

## Chief Executive's Office

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Date: 27 June 2005

**Chief Executive:**  
Jeffrey W Davies MA LLM

**Chorley**  
Borough Council

Town Hall  
Market Street  
Chorley  
Lancashire  
PR7 1DP

Dear Councillor

### **EXECUTIVE CABINET - THURSDAY, 30TH JUNE, 2005**

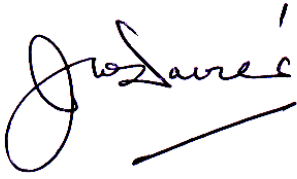
I am now able to enclose, for consideration at next Thursday, 30th June, 2005 meeting of the Executive Cabinet, the following reports that were unavailable when the agenda was printed.

#### **Agenda No    Item**

6.    **Review of Members Allowance Scheme (Pages 219 - 244)**  
Report of the Independent Remuneration Panel
  
7.    **Revenue and Capital Outturn 2004/05 (Pages 245 - 260)**  
Report of Director of Finance
  
8.    **Equality and Diversity in Employment Policy (Pages 261 - 274)**  
Report of Head of Human Resources
  
14.   **Planning Services - Amendment to Scheme of Delegation (Pages 275 - 276)**  
Addendum note by Director of Legal Services

The reports for items 9 and 10 on the Executive Cabinet agenda will be circulated to Members tomorrow.

Yours sincerely

A handwritten signature in black ink, appearing to read "Joe Lawrence". The signature is written in a cursive style with a large initial "J" and a horizontal line underneath.

Chief Executive

Encs

**Distribution**

1. Agenda and reports to all Members of the Executive Cabinet and Chief Officers for attendance
2. Councillor Walker for attendance
3. All remaining Members of the Council for information.

Report of	Meeting	Date
Chief Executive (Introduced by the Executive Leader, Cllr J Wilson)	Executive Cabinet	30 June 2005

## MEMBERS ALLOWANCES – REPORT OF INDEPENDENT REMUNERATION PANEL

### PURPOSE OF REPORT

- To enable the Executive Cabinet to give preliminary consideration to a report of the Independent Remuneration Panel prior to its submission to the full Council, planned for the meeting on 12 July.

### CORPORATE PRIORITIES

- The Members Allowances scheme is relevant to the Capacity key corporate priority. A scheme that provides reasonable and fair remuneration and compensation can help ensure that local residents are able and willing to put themselves forward for election and that Member capacity is maintained.

### RISK ISSUES

- The issues raised and recommendations made in this report involve risk considerations in the following categories:

Strategy		Information	
Reputation		Regulatory/Legal	
Financial		Operational	✓
People	✓	Other	

- If the Council does not provide appropriate remuneration and compensation for Members, various categories of local residents may be discouraged from seeking election as Councillors and the Council as a whole will not be inclusive and representative of all sections of the local community.

### BACKGROUND

- The Local Government Act 2000 made substantial changes to the system of Members Allowances. Broadly, it gave Councils substantial freedom, but required them to appoint Independent Remuneration Panels. In determining the amount of the allowances and the responsibilities for which and the circumstances in which they are payable, a Council has to have regard to the advice and recommendations of its Independent Remuneration Panel. It is not bound to accept the recommendations. But as soon as reasonably practicable after a Council has received a report from its Independent Remuneration Panel, it must publish a notice in at least one local newspaper, describing the main features of the panels recommendations, including the amounts recommended, and make the report available for inspection. Then, after making a decision on the recommendations and making or amending its scheme of allowances, a Council must



publish another notice in a local newspaper giving details of its decision and also repeating details of the Panel's recommendations, again including the amounts.

### **WORK UNDERTAKEN BY THE PANEL**

6. An Independent Remuneration Panel is required to review Members Allowances and produce a report making recommendations:
  - a) as to the amount of basic allowance that should be payable;
  - b) as to the duties in respect of which special responsibility allowances should be paid and the amount of such allowances; and
  - c) as to whether the Council's scheme should include allowances in respect of the expenses of arranging for the care of children or dependants and as to the amount of those allowances.
7. Since its establishment, our Independent Remuneration Panel has undertaken a comprehensive review, considered the amounts and types of allowances paid elsewhere and held consultation meetings with senior Members. The Panel has now produced its report, which is attached.
8. It has also considered the issue of introducing pension arrangements, which individual Members voluntarily opt into, which also comes within the remit of the Panel and is now permissible for Councils.
9. The Panel has adopted an approach based upon a "Job Evaluation" process in relation to the responsibilities of Members generally and of individual Members undertaking special responsibilities for which an additional allowance should be payable. The Panel has used the results of the job evaluation process to arrive at a recommended allowance for each special responsibility position, based upon a relationship with the basic allowance for Members, which the Panel recommends be left unchanged.
10. The result is a scheme which is flexible, should cater for most eventualities and is founded upon a logical basis of analysis.

### **FINANCIAL IMPLICATIONS**

11. The total cost of changing to the alternative remuneration scheme as outlined in this report is £278,629. The base budget for 2005/2006 totals £272,270 making a recurring shortfall of £6,359. The cost of protection would amount to approximately £5000 but would be non recurring. The cost could be met from virement for 2005/2006, but the recurring costs will add to the budget gap for 2006/2007. In the financial strategy approved in March 2005 the Council agreed to refrain from building costs into the base budget that would affect future years. Whilst the sum is only small should a decision be made to implement the scheme this would effectively disregard the agreed strategy.
12. With regard to the implementation of further allowance such as the carers allowance. This once again would build extra costs into the base budget. Whilst the scheme proposes a cap on the amounts paid it is not possible to predict the likely take-up and any such costs would need to be found from virement as they occur.

## RECOMMENDATION

13. Members of the Executive Cabinet are asked to consider the contents of the report of the Independent Remuneration Panel and determine any comments or suggestions it may itself wish to give to the Council on the recommendations in the Panel's report.

J W DAVIES  
CHIEF EXECUTIVE

There are no background papers to this report other than the report of the Independent Remuneration Panel

<b>Report Author</b>	<b>Ext</b>	<b>Date</b>	<b>Doc ID</b>
Jeff Davies	5104	13 June 2005	ADMINREP/REPORT/300605

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**REPORT OF THE  
INDEPENDENT REMUNERATION PANEL**

**REVIEW OF MEMBERS ALLOWANCES SCHEME**

**JUNE 2005**





## Members of the Independent Remuneration Panel

Mr D Benson - Chairman

Chairman of Lancashire Teaching  
Hospitals NHS Trust

Right Rev J Goddard

Bishop of Burnley

Mr A Cain

Human Resources Consultant

### Supported by

Mr JW Davies

Chief Executive

Mr M O'Loughlin

Head of Customer, Democratic and Office  
Support Services

Mr G Hall

Director of Finance

Miss R Hawes

Democratic Services



## Introduction

1. Following public advertisement the three Panel Members were appointed by the Council on 2 July 2002 to serve on the Independent Remuneration Panel to review the Councils existing Members' Allowances Scheme and the amounts to be paid.
2. Allowances can only be paid to Members of local authorities in accordance with the Local Government and Housing Act 1989, as amended by the Local Government Act 2000 and supplemented by the Local Authorities (Members Allowances) (England) Regulations 2003. These statutory provisions require local authorities to make a formal Scheme of Allowances for their Members and to establish and maintain an Independent Remuneration Panel to make recommendations to Councils about their Schemes. The Council is required to have regard to recommendations that have been made by its Independent Remuneration Panel.
3. The first meeting of the Panel was held on 2 December 2002 and a series of meetings were held to undertake this review.

## Terms of Reference

4. The terms of reference for the Independent Remuneration Panel were as follows:
  - (a) To examine the current Members Allowances scheme,
  - (b) To obtain comparative information from other local authorities,
  - (c) To make recommendations for change to the Council about the Allowances to be paid to Members. This includes:
    - The level of basic Allowances and special responsibility Allowances to be paid to Members,
    - The eligibility of Members for a pension under the Local Government Pension Scheme,
    - Travel and Subsistence Allowance for Council approved duties,
    - The applicability of a Dependant Carers Allowance for Members with a dependant relative and
  - (d) To submit a report and recommendations to Full Council for approval.

## Findings

5. The Panel initially examined the existing Members Allowances Scheme, set out in Appendix A. In order to gain a better understanding of the requirements of the Scheme we took advice from Elected Members and officers of the Council and examined other local authority Members Allowances Schemes. We formed the view that there was no consistent approach or objective logic found in relation to Members Allowances Schemes and that an objective evaluation process should be identified that was capable of change and development in the event of any changes to the Council's political management structure

## Methodology

6. We examined the Council's existing scheme and noted the methodology behind it. We considered Members Allowances schemes and Independent Remuneration Panel reports from Burnley, Hyndburn, South Ribble and Ribble Valley Borough Councils, South Shropshire District Council and Cheshire County Council. These were chosen because of their similar size to Chorley and to give comparative information from neighbouring local authorities.
7. We discussed the findings at our meetings and decided to take an early sounding with Elected Members, including the Executive Leader, an Executive Member and a backbench Councillor on 21 January 2003.
8. The Panel found that there was no consistent approach in the payment of Members Allowances across local authorities with a wide range of levels of payment and methodologies. Other Allowances such as Travel and Subsistence, Dependant Carers Allowances etc were also inconsistent. It was found that there was no "one size fits all" approach.
9. The Panel decided to construct an objective scheme to measure the value of different roles and responsibilities of Members. An objective measurement process was devised which included role definitions and was tested with the Executive Leader and other senior Members. This resulted in amendments to the Scheme and the introduction of additional roles to reflect the political structure of the Council. The role definitions are set out in Appendix B.
10. Role definitions were used to measure the relative value of one role against another. A factoring scheme was devised to measure the relative worth of each role. The Scheme provided raw scores that were subsequently weighted to reflect the relative weight of each factor. The Scheme was reviewed and adjusted for further discussion and consultation with senior Members. The factors used are set out in Appendix C.
11. The Scheme used a systematic and logical approach to determine the value of one role against another. Scores were out of 100 for each factor relative to its importance to each particular role. The weighting then moderated raw scores. Once moderated the Total score could be worked out. The Member score (basic Members allowance) was 100 and then compared with each role to gain the comparative size to role of member. There would be payment of multiple Allowances in cases where Members carried out more than one role. Please see Appendix D to view the scoring of Roles against Factors.
12. The Panel then undertook a benchmarking exercise with other local authorities to determine the range of Allowances paid to Elected Members in a representative range of local authorities. Their findings reaffirmed a lack of a consistent approach to Members Allowances across local government as a whole.

## Summary and Conclusions

13. The Panel found that there is no consistent approach to Members Allowances across local government as a whole and noted the existing Chorley Borough Council scheme did not demonstrate objectivity. In the light of a lack of a consistent approach and lack of objectivity the Panel decided to construct a logical and transparent scheme based on role definitions and factors.
14. The role definitions were needed to show the differences in the roles held by Elected Members and to aid in the comparison of these roles. Each role carried out by a Member would receive an allowance, e.g. an Executive Member who was also the Group Secretary would receive an allowance for each role.
15. The Panel considered the overall cost to the Council of the Members Allowances Scheme and did not wish to increase the overall cost in view of the financial constraints on the Council's budget.
16. A comparison of Allowances payable under the existing scheme and the proposed scheme is shown in Appendix E.
17. The Panel also considered the questions of pensions for Members and Dependant Carers Allowances and decided to make recommendations for the Council to give further consideration to the former and to introduce the latter. In doing so, the Panel was influenced by the need to be inclusive and ensure that no section of the community was discouraged from making themselves available for services as an Elected Member.
18. The Panel recognise that the roles within the proposed methodology may change over time due to changes in the democratic structure and balance. These could be referred back to the Independent Remuneration Panel as and when required.
19. The Panel will be considering a methodology for the annual up rate of Allowances, Allowances for co-opted members and whether to with hold Allowances due to the suspension of a Member in the next few months.

## Recommendations

20. The Panel wish to recommend the Council as follows:
  - (a) That there be no change to the current Basic Allowance of £3,875.00 paid to all Members of the Council as this figure was comparable with other local authorities. This allowance was for general costs, such as phone calls, postage etc.
  - (b) That instead of the present system whereby Members can only receive a single Special Responsibility Allowance the Scheme should provide for each Special Responsibility position held. This is necessary because of the range of different combinations of positions that particular Members may from time to time have and because of the basic principle of fixing Allowances according to an assessment of each responsibility.

- (c) That the Council adopt the role evaluation methodology set out in the appendices B and C to this report should be adopted and the following rates for Special Responsibility Allowances should be fixed:

	£
Executive Leader ( <i>includes responsibility Allowance as Leader of a large Group &amp; Chair of the Executive Cabinet but not for Executive portfolio</i> )	11,691.81
Leader of Opposition	6,000.78
Leader of a Large Group* ( <i>who is not the Executive Leader or the Leader of the Opposition</i> )	5,308.39*
Leader of a Small Group ( <i>less than 12</i> )	1,688.48
Deputy Leader of a Large Group	1,688.48
Secretary of a Large Group	1,512.34
Secretary of a Small Group ( <i>less than 12</i> )	707.58
Executive Member	3,802.12
Vice Chair of the Executive Cabinet	3,619.91
Overview and Scrutiny Chair	3,875.00
Overview and Scrutiny Associate Chair	3,601.68
Representative Member	1,129.70

*\*This role does not currently exist*

- (d) That the Council give further consideration to the introduction of pensions for Members. The Panel noted that due to the current age profile of Members this would not result in any significant cost to the Council at the present time and that it would assist in the recruitment and retention of any new Members and the attainment of a more diverse membership of the Council.
- (e) To introduce a Dependant Carers Allowance based on the following conditions:

To be payable when a Councillor is undertaking “Council approved duties” according to Chorley Borough Council guidance notes on approved duties:

- For the independent care of a child, who is resident with the Councillor, aged 15 years and under (there is no legal minimum age for a child to be left alone – it is at the discretion of the parent)
- For the professional care of a dependant relative.

A dependant relative is defined as where the Councillor is the main carer and one of the following categories apply:

- Elderly relative requiring constant care,
- Disabled relative requiring constant care,
- Relative with learning disabilities requiring constant care

## Qualifying Situation

- The child or foster child of a Councillor (one payment per household in the case of a spouse or partner)
- Dependant relative of a Councillor (one payment per household in the case of a spouse or partner)

## Rates of Payment

### Rate per hour

- Childcare at the minimum hourly wage rate
- Dependant relative care at the rate for a care assistant in a local authority establishment

### Annual Cap

No more than £750 to be claimed per annum, but that this figure should be reviewed this on an annual basis.

- (f) That the Council should adopt the principle of Members receiving the same rates for Travel and Subsistence claims as Chorley Borough Council officers.
- (g) That if (f) is accepted that because the officer rates are subject to review at the present time the existing rates for Members should continue until the Officer rate review is complete.
- (h) That, in accordance with normal Human Resources practice, those Members whose total Allowances would be reduced as a result of the introduction of the scheme should maintain a “mark time” position at the cash rate of their existing total allowance until such time as general increases in Member Allowances generates for their particular role a sum equal to or higher than their “mark time” total. The new rate should then be applied.

Mr D Benson, Chairman

Right Rev J Goddard  
Mr A Cain

Chairman of Lancashire Teaching Hospitals NHS  
Trust

Bishop of Burnley  
Human Resources Consultant

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**EXISTING MEMBERS ALLOWANCES SCHEME**

Basic Allowance

£3,875.00

Special Responsibility Allowances

**Unless the Member concerned also holds another position for which a higher responsibility allowance, is payable acting as:**

**Annual Amount of Allowance from 17/05/05**  
£

Executive Leader of the Council	15,499.00
Deputy Leader of the Controlling Group	7,749.00
Leader of the Conservative Group	3,875.00
Deputy Leader of the Conservative Group	1,938.00
Leader of the Liberal Democrat Group	2,906.00
Deputy Leader of the Liberal Democrat Group	1,453.00
Executive Member for any one or more specified portfolios	3,875.00
Representative Member for Development and Planning	1,549.00
Representative Member for any one or more specified portfolio other than Development and Planning	1,292.00
Chair of either of the following Committees of the Council:	
(a) Overview and Scrutiny Committee	3,875.00
(b) Licensing and Safety Committee	3,875.00
Associate Chair of the Overview and Scrutiny Committee	3,488.00

Pensions for Members

The Council does not currently offer pensions for Members.

Travel Allowances

Members currently receive:

- 34.6 pence per mile for a motorcar up to 999cc,
- 39.5 pence per mile for a motorcar from 1000-1199cc and
- 48.5 pence per mile for a motorcar exceeding 1199cc.

Day Subsistence

This is only payable when Members are away from their normal place of residence for more than 4 hours.

- Breakfast Allowance: before 11.00 am £4.92
- Lunch Allowance - between 12 noon and 2.00 pm £6.77
- Tea Allowance: between 3.00 pm and 6.00 pm £2.67
- Evening Meal Allowance: When the 4 hour period ends after 7.00 pm £8.38

## Overnight Subsistence

If the member is absent overnight from their usual place of residence the subsistence rate is £79.82. For absences in London or for attending the ADC conference the rate is £91.04. (The lower rate applies for other conferences). These rates cover the meals and overnight accommodation for a period of up to 24 hours. However, where appropriate actual and necessary can be claimed.

The amounts currently paid to Members for mileage and Travel and Subsistence are different to those paid to officers.

## Dependant Carers Allowance

The Council does not currently offer a Dependant Carers Allowance for Members.

### ROLE DEFINITIONS FOR MEMBERS

#### **Backbench Member**

##### Accountabilities:

- Be a leader, advocate and representative for their local ward
- Agree the Council's budgetary and policy framework as part of the full Council
- Participate in decision making in respect of recommendations of Executive functions made to the Council
- Take decisions on matters reserved to the full Council
- Sit on committees and panels as required, potential members of a regulatory, standing or appeals committee
- Question and hold to account the Executive and Portfolio holders on behalf of constituents
- Represent the Council on outside bodies as required

#### **Leader**

##### Accountabilities:

- Political leadership
- Council spokesperson on all key issues
- Lead the development of local and regional policies
- Lead the Council's effective decision making process
- Lead the budget making process
- Lead public participation process
- Lead on regional affairs
- Chair all Executive meetings
- Represent the town at local, regional and national level
- Work with relevant senior officers

##### Notes

- Political leadership of the authority
- Leadership – public representation
- Accountability for delivery outcomes
- Community leadership role

#### **Vice Chair of the Executive Cabinet**

##### Accountabilities:

- Deputise for Leader
- Chair Executive meetings in absence of Leader
- Council's spokesperson in the absence of the Leader
- Portfolio holder

## **Leader of the Opposition Group/Large Group**

Accountabilities:

- Political leadership for the Opposition party
- Spokesperson for the 'Opposition' party
- Co-ordinates a constructive input to the development of local and regional policies and plans on behalf of the opposition party
- Provides the 'opposition' view to the Council's decision making process
- Provides comment and suggestions to proposed funding and spending plans
- Membership of the Scrutiny committee

## **Leader of a Small Group (less than 12)**

Accountabilities:

- Co-ordination of political activities for the Group
- Spokesperson for the Group
- Member of the Executive as required by the Leader of the Council
- Provides minority opinion to the Executive
- Provides appropriate comments and suggestions to proposed funding and spending plans

## **Deputy Leader of a Large Group**

Accountabilities:

- Deputises for the Leader of a Large Group
- Spokesperson in the absence of the Leader of a Large Group

## **Executive Members holding Portfolios**

Accountabilities:

For designated portfolio area

- Political leadership
- Initiate and promote policies to Council
- Present and consult on policies with the public
- Represent the authority in appropriate local, regional (where appropriate) groupings
- Make recommendations on implementation of policies
- Report decisions and progress to the council
- Consult with and report to executive and scrutiny committee
- Commission and consider reports and briefs from officers
- Keep abreast of national best practice / developments
- Review and act on performance data and reports from executive and scrutiny committees
- Contribute to the corporate development of the council's policies and objectives
- Work with relevant senior officers
- Assist scrutiny committee as and when required
- Resource allocation in the Portfolio area
- Delivery of services in the Portfolio area and specific outcomes, targets and deliverables

## **Overview and Scrutiny Chair and Associate Chairs**

### Accountabilities:

- Scrutinise Executive decisions
- Review individual policies and projects to evaluate their effectiveness and success
- Monitor how the Council is meeting its agreed corporate objectives
- Facilitate and encourage participation in the Council's activities by effectively engaging stakeholders
- Check that the Council continues to improve performance in all services within the policy and budgetary framework and recommend areas for improvement and change
- Undertake Best Value reviews
- Work to a specific work plan
- Report all findings and recommendations to both the Executive and full Council

## **Representative Members**

### Accountabilities:

- Maintain knowledge and awareness of those functions or matters and of current activities and developments in relation to them
- Liaise with the corresponding Executive Member and the responsible Chief Officer
- Communicate and representing to the Executive the views of non-Executive Councillors on all matters relating to the Portfolio

## **Secretary of a Large Group**

### Accountabilities:

- Compile and maintain the membership of the Council's Committees and Outside Bodies
- Co-ordinate the views of the political groups in the administration of the Council's affairs

## **Secretary of a Small Group (less than 12)**

### Accountabilities:

- Compile and maintain the membership of the Council's Committees and Outside Bodies
- Co-ordinate the views of the political groups in the administration of the Council's affairs

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### HEADLINE FACTOR DEFINITIONS

#### **Communications**

To have the presence, credibility, the use of language and judgement used to deliver both spoken and written messages to a variety of audiences. To actively listen and respond appropriately to a variety of audiences.

#### **Decision making**

To analyse and form conclusions from a moderately difficult set of circumstances, information and facts and to utilise the results to form a conclusion to be used as the basis for making a judgement in a reasoned and mature fashion.

#### **Leadership**

To consistently inspire trust and confidence and have the ability to motivate people to achieve a common purpose whilst maintaining a harmonious relationship with all those involved. To be an advocate for and represent, the electorate in a Members ward.

#### **Demands**

The time, energy, interest and commitment required to effectively discharge the requirements of the role.

#### **Scope (size)**

The relative size to other roles and scope for joint and independent action.

#### **Impact**

The degree to which the role impacts on the work of the elected council taking the nature of the impact.

#### **Knowledge**

The relative level of understanding of the workings of local government required to fulfil the role.

#### **Teamwork**

The degree to which the role has collective ownership, sharing of information and effort to achieve a common purpose effectively and efficiently.

#### **Budget**

Influence and control, either direct or indirect over the resources of the authority.

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Appendix D - Scoring of Roles against Factors

Factors	Executive Leader (who is not the Chair of the Executive Cabinet but not for Executive portfolio)		Leader of a Large Group (who is not the Executive Leader of the Opposition)		Leader of a Small Group (less than 12)		Deputy Leader of Large Group		Secretary of a Large Group		Secretary of a Small Group (less than 12)		Executive Member		Vice Chair of the Executive		Overview & Scrutiny Chair		Overview & Scrutiny Associate Chair		Representative Member		Member's Basic Allowance	
	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores	Raw Scores	Moderated Scores
0.80	95	76	50	40	15	12	15	12	20	16	10	8	35	28	35	28	35	28	35	28	15	12	35	28
0.75	95	71.25	40	30	10	7.5	10	7.5	5	3.75	2.5	1.875	30	22.5	20	15	30	22.5	25	18.75	10	7.5	30	22.5
0.60	95	57	55	33	15	9	15	9	5	3	5	3	40	24	40	24	20	12	20	12	5	3	20	12
0.50	90	45	45	22.5	30	15	15	7.5	20	10	10	5	25	12.5	25	12.5	25	12.5	25	12.5	10	5	25	12.5
0.40	85	34	40	16	15	6	15	6	15	6	5	2	20	8	20	8	30	12	25	10	5	2	30	12
0.30	95	57	50	30	10	6	10	6	10	6	5	3	20	12	20	12	40	24	35	21	5	3	40	24
0.60	90	54	40	12	35	10.5	20	6	15	4.5	5	1.5	35	10.5	35	10.5	35	10.5	35	10.5	15	4.5	35	10.5
0.70	95	65.5	55	35.5	15	10.5	15	10.5	15	10.5	5	3.5	20	14	20	14	40	28	40	28	10	7	40	28
0.50	95	47.5	50	25	10	5	10	5	5	2.5	2.5	1.25	50	25	50	25	20	10	15	7.5	5	2.5	20	10
Total	835	481.25	425	247	370	218.5	125	69.5	110	62.25	50	29.125	275	156.5	265	149	275	159.5	255	148.25	80	46.5	275	159.5

Raw Scores Marked out of 100

Comparative size to role of member

TOTAL £ 11,691.81 £ 6,000.78 £ 5,308.39 £ 1,688.48 £ 1,512.34 £ 707.58 £ 3,802.12 £ 3,619.91 £ 3,875.00 £ 3,601.68 £ 1,129.70 £ 3,875.00

3.02

1.55

1.37

0.44

0.44

0.39

0.18

0.98

0.93

1.00

0.93

0.29

1.00

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Report of	Meeting	Date
Director of Finance (Introduced by the Executive Leader and Executive Member for Capacity and Resources)	Executive Cabinet	30 June 2005

## PROVISIONAL CAPITAL AND REVENUE OUTTURN 2004/05

### PURPOSE OF REPORT

- To report to Members the provisional outturn figures for the Council's budget for the financial year 2004/05. The report contains information on both the Capital and General Fund, including the direct service functions, and the Housing Revenue Account, including the building maintenance direct service.

### CORPORATE PRIORITIES

- The Revenue and Capital budgets are both expressions of the Council's priorities in financial terms.

### RISK ISSUES

- The issues raised and recommendations made in this report involve risk considerations in the following categories:

Strategy	✓	Information	
Reputation	✓	Regulatory/Legal	
Financial	✓	Operational	✓
People		Other	

- This report is concerned with the processes for managing the financial and operational risk associated with the running of the Council.

### BACKGROUND

- During the financial year the Executive Cabinet received monitoring reports with the final forecast indicating an in year underspend of £310k, with General Fund Balances being £1m. The expected position in relation to balances is important as further use of reserves is expected during 2005/06, albeit in line with the budget and financial strategy.
- The figures outlined in the report are provisional and are subject to final checking and external audit. However, I do not expect the figures to change significantly, if at all. If subsequently any material differences arise, I will report this back to Cabinet.

## GENERAL FUND

7. The Council's budget for 2004/05 included real cash saving targets of £150,000 from the restructuring of CuDOSS and a further £149,000 of savings to come from vacancy management and other Corporate savings.
8. During the year I reported that all the targeted savings had been achieved and that a further £310k of savings against the original budget was anticipated. If this position was achieved no use of working balances would be required and the working balances would stand at £1m by the end of the financial year.
9. I am pleased to report that, in line with expectations, the savings expected have come to fruition and as a result working balances at the end of the financial year are £1m.
10. Summarised in the table below is the provisional cash outturn for the General Fund. See also Appendix 1 attached. The table shows that a further £199k of savings over and above the £310k were generated by the year-end. Some of this figure was generated from savings from operations, with the remainder being released from reserves no longer required.
11. An analysis of the main variations over and above those previously reported is shown in the table below.

		<b>£'000</b>
<b>Savings</b>		
Staffing	(92)	
Training costs	(39)	
Rent and other Contributions	(49)	
Unspent Contingency	(29)	
Other Income	(42)	<b>(251)</b>
<b>Additional Costs</b>		
Reduction in Charges to HRA	68	
Pension Increase Act Payments	44	
Refuse Collection Contribution	20	
Telephone/Communications	23	
Other Expenditure	15	<b>170</b>
Net Saving on Operations		(81)
Add Release of Reserves		(118)
<b>Total</b>		<b>(199)</b>

12. As a result of the general underspend and the releasing of funds from reserves no longer required, the Council has at its disposal a sum of £199k.
13. Previously, I have reported that the planned work on Job Evaluation was only partly funded and that this would be the first call on any in year underspend. Additionally, some unbudgeted expenditure is expected in relation to recruitment, the Member Development programme and a planned staff event for those with long service. Consequently, I propose that the unallocated funds are used in the following way.

	<b>£'000</b>
Additional funding for Job Evaluation programme	125
Recruitment Costs	50
Member Development programme	14
Long Service event	10
	<hr/>
	<b>199</b>
	<hr/>

14. The detailed appendices usually circulated are available on request to the Director of Finance. These have not been included on this occasion as they are more complicated than usual because of the addition of year-end adjustments. Members should also note that the final subsidy figure for Housing Benefits is subject to change due to some ongoing transitional arrangements. To date no guidance on the application of the scheme has been received from the Government. I will report back if the final adjustment is significant.
15. If the use of the unallocated funds as outlined in paragraph 13 are approved, then the total reserves, over and above the Council's working balances, will total £1.305m. These funds are set up for particular purposes and are invariably for committed expenditure. A summary is shown in Appendix 2.

**DIRECT SERVICE UNITS**

16. The Council operates a number of Direct Maintenance Services, the costs of which are chargeable to the General fund. During the financial year I reported that the costs of the provision of those services would be contained within that originally budgeted. The table below sets out their financial performance for the year compared against the budgeted costs.

	<b>Grounds Maintenance £'000</b>	<b>Highways Maintenance £'000</b>	<b>Street Cleansing £'000</b>	<b>Total Servicegroup £'000</b>
Net budgeted expenditure	(14)	31	17	34
Outturn	(12)	25	12	25
Variance	2	(6)	(5)	(9)

17. The above table shows that all the maintenance services delivered an outturn in line with expectations.

**HOUSING REVENUE ACCOUNT**

18. The 2004/05 budget for the HRA forecast a small in year deficit of £4k and that working balances would stand at £300k by the end of the financial year.
19. During the year I reported that an overspend on repairs was expected of over £100k, but that additional income in the form of subsidy and rent, plus some other expenditure savings, would mean that working balances would be boosted to just over £400k.
20. Shown in the table below are the final outturn figures for 2004/05:

	<b>£'000</b>
<b>Original in year deficit for year</b>	4
<b>Working Balances brought forward</b>	(311)
<b>Expected Working Balances 31 March 2005</b>	(307)
<b>In Year Variations</b>	
<b>Expenditure</b>	
Repairs and maintenance	149
Salaries	51
Capital Charges	(115)
Other	(47)
<b>Income</b>	
Housing Subsidy	(152)
Rent	(15)
Other Miscellaneous Income	(7)
<b>Working Balances 31 March 2005</b>	443

21. The outturn position shows that working balances are £43k greater than forecast during the year. This is predominantly due to the additional extra subsidy received, which has offset the increases in expenditure, particularly on repairs and maintenance.
22. The repairs and maintenance budget was forecast to overspend by over £100k against original budget. In the event the final variation was a deficit on the trading account. Whilst not significant in terms of the total turnover, the deficit has been caused mainly by an under-achievement of income from the window replacement and disabled adaptation programmes.
23. The management and delivery of such programmes is traditionally difficult, however further steps are being taken to try to improve the management and reporting of expenditure and income on the trading account.
24. A further adjustment may be necessary to transfer accumulated surpluses from the HRA to the General Fund. The nature of the adjustments is very technical but is as a consequence of charges for capital to the HRA being less than they should have been. Many other authorities are facing this issue, which is a result of guidance received from the Council's external auditors. A transfer in the order of between £250-400k has been assumed in the Council's Financial Strategy as in part the transfer will be used to cover the costs of the stock transfer. Negotiations are ongoing with the auditors and are yet to be finalised.

## **CAPITAL**

25. The original Capital Programme for 2004/05 allowed for expenditure of £17,008,970, including both General Fund and Housing Revenue Account scheme. Subsequently, budget holders identified delays to the completion of some schemes and slippage of £6,605,600 plus supplementary schemes totalling £320,400 were approved, leaving programmed expenditure for 2004/05 of £10,723,770. Of the slippage £4,670,000 related purely to the Eaves Green Link Road scheme.
26. The final outturn of £9,182,553 is less than the revised programme and requires further slippage of £1,654,363. Attached at Appendix 3 is a detailed analysis of outturn against the approved programme. Whilst there were some minor underspends in completed schemes, there were also some overspends, some of which are within acceptable tolerances, other which were more significant, namely:



	<b>£</b>
e-Gov Programme Regulatory Systems	25,044
Gillibrand Street Offices improvements	23,858
Housing Revenue Maintenance Programme	114,101

27. Members have the option to require the unapproved expenditure to either be financed from future years Capital Programme by adjusting the budget or approve the expenditure to be financed from unallocated resources.
28. The Cabinet is required to approve the financing of the Capital Programme. Set out in the table below is a summary of the proposed financing of the expenditure.

Financing the Programme		Approved Budget	Provisional Outturn	Variation	Comment	
Unrestricted	capital receipts	4,068,500	3,226,930	(841,630)	Slipped	to
HIP residual	capital receipts	1,169,730	861,694	(308,036)	Slipped	to
					05/06	
External contributions						
- Developers		430,620	391,130	(39,490)	Slipped	to
					05/06	
- Lottery		95,740	107,236	11,496		
- Other local authorities		0	28,250	28,250		
- RDA		1,190,000	1,190,920	920		
Government Grants						
- Local Gov't on-line		350,000	35,097	(314,903)	Slipped	to
					05/06	
- E-voting		903,880	903,879	(1)		
- Defra recycling		365,300	307,756	(57,544)	Slipped	to
					05/06	
- Disabled facilities – grant		180,000	153,523	(26,477)	Slipped	to
					05/06	
- Other		71,000	71,034	34		
Specific Reserves	Revenue	88,940	95,197	6,257		
Major Allowance	Repairs	1,810,000	1,809,907	(93)		
		10,723,770	9,182,553			

29. The above table shows that the bulk of the Council's Capital Programme is financed from Capital Receipts. Indeed this is a key determinant of the Council's ability to sustain the programme in the future and delivery of the planning assumptions is necessary. I will report back to members during this financial year regarding the resource position.

**COMMENTS OF THE HEAD OF HUMAN RESOURCES**

30. There are no comments from the Head of Human Resources.

## RECOMMENDATIONS

31. Members are asked to:

- (a) Note to report
- (b) Approve the creation of the specific reserves outlined in paragraph 13
- (c) Approve the financing of the Council's Capital Programme as set out in paragraph and the updated capital programme for 2005/2006, including slippage
- (d) Approve the financing of the additional Capital Programme expenditure from either additional resources or from current approved commitments.

## REASONS FOR RECOMMENDATIONS

32. To approve use of Revenue budget in 2005/2006 and to Confirm amended capital Programme for 2005/2006

## ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

33. None

GARY HALL  
DIRECTOR OF FINANCE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	5480	21 June 2005	FinRep/Prov Capital & Rev Outturn 2004-05 EC June 2005

## General Fund Revenue Outturn 2004/05

Service	(1) Original Budget £'000	(2) Agreed Changes £'000	(3) Contributions to Corporate Savings £'000	(4) Cash Budget £'000	(5) Year end adjustments £'000	(6) Cash Budgets £'000	(7) Outturn £'000	(8) Variance £'000	(9) %
Corporate and Policy Services	335	141	(11)	465	15	479	469	(10)	-2.07%
Customer, Democratic & Office Support Services	3,493	(357)	(27)	3,109	89	3,198	3,102	(96)	-2.99%
Economic Regeneration	331	(90)	(3)	238	8	246	130	(116)	-47.21%
Environmental Services	2,934	(46)	(30)	2,859	12	2,870	2,832	(39)	-1.34%
Finance	1,153	423	(119)	1,457	51	1,508	1,326	(182)	-12.08%
Housing Services (GF)	291	132	(9)	414	3	416	442	25	6.10%
Human Resources	576	17	0	593	(194)	399	418	19	4.70%
Information & Communication Technology Svcs	889	18	(7)	900	14	914	913	(1)	-0.14%
Legal Services	101	(27)	0	75	7	82	162	80	97.15%
Leisure & Cultural Services	745	184	0	930	136	1,065	1,062	(3)	-0.27%
Planning Services	331	9	(3)	336	22	359	379	20	5.69%
Property Services	270	(100)	0	170	(222)	(53)	(142)	(90)	170.49%
Public Space Services	4,209	(804)	(11)	3,394	(288)	3,107	3,035	(71)	-2.30%
Budgets Excluded from Service Level Monitoring:									
Benefits & Concessions		(326)		(326)		(326)	(184)	142	-43.52%
Less				0					
Corporate Savings Targets		(150)	220	70	(70)	0	0	0	
<b>Total Cash Expenditure</b>	<b>15,658</b>	<b>(976)</b>	<b>0</b>	<b>14,682</b>	<b>(417)</b>	<b>14,266</b>	<b>13,945</b>	<b>(321)</b>	<b>0.80%</b>
Add									
Internal transfers							4,431	4,431	
<b>Total Service Expenditure</b>	<b>15,658</b>	<b>(976)</b>	<b>0</b>	<b>14,682</b>	<b>(417)</b>	<b>14,266</b>	<b>18,376</b>	<b>4,110</b>	
<b>Non Service Expenditure</b>									
Contingency Fund	(80)	142		63		63	23	(40)	-63.33%
Notional Capital Charges	(1,412)			(1,412)		(1,412)	(1,563)	(151)	10.70%
Revenue Contribution to Capital	10	193		203	(200)	3	52	49	1668.71%
Net Financing Transactions	(125)	(100)		(225)		(225)	(212)	13	-5.69%
Net Recharges to HRA / Capital	(787)	1,466		678	347	1,025	0	(1,025)	-100.00%
Parish Precepts	364			364		364	364	(0)	-0.01%
FRS17 Pensions Fund entries				0		0	(419)	(419)	
<b>Total Non Service Expenditure</b>	<b>(2,030)</b>	<b>1,701</b>	<b>0</b>	<b>(329)</b>	<b>147</b>	<b>(182)</b>	<b>(1,755)</b>	<b>(1,573)</b>	-11.46%
<b>Net Expenditure to Finance</b>	<b>13,629</b>	<b>725</b>	<b>0</b>	<b>14,354</b>	<b>(270)</b>	<b>14,084</b>	<b>16,621</b>	<b>2,537</b>	
<b>Financed By</b>									
Council Tax	(5,714)			(5,714)		(5,714)	(5,714)	(0)	0.00%
National Non-Domestic Rates	(2,760)			(2,760)		(2,760)	(2,760)	(0)	0.01%
Revenue Support Grant	(3,508)			(3,508)		(3,508)	(3,508)	0	0.00%
Collection Fund Surplus	(148)			(148)		(148)	(149)	(1)	0.98%
Use of Earmarked Reserves - re cash expenditure	(1,247)	(687)		(1,934)	1,319	(615)	(639)	(24)	3.92%
Use of Earmarked Reserves - re deferred charges					(1,119)	(1,119)	(4,050)	(2,931)	
Use of General Balances	(252)	(38)		(290)	70	(220)	0	220	-100.00%
<b>Total Financing</b>	<b>(13,629)</b>	<b>(725)</b>	<b>0</b>	<b>(14,354)</b>	<b>270</b>	<b>(14,084)</b>	<b>(16,820)</b>	<b>(2,736)</b>	
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(199)</b>	<b>(199)</b>	

General Balances Summary Position	Budget £	Outturn £
General Fund Balance at 1.4.04	1,010,000	1,000,000
Variations agreed utilising General Fund Balance	(290,240)	
Forecast (Over)/Under Spend	0	199,379
<b>General Fund Balance at 31.3.05</b>	<b>719,760</b>	<b>1,199,379</b>

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**Fund Balances and Reserves**

Reserve	Amount	Expenditure approved by
Stock Transfer Reserve	250,000	Corporate Transfer Group
E-workforce Reserve	222,690	Programme Board
Job Evaluation Reserve	200,000	Head of Human Resources
Insurance Reserve	147,411	Director of Finance
Recruitment Reserve	50,000	Selection Panel
Markets & Property Consultancy	50,000	Chief Executive
Unit Reserves		
CuDoss – Change management	101,000	Head of CuDoss
Planning – Bldg Control Reserve	67,936	Head of Planning
Leisure – Community Dev - Astley Art works	72,480 14,425	Head of Leisure & Culture
Property- Bldgs Fund	29,913	
Finance – Match Funding	50,000	Director of Finance
Human Res – Member Dev - Long service event	14,000 10,000	Head of Human Resources
Public Spaces – Ground Maintenance	17,206	Head of public Space Services
Housing – Help the homeless	7,800	Head of Housing
Total	1,304,861	



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**Capital Programme - 2004/05 to 2008/09**

Scheme	Total Scheme Cost £	2004/05 Revised Estimate £	(Under)/Over-spend £	Slippage (to)/from 2005/06 £	Provisional Outturn £	2005/06 Current Budget £	Slippage (to)/from 2004/05 £	2005/06 Revised Estimate £	2006/07 Current Estimate £	2007/08 Current Estimate £	2008/09 Current Estimate £
<b>CATEGORY A SCHEMES</b>											
<b>Corporate Programmes - e-Government</b>											
Local Government Online schemes	150,000	0			0	150,000	0	150,000			
Contact Centre & One Stop Shop	157,000	95,000		5,710	100,710	62,000	(5,710)	56,290			
Property Systems	53,240	53,240		(52,680)	560	0	52,680	52,680			
Regulatory Systems	78,044	53,000	25,044		78,044	0	0	0			
LGOInet Integration	99,999	100,000		(95,101)	4,899	0	95,100	95,100			
CRM Integration	14,800	14,800		(14,800)	0	0	14,800	14,800			
Workflow Enhancements	30,000	30,000		(30,000)	0	0	30,000	30,000			
Strategic Planning	22,439	20,000	2,439		22,439	0	0	0			
IT Support (incl. salary capitalisation)	42,000	72,000	(30,000)		42,000	0	0	0			
Web Site and Intranet	58,686	58,690		(15,884)	42,806	0	15,880	15,880			
Document Image Processing	16,159	1,940	14,219		16,159	0	0	0			
Replacement core financial systems	111,886	111,890		(4,934)	106,956	0	4,930	4,930			
Digitisation of Records	99,996	100,000		(85,334)	14,666	0	85,330	85,330			
Project Management Support Capitalisation	0	15,000	(15,000)		0	0	0	0			
Microsoft Office Upgrade	20,660	20,660		(20,660)	0	0	20,660	20,660			
Replace Desktop Operating System	43,300	43,300		(43,300)	0	0	43,300	43,300			
Computer Network Improvements (Business Continuity)	42,600	0			0	42,600	0	42,600			
Printing Software Upgrade	13,384	11,200	2,184		13,384	0	0	0			
Server Replacement Programme	30,971	32,000	(1,029)		30,971	0	0	0			
Scanning of Creditors Invoices	35,000	35,000		(35,000)	0	0	35,000	35,000			
e-Democracy Software	35,000	35,000		(35,000)	0	0	35,000	35,000			
BPT Financials	18,100	16,000	2,100		18,100	0	0	0			
PSS Computer Aided Design Systems	12,333	0	12,333		12,333	0	0	0			
PSS Computerised Cemetery records	10,824	0	10,824		10,824	0	0	0			
Intranet Redesign and Update	7,500	0	7,500		7,500	0	0	0			
Financial systems upgrades (PARIS income system)	20,200	20,200		(20,200)	0	0	20,200	20,200			
<b>Total - e-Government</b>	<b>1,224,121</b>	<b>938,920</b>	<b>30,614</b>	<b>(447,183)</b>	<b>522,351</b>	<b>254,600</b>	<b>447,170</b>	<b>701,770</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Corporate Programmes - Office Accommodation</b>											
Bengal Street Improvements, CCTV and New Building	393,996	369,000	4,696	(72,764)	296,236	25,000	72,760	97,760			
Union Street Offices - Improvements	186,056	181,360			186,056	0	0	0			
Town Hall Disabled Access and Refurbishment	1,711,305	477,300		(125,905)	351,395	1,208,000	125,910	1,333,910	26,000		
Union Street Offices Heating and Ventilation	205,000	5,000		(5,000)	0	175,000	5,000	180,000	25,000		
Gillibrand Street Offices - Improvements	73,938	50,080	23,858		73,938	0	0	0			
<b>Total Office Accommodation</b>	<b>2,570,295</b>	<b>1,082,740</b>	<b>28,554</b>	<b>(203,669)</b>	<b>907,625</b>	<b>1,408,000</b>	<b>203,670</b>	<b>1,611,670</b>	<b>51,000</b>	<b>0</b>	<b>0</b>
<b>Corporate Programmes - Strategic Measures</b>	<b>762,000</b>	<b>5,000</b>	<b>(300)</b>	<b></b>	<b>4,700</b>	<b>757,000</b>	<b>300</b>	<b>757,300</b>			
Invest in Success - Gillibrand Scheme											

Scheme	Total Scheme Cost £	2004/05 Revised Estimate £	(Under)/Over-spend £	Slippage (to)/from 2005/06 £	Provisional Outturn £	2005/06 Current Budget £	Slippage (to)/from 2004/05 £	2005/06 Revised Estimate £	2006/07 Current Estimate £	2007/08 Current Estimate £	2008/09 Current Estimate £
Eaves Green Link Road	4,690,923	20,580	343		20,923	4,670,000	0	4,670,000			
Junction Improvements A49/Lancaster Lane (S106 funded)	190,605	15,600		(525)	15,075	175,000	530	175,530			
Capitalised Restructuring Costs	800,005	800,000		(116,455)	683,545	0	116,460	116,460			
ODPM e-Voting 2004/05	903,879	903,880	(1)		903,879	0	0	0			
External Funding Pot	20,000	0			0	20,000	0	20,000			
<b>Total Strategic Measures</b>	<b>7,367,412</b>	<b>1,745,060</b>	<b>342</b>	<b>(117,280)</b>	<b>1,628,122</b>	<b>5,622,000</b>	<b>117,290</b>	<b>5,739,290</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Leisure and Cultural Services</b>											
Yarrow Valley Park Visitor Centre	13,900	13,900			13,900	0	0	0			
Community Centre Fairview Farm Adlington	190,714	200,000	(9,286)		190,714	0	0	0			
Leisure Centres Capital Grant for Investment	845,000	0			0	845,000	0	845,000			
Leisure Centres Maintenance Liability	950,000	0			0	350,000	0	350,000	200,000	200,000	200,000
Leisure Centres DDA Works	147,000	0			0	147,000	0	147,000			
Replace filter Brinscall swimming pool	20,000	0			0	20,000	0	20,000			
All Seasons Leisure Centre Refurbishment	33,498	33,500		(16,432)	17,068	0	16,430	16,430			
Astley Hall Refurbishment (Phase I slippage & II)	230,096	230,100		(20,814)	209,286	0	20,810	20,810			
Duxbury Golf Course CCTV	20,545	24,000	(3,455)		20,545	0	0	0			
YVP Extension Flood Alleviation	2,500	2,500		(2,500)	0	0	2,500	2,500			
YVP Replacement of Bridges	51,000	51,000		(51,000)	0	0	51,000	51,000			
<b>Total Leisure and Cultural Services</b>	<b>2,504,253</b>	<b>555,000</b>	<b>(12,741)</b>	<b>(90,746)</b>	<b>451,513</b>	<b>1,362,000</b>	<b>90,740</b>	<b>1,452,740</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>
<b>Public Space Services</b>											
Tesco superstore cycle path	63,000	0			0	63,000	0	63,000			
Purchase and erection of bus shelters	16,681	7,780		771	8,551	8,900	(770)	8,130			
Traffic Calming/Estate Improvements	158,187	26,190		(3,233)	22,957	132,000	3,230	135,230			
Replacement Borough Boundary Signs	27,619	11,620		(7,361)	4,259	16,000	7,360	23,360			
Cemetery memorial safety	29,020	29,020		(1,130)	27,890	0	1,130	1,130			
Signage - Chorley and Adlington cemeteries	5,000	5,000		(5,000)	0	0	5,000	5,000			
Resurface Footpaths Chorley and Adlington Cemeteries	6,890	6,890		(6,890)	0	0	6,890	6,890			
Extension to Chorley Cemetery (new burial area)	194,851	37,850		(509)	37,341	157,000	510	157,510			
Crematorium Site Ecological Survey	16,690	15,630		1,060	16,690	0	0	0			
Changing Rooms Jubilee Playing Field Adlington	30,000	(2,000)		2,000	0	32,000	(2,000)	30,000			
Parks and Play Areas Refurbishment	95,332	88,800		6,532	95,332	0	0	0			
<b>Total Public Space Services</b>	<b>643,270</b>	<b>226,780</b>	<b>1,060</b>	<b>(14,820)</b>	<b>213,020</b>	<b>408,900</b>	<b>21,350</b>	<b>430,250</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Environmental Services</b>											
Improvement and Development of Recycling Sites	43,936	43,940		(13,744)	30,196	0	13,740	13,740			
New and Replacement Litter and Dog Waste bins	35,821	20,820		(3,609)	17,211	15,000	3,610	18,610			
Kerbside Paper Collection	28,710	30,000	(1,290)		28,710	0	0	0			
DEFRA-funded Recycling Schemes	8,700	9,300	(600)		8,700	0	0	0			
DEFRA 2004/05	365,999	366,000		(111,491)	254,509	0	111,490	111,490			



Scheme	Total Scheme Cost £	2004/05 Revised Estimate £	(Under)/Over-spend £	Slippage (to)/from 2005/06 £	Provisional Outturn £	2005/06 Current Budget £	Slippage (to)/from 2004/05 £	2005/06 Revised Estimate £	2006/07 Current Estimate £	2007/08 Current Estimate £	2008/09 Current Estimate £
Portable Wireless CCTV Unit	701	2,000	(1,299)		701	0	0	0			
Noise Annoyance Recording Equipment	9,068	7,500	1,568		9,068	0	0	0			
Neighbourhood Wardens' Transport	1,402	2,860	(1,458)		1,402	0	0	0			
King George V Playing Field Environmental Improvements	3,055	2,800	255		3,055	0	0	0			
Public Toilets Upgrade and Refurbishment Programme	83,204	4,200		224	4,424	79,000	(220)	78,780			
<b>Total Environmental Services</b>	<b>580,596</b>	<b>489,420</b>	<b>(2,824)</b>	<b>(128,620)</b>	<b>357,976</b>	<b>94,000</b>	<b>128,620</b>	<b>222,620</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Housing Services (General Fund)</b>											
Vacant Property Initiative	93,080	93,080		(93,080)	0	0	93,080	93,080			
Laurel Avenue, Euxton (S106 funded)	169,000	185,000	(16,000)		169,000	0	0	0			
George St/Clearance St (S106 funded)	102,000	102,000			102,000	0	0	0			
Croston affordable housing scheme (S106 funded)	62,400	62,400			62,400	0	0	0			
Disabled Facilities Grants	1,500,002	300,000		(44,128)	255,872	300,000	44,130	344,130	300,000	300,000	300,000
Home Repair Assistance & Energy Grants	240,003	240,000		(51,917)	188,083	0	51,920	51,920			
Handy Person Scheme	15,000	15,000			15,000	0	0	0			
Group Repair Schemes	164,999	165,000		(145,581)	19,419	0	145,580	145,580			
Private Sector Stock Condition Survey	38,556	38,560		(7,584)	30,976	0	7,580	7,580			
Supported Housing	38,250	38,250			38,250	0	0	0			
Trailer re Housing Stock Transfer	16,800	17,000	(200)		16,800	0	0	0			
Slum Clearance	2,533	3,000	(467)		2,533	0	0	0			
<b>Total Housing Services (General Fund)</b>	<b>2,442,623</b>	<b>1,259,290</b>	<b>(16,667)</b>	<b>(342,290)</b>	<b>900,333</b>	<b>300,000</b>	<b>342,290</b>	<b>642,290</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>
<b>Corporate &amp; Policy Services</b>											
Town Centre CCTV	134,908	134,910		(5,672)	129,238	0	5,670	5,670			
Eaves Lane CCTV Camera (grant funded)	15,472	15,040	432		15,472	0	0	0			
Coppull Leisure Centre CCTV	31,004	0		29,034	29,034	31,000	(29,030)	1,970			
<b>Total Corporate &amp; Policy Services</b>	<b>181,384</b>	<b>149,950</b>	<b>432</b>	<b>23,362</b>	<b>173,744</b>	<b>31,000</b>	<b>(23,360)</b>	<b>7,640</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Property Services</b>											
Service Centre on Portland St Car Park	13,390	1,990		(40)	1,950	11,400	40	11,440			
Ackhurst Lodge Refurbishment	50,845	15,840		(12,745)	3,095	35,000	12,750	47,750			
Planned Maintenance of Fixed Assets (unallocated balance)	7,150	7,150		(7,150)	0	0	7,150	7,150			
Repayment of Chorlton Mill After Value	43,667	43,670	(3)		43,667	0	0	0			
<b>Total Property Services</b>	<b>115,052</b>	<b>68,650</b>	<b>(3)</b>	<b>(19,935)</b>	<b>48,712</b>	<b>46,400</b>	<b>19,940</b>	<b>66,340</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Economic Regeneration</b>											
Town Centre enhancements - Cleveland Street	100	4,000	(3,900)		100	0	0	0			
Cleveland Street Millennium Scheme	0	9,220	(9,220)		0	0	0	0			
Town Centre enhancements - Market Place	6,409	2,470	3,939		6,409	0	0	0			
Chapel Street Environmental Enhancement (Phase II)	395,122	295,120		(216,448)	78,672	100,000	216,450	316,450			

Scheme	Total Scheme Cost £	2004/05 Revised Estimate £	(Under)/Over-spend £	Slippage (to)/from 2005/06 £	Provisional Outturn £	2005/06 Current Budget £	Slippage (to)/from 2004/05 £	2005/06 Revised Estimate £	2006/07 Current Estimate £	2007/08 Current Estimate £	2008/09 Current Estimate £
Big Wood Reservoir	409,400	0			0	368,460		368,460	40,940		
Strategic Regional Site	1,300,920	1,190,000	920		1,190,920	110,000		110,000			
Yarrow Valley Park Extension (phases I and II)	13,890	13,890		(13,890)	0	0	13,890	13,890			
Elwood Initiative	105,872	105,870		(101,668)	4,202	0	101,670	101,670			
Groundwork Projects	15,000	0			0	15,000		15,000			
Asley Park Improvements - Design	129,197	120,000	9,197		129,197	0		0			
Design Fees	103,220	103,550	(330)		103,220	0		0			
<b>Total Economic Regeneration</b>	<b>2,479,130</b>	<b>1,844,120</b>	<b>606</b>	<b>(332,006)</b>	<b>1,512,720</b>	<b>593,460</b>	<b>332,010</b>	<b>925,470</b>	<b>40,940</b>	<b>0</b>	<b>0</b>
<b>TOTAL GENERAL FUND PROGRAMME</b>	<b>20,108,136</b>	<b>8,359,930</b>	<b>29,373</b>	<b>(1,673,187)</b>	<b>6,716,116</b>	<b>10,120,360</b>	<b>1,679,720</b>	<b>11,800,080</b>	<b>591,940</b>	<b>500,000</b>	<b>500,000</b>
<b>Housing Services (Housing Revenue Account)</b>											
Achieving Decent Homes Standard	9,973,402	2,228,840	114,562		2,343,402	2,068,000		2,068,000	1,904,000	1,854,000	1,804,000
Additional Software Implementation	23,694	24,000	(306)		23,694	0		0			
Douglas House Demolition	6,920	7,000	(80)		6,920	0		0			
Cotswold House Renovation	16,925	17,000	(75)		16,925	0		0			
<b>TOTAL HOUSING REVENUE ACCOUNT PROGRAMME</b>	<b>10,020,941</b>	<b>2,276,840</b>	<b>114,101</b>	<b>0</b>	<b>2,390,941</b>	<b>2,068,000</b>	<b>0</b>	<b>2,068,000</b>	<b>1,904,000</b>	<b>1,854,000</b>	<b>1,804,000</b>
<b>TOTAL CATEGORY A SCHEMES</b>	<b>30,129,077</b>	<b>10,636,770</b>	<b>143,474</b>	<b>(1,673,187)</b>	<b>9,107,057</b>	<b>12,189,360</b>	<b>1,679,720</b>	<b>13,868,080</b>	<b>2,495,940</b>	<b>2,354,000</b>	<b>2,304,000</b>
<b>CATEGORY B SCHEMES</b>											
<b>Corporate Programmes - e-Government</b>											
IT Support (incl. salary capitalisation)	120,000	0			0	30,000		30,000	30,000	30,000	30,000
Project Management Support Capitalisation	160,000	0			0	40,000		40,000	40,000	40,000	40,000
Broadband Connection - Elected Members	57,896	57,000	896		57,896	0		0			
<b>Total - e-Government</b>	<b>337,896</b>	<b>57,000</b>	<b>896</b>	<b>0</b>	<b>57,896</b>	<b>70,000</b>	<b>0</b>	<b>70,000</b>	<b>70,000</b>	<b>70,000</b>	<b>70,000</b>
<b>Public Space Services</b>											
Car parking measures following new Chorley Interchange	16,700	0			0	16,700		16,700			
Traffic Calming/Estate Improvements	200,000	0			0	50,000		50,000	50,000	50,000	50,000
Parks and Play Areas Refurbishment	193,470	0			0	50,000	(6,530)	43,470	50,000	50,000	50,000
Euxton Play Facilities (S106 funded)	68,780	18,000		(400)	17,600	0	400	400	50,780		
Additional S106-funded schemes	74,000	12,000		(12,000)	0	62,000	12,000	74,000			
<b>Total Public Space Services</b>	<b>552,950</b>	<b>30,000</b>	<b>0</b>	<b>(12,400)</b>	<b>17,600</b>	<b>178,700</b>	<b>5,870</b>	<b>184,570</b>	<b>150,780</b>	<b>100,000</b>	<b>100,000</b>
<b>Leisure and Cultural Services</b>											
Community Centre Eccleston - Capital Grant	150,000	0			0	150,000		150,000			
<b>Total Leisure and Cultural Services</b>	<b>150,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150,000</b>	<b>0</b>	<b>150,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

Scheme	Total Scheme Cost £	2004/05 Revised Estimate £	(Under)/Over-spend £	Slippage (to)/from 2005/06 £	Provisional Outturn £	2005/06 Current Budget £	Slippage (to)/from 2004/05 £	2005/06 Revised Estimate £	2006/07 Current Estimate £	2007/08 Current Estimate £	2008/09 Current Estimate £
<b>Housing Services (General Fund)</b>											
Housing Renewal	900,000	0	0	0	0	300,000	0	300,000	200,000	200,000	200,000
<b>Total Housing Services (General Fund)</b>	<b>900,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>300,000</b>	<b>0</b>	<b>300,000</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>
<b>Property Services</b>											
Planned Maintenance of Fixed Assets	650,000	0	0	0	0	50,000	0	50,000	200,000	200,000	200,000
<b>Total Property Services / Corporate &amp; Policy Services</b>	<b>650,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>50,000</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>
<b>Economic Regeneration</b>											
Groundwork Projects	60,000	0	0	0	0	15,000	0	15,000	15,000	15,000	15,000
Asley Park Improvements - Construction	1,636,210	0	0	0	0	1,472,590	0	1,472,590	163,620	163,620	163,620
Design Fees	414,200	0	0	0	0	103,550	0	103,550	103,550	103,550	103,550
<b>Total Economic Regeneration</b>	<b>2,110,410</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,591,140</b>	<b>0</b>	<b>1,591,140</b>	<b>282,170</b>	<b>118,550</b>	<b>118,550</b>
<b>TOTAL CATEGORY B SCHEMES</b>	<b>4,701,256</b>	<b>87,000</b>	<b>896</b>	<b>(12,400)</b>	<b>75,496</b>	<b>2,339,840</b>	<b>5,870</b>	<b>2,345,710</b>	<b>902,950</b>	<b>688,550</b>	<b>688,550</b>
<b>Estimated Slippage of Expenditure</b>	0	0	0	0	0	(100,000)	0	(100,000)	100,000		
<b>CAPITAL PROGRAMME (CATEGORY A &amp; B SCHEMES)</b>	<b>34,830,333</b>	<b>10,723,770</b>	<b>144,370</b>	<b>(1,685,587)</b>	<b>9,182,553</b>	<b>14,428,200</b>	<b>1,685,590</b>	<b>16,113,790</b>	<b>3,498,890</b>	<b>3,042,550</b>	<b>2,992,550</b>
<b>Financing the Programme</b>											
Prudential Borrowing	1,550,700	0	0	0	0	782,600	0	782,600	156,000	298,550	313,550
Unrestricted Capital Receipts	9,788,560	4,025,060	(15,100)	(783,030)	3,226,930	4,282,600	783,030	5,065,630	731,000	390,000	375,000
Housing Investment Programme Restricted Capital Receipts	3,264,294	1,169,730	114,562	(422,598)	861,694	570,000	422,600	992,600	470,000	470,000	470,000
Ext. Contributions - Developers	5,455,840	430,620	(26,565)	(12,925)	391,130	5,001,000	12,930	5,013,930	50,780		
Ext. Contributions - Lottery Bodies	1,268,946	95,740	11,496	107,236	107,236	1,045,540	0	1,045,540	116,170		
Ext. Contributions - Other Local Authorities	28,250	0	28,250	28,250	28,250	0	0	0	40,940		
Ext. Contributions - Regional Development Agency etc	1,710,320	1,190,000	920	1,190,920	1,190,920	478,460	0	478,460			
Ext. Contributions - Other	71,034	71,000	34	71,034	71,034	0	0	0			
Government Grants - Local Government On Line	499,997	350,000	(314,903)	35,097	35,097	150,000	314,900	464,900			
Government Grants - e-Voting Schemes	903,879	903,880	(1)	903,879	903,879	0	0	0			
Government Grants - DEFRA Recycling	363,406	365,300	(1,890)	(55,654)	307,756	0	55,650	55,650			
Government Grants - Disabled Facilities Grants	900,003	180,000	(26,477)	153,523	153,523	180,000	26,480	206,480	180,000	180,000	180,000
Revenue Budget - Specific Revenue Reserves	185,197	132,440	32,757	(70,000)	95,197	20,000	70,000	90,000			
Revenue Budget - Housing Revenue Account	150,000			0	0	150,000		150,000			

Scheme	Total Scheme Cost £	2004/05 Revised Estimate £	(Under)/Over-spend £	Slippage (to)/from 2005/06		Provisional Outturn £	2005/06 Current Budget £	Slippage (to)/from 2004/05 £	2005/06 Revised Estimate £	2006/07		2007/08		2008/09	
				£	£					Current Estimate £	Estimate £	Current Estimate £	Estimate £		
Major Repairs Allowance	8,689,907	1,810,000	(93)	0	1,809,907	1,768,000	0	1,768,000	1,754,000	1,704,000	1,654,000				
<b>TOTAL CAPITAL RESOURCES</b>	<b>34,830,333</b>	<b>10,723,770</b>	<b>144,370</b>	<b>(1,685,587)</b>	<b>9,182,553</b>	<b>14,428,200</b>	<b>1,685,590</b>	<b>16,113,790</b>	<b>3,498,890</b>	<b>3,042,550</b>	<b>2,992,550</b>				
<b><u>CATEGORY C SCHEMES</u></b>															
<b><u>Corporate Programmes - e-Government</u></b>															
Replace Desktop Operating System	110,000														
Telecommunications System	260,000														
System Security Measures	44,000														
Server Replacement Programme	248,000														
<b>Total - e-Government</b>	<b>662,000</b>														
<b><u>Economic Regeneration</u></b>															
Town Hall Plaza	600,000														
Business Incubation Units	900,000														
<b>TOTAL CATEGORY C SCHEMES</b>	<b>2,162,000</b>														

Report of	Meeting	Date
Head of Human Resources (Introduced by the Leader of the Council – Councillor Jack Wilson)	Executive Cabinet	16 June 2005

## EQUALITY AND DIVERSITY IN EMPLOYMENT POLICY

### PURPOSE OF REPORT

- The Equality and Diversity in Employment Policy has been drafted to ensure that Chorley Borough Council as an Employer take into account all the issues surrounding equality and diversity when recruiting new employees.

### CORPORATE PRIORITIES

- The Equality and Diversity in Employment Policy will help the Authority work towards one of our corporate priorities - Serving our customers better. The policy will give clear guidance to managers who recruit new staff into the authority to ensure that they understand the basic principles of equality and diversity in employment. In addition to understanding the basic principles, managers will also be able to promote the importance and support diversity within the workplace.

### RISK ISSUES

- The issue raised and recommendations made in this report involve risk considerations in the following categories:

Strategy	✓	Information	
Reputation	✓	Regulatory/Legal	✓
Financial	✓	Operational	
People	✓	Other	

One of the risks of the Council not implementing an Equality and Diversity in Employment Policy is on the delivery of the HR Strategy and Business Plan. Our key objectives on Diversity are

- To ensure that the workforce is reflective of the local community
- To achieve the equality standard for local government
- To engage with all sections of the community

It is best practice to comply with an Equality and Diversity in Employment Policy – thereby forging our links with the local community and raising our profile as an equal opportunity employer.

There is currently no upper limit on discrimination claims in the courts which could serious affect the authority financially should a claim be submitted.

The authority aims to have employees from all sectors of the community. The risks in achieving this will be impacted if the authority does not have such a policy.

## BACKGROUND

4. The authority has developed this Policy to ensure that equality of opportunity within the workplace supports innovative approaches to diversity at work. This policy will widen the scope of equality to ensure that new legislation on age, sexual orientation and religious belief are incorporated.

By developing close relationships and links with the local ethnic community and using work placements and learning opportunities for young people, the authority aims to achieve its target of having a workforce representative of the local community.

The authority will ensure that it meets the requirements of the Council's Race Equality Scheme by monitoring the number of employees by their ethnicity and the number of Black and Asian employees. The monitoring of the number of applicants for vacancies within the authority by ethnic origin and the recording of their progress through the selection stages.

The authority will provide training to all staff members at varying levels on Diversity and Equality within the workplace, which will contribute to the elimination of unlawful discrimination.

The authority is committed to ensure that any allegations of harassment or bullying are properly addressed and that any inappropriate practice or behaviour is eliminated.

Regular reviews of the recruitment and selection procedures will be undertaken to ensure that non-discriminatory practice is achieved at all levels. The use of the interview guarantee scheme and the application of a positive reasonable adjustment approach both in recruitment of disabled people and their retention in our employment will be maintained.

To ensure that we have a consistent process for recruiting into the Council – that focuses on equality and diversity that makes Chorley an inclusive organisation

As an authority we have a legal responsibility to comply with current legislation. There are several pieces of legislation that combat discrimination and promote equal opportunities and diversity. They are

- Equal Pay Act 1970
- Sex Discrimination Act 1975 (including the Gender [Reassignment] Regulations 1999)
- Race Relations Act 1976 and Amended Act 2000
- Disability Discrimination Act 1995
- Employment Rights Act 1996
- Race Relations (Amendment) Act 2000
- Employment Act 2002
- Race Relations Act 1976 (Amendment) Regulations 2003
- Religion or Belief Regulations 2003
- Employment Equality (Sexual Orientation) Regulations 2003
- Employment Equality (Religion or Belief) Regulations 2003
- Rehabilitation of Offenders Act 1974
- (Age Discrimination Regulations to be introduced in 2006)

Best Value Performance Indicators –

The Equality and Diversity in Employment Policy will enable the Council to focus on the BVPI targets – in particular:

BV11b – the percentage of top 5% of earners from BME – target 2%

BV11c – the percentage of top 5% of earners with a disability – target 2%

BV16a - The percentage of authority employees declaring that they meet the Disability Discrimination Act 1995 disability definition – target 4%

BV16b - The percentage of economically active disabled people in the authority area – target 15.09%

BV17a – percentage of BME employees – target 2%

BV17b – The percentage of local authority employees from minority ethnic communities – target 1.95%

In order to achieve our targets, the Council needs to ensure that it's recruitment and selection process is fair and consistent in approaching the BME population and other minority communities.

## COMMENTS OF THE DIRECTOR OF FINANCE

5. There are no direct financial implications associated with this report.

## RECOMMENDATION

6. I recommend that Executive Cabinet approve this Policy in order for it to be implemented as soon as possible.

## REASONS FOR RECOMMENDATION

It is important that this policy is approved in order to ensure we are operating best practice, we are working within legislation and we promote equality and diversity in employment within the Authority.

ANGELA WOLSTENCROFT  
HEAD OF HUMAN RESOURCES

Report Author	Ext	Date	Doc ID
Gillian Viragh	235814	June 05	HR policies – E & D in E

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# Chorley

Borough Council



## **EQUALITY AND DIVERSITY IN EMPLOYMENT POLICY June 2005**

## POLICY STATEMENT

### 1. POLICY OBJECTIVE

Chorley Borough Council is committed to eliminating discrimination and encouraging diversity amongst our workforce. Our aim is that our workforce will be truly representative of all sections of society and each employee feels respected and able to give their best.

To that end the purpose of this policy is to provide equality and fairness for all in our employment and not to discriminate on grounds of gender, marital status, race, ethnic origin, colour, nationality, national origin, disability, sexual orientation, religion or age. We oppose all forms of unlawful and unfair discrimination.

All employees, whether part time, full time, or temporary, will be treated fairly and with respect. Selection for employment, promotion, training or any other benefit will be on the basis of aptitude and ability. All employees will be helped and encouraged to develop their full potential and the talents and resources of the workforce will be fully utilised to maximise the efficiency of the organisation.

#### The Law

There are several pieces of legislation that combat discrimination and promote equal opportunities and diversity. They are

- ❑ Equal Pay Act 1970
- ❑ Sex Discrimination Act 1975 (including the Gender [Reassignment] Regulations 1999)
- ❑ Race Relations Act 1976 and Amended Act 2000
- ❑ Disability Discrimination Act 1995
- ❑ Employment Rights Act 1996
- ❑ Race Relations (Amendment) Act 2000
- ❑ Employment Act 2002
- ❑ Race Relations Act 1976 (Amendment) Regulations 2003
- ❑ Religion or Belief Regulations 2003
- ❑ Employment Equality (Sexual Orientation) Regulations 2003
- ❑ Employment Equality (Religion or Belief) Regulations 2003
- ❑ Rehabilitation of Offenders Act 1974
- ❑ (Age Discrimination Regulations to be introduced in 2006)

## 2. CHORLEY BOROUGH COUNCIL'S RESPONSIBILITY

The Council's policy is that all forms of discrimination against applicants and employees are unacceptable.

There may be instances where posts are deemed to have Genuine Occupational Qualifications (GOQ). Anti-discrimination legislation allows the use of GOQ's where a job can be reserved for reasons of authenticity or privacy or to promote the health and welfare of a particular section of the community.

The Council is committed to equality of opportunity at all stages of employment. This includes advertising jobs, the recruitment and selection process, appointment, promotion, training and development, disciplinary proceedings, grievance and complaints procedures.

The Council has a duty to tackle any imbalance that occurs as a result of the disadvantage that some people experience at work and when looking for work. This approach goes beyond a policy to end discrimination and extends to pursuing a positive strategy whenever legally possible to help disadvantaged groups of people.

### **How the Council will support the implementation of this policy**

- ❑ Elected Members will promote the Council's commitment to Equality and Diversity in Employment and ensure adequate resources are made available
- ❑ Senior Management Team will be responsible for the overall management and direction of our Equality and Diversity in Employment commitments
- ❑ The Equality and Diversity Group will oversee this policy and monitor how far we are achieving our commitments
- ❑ Human Resources and Corporate Policy Services will advise and support equality and diversity in employment throughout the Council
- ❑ Managers will make sure Equality and Diversity in Employment issues are core to service delivery and staff management.

## 3. EMPLOYEE'S RESPONSIBILITIES

The Council, as an employer, accepts that it has a major responsibility for ensuring equality of opportunity. At the same time, the Council expects its employees to recognise their responsibilities.

Eliminating discrimination within employment/recruitment depends as much on the actions and attitudes of individual employees as on management. All employees can help to implement the policy more effectively by understanding those parts of the policy which are relevant to their jobs. In particular, individual employees should be aware of their responsibilities:

- ❑ To promote equality of opportunity and avoid unlawful discrimination;
- ❑ To co-operate in achieving equality of opportunity and the elimination of discrimination;
- ❑ To suggest new initiatives;
- ❑ To ensure that they do not harass, bully or intimidate their colleagues on any grounds (including harassment in terms of a person's gender, race, religion, sexuality, age, marital status or disability) and to discourage such behaviour in others by indicating their disapproval and by supporting colleagues who are the targets of such treatment;
- ❑ Not to discriminate against service users;
- ❑ Not to induce or attempt to induce others to discriminate;
- ❑ To inform management immediately of suspected discriminatory acts or practices;
- ❑ Not to victimise individuals because they have made complaints or provided information about acts of discrimination;
- ❑ To seek guidance from Senior Managers, or the Human Resources Manager where they are in any doubt as to the legality or fairness of procedures or actions. The need to seek guidance also applies where an employee is instructed by an immediate supervisor to take action which the employee believes may be discriminatory.

#### **4. OUTCOMES**

- ❑ To create an environment in which individual differences and the contributions of all our staff are recognised and valued
- ❑ Every employee is entitled to a working environment that promoted dignity and respect to all. No form of intimidation, bullying or harassment will be tolerated
- ❑ Training, development and progression opportunities are available to all staff
- ❑ Equality in the workplace is good management practice and makes sound business sense
- ❑ We will review all our employment practices and procedures to ensure fairness
- ❑ Breaches of this policy will be regarded as misconduct and could lead to disciplinary proceedings
- ❑ This policy is fully supported by senior management group and has been agreed with the trade unions
- ❑ The policy will be monitored and reviewed annually

## POLICY PROCEDURE

### 1. DEFINITION

The following definitions are derived from the original Sex Discrimination Act 1975 and Race Relations Act 1976.

- **Direct Discrimination** occurs when a person suffers a detriment due to being treated less favourably than other people on the grounds of personal attributes such as gender, race disability, religion or criminal record.

For example – where an advertisement specifically asks for a person to be male or female or from a particular ethnic group when this is not a genuine requirement for the job.

- **Indirect Discrimination** occurs when a requirement or condition is applied to a situation so that the proportion of one group (eg denoted by gender, race, disability, religion or sexual orientation) that can comply within the requirement or condition is considerably smaller than the proportion from the opposite group, which can comply. This is when, say, more men can comply with a requirement than woman.

For example – where we would require employees to be six feet tall, which would discriminate against a larger proportion of women than men, and members of some ethnic groups. Another example could be placing a requirement for applicants to be physically fit and able to lift heavy weights, which may discriminate against someone who is physically disabled; or an advertisement that excludes people who have family responsibilities because of the need for, say 'complete flexibility', as this may discriminate against women who have the bulk of the caring responsibilities in a family, or even fathers.

The publication of the Macpherson report in February 1999 is regarded by many as a defining moment in British race relations.

The Council has adopted the definitions of “institutional racism” and “racist incident” as recommended in the Macpherson Report following the Stephen Lawrence Inquiry. These definitions are:

- **Institutional Racism** “The collective failure of an organisation to provide an appropriate and professional service to people because of their colour, culture or ethnic origin. It can be seen or detected in processes , attitudes and behaviour which amount to discrimination through unwitting prejudice, ignorance, thoughtlessness and racist stereotyping which disadvantage minority ethnic people”.
- **Racist Incident** “Any incident which is perceived to be racist by the victim or any other person”. The Home Secretary has accepted this definition and states that “the term racist incident must be understood to include crimes and non-crimes”.

The Council is fully committed to addressing issues arising from the Macpherson Report recommendations of which there were 70. These recommendations were relating to the police and proposed changes in law.

## 2. RECRUITMENT AND SELECTION

This policy covers all aspects of recruitment, training, promotion and terms and conditions of service. The Council will ensure that appointment criteria and promotion are based solely on an individual's merit and assessed according to his or her capabilities (given that reasonable adjustments have been made for disabled individuals).

Positive action measures will be taken where it is found, through monitoring of the work force and the recruitment and selection process, that there is under-representation of certain groups. Positive action measures may include the provision of training targeted at people from specific groups so that they may gain appropriate experience and skills to give them an equal opportunity in competing for jobs.

The Council will not apply conditions or requirements which would disadvantage particular individuals or groups.

The Council, wherever possible, will aim to remove barriers (physical or otherwise) which prevent people from under-represented groups, for example disabled people, women and ethnic minority groups, having the same opportunities within the area of employment.

If employees have particular cultural or religious needs that cannot be met under existing work requirements, the Council will consider varying or adapting those requirements, as long as this does not lead to infringement of legal requirements such as Health and Safety legislation. For example, prayers during prescribed times for Muslims, attendance at special religious festivals, the wearing of turbans for Sikhs, and so on.

The Human Rights Act 1998 guarantees the right to freedom of thought, conscience and religion (Article 9). Employees who celebrate religious festivals outside the traditional fixed holiday period will be allowed to take time off work using their annual leave balance, the flexible working scheme, unpaid leave or time off in lieu. The form of leave will be subject to consultation with line management in accordance with the Local Conditions of Service.

Reasonable adjustments will be made for employees with disabilities.

All employees will be treated with respect and dignity. Harassment, verbal or physical abuse or any form of discriminatory behaviour towards any employee will not be tolerated. Any behaviour by an employee which leads to discrimination against another employee will be treated as a disciplinary offence.

### **Job Descriptions and Person Specifications**

The job description will be a clear, concise and accurate representation of the duties and responsibilities of the post. The person specification will cover only the qualities essential (i.e. without which the person cannot do the job) and desirable to the post. No unnecessary requirements will be included. All relevant knowledge, skills and experience will be considered alongside formal qualifications. Explicit terms should be used for example 'needs to reach and bend to pick items from shelves', as opposed to 'needs to be physically fit'.

### **Advertising of Vacancies**

All job advertisements will be monitored by the Human Resources Department to ensure that they comply with legislative requirements, the job description and the person specification do not lead to discrimination.

Appointments will always reflect the requirement under section 7 of the Local Government and Housing Act 1989 that every appointment to local authorities must be made on merit.

All vacancies will be advertised in accordance with the Council's Recruitment and Selection Code of Practice which is available from the Human Resources Department.

## **Applications**

Application forms are designed to ascertain relevant information about the applicant's suitability for the post applied for.

All applicants will be asked to complete a form, for equal opportunities monitoring purposes only, detailing gender, marital status, sexual orientation, disability, ethnicity, religion/belief and date of birth. The information given on this form will not be used as part of the selection process.

Alternative formats will be considered for people unable to fill in the application form. For example, audio tape or disc versions will be accepted. When asking for these details, the Council will explain to applicants and existing staff why it is monitoring employment. This will include an explanation of the principles of the Data Protection Act (about processing such information), which apply. People will normally only have to give this information voluntarily.

A criminal record will not debar an applicant from equal treatment in the recruitment and selection process, where the offence is considered irrelevant to the duties and responsibilities of the post. More information is available in the Rehabilitation of Offenders Act 1994.

The process of short-listing candidates for interview will be based on an assessment of the requirements from the person specification against the details contained on the individual's application form.

Internal candidates who wish to apply for job vacancies will go through the same recruitment and selection process as external candidates.

## **Shortlisting and Interviewing**

Short-listing and interviewing will be carried out by a minimum of two people, at least one of whom will have been trained in competency based recruitment and selection interviewing. The Council will work towards all interview panel members receiving this training.

All employees involved in the recruitment and selection process are required to undergo the Council's recruitment and selection training, which includes coverage of relevant equalities issues. Any Councillors involved in the appointment of staff must also have been trained in interviewing and selection techniques.

All competency based interviews will include a standard set of questions from the Competency Framework.

All persons involved in the selection interview will complete a standard interview form detailing reasons for rejection/selection. These will be kept by the Human Resources Department for a period of six months before being destroyed.

When any form of testing or other activities are used as part of the recruitment procedure, steps will be taken to ensure that it is appropriate and an unbiased means for assessing the skills and attributes necessary for the job.



The Council will interview any disabled applicant who meets the essential criteria contained in the person specification.

The Council will try to ensure, through the use of appropriate terms and conditions of contract, that recruitment agencies, where they are used, operate to the same standards as the Council and comply with the Equality and Diversity in Employment Policy.

## **Appointments**

All appointments to the Council are subject to the receipt of satisfactory references and medical clearance. All potential employees are also checked for their eligibility to work in this country under the Asylum and Immigration Act (1996).

## **3. TRAINING AND DEVELOPMENT**

The Council believes that providing training and development opportunities for employees is an essential factor in providing good quality services and in the development of the organisation.

The Council supports the principles of Investors In People (IIP) and will work to maintaining these standards throughout the organisation. To promote equality of opportunity the Council acknowledges that all staff need to be encouraged to take up training and development opportunities to help them to contribute fully to achieving the objectives of the organisation and to develop their careers. In particular, staff from under-represented groups within the Council will be encouraged to participate in training and development initiatives.

All employees will be given equal access to training and development opportunities that are identified via the Performance Reviews and PDP's.

Diversity training will be offered to all employees. This is to ensure that employees understand their responsibilities under the Equality and Diversity in Employment Policy not to discriminate against any service user or fellow employee.

## **4. DISCRIMINATION**

### **Job Applicants Who Feel Discriminated Against**

Any person who feels that he/she has been unfairly treated or discriminated against in relation to recruitment and selection is entitled to require the Council to provide information about the successful candidate (including details of their gender, ethnicity, skills, qualifications and experience) and details of the recruitment process.

Requests for information relating to discrimination in the recruitment and selection process should be made to the Head of Human Resources.

Requests may be made in writing, on disc, using audio tape or via internet e-mail.



## **Employees Who Feel Discriminated Against**

Any employee who feels that she/he has been discriminated against, harassed or bullied is entitled to take the grievance through the relevant Council procedure. Copies of the procedures are available from the Human Resources Department.

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**SUPPLEMENTAL REPORT  
PART 8 OF THE ANTI SOCIAL BEHAVIOUR ACT 2003  
COMPLAINTS ABOUT HIGH HEDGES**

**Background**

Part 8 of the Anti Social Behaviour Act 2003 gives powers to local authorities to deal with complaints regarding high hedges.

The Local Government (Functions & Responsibilities) (England) Regulations 2000 have been amended. Under these regulations the responsibility for all functions relating to high hedges rests with Council.

Accordingly, the Constitution needs to be amended to reflect these new powers.

It is therefore proposed that the following wording be inserted into:

Appendix 2 Part I Miscellaneous Functions

"47A Powers relating to complaints about high hedges                      Part 8 of the Anti Social Behaviour Act 2003.

It is also necessary to allocate these functions to a Committee. It is therefore proposed that these powers be delegated by Council to Development Control Committee.

It is therefore proposed that the following wording be inserted into Appendix 2 Part B in paragraph 2 below the Development Control Committee heading.

(d) powers relating to complaints about high hedges

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