask for changes to be made to the suggested approach. The overriding aim of any budget setting process is to approve a balanced budget by statutory deadlines, allocating resources to help ensure delivery of the Council's corporate priorities and service outcomes. The proposed approach is in line with that broad aim and any changes that Cabinet puts forward should also be framed in that context.

In terms of the actual budget position, the report put forward a balanced budget. If Cabinet agrees the budget, then it will form their proposal to Budget and Performance Panel on 01 February 2023. The feedback from this meeting will be considered by Cabinet and incorporated into a final budget proposal which will be considered at the Cabinet meeting on 07 February 2023 and recommended to Council on 22 February 2023.

The current budget proposal produces a balanced budget through utilisation of the Council's reserves. Cabinet and Officers will continue to work ahead of Cabinet's 07 February 2023 meeting to identify further opportunities for savings, efficiencies, and income generation in order to further reduce the use of reserves.

Whilst the longer-term financial forecasts contain numerous estimates and assumptions, which will change over time, the forecasts clearly highlight potential annual and cumulative budget deficits over the next 5 years and the perilous position the Council

now faces. Although this position is not unique to this Council, and is reflected nationally across many public sector bodies, the gaps identified for 2024/25 and beyond are of such a level that both Members and Officers need to be under no illusion of the size of the challenge ahead. Significant transformational change in the way that the Council delivers both its statutory and non-statutory services across the district will be required.

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

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

Councillors then voted:-

Resolved unanimously:

- (1) That Cabinet make recommendations to Council regarding the Lancaster City Council element of the Council Tax as set out in paragraph 3.3 (option one) of this report which is a 2.99% increase to the Band D Council Tax (from £241.95 to £249.18).
- (2) That Cabinet makes recommendations regarding its initial budget proposals as set out in section 5 and Appendix A of the report.
- (3) That the recommendations and proposals in this report be referred to Council on 25 January for initial consideration as well as being presented for scrutiny by Budget and Performance Panel on 01 February, in order that any feedback can be provided to Cabinet at its 07 February meeting.

Officer responsible for effecting the decision:

Chief Finance Officer

Reasons for making the decision:

The budget framework in general sets out a financial plan for achieving the Council's corporate priorities and outcomes incorporating measures to address the climate emergency and digital improvements as well as activities to address wellbeing, health and community safety. The budget plans underline the council's ongoing commitment to protecting vital frontline services, supporting communities, ensuring access to services for those most in need, and working in partnership to deliver the best outcomes for the community.

The decision enables the proposals to be considered at January Council and by the Budget and Performance Panel allowing Cabinet to make further recommendations back to Council to complete the budget setting process for 2023/24.

62 EXCLUSION OF THE PRESS AND PUBLIC

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

“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 items 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.

63 MAINWAY REGENERATION NEXT STEPS (Pages 9 - 13)

(Cabinet Member with Special Responsibility Councillor Matthews)

Cabinet received a report from the Head of Housing which sought approval for the next steps in relation to the wider Mainway site. 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.

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:

Head of Housing

Reasons for making the decision:

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

64 LANCASTER CANAL QUARTER: PROGRESSION OF EARLY PHASE REGENERATION PROPOSALS (Pages 14 - 17)

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

Cabinet received a joint report from the Head of Housing and Head of Property, Investment, and Regeneration that detailed the next steps in delivering early phase regeneration proposals and sought approval for the necessary funding package and procurement route approvals to progress the next stages of work. The report was exempt from publication by virtue of paragraph 3 of Schedule 12 A of the Local Government Act, 1972.

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

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:

Head of Housing

Reasons for making the decision:

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

Chair

(The meeting ended at 7.10 p.m.)

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

MINUTES PUBLISHED ON MONDAY 23 JANUARY, 2023.

**EFFECTIVE DATE FOR IMPLEMENTING THE DECISIONS CONTAINED IN THESE MINUTES:
TUESDAY 31 JANUARY, 2023.**

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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