

Lancashire County Council

Cabinet

Minutes of the Meeting held on Thursday, 4th February, 2016 at 2.00 pm in Cabinet Room 'B' - The Diamond Jubilee Room, 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 Marcus Johnstone
County Councillor Tony Martin
County Councillor Matthew Tomlinson

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

1. Apologies for Absence

None

2. Disclosure of Pecuniary and Non-Pecuniary Interests

There were no interests disclosed.

3. Minutes of the Meeting held on 21 January 2016

Resolved: That the minutes of the meeting held on 21 January 2016 be confirmed as a correct record and signed by the Chair.

4. Executive Scrutiny Committee - Report of the Chair

County Councillor Bill Winlow, chair of the executive Scrutiny Committee, reported that the recommendations set out in the reports for consideration by cabinet had been confirmed, with no amendments or additional recommendations.

5. The Annual Audit Letter for Lancashire County Council - Year Ended 31 March 2015

Karen Murray, Director, Grant Thornton, presented a report setting out the External Auditor's Annual Audit Letter for Lancashire County Council for the year ended 31 March 2015.

The report summarised the key findings arising from the work that the County Council's External Auditor, Grant Thornton, had undertaken for that year and which had been undertaken in accordance with the Audit Plan of April 2015.

It was noted that the Annual Audit Letter had been considered by the County Council's Audit and Governance Committee on 25 January 2016.

Resolved: That the key messages set out in the Annual Audit Letter for Lancashire County Council for the year ended 31 March 2015 be noted.

6. Lancashire County Council Treasury Management Policy and Strategy 2016/17

Damon Lawrenson, Interim Director of Financial Resources, presented a report setting out details of the proposed Treasury Management Policy and Strategy for 2016/17 and which included the County Council's borrowing and investment strategies, the updated strategy on the use of financial derivatives and the new proposed minimum revenue provision policy, together with the treasury management prudential indicators.

It was noted that minor amendments to Appendix B of the report were required, with the net borrowing total 31/12/015 on page 25 being £469.88m, not £429.94m, and with revised paragraphs under the table on page 29 to read:

"The County Council's borrowing requirement as at 31 March 2016 including short term renewals is expected to be £619.089m, and is forecast to fall to £567.262m by March 2019 assuming the current debt portfolio will need to be renewed. In addition, the County Council may borrow for short periods of time to cover unexpected cash flow shortages.

The County Council's borrowing position over the coming years includes the needs to provide cash flow support for the Preston, South Ribble and Lancashire City Deal to cover the gap between the construction of infrastructure and the payment over of contributions from other organisations including the government and developers. It is estimated that some £28m of borrowing will be required in 2016/17. This borrowing is temporary.

There are a range of options available for the borrowing strategy in 2016/17"

Resolved: That:

- (i) the treasury management policy as set out at Appendix 'A' be recommended to Full Council for approval.
- (ii) the treasury management strategy for 2016/17 as set out at Appendix 'B', including the amendments circulated, be recommended to Full Council for approval.
- (iii) In respect of the new minimum revenue provision set out at Appendix 'C', Full Council be recommended to:
 - a. Approve the Capital Financing Requirement method and the Asset Life method (Equal Charge approach) for expenditure funded from borrowing incurred in 2015/16 and future years.
 - b. Charge to revenue a sum equal to the repayment of any credit liability.

- c. Approve the proposed treatment of assets constructed under the Preston, South Ribble and Lancashire City Deal and Homes and Community Agency Local Infrastructure Fund, subject to annual review.
- d. Implement the changes to the MRP policy from 2015/16.

7. Property Strategy - Consultation Process

Mel Ormesher, Head of Asset Management, presented a report setting out details of the proposed timescale for completion of a property review. It was noted that the review was being undertaken to achieve a sustainable long term reduction in the County Council's corporate property portfolio to align with the aspirations of the draft Corporate Strategy and to enable the future delivery of public facing services through a range of multi-functional Neighbourhood Centres.

Resolved: That the process and timescale for consultation on the identification of properties to be retained for use as Neighbourhood Centres through implementation of the Property Strategy as set out be approved.

8. Lancashire County Library Service consultation - stage one

Mike Walker, Information, Intelligence, Quality and Performance Manager, presented a report setting out details of the responses received following the first stage of the Library Service consultation, considering service design, need and use.

Resolved: That the report be noted.

9. Regulation of Investigatory Powers Act 2000: Annual Report to Cabinet

Ian Young, Director of Governance, Finance and Public Services, presented a report setting out details of the requirement for Cabinet to review, on an annual basis, the use of the Regulation of Investigatory Powers Act 2000 (RIPA) and set the policy.

It was noted that RIPA provided a framework for certain public bodies, including local authorities, to use covert surveillance to gather information about individuals without their knowledge for the purposes of undertaking statutory functions in connection with the prevention or detection of crime.

It was further noted that in Lancashire, there had only been three authorisations in the last 12 months, all in relation to Trading Standards activity. In each case, as is required by the regulations, the authorisations were granted by both the council and Magistrates.

Resolved: That the updated corporate policy as presented be approved with immediate effect.

10. 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.

11. 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 Deputy leader of the County Council and Cabinet members respectively, be noted.

12. Urgent Business

There was no urgent business.

13. Date of Next Meeting

It was confirmed that the next meeting of Cabinet would take place on Thursday 10 March 2016 at 2pm at County Hall, Preston.

Jo Turton
Chief Executive

County Hall
Preston