

Executive Cabinet

Minutes of meeting held on Thursday, 12 November 2009

Present: Councillor Peter Goldsworthy (Executive Leader in the Chair), Councillor Pat Case (Deputy Leader of the Council) and Councillors Eric Bell, Kevin Joyce, Peter Malpas, Greg Morgan and John Walker.

Also in attendance:

Lead Members: Councillor Harold Heaton (Lead Member (Development Control)).

Other Members: Councillors Ken Ball, Julia Berry, Dennis Edgerley, Anthony Gee, Roy Lees, Laura Lennox, Adrian Lowe, Marion Lowe, June Molyneaux, Debra Platt, Geoffrey Russell, Stella Walsh and Peter Wilson.

09.EC.92 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillor Rosemary Russell (Lead Member for Health and Older People) and Councillor Henry Caunce.

09.EC.93 DECLARATIONS OF ANY INTERESTS

There were no declarations of interest by any of the Executive Cabinet members in any of the meeting's agenda items.

09.EC.94 MINUTES OF LAST MEETING

The minutes of the meeting of the Executive Cabinet held on 1st October 2009 were confirmed as a correct record for signature by the Executive Leader.

09.EC.95 PUBLIC QUESTIONS

The Executive Leader reported that there had been no requests from any member of the public to speak on any of the meeting's agenda items.

09.EC.96 CHORLEY PARTNERSHIP - PERFORMANCE REPORT FOR SECOND QUARTER OF 2009/10

The Executive Cabinet considered a report of the Assistant Chief Executive (Policy and Performance) of the activities of the Chorley Local Strategic Partnership (LSP), particularly through the delivery of the objectives of the Lancashire Area Agreement and the Sustainable Communities Strategy over the second quarter of 2009/10.

The Executive Member (Policy and Performance) highlighted the following significant statistics and trends revealed in the report:

- Despite performing well against the LAA targets, crime in the Borough had risen, on average, by 5.4% over the past year.
- The number of primary fires in Chorley had fallen.
- The number of households in Chorley living in temporary accommodation had reduced to 9, which was well below the target number.
- The target for street cleanliness (litter) had been exceeded.
- While the number of unemployed persons remained significantly higher than 2008, the number of new business start-ups had exceeded targets.
- Each of the 9 projects being supported by the LSP was currently underway and on track.

While the Members were disappointed that the Police were unable to attend the meeting to discuss the latest crime statistics, the Corporate Director (Neighbourhoods) read an explanatory note from the Police. The note explained how small fluctuations in the number of criminal incidents had a significant impact on statistics calculated from a low base level and referred, in particular, to an incident when 18 vehicles were wilfully damaged by one person. The Chair of the Overview and Scrutiny Committee informed Members that the Committee, at its next meeting on 1 December 2009, was to review the Safer Chorley and South Ribble Partnership (Responsible Authorities Group) and indicated that any Councillor would be welcome to attend the discussions with senior Police Officers.

Decision made:

That the report be noted.

09.EC.97 PERFORMANCE MONITORING REPORT - SECOND QUARTER OF 2009/10

The Executive Cabinet considered a report of the Assistant Chief Executive (Policy and Performance) which set out and reviewed the Authority's performance both in respect of the 36 key projects included in the refreshed Corporate Strategy and against the new National Indicators for which the Council was responsible, during the second quarter of 2009/10 ending on 30 September 2009.

The report reviewed the 36 key projects identified in the 2008/09 Corporate Strategy, but, following the adoption of the refreshed Corporate Strategy for 2009/10, future reports would review only those projects which would continue into the new Corporate Strategy.

The report revealed a commendable performance in the delivery of the 36 Corporate Strategy key projects, with 20 completed projects and 14 on track for delivery. Only two projects had been forecast to overrun, both of which were being addressed and rolled forward into the new Corporate Strategy.

The report also commented on the final performance against the key measures included in the 2008/09 Corporate Strategy, indicating that 74% of the measures had performed at, or above, target. An explanation of the reasons for nine of the measures falling more than 5% below target was given in the report.

In addition, the report confirmed that 13 of the 15 National Indicators that were able to be measured during the second quarter had matched or exceeded target, and that action plans had been prepared to redress the two performance indicators that had missed their targets by more than 5%.

A few Members queried a number of issues related to the projects and measures for which recovery plans had been put in place, and the Assistant Chief Executive (Policy and Performance) indicated that percentage figures for residents' satisfaction rating could be provided for each Ward of the Borough.

Decision made:

That the report be noted.

09.EC.98 CONCESSIONARY TRAVEL SCHEME

The Monitoring Officer submitted a report under his statutory obligations to seek the Executive's decisions on the action it proposed to take in response to the findings of the Local Government Ombudsman on a complaint made by the Royal Institute for the Blind on behalf of complainants living in varied parts of the country about the loss of

the discretionary element of the concessionary travel scheme introduced in April 2008 in respect of travel before 9.30am.

In Lancashire, the complaint had been made on behalf of certain residents of Chorley, South Ribble and Ribble Valley Boroughs.

The Ombudsman had subsequently found maladministration by each of the Councils against whom the complaint had been made.

Consequently, the provision for concessionary travel for disabled persons and their companions prior to 9.30am had been re-introduced in October 2008. In addition, the Council had agreed to pay the respective complainants £100 in compensation for their time and trouble in making the complaint. The Ombudsman had since indicated his satisfaction with the Council's resolution of the issue.

Decision made:

That the report be noted and that no further action be deemed to be necessary beyond that that has been implemented by the Council.

Reason for decision:

The Local Government Ombudsman has already accepted that the steps taken by the Council are sufficient.

Alternative option(s) considered and rejected:

None.

09.EC.99 NEIGHBOURHOOD WORKING AND NEIGHBOURHOOD ACTION PLANS - UPDATE

The Corporate Director (Neighbourhoods) presented a progress report on the Neighbourhood Working regime, together with an outline of the plans to take forward the initiative.

The report highlighted the benefits of the approach that had been adopted in developing the neighbourhood working model and the desired outcomes likely to be achieved. Seven Neighbourhood Areas had been established, each with its own Action Plan devised to target priority issues and projects through partnership working and with the aid of a total initial £150,000 'pump-prime' funding from the Council.

The report also indicated that the future focus of the initiative would be to continue the development of the partnership links and liaison; establish realistic projects for inclusion in future Neighbourhood Action Plans; and explore further opportunities for additional external funding.

Decisions made:

- 1. That the report on the progress and achievements to date since the introduction of the Neighbourhood Working regime and the implementation of the Neighbourhood Action Plans, with the associated allocations of 'pump-prime' budget monies, be noted.**
- 2 That the outlined proposals for the continuing development of Neighbourhood Working be approved and adopted.**

Reasons for decisions:

Continuation of the Neighbourhood Working regime will help to consolidate the new relationships and partnerships that have been forged and will ensure that the major issues and concerns within each Neighbourhood Area is addressed for the benefit and improvement of the Area and its residents.

Alternative option(s) considered and rejected:

Other models of neighbourhood working, including Area and Community Forums, have been tried and tested, but the current model appears to be a 'closer fit' for Chorley's purpose and demographic profile.

Discontinuing the current venture will jeopardise any further development of community engagement and partnership working with residents, impinging upon the Council's leadership role.

09.EC.100 ACHIEVING LEVEL 2 OF THE NORTH WEST EMPLOYERS ELECTED MEMBER DEVELOPMENT CHARTER

The Corporate Director (Governance) submitted a report drawing attention to the Council's success in achieving Level 2 of North West Employers' Elected Members Development Charter, following the Authority's achievement of Level 1 in 2006.

The Level 2 Charter had been a greater challenge, examining the impact that training and development had on Councillors and their work in the communities, and needing to show areas of excellence. The Council's new Neighbourhood working regime had been selected as the focus area for the submission as a new initiative in which Members' engagement and role was critical to its success.

The Executive Member (People) thanked, in particular, the members of the Member Support Working Group, Carol Russell and Dianne Scambler from the Democratic Services Section and the Neighbourhood Team for driving forward the Council's bid and for their part in its success.

Decision made:

That the report be noted.

09.EC.101 REVISED CUSTOMER CARE POLICY AND COMPLAINTS PROCEDURE

The Corporate Director (People) presented a report seeking approval to a revised Customer Care Policy and Complaints Policy.

The existing Customer Care and Complaints policies required to be up-dated in order to reflect changes in customer expectations and the introduction of the Customer Relationship Management system (CRM) introduced to improve customer contact in the light of enhanced electronic technology.

The amended policy aimed, in particular, to reduce initial electronic responses from 10 to 2 working days; provide CRM monitoring of responses to complaints, e-mails and the majority of face-to-face contact; and the introduction of new performance indicators to monitor implementation.

Decisions made:

1. That the proposed changes in the Customer Care Policy and

Complaints Policy in respect of service standards and response timescales be noted.

2. That the revised and combined Policy, as now outlined in the appendix to the submitted report, be approved and adopted with effect from 1 April 2010.

Reasons for decision:

The updated policy better reflects the Council's aims and objectives and will allow the further awareness of the importance of good customer care, which, in turn, will inform service improvements.

Alternative option(s) considered and rejected:

Continuation of the current policy will not reflect recent changes to the way customers contact the Council nor the change of focus within the Council.

09.EC.102 UPDATE ON PETITIONS RELATING TO REDWING PLAY AREA; TATTON RECREATION GROUND SKATE PARK; AND CHORLEY MOOR COMMUNITY CENTRE

The Executive Cabinet received a report of the Corporate Director (People) which outlined the action that had been taken to address the issues raised in three petitions that had been presented to recent Council meetings in respect of the Redwing Drive play area; the Tatton Recreation ground skate park; and Chorley Moor Community Centre.

The report also referred to the proposals for the revision of the Council's Constitution to be considered at the next Council meeting, under which future petitions received would be directed to the respective Directorate for attention and the subsequent action reported to the next Council meeting. The Officers were also requested to ensure that the respective Ward Councillors were informed of the progress of action taken in response to petitions.

Decision made:

That the action taken to date in respect of the three petitions, together with the planned action to bring the matters to a satisfactory conclusion, be noted.

09.EC.103 TREASURY MANAGEMENT ACTIVITY, 2009/10

The Assistant Chief Executive (Business Transformation) submitted a report reviewing the Council's Treasury Management activity and performance during the second quarter of 2009/10 and the year to date.

The report stated that, during the first half of the financial year, the Council's surplus cash balances had averaged at £6.9m, on which a return of 0.56% had been received. Since June 2009, in the interest of security, but in return for a lower rate on interest, the majority of deposits had been made in the Government backed Debt Management Office account.

An appendix to the report also set out the commentary of the Council's treasury advisors, Sector Financial Services Limited, on the current economic situation, confirming that the Council's investments complied with the guidelines specified in the Investment Strategy.

In response to a Member's comments, the Assistant Chief Executive confirmed that the tendering process for the renewal of the contract for the provision of investment advice to the Council was currently being examined.

Decision made:

That the report be noted.

09.EC.104 CAPITAL PROGRAMME, 2009/10 TO 2011/12 - MONITORING REPORT

The Executive Cabinet considered a report of the Assistant Chief Executive (Business Transformation) on proposals to revise the Council's Capital Programme for 2009/10 to 2011/12 in the light of recent financial activity.

The report recommended that application be sought to capitalise (i) the anticipated redundancy payments arising from planned restructure proposals; and (ii) the impairment of the Icelandic investment that would otherwise be charged to the revenue budget for 2010/11. The report also recommended the increased use of the VAT Shelter income from Chorley Community Housing in order to minimise the temporary increase in borrowing in 2009/10 to offset the rephasing of asset sales receipts to a later year when market values were expected to rise.

After taking account of the proposed expenditure increases, the rephasing of capital receipts to 2010/11 and the increased use of the VAT Shelter income, together with other minor or neutral changes, the borrowing requirement in the current financial year was expected to rise by £786,180, albeit that a significant element would be temporary pending the receipt from asset sales which had been postponed pending an upturn in the market.

In response to a Members' comments, the Assistant Chief Executive confirmed that the Council would continue its endeavours to achieve maximum recovery of its investment in the Icelandic bank, Landsbanki. The Officer also undertook to examine the Member's request to be furnished with a copy of the investment advice provided to local authorities during the period immediately preceding the collapse of the Icelandic banks.

Decisions made:

That the Council be recommended to:

- (a) approve the revised Capital Programme for 2009/10 as set out in Appendix 1 to the submitted report;**
- (b) note the proposed amendments to the provisional Capital Programme for 2010/11, as shown in Appendix 1 to the submitted report;**
- (c) authorise the submission of applications for Directions to enable the capitalisation of redundancy and pension strain costs and the impairment of the Icelandic investment;**
- (d) request budget holders to review their uncommitted 2009/10 budgets in order to identify whether any expenditure could be re-phased to a later financial year.**

Reasons for decisions:

The 2009/10 Capital Programme has been updated to add and delete budgets and to reflect the estimated availability of capital resources.

The provisional Capital Programme for 2010/11 has been updated to take account of the rephasing of expenditure and the resources estimated to be available.

Alternative option(s) considered and rejected:

If the costs of redundancies and pension strain and the Icelandic investment impairment were not capitalised, the costs would need to be charged to the 2009/10 and 2010/11 revenue budgets.

09.EC.105 REVENUE BUDGET, 2009/10 - MONITORING REPORT

The Executive Cabinet considered a report of the Assistant Chief Executive (Business Transformation) monitoring the Council's financial performance during the second quarter of 2009/10 in comparison with the budgetary and efficiency savings targets for the financial year.

The report revealed that well over 50% of the target savings for the year had already been achieved, and that it was expected that further procurement, efficiency and other identified savings would ensure that the required savings would be achieved. However, it was now evident that further savings of £42,000 would be required to achieve a balanced budget at the year end to offset lower than anticipated income levels. While no specific action was considered necessary at this stage, a number of spending areas were being monitored with a view to the identification of any feasible efficiencies.

In response to a Member's comment, the Assistant Chief Executive confirmed that, whenever staff vacancies occurred, the circumstances and financial impact were assessed before management decisions were made.

Decision made:

That the report be noted.

09.EC.106 PENSION FUND - RECOMMENDATION FROM AUDIT COMMITTEE

The Audit Committee, at its meeting on 24 September 2009, during its consideration of the audited Statement of Accounts for 2009/10, had agreed the following recommendation to the Executive Cabinet:

“That the Audit Committee's concern at the possibility of investment returns being insufficient to meet the future demands on the Pension Fund be conveyed to the Executive Cabinet and that the Executive Cabinet be requested to consider, as part of the triennial review, any action deemed necessary to address and mitigate the impact of a possible shortfall in the Fund.”

The Chair of the Audit Committee, Councillor Anthony Gee, who was present at the meeting to explain and support the recommendation, referred to the significant impact of a 1% increase in employers' contributions and reiterated the Audit Committee's hope that any feasible measures to mitigate the situation would be examined.

The Executive Cabinet accepted that the problem required a national solution with political decisions on the future financing of Pension Funds being required ultimately, in the light of diminishing investment returns and an increasing strain on pension funds.

The Executive Leader, however, as a member of the Lancashire Pensions Service Committee, undertook to bring to the attention of the Pensions Service the concerns expressed by the Audit Committee at the possibility of investment returns being insufficient to meet the future demands on the Pension Fund, with a view to any appropriate remedial action being examined as part of the upcoming triennial review.

Decision made:

That the offer of the Executive Leader to raise the concerns with the Lancashire Pensions Service be accepted.

09.EC.107 EXCLUSION OF PRESS AND PUBLIC

Decision made:

That the press and public be excluded from the meeting for the following item of business on the ground that it involves the likely disclosure of exempt information as defined in Paragraph 1 of Part 1 of Schedule 12A to the Local Government Act 1972.

09.EC.108 SENIOR MANAGEMENT RESTRUCTURE

The Chief Executive circulated a report proposing a revision of the top management structure of the Council.

The report acknowledged the contribution of the Council's management team in the Authority's past achievements and significant service transformation, but highlighted the rationale for the projected restructure which was intended to address:

- the substantial and growing pressures facing local government and public services;
- the need for linkages between Council services to become more embedded within the Authority;
- the need to further develop shared services with other Councils.

The planned restructure proposed the deletion of 14 senior or middle management posts and 3 supporting Officer posts, and the creation of 8 senior management posts, with a consequent significant cost saving.

Decision Made:

- 1. That the proposed revised senior management structure for the Council, as set out in Appendix 2 to the submitted report , be approved for consultation purposes.**
- 2. That consultation with all staff affected by the proposals be undertaken and that responses to the consultation exercise be reported to and considered at the next Executive Cabinet meeting on 3 December 2009.**
- 3. That all staff in deleted posts who are at risk of redundancy be given the opportunity to apply for the newly created posts as potential suitable alternative employment.**

Reasons for decisions:

1. The Council's senior management team needs to be regularly reviewed to ensure that it is 'fit for purpose', given the changing service needs and financial pressures placed upon the Council.
2. The restructure proposals will provide:
 - a significant budget saving to the Council by reducing the number of senior managers in the organisation, which can be passed on to Council Tax payers and invested into front line service delivery;
 - the integration of similar services across the Council into a flatter structure in order to reduce costs.

Alternative option(s) considered and rejected:

The option to delete two or three senior management posts was considered but rejected in the light of a more strategic overview of the entire senior management function across the Council being required.

Executive Leader