

Lancashire County Council

Cabinet

Minutes of the Meeting held on Thursday, 6th November, 2014 at 2.00 pm in Cabinet Room 'B' - County Hall, Preston

Present:

County Councillor Jennifer Mein

Leader of the Council
(in the Chair)

Cabinet Members

County Councillor Azhar Ali
County Councillor David Borrow
County Councillor John Fillis
County Councillor Janice Hanson
County Councillor Marcus Johnstone
County Councillor Tony Martin
County Councillor Matthew Tomlinson

County Councillor Geoff Driver CBE and County Councillor Bill Winlow were also in attendance under the provisions of Standing Order No. 19(4).

1. Apologies for Absence

Apologies for absence were received from County Councillor Albert Atkinson.

2. Disclosure of Pecuniary and Non-Pecuniary Interests

None declared.

3. Minutes of the Meeting held on 9 October 2014

Resolved: - That the minutes of the meeting held on 9 October 2014 be confirmed and signed by the Chair.

4. Executive Scrutiny Committee - Report of the Chair

County Councillor Bill Winlow, Chair of the Executive Scrutiny Committee, confirmed that Executive Scrutiny Committee had made recommendations in respect of both item 5 and item 9 on the agenda and that these would be reported at the appropriate point in the meeting.

Resolved: - That the report of the Chair of the Executive Scrutiny Committee, now presented, be noted.

5. Preston Bus Station and Multi Storey Car Park

Eddie Sutton, Assistant Chief Executive, presented a report setting out a number of proposals in respect of Preston Bus Station and Multi Storey Car Park which would support the creation of a modern and vibrant public service hub. In particular, the key developments would focus on:

- A new youth zone for young people;
- The refurbishment of the bus station;
- The creation of a public open space;
- The upgrading of the multi-storey car park.

County Councillor Matthew Tomlinson referred to discussions with the Preston Youth Council and the involvement of the Youth Council in the development of the new youth zone facility. The Leader of the County Council suggested that the design of the public open space should be the subject of an international competition.

County Councillor Bill Winlow reported that the Executive Scrutiny Committee, at its meeting on 4 November, had suggested that the current recommendation 4(6) be amended to read 'To review with external grant funding organisations the potential for external grant funding'.

Resolved: - That:

- (i) Approval be given to the proposals set out in this report, now presented, which overall will see the regeneration of Preston Bus Station and Multi Storey Car Park, primarily as a public services hub focusing on facilities for young people, bus and coach transportation, pedestrian safety, highway improvements, car parking and the creation of accessible and useable public open space within the heart of Preston City Centre;
- (ii) Approval be given to reallocate the County Council contribution of £8.3m to the construction of a new bus station, contained within the approved capital programme, to the refurbishment of the Preston Bus Station and Multi Storey Car Park;
- (iii) The Cabinet Member for Children, Young People and Schools be requested to review and reprioritise resources already allocated in the Children and Young People's overall capital programme with the view of releasing £2m of funding to support the development of the Preston Youth Zone Plus;
- (iv) Officers be requested:
 - (1) To work with the Preston Youth Zone partners to develop the scheme for the Preston Youth Zone Plus;
 - (2) To work with the contractors recently selected for the County Council's Construction Framework to refine the estimates set out in this report;
 - (3) To complete the Conservation Management Plan;
 - (4) To prepare a consolidated development proposal for consideration by Cabinet;
 - (5) To prepare and submit an application for listed building consent/planning permission;
 - (6) To review with external grant funding organisations the potential for external grant funding.

- (v) The Preston, South Ribble and Lancashire City Deal Executive and Stewardship Board be recommended to endorse the revised proposals for Preston Bus Station and Multi Storey Car Park on the basis set out in the report and to include them within the 2015/18 City Deal Infrastructure Delivery Plan;
- (vi) That an international design competition be held for the design of the public open space.

6. Money Matters - Update on the County Council's Financial Position for 2014/15

With the agreement of the Chair, this item was dealt with as part of item 7 below.

7. Money Matters - The Financial Strategy for 2015/16 to 2017/18

County Councillor David Borrow, Deputy Leader of the County Council, and Gill Kilpatrick, County Treasurer, presented reports setting out updates on the County Council's financial position for 2014/15 and the financial strategy for 2015/16 - 2017/18.

The County Treasurer reported that both reports looked at the overall financial health of the County Council, both for the current year and, in terms of the future, over the next three years. During 2014/15, the County Council would need to achieve savings of £76m and it was therefore important that progress was carefully monitored. 2014/15 had seen a greater level of demand, particularly on social care services and the reports set out other areas of increased demand.

It was reported that, as at 30 September 2014, there was an overall in year net underspend of £4m in relation to the revenue budget. This included an underspend in the Environment Directorate due to changes to the Waste PFI contract, together with an underspend in relation to capital financing, due to changes to the County Council's investment portfolio.

In terms of the Capital Investment Programme, it was reported that 84.4% of the programme was on target with slippage attributed to, for example, planning issues and the review of the County Council's property portfolio.

Balances remained robust at £36m with the Downsizing Reserve amounting to a further £73m of uncommitted funds.

In terms of the future, reference was made to the overall savings requirement of £300m between 2014 and 2018 with £142m of those savings agreed by the Full Council in February 2014. The report set out how the financial situation had changed since then, making particular reference to the changes in demand and costs such as demand for social care, landfill tax and waste transport, all of which equate to an additional £9m of costs over the next three years. The potential impact of the Care Act, beyond the first year, together with costs associated with Deprivation of Liberty Safeguards were also further potential costs. The report made reference to inflationary pressures and changes in costs, particularly around the pay bill and Education Services Grant, which would benefit the County Council by £4m. Legacy financial costs, such as capital financing charges, pension costs and energy costs, would add an additional £14.5m to costs over the next three

years. Changes in resources around business rates, council tax and the New Homes Bonus, would also mean additional costs of £4.6m over the next three years.

Additional risks for the future included changes following the May 2015 General Election and further likely reductions in local government finance settlements in future years. By 2017/18, it was highlighted that the County Council would have a budget envelope of £689m.

At this point, proposals for future service offers were tabled which would be the subject of initial consultation prior to the formal consultation on the Cabinet's proposals which would take place following the meeting of Cabinet on 8 January 2015. Reference was also made to the Budget Scrutiny Working Group which would consider the initial proposals and report back to Cabinet on 4 December.

Resolved: - That:

- (i) The forecast of the financial outlook for the County Council over the next three years and the increase in the level of savings required from £161m to £176m, as set out in the report, now presented, be noted;
- (ii) Consultation on the package of service offer proposals put forward for consideration by the Chief Executive and her Management Team, as now presented, takes place, with responses to be received by the 15 December 2014, to enable Cabinet to consider all responses at the meeting of the Cabinet on 8 January 2015;
- (iii) The views of the Budget Scrutiny Working Group be requested on all the proposals set out in these resolutions for consideration at the meeting of Cabinet on 4 December 2014;
- (iv) The Chief Executive and her Management Team be tasked to bring forward further service offer recommendations which bridge the gap in 2015/16 and future years.

The Service Offer proposals, together with relevant equality analyses, are available at: <http://council.lancashire.gov.uk/ieListDocuments.aspx?CId=122&MId=3015>

8. Report of the Cabinet Working Group on the Care and Urgent Needs Support Scheme

County Councillor Azhar Ali, Chair of the Cabinet Working Group on the Care and Urgent Needs Support Scheme, presented the report of the Cabinet Working Group which set out a review of the scheme's first year of operation.

It was reported that the scheme was working well and fulfilled a valuable role in supporting vulnerable people. It was felt that some relationships with partner organisations could be further developed and work be undertaken to extend the provision of food banks. Responsibility for the scheme, together with initial funding, had been transferred from the Department for Work and Pensions to the County Council and it was noted that the Local Government Finance Settlement for 2015/16 did not include continuation of the funding. The Deputy Leader of the County Council highlighted the importance of continuing to lobby for funding to be continued.

Resolved: - That:

- (i) The report of the Cabinet Working Group on the Care and Urgent Needs Support Scheme, set out at Appendix 'A' to the report, now presented, be noted;
- (ii) That the recommendations of the Cabinet Working Group on the Care and Urgent Needs Support Scheme, set out at Appendix 'A' to the report, now presented, be supported.

9. Potential Health Impacts of the Proposed Shale Gas Exploration Sites in Lancashire

Dr Sakthi Karunanithi, Director of Public Health, presented a report setting out the potential health impacts of the proposed shale gas exploration sites in Lancashire. This was as a result of the health impact assessment undertaken on the two proposed sites at Preston New Road and Roseacre Wood.

It was reported that the Government's policy was to actively pursue the production of onshore oil and gas production and that, with large shale gas deposits thought to be present in Lancashire, the county was at the forefront of the relatively new industry of unconventional gas extraction through horizontal drilling and hydraulic fracturing.

Two planning applications had been submitted in Lancashire; at Preston New Road and Roseacre Wood respectively. Whilst there was currently no industry specific planning and regulatory regime, the County Council, with its public health responsibility, had undertaken health impact assessments of both of the proposed sites. As part of this process, the views of a number of experts, residents, applicants and other relevant bodies had been sought.

The main key risks, identified by the health impact assessments, to the health and wellbeing of residents living near to the two proposed sites included:

- Lack of public trust and confidence, stress and anxiety from uncertainty that could lead to poor mental wellbeing;
- Noise related health effects due to continuous drilling;
- Issues related to capacity for flowback waste water treatment and disposal.

The report set out a total of 45 recommendations to address how the above risks, and other issues set out in the report, could be mitigated by the County Council, Environment Agency, the Department for Energy and Climate Change and the Health and Safety Executive.

With the agreement of the Chair, County Councillor Liz Oades, addressed Cabinet and highlighted a number of concerns and issues which had been raised with her, as the local County Councillor, by the Treales, Roseacre and Wharles Parish Council. These related to:

- The need to address significant omissions within the health impact assessment;
- The need to address the proposed recommendations affecting the community within the community itself;

- The need to confirm that the actionees have agreed timescales to implement all the recommendations set out in the health impact assessment.

In responding to the issues raised, the Director of Public Health thanked County Councillor Oades for raising the Parish Council's concerns. Reference was made to the omissions referred to having been considered during the health impact assessment; that consultation would continue throughout the process with local communities and that the County Council was committed to protecting the health and wellbeing of local residents and working with other agencies to achieve this as set out in the recommendations within the report.

County Councillor Bill Winlow reported that the Executive Scrutiny Committee, at its meeting on 4 November, had suggested that the wording 'and a rigorous inspection programme' be added to the end of Recommendation 39.

Resolved: - That:

- (i) The recommendations that the County Council can address and those that are directed to other agencies in this report, now presented, be endorsed;
- (ii) The Director of Public Health be authorised to take steps to action the recommendations set out in the report, now presented;
- (iii) The advice of the Director of Public Health to the County Council's Development Management Group, as set out in the report now presented, be noted;
- (iv) In respect of recommendation 39, the words 'and a rigorous inspection programme' be added to the end of that recommendation;
- (v) That the Director of Public Health be thanked for his comprehensive report and the work undertaken on the health impact assessment.

10. Report of Key Decisions taken by the Leader of the County Council and Cabinet Members

Resolved: - That the report, now presented, on Key Decisions taken by the Leader of the County Council, the Cabinet Member for Children, Young People and Schools, and the Cabinet Member for Highways and Transport, respectively, be noted.

11. Report on the Waiver of Procurement Rules by the Deputy Leader of the County Council

Resolved: - That the report, now presented, on the waiver of procurement rules by the Deputy Leader of the County Council, be noted.

12. Urgent Business

There was no urgent business to be considered.

13. Date of Next Meeting

The Cabinet noted that the next meeting would be held on Thursday 4 December 2014 at 2.00pm at County Hall, Preston.

Jo Turton
Chief Executive

County Hall
Preston