

EXECUTIVE DECISION NOTICE**CABINET**

A record of the decisions made at a virtual meeting of the Cabinet held on Wednesday, 9 September 2020, at 10.00 a.m.

Present

Councillors

Giles Archibald (Leader and Promoting South Lakeland Portfolio Holder) (Chairman)

Robin Ashcroft	Economy, Culture and Leisure Portfolio Holder
Jonathan Brook	Deputy Leader and Housing and Innovation Portfolio Holder
Philip Dixon	Customer and Commercial Services and People Portfolio Holder
Andrew Jarvis	Finance and Resources Portfolio Holder
Dyan Jones	Climate Emergency and Localism Portfolio Holder
Suzie Pye	Health, Wellbeing and Financial Resilience Portfolio Holder

Also in attendance at the meeting were Shadow Executive Members Pat Bell (Shadow Cabinet (Health, Wellbeing and Financial Resilience Portfolio)), Tom Harvey (Shadow Cabinet Leader (Climate Emergency and Localism Portfolio)), Kevin Holmes, Helen Irving (Shadow Cabinet (Customer and Commercial Services and People Portfolio)) and Kevin Lancaster (Shadow Cabinet (Housing and Innovation Portfolio)).

Apologies for absence were received from Shadow Executive Members James Airey (Shadow Cabinet (Promoting South Lakeland Portfolio)) and Roger Bingham (Shadow Cabinet (Economy, Culture and Leisure Portfolio)), and Mark Wilson (Leader of the Labour Group).

Officers

Inge Booth	Legal, Governance and Democracy Specialist
Anna Brisley	Economy and Culture Specialist
Gareth Candlin	Operational Lead Specialist Services
Lawrence Conway	Chief Executive
Linda Fisher	Legal, Governance and Democracy Lead Specialist (Monitoring Officer)
Damian Law	Strategy Specialist
Fraser Robertson	Communications Specialist
Helen Smith	Finance Lead Specialist (Section 151 Officer)
David Sykes	Director of Strategy, Innovation and Resources

CEX/54**CHAIRMAN'S INTRODUCTION**

Following confirmation that the live stream of the meeting had commenced, the Leader referred to the new Government legislation allowing councils to conduct remote meetings and explained in detail to all taking part, and for the benefit of members of the public, the procedures for the meeting. He then invited Members of the Cabinet, the Shadow Cabinet and the Leader of the Labour Group to introduce themselves, to

advise whether they were taking part by video or audio and to confirm that they were able to see (where practicable) and hear all Members participating in the meeting. All Members present, including the Leader himself, having indicated that this was the case, he referred to officers present at the meeting who would introduce themselves when asked to address the meeting.

The Leader, prior to moving to the items on the agenda, referred to news of concern from the previous evening that the Government was imposing stricter regulations from Monday, 14 September 2020, in order to try to stem the rise in cases of Covid-19. He took the opportunity to repeat that it was the Council's role to collaborate with and to support the Government and all other tiers in tackling this crisis and expressed gratitude for the continued cross-party effort. He referred to the work carried out and help provided in recent months by the Council in, for example, through administration of payment of grants to businesses, Council Tax relief, discretionary grants and business rate relief, and thanked everyone for their input. The Leader pointed out that this was a new and critical phase and that the Council would continue to show leadership during what was a stressful time for the community. He stressed that the Council was keen to hear about any ways in which it could help.

CEX/55 CABINET EXECUTIVE DECISIONS

RESOLVED – That the Chairman be authorised to sign, as a correct record, the Executive Decisions made by Cabinet on 22 July 2020.

CEX/56 DELEGATED EXECUTIVE DECISIONS

RESOLVED – That the Delegated Executive Decisions made by Portfolio Holders or Officers on 30 July 2020 be received.

CEX/57 LANCASTER AND SOUTH CUMBRIA JOINT COMMITTEE

Concern having been raised with regard to the delay in circulation of the minutes of the meeting of the Lancaster and South Cumbria Joint Committee meeting of 22 July 2020 and the need for earlier sight of the decisions by Members, the Legal, Governance and Democracy Lead Specialist (Monitoring Officer) undertook to ensure prompt circulation of the minutes and further advised that discussions were currently taking place between the three councils with regard to call-in procedures in relation to decisions made by the Joint Committee.

RESOLVED – That the Executive Decisions made by the Lancaster and South Cumbria Joint Committee on 22 July 2020 be received.

CEX/58 DECLARATIONS OF INTEREST

RESOLVED – That it be noted that Councillors Giles Archibald and Jonathan Brook declared interests as stated at Minute No.CEX/66 below.

CEX/59 LOCAL GOVERNMENT ACT 1972 - EXCLUDED ITEMS

RESOLVED – That the item in Part II of the Agenda be dealt with following the exclusion of the press and public.

CEX/60 PUBLIC PARTICIPATION

No questions, representations, deputations or petitions had been received in respect of this meeting.

CEX/61 FORWARD PLAN

RESOLVED – That the contents of the Forward Plan published on 11 August 2020 be noted.

CEX/62 DEVOLUTION

The Leader explained how pleased he had been with the collaboration across the tiers in dealing with the Covid-19 pandemic. The importance of local officer input and local knowledge, combined with the centralised expertise, had worked extremely well. The Morecambe Bay Trust had done a terrific job in very trying circumstances. A harmonious and collaborative working relationship between district councils and the County had been extraordinarily productive and would be essential in the coming months.

The Leader referred to Westminster Government having expressed a desire to reform local government, creating a series of combined authorities, led by directly-elected mayors, and based upon unitary authorities.

The Minister, Simon Clarke, who had just resigned, had said that a White Paper would soon be published explaining details. In the meantime, if a group of councils had consensus over a future structure, they could submit this ahead of time.

The County Council, together with Allerdale and Copeland, had asked for a letter of permission which would permit Cumbria to submit proposals for reform. The letter providing that permission was rumoured to be expected this week, although, the Leader suggested, the resignation of Simon Clarke might delay matters.

The Leader informed Members that the Lancaster and Barrow leaders and himself had asked the Secretary of State that the people of the area be given a possible Morecambe Bay option and that they had asked this be considered if pushed into unitary. No response had been received as yet.

In the previous week, the County Council Cabinet had agreed unanimously to submit a bid for unitary Cumbria. This, the Leader suggested, raised a lot of questions, particularly in the context of devolution. He was not sure how an elected mayor sat comfortably on top of a single unitary. There had not been a lot of detail on the assumptions in their submissions, so he had asked the leader for more detail.

The Leader added, as an aside, that this was a curious time to be entering into a bid to reorganise, as it would probably disrupt officers and councillors. Covid-19 had not gone away. There was a need to be focused and collaborative, and the Leader was concerned that this might have an adverse impact in this regard.

The Leader informed Members that, in anticipation of being asked to present a bid, Barrow, South Lakeland and Lancaster were preparing the detail on a potential Morecambe Bay unitary option. This would, of course, have to pass through the appropriate Council approvals, and there would be plenty of chance for discussion. He explained that he had offered officer briefings to the opposition groups, which, he believed, they would be taking up.

The Leader understood that if the letter arrived, Copeland and Allerdale were likely put in a bid for two unitaries, and that Carlisle and Eden would put in a different and entirely separate bid, meaning that four bids were likely to be submitted.

The Leader, therefore, advised that he proposed to arrange a Council briefing, as well as a formal Council discussion and report.

CEX/63 ULVERSTON BID (BUSINESS IMPROVEMENT DISTRICT)

The Economy, Culture and Leisure Portfolio Holder referred to an update provided to Cabinet on 24 June 2020 on the Ulverston Business Improvement District (BID) at CEX/25. He wished to draw to Members' attention that, subsequent to this, and under the provisions of the Coronavirus Act 2020 - Section 79, the existing Ulverston BID term had been extended to 31 March 2021. Ulverston BID was required to charge its members a levy to cover this extended period at the agreed BID levy rate, as set out in its Operating Agreement with South Lakeland District Council. The BID Company continued to be responsible for the implementation of its Business Plan and was accountable to the BID members through its Constitution. As previously announced on, 24 June, the Ulverston renewal ballot would take place between Thursday, 24 September, and Thursday, 22 October 2020, with the result due to be announced by 5.00 p.m. on Friday, 23 October 2020. If there was a 'yes' vote, the new BID term would commence on 1 April 2021 and end on 2 September 2025. If there was a 'no' vote, Ulverston BID would be wound up on 31 March 2021. The Council had sought external legal opinion on these matters and had had this position confirmed by Counsel.

CEX/64 CORPORATE FINANCIAL UPDATE QUARTER 1, 2020/21

Summary

The Finance and Resources Portfolio Holder presented the Corporate Financial Monitoring report for Quarter One of 2020/21, highlighting the Council's expenditure and income during the first three months of the financial year, but also including current projections of expenditure for the remainder of the year and officers' planned actions to ensure a balanced budget by the end of the financial year. The report also detailed virement requests in relation to the Community Housing Fund, Next Steps Accommodation Programme and South Lakeland House/Kendal Town Hall. The report further sought approval for the continuation of the emergency decision to increase counterparty limits for Money Market Funds to £10m for the remainder of 2020/21.

The Finance and Resources Portfolio Holder drew attention to an error in the information contained within the report in the section on the Collection Fund, at paragraph 3.5.3. The Council expected to collection £44.5m of business rates during 2020/21 and retained 40% of the income, so the total value of the reduction was £300,000, and not £85,000 as shown.

The Finance and Resources Portfolio holder explained how the Council's financial position had been made more complex by Covid-19, with an estimated loss of £1.7m income in Quarter 1 of the current financial year and spend around £300,000 more than originally budgeted. During the quarter, it had become clear that Covid-19 would have a major impact, so budgets had been revised and approved by Cabinet and Council in June 2020. Overall, it was estimated that the impact of Covid-19 on the total cost of services in 2020/21 would be £800,000 higher than the £2.1m approved in June 2020, but it was expected that the recently approved Sales, Fees and Charges

compensation grant from the Government would reduce the impact by around £1.4m to £1.5m overall. While it was impossible to clearly split the impact of Covid-19 from the normal business as usual costs, an overspend of £69,000 was currently projected for normal service costs. The impact of Covid-19 and delays in recovery action had resulted in higher levels of debt compared to previous years. Recovery action had now restarted and it was expected that new recovery posts should help the position.

The Finance and Resources Portfolio Holder pointed out how the Council had not been distracted by the Covid-19 pandemic and had continued to monitor and control its budget and expenditure, and he thanked officers for their work during this busy time.

Members echoed thanks to the Finance and Resources Portfolio Holder and officers for their efforts in producing the update, for the underlying work in the financial planning and the clarity of the analysis in difficult and uncertain times.

The Leader asked the meeting if the motion was agreed. There was no dissent.

Decision

RESOLVED - That

- (1) the contents of the report and Appendices 1-3 be noted;***
- (2) Council be recommended to agree to the continuation of the increase in counterparty limits for Money Market Funds to £10m for the remainder of 2020/21;***
- (3) receipt of the grant funding be authorised and authority delegated to enter into the funding agreement with the LEP as outlined in paragraph 3.3 of the report to the Director of Customer and Commercial Services in consultation with the Legal, Governance and Democracy Lead Specialist and the Portfolio Holder for Finance and Resources; and***
- (4) Council be recommended to agree the virements set out in Section 3.3 of the report.***

Reasons for Decision

Regular budget monitoring forms part of the corporate governance arrangements that support all Council priorities.

Alternative Options Considered and Rejected

To return the counterparty limit on money market funds to £5 million. This will impact the Council's ability to maintain short term liquidity and could result in higher balances being kept in the Council's bank account which does not earn any interest.

To refuse the requested virements. This will prevent the Council applying funds from Government within the district to improve housing and reduce homelessness.

There are no alternative options relating to Revenue Budget Monitoring, Capital Budget Monitoring or Treasury Management Review.

CEX/65 ANNUAL PROCUREMENT UPDATE 2019/20**Summary**

The Finance and Resources Portfolio Holder presented a report which provided an update on progress across the procurement function, a review of activity in the financial year 2019/2020 and a review of the 2020/21 procurement schedule. He welcomed the Council's new Procurement Specialist, Gillian Flowers, who had taken up the post in January 2020.

The Procurement Team had been busy over the past 12 months supporting the delivery of a large number of procurement exercises for goods and services, the Procurement Schedule for 2019/20 having listed 92. Of these exercises, 45 had been completed, with 14 showing as "work in progress", two "scope for change" and 31 being carried forward to the 2020/21 Schedule. The Team had led the successful procurements for a number of important projects, including playgrounds, Kendal Markets, consultancy, ICT, Grange Lido and Kendal Town Hall. The Team continued to work closely with the Corporate Asset Manager and the Council's Property Services Provider (Lambert Smith Hampton) to delivery property-related procurement projects covering servicing and work contracts. This contract would be reviewed later in the year.

The Council's Constitution had permitted officers to conduct and conclude the contracting processes without further approval providing it was in line with the Procurement Schedule, to be approved by Council at least annually. There was still a requirement to comply with Forward Plan requirements on all contracts prior to contract award. Where a procurement process was over budget then approval would still be required in accordance with the Financial Procedure Rules. Where an officer sought approval for a waiver or exemption under the Contract Procedure Rules this was also included in the Procurement Schedule. An updated Procurement Schedule for 2020/21 was attached at Appendix 1 to the report and included some additional procurement exercises to those approved in February 2020.

A Contract Review Board, comprising officers from the Legal, Governance and Democracy Team, the Finance Team, the Support Services Case Management Team and the Customer and Commercial Services Department had been formed. The Board's work had included identifying contracts impacted by Covid-19, with reports to Cabinet as required, the review of the use of certain frameworks to ensure value for money and working closely with officers from across the Council to understand requests for waivers and exemptions and to limit their use wherever possible. The emphasis of this Team was to focus on value for money.

A Commissioning Strategy had been prepared and approved by Council in July 2020 which would complement the Procurement Strategy. The Procurement Specialist was currently reviewing the Procurement Strategy in line with the Commissioning Strategy as a golden thread, and was also seeing how it fitted into the procurement guidance within the Constitution.

The report referred to challenges in the future. As the UK left the EU, it was envisaged that there would be changes to the Procurement Regulations, initially in terms of thresholds, but eventually in terms of regulation and accountability. The Public Contracting Regulations 2015 would stay in place in the mean-time. The Council's procurement portal, the Chest, was one of those that would be compatible with the Government's replacement for OJEU, so any threshold changes regarding advertisements for completion would be automatically put in place.

Internal audit had flagged up some need for improvement in contract management in the Council. With new staff and staff undertaking new roles, there were a number of staff that had not previously had procurement or contract management experience, so a training package was being put together as either a refresher tool or as an introduction to the new duties. Once again, this task had been delayed by Covid-19.

Covid-19 has been a big influencer on the markets this year and would continue to be so for the foreseeable future. Contractors had been seen to go into administration and the uptake for new business was down as suppliers fought to maintain their existing business.

The Council was looking for savings and value for money exercises in order to reduce its deficit over the next few years. Procurement was in a position to recommend routes to the market which could provide those savings, in particular where there were savings from economies of scale and compelling competition. There were areas where Procurement could provide additional support and advice, such as the use of Agency staff, where savings could be anticipated.

Members acknowledged the challenges faced by the Council in terms of procurement in the present climate. The Leader expressed gratitude for the efficient work in relation to procurement, pointing out that the Procurement Schedule provided useful information for individual Ward Members.

Two questions were raised. Firstly as to whether there had been a reduction in the use by the Council of agency staff, and secondly seeking clarity as regards the Town View Fields Out of Hours Contract item within the Procurement Schedule and as to what type of post this was given the problems of drugs and alcohol at the site. The Finance and Resources Portfolio Holder informed Members that the Council was striving to reduce the number of agency staff, although pointed out that services had to be delivered. The Finance Lead Specialist (Section 151 Officer) undertook to ensure that a full written response was provided in relation to both questions.

The Leader asked the meeting if the motion was agreed. There was no dissent.

Decision

RESOLVED – That

(1) progress across the procurement function over the past 12 months be noted; and

(2) the updated Procurement Schedule attached at Appendix 1 to the report be recommended to Council for approval.

Reasons for Decision

Procurement is a key element of ensuring excellent, value for money services.

The update on progress across the procurement function and the review of activity in 2019/20 is a historic review for noting.

The review of the 2020/21 procurement schedule is in line with the Council's Contract Procedure Rules and enables officers to ensure that contracts are awarded both promptly and transparently.

Alternative Options Considered and Rejected

An annual update to Cabinet does not take place. However, falling under the portfolio for Finance, it is vital that the procurement function continues to be driven and supported by Members and senior managers. This will result in a more accountable and focussed procurement function delivering positive outcomes financially and in the quality of Council services.

The Procurement Schedule is not updated. This reduces the efficiency of the Council by requiring individual reports and decisions for tender exercises. This also increases the time taken to let contracts. Also, the Council fails in its statutory duty to report to the public procurement activity.

CEX/66

DESIGNATION OF BURNESIDE NEIGHBOURHOOD AREA

Note – Councillors Giles Archibald and Jonathan Brook declared other registrable interests in this item of business both by virtue of the fact that they were Members of Kendal Town Council which had submitted a written objection to the proposal. Having sought legal advice from the Legal, Governance and Democracy Lead Specialist (Monitoring Officer), both Members felt it to be appropriate to remain in the meeting, however, to not take part in the discussion and to abstain in the voting on the item. Councillor Archibald remained in the Chair for the item.

Summary

The Climate Emergency and Localism Portfolio Holder presented the report, informing Members that, under the Localism Act, 2011, communities could shape new development by preparing Neighbourhood Plans and Neighbourhood Orders.

On 19 April 2016, Burneside Parish Council had submitted an application for a Neighbourhood Plan area that constituted the whole of Burneside Parish (Strickland Ketel and Strickland Roger) excluding those parts of the Parish within the development boundary of Kendal in the South Lakeland Local Plan – Land Allocations. These allocations were West of High Sparrowmire and part of North of Laurel Gardens. The Neighbourhood Area had been formally approved by South Lakeland District Council on 29 June 2016.

Burneside Parish falls partly within South Lakeland's area as Local Planning Authority (LPA) and partly within the Lake District National Park Authority's (LDNPA's) area as LPA and the application had been made to both LPAs accordingly.

On 28 January 2020, Burneside Parish Council had submitted an application to the Council and LDNPA for the designation of a Neighbourhood Area following informal discussions with officers from the Strategy Team and in liaison with the LDNPA's equivalent officers. The proposed Neighbourhood Area constituted all of Burneside Parish. This application, therefore, constituted a variation to the currently designated Burneside Neighbourhood Area.

Under the Neighbourhood Planning (General) and Development Management Procedure (Amendment) Regulation 2016, LPAs had to designate (approve) a Neighbourhood Area in cases where an application was received from a Parish Council which consisted of the whole of the parish council area. The regulations did not require LPAs to invite representations to be made where an application met this criteria.

An anomaly now existed between the current legislation and the Council's Constitution. Legislation was clear that there was no discretion and that a LPA must approve a Neighbourhood Area application if it met the criteria. Under the Council's Constitution, the Director of People and Places (now Director of Strategy, Innovation, and Resources) had delegated powers to approve any further applications for the designation of Neighbourhood Areas in respect of parishes that were wholly or partly outside the Lake District National Park and Yorkshire Dales National Park only where:-

- (a) the applications related to the designation of single whole parishes, excluding areas of any other parishes; and
- (b) no substantive objections were received.

In order for the delegated power to be exercised and in compliance with the Council's Constitution requirements, the application had been publicised and representations had been invited. The representations received were outlined in Section 4.0 of the report. There had been three objections to the application, and these were considered to be substantive in nature. The objections had been considered, and a response to each was provided at paragraph 4.4 of the report. Due to substantive objections having been received, under the Council's Constitution, the decision needed to be made by Cabinet.

Given that the legal regulations required LPAs to designate Neighbourhood Area Applications as submitted, and taking into account the representations received, it was considered that the proposed Neighbourhood Area was appropriate and that the Council should designate the Neighbourhood Area as proposed.

The report indicated that the LDNPA had formally agreed to designate the Neighbourhood Area.

Members acknowledged the need to comply with regulations as stated within the report.

In light of notice of the intention to abstain raised by Councillors Archibald and Brook, a vote was taken on the proposals.

Decision

RESOLVED – That the following be noted:-

(1) the outcome of the consultation and objections referred to within the report; and

(2) that the Neighbourhood Area application submitted by Burneside Parish Council on 28 January 2020 and published on 16 April 2020 will now be designated as a Neighbourhood Area of Burneside Parish in accordance with Regulation 5A of the Neighbourhood Planning (General) and Development Management Procedure (Amendment) Regulation 2016.

Reasons for Decision

Progressing a Neighbourhood Plan will help to ensure that people have a greater say in what happens in their area, empowering people, which is a Council Plan Value. Additionally, it is likely to support delivery of Economic Growth, Balanced Community, and responding to climate change and enhancing biodiversity priorities, depending on the content of the final Plan.

The designation as a Neighbourhood Area of Burneside Parish will enable the Parish Council to prepare a Neighbourhood Plan for the Parish as a whole.

Alternative Options Considered and Rejected

There are no alternative options other than to approve the designation of the area applied for. Under Regulation 5A as inserted by the Neighbourhood Planning (General) and Development Management Procedure (Amendment) Regulations 2016 the Local Planning Authority must designate the specified area as a neighbourhood area.

If the Council refused the application, this would be contrary to legal regulations which state the Local Planning Authority has to designate the Neighbourhood Area, and would prevent Burneside Parish Council from preparing a Neighbourhood Plan that consists of the whole Parish area. The Council would be required under the Neighbourhood Planning (General) Regulations 2012 7(2) to publish a document stating its reasons for the refusal.

CEX/67

CABINET APPOINTMENTS TO/REPRESENTATION ON OUTSIDE BODIES 2019/20 AND 2020/21

Summary

Further to CEX/12 (2019/20) and, more recently, the appointment of Councillor Philip Dixon as Customer and Commercial Services and People Portfolio Holder, consideration was given to appointments to/representation on outside bodies that fell within the remit of that Portfolio for the remainder of 2020/21, namely the Cumbria Strategic Waste Partnership and the Parking and Traffic Regulation Outside London Joint Committee.

The Leader informed Members that the decision on the remaining vacancy for a Substitute Member on the North West Local Authorities Employers' Organisation would be dealt with by Council on 6 October.

The Leader asked the meeting if the motion was agreed. There was no dissent.

Decision

RESOLVED – That Councillor Philip Dixon be appointed to serve as the Council's representative on the Cumbria Strategic Waste Partnership and the Parking and Traffic Regulation Outside London Joint Committee for the remainder of 2020/21.

Reasons for Decision

Appointments to Outside Bodies assist in the delivery of the Council Plan through partnership working.

Alternative Options Considered and Rejected

Not to make appointments, which could affect the Council's ability to influence partners on important strategic issues.

CEX/68

PRESS AND PUBLIC

RESOLVED – That, under Section 100(A)(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 involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12 A of the Act as amended by the Local Government (Access to Information) (Variation) Order 2006 by virtue of the Paragraph indicated.

Note –

For the benefit of the public viewing the virtual meeting, the Leader and Promoting South Lakeland Portfolio Holder explained that the open session of the meeting would now close and the live stream cease.

The meeting producer confirmed that the live stream had ended.

Members disconnected from the Part I session and moved into the Part II private session. A roll call was taken, all Members from the Part I session, with the exception of Councillors Tom Harvey (who had indicated that he was leaving the meeting) and Helen Irving, confirming that they were present, that they were able to see (where practicable) and hear all Members participating in the meeting and that there was nobody present in the room with them nor any recording devices nearby. Councillor John Holmes agreed for the meeting to proceed in Councillor Irving's absence.

CEX/69

A590 CROSS A MOOR JUNCTION IMPROVEMENT

- *Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

Summary

The Economy, Culture and Leisure Portfolio Holder/Finance and Resources Portfolio Holder presented a report seeking approval to enable the funding package for the A590 Cross a Moor Junction Improvement Scheme to be secured and the legal agreements made so that scheme delivery could proceed.

The Leader asked the meeting if the motion was agreed. There was no dissent.

Decision**RESOLVED - That**

- (1) the change in the funding requirements for the junction improvements be noted;**
- (2) approval be given for South Lakeland District Council, subject to funding arrangements being approved by the Cumbria LEP and amendments to the Council's budget being approved by Full Council, to:-**
- (a) enter an agreement with Highways England under Section 274 of the Highways Act 1980 to make a funding contribution to Highways England for the junction improvement scheme, and that the contribution comprises £300,000 (SLDC funds), £925,000 (Growth Deal funding), £1,735,000 (Developer contributions through Section 106 agreements) and a contingency of up to £675,000;**
 - (b) enter an agreement with Cumbria County Council (Acting as Accountable Body for Cumbria Local Enterprise Partnership) for £925,000 Growth Deal grant funding towards the scheme;**
 - (c) enter an agreement with Cumbria County Council (Acting as Accountable Body for Cumbria Local Enterprise Partnership) for a loan from the Cumbria Investment Fund of £1,735,000 plus £675,000, repayable as Section 106 developer contributions are received and return of unspent contingency monies, with no binding obligation to repay the whole sum; and**
 - (d) to agree to underwrite the current funding gap as described in paragraphs 3.9 and 3.10 of the report up to a cap of £896,667;**
- (3) approval be given for work to continue jointly with Cumbria County Council to investigate and secure where possible additional external funding to address the funding gap;**
- (4) the Director Strategy, Innovation and Resources, be delegated authority, in consultation with the Legal Governance and Democracy Lead Specialist, Finance Lead Specialist and the Portfolio Holder for Finance and Resources to put in place the necessary legal agreements which enable the funding of the scheme and manage the consequential risks faced by the Council; and**
- (5) Council be recommended that its budget 2020/21 and 2021/22 be amended to accommodate the level of income and expenditure associated with the Council's contribution to the scheme, including provision for the underwriting mechanism.**

Reasons for Decision

The A590 Cross a Moor Junction Improvement would ensure delivery of over 1,000 dwellings in south Ulverston on sites allocated in the adopted Local Plan. It would, therefore, play a key role in the Council's priority for delivering housing, particularly affordable housing. The scheme is highly significant for the housing priority in the Council Plan, and for the delivery of around 20% of planned housing provision in the Local Plan to 2025.

The scheme is also central to future economic growth in South Lakeland. The lack of people, particularly of working age, has been identified as a significant challenge to business growth in the area. The increased housing that this project will facilitate will allow more people to live and work in the area, increasing the supply of labour for business of all sizes and sectors.

Alternative Options Considered and Rejected

The development of the scheme to date has considered alternative options for the design of the junction improvement and how the scheme is funded and delivered.

It is considered that the recommended way forward presents the optimal means to best ensure the delivery of the scheme and the resultant benefits of housing delivery, including significant numbers of affordable homes.

The meeting ended at 11.05 a.m.