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## Chief Executive's Office

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Date: 30 November 2006

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**Chief Executive:** Donna Hall

**Chorley**  
Council

Town Hall  
Market Street  
Chorley  
Lancashire  
PR7 1DP

Dear Councillor

## OVERVIEW AND SCRUTINY COMMITTEE - MONDAY, 4TH DECEMBER 2006

I am now able to enclose, for consideration at the above meeting of the Overview and Scrutiny Committee, the following reports that were unavailable when the agenda was printed.

### Agenda No    Item

6.    **Capital Programme (Pages 131 - 198)**

- a) Capital Programme, 2006/07 – Monitoring  
Report of Director of Finance (enclosed)
- b) Capital Programme, 2007/08 to 2009/10  
Report of Director of Finance (enclosed)

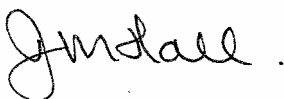
7.    **Revenue Budget, 2006/07 - Monitoring (Pages 199 - 210)**

Report of Director of Finance (enclosed)

Please note that attached to this report is a report of the Director of Finance entitled 'Current Position of Concessionary Travel Scheme within Chorley Borough' Members of the Committee will recall that this report was requested at its meeting on 4 October 2006.

**The report on Budget Scrutiny Process for 2007/08 will be to follow**

Yours sincerely



Chief Executive

Encs

### **Distribution**

1. Agenda and reports to all Members of the Overview and Scrutiny Committee for attendance (Councillor Dennis Edgerley (Chair), Councillor Thomas McGowan (Vice Chair) and Councillors Kenneth Ball, Thomas Bedford, Terry Brown, Alan Cullens, Francis Culshaw, Mrs Marie Gray, Harold Heaton, Greg Morgan, Geoffrey Russell, Mrs Iris Smith and Christopher Snow)
2. Agenda and reports to Donna Hall (Chief Executive), Gary Hall (Director of Finance), Lesley-Ann Fenton (Director of Policy and Performance), Steve Pearce (Assistant Head of Democratic Services) and Gordon Bankes (Democratic Services Officer) for attendance

**This information can be made available to you in larger print or on audio tape, or translated into your own language. Please telephone 01257 515118 to access this service.**

આ માહિતીનો અનુવાદ આપની પોતાની ભાષામાં કરી શકાય છે. આ સેવા સરળતાથી મેળવવા માટે કૃપા કરી, આ નંબર પર ફોન કરો: 01257 515822

ان معلومات کا ترجمہ آپ کی اپنی زبان میں بھی کیا جاسکتا ہے۔ یہ خدمت استعمال کرنے کیلئے براہ مہربانی اس نمبر پر ٹیلیفون

01257 515823 کیجئے:



Report of	Meeting	Date
Executive Director – Corporate & Customer and the Director of Finance	Overview and Scrutiny Committee	4 December 06

**CAPITAL PROGRAMME MONITORING 2006/07**

**PURPOSE OF REPORT**

- To update members on the progress of the 2006/07 Capital Programme, and to seek member support and approval for a number of recommendations from the Capital and Efficiency Programme Board.

**CORPORATE PRIORITIES**

- The schemes within the Capital Programme contribute to the achievement of each of the Council's corporate priorities.

**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	

- The Capital Programme sets out the council strategic investment plans and if these are not delivered it will not fully achieve its strategic objectives, running the risk of damaging the Council's reputation.
- The Capital Programme also carries a significant financial risk. This is in terms of ensuring value for money, maximising resources available, and managing the performance to ensure the least possible impact on the revenue account. Should changes be made to the work programme of grant-funded schemes, there is a risk that the grant awarding bodies will not provide grant funding for such changes.
- The estimated financing of the programme in 2006/07 takes into account capital receipts from the sales of assets that have not yet been received. Should they not be received some schemes within the programme may need to be frozen or the level of external borrowing increased.
- In addition, increased borrowing may be required should any project exceed the approved budgets. Overspending may be outside of the control of the project managers in some circumstances. In particular, the basis for settling compensation for the land assembly required for the Gillibrand Link Road may lead to a final payment that exceeds the Council's budget for the scheme. It is not possible to confirm the figures at this stage, but officers are investigating ways of mitigating the effect by passing on some of any cost



increase to our development partner, English Partnerships. It is also likely that the requirement to borrow to finance the 2006/07 programme will be reduced to some extent by slippage of expenditure to 2007/08. Slippage is expected in respect of the Astley Park project but the value is not yet known.

## BACKGROUND

8. Since the last capital monitoring report in August, the Capital Programme Board has merged with the Efficiency and Transformation programme board to become the Capital and Efficiency Board. This follows approval by Strategy Group as part of a move to rationalise the number of programme boards, while also identifying options for overseeing other areas of work such as the delivery of the Corporate Strategy.
9. This report details the performance of the Capital Programme followed by recommendations from the Capital and Efficiency Programme Board.
10. On the 24<sup>th</sup> August 2006 Executive Cabinet approved the 2006/07 capital programme budget of £14,081,420.

## HOW ARE WE PERFORMING?

11. The Capital and Efficiency Programme Board is continuing to make good progress ensuring a more controlled and successful delivery of the programme.

### (A) Key Performance Indicators

12. High level monitoring of the Capital Programme is carried out through 4 Performance Indicators, which have been described in previous Executive Cabinet reports. Table 1 lists these and shows current performance against the targets.

Performance Indicator	Target 06/07	Aug 2006	Nov 2006	-/+
	%	%	%	%
1. The % of the Capital Programme budget actually spent.	90	49	46	-3
2. The % of projects using the toolkit.	70	59	61	+2
3. The % of successful projects.	90	0	0	-
4. The % of capital schemes intended to be completed during the year actually completed.	85	0	6	+6

**Table 1 - Capital Programme 2006/07 - Key Performance Indicators**

13. While the current performance generally appears to be quite a way off target it must be remembered that the targets are year end targets, and it is normal for the results to be slow in the first two quarters, and increasing in the second half of the year. With this in mind the board are happy with current performance and confident of meeting the targets by year-end.
14. The percentage of the budget actually spent has reduced by 3% since August. The main reason is the introduction of a £1.4 million budget for the 'strategic regional site'. The increase in budget has caused the expenditure figure to appear reduced. However generally expenditure is continuing at a steady pace.

15. The percentage of projects using the toolkit is well on track to achieve the end of year target. Current performance has already exceeded the end of year performance for 2005/6 of 34%.
16. Projects not yet using the toolkit are prioritised by the largest, and most high risk projects, which will benefit most from using the project management toolkit, to effectively monitor and control their progress.
17. Training sessions are ongoing and project managers are encouraged to attend, with approximately 50 staff being trained in the last 10 months.
18. The percentage of successful projects can only be measured on schemes that both use the toolkit, and that have been completed. The projects which have been completed so far were brought over from 2005/06, and were not managed using the toolkit.
19. Although the percentage of projects completed is very low, there are a number of schemes which are near completion, and it is thought that by the next report, there will be a significant increase in both the successful projects, and projects completed indicators.

**(C) Capital Monitoring 2006/07**

20. The latest Capital Programme forecast for 2006/07 shows an increase in the programme of £2,601,070 to £16,682,490. Table 2 below summarises the changes.

<b>Executive Cabinet Date</b>	<b>Details</b>	<b>£</b>	<b>Note</b>
24/08/06	Approved Capital Programme <u>Plus</u>	14,081,420	
	Schemes from Reserve List	1,551,550	A
	Other changes	1,049,520	B
07/12/06	Revised Capital Programme	16,682,490	

**Table 2 - Capital Programme 2006/07 - Total Capital Spending**

Note A: A scheme by scheme analysis of the schemes brought in from the reserve list is shown in appendix 1.

Note B: A scheme by scheme analysis of the 'other changes' is given in appendix 1, with brief explanations of the changes given in appendix 2.

**(D) Capital Receipts Monitoring**

21. Appendix 3 gives a high level summary of the capital receipts expected and achieved to date this year. As detailed in the risks above, the financing of the programme depends on these receipts being achieved.
22. So far, Right to Buy (RTB) sales of Council dwellings to tenants are ahead of the original estimate for the year. However, it is difficult to predict what effect the result of the stock transfer ballot will have on sales for the remainder of the year. Progress in achieving capital receipts other than RTB sales has been slow but we expect to achieve most receipts before the year-end. The one exception is the Yarrow Bridge Depot, included in the resource estimate at £300,000. If slipped to a future year and sold for another purpose, the receipt could be considerably more. At present, it is assumed that other disposals in 2006/07 will compensate for the effect of this slippage.

23. The Capital and Efficiency Programme Board is monitoring the progress of the sales of assets, and where necessary are putting measures into place, in an effort to ensure they are received within this financial year as required. In his report on the Capital Programme 2007/08 to 2009/10, the Director of Finance recommends that the Council develops a programme of disposal of surplus assets that earn a low rate of return in order to ensure the availability of capital resources to finance future capital investment.

#### **PROGRAMME BOARD RECOMENDATIONS**

24. Set out below are a summary of requests received at the last two meetings of the Capital and Efficiency Programme Board on the 30<sup>th</sup> August and the 9<sup>th</sup> November, and in each case the Boards recommendations. These are listed under the two headings of 'Exception Reports' and 'New Schemes and Projects'.

#### **Exception Reports**

(A) Kerbside Recycling

25. Following approval from a special working group, every household has been provided with new weighted sacks, and an information pack. The cost for this has been charged to the kerbside recycling budget, which is now overspent by £21,560. The exception report requests an increase in the Kerbside Recycling budget to cover this necessary overspend.
26. Board Recommendation - To approve a £21,560 increase in the Kerbside Recycling.

(B) Astley Park

27. Due to the volume of concerns raised by the public relating to the location, safety, and security of play facilities in Astley Park, it was agreed that the proposals should be revisited. The revised plan now provides for easier access and natural surveillance with historical context also taken into account. The cost of this additional design work is £16,808 and as this reconsideration is outside the terms of the HLF (Heritage Lottery Fund) contract the council must now meet this additional cost.
28. Board Recommendation – That the additional fee cost be absorbed within the total resources available to the scheme.

(C) Chapel St Enhancement – Phase 3

29. A verbal report was received by the Board that the Chapel Street Enhancement Scheme has experienced some difficulties in terms of the quality of materials and being able to complete the job to time, resulting in the likelihood that an overspend will occur. The Board asked that an exception report be produced and submitted to the next board along with potential funding solutions for the overspend.
30. Board Recommendation – that the action of the Board be noted.

## New Schemes and Projects

31. A number of business cases have been submitted to the Board for consideration. These have been uploaded onto the Loop and can be found here, <http://theloop/section.asp?sectionType=list&catid=12334>, under 'New Projects for Consideration'.

Table 3 - Summary of new scheme recommended for inclusion into Category C

Project	Priority	Estimated Budget
Cemetery Development	Place	£13,000
Tree Management	Place	£15,290
Corporate Play Development Plan – Year Five Project 'Chorley Moor'	People & Place	£50,000
Grant towards a community centre in Eccleston	People	£150,000
Grant scheme for village halls and community centres	People	£120,000
Astley Hall CCTV	People	£24,000
Brinscall Swimming Pool	People	£190,000
HR Management System	Performance	£68,500

32. The Board recommends that the new projects listed in Table 3 be included as category 'C' schemes and as such on the reserve list for future consideration when resources become available. Consideration was also given to the totality of the reserve list schemes and the board noted that the circumstances that prevailed when the Eccleston Community Centre bid was made have changed, it was felt appropriate to now remove the bid from the reserve list.

Table 4 - Summary of new schemes recommended for inclusion into the Capital Programme, category 'B'

Project	Priority	Financing
Telephony Review	Performance	£137,000 – Funded from revenue savings
Brinscall Village Junior Football Club Pitch Improvements	People	£4,000 – Funded from matched funding pot
Ulnes Walton Parish Council Schemes	People & Place	£10,635 – Funded via S106 agreements
Adlington Play Development	People & Place	£25,000 – Funded via S106 agreements

33. The Board recommends that the new projects shown in Table 4 be included as a category 'B' scheme in the 2006/07 capital programme, due to the fact that these schemes are funded from existing resources.

## COMMENTS OF THE DIRECTOR OF HUMAN RESOURCES

34. There are no direct human resource implications of this report.

**RECOMMENDATION(S)**

35. That the revised Capital Programme for 2006/067 in the sum of £16,682,490 be approved.
36. That the Ecclestone Community Centre bid is removed from the reserve list.
37. That the following recommendations of the Capital and Efficiency Programme Board be approved:

Exception Reports

- a. To approve a £12,910 increase in the Kerbside Recycling budget to be funded from prudential borrowing.
- b. To approve the additional design fee of £16,808 to be funded from existing resources.

New Capital Schemes and Projects

- c. That the following new schemes be placed on the reserve list (category C) for future consideration when resources become available:
  1. Cemetery Development
  2. Tree Management
  3. Corporate Play Development Plan – Year Five Project ‘Chorley Moor’
  4. Grant towards a community centre in Ecclestone
  5. Grant scheme for village halls and community centres
  6. Astley Hall CCTV
  7. Brinscall Swimming Pool
  8. HR Management System
- d. That the following new scheme be placed in category B of the 2006/07 capital programme:
  1. Telephony Review
  2. Brinscall Village Junior Football Club Pitch Improvements
  3. Ulnes Walton Parish Council Schemes
  4. Adlington Play Development

**REASONS FOR RECOMMENDATION(S)  
(If the recommendations are accepted)**

38. To revise the 2006/07 Capital Programme.
38. To approve considered recommendations for schemes which are either overspending or require additional resources.
39. To bring forward new schemes which members may consider for inclusion in the Capital Programme.



**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

40. None.

PAUL MORRIS  
EXECUTIVE DIRECTOR – CORPORATE & CUSTOMER

GARY HALL  
DIRECTOR OF FINANCE

There are no background papers to this report.

<b>Report Author</b>	<b>Ext</b>	<b>Date</b>	<b>Doc ID</b>
Rebecca Ostapski	5779	20 November	CPB Cabinet Report Dec 06

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**Capital Programme - 2006/07**

Scheme	2006/07 Current Estimate £	Reallocate Planned Maintenance £	Schemes from Reserve List	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
<b><u>Strategy Group</u></b>							
<b><u>Policy &amp; Performance</u></b>							
Project Management Support Capitalisation	40,000				40,000		40,000
External Funding Pot	20,000			(4,000)	16,000		16,000
- Euxton Villa Football Club	10,000				10,000		10,000
- Music Café Project	20,000				20,000		20,000
- Brinscall FC Football Pitch Improvements				4,000	4,000		4,000
Website Refresh	50,000				50,000		50,000
Contribution to Pitch Drainage Bishop Rawsthorne School	19,950				19,950	19,950	0
<b>Policy &amp; Performance Total</b>	<b>159,950</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>159,950</b>	<b>19,950</b>	<b>140,000</b>
<b>Strategy Group Total</b>	<b>159,950</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>159,950</b>	<b>19,950</b>	<b>140,000</b>
<b><u>Corporate &amp; Customer Challenge Group</u></b>							
<b><u>Finance</u></b>							
e-Claims travel and subsistence	6,000			(6,000)	0		0
Capitalised Restructuring Costs	33,700		500,000		533,700		533,700
<b>Finance Total</b>	<b>39,700</b>	<b>0</b>	<b>500,000</b>	<b>(6,000)</b>	<b>533,700</b>	<b>0</b>	<b>533,700</b>
<b><u>Human Resources</u></b>							
e-Enabling HR systems - Training	30,000				30,000		30,000
<b>Human Resources Total</b>	<b>30,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,000</b>	<b>0</b>	<b>30,000</b>



Scheme	2006/07 Current Estimate £	Reallocate Planned Maintenance £	Schemes from Reserve List	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
<b><u>Environment &amp; Community Challenge Group</u></b>							
<b><u>Development &amp; Regeneration</u></b>							
A Astley Park Improvements - Construction	1,692,080				1,692,080	1,364,630	327,450
A Disabled Facilities Grants	300,000				300,000	180,000	120,000
A Housing Renewal	63,660			(63,660)	0		0
A - Home Repair Grants	150,000				150,000		150,000
A - Energy Grants	130,000			30,000	160,000		160,000
A - Handyperson Scheme	10,000				10,000		10,000
A Eaves Green Link Road (S106 funded)	4,519,650				4,519,650	4,519,650	0
A Chapel Street Environmental Enhancement	20,000				20,000		20,000
A Planning Delivery Grant-funded capital schemes							
A - eDevelopment and Building Control Project	152,000		2,420	57,740	212,160	212,160	0
A - Development of S106 Database	103,220		6,000		6,000	6,000	0
A Regeneration Projects - Design Fees							
A Chorley Strategic Regional Site	103,220			1,369,570	103,220		103,220
A Groundwork Projects	15,000				15,000		15,000
B Elwood Initiative (grants for tree planting & management)	101,670			(101,670)	0		0
B Adlington Rail Station Improvements (S106 funded)	7,500				7,500	7,500	0
<b>Development &amp; Regeneration Total</b>	<b>7,264,780</b>	<b>0</b>	<b>8,420</b>	<b>1,291,980</b>	<b>8,565,180</b>	<b>6,289,940</b>	<b>2,275,240</b>
<b><u>Housing Services</u></b>							
A Housing Investment Programme (Council Dwellings)	0		150,000		150,000	150,000	0
A - Heating Systems	253,170				253,170	253,170	0
A - Replacement Windows & Doors	770,000				770,000	551,150	218,850
A - Community Safety - Lifeline Alarms	21,500				21,500	21,500	0
A - Estate Improvements - Hillside Crescent	1,000				1,000	1,000	0
A - Adaptations for Disabled	250,000				250,000	250,000	0
A - Major Void Works	300,000				300,000	300,000	0
A - Fascias and Soffits	81,000				81,000	81,000	0
A - Coatswold House CCTV	34,730				34,730		34,730
A - Capitalised Salaries - to reallocate to schemes	113,000				113,000		113,000



Scheme	2006/07 Current Estimate £	Reallocate Planned Maintenance £	Schemes from Reserve List	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
<b>Streetscene, Neighbourhoods &amp; Environment Total</b>	<b>705,220</b>	<b>1,500</b>	<b>43,380</b>	<b>68,640</b>	<b>818,740</b>	<b>469,130</b>	<b>349,610</b>
<b>Environment &amp; Community Challenge Group Total</b>	<b>11,404,610</b>	<b>33,500</b>	<b>201,800</b>	<b>1,360,620</b>	<b>13,000,530</b>	<b>8,366,890</b>	<b>4,633,640</b>
<b>Unallocated Capital Resources Total</b>	<b>0</b>	<b>0</b>	<b>343,000</b>	<b>0</b>	<b>343,000</b>	<b>343,000</b>	<b>0</b>
Regional Housing Pot Capital Grant funded schemes			343,000		343,000	343,000	0
<b>Unallocated Capital Resources Total</b>	<b>0</b>	<b>0</b>	<b>343,000</b>	<b>0</b>	<b>343,000</b>	<b>343,000</b>	<b>0</b>
<b>Capital Programme Total</b>	<b>14,081,420</b>	<b>0</b>	<b>1,551,550</b>	<b>1,049,520</b>	<b>16,682,490</b>	<b>9,709,100</b>	<b>6,973,390</b>
<b>Financing the Capital Programme</b>							
Prudential Borrowing	1,708,210		500,000	(236,820)	1,971,390		1,971,390
Unrestricted Capital Receipts	1,895,370			87,500	1,982,870		1,982,870
Housing Investment Programme Restricted Capital Receipts	508,390			331,850	840,240		840,240
Capital Receipt earmarked for Strategic Regional Site				1,369,570	1,369,570		1,369,570
Revenue Budget - Specific Revenue Reserves or Budgets	166,670		6,750	(6,000)	167,420		167,420
Revenue Savings			500,000	141,900	641,900		641,900
Ext. Contributions - Developers	6,244,280		43,380	(364,370)	5,923,290	5,923,290	
Ext. Contributions - Lottery Bodies	1,364,630				1,364,630	1,364,630	
Government Grants - Planning Delivery Grant	181,260		8,420	57,740	247,420	247,420	
Government Grants - Disabled Facilities Grants	180,000				180,000	180,000	
Government Grants - Major Repairs Allowance	1,789,670			(331,850)	1,457,820	1,457,820	
Government Grants - DEFRA	42,940				42,940	42,940	
Government Grants - Housing Capital Grant			493,000		493,000	493,000	
<b>TOTAL CAPITAL FINANCING</b>	<b>14,081,420</b>	<b>0</b>	<b>1,551,550</b>	<b>1,049,520</b>	<b>16,682,490</b>	<b>9,709,100</b>	<b>6,973,390</b>

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**Other Changes November 2006/07**

Scheme

**Strategy Group**

**Policy & Performance**

External Funding Pot  
- Brinscall FC Football Pitch Improvements

**Policy & Performance Total**

**Strategy Group Total**

**Corporate & Customer Challenge Group**

**Finance**

e-Claims travel and subsistence

**Finance Total**

**ICT Services**

Integration Software  
Single business account  
Telephony

**ICT Services Total**

	Other Changes £	Reallocation £	Savings £	Increases £	Comments
B	(4,000)	(4,000)			Reallocation of budget to new scheme
B	4,000	4,000			
	0	0	0	0	
	0	0	0	0	
A	(6,000)		(6,000)		Transfer to revenue budget
	(6,000)	0	(6,000)	0	
A	13,500	13,500			Reallocation from Single Business Account
B	(13,500)	(13,500)			Increase financed by revenue savings
B	94,900			94,900	
	94,900	0	0	94,900	

Other Changes November 2006/07

Scheme	Other Changes £	Reallocation £	Savings £	Increases £	Comments
<b><u>Property Services</u></b>					
Planned Maintenance of Fixed Assets	(25,000)	(25,000)			
Town Hall Access/Improvements	23,800	23,800			
Market Toilets (completion of 2005/06 scheme)	1,200	1,200			
Affordable Housing Project (Site Assembly)	(400,000)		(400,000)		Reallocate to Town Hall & Market Toilets
<b>Property Services Total</b>	<b>(400,000)</b>	<b>0</b>	<b>(400,000)</b>	<b>0</b>	One site not available
<b><u>Corporate &amp; Customer Challenge Group Total</u></b>					
	<b>(311,100)</b>	<b>0</b>	<b>(406,000)</b>	<b>94,900</b>	
<b><u>Environment &amp; Community Challenge Group</u></b>					
<b><u>Development &amp; Regeneration</u></b>					
Housing Renewal	(63,660)	(63,660)			Reallocated to specific schemes
- Energy Grants	30,000	30,000			Reallocation of Housing Renewal Balance
Planning Delivery Grant-funded capital schemes	57,740			57,740	
- eDevelopment and Building Control Project	1,369,570			1,369,570	Use of capital receipt balance
Chorley Strategic Regional Site	(101,670)		(101,670)		
Elwood Initiative (grants for tree planting & management)					
<b>Development &amp; Regeneration Total</b>	<b>1,291,980</b>	<b>(33,660)</b>	<b>(101,670)</b>	<b>1,427,310</b>	
<b><u>Leisure &amp; Cultural Services</u></b>					
Leisure Centres DDA Works	(147,000)	(147,000)			
Leisure Centres Capital Investment	147,000	147,000			Merge budgets for monitoring purposes
<b>Leisure &amp; Cultural Services Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Other Changes November 2006/07

## Scheme

Streetscene, Neighbourhoods & Environment

Extension to Chorley Cemetery (new burial area)  
 Litter/Dog Waste/On-street recycling bins  
 Traffic Calming  
 Capitalised Salaries re private sector housing  
 CPO Unfit Dwellings  
 Vacant Dwellings  
 Ulines Walton Play/Leisure Schemes (S106 funded)  
 Adlington Play Development (S106 funded)

**Streetscene, Neighbourhoods & Environment Total****Environment & Community Challenge Group Total****Capital Programme Total**

Other Changes £	Reallocation £	Savings £	Increases £	Comments
(5,380)		(5,380)		Previously reported saving
(2,770)		(2,770)		Previously reported saving
(80,000)		(80,000)		
2,000	2,000			
87,500			87,500	Reallocation of Housing Renewal Budget Financed by sale of property
31,660	31,660			Reallocation of Housing Renewal Budget Financed from S106 resources
10,630			10,630	
25,000			25,000	Financed from S106 resources
<b>68,640</b>	<b>33,660</b>	<b>(88,150)</b>	<b>123,130</b>	
<b>1,360,620</b>	<b>0</b>	<b>(189,820)</b>	<b>1,550,440</b>	
<b>1,049,520</b>	<b>0</b>	<b>(595,820)</b>	<b>1,645,340</b>	

Other Changes November 2006/07

## Scheme

Effect on Financing

Prudential Borrowing				
Unrestricted Capital Receipts				
Housing Investment Programme Restricted Capital Receipts				
Capital Receipt earmarked for Strategic Regional Site				
Revenue Budget - Specific Revenue Reserves or Budgets				
Revenue Savings				
Ext. Contributions - Developers				
Government Grants - Planning Delivery Grant				
Government Grants - Major Repairs Allowance				

**TOTAL EFFECT ON FINANCING**

Other Changes £	Reallocation £	Savings £	Increases £	Comments
(189,820)		(189,820)		
87,500			87,500	Earmarked for CPO of property
331,850	331,850			To match reduction in MRA
1,369,570			1,369,570	Brought forward from 2005/06
(6,000)		-6000		e-Claims transferred to revenue budget
94,900			94,900	Increase in Telephony budget
(364,370)		(400,000)		
57,740			57,740	e-Development & Building Control
(331,850)	(331,850)			£62,460 reduction in MRA for year;
				£269,390 to repay 2005/06 debt
<b>1,049,520</b>	<b>0</b>	<b>(595,820)</b>	<b>1,645,340</b>	

Monitoring of Usable Capital Receipts 2006/07

	Unrestricted Receipts £	HIP Restricted Receipts £	Strategic Regional Site £	Total Usable Receipts £
Balance brought forward 1 April 2006	101,866	1,035,910	1,369,570	2,507,346
Received to date	696,908	253,738		950,646
Total Usable Receipts in hand	798,774	1,289,648	1,369,570	3,457,992
Required for capital financing	(1,982,870)	(840,240)	(1,369,570)	(4,192,680)
Sub total	(1,184,096)	449,408	0	(734,688)
Usable Receipts due in remainder of year	1,281,596	61,262	0	1,342,858
<b>Estimated balance 31 March 2007</b>	<b>97,500</b>	<b>510,670</b>	<b>0</b>	<b>608,170</b>

**Note:**

The 'HIP Restricted Receipts' are available for capital expenditure in respect of the housing function of the authority only. They are a proportion of RTB sales available under the transitional arrangements for the pooling of housing capital receipts, which apply from 2004/05 to 2006/07. Such restricted receipts can be carried forward for use in later years. The use of these restricted receipts has already been taken account of in the 2006/07 to 2008/09 capital programme.

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Report of	Meeting	Date
Director of Finance	Overview and Scrutiny	4 December 2006

## CAPITAL PROGRAMME 2007/08 TO 2009/10

### PURPOSE OF REPORT`

- To present the committed Capital Programme for 2007/08 to 2009/10; and to list the Category C bids submitted for inclusion in the programme, together with the assessment of the bids by the Capital and Efficiency Programme Board.

### CORPORATE PRIORITIES

- The schemes within the Capital Programme contribute to the achievement of all the Council's corporate priorities.

### 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	

- The Capital Programme sets out the Council's strategic investment plans and if these are not delivered it may not achieve in full its strategic objectives, running the risk of damaging the Council's reputation.
- The Capital Programme also carries a significant financial risk. This is in terms of ensuring value for money, maximising resources available, and managing the performance to ensure the least possible impact on the revenue account. Should changes be made to the work programme of grant-funded schemes, there is a risk that the grant awarding bodies will not provide grant funding for such changes.
- The estimated financing of the programme for 2007/08 onwards takes into account capital receipts from the sales of assets that have not yet been received. Should they not be received as estimated, some schemes within the programme may need to be suspended or the level of external borrowing increased. Developing a programme of disposal of surplus assets, in particular those that have a low rate of return on their capital value, can help to mitigate this risk. This should help to ensure that the programme can be implemented without recourse to unbudgeted borrowing or may enable the Council to add projects to the programme as additional capital receipts are achieved.



7. The committed Capital Programme for 2007/08 and 2008/09 includes a recharge of £103,220 each year from Development and Regeneration for the design of regeneration-related projects. In 2009/10, the same sum has been included as a bid on the Category C pipeline list. In the 2007/08 revenue budget for Development and Regeneration, this recharge is treated as being 'cash' income. It becomes harder to justify this level of recharge when the total number and value of regeneration schemes has reduced compared to previous years. However, should the recharge be reduced below £103,220 there would be an adverse impact on the General Fund revenue budget unless the Council could reduce budgeted expenditure.

## BACKGROUND

8. Capital projects are currently allocated into three categories to improve monitoring and control. Categories A and B make up the Capital Programme. They are schemes that are approved and fully funded with the distinction being:
  - Category A schemes are in the implementation phase.
  - Category B schemes are not yet in the implementation phase. Once commitments are made, or the work starts then these schemes move up to category A.

The Pipeline (Category C) is a reserve list of schemes for which an Outline Business Case (OBC) has been approved in principle; however financing for the scheme has not been approved and therefore they have no authority to proceed. Schemes can only move from the pipeline into the Capital Programme once a source of funding has been identified and then upon formal approval by the Council.

9. The committed capital projects for 2007/08 and 2008/09 (Categories A and B) have been reported and approved previously, in particular as part of the Council's Financial Strategy for 2006/07 to 2008/09. Some changes have been made to schemes in 2007/08 and 2008/09 as a result of monitoring and other information presented during the past year. The deletion of Housing Revenue Account schemes in 2007/08 and 2008/09 is now required because of the transfer of the dwellings stock due at the end of 2006/07. Commitments under contracts with other parties include the Astley Park Improvement scheme, Leisure Centres Capital Investment, Duxbury Park Golf Course Capital Investment, Disabled Facilities and Home Improvement Grants, and capitalised maintenance of General Fund fixed assets. Budgets included as continuing programmes include the capitalisation of project management support, website development, design of regeneration projects, and the replacement of recycling and litter bins and containers. Finally, a number of projects to be funded from resources received under S106 agreements are included in Category B pending approval of specific proposals.
10. Not included in 2007/08 at this stage is the slippage of expenditure from 2006/07 that is likely to arise because of the delayed implementation of some schemes such as Astley Park. This will be reported as soon as the value of the slippage has been identified by the relevant budget holders.
11. The Capital Programme for 2007/08 to 2009/10 is presented as Appendix 1. It totals £4,238,700, of which £3,074,950 will be required from Council resources. Of this, it is estimated that external borrowing of £1,755,350 will be required over the three-year period and the balance is to be financed from capital receipts. The prudential borrowing required to finance the committed capital expenditure in 2007/08 is £937,670, which would have a full-year cost in 2008/09 of about £84,000 in respect of interest and provision to repay the principal.



**CATEGORY C PIPELINE PROJECTS**

12. The Category C bids for inclusion in the capital programme are presented as Appendix 2 and additional information about the proposed schemes is attached as Appendix 4. This includes schemes from 2007/08 to 2009/10. Schemes previously submitted for inclusion in the 2006/07 programme are shown as having slipped to 2007/08. It is possible that some of the schemes may need to be implemented before the end of 2006/07, whether in part or in full, if approved to proceed. Should this prove to be necessary, the change to the timing of the relevant projects will be reported and the revenue consequences identified.
13. Of the three-year total of £2,280,610, £1,718,510 would need to be financed from Council resources if all schemes were approved. Unless the level of capital receipts from disposal of assets can be increased above the level available to finance the approved programme, the likelihood is that any new approvals would have to be financed by recourse to additional external borrowing, though it may be appropriate to finance some schemes with resources received under S106 agreements or other external sources of funding. The Council should develop a programme of disposing of low-return surplus assets in order to minimise the level of external borrowing required to finance the existing programme and those additional projects approved to proceed. The revenue cost of external borrowing varies according to interest rates and the rate of repayment of principal. Part-year interest charges are incurred in the year of borrowing and full-year interest plus provision to repay principal at a minimum of four percent of the balance in the financial year after the borrowing. The typical full-year cost of borrowing £1 million would be £85,000, assuming the minimum rate of provision to repay the debt.
14. The Council received an allocation of £493,000 Housing Capital Grant for 2006/07. Though it is anticipated that there will be a further allocation for 2007/08, it is not known whether the sum will be similar or whether the allocation for next year will be affected by stock transfer in 2006/07. The pipeline list does not include an estimated allocation at this stage but should one be awarded this will be reported at the earliest opportunity.
15. If the opportunities to significantly reduce capital financing costs are limited then the next best strategy is minimise borrowing by attracting external funds and using developer contributions (S106s). The Council has been very successful at this and keeping borrowing to a minimum whilst delivering the capital investment it requires. Appendix 3 shows that a sum of £1.5m receivable under the terms of S106 agreements will be available in the next financial year that has yet to be allocated to schemes. Members should note however that there are restrictions on the use of S106 money, according to the legal agreements that are in place. In addition to these S106 funds there is also capital money set aside from LABGI grant (£100k) and approximately the same sum from LPSA1.

The programme for 2007/08 needs to follow the precedent of keeping borrowing to a minimum but aim to ensure that some of the new priorities generally regarded as non-traditional start to be delivered. There will always be "business as usual expenditure" but the key emerging priorities appear to be

- Delivering the town centre strategy
- Responding to the issues raised in the White paper

Both of these issues will be tested during the next CPA reassessment.

**RELEVANCE OF PIPELINE SCHEMES TO CORPORATE PRIORITIES**

16. The Capital Programme needs to be determined in terms of its impact on corporate priorities and in particular the Council's ability to be seen as a community leader. The programme also needs to be set in the context of affordability. At present a sum of £40,000 is available within the draft revenue budget to finance additional capital schemes. This broadly equates to a capital expenditure value of £0.5 million. The Council's intention would always be to keep the programme affordable by using capital receipts as an alternative to borrowing. The Director of Property Services has identified those non-operational and investment assets that could be included in a disposal programme. However, it is clear that there are only limited assets that could be sold in the near future and the income earned from investment assets would have to be taken into account before agreeing that they be sold.
17. The Executive have considered the overall resource position and the pipeline schemes presented in Appendix 2 and propose the following programme that will kick start some of the key pieces of work the Council is undertaking around the LSP and community management as well as continuing to invest in its infrastructure. Set out in the table below is a summary of the proposed programme totalling £1,095,990 with details of the proposed financing arrangement and the revenue implications known at this time.

Priority/Scheme	Capital Cost £'000	Funding Source *	Revenue Cost £'000	Full Year Borrowing Cost £'000	Total Revenue Cost £'000
<b>Put Chorley at the heart of regional economic development in the central Lancashire sub-region</b>					
Delivering Town Centre Strategy	100.0	LAGBI	0.0	0.0	0.0
Chapel Street Phase IV/New Market St	95.0	S106	0.0	0.0	0.0
<b>Improving equality of opportunity and life chances</b>					
Pump Priming the LSP	50.0	LPSA1	0.0	0.0	0.0
Pump Priming Area Forum	50.0	LPSA1	0.0	0.0	0.0
Wardens Digital CCTV	13.1	S106	0.0	0.0	0.0
SNED Intelligent management Information	50.0	S106	0.0	0.0	0.0
<b>Involving people in their communities</b>					
Community Centre Grants	120.0	120.0	0.0	10.8	10.8
<b>Improved access to Public Services</b>					
Cemetery development	13.0	13.0	0.0	1.2	1.2
Brinscall Baths	190.0	190.0	0.0	17.1	17.1
Corporate Play- Chorley Moor	50.0	50.0	0.0	4.5	4.5
<b>Develop the character and feel of Chorley as a good place to live</b>					
Enhanced recycling and kerbside Collection	158.0	158.0	0.0	14.2	14.2
Common Bank/Big Wood	0.0	0.0	20.0	0.0	20.0
Astley Park CCTV	24.0	S106	0.0	0.0	0.0
Tree management system	15.3	15.3	0.0	1.4	1.4
<b>Ensure Chorley Borough Council is a performing organisation</b>					
HR Management system	68.5	68.5	0.0	6.1	6.1
Data Storage system	67.3	67.3	0.0	6.1	6.1
Legal case management system	31.8	31.8	0.0	2.9	2.9
<b>TOTALS</b>	<b>1,096.0</b>	<b>713.9</b>	<b>20.0</b>	<b>64.3</b>	<b>84.3</b>

\* Where external funding such as grant or S106 is not specified the source of funding will be prudential borrowing.

18. The Table shows that the total annual revenue cost of the proposal is £84.3k. The available headroom in the proposed 2007/08 revenue budget is £40k. Therefore a funding gap of £44.3k needs to be resolved. This situation can be resolved either by reducing the programme or creating further headroom in the revenue budget. Neither of these solutions is really desirable.
19. As an alternative I propose that a strategic financing decision is made regarding the 2006/07 capital programme. The estimated borrowing required to finance the Capital Programme for 2006/07 takes account of financing the Gillibrand Link Road land assembly compensation payment (£757k) from the Council's own resources. The uncommitted S106 Buckshaw money, some of which it is proposed is applied to the 2007/08 programme (£182k), can be used for transport infrastructure. As such I think it can legitimately be applied to the Gillibrand compensation payment. This would save an estimated £68k in borrowing costs in 2007/08.

#### **COMMENTS OF THE DIRECTOR OF HUMAN RESOURCES**

20. There are no direct human resource implications of this report.

#### **RECOMMENDATION(S)**

Members are asked to:

21. Approve the draft Capital Programme and financing for consultation.

#### **REASONS FOR RECOMMENDATION(S) (If the recommendations are accepted)**

22. The Council needs to review its medium-term capital investment requirements in the context of the investment that is required to achieve its strategic objectives and the consideration of affordability.
23. The use of S106 resources in 2006/07 instead of external borrowing will save borrowing costs in 2007/08.

#### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

24. None

GARY HALL  
DIRECTOR OF FINANCE

There are no background papers to this report.

<b>Report Author</b>	<b>Ext</b>	<b>Date</b>	<b>Doc ID</b>
Michael L. Jackson	5490	20 November 2006	Capital Programme 2007-08 to 2009-10.doc

**Capital Programme - 2007/08 to 2009/10**

Scheme	2007/08 Current Estimate £	2007/08 Other Changes £	2007/08 Revised Estimate £	2008/09 Current Estimate £	2008/09 Other Changes £	2008/09 Revised Estimate £	2009/10 Current Estimate £	Total 2007/08 to 2009/10 £	External Funding £	CBC Funding £
<b><u>Strategy Group</u></b>										
<b><u>Policy &amp; Performance</u></b>										
Project Management Support Capitalisation	40,000		40,000	40,000		40,000	40,000	120,000		120,000
<b>Policy &amp; Performance Total</b>	<b>40,000</b>	<b>0</b>	<b>40,000</b>	<b>40,000</b>	<b>0</b>	<b>40,000</b>	<b>40,000</b>	<b>120,000</b>	<b>0</b>	<b>120,000</b>
<b>Strategy Group Total</b>	<b>40,000</b>	<b>0</b>	<b>40,000</b>	<b>40,000</b>	<b>0</b>	<b>40,000</b>	<b>40,000</b>	<b>120,000</b>	<b>0</b>	<b>120,000</b>
<b><u>Corporate &amp; Customer Challenge Group</u></b>										
<b><u>ICT Services</u></b>										
Website Development (incl. ICT salary capitalisation)	30,000		30,000	30,000		30,000	30,000	90,000		90,000
<b>ICT Services Total</b>	<b>30,000</b>	<b>0</b>	<b>30,000</b>	<b>30,000</b>	<b>0</b>	<b>30,000</b>	<b>30,000</b>	<b>90,000</b>	<b>0</b>	<b>90,000</b>
<b><u>Property Services</u></b>										
Planned Maintenance of Fixed Assets	200,000		200,000	200,000		200,000	200,000	600,000		600,000
<b>Property Services Total</b>	<b>200,000</b>	<b>0</b>	<b>200,000</b>	<b>200,000</b>	<b>0</b>	<b>200,000</b>	<b>200,000</b>	<b>600,000</b>	<b>0</b>	<b>600,000</b>
<b>Corporate &amp; Customer Challenge Group Total</b>	<b>230,000</b>	<b>0</b>	<b>230,000</b>	<b>230,000</b>	<b>0</b>	<b>230,000</b>	<b>230,000</b>	<b>690,000</b>	<b>0</b>	<b>690,000</b>
<b><u>Environment &amp; Community Challenge Group</u></b>										
<b><u>Development &amp; Regeneration</u></b>										
Astley Park Improvements - Construction	643,620		643,620	35,340		35,340	0	678,960	521,530	157,430
Disabled Facilities Grants	300,000		300,000	300,000		300,000	0	600,000	360,000	240,000
Housing Renewal	200,000		200,000	200,000		200,000	0	400,000	400,000	400,000
Regeneration Projects - Design Fees	103,220		103,220	103,220		103,220	0	206,440	206,440	206,440
Groundwork Projects	15,000	(15,000)	0	15,000	(15,000)	0	0	0	0	0
Provision of Affordable Housing (S106 funded)		79,720	79,720		122,900	122,900		202,620	202,620	0
<b>Development &amp; Regeneration Total</b>	<b>1,261,840</b>	<b>64,720</b>	<b>1,326,560</b>	<b>653,560</b>	<b>107,900</b>	<b>761,460</b>	<b>0</b>	<b>2,088,020</b>	<b>1,084,150</b>	<b>1,003,870</b>

**Capital Programme - 2007/08 to 2009/10**

Scheme	2007/08 Current Estimate £	2007/08 Other Changes £	2007/08 Revised Estimate £	2008/09 Current Estimate £	2008/09 Other Changes £	2008/09 Revised Estimate £	2009/10 Current Estimate £	Total 2007/08 to 2009/10 £	External Funding £	CBC Funding £
<b><u>Housing Services</u></b>										
Housing Investment Programme (Council Dwellings)	1,854,000	(1,854,000)	0	1,804,000	(1,804,000)	0	0	0	0	0
<b>Housing Services Total</b>	<b>1,854,000</b>	<b>(1,854,000)</b>	<b>0</b>	<b>1,804,000</b>	<b>(1,804,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Leisure &amp; Cultural Services</u></b>										
Leisure Centres Capital Investment	200,000		200,000	200,000		200,000	200,000	600,000		600,000
Duxbury Park Golf Course capital investment	476,230		476,230	34,850		34,850	0	511,080		511,080
<b>Leisure &amp; Cultural Services Total</b>	<b>676,230</b>	<b>0</b>	<b>676,230</b>	<b>234,850</b>	<b>0</b>	<b>234,850</b>	<b>200,000</b>	<b>1,111,080</b>	<b>0</b>	<b>1,111,080</b>
<b><u>Streetscene, Neighbourhoods &amp; Environment</u></b>										
Play/Recreation Facilities (S106 funded)		15,000	15,000		19,630	19,630	0	34,630	34,630	0
DEFRA Waste Performance & Efficiency Grant scheme		44,970	44,970			0	0	44,970	44,970	0
Replacement of recycling/litter bins & containers		50,000	50,000		50,000	50,000	50,000	150,000		150,000
<b>Streetscene, Neighbourhoods &amp; Environment Total</b>	<b>0</b>	<b>109,970</b>	<b>109,970</b>	<b>0</b>	<b>69,630</b>	<b>69,630</b>	<b>50,000</b>	<b>229,600</b>	<b>79,600</b>	<b>150,000</b>
<b><u>Environment &amp; Community Challenge Group Total</u></b>										
	<b>3,792,070</b>	<b>(1,679,310)</b>	<b>2,112,760</b>	<b>2,692,410</b>	<b>(1,626,470)</b>	<b>1,065,940</b>	<b>250,000</b>	<b>3,428,700</b>	<b>1,163,750</b>	<b>2,264,950</b>
<b>Capital Programme Total</b>	<b>4,062,070</b>	<b>(1,679,310)</b>	<b>2,382,760</b>	<b>2,962,410</b>	<b>(1,626,470)</b>	<b>1,335,940</b>	<b>520,000</b>	<b>4,238,700</b>	<b>1,163,750</b>	<b>3,074,950</b>

**Housing Services**

Housing Investment Programme (Council Dwellings)

**Housing Services Total**

**Leisure & Cultural Services**

Leisure Centres Capital Investment  
Duxbury Park Golf Course capital investment

**Leisure & Cultural Services Total**

**Streetscene, Neighbourhoods & Environment**

Play/Recreation Facilities (S106 funded)  
DEFRA Waste Performance & Efficiency Grant scheme  
Replacement of recycling/litter bins & containers

**Streetscene, Neighbourhoods & Environment Total**

**Environment & Community Challenge Group Total**

**Capital Programme Total**

Appendix 1

Capital Programme - 2007/08 to 2009/10

Scheme

Financing the Capital Programme

Prudential Borrowing  
 Unrestricted Capital Receipts  
 Housing Investment Programme Restricted Capital Receipts

**CBC Resources**

Ext. Contributions - Developers  
 Ext. Contributions - Lottery Bodies

Government Grants - Disabled Facilities Grants  
 Government Grants - Major Repairs Allowance  
 Government Grants - DEFRA

**External Funding**

**TOTAL CAPITAL FINANCING**

	2007/08 Current Estimate £	2007/08 Other Changes £	2007/08 Revised Estimate £	2008/09 Current Estimate £	2008/09 Other Changes £	2008/09 Revised Estimate £	2009/10 Current Estimate £	Total 2007/08 to 2009/10 £	External Funding £	CBC Funding £
	902,670	35,000	937,670	262,680	35,000	297,680	520,000	1,755,350		1,755,350
	300,000		300,000	600,030		600,030	0	900,030		900,030
	402,000	(82,000)	320,000	146,570	(47,000)	99,570	0	419,570		419,570
	1,604,670	(47,000)	1,557,670	1,009,280	(12,000)	997,280	520,000	3,074,950	0	3,074,950
	0	94,720	94,720	0	142,530	142,530	0	237,250	237,250	0
	505,400		505,400	16,130		16,130	0	521,530	521,530	0
	180,000		180,000	180,000		180,000	0	360,000	360,000	0
	1,772,000	(1,772,000)	0	1,757,000	(1,757,000)	0	0	0	0	0
		44,970	44,970			0	0	44,970	44,970	0
	2,457,400	(1,632,310)	825,090	1,953,130	(1,614,470)	338,660	0	1,163,750	1,163,750	0
	<b>4,062,070</b>	<b>(1,679,310)</b>	<b>2,382,760</b>	<b>2,962,410</b>	<b>(1,626,470)</b>	<b>1,335,940</b>	<b>520,000</b>	<b>4,238,700</b>	<b>1,163,750</b>	<b>3,074,950</b>

Category C Pipeline Projects - 2007/08 to 2009/10

Scheme	2007/08 Projects £	2008/09 Projects £	2009/10 Projects £	Total Bids 2007/08 to 2009/10 £	External Funding £	CBC Funding £	Source of Funding
<b><u>Projects Recommended to Proceed</u></b>							
<b><u>Strategy Group</u></b>							
<b><u>Policy &amp; Performance</u></b>							
Pump priming the Local Public Services Board	50,000			50,000	50,000	0	LPSA1
Pump priming the Area Forum	50,000			50,000	50,000	0	LPSA1
<b>Policy &amp; Performance Total</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>	
<b>Strategy Group Total</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>	
<b><u>Corporate &amp; Customer Challenge Group</u></b>							
<b><u>Human Resources</u></b>							
HR Management System	68,500			68,500		68,500	Borrowing
<b>Human Resources Total</b>	<b>68,500</b>	<b>0</b>	<b>0</b>	<b>68,500</b>	<b>0</b>	<b>68,500</b>	
<b><u>ICT Services</u></b>							
Data Storage Solution	67,350			67,350		67,350	Borrowing
Legal Case Management System	31,750			31,750		31,750	Borrowing
<b>ICT Services Total</b>	<b>99,100</b>	<b>0</b>	<b>0</b>	<b>99,100</b>	<b>0</b>	<b>99,100</b>	
<b>Corporate &amp; Customer Challenge Group Total</b>	<b>167,600</b>	<b>0</b>	<b>0</b>	<b>167,600</b>	<b>0</b>	<b>167,600</b>	

Scheme

**Projects Recommended to Proceed****Strategy Group****Policy & Performance**

Pump priming the Local Public Services Board  
Pump priming the Area Forum

**Policy & Performance Total****Strategy Group Total****Corporate & Customer Challenge Group****Human Resources**

HR Management System

**Human Resources Total****ICT Services**

Data Storage Solution  
Legal Case Management System

**ICT Services Total****Corporate & Customer Challenge Group Total**

<u>Category C Pipeline Projects - 2007/08 to 2009/10</u>		2007/08		2008/09		2009/10		Total Bids 2007/08 to 2009/10		External Funding		CBC Funding		Source of Funding	
Scheme		Projects	£	Projects	£	Projects	£	£	£	£	£	£	£		
<b><u>Development &amp; Regeneration</u></b>															
Chapel Street Enhancement Phase IV															
Common Bank - Big Wood Reservoir (revenue bid)															
Delivering the Chorley Town Centre Strategy															
		95,000		0		0		95,000		95,000		0		0	S106
		0		0		0		0		0		0		0	Revenue consequences
		100,000		0		0		100,000		100,000		0		0	LABGI
<b>Development &amp; Regeneration Total</b>		<b>195,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>195,000</b>		<b>195,000</b>		<b>0</b>		<b>0</b>	
<b><u>Leisure &amp; Cultural Services</u></b>															
Village Hall & Community Centres Projects															
Astley Hall/Park CCTV															
Brinscall Swimming Pool Refurbishment															
		120,000						120,000		24,000		120,000		0	Borrowing
		24,000						24,000		24,000		0		0	S106
		190,000						190,000		190,000		190,000		0	Borrowing
<b>Leisure &amp; Cultural Services Total</b>		<b>334,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>334,000</b>		<b>24,000</b>		<b>310,000</b>		<b>0</b>	
<b><u>Streetscene, Neighbourhoods &amp; Environment</u></b>															
Corporate Play Development Plan															
Warden Patrol Vans/Digital CCTV Recorders															
Enhanced Recycling/Kerbside Collection															
Tree Management System (incl. IT hardware)															
Cemetery Development															
Intelligent Management Information															
		50,000						50,000		13,100		50,000		0	Borrowing
		13,100						13,100		13,100		0		0	S106
		158,000						158,000		158,000		158,000		0	Borrowing
		15,290						15,290		15,290		15,290		0	Borrowing
		13,000						13,000		13,000		13,000		0	Borrowing
		50,000						50,000		50,000		0		0	S106
<b>Streetscene, Neighbourhoods &amp; Environment Total</b>		<b>299,390</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>299,390</b>		<b>63,100</b>		<b>236,290</b>		<b>0</b>	
<b><i>Environment &amp; Community Challenge Group Total</i></b>															
		<b>828,390</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>828,390</b>		<b>282,100</b>		<b>546,290</b>		<b>0</b>	
<b>Total projects recommended to proceed</b>		<b>1,095,990</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,095,990</b>		<b>382,100</b>		<b>713,890</b>		<b>0</b>	



Category C Pipeline Projects - 2007/08 to 2009/10

Scheme	2007/08		2008/09		2009/10		Total Bids 2007/08 to 2009/10 £	External Funding £		Source of Funding
	Projects £	Projects £	Projects £	Projects £	Projects £	Projects £		External Funding £	CBC Funding £	
<u>Other projects</u>										
Strategic Shared Contact Centre (Benefits)	140,000					140,000			140,000	
Electronic Document & Records Management System	54,310					54,310			54,310	
Hic Bibi Local Nature Reserve	28,090					28,090			28,090	
Groundwork Projects	15,000	15,000			15,000	45,000			45,000	
Regeneration Projects - Design Fees			103,220		103,220	103,220			103,220	
Disabled Facilities Grants			300,000		300,000	300,000	180,000		120,000	
Private Sector Housing Renewal	150,000		200,000		200,000	200,000			200,000	
Community Centre Eccleston - Capital Grant						150,000			150,000	
Union Street/Market S/St Thomas's Road Mini Roundabouts and Zebra Crossings	114,000					114,000			114,000	
Recycling Bring Site Expansion	20,000	20,000		10,000	10,000	50,000			50,000	
<b>Total other projects</b>	<b>521,400</b>	<b>35,000</b>	<b>628,220</b>	<b>628,220</b>	<b>628,220</b>	<b>1,184,620</b>	<b>180,000</b>	<b>1,004,620</b>		
<b>Total Category C Pipeline Projects</b>	<b>1,617,390</b>	<b>35,000</b>	<b>628,220</b>	<b>628,220</b>	<b>628,220</b>	<b>2,280,610</b>	<b>562,100</b>	<b>1,718,510</b>		

<b>Use of S106 Resources - 2006/07 to 2009/10</b>			2006/07	2007/08	2008/09	2009/10	Total
Scheme	Purpose of S106	Estimate	Estimate	Estimate	Estimate	Estimate	2006/07 to 2009/10
		£	£	£	£	£	£
<b><u>Category A &amp; B Schemes</u></b>							
<b><u>Strategy Group</u></b>							
<b><u>Policy &amp; Performance</u></b>							
Contribution to Pitch Drainage Bishop Rawsthorne School	Recreation B	19,950					19,950
<b>Policy &amp; Performance Total</b>		<b>19,950</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,950</b>
<b>Strategy Group Total</b>		<b>19,950</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,950</b>
<b><u>Environment &amp; Community Challenge Group</u></b>							
<b><u>Development &amp; Regeneration</u></b>							
Eaves Green Link Road (S106 funded)	Transport A	4,519,650					4,519,650
Adlington Rail Station Improvements (S106 funded)	Transport B	7,500					7,500
Provision of Affordable Housing (S106 funded)	Housing B		79,720	122,900			202,620
<b>Development &amp; Regeneration Total</b>		<b>4,527,150</b>	<b>79,720</b>	<b>122,900</b>	<b>0</b>	<b>0</b>	<b>4,729,770</b>
<b><u>Streetscene, Neighbourhoods &amp; Environment</u></b>							
Tesco superstore cycle path (S106 funded)	Transport A	13,920					13,920
Euxton Play Facilities (S106 funded) - Mile Stone Meadow	Recreation A	50,780					50,780
Euxton Play Facilities (S106 funded) - Balshaw Lane	Recreation A	1,100					1,100
Transport Improvements (S106 funded)	Transport B	171,880					171,880
Highway improvements - Gillibrand estate/Southlands	Transport B	100,000					100,000
Harpers Lane Recreation Ground Imps (S106 funded)	Recreation B	30,000					30,000
Ulnes Walton Play/Leisure Schemes (S106 funded)	Recreation B	10,630					10,630
Adlington Play Development (S106 funded)	Recreation B	25,000					25,000
Play/Recreation Facilities (S106 funded)	Recreation B	22,880	15,000	19,630			57,510
<b>Streetscene, Neighbourhoods &amp; Environment Total</b>		<b>426,190</b>	<b>15,000</b>	<b>19,630</b>	<b>0</b>	<b>0</b>	<b>460,820</b>
<b><u>Use of S106 Resources - 2006/07 to 2009/10</u></b>							
Scheme	Purpose of S106	Estimate	Estimate	Estimate	Estimate	Estimate	Total
		£	£	£	£	£	2006/07 to 2009/10
		£	£	£	£	£	£
<b>Environment &amp; Community Challenge Group Total</b>		<b>4,953,340</b>	<b>94,720</b>	<b>142,530</b>	<b>0</b>	<b>0</b>	<b>5,190,590</b>
<b>Category A &amp; B Schemes Total</b>		<b>4,973,290</b>	<b>94,720</b>	<b>142,530</b>	<b>0</b>	<b>0</b>	<b>5,210,540</b>
<b><u>Category C Schemes</u></b>							
Community Benefit schemes (S106 funded)	Various	1,000,000					1,000,000
Affordable Housing S106 Commuted Sums	Housing		500,000	600,000			1,100,000
Play/Recreation Facilities (S106 funded)	Recreation				83,020		83,020
<b>Category C Schemes Total</b>		<b>1,000,000</b>	<b>500,000</b>	<b>600,000</b>	<b>83,020</b>	<b>0</b>	<b>2,183,020</b>
<b>Total Use of S106 Resources</b>		<b>5,973,290</b>	<b>594,720</b>	<b>742,530</b>	<b>83,020</b>	<b>0</b>	<b>7,393,560</b>

OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Kerbside Recycling – Service and Capacity Improvements</b></p>	<p>Provision of a recycling and refuse collection service, which meets our obligations under the Lancashire Waste Partnership Cost Share Agreement to deliver the Partnerships waste and recycling targets.</p>	<p><b>Ref B1</b> Vehicle Procurement - will provide response resource to missed recycling collections and returns to restricted access pickups.</p> <p><b>Ref B2</b> Vehicle procurement - Front line vehicles fully utilised on collection rounds</p> <p><b>Ref B3</b> Containers – provision of new and replacement garden waste wheeled bins will improve access to services and maintain/increase recycling rates</p>	<p>£132,000</p>	<p>2007/08 £3,330</p> <p>2008/09 £11,880</p>	

OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Common Bank (also known as Big Wood Reservoir)</b></p>	<p>The Council works in partnership with various external organisations like North West Development Agency, Lancs County Council and non-profit making organisations like Groundwork, on a variety of environmental enhancement schemes.</p> <p>REMADE is a NWDA funded scheme run by Lancashire County Council to tackle the problem of derelict, under-used and neglected (DUN) land in Lancashire. REMADE's aim is to help tackle regeneration priorities through the reclamation of large Brownfield sites for soft end uses like sports and recreation, nature reserves, food-growing projects, footpaths and cycleways. REMADE currently have 26 schemes in their programme throughout the County, including Common Bank.</p>	<ul style="list-style-type: none"> <li>• The objective of reducing DUN sites will mean a better place is provided to all residents in the Borough.</li> <li>• Providing an environment that is beneficial to health.</li> <li>• Providing an environment that is good for nature.</li> <li>• Attracting visitors from outside the Borough.</li> <li>• Increase external funds to value of approx £300,000+</li> <li>• For every £1 spent by Chorley BC, approximately £7 has been invested from external sources, for similar projects.</li> </ul> <p>* Capital costs funded by grant. Scheme requires minimum of 5 x £20,000 revenue maintenance expenditure.</p>	<p>*</p>	<p>2007/08</p> <p>*</p>	<p>2008/09</p> <p>*</p> <p>£20,000 p.a.</p>

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OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Warden Patrol Vans &amp; Digital Recorders</b></p>	<p>At the present time the Neighbourhood Warden service operate three high profile vehicles which are used on patrol addressing the problems of anti-social behaviour and targeting areas know as 'Hot Spots'.</p> <p>The main problem 'Hot Spot' areas are Chorley East, Chorley South West, Clayton Brook and Coppull. The Community Safety Strategy highlights these four areas as priority areas.</p> <p>Three vehicles, including the CCTV vehicle are fitted with VHS recording CCTV equipment presently using obsolescent video technology. These are used in gathering evidence of anti-social behaviour and capturing corroborative evidence of interactions with Wardens and identifying offenders who may already have anti-social behaviour orders restricting their activities. Our intention is to up-grade both Neighbourhood vehicles and the large mobile CCTV van, replacing the video recording technology with digital recording equipment. All the cameras themselves will be retained to maximise this investment.</p> <p>Our vehicles will be operational between 0900 - 2300hrs each day of the week. If staff witness anti-social behaviour or a crime whilst out on mobile patrol they can switch on the CCTV unit immediately to record evidence without it being a pre-planned operation. The digital up-grade will improve the picture quality, vital to produce evidence</p>	<p>This project links to the community strategy in the following ways:</p> <ul style="list-style-type: none"> <li>To secure sustainable reductions in crime and the fear of crime in local communities, reducing crime on the streets.</li> <li>Crime reduction - to reduce the number of domestic burglaries, anti social behaviour, youth issues and racially motivated crime.</li> <li>To assist in obtaining evidence of environmental crime – flyposting, graffiti and dumping.</li> <li>To make Chorley the place of choice to live, work and invest in the North West.</li> <li>The Crime and Disorder strategy states that consideration will be given to CCTV and other integrated crime prevention measures in residential areas. These mobile systems reach residential areas not yet covered by static CCTV.</li> </ul> <p>This project also aligns with our:</p> <ul style="list-style-type: none"> <li>continuous improvement obligations;</li> <li>crime and disorder partnership obligations;</li> <li>desire to offer an improved CCTV facility to outlying areas; and our</li> <li>obligation to maximise the utility of existing equipment.</li> </ul> <p>* No borrowing cost if scheme financed from S106 resources.</p>	<p>£13,100</p>	<p>2007/08 *</p>	<p>2008/09 *</p>

**OUTLINE BUSINESS CASES**

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>of identity and reduce the amount of storage required for video, up-date all the equipment to modern day standards making the systems compatible with the Borough Council CCTV Control Room. The video recording system is now obsolete the up-grade is evolving technology ready to accept future 'Bolt On's' as technology advances, such as GPS and GSM Connection to mobile phone.</p>				

OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Data Storage Solutions</b></p>	<p>After its staff, the Council's most important asset is its vast information resource. Access to, and the manipulation of, electronic information is now a basic necessity for the delivery of the Council's services. In order to meet the increasingly challenging demands of the Council's efficiency programme, greater and greater use is being made of technology which in turn places increased demands upon the delivery of accurate, up to date electronic information through an extended window of availability and additional, even mobile, points of access.</p> <p>As the Council embraces the efficiency agenda and delivers on its commitment to improve the accessibility of its services, the technology that will underpin that delivery must develop and keep pace with requirements. The existing storage solution is not adequate to provide the level of service or functionality required to meet these demands.</p> <p>The Council must also continually review its business continuity arrangements to ensure they continue to reflect the needs of the business. The Council has changed significantly since the purchase of the existing storage devices in early 2002. The effective resumption of services following an incident is a corporate priority and although extensive arrangements are in place to deal with prolonged incidents in terms of hardware and data, it is possible that the recovery will result in the loss of one day's data. Developments in technology now allow this to be addressed.</p> <p>Significantly, the company supplying the existing equipment went into liquidation in 2004. Since that time the equipment has been maintained by a company based in California. Although the service has met our needs on the few occasions</p>	<p>The Council's current network attached storage device was purchased in 2002. Since that time the Council has significantly developed the use of ICT resulting in a notable increase in both data storage requirements and data management functionality. The Council's current network attached storage units do not, in general, store application data and therefore application data is secured to tape on a nightly basis. This results in a large number of security procedures that are time-consuming to carry out and, in the event of an incident, time-consuming to restore. The restoration process can involve, as a worst case, the loss of a day's work as the system is restored to the previous state of business position. The implications of this scenario are that the time taken to enter the data in the first place is lost, as is the time taken to re-enter the data into the recovered system. Depending upon the system and the time at which the incident occurs (e.g. year end billing, elections), a service interruption of this kind could be significant. The Council should aim to implement a system that provides system snapshots at hourly or so intervals. This will minimise both data loss and the rework required to a return to an operational position. However, the Council currently operates a mixed Unix/Windows environment and the costs of accommodating both types of data could prove prohibitive. In this event, the Council should focus upon the storage of Windows data and retain current arrangements for the Unix environment. The Council's aim to standardise on a Windows environment will continue to reduce non-Windows systems over time.</p>	<p>£67,350</p>	<p>2007/08 £1,680</p>	<p>2008/09 onwards £4,210 p.a.</p>

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OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>we have required them, it is not considered a sustainable arrangement.</p> <p>For these reasons it is considered appropriate that the Council procure a new storage solution.</p> <p>The initial review of the market indicated a project cost of approx £180,000 to implement a solution. This would allow the implementation of a solution similar to one that is in place at Lancaster City Council. However, the high costs of the solution and the dynamic data storage market were considered grounds to review the solution given almost a year has passed since the solution was proposed. This review highlighted a new storage solution that offered the main elements of the previous solution at a significantly reduced price.</p> <p>The primary differences between the solutions are:</p> <ul style="list-style-type: none"> <li>The revised proposal is for a solution that can store Windows based data only. It cannot store legacy Unix data. Although this is a limitation, the Council's strategy is to standardise on the Microsoft operating system when replacing systems. The transfer of the Housing system will reduce our Unix applications to 2, the main remaining application being Revenues and Benefits.</li> <li>It will not be possible to restore email boxes on a box by box basis. The entire system must be restored to achieve this.</li> </ul>				



OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Enhanced Recycling Phase Three</b></p>	<p>Executive Cabinet have approved the Head of Environmental Services recommendation to extend the enhanced recycling service to the remaining 1500 households in the Borough that are currently classed as difficult access properties for the purposes of refuse and recycling collections. Council Minute 05/EC/146 refers.</p>	<p>Chorley is a leading recycling authority, having moved our recycling rate from 4% in 2001/2 to 40% (April to September) this year. In April 2005 we introduced an Enhanced Recycling Service that provides 96% of households with an alternate weekly refuse collection service and kerbside recycling service in line with the LWP Cost Share Agreement requirements.</p> <p>This has been achieved in large part through successful bids to the DEFRA Waste Challenge Fund for the capital procurement of recycling containers and specialist vehicles and by opting into the Lancashire Waste Partnership Cost Share Agreement which provides an income stream over and above the enhanced Recycling Credit Scheme.</p> <p>A commitment was made to extend this enhanced service to all households in the Borough as part of phase 2, but due to participation rates exceeding expectations in the initial phase the current fleet profile is now fully utilised. As part of a separate bid we are procuring additional vehicle capacity to accommodate increased participation and there is sufficient capacity to accommodate the remaining 4% of households in the Borough. Cleanaway have agreed to crew the vehicles to provide the service within the current contract value. In order to provide this service we need to procure the full suite of recycling containers for each household yet to be brought onto the scheme.</p> <p>This project meets our corporate priority to improve access to and take up of public services as well as developing the character of Chorley as a good place to live.</p>	<p>£26,000</p>	<p><b>2007/08</b> £650</p>	<p><b>2008/09</b> £2,340</p>

OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Recycling Bring Site Expansion</b></p>	<p>Despite kerbside recycling bring site recycling remains a key element of CBC recycling initiatives contributing circa 1500 tonnes of recycleate towards annual targets. Bring site recycling complements rather than competes with kerbside collection schemes.</p> <p>Recycling best practice recommends a density of recycling bring sites of 1 site per 800properties in order to maximise high recycling rates as demanded by government targets. The current site density is approximately 1 site per 3000 dwellings.</p> <p>There is a complete lack of bring sites in some existing settlements /areas in the Borough, and No land use provision made for bring sites in new developments such as Gillibrand and Buckshaw village, furthermore land use provision for this use is not mandatory, nor has been required as a planning condition (although this will change in the future with the adoption of new development standards).</p> <p>A number of attempts have been made to establish sites on both publicly owned and private land in the areas with known shortfall, however the lack of suitable ready made sites with landowner agreement or hardstanding, fencing and convenient vehicle access has prevented sites being established.</p> <p>This project seeks funding to secure land, and undertake groundworks to establish bring sites in a number of key areas in the Borough not currently provided with any bring site facilities.</p>	<p>In order to maintain our position as a lead authority we need to achieve the same recycling rate for newly built estates as we have for existing property. Bring site tonnages have been maintained despite the introduction of kerbside recycling.</p> <p>The bring sites provide an alternative destination for "unwilling" kerbside recyclers, and by doing so minimise the leakage of recycleate into the waste- for-disposal stream.</p> <p>The recycling rates are achieved with a combination of both kerbside recycling and bring site recycling. Though there has been considerable focus on kerbside recycling of late, the role of bring site recycling should not be overlooked.</p> <p>In absolute terms we need to increase participation in order to meet our recycling target of 56% by 2015.</p> <p>The Council's refuse &amp; recycling collection services are one of the first services encountered by new residents of the Borough, and the Buckshaw village development proclaimed as a sustainable community. For these reasons it is important that recycling services is a high priority in these developments.</p> <p>In order to provide equality of service provision throughout the borough bring sites need to be established in areas not currently served.</p>	<p>£10,000 per site</p> <p><b>2007/08</b> £20,000</p> <p><b>2008/09</b> £20,000</p> <p><b>2009/10</b> £10,000</p>	<p><b>2007/08</b> £500</p> <p><b>2008/09</b> £2,050</p> <p><b>2009/10</b> £4,220</p>	

**OUTLINE BUSINESS CASES**

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>The project also seeks funding to purchase specialist banks with a small footprint to be more easily incorporated into the existing townscape.</p>	<p>Some suitable locations have been identified within existing settlements however due to factors such as inappropriate surfacing, access; screening or unsuitability of banks have been dismissed. The investment in some / all of the above may be possible to establish sites, without the need for land purchase.</p>			

OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Union Street/Market Street/St Thomas's Road, Chorley Mini-Roundabouts and zebra crossings</b></p>	<p><b>TRAFFIC FLOWS/CONGESTION</b>                      The existing traffic signals installations near to the Town Hall were introduced when Market Street formed part of the main A6, linking Bolton to Preston. These signals use old technology which prevent the timings from being amended to suit the change in traffic flows. Consequently, at busy periods, excessive queues form on St Thomas's Road and Union Street. These queues seriously affect the movement of vehicles around the northern side of the town centre which includes the access to the Flat Iron Car Park. The proposed mini-roundabouts will increase capacity at these junctions and substantially reduce queue lengths.</p> <p><b>PEDESTRIAN SAFETY</b>                      There is a substantial demand from pedestrians to cross Union Street and St Thomas's Road near to their junctions with Market Street. The existing traffic signals do not have a red/green man facility and so pedestrians experience difficulties in judging when it is safe to cross. The two proposed zebra crossings will make it safer and more convenient to walk into the town centre from the north. Pedestrian access to the Town Hall and adjacent buildings will also be improved.</p> <p>Pedestrian safety will also be improved as a result of the increase in lighting levels that will be provided as part of the project. Studies have shown that improved lighting can assist in meeting crime reduction levels and the perception of crime in town centre areas.</p> <p><b>IMPROVED ENVIRONMENT</b>                      Market Street in front of the Town Hall is 5 lanes wide which is excessive for modern day traffic flows. The proposals will reallocate roadspace by reducing road widths and providing wider</p>	<p>Improved access to the town centre, especially for pedestrians and cyclists</p> <p>A reduction in the level of queuing traffic on St Thomas's Rd and Union St</p> <p>Improved access to the Flat Iron car park.</p> <p>Improved environment in this part of the town centre</p>	<p>£114,000</p>	<p>2007/08 £2,850</p> <p>2008/09 £10,260</p>	

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OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>footways and cycle lanes. Together with the zebra crossings the wider footways will provide a more pedestrian user friendly feel to this part of the town centre. The wider footway outside the front door to the Town Hall will provide opportunities to further enhance the area with seating, landscaping or an art feature.</p>				

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Hic Bibi Local Nature Reserve</b></p>	<p>Hic Bibi Local Nature Reserve is an 8-hectare site owned by Northern Venture Capital Limited. It has been leased for 999 years to Chorley Borough Council since 1999 when it was designated as a County Biological Heritage Site. The location is a former brick works and clay quarry site situated off Coppull Moor Lane near Chorley. The nature reserve was created on the site in 1997 when rubbish was cleared, paths and ponds created, and new planting, fences and stiles provided. The key habitats are species rich grasslands, ponds, scrub and mire. Chorley Borough Council and its partners Lancashire Wildlife Trust, Chorley and District Natural History Society, Coppull Parish Council and Lancashire County Council have managed the site since 1994 and it became a Local Nature Reserve in 2000. The site is very important for amphibians, birds, dragonflies and damselflies and mammals. Notable species include Stonewort, Reed Bunting, Black Darter Dragonfly, Water Voles, which are UK Priority Biodiversity species, and Great Crested Newts that are 'European Protected Species'. A five-year ecological management plan has been prepared for Chorley Borough Council running from April 2002 to March 2006. As part of the management plan the following ecological monitoring has taken place biannually to guide further site management.</p> <p>a) Recording and monitoring all ponds, amphibian populations and aquatic invertebrate to assess impact and guide to future management.</p> <p>b) Maintaining and enhancing hedgerows.</p> <p>c) Recording and monitoring invertebrate populations of dragonflies, damselflies and butterflies and to assess the impact of</p>	<p>Grassland management is a problematic issue at Hic Bibi. At present a relatively small number of compartments have been cut by strimming on an annual or rotational basis. Most of the species-rich compartments have not been subject to cutting due to many factors, such as ground topography, access issues and costs.</p> <p>It is now apparent that many of the species-rich grassland areas at Hic Bibi are under threat from processes of natural succession. In particular the following features and processes directly threaten the species-rich grasslands:</p> <ul style="list-style-type: none"> <li>Continued expansion and new colonization of scrub, particularly willow species and bramble. Multi-stemmed re-growth of previously cut scrub contributes to the problem, e.g. Compartment G23.</li> <li>Expansion of existing areas of tall ruderal herbs and areas of reed canary-grass, e.g. Compartments G17, G28, G26 and G25. In addition less desirable species seem to be more frequent within species-rich grassland compartments, e.g. increase in marsh thistle throughout the reserves grasslands, particularly within important grassland Compartments G14, G15, G16 and G24.</li> </ul> <p>There is a now an urgent need to address these management issues in order to safeguard the grasslands. The following recommendation is made to enhance the grassland habitats.</p> <ul style="list-style-type: none"> <li>Extensive scrub control and removal is needed. Cut scrub must be treated with stump killer herbicide to prevent re-growth. The locations and methods need to be</li> </ul>	<p>£28,094</p>	<p>2007/08 £700</p> <p>2008/09 £2,530</p>	

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>management. d) Monitoring changes in the structure of the site's vegetation</p> <p>Following site monitoring of grasslands and ponds in 2005, the Council's Ecological Consultant strongly recommended that ecological enhancement work be undertaken.</p>	<p>agreed with PENNINE Ecological to safeguard other interests including; birds and great crested newts.</p> <ul style="list-style-type: none"> <li>The creation of new ponds and ditches surrounded by scrapes cleared of vegetation. In particular this will include compartments where floristic interest is limited and / or some of the scrub compartments. Following vegetation removal, a series of multiple small ponds and linear ditches will be created surrounded by bare exposed clay substrates. The following areas of the reserve are considered particularly suitable for this. The area comprising Compartments G24 and G29, and, in particular G12 and part of W4. A new glade in Compartment W4 could be cleared of scrub in order to link Compartments G12 and G7. Other areas also need to be considered, although there are issues relating to both water voles and great crested newt. Evidence of significant water vole activity in the form of runs and feeding stations has been noted in terrestrial grassland compartments at considerable distances from ponds. In particular the area west of Ponds 3 and 4, including Compartments G17, G25, G14, G26 and G28 supports many signs of habitual use and dispersal from the ponds which are considered to be the main breeding locations.</li> <li>To carry out the methods outlined above there is a legal requirement to apply for a DEFRA Conservation licence due to the presence of the protected great crested newt. This is a costly exercise both in terms of applying for the licence and the production of associated method statements, and, not least, the implementation of protective</li> </ul>			

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
		<p>measures and terrestrial clearance of the species. In basic terms the areas affected by the vegetation clearance would initially need to be enclosed by temporary amphibian fencing. A number of pitfall traps would then need to be installed within the fenced compartments and checked on a daily basis until such time newts were deemed to have been cleared from the areas. The pond creation and vegetation clearance could then take place. The benefits of this scheme would be two fold. Firstly, the creation of extensive new breeding habitats for great crested newts, and secondly, the creation of new exposed clay substrates which will provide suitable conditions for the natural establishment of species-rich grasslands.</p> <p>The adoption of the above measures are considered essential to safeguard the sites intrinsic botanical interest. The adoption of the pond creation with scrapes will also enhance the sites value for amphibians. Although the amphibian status of the site is not considered to be threatened, it is noticeable that Ponds 1, 2 and 3 are becoming increasingly dry and have excessive vegetation colonization. In particular Pond 1 is now virtually dry throughout the year. The new ponds (<i>Ponds 3, 5 and 6</i>) created by Chorley Borough Council are without doubt the sites main breeding locations. Without the creation of Ponds 3, 5 and 6, the sites status for the species would now be significantly threatened.</p>			



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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Electronic Document &amp; Records Management System (EDRMS)</b></p>	<p>The amount of information in the form of electronic and paper files that the Council generates and has responsibility for has grown immeasurably in recent years. The introduction of desktop computers has prompted the growth of relatively unstructured personal information stores. The rate of growth shows no sign of abating. Recent statutory changes (Freedom Of Information Act, Data Protection Act, Re-use of Public Sector Information, etc) has increased the requirement for good record management practices over and above those dictated by normal good governance. Awareness of the problem is growing in local government and the wider public sector. Solutions, in the form of good practice (records management) and new technology (Electronic Document and Records Management Systems – EDRMS) are also becoming more widely adopted. These practices and systems will shortly become the norm in the public sector. The beginnings of this can be seen in the ODPM's e-Government Priority Outcome G19 – Information Management.</p> <p>Benefits to accrue from a corporate roll-out of EDRMS include improvements to information security and business continuity planning as well as reductions in physical storage requirements.</p> <p>In order to take advantage of these emerging practices and technologies, Chorley BC needs to grow its internal capability in these areas. These types of project are recognised as complex and high risk (ref. implementations at National Maritime Museum, Staffs CC Social Services, Department for Constitutional Affairs). These risks can be mitigated by taking a staged approach to implementation, as described below.</p>	<p><b>Ref No. B1</b> Improved record and information management contributing to improved customer service</p> <p><b>Ref No. B2</b> The building of internal skills in records and information management</p> <p><b>Ref No. B3</b> To make a significant contribution to the efficient use of staff/technologies, advocated by the Draft Corporate Strategy</p> <p><b>Ref No. B4</b> Improved record and document management will reduce the unnecessary retention of out of date information</p> <p><b>Ref No. B5</b> Records and information management expertise</p> <p><b>Ref No. B6</b> An integrated system that promotes data being held only once and electronic information being stored cost effectively in accordance with a Corporate File Plan</p> <p><b>Ref No. B7</b> Powerful search facility for quick access to information</p> <p><b>Ref No. B8</b> Lower procurement risk</p> <p><b>Ref No. B9</b> Lower Risk for any future corporate roll-out</p> <p><b>Ref No. B10</b> Improve records management processes</p>	<p>£54,310</p>	<p>2007/08 £1,360</p> <p>2008/09 £4,890</p>	

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>The outline business case for ED RMS was approved at the Efficiency &amp; Transformation Board on 13 October 2005 subject to it being amended to include estimated costs of a full rollout. In light of that decision, the approach taken in the Full Business Case was re-evaluated. The revised approach was to model the costs over a 5-year roll out, and also evaluate the project over a 7-year period to show the longer-term benefits. The pilot project was staged in such a way that a decision could be taken late in 2006, as part of the Capital Programme process, as to whether the project should continue into a full corporate roll-out (see appendix 1). At that point wider issues such as scanning, DIP compliance with DPA and interfaces with other applications would be addressed.</p> <p>Following further direction from the Efficiency and Transformation Board, the full business case will now concentrate exclusively on Development and Regeneration, to complement business process transformation in that area.</p> <p>Information management is increasingly seen as an essential tool for improvement sought in inspection regimes (Best Value, CPA etc). Please see the following references:</p> <p>An overview from the IDeA on the records management standard ISO 15489:  <a href="http://www.idea-knowledge.gov.uk/idk/aio/6556679">http://www.idea-knowledge.gov.uk/idk/aio/6556679</a></p> <p>A case study in the role of information management in the wider eGovernment agenda:  <a href="http://www.idea-knowledge.gov.uk/idk/aio/791174">http://www.idea-knowledge.gov.uk/idk/aio/791174</a></p> <p>This project is being sponsored by the Director of Legal Services in her role as Chair of the Information Management Group.</p> <p>This project, in as much as it is intended to lead to</p>				

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>a corporate implementation, will support the Council's strategic efforts in the following areas:</p> <p><b>Corporate Priorities for Improvement</b></p> <ul style="list-style-type: none"> <li>• <b>Serving our Customers Better</b> – improved record and information management will contribute to improved customer service.</li> <li>• <b>Investing in our Capacity to Deliver</b> – this pilot project will build internal skills in records and information management.</li> </ul> <p><b>Draft Chorley Corporate Strategy and Action Plan for 2006/7 to 2008/9:</b></p> <ul style="list-style-type: none"> <li>• <b>Section 3.2 – Strategic Focus</b> – This project will assist the Council's ambitions to "become highly responsive, able to work effectively with other organisations whilst being focussed and effective in the delivery of its own services".</li> <li>• <b>Section 3.2 – Operational efficiency</b> - This project can make a significant contribution to the efficient use of staff resources by the reduction of time requirement in information handling. (Five minutes per day saved by all members of staff will result in a 1% saving of staff time, leading to an improvement of services or a reduction in the use of agency staff). EDRMS is an example of the exploitation of new technologies, which this strategy is advocating to bring about operational efficiencies.</li> <li>• <b>Section 3.3 – Decision Making</b> – improved record and document management will facilitate evidence-based decision making through improved document sharing, version control, retention and security policies.</li> <li>• <b>Section 3.3 – Efficiency</b> – improved record and document management will reduce the unnecessary retention of out of date information, significantly reduce the</li> </ul>				

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>occurrence of multiple redundant copies and provide a trusted information repository.</p> <ul style="list-style-type: none"> <li>• <b>Section 3.4 – Performing and improving organisation</b> – this project will contribute towards improved unit performance and records management.</li> <li>• <b>Section 3.4 – High Quality Priority Services</b> – this project can lead to the provision of timely information resources to underpin “more efficient and responsive priority services”.</li> </ul> <p><b>Corporate Planning and Performance Management Framework</b></p> <ul style="list-style-type: none"> <li>• <b>Section 2.10 Structure of Business Plans</b> - The availability of internal records and information management expertise and systems could be incorporated into units’ business plans for improvement. A lack of these skills within the Council will possibly reduce units’ improvement opportunities.</li> </ul> <p><b>Customer Focused Access and Service Design Strategy</b></p> <ul style="list-style-type: none"> <li>• <b>Section 1.3 Encouraging self-service</b> – a greater level of confidence in document and record control can lead to more information being included in the Council’s Freedom of Information Act Publication Scheme. This in turn can lead to greater levels of self-service with the commensurate reductions in cost.</li> </ul> <p><b>ICT Strategy</b></p> <ul style="list-style-type: none"> <li>• <b>Section 1.22 Information Management</b> – integrated systems that promote data being held only once, electronic information being stored cost effectively in accordance with the Corporate File Plan.</li> </ul>				

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Specification, Procurement and Implementation of a Legal Case Management ICT</b></p>	<ul style="list-style-type: none"> <li>Chorley BC Legal Services unit provides legal services to all internal service units covering a wide variety of legal matters over hundreds of case files per year. The quality of this service is crucial to the Council's operations and reputation. The legal service is monitored by the Law Society through the Lexcel practice accreditation scheme. See <a href="http://www.lawsociety.org.uk/professional/practicesupport/lexcel.law">http://www.lawsociety.org.uk/professional/practicesupport/lexcel.law</a>. The scheme operates a three-year cycle (One full inspection followed by two maintenance visits). The next full inspection is due in September 2006. The 2005 maintenance inspection recognised many areas of good practice. However, the absence of a legal case management ICT system (LCMS) was found to be a serious matter of risk to the Council requiring urgent attention and may result in the Lexcel accreditation not being renewed.</li> <li>The Council's Legal Services unit has as a stated aim (Legal Services Unit – Business Plan 2005/6) to provide “an excellent and high quality legal service on a Best value basis to a high professional standard fully in accordance with the LEXCEL practice management standards and which helps ensure strategic direction and high standards for the Council”. The Legal Services Unit business plan risk assessment section has identified this issue as scoring 9/9 as an operational risk to the service.</li> </ul> <p>The full comment from the assessment report is as follows:</p> <p><i>“The assessor has some concerns regarding “Leftman” (the Authority’s software system) in so far as that it gives no clear-cut computerised control over the whole of the work being done. With this and parallel hard copy systems the Authority is at <b>risk</b> from the lack of transparent clear control over all of its files. This was</i></p>	<ul style="list-style-type: none"> <li>Improve legal services unit risk management</li> <li>Improve customer service</li> <li>Improve external cost recovery</li> <li>Improve efficiency of legal services unit</li> <li>Retail Lexcel accreditation</li> </ul>	<p>£31,746</p>	<p><b>2007/08</b> £800</p>	<p><b>2008/09</b> £2,860</p>

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p><i>discussed at last years feedback meeting but not noted due to the spread of files and the departments return to the Town Hall in December 2005. You may wish to give urgent attention to the provision to enhancing your control systems. The assessor is aware of the demands made on a small Authority but mentions this as an area where the Authority could expose itself to risk".</i></p> <p><b>Corporate Priorities for Improvement</b></p> <ul style="list-style-type: none"> <li>• <b>Serving our Customers Better</b> – improved case management will contribute to improved internal and external customer service.</li> <li>• <b>Investing in our Capacity to Deliver</b> – modern legal practice management systems contribute to efficiency and effectiveness. It will also improve the quality of evidence submitted to local courts.</li> </ul> <p><b><u>Draft Chorley Corporate Strategy and Action Plan for 2006/7 to 2008/9:</u></b></p> <ul style="list-style-type: none"> <li>• <b>Section 3.2 – Strategic Focus</b> – This project will assist the Council's ambitions to "become highly responsive, able to work effectively with other organisations whilst being focussed and effective in the delivery of its own services" by releasing legal expertise from administration to focus on provision of quality advice.</li> <li>• <b>Section 3.2 – Operational efficiency</b> - This project can make a significant contribution to the efficient use of scarce and expensive legal staff resources by bringing about operational efficiencies. An efficiency of at least 5% (20 minutes per day) is anticipated.</li> <li>• <b>Section 3.3 – Decision Making</b> – improved case management will improve the quality of legal advice provided to client officers.</li> <li>• <b>Section 3.4 – Performing and improving organisation</b> – this project will contribute towards improved unit performance.</li> <li>• <b>Section 3.4 – High Quality Priority Services</b> – effective and efficient legal services underpin many of the Council's efforts in economic regeneration (land and property dealing, s106 agreements etc)</li> </ul>				

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	and other community ambitions.				

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>HR Management Information Software System</b></p>	<p>The Human Resources (HR) Unit currently operates with the use of a very limited computerised HR Management Information (MI) System. All our employee records are manual, the production of MI is manual and the ability to manage MI is difficult, time consuming and costly. All statistics are produced on excel spreadsheets which again is time consuming, inefficient and is susceptible to human error. From a recruitment perspective the whole process of creating adverts, job descriptions, writing letters - invite to interview and unsuccessful, informing payroll of starters and leavers is very time consuming. This project has a clear impact on one of our key Corporate Priorities - 'Investing in our capacity to deliver'. It also impacts on our ability to 'serve our customers better'.</p> <p>Since August 2005 we have had access to Vision - the HR System used by Blackpool. This has enabled us to populate the employee database and also allowed us access to a small number of standard reports that we require for the production of management information. From an admin perspective the HR Administrator is now inputting basic starter and leaver information into Vision eliminating the errors encountered in payroll. In order to improve, and make our processes more efficient, as well as produce accurate and timely management information, we need to invest in an integrated system that will allow us this</p>	<p><b>Improvements to HR Processes</b></p> <p><u>Ref No. B1</u> Reduction of time spent on HR Recruitment Administration activities – such as writing invite to interview letters during the recruitment process</p> <p><u>Ref No. B2</u> More efficient and effective service to internal customers</p> <p><u>Ref No. B3</u> An integrated HR Software System that can be used by the whole HR Unit</p> <p><u>Ref No. B4</u> Automatic prompts that will identify sickness trigger points in the absence procedure</p> <p><u>Ref No. B5</u> A skills database to identify all employee skills which will assist the succession planning process and identifying skills during recruitment exercises Improve quality of Management Information</p> <p><u>Ref No. B6</u> Provision of relevant, accurate management information</p>	<p>£68,500</p>	<p><b>2007/08</b> £1,720</p>	<p><b>2008/09</b> £6,170</p>



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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>flexibility. We have taken the opportunity of investigating various 'partnering type' arrangements or bulk bargaining power with a couple of neighbouring local authorities. Flyde Borough Council also currently use Vision and are dissatisfied with their situation. South Ribble are looking at other HR Systems in order to develop the capability of achieving some of their aims for example – producing accurate management information. If such partnering arrangements were put in place, they would strengthen our relationships with other local authorities and improve relations with the local HR community. This would also provide the opportunity of a potential successful partnership as well as efficiency savings from the chosen supplier.</p>	<p><u>Ref No. B7</u> Automatic download of data required to complete BVPI statistics and other government statistics Ownership of HR System</p> <p><u>Ref No. B8</u> Complete control of an integrated HR software system to enable improvements in HR processes, and provision of management information</p>			

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Astley Hall CCTV</b></p>	<p>Astley Hall is a Grade II Listed Building set within Astley Park. The Hall stands relatively isolated and unprotected. There has been a history of regular vandalism to the Hall, particularly at school holiday times, and in the evenings when the building is unused. The average yearly bill for window repairs is around £7,000.00.</p> <p>Attempts to stem the problem have been taken in the past. These range from stepping up external security patrols in the summer, to resurfacing the drive to get rid of large stones etc, to repositioning the garden furniture at the frontage.</p> <p>The nature of the vandalism has been difficult to prevent. There are no regular patterns of occurrence, no set times and no standard profile of culprits. This has caused detection rates to be low, and incidents have not always been reported to the Police, causing the Hall to have a low policing priority in relation to Astley village's needs. Recently, the changes to the park, ie tree felling and the HLF refurbishment of the Coach House has caused the Hall to become more exposed to the public, with all the Hall's sides now open to passing park visitors.</p> <p>The lack of tree cover to the rear and side of the lake is now proving a real security problem, the increased access to the lakeside paths from Astley Village are now making the Hall more visible and thus attracting more potential vandals.</p>	<p>The projects benefits include:</p> <ul style="list-style-type: none"> <li>• reducing the vandalism costs to the Hall;</li> <li>• reducing the perception of crime/fear in the park;</li> <li>• encouraging more "safer" visitors in off-peak hours to the park;</li> <li>• encouraging older people's visits to the Hall, especially during the winter months;</li> <li>• Providing a safer experience to the Hall and park for residents and visitors.</li> </ul> <p>The benefits could be achieved through:</p> <ul style="list-style-type: none"> <li>• A Chorley Police linked CCTV system, provided by a single camera on a column to cover the Hall.</li> </ul> <p>This would need to be located on advice from a security firm, and be maintained as part of the Council's ongoing CCTV maintenance contract.</p> <p>There is capacity for 24/7 monitoring at the Police Station, costs for monitoring fees need to be determined between Directorates. A power supply would need to be installed at the located site.</p> <p>* Borrowing costs would be nil if financed with S106 resources.</p>	<p>£24,000</p>	<p>2007/08 *</p>	<p>2008/09 *</p>

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>The Hall's listed building status severely limits the type of windows and protection that the Hall can use.</p>				

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Grant towards a Community Centre in Eccleston</b></p>	<p>£150,000 has been in the capital programme for 3 years earmarked for a community centre project in Eccleston. The project has been well documented in the local media. This is a grant towards the scheme and has always been conditional upon the local community raising match funding from other sources. The Council has provided technical support to the community group. This support has included the Council attempting to purchase land on the groups behalf. The Group were not successful in securing their preferred site at St Mary's Village Hall. This land is now in the ownership of a developer and it is unlikely that it will be used for a village hall project. Initially, the group did commission a feasibility study that identified 4 sites. The group are currently revisiting those sites and still wish to see a community centre in Eccleston. However, at this moment in time they have no firm proposals to take this project forward.</p>	<p>The project involves an offer of grant of £150,000 to a community group which will allow them to apply for match funding from external sources to deliver a community centre in Eccleston. The revenue implications will be picked up by the community group and there will be no financial contribution from Chorley Borough Council. The benefits of the project would be a new community resource in a rural area that would provide a catalyst for a whole range of community activities.</p>	<p>£150,000</p>	<p><b>2007/08</b> £3,750</p> <p><b>2008/09</b> £13,500</p>	

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**OUTLINE BUSINESS CASES**

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Grants Scheme for Village Halls and Community Centres</b></p>	<p>This project aims to establish a grant scheme to support the development of village halls and community centres projects across the borough. We currently have a request from a group in Croston for a financial contribution of £30,000 towards a community centre project in their locality. Over the past 2 years we have received similar requests from 4 other projects asking whether we have such funding available. The funding would allow the groups to seek external funding from other sources for example, National Lottery. There would be clear criteria for the funding and any financial support would be on the basis that there would be no revenue implications for Chorley Borough Council.</p>	<p>The project aims to develop a grant scheme for voluntarily run village halls and community centres. The intention is that this would lever in external funds to the borough. The centres, when developed, would act as a catalyst for a whole range of community activities in the local area.</p>	<p>£120,000</p>	<p><b>2007/08</b> £3,000</p> <p><b>2008/09</b> £10,800</p>	

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Brinscall Swimming Pool – Phase 1 Refurbishment</b></p>	<p>Brinscall Swimming Pool is nearly 100 years old. During this time there have been various repairs and refurbishments made to the building to ensure that it has remained operational for such a long time. At this moment in time, there is a requirement to do an initial phase of refurbishment works to ensure that the pool remains fit for purpose for the foreseeable future and also meets the statutory requirements of the Disability Discrimination Act.</p>	<p>This initial phase of capital works at Brinscall Swimming Pool will ensure that the building remains fit for purpose for the foreseeable future and meets the statutory requirements of the Disability Discrimination Act. The benefits of the work will be that the pool will remain in operation and provide a sporting amenity for the 50,000+ users who currently visit the pool. There are a number of benefits arising from this project, for example, improving access to services for children and young people and older people and improving the health and well being of users; all of these outcomes appear within the Corporate Strategy Overview 2006/07 to 2008/09.</p>	<p>£190,000</p>	<p><b>2007/08</b> £4,750</p>	<p><b>2008/09</b> £17,100</p>

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Tree Management</b></p>	<p>This proposal forms part of the Director of Streetscene, Neighbourhoods and Environment's technology gain programme and is part of a set of proposals that provide a base of information in GIS to be used for inventory and inspection purposes as well as for work records, customer service access to information and public access to certain information via the internet. A diagrammatic representation of the proposals in part is attached.</p> <p>The Council has no inventory and, therefore, no documented inspection system for the trees on the land in its ownership. Public liability issues and the risk of consequences such as corporate manslaughter may only be defended against by means of properly conducted and documented systems.</p> <p>The County Council is prepared to allow the Council to continue to act as client for highway trees within the urban core. This would require appropriate systems to be in place. LCC will shortly be able to make GIS data available to us for this purpose. The net income from this would be of the order of £2,500 per annum.</p> <p>Bespoke software systems have been evaluated. The cost of such a system would be of the order of £17,000 to £20,000 depending on functionality. Given the cost of data collection this is considered to be too expensive, compared with the alternative of</p>	<p>The solution proposed utilises software and technology already in use within the Council. Staff are sufficiently experienced in the various elements of the project.</p> <p>Unless the project is implemented the Council will be open to claims or prosecution in respect of damage or injury caused by poorly maintained trees.</p> <p>If the project is implemented the Council can act as agent for LCC on urban core highway trees, which will generate income of the order of £2,500 per annum.</p> <p>Less input for same output: The documentation of work instructions will be more efficient and will be specific to an identifiable tree. The system will largely eliminate site visits to ascertain the precise location and, therefore, ownership of trees that are the subject of requests for service. This would equate to 6 to 10 visits per week – say 1.5 days at Scale 6 or above. This equates to between £5,620 and £9,900 non cashable, productive time efficiencies per annum.</p> <p>The system will be linked, manually at first, to the administration of requests for service in FLARE. This will minimise the manual administration tasks and make information available to back office and customer service staff.</p>	<p>£15,290</p>	<p><b>2007/08</b> £380</p>	<p><b>2008/09</b> £1,380</p>

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Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
	<p>establishing this as a GIS/mobile working application using current CBC systems with GPS enabled PDA's.</p> <p>The cost of the data collection exercise for CBC trees is estimated at £8,000 and any additional requirement could be met from existing staff and voluntary resources if the systems in this work package are approved.</p> <p>The proposal set out below will establish a satisfactory system using ArcView, MS Access and mobile facilities. This will enable staff and volunteer Tree Wardens to edit and utilise the data.</p>				



OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Cemetery Development</b></p>	<p>The remaining unused areas of Chorley Cemetery include significant areas that are impossible to access without significant surface damage by plant and vehicles. Some areas currently in use have similar problems. Areas for burials of Church of England persons are becoming full faster than others and an undeveloped area for Roman Catholic burials needs to be split to accommodate further Church of England capacity.</p> <p>In order to operate the cemetery and maintain it in a reasonable condition and to increase the remaining capacity for Church of England burials it will be necessary to carry out:</p> <ul style="list-style-type: none"> <li>The construction of an additional roadway</li> <li>The construction of additional paths</li> <li>The construction of some new soil storage/hardstanding</li> <li>Drainage associated with the new works</li> <li>Remedial drainage to currently used soft areas</li> </ul> <p>Capacity is not an immediate issue. However, it is desirable to allow the land to dry out with better drainage before burials take place. The project can be carried out over two financial years 2007/08 and 2008/09 which would allow CofE burials in the drained areas by 2011, when CofE capacity elsewhere in the cemetery would be effectively exhausted.</p>	<p>The proposal will reduce the need for reinstatement of soft areas that have been accessed by plant for grave-digging /backfilling. Reduced input.</p>	<p>£13,000</p>	<p><b>2007/08</b> £330</p> <p><b>2008/09</b> £1,170</p>	

OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Corporate Play Development Plan – Year Five – Project: Chorley Moor</b></p>	<p>This is the final scheme to be delivered as part of the existing five-year plan for play area improvements. In the previous four years this plan has delivered significant play opportunities for the young people of the borough, removed unsafe or potentially hazardous facilities from public use and engaged the community in several rounds of consultation to ensure the most appropriate play structures have been provided.</p> <p>For this particular case there is an identified need to replace existing equipment that caters for a specific age group within a localised pocket of deprivation around Chorley Moor, otherwise known as Buttermere Green. This proposal would, if approved, compliment further developments being provided by housing developers within the community. The need for this proposal has been identified through a colleague in tenant participation, and also by engaging the young people of the area.</p>	<p>There has been an intention to replace the existing play area on Chorley Moor for some time. Existing equipment has become vandalised and no longer fit for purpose. As a result young children are choosing to “play” elsewhere in places and situations that are unsuitable.</p> <p>Alongside the above points nearby housing developments have provided funding for substantial new attractions that will be located alongside the council's existing play area. This will serve to further highlight the condition of the current site.</p> <p>In order for local children of all ages to have safe, quality places to play it is necessary for this scheme to be provided. By offering this play area it is anticipated that many of the anti-social problems being experienced by nearby householders will be reduced.</p> <p>Alongside offering a safe, quality play environment, adding pieces for smaller children will offer social benefits and bring together all the young people of a community. Also, by establishing a central point for interaction it is possible to offer outreach work by local youth workers (something that has been launched with some success during 2006).</p> <p>With the appropriate permissions granted, facilities for older children will be in place before the end of the current financial year and it would be of benefit to all parties if</p>	<p>£50,000</p>	<p><b>2007/08</b> £1,250</p>	<p><b>2008/09</b> £4,500</p>

CAPITAL PROGRAMME 2007/08

OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
		<p>council developments could be achieved at the same time.</p> <p>In SMART terms the anticipated benefits of this scheme are as follows:</p> <p><b>Specific</b> – Providing safe quality play opportunities for the young children of Chorley Moor</p> <p><b>Measurable</b> – Reduced levels of anti-social behaviour, increased levels of satisfaction amongst local residents of all ages</p> <p><b>Achievable</b> – Benefits can be delivered immediately following completion of scheme</p> <p><b>Realistic</b> – All objectives can be achieved on time, within budget and satisfy all expectations</p> <p><b>Time</b> – Objectives to be obtained on completion of scheme</p>			

OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Delivering the Town Centre Strategy</b></p>	<p>The Council has recently approved the Town Centre Strategy. In that strategy reference was made to the need to regenerate the Town Centre through both developing the retail offer but also making improvements to the public realm.</p> <p>Whilst still in development, details were included in the strategy about areas that required attention namely:</p> <ul style="list-style-type: none"> <li>• Identify and reinforce local distinctiveness</li> <li>• Facilitating improvements to shop fronts and buildings</li> <li>• Develop a programme of works to the public realm</li> </ul> <p>An opportunity exists to bid for funding to the Heritage Lottery fund in particular the Townscape Heritage Initiative where money is available to fund public realm improvements.</p> <p>St Georges Street is currently a conservation area, which will improve the Council's chances of success in any lottery fund bid.</p> <p>Initially the funding will be used as match funding but in the event of an unsuccessful bid alternative proposals would be developed.</p>	<p>The main benefit of the scheme is that in particular it would contribute to the Council's overall long term outcome of having a thriving Chorley Town Centre.</p> <p>Contributing to the key target of increasing Town Centre visitors.</p> <p>* No borrowing costs if scheme financed with LABGI grant.</p>	<p>£100,000</p>	<p>2007/08 *</p>	<p>2008/09 *</p>

OUTLINE BUSINESS CASES

Scheme	Description	Scheme Benefits	Capital Costs	Borrowing Costs	Revenue Costs
<p><b>Pump priming the local Public Service Board and Area Forums</b></p>	<p>This bid is designed to demonstrate to those working with the Council that we are serious about our Community Leadership role.</p> <p>The Council has verbally approved new approaches to hold both the LPSB and Area Forums designed to invigorate the interaction the Council has locally.</p> <p>The recent White Paper and the Use of Resources criteria clearly expect that the Council can demonstrate it is prepared to commit resources at a local level.</p> <p>Withy any embryonic scheme, resourcing is always an issue and the intention with the Local Public Service Board would be to look to use the cash as leverage against other Partner contributions whilst the Area Forums would be used to demonstrate that decisions about some elements of resourcing can be made at a local level.</p>	<p>Benefits of the scheme include:</p> <ul style="list-style-type: none"> <li>Resourcing the contributions the Council has made in terms of developing Partnership working.</li> <li>Demonstrating the Council's contribution to decision making at a local level.</li> </ul> <p>In terms of the Corporate Strategy the scheme would contribute to a number of key long term outcomes including:</p> <ul style="list-style-type: none"> <li>Involving people in decision making</li> <li>Demonstrating the Council's Community Leadership role and helping to strengthen the LPSB.</li> </ul> <p>* No borrowing costs if schemes financed with LPSA1 resources.</p>	<p>£100,000</p>	<p>2007/08 * 2008/09 *</p>	

Appendix 4

**CAPITAL PROGRAMME 2007/08**

**OUTLINE BUSINESS CASES**

Report of	Meeting	Date
Director of Finance	Overview and Scrutiny	4 December 2006

## REVENUE BUDGET MONITORING 2006/07 - REPORT 4 (END OF OCTOBER 2006)

### PURPOSE OF REPORT

1. This paper sets out the current financial position of the Council as compared against the budgets and efficiency savings targets it set itself for 2006/07 for the General Fund and the Housing Revenue Account.

### CORPORATE PRIORITIES

2. This report does not directly relate to the corporate priorities.

### RISK ISSUES

3. 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	

4. Actions to manage the budget have the potential to impact on all of the above risk categories.

### BACKGROUND

5. The Council's budget for 2006/07 included real cash savings targets of £278,000 from the management of the establishment and a further £60,000 of savings to come from efficiency and procurement related activities.

### CURRENT FORECAST POSITION

6. The appendix 1 shows the summary forecast position for the Council based upon actual spending to the end of August, adjusted for future spending based upon assumptions regarding vacancies and service delivery. No individual service unit figures are attached. These are available for inspection in the Members Room.
7. In my last report I advised on the projected outturn which forecast an overspend of £170,000, This position has since changed and the current projection is now for an overspend of £67,000.

8. The latest forecast shows how the position has changed. The significant movements since my last report are shown in the table below, further details are contained in the service unit analysis available in the members room:

**Table 1 – Significant Variations since the last monitoring report**

	<b>£'000</b>
Additional salary savings in forecast	(131)
Planning Application Fee income	(25)
Income from Friday Street Depot	(14)
Concessionary Travel	35
Benefits payments	25
Net Financing Costs	25
Other minor forecasts	(18)
Net change since June report	<u>(103)</u>

9. Clearly the most significant change being reported here is the additional savings relating to salaries. This is further analysed as £72k from HR, £47k from Stock Transfer and £12k from other areas.
10. The savings from HR are as a result of two particular initiatives being quantified. Firstly the impact of transferring our Health & Safety Function to a third party provider has generated £42k in establishment savings. Additionally, the secondment of a Senior HR advisor to South Ribble Borough Council has generated an income of £30k.
11. Income from planning applications is forecasted to increase by £25k over previous estimates. The majority of this is due to a single application at the end of September of approximately £16k that was not previously forecasted. The additional income will be a significant contribution towards the recovery plan of Development & Regeneration.
12. The delay in disposing of the Friday Street depot continues to generate additional rental income for the council that was not included in the current budget. The current forecast for this year is £14k. The disposal to the PCT is expected to be completed by the end of December 2006.
13. In my previous report I advised members that a significant lack of information flowing from LCC regarding concessionary travel has meant it was impossible to predict the level of any potential overspend on this budget. We have now been given some data regarding actual costs incurred in the first part of the year and as a result I am expecting the overspend on concessionary travel to be in the region of £35k.
14. In order to try to put this into perspective, this would mean that costs for this year would be in the region of £549k compared to £217k in 2005/06. There are potentially a number of policy decisions that may need to be taken around the viability of continuing the current level of service, especially if we take into account likely activity of other districts within the NoWCard scheme and a summary of the current position is appended at Appendix 3.
15. Following on from previous reports in which I have advised of the volatility of the housing benefits budget and the potential to impact on the revenue outturn, I feel it is prudent at this stage to increase the forecasted overspend by a further £25k to £75k.
16. There are some steps that can be taken to reduce this level of overspend including reviewing the level of the provision for bad debts on overpayments. This review is normally conducted at the end of each financial year and takes into account the success of our recovery procedures in ensuring overpayments are repaid to the council. Taking into account such factors I have currently included an estimate of £75k as an overspend, but should information come to light that requires this figure to be amended, I will report back to the cabinet at that time.



17. The forecast for the net cost of financing has also increased by £25k to the end of the year. This is as a result of lower than anticipated investment income due to lower cash balances than were originally budgeted. The reduction in council house sales is one of the main factors in the reduced level of cash balances.
18. As part of the stock transfer process we have applied for section 25 consent to allow us to include costs relating to officer time being spent on the process to be included within the post ballot transfer costs. Current estimations are that the value of such will be in the region of £47k. As soon as confirmation is received as to whether consent has been granted I will report back to the cabinet.

## **HOUSING REVENUE ACCOUNT**

19. The forecast for the HRA at the end of 2005/06 was for balances to be at £534k, however the actual outturn position resulted in a higher than expected contribution to balances taking them to £592k.
20. In the last report balances were forecast to be in the region of £833k at the end of the year. This position has now improved and the forecast is for balances to increase to £973k.
21. The biggest single change is the inclusion in the estimates of the "Rent Constraint Allowance" totalling £90k. This is additional subsidy to compensate for the rent income lost as a result of the 5% limit on rent increases in April 2006. Provision has also been made for the financial consequences of the stock transfer, which it is assumed will happen on 26th March 2007.
22. There is also the likelihood of an unbudgeted deficit on the Service Group Trading account. A provision of £50k has been made. Every effort will be made to mitigate or avoid this loss.

## **SUMMARY**

23. Progress continues to be made towards the Corporate Savings Target of £278,000 for the year. Further savings will be made as the year progresses and more vacancies occur. However there appear to be a number of cost pressures building that indicate that limited action is now required.
24. In order to ensure that the Council's spending target is achieved we will now embark on a period of intense monitoring to ensure that as the year progresses the budget is balanced. This is common practice and has historically been sufficient in ensuring the budget is balanced.
25. There are a number of areas that will be monitored closely as the year progresses, these are:
  - Contribution to Corporate Savings and Efficiency Targets
  - Confirmation of S25 approval for post ballot costs relating to officer time.
  - Agency Staff costs
  - Income streams from Development & Regeneration and associated recovery plan
  - Increased refuse collection costs
  - Concessionary travel and benefit costs

## **RECOMMENDATIONS**

- 26. Executive Cabinet are asked to:
  - a) Note the contents of the report.

**REASONS FOR RECOMMENDATIONS  
(If the recommendations are accepted)**

- 27. To ensure the Council’s budgetary targets are achieved.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

- 28. None

GARY HALL  
DIRECTOR OF FINANCE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Dave Bond	5488	Sept 2006	ADMINREP/REPORT

APPENDIX 1

General Fund Revenue Budget Monitoring 2006/07  
Forecast Outturn as at October 2006

	(1) Original Budget £	(2) Agreed Changes £	(3) Original Cash Budget £	(4) Contribution to Corp. Savings (Staffing) £	(4) Contribution to Corp. Savings (Other) £	(5) Current Cash Budget £	(6) Forecast Outturn £	(7) Variance £	(8) Variance %
Chief Executive's Office	966,090	39,570	1,005,660	(102,120)	(1,370)	902,170	902,170	-	0.00%
Customer, Democratic & Legal Services	2,105,500	(8,390)	2,097,110	(740)	(5,000)	2,091,370	2,129,370	38,000	1.82%
Development & Regeneration	890,980	(19,530)	871,450	(30,000)	(1,110)	840,340	826,720	(13,620)	-1.62%
Finance	1,481,380	3,250	1,484,630	(37,030)	(72,110)	1,375,490	1,372,490	(3,000)	-0.22%
Human Resources	697,140	11,510	708,650	(9,000)	(250)	708,400	668,400	(40,000)	-5.65%
Information & Communication Technology Services	939,560	53,500	993,060	(9,000)	-	984,060	989,060	5,000	0.51%
Leisure & Cultural Services	1,197,010	32,250	1,229,260	(18,740)	(370)	1,228,890	1,256,890	28,000	2.28%
Policy & Performance	534,680	(22,910)	511,770	-	-	493,030	493,030	-	0.00%
Property Services	35,010	(18,150)	16,860	-	-	16,860	17,860	1,000	5.93%
Streetscene, Neighbourhoods & Environment	4,696,680	61,630	4,758,310	(70,720)	(220)	4,687,370	4,747,370	60,000	1.28%
Budgets Excluded from Finance Unit Monitoring:									
Benefit Payments	(381,050)		(381,050)			(381,050)	(306,050)	75,000	-19.68%
Concessionary Fares	513,250		513,250			513,250	550,470	37,220	7.25%
Pensions Account	212,730		212,730			212,730	212,730	-	0.00%
Stock Transfer Post Ballot	-	1,345,650	1,345,650			1,345,650	1,298,590	(47,060)	-3.50%
<b>Corporate Savings Targets</b>									
Efficiency/Other Savings	(60,000)		(60,000)		80,430	20,430	-	(20,430)	-100.00%
Management of Establishment	(278,050)		(278,050)	268,350		(9,700)	-	9,700	-100.00%
<b>Total Service Expenditure</b>	<b>13,888,960</b>	<b>1,140,330</b>	<b>15,029,290</b>	<b>-</b>	<b>-</b>	<b>15,029,290</b>	<b>15,159,100</b>	<b>129,810</b>	<b>0.9%</b>
<b>Non Service Expenditure</b>									
Contingency Fund	100,000		100,000			100,000	-	(100,000)	0.0%
Contingency - Salary Related Savings	(278,050)	278,050	-			-	-	-	0.0%
Contingency - Procurement Savings	(35,000)	35,000	-			-	-	-	0.0%
Contingency - Gershon Savings	(25,000)	25,000	-			-	-	-	0.0%
Notional Capital Charges	1,168,670	6,360,330	7,529,000			7,529,000	7,529,000	-	0.0%
Revenue Contribution to Capital	-	166,170	166,170			166,170	166,170	-	0.0%
Net Financing Transactions	219,210	40,000	259,210			259,210	296,970	37,760	14.6%
Parish Precepts	535,399		535,399			535,399	535,399	-	0.0%
<b>Total Non Service Expenditure</b>	<b>1,685,229</b>	<b>6,904,550</b>	<b>8,589,779</b>	<b>-</b>	<b>-</b>	<b>8,589,779</b>	<b>8,527,539</b>	<b>(62,240)</b>	<b>-0.7%</b>
<b>Financed By</b>									
Council Tax	(6,495,201)		(6,495,201)			(6,495,201)	(6,495,201)	-	0.0%
Aggregate External Finance	(7,743,127)		(7,743,127)			(7,743,127)	(7,743,127)	-	0.0%
Collection Fund Surplus	(48,561)		(48,561)			(48,561)	(48,561)	-	0.0%
Use of Earmarked Reserves - deferred charges	(1,167,670)	(6,360,330)	(7,528,000)			(7,528,000)	(7,528,000)	-	0.0%
Use of Earmarked Reserves - capital financing	-	(166,670)	(166,670)			(166,670)	(166,670)	-	0.0%
Use of Earmarked Reserves - revenue expenditure	(120,000)	(172,910)	(292,910)			(292,910)	(292,910)	-	0.0%
Use of General Balances - Stock Transfer	-	(1,345,650)	(1,345,650)			(1,345,650)	(1,345,650)	-	0.0%
Contribution to or use of General Balances	370	680	1,050			1,050	-	(1,050)	0.0%
<b>Total Financing</b>	<b>(15,574,189)</b>	<b>(8,044,880)</b>	<b>(23,619,069)</b>	<b>-</b>	<b>-</b>	<b>(23,619,069)</b>	<b>(23,620,119)</b>	<b>(1,050)</b>	<b>0.0%</b>
<b>Net Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,520</b>	<b>66,520</b>	<b>0.44%</b>

General Balances Summary Position	Budget £	Forecast £
General Fund Balance at 1.4.06	1,000,000	1,000,000
Forecast (Over)/Under Spend	-	(66,520)
<b>Forecast General Fund Balance at 31.07</b>	<b>1,000,000</b>	<b>933,480</b>

**SERVICE LEVEL BUDGET MONITORING 2006/2007****HOUSING REVENUE ACCOUNT**

OCTOBER 2006

**SURPLUS (-) FOR YEAR AS PER JUNE MONITORING REPORT** (241)  
**BALANCE AS AT 1.4.06** (592)

**Add Adjustments for In year cash movements**

Slippage from 2005/2006  
 Virements for other Services  
 Transfer from contingency

Cabinet approved decisions  
 Delegated Authority decisions

**ADJUSTED HRA BALANCES EXPECTED at 31.3.07** **(833)**

**FORECAST****EXPENDITURE**

Cost savings following 26/3/07 transfer (5 days)	(52)	
Pre ballot consultation costs in excess of budget	35	
Valuation fee for the revaluation of the housing stock	24	
Salaries, NI and superannuation	(36)	
Gas	11	
Bus passes	8	
Other costs	32	
Capital charges - adjustment re deferred charges	(8)	
Service Group - Provision for deficit on building maintenance	50	
		64

**INCOME**

Rents - reduction in voids	(17)	
Garages and service charges	(10)	
Rents and service charges - income reduction following 26/3/07 transfer (5 days)	114	
Subsidy and Major Repairs adjustment		
change in assumed interest rate (4.25% to 4.94%)	(59)	
change in dwelling numbers for subsidy purposes	(131)	
Rent Constraint Allowance (compensation for 5% rent increase restriction)	(90)	
other subsidy changes	(11)	
Income under (+)/ over (-) achieved		(204)

**FORECAST BALANCES AS AT 31.3.07** **(973)**

**Key Assumptions****Key Issues/Variables**

Repairs and Maint expenditure  
 Management and Maint Expenditure

**Key Actions**

Control of above



Report of	Meeting	Date
Director of Finance	Overview and Scrutiny Committee	4 December 2006

## **CURRENT POSITION OF CONCESSIONARY TRAVEL SCHEME WITHIN CHORLEY BOROUGH**

### **PURPOSE OF REPORT**

1. To update members on the impact of concessionary travel on the general fund budget.
2. To highlight for members decisions that will need to be taken in the near future.

### **CORPORATE PRIORITIES**

3. This report does not directly relate to the corporate priorities.

### **RISK ISSUES**

4. 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	

5. Actions to manage the budget have the potential to impact on all the above risk categories.

### **BACKGROUND**

6. In my last report to members in January I presented the options available for the provision of concessionary travel for residents of the borough.
7. Members decided to approve the adoption of the concessionary travel scheme as recommended by the Concessionary Travel Working Group (CTWG) and Lancashire Chief Financial Officers (LCFO's).
8. The approved scheme is significantly better for concessionaires than that required by statute, and details of the differences are shown in table 1.

<b>Table 1. Features of concessionary Travel Scheme</b>	
<b>Statutory Minimum</b>	<b>Approved Scheme</b>
No Concessions before 9:30am weekdays	Half fare travel before 9:30am on weekdays
Free travel within district 9:30am to 11:00pm weekdays	Free travel within district 9:30am to 11:00pm weekdays
No concessions at weekends or bank holidays	Free travel within district all day on weekends and bank holidays.
No concessions for travel outside District Boundary	<p>Journeys starting within Chorley and ending in another NowCard district will be free to the boundary of Chorley and then half fare for the remainder of the journey. *</p> <p>Journeys starting and ending anywhere in the NowCard area, but wholly outside the boundary of Chorley will be at half fare.</p> <p>Both of the above concessions are available at weekends and bank holidays.</p>
Applies only to travel on buses.	NowCard scheme includes other forms of public transport within the area including Blackpool Tramway, Knott End Ferry and Community Transport within each district.
<p>* Due to difficulties in software programming for ticket machines, a 'flat fare' of 50p was introduced for journeys starting or finishing within a concessionaire's home district and staying within the NowCard area. This was intended to be an introductory offer, but is still in force due to technical difficulties.</p>	

9. In order to simplify administration, the scheme is managed centrally by LCC who collect data from Travel Operators, make payments to operators on our behalf and invoice the district for the costs incurred. Currently we are not charged by LCC for the administration services.
10. Statutory requirements mean that the scheme to be operated by each Travel Concessionary Authority (TCA), of which Chorley is one, need to be formally notified to Transport Operators in draft by 1st December, and formally agreed by 1st March each year.

**CURRENT POSITION**

11. Our budgetary assumptions for the 2006/07 budget were that concessionary travel would increase much more than predicted by the travel consultants TAS who prepared a report on increased demand for the CTWG. Accordingly we increased our budget for concessionary travel to £514k from £217k in the previous year. Current forecasts are that the actual cost will be £553k by the end of the year.

12. One reason for the increased cost is due to delays in the introduction of smart card technology by transport operators. As referred to in table 1 above, it was anticipated that the 50 pence flat fare for travel starting or finishing within a concessionaires' district would only be in place for a short period (6 weeks was the original estimate). However, 7 months in to the scheme, current estimates are that full roll out of smart technology will not be until April 2007.
13. The most significant impact that is expected following the introduction of smart transactions is an increase in costs to Chorley based on more accurate allocation of costs to districts. At present the total costs of concessionary travel is distributed on the basis of historical data on passenger movement. As smart technology is not in place we do not actually know where concessionaires are travelling to and the costs involved once they leave their district. The passenger survey on which this allocation is based is a number of years old already, and there are real concerns that changes in demographics will mean that Chorley's costs will increase while other areas decrease.
14. As noted above, a significant part of the current scheme is administered by LCC and they do not currently charge districts for the costs incurred. Their estimates for continuing to provide their services for 2007/08 is £282k, of which Chorley's share would be £17k.
15. LCC have started discussions with the districts, via the CTWG, to implement a Service Level Agreement (SLA) whereby districts will pay their share of the administrative costs in return for a guaranteed level of service. At present discussions are in a very early stage, but members need to be aware of the implications, including an increase in the cash cost for next year.
16. The LCFO's have also formed a subgroup to look at concessionary travel with a specific remit of looking at ways to reduce cost to the districts whilst maintaining service quality.
17. The LCFO's have asked for a number of issues to be investigated, namely:
  - a) Banding flat fares (i.e. a range of flat fare depending on value of journey being taken)
  - b) Withdrawing the flat fare scheme from long distance (inter-urban) express services
  - c) A general increase in the flat fare for Over 60s to be implemented at the discretion of individual TCAs
  - d) A general increase in the 50p flat fare for disabled pass holders in line with increases in bus fare since 2003 when the flat fare was itself last increased
  - e) The use of a weighting factor to reflect the availability of return fares be included in the formulas used to reimburse bus operators
18. At the last meeting of the CTWG held on 7th November it was reported that increasing the flat fare by 10 pence to 60 pence would save the scheme as a whole £234k. When this saving is distributed to Chorley it would mean a reduction in costs of £7k based on current usage.
19. Given the potential impact from a publicity, and political point of view, members need to consider carefully whether they wish to agree to raise the flat fare by 20% in order to save £7k.
20. Representatives on the CTWG from LCC have been tasked with reporting back on the other issues requested by LCFO's by 1st December 2006.

**FUTURE CONSIDERATIONS**

21. Due to the provisions contained within the 1985 and 2000 Transport Acts in respect of concessionary travel schemes, a draft variation to the Scheme needs to be published by the 1st of December. This will include the items 17a to 17e above and will enable, and inform, consultation and negotiation with bus operators.
22. Following the report from the CTWG, members will need to form a view as to which options they wish to implement and then inform the CTWG as to how they wish to proceed with any variations to the scheme. The scheme from 1st April 2007 needs to be formally agreed and signed off with operators by 1st March 2006.
23. Perhaps the most significant change to concessionary travel will result from announcements made in the Chancellor's 2006 budget. In the budget it was announced that from 1st April 2008 there will be a national scheme for free travel for concessionaires replacing the local schemes currently in place.
24. It is expected that there will be a number of significant changes with the new scheme, namely:
  - a) It will be funded and administered centrally
  - b) It will exclude premium and express services
  - c) It will not apply for travel before 9:30am
  - d) It will only cover bus services.
  - e) It is unclear if concessions will be available at weekends and bank holidays.
25. Members should also be aware that at this stage the DfT have not consulted or held discussions with any of the TCA's within Lancashire or their representative groups.
26. Given that the changes proposed in some ways may degrade the services offered to concessionaires, the CTWG has decided to formally write to the DfT explaining our concerns. Before the letter is sent it will be passed to LCFO's for approval.
27. As well as the possible service implications, the centralising of the administration holds budgetary concerns for the TCA's within Lancashire. At a local level Chorley can expect a net reduction in revenue funding in the region of £100k from 2008 as a result of the proposals, so members need to keep this in mind in future budget setting exercises.

**SUMMARY**

28. The scheme throughout Lancashire is working well, and although it is likely to cost Chorley more than we budgeted there is expected to be sufficient funding to cover this years costs.
29. The CTWG are looking at a range of options with regards to reducing the cost of running the service.
30. The scheme for 2007 needs to be formally agreed by 1st March 2007, and members need to decide what changes they wish to see in the scheme.
31. Significant changes are due as a result of the introduction of a national free scheme, and the Council should consider lobbying government to ensure that service standards are maintained



**RECOMMENDATIONS**

32. Executive Cabinet are asked to:

- a) Note the current position.

**REASONS FOR THE RECOMMENDATIONS**

33. The recommendations are made in order to ensure that a workable countywide scheme can continue to operate to the benefit of Chorley residents.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

34. None

GARY HALL  
DIRECTOR OF FINANCE

There are no background papers to this report.

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