

Minutes

At a meeting of the Full Council held at Council Chamber, County Hall, Preston,
on Thursday, 14th February, 2019

Present:

County Councillor Anne Cheetham (Chairman)

County Councillors

T Aldridge	D Foxcroft	G Oliver
A Ali	J Fillis	M Parkinson
T Ashton	A Gardiner	J Parr
A Atkinson	J Gibson	M Pattison
M Barron	G Gooch	M Perks
L Beavers	M Green	E Pope
J Berry	P V Greenall	J Potter
P Britcliffe	P Hayhurst	J Rear
I Brown	N Hennessy	P Rigby
P Buckley	S Holgate	A Riggott
T Burns	A Hosker	M Salter
J Burrows	D Howarth	A Schofield
Mrs S Charles	K Iddon	J Shedwick
S Clarke	M Iqbal	D T Smith
A Clempson	A Kay	K Snape
Ms L Collinge	H Khan	A Snowden
J Cooney	E Lewis	D Stansfield
L Cox	Ms S Malik	P Steen
C Crompton	J Marsh	J Sumner
M Dad	T Martin	C Towneley
B Dawson	J Mein	S Turner
F De Molfetta	J Molineux	A Vincent
G Dowding	S C Morris	C Wakeford
G Driver	Y Motala	D Whipp
J Eaton	E Nash	G Wilkins
C Edwards	D O'Toole	P Williamson
K Ellard	Mrs L Oades	B Yates

1. Apologies and Announcements

Apologies for absence were presented on behalf of County Councillors Jenny Purcell and Matthew Tomlinson.

2. Disclosure of Pecuniary and Non-Pecuniary Interests

The Full Council was notified that Members had been invited to make declarations of pecuniary and non-pecuniary interests in matters on the agenda in accordance with the County Council's Code of Conduct for Members. The following interests were declared:

Name of Councillor	Agenda Item Number	Nature of Interest (non-pecuniary unless stated)
D Howarth	4.	Member of South Ribble Borough Council Member of Penwortham Town Council
J Potter	4.	Member of Preston City Council
D Whipp	4.	Member of Pendle Borough Council Member of Barnoldswick Town Council

3. Report of the Cabinet (Part A) - Lancashire County Council's Corporate Strategy

County Councillor Geoff Driver, Leader of the County Council, moved a report setting out the recommendations of the Cabinet in respect of the County Council's Corporate Strategy.

Resolved: - That:

- (i) The adoption of the county council's corporate strategy entitled 'Our Vision for Lancashire' as set out in the report, now presented, be approved;
- (ii) The set of accompanying high level key performance metrics as set out in the report, now presented, be approved and that the intention to engage scrutiny in their ongoing development be noted.

4. Revenue Budget 2019/20 and Financial Strategy 2019/20 to 2022/23; Capital Delivery Programme 2019/20; Council Tax and Precept 2019/20; Treasury Management Strategy and Non-Treasury Investment Strategy 2019/20

County Councillor Geoff Driver, Leader of the County Council, moved the report of the Cabinet from its meeting on 7 February 2019 regarding the:

- Revenue Budget 2019/20 and Financial Strategy 2019/20 to 2022/23;
- Capital Delivery Programme 2019/20;
- Council Tax and Precept 2019/20;

together with the report of the Audit, Risk and Governance Committee from its meeting on 28 January 2019, regarding the Treasury Management Strategy and Non-Treasury Investment Strategy 2019/20.

The motion was seconded by County Councillor Albert Atkinson, Deputy Leader of the County Council.

Following a brief adjournment, County Councillor Tony Martin, on behalf of the Labour Group, then made his Budget speech and moved an Amendment to the Budget revenue proposals on behalf of the Labour Group, which was seconded by County Councillor Azhar Ali.

A copy of the Amendment was circulated to all Members and is set out at Annex 1 to these minutes.

Following a period of debate, a recorded vote on the Amendment was taken. The names of those Members who voted for or against the Amendment, and those who abstained, are set out below:

For (32)

A Aldridge	C Crompton	J Gibson	S Malik	M Parkinson
A Ali	M Dad	P Hayhurst	T Martin	J Parr
L Beavers	B Dawson	N Hennessy	J Mein	M Pattison
J Berry	F De Molfetta	S Holgate	J Molineux	K Snape
T Burns	G Dowding	M Iqbal	Y Motala	
L Collinge	K Ellard	H Khan	L Oades	
L Cox	J Fillis	E Lewis	G Oliver	

Against (44)

A Atkinson	J Cooney	A Kay	M Salter	C Wakeford
M Barron	G Driver	J Marsh	A Schofield	G Wilkins
P Britcliffe	J Eaton	S Morris	J Shedwick	P Williamson
I Brown	C Edwards	E Nash	D Smith	B Yates
P Buckley	D Foxcroft	D O'Toole	A Snowden	
J Burrows	A Gardiner	M Perks	D Stansfield	
S Charles	G Gooch	E Pope	P Steen	
A Cheetham	M Green	J Rear	C Towneley	
S Clarke	P Greenall	P Rigby	S Turner	
A Clempson	K Iddon	A Riggott	A Vincent	

Abstain (4)

D Howarth	J Potter	J Sumner	D Whipp
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The Labour Group's amendment was therefore LOST.

County Councillor David Whipp, on behalf of the Liberal Democrat Group, then made his Budget speech and moved an amendment to the Budget proposals on behalf of the Liberal Democrat Group, which was seconded by County Councillor David Howarth.

A copy of the Amendment was circulated to all Members and is set out at Annex 2 to these minutes.

Following a period of debate, a recorded vote on the Amendment was taken. The names of Members who voted for or against the Amendment, and those who abstained, are set out below:

For (4)

D Howarth	J Potter	J Sumner	D Whipp
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Against (45)

A Atkinson	A Clempson	P Greenall	E Pope	D Stansfield
M Barron	J Cooney	P Hayhurst	J Rear	P Steen
P Britcliffe	G Driver	K Iddon	P Rigby	C Towneley
I Brown	J Eaton	A Kay	A Riggott	S Turner
P Buckley	C Edwards	J Marsh	M Salter	A Vincent
J Burrows	D Foxcroft	S Morris	A Schofield	C Wakeford
S Charles	A Gardiner	E Nash	J Shedwick	G Wilkins
A Cheetham	G Gooch	D O'Toole	D Smith	P Williamson
S Clarke	M Green	L Oades	A Snowden	B Yates

Abstain (30)

T Aldridge	L Cox	K Ellard	H Khan	Y Motala
A Ali	C Crompton	J Fillis	E Lewis	G Oliver
L Beavers	M Dad	J Gibson	S Malik	M Parkinson
J Berry	B Dawson	N Hennessy	T Martin	J Parr
T Burns	F De Molfetta	S Holgate	J Mein	M Pattison
L Collinge	G Dowding	M Iqbal	J Molineux	K Snape

The Liberal Democrat Group's amendment was therefore LOST.

The following amendment to the Capital Delivery Programme 2019/20 was proposed by County Councillor Kim Snape and seconded by County Councillor Julia Berry:

Proposed additions to the capital programme:

	£m
Feasibility Study - Midgehall Railway Station	0.050
Feasibility Study - Back on Track (Fleetwood)	0.050
Feasibility Study - Coppull Railway Station	0.050

The additions to the capital programme to be funded from the transitional reserve.

Following a period of debate, a recorded vote on the Amendment was taken. The names of Members who voted for or against the Amendment, and those who abstained, are set out below:

For (36)

T Aldridge	C Crompton	P Greenall	T Martin	J Potter
A Ali	M Dad	N Hennessy	J Mein	K Snape
L Beavers	B Dawson	S Holgate	J Molineux	J Sumner
J Berry	F De Molfetta	D Howarth	Y Motala	D Whipp
T Burns	G Dowding	M Iqbal	G Oliver	
S Clarke	K Ellard	H Khan	M Parkinson	
L Collinge	J Fillis	E Lewis	J Parr	
L Cox	J Gibson	S Malik	M Pattison	

Against (43)

A Atkinson	J Cooney	K Iddon	P Rigby	C Towneley
M Barron	G Driver	A Kay	A Riggott	S Turner
P Britcliffe	J Eaton	J Marsh	M Salter	A Vincent
I Brown	C Edwards	S Morris	A Schofield	C Wakeford
P Buckley	D Foxcroft	E Nash	J Shedwick	G Wilkins
J Burrows	A Gardiner	D O'Toole	D Smith	P Williamson
S Charles	G Gooch	L Oades	A Snowden	B Yates
A Cheetham	M Green	E Pope	D Stansfield	
A Clempson	P Hayhurst	J Rear	P Steen	

Abstentions (0)

The Amendment was therefore LOST.

The following amendment to the Capital Delivery Programme 2019/20 was proposed by County Councillor John Fillis and seconded by County Councillor Gillian Oliver:

Proposed addition to the capital programme:

£m

Residents Parking Schemes

0.250

The addition to the capital programme to be funded from the transitional reserve.

Following a period of debate, a recorded vote on the Amendment was taken. The names of Members who voted for or against the Amendment, and those who abstained, are set out below:

For (35)

T Aldridge	M Dad	P Greenall	S Malik	M Parkinson
A Ali	B Dawson	N Hennessy	T Martin	J Parr
L Beavers	F De Molfetta	S Holgate	J Mein	M Pattison
J Berry	G Dowding	D Howarth	J Molineux	J Potter
L Collinge	K Ellard	M Iqbal	Y Motala	K Snape
L Cox	J Fillis	H Khan	L Oades	J Sumner
C Crompton	J Gibson	E Lewis	G Oliver	D Whipp

Against (43)

A Atkinson	A Clempson	P Hayhurst	P Rigby	C Towneley
M Barron	J Cooney	K Iddon	A Riggott	S Turner
P Britcliffe	G Driver	A Kay	M Salter	A Vincent
I Brown	J Eaton	J Marsh	A Schofield	C Wakeford
P Buckley	C Edwards	S Morris	J Shedwick	G Wilkins
J Burrows	D Foxcroft	E Nash	D Smith	P Williamson
S Charles	A Gardiner	D O'Toole	A Snowden	B Yates
A Cheetham	G Gooch	E Pope	D Stansfield	
S Clarke	M Green	J Rear	P Steen	

Abstentions (0)

The Amendment was therefore LOST.

The following amendment to the Capital Delivery Programme 2019/20 was proposed by County Councillor Erica Lewis and seconded by County Councillor Yousuf Motala:

Proposed addition to the capital programme:

£m

Gully Cleaning Smart Sensors

0.250

The addition to the capital programme to be funded from the transitional reserve.

Following a period of debate, a recorded vote on the Amendment was taken. The names of Members who voted for or against the Amendment, and those who abstained, are set out below:

For (30)

T Aldridge	L Cox	K Ellard	H Khan	Y Motala
A Ali	C Crompton	J Fillis	E Lewis	G Oliver
L Beavers	M Dad	J Gibson	S Malik	M Parkinson
J Berry	B Dawson	N Hennessy	T Martin	J Parr
T Burns	F De Molfetta	S Holgate	J Mein	M Pattison
L Collinge	G Dowding	M Iqbal	J Molineux	K Snape

Against (44)

A Atkinson	A Clempson	P Hayhurst	J Rear	P Steen
M Barron	J Cooney	K Iddon	P Rigby	C Towneley
P Britcliffe	G Driver	A Kay	A Riggott	S Turner
I Brown	J Eaton	J Marsh	M Salter	A Vincent
P Buckley	C Edwards	S Morris	A Schofield	C Wakeford
J Burrows	D Foxcroft	E Nash	J Shedwick	G Wilkins
S Charles	A Gardiner	D O'Toole	D Smith	P Williamson
A Cheetham	G Gooch	L Oades	A Snowden	B Yates
S Clarke	M Green	E Pope	D Stansfield	

Abstain (5)

P Greenall	D Howarth	J Potter	J Sumner	D Whipp
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The Amendment was therefore LOST.

The following amendment to the Capital Delivery Programme 2019/20 was proposed by County Councillor Azhar Ali and seconded by County Councillor Miles Parkinson:

Proposed additions to the capital programme

	£m
Provide a full business case for the M65/Pendle village bypass and request the DFT and TFN to match fund jointly	0.250
Provide a full business case to connect Rossendale to Greater Manchester by rail. Match funding to be sought from DFT & TFN.	0.250

The additions to the capital programme to be funded from the transitional reserve.

During consideration of this item, County Councillor Anne Cheetham declared a pecuniary interest as a Director of the East Lancashire Railway and vacated the

Chair. County Councillor Paul Rigby, Vice-Chairman of the County Council, took the Chair and presided for the consideration of this item only.

Following a period of debate, a recorded vote on the Amendment was taken. The names of Members who voted for or against the Amendment, and those who abstained, are set out below:

For (30)

T Aldridge	C Crompton	J Gibson	S Malik	M Parkinson
A Ali	M Dad	N Hennessy	T Martin	J Parr
L Beavers	B Dawson	S Holgate	J Mein	M Pattison
T Burns	F De Molfetta	M Iqbal	J Molineux	J Potter
L Collinge	K Ellard	H Khan	Y Motala	K Snape
L Cox	J Fillis	E Lewis	G Oliver	D Whipp

Against (45)

A Atkinson	J Cooney	P Greenall	E Pope	D Stansfield
M Barron	G Dowding	P Hayhurst	J Rear	P Steen
P Britcliffe	G Driver	K Iddon	P Rigby	C Towneley
I Brown	J Eaton	A Kay	A Riggott	S Turner
P Buckley	C Edwards	J Marsh	M Salter	A Vincent
J Burrows	D Foxcroft	S Morris	A Schofield	C Wakeford
S Charles	A Gardiner	E Nash	J Shedwick	G Wilkins
S Clarke	G Gooch	D O'Toole	D Smith	P Williamson
A Clempson	M Green	L Oades	A Snowden	B Yates

Abstentions (0)

The Amendment was therefore LOST.

As no further Amendments were moved, the Chairman put the Motion on the County Council's Budget and asked the Full Council to approve the recommendations of the Cabinet on the:

- Revenue Budget 2019/20 and Financial Strategy 2019/20 to 2022/23;
- Capital Delivery Programme 2019/20;
- Council Tax and Precept 2019/20;

together with the recommendations of the Audit, Risk and Governance Committee regarding the Treasury Management Strategy and Non-Treasury Investment Strategy 2019/20.

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

For (42)

A Atkinson	A Clempson	K Iddon	A Riggott	S Turner
M Barron	J Cooney	A Kay	M Salter	A Vincent
P Britcliffe	G Driver	J Marsh	A Schofield	C Wakeford
I Brown	J Eaton	S Morris	J Shedwick	G Wilkins
P Buckley	C Edwards	E Nash	D Smith	P Williamson
J Burrows	D Foxcroft	D O'Toole	A Snowden	B Yates
S Charles	A Gardiner	E Pope	D Stansfield	
A Cheetham	G Gooch	J Rear	P Steen	
S Clarke	M Green	P Rigby	C Towneley	

Against (35)

T Aldridge	C Crompton	J Gibson	E Lewis	G Oliver
A Ali	M Dad	P Greenall	S Malik	M Parkinson
L Beavers	B Dawson	P Hayhurst	T Martin	J Parr
J Berry	F De Molfetta	N Hennessy	J Mein	M Pattison
T Burns	G Dowding	S Holgate	J Molineux	J Potter
L Collinge	K Ellard	M Iqbal	Y Motala	K Snape
L Cox	J Fillis	H Khan	L Oades	D Whipp

Abstain (0)

The motion was CARRIED and it was:

Resolved: -

That the Cabinet's recommendations in respect of:

- The revenue budget for 2019/20 and financial strategy 2019/20 to 2022/23;
- The capital delivery programme for 2019/20;
- The council tax requirement and precept for 2019/20;

and the Audit, Risk and Governance Committee's recommendations on the Treasury Management Strategy and Non-Treasury Investment Strategy 2019/20,

as set out in the report, now presented, be approved.

Annexes

Annex 1 - Labour Group Amendment

Proposed additions to the revenue budget	£m
Reinstatement of Waste – Household Waste Recycling Centre Service Provision (SC001)	0.367
Reinstatement of Integrated Transport Services - Provision of Bus Passes for Secondary Excluded, wherever possible (SC012)	0.000
Reinstatement of Home care for older adults and people with disabilities – promoting single-handed care (SC505)	0.307
Reinstatement of Older People Care Services – Day Services (SC514)	0.040
Reinstatement of Lancashire Wellbeing Service (SC610)	0.503
Reinstatement of Welfare Rights Service (SC608)	0.000
Reinstatement of Lancashire Break Time (SC119)	0.683
Reinstatement of Health Improvement Services (SC609)	0.337
Reinstatement of Home Improvement Services (SC611)	0.220
Provide additional funding for Community Transport (CMTY024)	0.087
Provide additional funding for winter gritting temporary routes	0.110
Reinstatement of Highways – Gully Emptying (SC029)	0.000
Reinstatement of Highways Network Regulation (Parking – on street pay and display) (SC034)	0.000
Non-recurrent County Nursery Schools Funding Reserve	1.000
Total cost of proposed amendments:	3.654

The amendments to be funded from the transitional reserve.

View of the Chief Executive and Director of Resources (S151)

The proposals have been validated as being deliverable financially in 2019/20. In validating the proposals, I have been mindful that:

- There are no compensatory savings offered which will place a greater call on reserves in 2019/20 and increase the structural deficit in the budget.
- A number of the savings proposed for reinstatement having a larger financial impact in 2020/21 and beyond.

Over the term of the financial strategy, the proposals would further increase the structural funding gap by £10.568m to £57.984m in 2022/23.

The transitional reserve would be depleted more quickly, and would be exhausted during 2022/23.

Annex 2 - Liberal Democrat Group Amendment

(1) Proposed Additions to the Revenue Budget

	Additional Cost of Proposals 19/20
	£m
Reinstate funding for Household Waste Recycling Centres (SC001):	0.367
Reinstate funding for SEND Breaktime service (SC119):	0.683
Reinstate funding for Lancashire Wellbeing Service (SC610):	0.503
Reinstate funding for Welfare Rights Service (SC608) nil effect 19/20	.000
Reverse proposed on-street parking (SC034) saving £212k of investment across 2019/20 and 2020/21 from not implementing the proposal.	0.000
Provide funding for street light energy costs to allow more flexible policy on times of dimming in locations where there are community safety concerns:	0.500
Fund additional reactive maintenance to highway drainage, with delegation to districts where there is local capacity to carry out work (including drainage schemes in capital programme):	0.318
Fund set up costs of a Local Lancashire Lottery with the aim to generate funds to replace the funding lost to charitable and other organisations being cut through axing of LCC funding streams:	0.007
Fund six person team (part year) to market county council facilities and services to generate income (see savings):	0.200
Total Cost of Proposed Amendments:	<u>2.578</u>

Financing the Proposed Additions to the Budget

	Revenue Savings
	£m
Reduction in costs of agency staff:	1.000
Additional net income from profitable use of county council's Physical assets (e.g. weddings at Wycoller), traded services and greater income generation from Outdoor Education facilities	1.000
Increase staff vacancy factor by a further ½%	1.643
Cease provision of Member Champion grants	0.050
Reduce Special Responsibility Allowance of Leader of County Council (with pro-rata adjustments to SRAs geared to that level) by 10% and cease SRAs for Member Champions:	0.062
Total Revenue Savings:	<u>3.755</u>

Transfer to transitional reserve £1.177m

(2) Proposed Additions to the Capital Programme

ADD:

	£m
Additional funding to carry out road and pavement repairs:	15.000
Increase drainage maintenance budget:	1.282
Additional road repair funding in Pendle: (See deletion below)	1.700
Total Additions to Capital Programme:	<u>17.982</u>

(3) Proposed Amendments to the Capital Programme

	£m
Delete M65 Junction 13 Eastern roundabout signalisation	1.700
(Funded from 2017/18 NPIF)	
Total Reductions from Capital Programme:	<u>1.700</u>

View of the Chief Executive and Director of Resources (S151)

The proposals have been validated as being deliverable financially in 2019/20 and indeed marginally reduce the deficit in that year.

In validating the proposals, I have been mindful that:

- The additional £1m revenue saving proposed in respect of additional income and has not been subject to as rigorous a validation process as the income generating proposals contained within the budget report.
- The reduction of agency staff costs and increasing the vacancy factor would need to be very closely monitored to determine the impact on services with the risk that, in some areas, there could be a negative impact on service delivery.
- The increase of £16.282m in the Capital Programme will need to be funded from prudential borrowing with an estimated additional annual revenue cost of £1.1m in future years.
- A number of the savings proposed for reinstatement having a larger financial impact in 2020/21 and beyond.

Over the term of the financial strategy, the proposals would further increase the structural funding gap by £2.698m to £50.024m in 2022/23.

The Transition Reserve would be depleted more quickly, although would still be sufficient to manage though 2022/23.

Angie Ridgwell
Chief Executive and Director
of Resources

County Hall
Preston