

# Executive Cabinet

## Minutes of meeting held on Thursday, 26 June 2008

**Present:** Councillor Peter Goldsworthy (Executive Leader in the Chair), Councillor Pat Case (Deputy Leader of the Council) and Councillors Eric Bell, Alan Cullens, Peter Malpas and John Walker

**Also in attendance:**

**Lead Members:** Councillors Iris Smith (Lead Member for Licensing)

**Other Members:** Councillors Ken Ball, Julia Berry, Dennis Edgerley, Anthony Gee, Catherine Hoyle, Laura Lennox, Adrian Lowe, June Molyneaux, Ralph Snape and Peter Wilson

### 08.EC.43 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillor Greg Morgan (Lead Member for Development Control) and Councillor Rosemary Russell (Lead Member for Health and Older People).

Councillor Ball also advised the Members that Councillor Stella Walsh had recently been admitted to hospital. The Chair and Members present expressed their best wishes for Councillor Walsh's speedy recovery.

### 08.EC.44 DECLARATIONS OF ANY INTERESTS

There were no declarations of interest by any of the Executive Members on any of the agenda items.

### 08.EC.45 MINUTES

The minutes of the meeting of the Executive Cabinet held on 29 May 2008 were confirmed as a correct record for signature by the Executive Leader.

### 08.EC.46 PUBLIC QUESTIONS

There had been no requests from any member of the public to speak at the meeting on any of the agenda items.

### 08.EC.47 FORWARD PLAN

The Executive Cabinet received the Council's Forward Plan, which set out the details of the potential key decisions to be made by the Executive Cabinet or individual Executive Members during the four months period commencing 1 July 2008.

**Decision made:**

**That the July Forward Plan, as now presented, be noted.**

### 08.EC.48 AFFORDABLE HOUSING FRAMEWORK

The Executive Cabinet received and considered a report of the Corporate Director (Business) seeking adoption of an Affordable Housing Framework which outlined a revised definition of affordable housing for the Borough and set out clear procedures and measures to be adopted on the registration of affordable housing on relevant sites.

The framework recommended the adoption of a new definition of affordable housing by limiting affordability to the median household income and a multiplier of 2.5. The framework would also require commuted sums to be negotiated with developers in instances where the 30% affordable housing requirement would not normally yield any dwelling units and proposed clear eligibility criteria for the guidance of prospective purchases. In addition, the framework also recommended the adoption of a number of provisions aimed at ensuring the continued affordability of housing by the local use of Section 106 agreements to ensure that discounted open market value properties remain below the open market value in perpetuity.

Whilst the proposed framework was generally welcomed by Members, a number of other Councillors present at the meeting raised certain queries, particularly in respect of the following issues which the officers undertook to examine:

- the interpretation of the phrase 'in perpetuity';
- the number of affordable units to be provided by Adactus in addition to the units required by the terms of the Housing Stock Transfer Contract.

**Decisions made:**

**(1) That the draft Affordable Housing Framework, as now presented, be approved and adopted, including:**

- **the adoption of the proposed definition of affordable housing and procedures as defined in Paragraph 7 of the submitted report in order to maximise affordable housing on new developments;**
- **the adoption of the affordable housing negotiation procedure outlined in the framework;**
- **the adoption of eligibility criteria for new low cost housing schemes outlined in the framework;**
- **the adoption of the policy requiring discounted open market value properties to be requested on developments, if deemed appropriate, to ensure that properties remain affordable in perpetuity;**
- **the adoption of a requirement that all appropriate Section 106 Agreements include a requirement that Housing Associations must recycle funding obtained from the sale of affordable housing in Chorley back into housing provision within the Borough.**

**(2) That a further report be presented to a future meeting on investigations into alternative funding mechanisms for affordable housing in the light of the slow down of new house building in the current financial market.**

**Reasons for decisions:**

1. To ensure that affordable housing provided within the Local Authority area is affordable to as many households as possible who would like to consider home ownership but currently can only afford to rent.

2. To ensure clear negotiation tools are in place for both planning and housing officers when negotiating affordable housing provision on site.
3. To refresh the eligibility criteria for new schemes to ensure that the Council takes into consideration personal debt and the size of properties purchasers want to buy.
4. To ensure that home ownership options remain affordable, consideration should be given to Council owned discounted open market units.
5. To safeguard affordable housing provision where it is appropriate to supply shared ownership properties onto a scheme.
6. To ensure that all reasonable and feasible means of ensuring that the buoyancy of the affordable housing market is maintained.

**Alternative option(s) considered and rejected:**

Social Rented accommodation is not currently allocated by a local connection method but according to actual need. With the likely introduction of a Choice Based Lettings scheme in 2009, properties may not be allocated by local connection etc, but by applicant choice. It is not, therefore, appropriate to use actual ward based income levels, as an allocation may not be based on an applicant's residency in an actual ward.

**08.EC.49 PROPOSED PILOT MERGE OF CRIME AND DISORDER REDUCTION PARTNERSHIPS**

The Corporate Director (Neighbourhoods) presented a report on the outcome of the extended consultation period on the original proposal to merge the Chorley, South Ribble and West Lancashire Community Safety Partnerships.

During the extended consultation exercise, the plans had been debated at a special meeting of the Chorley Community Safety Partnership and at meetings of the Chorley Partnership Board and Executive. The discussions had highlighted, in particular, the need both to retain the commitment and participation in some form of local voluntary and community groups on community safety issues and for assurances that Chorley would not be disadvantaged by the allocation of funds across the strategic partnership area.

The Executive Cabinet was notified that West Lancashire Council had decided not to participate in the trial project, but that South Ribble Council had confirmed its willingness to proceed. The Members were also advised that the Police, Chorley LSP and the Overview and Scrutiny Committee had each also confirmed general support for the proposals.

In the circumstances, the Executive Cabinet was recommended to authorise the pilot merger scheme for a 12 months trial period. A draft local framework structure had been produced in the light of the consultation feedback which aimed to provide support to the joint strategic group to provide a forum for local community engagement during the trial period.

**Decisions made:**

1. **That, following the Overview and Scrutiny Committee's support of the pilot proposal to merge the Community Safety Partnerships of Chorley and South Ribble into a strategic Crime and Disorder Reduction Partnership,**

**approval be given to the implementation of the 12 months pilot project, including the proposed framework for local arrangements for Chorley.**

**2. That finalisation of the Constitution and membership of the pilot body be delegated to the Executive Leader and the Executive Member (Neighbourhoods).**

**Reasons for decisions:**

1. The issues and concerns raised throughout the consultation process have been considered and reflected in a proposed revised local framework for community safety in Chorley.

2. There is a need to develop more strategic joined up activities to increase the capacity of resources and secure more opportunities to access partnership funding through a Strategic Partnership approach.

3. Many of the issues around community safety impact across both the Chorley and South Ribble Districts and collaboration at a strategic level by the pooling of resources, knowledge and skills to tackle crime and disorder will help to prevent duplication of effort and resolve problems more effectively.

**Alternative option(s) considered and rejected:**

The option to retain the existing Chorley Community Safety Partnership will not provide the significant benefits likely to emerge from the creation of the strategic joint partnership.

**08.EC.50 CAPITAL PROGRAMME - PROVISIONAL OUTTURN FOR 2007/08 AND UPDATE ON 2008/09 PROGRAMME**

The Executive Cabinet considered a report of the Assistant Chief Executive (Business Transformation) which set out (i) the provisional outturn for the Council's Capital Programme for 2007/08; and (ii) a progress update on the 2008/09 Capital Programme.

The provisional outturn for the 2007/08 Capital Programme was projected as £6,473,979, a reduction of £818,991 on the last projection. The variance was caused principally by a number of slippages of expenditure into the 2008/09 Programme, including a contribution towards the cost of the Eaves Green Link Road; the capitalisation of restructuring costs; and expenditure increases in respect of Buckshaw Village Railway Station to be financed by a Section 106 contribution.

Appendices to the report gave a detailed analysis of the provisional outturn for 2007/08 and outlined the proposed financing arrangements for the revised 2008/09 Programme totalling £10,034,550, which did not require any borrowing commitments. The report drew attention to the capital projects that had contributed to the variances in the programme in addition to the slippage of expenditure from 2007/08.

**Recommendations made:**

**That the Council be recommended:**

1. to note the provisional outturn for the 2007/08 Capital Programme, which totals £6,473,979;
2. to approve the financing of the 2007/08 Capital Programme as set out in Appendix 1 of the submitted report;
3. to approve the addition of the net slippage of capital expenditure from the 2007/08 Capital Programme to the 2008/09 Programme;
4. to approve the revised Capital Programme for 2008/09 totalling £10,034,550, as set out in Appendix 3 of the submitted report.

**Reasons for recommendations:**

1. The slippage to 2008/09 represents expenditure that was committed during 2007/08 but which was not incurred by 31 March 2008 for various reasons. It is necessary to increase the 2008/09 programme by this sum to enable the completion of the projects.
2. The 2008/09 programme should be adjusted to take account of slippage of currently uncommitted budgets to the following year, the transfer to revenue of some budgets, and deletion of other budgets pending confirmation that they are required.

**Alternative option(s) considered and rejected:**

The Capital Programme for 2007/08 could have been financed in part by incurring the budgeted 'prudential borrowing' of £1.190m. However, slipping the use of borrowing to a later year gives a revenue budget saving in 2008/09.

**08.EC.51 REVENUE BUDGET - PROVISIONAL OUTTURN FOR 2007/08**

The Executive Cabinet received a report of the Assistant Chief Executive on the provisional outturn figures for the Council's 2007/08 General Fund revenue budget and the Housing Revenue Account.

The report revealed that, overall, an underspend of £321,000 had occurred in 2007/08, principally as a result of efficiency gains.

The General Fund level of working balances as at 31 March 2008 totalled £1,778,000, including the transfer of £896,000 from the Housing Revenue Account surplus. Although this sum fell beyond the range recommended in the Medium Term Financial Strategy, the Assistant Chief Executive (Business Transformation) recommended the retention of that level of reserves in the light of the uncertain situation in respect of a number of budgetary factors, such as the prospective expenditure on the cost of the concessionary travel scheme.

The Chair of the Overview and Scrutiny Committee (Councillor Dennis Edgerley) reported that the Committee, at its meeting on 23 June 2008, had requested the Executive Cabinet to consider the allowance of peak time concessionary travel permits for persons over 60 years old, particularly for disabled persons who were required to travel before 9.30am. In response, the Chair and Councillor Cullens indicated that the Overview and Scrutiny Committee's request would be noted and considered further when a clearer indication of the ultimate financial implications of the concessionary travel scheme and the situation affecting other Lancashire Authorities were known.

**Decision made:**

**That the report be noted.**

**08.EC.52 REGIONAL SPATIAL STRATEGY PARTIAL REVIEW - RESPONSE TO DRAFT OPTIONS**

The Executive Leader accepted as urgent consideration of the item not included on the meeting's agenda in view of the need to meet a deadline for the submission of a response to the North West Regional Assembly before the next meeting of the Executive Cabinet.

The Corporate Director (Business) submitted a report seeking instructions on the Council's response to the North West Regional Assembly's consultation on the draft Options emerging from the Regional Spatial Strategy Partial Review.

The North West Regional Assembly had commenced a partial review of the Regional Spatial Strategy in February 2008. Following the recent consultation on the Draft Project Plan and Statement of Public Participation, the Assembly had issued draft Options on the partial review matters of Housing; Gypsies and Travellers; Travelling Showpeople; Waste (Broad locations); Renewable Energy (Broad locations); and Car Parking. Responses to the Draft Options had been requested by 30 June 2008, following which draft policies would be produced for consultation purposes.

The report recommended support of a number of draft options, some of which were accepted by the Executive Cabinet.

**Decisions made:**

**1. That, in response to the North West Regional Assembly's consultation, the following draft options in relation to the identified matters in the Regional Spatial Strategy Partial Review be supported:**

- **Overall Housing Provision and Spatial Distribution: Option A1.1 – Use RSS figures and spatial distribution 16%;**
- **Rural Housing Provision: Option C1;**
- **Affordable Housing Provision: Option D2;**
- **Broad Locations for Growth Points and Eco-towns: Criteria listed in Option E;**
- **Gypsies and Travellers: Option 1 – Use the results from the studies (GTAA) to distribute new provision based on the existing identified 'need where it arises' basis;**
- **Travelling Showpeople: Option 1 – Use the results from the studies (GTAA) to distribute new provision based on the existing identified 'need where it arises' basis;**
- **Waste Broad Locations: Adopt a sub-regional approach over a 15 year period;**
- **Renewable Energy – Broad Locations: Option 2 – Development of an approach that follows the 'pragmatic' assessment set out in the accompanying evidence base;**
- **Car parking Standards: Support Option 2 in principle, but await the Consultant's report before an ultimate commitment.**

**2. That the Council's concern at the inadequate period allowed for responses to the consultation on the draft options be conveyed to the North West Regional Assembly.**

**Reasons for Decisions:**

The Council is required to meet a deadline for the provision of a consultation response supporting specific draft options in respect of the Regional Spatial Strategy Partial Review.

**Alternative Options(s) considered and rejected:**

All the draft options have been considered before decisions on the support or rejection of appropriate options were taken.

**08.EC.53 EXCLUSION OF THE PUBLIC AND PRESS**

**Decision Made**

That the press and public be excluded from the meeting for the following items of business on the ground that they involve the likely disclosure of exempt information as defined in Paragraphs 1 and 3 of Schedule 12A of the Local Government Act 1972.

**08.EC.54 HOUSEHOLD REFUSE AND RECYCLING COLLECTIONS AND ANCILLARY SERVICES - AWARD OF CONTRACT**

The Executive Cabinet considered a report of the Corporate Director (Neighbourhood) on the outcome of the evaluation of the tenders submitted for the award of the new Household Refuse and Recycling Collections and Ancillary Services Contract upon the expiry of the current contract in March 2009.

The Council had agreed the service design upon which the tender specification had been based, which aimed to enhance the Authority's recycling performance and a reduction of collection vehicles. In addition tenderers were invited to submit variant bids, which could demonstrate the same level of service delivery through alternative collection methods.

The nine tender submissions, including three variant bids, had each been assessed and evaluated against the agreed evaluation model, which allowed a greater weighting to qualitative factors than to costs. The report contained details of the tender quotations and scoring awarded to each bid, together with details of the precise services offered by each tenderer.

In conclusion, the report recommended the award of the initial 10 year contract to an identified contractor whose tender was considered to be the most economically advantageous at the termination of the evaluation process.

**Recommendation made:**

That the Council be recommended to award the new Household Refuse and Recycling and Ancillary Services Contract to the Contractor identified in the submitted report for a term of 10 years commencing 1 April 2009, with an option to extend the contract for a further two years.

**Reason for recommendation:**

To ensure that a contractor is appointed who had demonstrated through their tender submission the quality, capability and innovation necessary to deliver a first class household refuse and recycling collection service based on a competitive tendering process that delivers the most economically advantageous contract terms to the Council.

**Alternative options(s) considered and rejected:**

None.

**08.EC.55 BUSINESS DIRECTORATE - STRATEGIC HOUSING SERVICES SECTION - RESTRUCTURE**

The Corporate Director (Business) presented a report on proposals to restructure the Strategic Housing Team within the Business Directorate.

The proposed restructure aimed to create a multi-disciplinary Strategic Housing Services Section that will be capable of managing the recently transferred homelessness function effectively and ensuring that resources within the Section are best developed to meet the strategic priorities of the Council.

The proposals, in particular, recommended the deletion of the 11 existing posts and the creation of 10 new posts, together with the retention of two existing posts currently seconded to the Home Improvement Agency. The suggested structure also contained provision for the temporary appointment of a Homeless Prevention Officer over a period of 12 months.

**Decision made:**

That the new staffing structure for the Strategic Housing Services Section in the Business Directorate, as outlined in the submitted report, be approved in principle for consultation purposes.

**Reasons for decisions:**

The Strategic Housing Services Section needs to be suitably resourced to have the capacity to deliver the change management within the Homelessness service, in addition to meeting the local and national performance targets regarding strategic housing.

**Alternative option(s) considered and rejected:**

The only alternative option to retain the existing structure is not considered feasible and does not have sufficient principal officer level capacity to manage the Housing Options and Allocations Team.

**08.EC.56 ESTABLISHMENT OF JOINT COMMITTEE WITH SOUTH RIBBLE COUNCIL FOR SHARED FINANCIAL SERVICES**

The Executive Cabinet considered a report of the Assistant Chief Executive (Business Transformation) recommending endorsement of the Financial Shared Services Agreement upon the culmination of lengthy negotiations with South Ribble Borough Council.

The proposed arrangements would set up a framework for the staffing of financial services between the Chorley and South Ribble Councils, under which shared financial and management accountancy, exchequer and procurement services would be hosted by Chorley Council as the employing authority and shared assurance services, (including internal audit, risk management, business continuity and insurance services) would be hosted by South Ribble Council as the employing authority.

The report also recommended the establishment of a Joint Committee under Section 101 of the Local Government Act 1972, comprising two Members from each Authority



with responsibility for the effective operation, governance and performance management of the innovative initiative.

The projected arrangement was expected to provide service efficiencies and cost reductions for both Authorities, together with a framework for the possible extension and development of other shared service between Authorities.

The report also clarifies the financial and staffing implications of the Financial Shared Services arrangement upon which the relevant staff have been consulted. In this context the Assistant Chief Executive (Business Transformation) confirmed that, upon the expiry of the consultation period on 23 June 2008, no fundamental objections to the proposals had been lodged by staff.

**Decisions made:**

1. That approval be given to the establishment of the Financial Shared Service Arrangement as outlined in the submitted report, together with the associated staffing structure set out in Appendices A and B of the report.
2. That delegated authority be granted to the Director of Corporate Governance, in consultation with the Executive Member for Resources, to finalise the wording of the legal agreement.
3. That the Council be recommended:
  - (a) to approve the establishment of a Joint Committee to oversee the Arrangement on the basis as set out in of Appendix C of the submitted report, and that the Council's Constitution be amended accordingly.
  - (b) to appoint two Councillors to serve on the Joint Committee.

**Reason for decisions:**

The formal arrangement to secure the provision of financial services on a shared basis between Chorley and South Ribble Councils will provide a framework for more effective and efficient financial services for both Authorities.

**Alternative option(s) considered and rejected:**

None.

Executive Leader