

Minutes

At a meeting of the Full Council held at Council Chamber, County Hall, Preston,
on Thursday, 20 February, 2014

Present:

County Councillor Michael Devaney (Chairman)

County Councillors

T Aldridge	J Fillis	M Otter
A Ali	J Gibson	M Parkinson
T Ashton	G Gooch	N Penney
A Atkinson	M Green	S Perkins
A Barnes	J Hanson	M Perks
M Barron	Dr M Hassan	C Pritchard
L Beavers	P Hayhurst	S Pryn
D Borrow	C Henig	P Rigby
M Brindle	N Hennessy	A Schofield
P Britcliffe	S Holgate	K Sedgewick
I Brown	D Howarth	S Serridge
K Brown	K Iddon	J Shedwick
T Brown	M Iqbal	R Shewan
P Buckley	A James	D T Smith
Mrs S Charles	M Johnstone	K Snape
A Cheetham	A Jones	D Stansfield
A Clempson	A Kay	J Sumner
D Clifford	D Lord	V Taylor
Mrs F Craig-Wilson	T Martin	M Tomlinson
C Crompton	J Mein	C Wakeford
M Dad	G Molineux	D Watts
B Dawson	Y Motala	D Westley
F De Molfetta	B Murray	D Whipp
C Dereli	R Newman-Thompson	P White
G Dowding	D O'Toole	G Wilkins
G Driver	Mrs L Oades	B Winlow
K Ellard	J Oakes	B Yates

1. Apologies and Announcements

Apologies were presented on behalf of County Councillors Terry Burns and Jim Lawrenson.

Announcements

The Chairman reported the sad death on 8 January of former County Councillor Tom Burns. Mr Burns had been a county councillor from 2005 to 2009 and had served on the cabinet and as chairman of a number of overview and scrutiny committees.

A number of members including each of the political Group leaders paid tribute to him.

The Chairman also referred to the recent sad death of Sir Tom Finney CBE and to some of his many footballing achievements. The county council was proud of his association with Preston.

The Council stood in silent tribute to both men.

2. Disclosure of Pecuniary and Non-Pecuniary Interests

Name of Councillor	Agenda Item No.	Nature of Interest (non-pecuniary unless stated)
A Barnes	Part A – Items 4 & 5	Member Rossendale Borough Council
L Beavers	Part A – Items 4 & 5	Member Wyre Borough Council
M Brindle	Part A – Item 4	Member Burnley Borough Council
T Brown	Part A – Items 4 & 5	Member Chorley Borough Council
D Clifford	Part A – Items 4 & 5	Member Morecambe Town Council
C Crompton	Part A – Items 4 & 5	Member Preston City Council
M Dad	Part A – Items 4 & 5	Member Hyndburn Borough Council
B Dawson	Part A – Items 4 & 5	Member Hyndburn Borough Council
C Dereli	Part A – Items 4 & 5	Member West Lancashire Borough Council
J Fillis	Part A – Items 4 & 5	Member West Lancashire Borough Council
J Gibson	Part A – Items 4 & 5	Member West Lancashire Borough Council
J Hanson	Part A – Items 4 & 5	Member Lancaster City Council and Morecambe Town Council
N Hennessy	Part A – Items 4 & 5	Member West Lancashire Borough Council
S Holgate	Part A – Items 4 & 5	Member Chorley Borough Council
D Howarth	Part A – Item 4	Member South Ribble Borough Council
M Iqbal	Part A – Items 4 & 5	Member Pendle Borough Council

M Johnstone	Part A – Items 4 & 5	Member Burnley Borough Council
D Lord	Part A – Item 4	Member Pendle Borough Council
T Martin	Part A – Items 4 & 5	Member Burnley Borough Council
G Molineux	Part A – Items 4 & 5	Member Hyndburn Borough Council
B Murray	Part A – Items 4 & 5	Member Chorley Borough Council
R Newman-Thompson	Part A – Items 4 & 5	Member Lancaster City Council
J Oakes	Part A – Items 4 & 5	Member Rossendale Borough Council
M Parkinson	Part A – Items 4 & 5	Member Hyndburn Borough Council
C Pritchard	Part A – Items 4 & 5	Member Hyndburn Borough Council
S Pryn	Part A – Items 4 & 5	Member South Ribble Borough Council and Penwortham Town Council
S Serridge	Part A – Items 4 & 5	Member Rossendale Borough Council and Whitworth Town Council
R Shewan	Part A – Items 4 & 5	Wyre Borough Council
K Snape	Part A – Items 4 & 5	Member Chorley Borough Council
J Sumner	Part A – Item 4	Member Burnley Borough Council
M Tomlinson	Part A – Items 4 & 5	Member South Ribble Borough Council
D Watts	Part A – Items 4 & 5	Member South Ribble Borough Council
D Whipp	Part A – Item 4	Member Pendle Borough Council

3. Report of the Employment Committee - Appointment of Chief Executive

County Councillor Jennifer Mein, as Chairman of the Employment Committee reported that, following a selection process including interviews held on 13 February 2014, the Employment Committee had recommended that Jo Turton be appointed Chief Executive, Head of the Paid Service and Returning Officer of the County Council on a salary of £170, 000 per year with immediate effect.

Six County Councillors requested a recorded vote in accordance with procedural Standing Order 15.2 (9.4). The names of county councillors who voted for or against the Motion and those who abstained are set out below:

For (68)

T Aldridge	G Dowding	E Oades
A Ali	K Ellard	J Oakes
T Ashton	J Fillis	M Parkinson
A Barnes	J Gibson	N Penney
M Barron	J Hanson	S Perkins
L Beavers	M Hassan	C Pritchard
D Borrow	P Hayhurst	S Prynn
M Brindle	C Henig	K Sedgewick
P Britcliffe	N Hennessy	S Serridge
T Brown	S Holgate	J Shedwick
K Brown	D Howarth	R Shewan
I Brown	K Iddon	K Snape
P Buckley	M Iqbal	J Sumner
S Charles	M Johnstone	V Taylor
A Clempson	T Jones	M Tomlinson
D Clifford	A Kay	C Wakeford
F Craig-Wilson	D Lord	D Watts
C Crompton	T Martin	D Westley
M Dad	J Mein	D Whipp
B Dawson	G Molineux	P White
F De Molfetta	Y Motala	B Winlow
C Dereli	B Murray	B Yates
M Devaney	R Newman-Thompson	

Against (1)

D Stansfield

Abstain (13)

A Atkinson	A James	A Schofield
A Cheetham	D O'Toole	D Smith
G Driver	M Otter	G Wilkins
G Gooch	M Perks	
M Green	P Rigby	

The Motion was carried and it was:

Resolved: That Jo Turton be appointed Chief Executive, Head of the Paid Service and Returning Officer of the County Council on a salary of £170, 000 per year.

4. The County Council's Budget 2014/15

County Councillor Borrow, Deputy Leader of the Council, reported that Brandon Lewis, MP, Parliamentary Under Secretary of State at the Department for Communities and Local Government had written to local authorities advising Council's to have a recorded vote for all Budget items. Whilst at the moment there was no statutory requirement for the Council and the requirement would need reflecting in Standing Orders, CC Borrow moved that a recorded vote be held for all matters on the Budget for this meeting requiring a vote.

Following a show of hands it was,

Resolved: That a recorded vote be conducted for all matters pertaining to the Budget.

County Councillor Borrow then moved the report of the Cabinet from its meeting on the 6 February 2014. It contained recommendations on:

- (1) The Revenue Budget 2014/15;
- (2) The Council Tax and Precept 2014/15; and
- (3) The Capital Investment Strategy 2014/15 to 2016/17.

In moving the report County Councillor Borrow outlined an **adjustment** to the proposals contained within the report relating to the Revenue Budget 2014/15. Details of the adjustment were set out in a document circulated to all members, which is appended to these minutes as **Annex 1**.

The motion was seconded by County Councillor Jennifer Mein, Leader.

There then followed a period of debate after which County Councillor Geoff Driver moved an **Amendment** to the Budget proposals on behalf of the Conservative Group, which was seconded by County Councillor Albert Atkinson. A copy of the Amendment was circulated to all members and is set out at **Annex 2** to these minutes. It was noted that amended pages 240-241 to the Budget proposals had previously been circulated to members.

The Chairman adjourned the meeting at this point for a period of fifteen minutes to give members the opportunity to read and consider the Amendment.

On resumption of the meeting there then followed a period of debate following which a recorded vote was taken as agreed earlier in the meeting. The names of county councillors who voted for or against the Amendment and those who abstained are set out below:

For (34)

T Ashton	G Driver	K Sedgewick
A Atkinson	G Gooch	J Shedwick
M Barron	M Green	D Smith
P Britcliffe	K Iddon	D Stansfield
K Brown	A James	V Taylor
I Brown	T Jones	C Wakeford
P Buckley	A Kay	D Westley
S Charles	D O'Toole	P White
A Cheetham	M Otter	G Wilkins
A Clempson	M Perks	B Yates
F Craig-Wilson	P Rigby	
M Devaney	A Schofield	

Against (48)

T Aldridge	J Gibson	R Newman-Thompson
A Ali	J Hanson	E Oades
A Barnes	M Hassan	J Oakes
L Beavers	P Hayhurst	M Parkinson
D Borrow	C Henig	N Penney
M Brindle	N Hennessy	S Perkins
T Brown	S Holgate	C Pritchard
D Clifford	D Howarth	S Pryn
C Crompton	M Iqbal	S Serridge
M Dad	M Johnstone	R Shewan
B Dawson	D Lord	K Snape
F De Molfetta	T Martin	J Sumner
C Dereli	J Mein	M Tomlinson
G Dowding	G Molineux	D Watts
K Ellard	Y Motala	D Whipp
J Fillis	B Murray	B Winlow

The Conservative Group's Amendment was therefore lost.

County Councillor Bill Winlow then moved an **Amendment** to the Budget proposals on behalf of the Liberal Democrat Group, which was seconded by County Councillor Margaret Brindle. A copy of the Amendment was circulated to all members and is set out at **Annex 3** to these minutes.

There followed a period of debate following which a recorded vote was taken as agreed earlier in the meeting. The names of county councillors who voted for or against the Amendment and those who abstained are set out below:

For (46)

T Aldridge	J Gibson	R Newman-Thompson
A Ali	J Hanson	J Oakes
A Barnes	M Hassan	M Parkinson
L Beavers	C Henig	N Penney
D Borrow	N Hennessy	S Perkins
M Brindle	S Holgate	C Pritchard
T Brown	D Howarth	S Prynn
D Clifford	M Iqbal	S Serridge
C Crompton	M Johnstone	R Shewan
M Dad	D Lord	K Snape
B Dawson	T Martin	J Sumner
F De Molfetta	J Mein	M Tomlinson
C Dereli	G Molineux	D Watts
G Dowding	Y Motala	D Whipp
K Ellard	B Murray	B Winlow
J Fillis		

Against (34)

T Ashton	G Gooch	A Schofield
A Atkinson	M Green	K Sedgewick
M Barron	P Hayhurst	J Shedwick
P Britcliffe	K Iddon	D Smith
K Brown	A James	D Stansfield
I Brown	T Jones	V Taylor
P Buckley	A Kay	C Wakeford
S Charles	D O'Toole	D Westley
A Cheetham	M Otter	P White
A Clempson	M Perks	G Wilkins
M Devaney	P Rigby	B Yates
G Driver		

On being put to the vote the Liberal Democrat Group's **Amendment was carried** and became part of the substantive motion.

As no further amendments were moved, the Chair put the motion on the County Council's Budget and asked the Full Council to approve the recommendations of the Cabinet, as adjusted (Annex 1) and as now amended (Annex 3) on the:

- i. The Revenue Budget 2014/15;
- ii. The Council Tax and Precept 2014/15; and
- iii. The Capital Investment Strategy 2014/15 and future years.

A recorded vote was taken and the names of county councillors who voted for or against the Motion and those who abstained are set out below:

For (46)

T Aldridge	J Hanson	R Newman-Thompson
A Ali	M Hassan	J Oakes
A Barnes	P Hayhurst	M Parkinson
L Beavers	C Henig	N Penney
D Borrow	N Hennessy	S Perkins
M Brindle	S Holgate	C Pritchard
T Brown	D Howarth	S Prynne
D Clifford	M Iqbal	S Serridge
C Crompton	M Johnstone	R Shewan
M Dad	D Lord	K Snape
B Dawson	T Martin	J Sumner
F De Molfetta	J Mein	M Tomlinson
C Dereli	G Molineux	D Watts
K Ellard	Y Motala	D Whipp
J Fillis	B Murray	B Winlow
J Gibson		

Against (33)

T Ashton	G Driver	A Schofield
A Atkinson	G Gooch	K Sedgewick
M Barron	M Green	J Shedwick
P Britcliffe	K Iddon	D Smith
K Brown	A James	D Stansfield
I Brown	T Jones	V Taylor
P Buckley	A Kay	C Wakeford
S Charles	D O'Toole	D Westley
A Cheetham	M Otter	P White
A Clempson	M Perks	G Wilkins
M Devaney	P Rigby	B Yates

Abstain (1)

G Dowding

The Motion was carried and it was,

Resolved:

That the 2014/15 Budget proposals as recommended by the Cabinet, as now amended, be adopted as set out below:

Revenue Budget 2014/15

Budget Area	*2013/14 adjusted budget	2014/15 Cash Limit	Change	
	£m	£m	£m	%
Adult Services, Health & Well-Being	335.201	325.961	-9.240	-2.76
Children & Young People	156.033	148.001	-8.032	-5.15
Environment	183.458	180.765	-2.693	-1.47
Office of Chief Executive	24.094	22.784	-1.310	-5.44
County Treasurer	4.496	3.771	-0.725	-16.13
Strategic Partner **	16.914	22.930	6.016	35.57
Corporate Expenditure	29.219	26.608	-2.611	-8.94
Financing Charges	32.349	30.834	-1.515	-4.68
Lancashire County Commercial Group	-1.751	-0.918	0.833	-47.57
Discretionary Hardship Claims	0.750	0.250	-0.500	-66.67
Contribution from Reserves	-	-2.676	-2.676	-
Total	780.013	758.310	-21.703	-2.78

Note * - Reflects in year budget movements between directorates and changes to financing in 2014/15 to provide consistency when comparing year on year cash limit movements.

Note ** - From the 1 April 2014, the Strategic Partner budget will reflect the return of a number of services from One Connect Ltd to the County Council.

Council Tax and Precept 2014/15

The Full Council authorises, in pursuance of the provisions of the Local Government Finance Act 1992, and in order to meet the general expenses of the County Council for the financial year 2014/15:

a) Budget, Council Tax Requirement and Precept for 2014/15:

Budget Requirement	£758.310m
Less formula grant	£211.602m
Less Retained Business Rates	£171.258m
Less New Homes Bonus grant	£3.194m
Equals council tax cash	£372.256m
Divided by tax base	336,049.60
Gives Band D council tax	£1,107.74
2013/14 council tax	£1,086.13
Percentage increase	1.99%

b) **Council Tax (on the basis of a budget requirement of £758.310m and the Council Tax base now calculated of 336,049.60) for each property valuation band:**

	£
Band A	738.49
Band B	861.58
Band C	984.66
Band D (basic)	1,107.74
Band E	1,353.90
Band F	1,600.07
Band G	1,846.23
Band H	2,215.48

c) The share for each District Council of the net total raised from the Council Tax of £372.256m:

	£
Burnley	23,295,772
Chorley	36,826,573
Fylde	31,169,588
Hyndburn	20,565,193
Lancaster	42,094,120
Pendle	24,571,446
Preston	38,151,673
Ribble Valley	23,695,666
Rossendale	20,185,238
South Ribble	37,176,308
West Lancashire	36,731,949
Wyre	37,792,057
Total raised from the council tax	372,255,583

Capital Investment Strategy 2014/15 and future years

The adoption of the proposals for the Capital Investment Strategy 2014/15 and future years as set out at Appendix A to the report now presented be approved.

The proposals of the Cabinet set out in the report now presented be supplemented as follows:

1. Management of Resources

In addition to revisions to the Council's democratic structures, Cabinet is instructed to explore proposals for budget pooling with district Councils; and for the reshaping of the County Council to incorporate the ability for services to be shared with other responsible organisations by April 2015.

2. Reshaping of the Council

Instructs the Chief Executive to produce a strategy for reshaping the Council's estate by undertaking specific measures to reduce carbon emissions and generate energy. Council commits to any new build capital projects being constructed to the highest possible standards of energy efficiency and instructs officers to bring forward all future design schemes in line with this policy position, both by April, 2016.

3. Growth Deal for Lancashire

Council recognises the importance of economic growth across the County and commits to a deliverable "Growth Deal for Lancashire." Council resolves to investigate partnership working to pool resources to achieve such a "Deal". Council commits to the investment of non-maintenance transport capital resources from 2015/16 onwards to deliver Transport Master Plans to support economic growth.

4. Green Energy Industries Fund

It further recognises the potential for Green Energy to act as a catalyst for economic growth and instructs officers to bring forward proposals for a "Green Energy Industries Fund" of £5m modelled on the Growing Places Fund by April 2016

5. Supporting the Council's Role in Public Health

Council recognises the increasing number of people with dementia living in the County and the lack of awareness of their needs amongst the general population. It encourages staff to become "dementia friends" under the initiative promoted by central government and instructs the Council's Management Team to facilitate relevant awareness sessions during work time, with immediate effect.

6. Promoting Sustainable Bus Transport

Council recognises the need for county wide sustainable transport planning to support the development of the County economy and to protect isolated vulnerable people. Council instructs Cabinet to continue working with bus companies and other stakeholders to develop a new

model for the delivery of public transport services that allows cross-subsidy between profitable and non-profitable services, as contracts come up for renewal.

7. Highways Management

Council recognises that a significant step forward in directing highway maintenance resources to areas of need is the adoption of an Asset Management Plan. Cabinet is instructed to bring forward proposals for the formal introduction of this strategy at the earliest possible opportunity. Council further instructs officers to develop proposals for a matched funding approach with other stakeholders to address the problem of unadopted roads locking some communities into a cycle of deprivation by April 2015.

8. Encouraging Voluntary sector Activity

Given that Lancashire County Council commissioned services to the value of over £17.1m in 2013-14, Council recognises that a strong independent voluntary sector provides some resilience within communities to withstand the impact of local authority service reductions. Council officers are therefore instructed to investigate opportunities to create different arrangements for managing the County Council's charitable trust funds to create an "endowment for Lancashire" by April 2015.

5. Treasury Management Policy and Strategy 2014/15

The County Council considered a report outlining the proposed Treasury Management Policy Framework for 2014/15 as required by the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice (2011). It included the County Council's borrowing and investment strategies and the proposed Minimum Revenue provision Policy, together with the treasury management prudential indicators which sought to ensure that the Council's borrowing levels remained both sustainable and affordable.

The Cabinet had considered the Treasury Management Policy Framework for 2014/15 set out at Appendices A, B and C to the report now presented and recommended it to the Full Council for approval.

Resolved: That the Treasury Management Policy and Strategy for 2014/15 as set out in Appendices A, B and C to the report now presented, be approved.

Part B - Matters for Information

No matters were reported.

Part C - Notice of Motion

No Notices of Motion had been received.

Jo Turton
Chief Executive

County Hall
Preston

Cabinet Adjustment to the 2014/15 Budget Proposals

Full Council 20 February 2014

1. Revenue Budget 2014/15

That the proposal option in respect of a reduction in the Winter Service is withdrawn, reducing the level of savings in 2014/15 by £0.447m.

That the contribution from the Council's County Fund be increased by £0.447m to £2.676m in 2014/15 in order to present a balanced budget.

2. The Impact of the Adjustments

This adjustment has resulted in the following changes:

- a) In 2014/15 the total savings delivered from policy options will be reduced by £0.447m from £16.567m to £16.120m. The impact on the financial strategy for the period 2014/15 to 2017/18 is shown in the table below:

Summary of savings proposals	2014/15	2015/16	2016/17	2017/18	Total
	£m	£m	£m	£m	£m
Impact of the review of costs	18.116	3.883	3.768	3.708	29.475
10% Challenge - efficiency savings	16.272	2.809	-	-	19.081
Reducing the cost of being in business – efficiency savings	14.522	1.769	2.313	6.729	25.333
Reshaping the way Services are delivered	7.460	7.970	9.960	6.960	32.350
Policy Options	16.120	11.292	6.258	1.950	35.620
Total	72.490	27.723	22.299	19.347	141.859

- b) The impact of the adjustments has resulted in the cash limit budgets for 2014/15 as shown in the summary below and the detail at Appendix 1 to this amendment.

Budget Area	*2013/14 adjusted budget	2014/15 Cash Limit	Change	
	£m	£m	£m	%
Adult Services, Health & Well-Being	335.201	325.961	-9.240	-2.76
Children & Young People	156.033	148.001	-8.032	-5.15
Environment	183.458	180.765	-2.693	-1.47
Office of Chief Executive	24.094	22.784	-1.310	-5.44
County Treasurer	4.496	3.771	-0.725	-16.13
Strategic Partner **	16.914	22.930	6.016	35.57
Corporate Expenditure	29.219	26.608	-2.611	-8.94
Financing Charges	32.349	30.834	-1.515	-4.68
Lancashire County Commercial Group	-1.751	-0.918	0.833	-47.57
Discretionary Hardship Claims	0.750	0.250	-0.500	-66.67
Contribution from Reserves	-	-2.676	-2.676	-
Total	780.013	758.310	-21.703	-2.78

Note * - Reflects in year budget movements between directorates and changes to financing in 2014/15 to provide consistency when comparing year on year cash limit movements.

Note ** - From the 1 April 2014, the Strategic Partner budget will reflect the return of a number of services from One Connect Ltd to the County Council.

3. Council Tax 2014/15 and Capital Investment Programme

The adjustment to the Cabinet's proposals for the 2014/15 revenue budget will have no impact on the proposed council tax increase of 1.99%, or the capital investment strategy.

Councillor David Borrow
Deputy Leader of the Council
County Hall, Preston

2014/15 Revenue Budget - Allocation of Cash Limits

Budget	2013/14 Budget *	Price increases	Demand/ Volume changes	Other changes	Savings	2014/15 Proposed Cash Limit	Change	Change
	£m	£m	£m	£m	£m	£m	£m	%
Adult Services Health & Well-being	335.201	13.299	11.992	-0.658	-33.873	325.961	-9.240	-2.76%
Children & Young People	156.033	4.617	2.137	-0.932	-13.854	148.001	-8.032	-5.15%
Environment	183.458	7.220	0.287	0.500	-10.700	180.765	-2.693	-1.47%
Office of Chief Executive	24.094	0.468		-0.021	-1.757	22.784	-1.310	-5.44%
County Treasurer's Directorate	4.496	0.169		0.021	-0.915	3.771	-0.725	-16.13%
Strategic Partner **	16.914	1.427	5.000	-0.148	-0.263	22.930	6.016	35.57%
Corporate Expenditure	29.219	0.033	-0.100	2.846	-5.390	26.608	-2.611	-8.94%
Discretionary Hardship Claims	0.750				-0.500	0.250	-0.500	-66.67%
Financing Charges	32.349		0.160		-1.675	30.834	-1.515	-4.68%
LCCG	-1.751	2.895		-0.500	-1.562	-0.918	0.833	-47.57%
Strategic Investment Reserve	-10.000			10.000		-	10.000	-100.00%
Balances & Reserves	-5.000			5.000		-	5.000	-100.00%
Investment proposals	14.250			-14.250		-	-14.250	-100.00%
Contribution from reserves					-2.676	-2.676	-2.676	
Total	780.013	30.128	19.476	-1.858	-73.165	758.310	-21.703	-2.78%

* Reflects in year budget movements between directorates and changes to financing in 2014/15 to provide consistency

** From the 1 April 2014, the Strategic Partner budget will reflect the return of a number of services from One Connect Ltd to the County Council

Meeting of the County Council
Meeting to be held on 20 February 2014

Amendment submitted by the Conservative Group

Revenue Budget 2014/15
Council Tax and Precept 2014/15
Capital Investment Strategy 2014/15 and Beyond

Council resolves that the budget proposals of the Cabinet as set out in the Council Papers be amended as follows:

1. The following savings proposals should be withdrawn, or be amended as shown:

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	Total £m
Adult Services Health & Wellbeing					
609 – Extra Respite for Carers – Leisure Link	0.275				0.275
Children and Young People					
702 – Youth Services	0.600	1.000	1.400		3.000
703 – Discretionary Home to School Transport Charges – Reduce price increase to 5% in the first year and then revert to RPI plus 2% in following years	0.233				0.233
705 – SEND Post 16 Transport Charges	0.088	0.096	0.096		0.280
711 – Virtual School Review	0.250				0.250
Environment					
825 – 3 rd Party Recycling Credits – Remove only the contingency element of the budget	0.140				0.140
Office of the Chief Executive					
921 – VCFS Grants – Reinstate Local Member Grants	0.084				0.084
Total	1.670	1.096	1.496	0.000	4.262

2. To incorporate the following further additional savings within the budget, as summarised in the table below:
 - a. Recognising the proposed "go live" date for the new Telecare arrangements set out in the relevant policy proposal of January 2015 proposes to recognise a small initial part year saving in 2014/15 and instructs officers to actively promote take up of the scheme as rapidly as possible to deliver the benefits of this service to users and the Council as rapidly as possible.

- b. Instruct officers to bring forward proposals for a 25% reduction in street lighting energy use through a combination of removing lights and not lighting highways during low traffic periods.
- c. To remove from the budget the remaining element of the Members Priority Contingency.
- d. To withdraw the County Council's commitment to acquire Preston Bus Station and the associated running costs.
- e. To withdraw the proposed investment in Community Transport in the light of the Cabinet withdrawing the proposed reductions in bus subsidies.
- f. To change the County Council's operating model by removing the client contractor split and incorporating the services currently within Lancashire County Commercial Group within appropriate Directorates.
- g. With effect from 2013/14 to alter the County Council's policy for the financing of vehicle replacement by funding the purchase of vehicles through borrowing and not through revenue contributions.

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	Total £m
Adult Services Health and Well Being					
Part year saving from introduction of Telecare	0.200				0.200
Environment					
Reduction in Street Lighting Energy Use of 25%	1.545				1.545
Remove remainder of the Members' Priority Contingency	0.200				0.200
Withdrawal of commitment to Preston Bus Station	0.190				0.190
Removal of investment in Community Transport	0.500				0.500
Lancashire County Commercial Group					
Changes to the Commercial Group operating model	0.650				0.650
Capital Financing					
Switch financing of the vehicle replacement programme to borrowing from revenue contributions	2.547	-0.555	-0.555	-0.555	0.882
Total	5.832	-0.555	-0.555	-0.555	4.167

3. To agree that the saving of £3.102m in 2013/14 from proposal 2 g) above be utilised as follows, with the result that County Fund Balance will remain at £36m

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	Total £m
Utilised in 2014/15 to support the revenue budget	1.568				1.568
Utilised in 2015/16 to support the revenue budget		0.543			0.543
Balance to be added to the Downsizing Reserve	0.991				0.991
Total	2.559	0.543	0.000	0.000	3.102

4. To agree to add expenditure of £0.500m to the Capital Investment Programme in 2014/15 to support a further phase of Changing Places Toilet Facilities for people with disabilities financed from part of the uncommitted balance on the Council's reserves set aside for corporate priorities as notified by the County Treasurer.
5. As a consequence of the above decisions to approve the cash limits for services set out at Annex A to this amendment and the capital programme set out at Annex B.
6. As a consequence of the proposal to increase borrowing in respect of the vehicle replacement programme to amend the County Council's proposed prudential indicators for 2014/15 onwards as follows:

	2013/14 Revised £m	2014/15 £m	2015/16 £m	2016/17 £m
Authorised Limit				
Borrowing	891.000	970.000	995.000	997.000
Other Long Term Liabilities	500.000	490.000	480.000	470.000
Operational Boundary				
Borrowing	841.000	920.000	945.000	947.000
Other Long Term Liabilities	450.000	440.000	430.000	420.000

7. To not increase the level of Council Tax for 2014/15 and accept the Government's Council Tax Freeze Grant and therefore approve the budget requirement and Council Tax set out below:

Council Tax and Precept 2014/15

Budget Requirement	£755.255m
Less formula grant	£211.602m
Less Retained Business Rates	£171.258m
Less New Homes Bonus grant	£3.194m
Less Council Tax Freeze Grant	£4.208m
Equals council tax cash	£364.993m
Divided by tax base	336,049.60
Gives Band D council tax	£1,086.13
2013/14 council tax	£1,086.13
Percentage increase	0.00%

Council Tax (on the basis of a budget requirement of £755.255m and the Council Tax base now calculated of 336,049.60) for each property valuation band:

	£
Band A	724.09
Band B	844.77
Band C	965.45
Band D (basic)	1,086.13
Band E	1,327.49
Band F	1,568.85
Band G	1,810.22
Band H	2,172.26

The share for each District Council of the net total raised from the Council Tax of £364.993m:

	£
Burnley	22,841,314
Chorley	36,108,153
Fylde	30,561,526
Hyndburn	20,164,003
Lancaster	41,272,940
Pendle	24,092,101
Preston	37,407,403
Ribble Valley	23,233,407
Rossendale	19,791,461
South Ribble	36,451,066
West Lancashire	36,015,376
Wyre	37,054,802
Total raised from the council tax	<u><u>364,993,552</u></u>

County Councillor Geoff Driver
Leader of the Conservative Group

Budget	2013/14 Budget *	Price increases	Demand/ Volume changes	Other changes	Savings	2014/15 Proposed Cash Limit	Change	Change
	£m	£m	£m	£m	£m	£m	£m	%
Adult Services Health & Well-being	335.201	13.299	11.992	-0.658	-33.798	326.036	-9.165	-2.73%
Children & Young People	156.033	4.617	2.137	-0.932	-12.683	149.172	-6.861	-4.40%
Environment	183.458	7.220	0.287	0.500	-12.995	178.470	-4.988	-2.72%
Office of Chief Executive	24.094	0.468		-0.021	-1.673	22.868	-1.226	-5.09%
County Treasurer's Directorate	4.496	0.169		0.021	-0.915	3.771	-0.725	-16.13%
Strategic Partner **	16.914	1.427	5.000	-0.148	-0.263	22.930	6.016	35.57%
Corporate Expenditure	29.219	0.033	-0.100	2.846	-5.390	26.608	-2.611	-8.94%
Discretionary Hardship Claims	0.750				-0.500	0.250	-0.500	-66.67%
Financing Charges	32.349		0.160		-4.222	28.287	-4.062	-12.56%
LCCG	-1.751	2.895		-0.500	-2.212	-1.568	0.183	-10.45%
Strategic Investment Reserve	-10.000			10.000		0.000	10.000	-100.00%
Balances & Reserves	-5.000			5.000		0.000	5.000	-100.00%
Investment proposals	14.250			-14.250		0.000	-14.250	-100.00%
Contribution from reserves					-1.569	-1.569	-1.569	
						0.000	0.000	
Total	780.013	30.128	19.476	1.858	-76.220	755.255	-24.758	-3.17%

* Reflects in year budget movements between directorates and changes to financing in 2014/15 to provide consistency

** From the 1 April 2014, the Strategic Partner budget will reflect the return of a number of services from One Connect Ltd to the County Council.

Conservative Group Capital Programme 2014/15 and Beyond

	2013/14 £m	2014/15 £m	2015/16 £m	later £m	Total £m
Adult Services, Health and Wellbeing	3.009	3.602	7.917	3.974	18.502
Children and Young People	61.061	55.685	25.516	8.856	151.118
Environment	64.625	103.463	77.271	0.000	245.359
Corporate	30.432	31.522	3.640	1.005	66.099
Lancashire County Commercial Group	4.530	4.903	0.000	0.000	9.433
Total Expenditure	163.657	199.175	114.344	13.835	490.511
Financed by:					
Borrowing	5.960	45.080	10.785	0.000	61.825
Capital receipts					
earmarked	0.983	0.000	3.112	10.567	14.662
general	0.000	4.140	30.158	0.000	34.298
Revenue					
allocation	0.000	0.000	0.000	0.000	0.000
specific	9.277	9.442	1.201	0.232	19.652
Single capital pot Grant	95.022	65.490	0.000	0.000	160.512
Other grants and contributions	52.415	75.023	54.982	1.032	183.452
Total Financing	163.657	199.175	100.238	11.831	474.401
Overprogramming	0.000	0.000	14.106	2.004	16.110

**Meeting of the County Council
Meeting to be held on 20 February 2014**

Amendment submitted by the Liberal Democrat Group

**Revenue Budget 2014/15
Council Tax and Precept 2014/15
Capital Investment Strategy 2014/15 and Beyond**

With the significant financial challenges facing the County, Council recognises that the priorities are:

- sustainable, environmentally friendly economic growth
- delivery of long term cost reductions
- continued support to vulnerable people

Amendment to the budget:

That the proposals of the Cabinet set out in the report to the County Council are supplemented as follows:

1. *Management of Resources*

In addition to revisions to the Council's democratic structures, Cabinet is instructed to explore proposals for budget pooling with district Councils; and for the reshaping of the County Council to incorporate the ability for services to be shared with other responsible organisations by April 2015.

2. *Reshaping of the Council*

Instructs the Chief Executive to produce a strategy for reshaping the Council's estate by undertaking specific measures to reduce carbon emissions and generate energy. Council commits to any new build capital projects being constructed to the highest possible standards of energy efficiency and instructs officers to bring forward all future design schemes in line with this policy position, both by April, 2016.

3. *Growth Deal for Lancashire*

Council recognises the importance of economic growth across the County and commits to a deliverable "Growth Deal for Lancashire." Council resolves to investigate partnership working to pool resources to achieve such a "Deal". Council commits to the investment of non-maintenance transport capital resources from 2015/16 onwards to deliver Transport Master Plans to support economic growth.

4. *Green Energy Industries Fund*

It further recognises the potential for Green Energy to act as a catalyst for economic growth and instructs officers to bring forward proposals for a "Green Energy Industries Fund" of £5m modelled on the Growing Places Fund by April 2016

5. Supporting the Council's Role in Public Health

Council recognises the increasing number of people with dementia living in the County and the lack of awareness of their needs amongst the general population. It encourages staff to become "dementia friends" under the initiative promoted by central government and instructs the Council's Management Team to facilitate relevant awareness sessions during work time, with immediate effect.

6. Promoting Sustainable Bus Transport

Council recognises the need for county wide sustainable transport planning to support the development of the County economy and to protect isolated vulnerable people. Council instructs Cabinet to continue working with bus companies and other stakeholders to develop a new model for the delivery of public transport services that allows cross-subsidy between profitable and non-profitable services, as contracts come up for renewal.

7. Highways Management

Council recognises that a significant step forward in directing highway maintenance resources to areas of need is the adoption of an Asset Management Plan. Cabinet is instructed to bring forward proposals for the formal introduction of this strategy at the earliest possible opportunity. Council further instructs officers to develop proposals for a matched funding approach with other stakeholders to address the problem of unadopted roads locking some communities into a cycle of deprivation by April 2015.

8. Encouraging Voluntary sector Activity

Given that Lancashire County Council commissioned services to the value of over £17.1m in 2013-14, Council recognises that a strong independent voluntary sector provides some resilience within communities to withstand the impact of local authority service reductions. Council officers are therefore instructed to investigate opportunities to create different arrangements for managing the County Council's charitable trust funds to create an "endowment for Lancashire" by April 2015.

County Councillor Bill Winlow
Leader of the Liberal Democrat Group