

Council

Agenda and Reports
for consideration on

Tuesday, 20th July 2010

in the Council Chamber, Town Hall, Chorley

At 6.30 pm



PROCEDURE FOR PUBLIC QUESTIONS/SPEAKING AT COUNCIL MEETINGS

- Questions should be submitted to the Democratic Services Section by midday, two working days prior to each Council meeting to allow time to prepare appropriate responses and investigate the issue if necessary (12 Noon on the Friday prior to the meeting).
- A maximum period of 3 minutes will be allowed for a question from a member of the public on an item on the agenda. A maximum period of 30 minutes to be allocated for public questions if necessary at each ordinary Council meeting, excluding the Annual Meeting.
- The question to be answered by the Executive Member with responsibility for the service area or whoever is most appropriate.
- On receiving a reply the member of the public will be allowed to ask one supplementary question.
- Members of the public will be able to stay for the rest of the meeting should they so wish but will not be able to speak on any other agenda item upon using their allocated 3 minutes.

9 July 2010

Dear Councillor

COUNCIL - TUESDAY, 20TH JULY 2010

You are invited to attend a meeting of the Chorley Borough Council to be held in the Council Chamber, Town Hall, Chorley on Tuesday, 20th July 2010 commencing at 6.30 pm for the following purposes.

AGENDA

1. **Apologies for absence**

2. **Minutes of Annual Council Meeting (Pages 1 - 12)**

To confirm as a correct record the enclosed minutes of the Annual Meeting of the Council held on 18 May 2010.

3. **Declarations of Any Interests**

Members are reminded of their responsibility to declare any personal interest in respect of matters contained in this agenda. If the interest arises **only** as result of your membership of another public body or one to which you have been appointed by the Council then you only need to declare it if you intend to speak.

If the personal interest is a prejudicial interest, you must withdraw from the meeting. Normally you should leave the room before the business starts to be discussed. You do, however, have the same right to speak as a member of the public and may remain in the room to enable you to exercise that right and then leave immediately. In either case you must not seek to improperly influence a decision on the matter.

4. **Mayoral Announcements**

5. **Public Questions**

Members of the public who have requested the opportunity to ask question(s) on any item(s) on the agenda will be asked to put their question(s) to the Council. Members of the public will be allowed to ask one supplementary question within their allocated 3 minutes.

6. **Executive Cabinet**

a) **Revenue and Capital Outturn for 2009/10 (Pages 13 - 34)**

To consider the enclosed report of the Executive Cabinet.

- b) General Report (Pages 35 - 38)

To consider the enclosed general report of the meeting held on 3 June 2010.

7. **Overview and Scrutiny Committee and Task and Finish Groups**

- a) Scrutiny Reporting Back: Annual Report on Overview and Scrutiny Activity in 2009/10 (Pages 39 - 44)

Report enclosed.

- b) General Report (Pages 45 - 46)

To consider the enclosed general report of the Overview and Scrutiny Committee held on 1 June 2010.

8. **Audit Committee (Pages 47 - 50)**

To consider the enclosed general report of the meeting of the Audit Committee held on 30 June 2010.

9. **Chorley Council's Annual Report for 2009/10**

To receive and consider the enclosed report of the Director of Partnerships, Planning and Policy, with the accompanying attached Annual Report for 2009/10.

10. **Officers' Code of Conduct (Pages 51 - 52)**

To consider the enclosed report of the Director of Transformation.

11. **Appointments to Committees**

To agree the following change to the membership of the Development Control Committee:

Councillor Alan Cullens to replace Councillor Mike Devaney.

12. **Questions Asked under Council Procedure Rule 8 (if any)**

13. **To consider any Notices of Motion given in accordance with Council Procedure Rule 10**

- a) Notice of Motion - VAT

This council believes that Value Added Tax (VAT) is an unfair and regressive tax which disproportionately affects people on lower incomes. This included pensioners and the unemployed who do not pay income tax or national insurance. Furthermore this council believes that the temporary reduction in VAT to 15% in 2009 was a successful measure in stimulating the economy during the recession. Therefore this council opposes the unfair increase in VAT to 20% announced in the 2010 Budget which will hit the poorest families and pensioners hardest.

Councillor Alistair Bradley
Councillor Peter Wilson

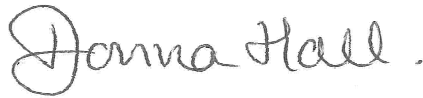
- b) Notice of Motion - Local Democracy and the Planning Process

This council recognises the importance of empowering local people in the decision making process and supports the council's vision outlined in our constitution which commits the council to involving people in their communities. We recognise the importance of this in respect of planning process and the vital role councillors play in representing the views of local residents. Furthermore we believe that too many decisions are taken under delegated powers despite opposition from councillors and local residents. Therefore we call on the council to ensure that all applications are referred to the Development Control Committee where at least one objection from a ward councillor, who is acting following a written request from a constituent or constituents, is received, thus allowing the public to air their views and the application to be given due consideration by democratically elected councillors from all political parties.

Councillor Alistair Bradley
Councillor Peter Wilson

14. **Any other item(s) the Mayor decides is/are urgent**

Yours sincerely



Donna Hall
Chief Executive

Carol Russell
Democratic Services Manager
E-mail: carol.russell@chorley.gov.uk
Tel: (01257) 515196
Fax: (01257) 515150

Distribution

To all Members of the Council and Strategy Group.

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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 آپکی اپنی زبان میں بھی کیا جاسکتا ہے۔ یہ خدمت استعمال کرنے کیلئے براہ مہربانی اس نمبر پر ٹیلیفون
کیجئے: 01257 515823

COUNCIL**Tuesday, 18 May 2010**

Present: Councillor Ken Ball (Mayor), Councillor Pat Case (Deputy Mayor), Councillors Nora Ball, Eric Bell, Julia Berry, Judith Boothman, Alistair Bradley, Terry Brown, Henry Caunce, Alan Cullens, Magda Cullens, Mike Devaney, David Dickinson, Doreen Dickinson, Dennis Edgerley, Christopher France, Anthony Gee, Peter Goldsworthy, Marie Gray, Alison Hansford, Pat Haughton, Harold Heaton, Catherine Hoyle, Keith Iddon, Kevin Joyce, Hasina Khan, Roy Lees, Laura Lennox, Adrian Lowe, Marion Lowe, Peter Malpas, June Molyneaux, Greg Morgan, Simon Moulton, Mick Muncaster, Beverley Murray, Mark Perks, Alan Platt, Debra Platt, Geoffrey Russell, Rosie Russell, Edward Smith, Joyce Snape, Ralph Snape, John Walker, Stella Walsh and Peter Wilson

Also Present: Former Councillor Iris Smith as Mayor of the Borough in 2009/10 (in the Chair)

10.C.98 DECLARATIONS OF ANY INTERESTS

There were no declarations of interest by any Member in relation to matters under consideration at the meeting.

10.C.99 MINUTES OF LAST ORDINARY MEETING

The minutes of the last meeting of the Council held on 13 April 2010 were presented for confirmation.

Referring to Minute 10.C.92(a) (Questions asked under Council Procedure Rule 8), Councillor Dennis Edgerley, questioned the completeness of the Executive Leader's response to the supplementary question he asked at the meeting.

RESOLVED – (1) That the minutes of the Council meeting held on 13 April 2010 be confirmed as an accurate record for signature by the Mayor.

(2) That the Executive Leader be requested to provide Councillor Edgerley with a further written response in respect of employment issues.

10.C.100 ELECTION OF THE MAYOR FOR THE ENSUING MUNICIPAL YEAR**(a) Election of Mayor**

It was moved by Councillor Stella Walsh and seconded by Councillor Ralph Snape that Councillor Ken Ball be elected Mayor of the Borough of Chorley for the ensuing Municipal Year.

The nomination was supported by the respective leaders of the Conservative, Labour and Independent political groups.

RESOLVED – That Councillor Ken Ball be elected Mayor for the Borough of Chorley for the 2010/11 Municipal Year.

(b) **Declaration of Acceptance of Office and Introduction of Mayoress**

Councillor Ken Ball signed the Declaration of Acceptance of Office of Mayor.

The Mayor expressed his appreciation for his election as Mayor and introduced his wife, Councillor Nora Ball, as his Mayoress for the coming year.

Councillor Ken Ball in the Chair.

10.C.101 ELECTION OF DEPUTY MAYOR FOR THE ENSUING MUNICIPAL YEAR

(a) **Election of Deputy Mayor**

It was moved by Councillor Peter Goldsworthy and seconded by Councillor Pat Haughton that Councillor Pat Case be elected as Deputy Mayor of the Borough of Chorley for the ensuing Municipal Year.

The nomination was supported by the respective leaders of the Labour and Independent Groups and Councillor Stella Walsh on behalf of the Liberal Democrat Group.

RESOLVED – That Councillor Pat Case be elected Deputy Mayor of the Borough of Chorley for the 2010/11 Municipal Year.

(b) **Declaration of Acceptance of Office**

Councillor Pat Case signed the Declaration of Acceptance of Office of Deputy Mayor and thanked the Council Members for their support.

10.C.102 PRESENTATION AND VOTE OF THANKS TO RETIRING MAYOR

(a) **Presentation to Past Mayor**

The Mayor presented former Councillor Iris Smith with a portrait of herself in the Mayoral regalia and gave both Iris and her husband James, medallions and a plaque bearing the Council's Coat of Arms, as tokens of their past year of office as Mayor and Consort of Chorley.

(b) **Vote of Thanks**

The Mayor paid tribute to the exemplary manner in which former Councillor Iris Smith and her husband James had served and promoted the Borough during their past year of office as Mayor and Consort.

The Leader of the Conservative, Labour and Independent Group, and Councillor Stella Walsh on behalf of the Liberal Democrat Group, also expressed their personal thanks to Mr and Mrs Smith for their commitment and dedication to fundraising activities during the past year. The Members also paid tribute to Iris Smith's long service as a Chorley Councillor, following her decision not to seek re-election at the recent election.

(c) **Address by Past Mayor**

Former Councillor Iris Smith thanked the Council Members for their kind remarks and support of her fundraising and social activities throughout the year. She also expressed her gratitude to the Members and Officers for their invaluable support and assistance during her long period of service on the Council.

Former Councillor Smith presented the Council with a gift as a memento of her Mayoral term of office.

10.C.103 MAYORAL ANNOUNCEMENTS

The Mayor welcomed the following three new Councillors to their first meeting following their election to the Council on 6 May 2010:

- Councillor Alison Hansford representing the Wheelton & Withnell Ward.
- Councillor Beverley Murray representing the Chorley South East Ward.
- Councillor Alan Platt representing Astley and Buckshaw Ward.

The Mayor also congratulated the following Councillors who had been re-elected for a further 4 year term on 6 May:

Councillors Eric Bell, Magda Cullens, Dennis Edgerley, Marie Gray, Harold Heaton, Catherine Hoyle, Hasina Khan, Keith Iddon, Roy Lees, Mick Muncaster, Geoffrey Russell, Rosemary Russell and Ralph Snape.

The Mayor invited Members and Officers to accompany himself and the Mayoress in the Annual Procession and Civic Service at St Mary's RC Church on Sunday, 23 May.

The Mayor announced that he would be organising a number of events during his year of office to raise money for his chosen Charities which were Homestart, Chorley Sea Cadets, Coppull Parish Church Scout Group, Wrightington Hospital and Legacy-Rainbow House. Forthcoming events would include the Annual Members vs Officers Cricket Match on 9 July and a Big Band Night in the Lancastrian Room on 17 September 2010.

10.C.104 EXECUTIVE LEADER'S WELCOME

The Executive Leader (Councillor Peter Goldsworthy) welcomed the three new Councillors and congratulated Councillors Alistair Bradley and Peter Wilson on their recent appointment as Leader and Deputy Leader of the Labour Group respectively.

10.C.105 APPOINTMENT OF EXECUTIVE CABINET, COMMITTEES AND OTHER BODIES FOR 2010/11

The Council considered a report of the Chief Executive in addition to information circulated at the meeting on nominations from the political groups for appointment to the Executive, Committees and other bodies in 2010/11.

Included in the report were proposed changes to the portfolios of Executive Members and a reduction in the membership of the Development Control Committee in line with the practice of other Lancashire District Councils.

The report also contained a schedule of nominations for:

- (a) the appointment of the Executive Leader and other Members for the Executive Cabinet for the ensuing Municipal Year;
- (b) the appointment of the Lead Members for the ensuing Municipal Year;
- (c) the appointment of Members of the various Committees, Sub-Committees and other bodies of the Council in accordance with the political balance rules, together with the respective Chairs and Vice-Chairs for the ensuing Municipal Year.

The report also contained a list of the prospective Shadow Portfolio Holders and Shadow Lead Members .

It was moved by Councillor Peter Goldsworthy, seconded by Councillor Pat Case, and subsequently **RESOLVED unanimously**:

(1) That the following changes to the responsibilities within Executive portfolios be approved:

- Executive Member (Transformation) replaces Resources and includes Customer Services;
- Executive Member (People)'s portfolio excludes Customer Services;
- Executive Member (Places) replaces Neighbourhoods and retains the same portfolio;
- Executive Member (Planning and Partnerships) replaces Business and includes the partnership role for economic development, planning and housing;
- Executive Member (Policy and Performance) retains the same portfolio.

(2) That the reduction in the membership of the Development Control Committee from 17 to 12 be approved.

(3) That Councillor Peter Goldsworthy be appointed Executive Leader of the Council and Chair of the Executive Cabinet.

(4) That Councillor Pat Case be appointed Deputy Leader of the Council and Vice Chair of the Executive Cabinet.

(5) That, in addition to the Executive Leader and the Deputy Leader of the Council, the following Councillors be appointed Executive Members to serve on the Executive Cabinet with the respective portfolio indicated:

Councillors	Eric Bell	Executive Member (Places)
	Kevin Joyce	Executive Member (Transformation)
	Peter Malpas	Executive Member (Partnerships & Planning)
	Greg Morgan	Executive Member (Policy & Performance)
	John Walker	Executive Member (People)

(6) That the following Councillors be appointed Lead Members for the functions indicated:

Councillors	Harold Heaton	(Development Control)
	Keith Iddon	(Licensing)
	Rosemary Russell	(Health and Older People)

(7) That the following appointments be made to Committees, Sub-Committees and other bodies of the Council as shown below, including the respective Chairs and Vice-Chairs as indicated:

Audit Committee

Councillors	A Gee (Chair)
	L Lennox (Vice Chair)
	J Boothman
	M Cullens
	A Platt
	G Russell

Development Control Committee

Councillors H Heaton (Chair)
G Russell (Vice Chair)
H Counce
M Devaney
David Dickinson
D Edgerley
C France
R Lees
J Molyneaux
S Moulton
M Muncaster
R Snape

General Purposes Committee

Councillors P Goldsworthy (Chair)
P Case (Vice Chair)
K Ball
J Boothman
T Brown
A Cullens
C France
M Gray
C Hoyle
H Khan
P Malpas
J Molyneaux
S Moulton
B Murray
A Platt
R Russell
R Snape

Licensing and Public Safety Committee

Councillors K Iddon (Chair)
P Haughton (Vice Chair)
J Boothman
T Brown
David Dickinson
Doreen Dickinson
A Gee
C Hoyle
H Khan
L Lennox
B Murray
A Platt
D Platt
E Smith
R Snape
J Walker
S Walsh

Overview and Scrutiny Committee

Councillors **A Lowe (Chair)**
 A Cullens (Vice Chair)
 J Berry
 M Gray
 A Hansford
 P Haughton
 H Heaton
 M Perks
 R Russell
 E Smith
 J Snape
 P Wilson

Standards Committee

Councillors **D Platt (Vice Chair)**
 J Boothman
 M Gray
 L Lennox
 S Walsh

Appointments Panel

Councillors **P Goldsworthy (Chair)**
 K Ball
 A Bradley
 P Case
 J Walker
 plus relevant portfolio holder

Borough/Parish Liaison

Councillors **P Goldsworthy (Chair)**
 P Case (Vice Chair)
 E Bell
 K Joyce
 P Malpas
 G Morgan
 J Walker

Chief Executive's Performance Review Panel

Councillors **P Goldsworthy (Chair)**
 A Bradley
 P Case
 J Walker
 P Wilson

Chorley Partnership (LSP) Board

Councillors **E Bell**
 A Bradley
 P Case
 P Goldsworthy
 P Malpas
 G Morgan

Equality Forum

Councillors G Morgan (Chair)
David Dickinson (Vice Chair)
A Gee
A Hansford
B Murray
R Russell

Human Resources Appeals Committee

Councillors J Walker (Chair)
D Edgerley
A Hansford
M Muncaster

Licensing Liaison

Councillors K Iddon (Chair)
P Haughton

Local Development Framework Working Group

Councillors P Goldsworthy (Chair)
P Malpas (Vice Chair)
A Bradley
H Counce
M Devaney
David Dickinson
D Edgerley
H Heaton
R Lees
M Muncaster
G Russell
P Wilson

Members Support Working Group

Councillors J Walker (Chair)
J Molyneaux (Vice Chair)
N Ball
A Gee
M Muncaster
D Platt

Town Centre Workshop

Councillors M Gray (Chair)
A Bradley
P Haughton
P Malpas
B Murray
S Walsh

Shared Services Joint Committee

Councillors A Cullens
K Joyce

(8) That the appointment of the following Shadow Portfolio and Lead Members be noted:

<u>Shadow Portfolio Positions</u>	<u>Lead Member</u>	<u>Support Member</u>
Policy and Performance	D Edgerley	C Hoyle
Partnerships and Policy	A Bradley	C France
Transformation	P Wilson	B Murray
People	L Lennox	J Molyneaux
Places T Brown	H Khan	
 <u>Shadow Lead Positions</u>		
Development Control	R Lees	
Equality	H Khan	
Health and Older People	J Berry	
Licensing	A Gee	

10.C.106 STANDARDS COMMITTEE - INDEPENDENT AND PARISH COUNCIL MEMBERS

Councillors were reminded that, in addition to the appointed Council Members, the membership of the Standards Committee comprised three Independent Members and three Parish Council representatives and was requested to endorse the terms of office to be applied to the respective Independent and Parish Council members.

The Council was also advised that, as a result of Parish Councillor Alan Platt's recent election to Chorley Council, a vacancy now existed for a Parish Council representative on the Standards Committee. The appropriate procedures to fill the vacancy would be instigated shortly.

RESOLVED – (1) That a four year term of office be applied to Independent Members of the Standards Committee, with each member being eligible for reappointment at the end of the respective term, and that the term of office for the following members expire in the year indicated:

Anthony Ellwood	2011
Gwynne Furlong	2012
Hugh Evans	2013

(2) That the term of office of Parish Council representatives coincide with their term of office on their respective Parish Council and that, accordingly, the term of office of the following Parish Council representatives shall expire in the year indicated:

Parish Councillor Bill Mason	2011
Parish Councillor Anthony Wilson	2011

10.C.107 APPOINTMENTS TO OUTSIDE BODIES FOR 2010/11

A schedule of nominations for the appointment of representatives on outside bodies for the Municipal Year 2010/11, including the appointment of substitute members, where appropriate, had been provided to Members.

It was moved by Councillor Peter Goldsworthy, seconded by Councillor Pat Case, and subsequently **RESOLVED** that the Council's representatives on the following outside bodies for 2010/11 be approved as follows:

NAME OF BODY	NO OF REPS	REPRESENTATIVES	EXPIRY DATE
Adlington Community Association	2	Councillor J Molyneaux and Mr Adam Unsworth (Conservative Nominee)	May 2011
Brindle Village Hall Management Committee	1	Councillor David Dickinson	May 2011
Chorley Age Concern	2	Councillors R Russell and C Hoyle	May 2011
Chorley and District Neighbourhood Watch Association	1	Executive Member for Places (Councillor E Bell)	May 2011
Chorley and District Sports Forum	2	Executive Member for People (Councillor J Walker) and Councillor M Muncaster	May 2011
Chorley and South Ribble Citizens Advice Bureau Management Committee	1	Councillor P Haughton	May 2011
Chorley and South Ribble Council for Voluntary Service	1	Councillor Doreen Dickinson	May 2011
Chorley and South Ribble Crossroads Care Scheme (Trustees)	1	Councillor J Boothman	May 2011
Chorley and South Ribble Disability Forum	1	Councillor David Dickinson	May 2011
Chorley and South Ribble MIND	1	Councillor Doreen Dickinson	May 2011
Chorley and South Ribble Shopmobility	1	Councillor M Gray	May 2011
Chorley Churches Together	1	Councillor M Gray	May 2011
Chorley Community Housing Board	4	Councillors A Cullens, C France, M Gray and L Lennox	May 2011
Chorley Consolidated Charity and Chorley Relief Fund	3	Councillor A Gee (Appointed May 2010) Councillor M Gray (Appointed May 2010) Councillor M Cullens (Appointed May 2006)	May 2015 May 2015 May 2011
Chorley Domestic Violence Forum	2	Councillors M Cullens and A Hansford	May 2011

NAME OF BODY	NO OF REPS	REPRESENTATIVES	EXPIRY DATE
Chorley Local Children's Trust Partnership	1	Executive Member (People) Councillor John Walker	May 2011
Chorley Women's Centre	1	Councillors Doreen Dickinson	May 2011
Clayton-le-Woods Community Centre Management Committee	1	Councillor M Cullens	May 2011
Cuerden Valley Trust	1	Councillor M Muncaster	May 2011
Eccleston Maintained Youth Centre Management Committee	2	Councillor H Caunce and Councillor K Joyce	May 2011
Groundwork Trust Wigan and Chorley	1	Councillor E Bell	May 2011
Heapey and Wheelton Village Hall Committee	2	Councillors C France and A Hansford	May 2011
Heskin Village Hall Management Committee	1	Councillor E Smith	May 2011
Hoghton Village Hall Management Committee	1	Councillor David Dickinson	May 2011
Home-Start Chorley and South Ribble	1	Councillor P Haughton	May 2011
Lancashire County Council Health Overview and Scrutiny Committee (Co-opted member)	1	Councillor R Russell (Substitute Members - Councillors G Russell and A Gee)	May 2011
Lancashire Economic Partnership Forum	1	Executive Leader (Councillor P Goldsworthy)	May 2011
Lancashire Neighbourhood Watch Forum	1	Councillor E Bell	May 2011
Lancashire Police Authority Partnerships Forum <i>(since the meeting, the Council has been informed that this body no longer meets)</i>	1	Councillor David Dickinson	May 2011
Lancashire Teaching Hospitals NHS Trust - Governing Council	1	Councillor P Case	May 2015

NAME OF BODY	NO OF REPS	REPRESENTATIVES	EXPIRY DATE
Lancashire Valuation and Community Charge Tribunal	1	Mr Jon Davies (Labour Nominee)	March 2011
Lancashire Waste Management Strategy Group	1	Executive Member for Places (Councillor E Bell)	May 2011
Local Development Framework Joint Advisory Committee	3	Executive Member for Partnerships and Planning (Councillor P Malpas), Councillors H Heaton and R Lees (Substitute Members Councillors P Goldsworthy, G Russell and D Edgerley)	May 2011
Local Government Association General Assembly	2	Executive Leader and Deputy Leader of Council	May 2011
Local Government Association New Towns Special Interest Group	2	Executive Leader and Deputy Leader of Council	May 2011
Local Government Association Rural Commission	2	Executive Leader and Deputy Leader of Council	May 2011
Local Government Association Urban Commission	2	Executive Leader and Deputy Leader of Council	May 2011
Local Government Association Lancashire Branch	3	Executive Leader, Deputy Leader of Council and Leader of the Opposition	May 2011
Mawdesley Millennium Trust	1	Councillor K Joyce	May 2011
Mawdesley Village Hall Management Committee	1	Councillor K Iddon	May 2011
North Western Local Authorities' Employers Organisation	1	Executive Member for Transformation (Councillor K Joyce)	May 2011
Preston and Western Lancashire Racial Equality Council	1	Councillor G Morgan	May 2011
Rivington Heritage Trust	1	Councillor P Case	May 2011
Rivington and Brinscall Advisory Group	3	Councillors M Gray, P Case, C France	May 2011
Runshaw College Community Liaison Group	4	Councillors G Russell and G Morgan Neil Caton (Labour Nominee) and Kevin Hodges (Conservative Nominee)	May 2011

NAME OF BODY	NO OF REPS	REPRESENTATIVES	EXPIRY DATE
Safer Chorley and South Ribble Partnership (Responsible Authorities Group)	1	Executive Member for Places (Councillor E Bell)	May 2011
St John Ambulance Association	1	The Mayor	May 2011
The North West of England and the Isle of Man Reserved Forces and Cadets Association	1	Councillor J Boothman	May 2011
West Pennine Moors Area Management Committee	2	Councillors M Gray and J Berry	May 2011

10.C.108 PROGRAMME OF COUNCIL MEETINGS FOR 2010/11

It was moved by Councillor Peter Goldsworthy, seconded by Councillor Pat Case, and subsequently **RESOLVED** that the following timetable of meetings of the Council to be held in the Town Hall, Chorley at 6.30pm during the 2010/11 Municipal Year be confirmed:

20 July 2010;
28 September 2010;
2 November 2010 (Policy Council);
7 December 2010;
1 March 2011 (Budget Council);
5 April 2011.

Mayor

REPORT OF EXECUTIVE CABINET**REVENUE AND CAPITAL OUTTURN FOR 2009/10**

1. The Director of Transformation presented the Executive Cabinet with a report on the provisional final outturns in respect of the General Fund Revenue Account and the Capital Programme at the end of the 2009/10 financial year.
2. The report reveals that, excluding the potential impact of the concessionary travel scheme, there is expected to be an underspend in the region of £181,000 in the General Fund revenue account at the year end. After taking account of the eventual reimbursement rate and pooling adjustment, the final outturn cost for concessionary travel in 2009/10 is estimated at £1,092,000, giving an envisaged underspend of around £231,000. The recent claim against HM Revenues and Customs for the reimbursement of VAT paid in earlier years has resulted in the refund of £741,000 to date, which can be increased by up to £240,000 if the claim for compound interest is successful.
3. Appendices to the report provide a detailed analysis of the Capital Programme provisional outturn for 2009/10. The envisaged outturn expenditure of £5,668,296 shows a reduction of £851,754 on the approved revised programme, owing principally to the rephasing of £729,000 expenditure to 2010/11.
4. A copy of the report presented to the Executive Cabinet is attached so that the Council is able to take account of the relevant factors before taking decisions on the Capital Programme.

Recommendations

5. The Council is recommended:
 - (1) to note the report;
 - (2) to approve the financing arrangements for the 2009/10 Capital Programme, as set out in Appendix 3 to the attached report.

COUNCILLOR KEVIN JOYCE
Executive Member (Transformation)

There are no background papers to this report.

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Report of	Meeting	Date
Director of Transformation (Introduced by the Executive Member for Transformation)	Executive Cabinet	3 June 2010

PROVISIONAL CAPITAL AND REVENUE OUTTURN 2009/10

PURPOSE OF REPORT

1. To report to Members the provisional outturn figures for the Council's budget for the financial year 2009/10. This paper sets out the financial position of the Council as compared against the budgets and efficiency savings targets it set itself for 2009/10 for the General Fund Revenue Account and for the Capital Programme.
2. The accounts are provisional at this stage and are also subject to final checking and scrutiny by the Council's external auditor. Should there be any significant changes to the outturn as a result of this process I shall submit a further report to Executive Cabinet. Further details of the Council's overall financial position will be presented to the Audit Committee at the end of June when they are considering the Council's statement of accounts.

RECOMMENDATIONS

3. Executive Cabinet are asked to note the contents of the report and agree the financing of the Capital Programme as set out in Appendix 3.

EXECUTIVE SUMMARY OF REPORT

4. In December I reported on the financial position of the Council as compared against the budgets and efficiency savings targets it set itself for 2009/10. At that time I reported that the full target savings of £410,000 had already been achieved and forecast an underspend against the budget of around £169,000 excluding the impact of Concessionary Travel. This position has improved slightly with the revenue outturn now coming in under budget by £181,000.
5. The 2009/10 budget set out a proportion of working balances to mitigate the potential additional costs of the Concessionary Travel scheme due to several unknown factors at the time of setting the budget. I am pleased to report that as a result of the pooling arrangement with other Lancashire Councils the majority of this sum taken from balances was not required to meet additional costs and will therefore be transferred back to general balances.
6. In terms of Capital during the year it was agreed that slippage would be sought on the programme to ensure that borrowing was contained as capital receipts had also been deferred as a result of the economic downturn. In the event of slippage of a number of schemes was achieved and therefore borrowing contained within the estimate.

7. The level of working balances is set to increase significantly as a result of various factors which are outlined in the report.

REASONS FOR RECOMMENDATIONS

(If the recommendations are accepted)

8. To ensure the Council’s budgetary targets are achieved.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

9. None.

CORPORATE PRIORITIES

10. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub region.		Develop local solutions to climate change.	
Improving equality of opportunity and life chances.		Develop the character and feel of Chorley as a good place to live.	
Involving people in their communities.		Ensure Chorley is a performing organisation.	✓

Ensuring cash targets are met maintains the Council’s financial standing.

BACKGROUND

11. The Council’s budget for 2009/10 included real cash savings targets of £350,000 from the management of the establishment and a further £60,000 of savings to come from efficiency and procurement related activities.
12. The 2009/10 budget was influenced by two significant factors, the impact of the economic downturn and the increase in Concessionary Travel costs. In setting the budget for 2009/10 it was agreed that general balances would be used as a short term measure, pending the grant distribution review and lobbying by many councils to get the distribution mechanism changed. It was estimated that a sum of around £273,000 would be needed from balances to fund the impact of the economic downturn and around £234,000 to finance the potential additional Concessionary Travel costs.
13. The budget also included challenging targets for the Council’s main income streams despite adjustments being made to the 2009/10 budgets to reflect the downturn in the economy.

PROVISIONAL OUTTURN GENERAL FUND

14. Appendix 1 shows the provisional summary outturn position for the Council. No individual service directorate figures are attached. These are available for inspection in the Members Room. Please note that for continuity and ease of analysis the figures are presented using the Councils previous directorate structure. This will change to the new three directorate structure for the 2010/11 financial year.
15. In my report to Executive Cabinet of 18 February (end of December), I advised on the projected outturn for 2009/10 which, excluding the potential impact of Concessionary

Travel, showed a forecast underspend of £169,000. The Council's net expenditure at the end of the year shows an underspend of £181,000 or -1.22% of total service expenditure.

- 16. The net movement in expenditure from the position reported in December shows a reduction of £13,000.
- 17. An analysis of the main variances over and above those previously reported in monitoring is shown below. Further details are contained in the service unit analysis available in the members' room:

Table 1 – Significant Variations from the last monitoring report

	£'000
Expenditure	
Staffing Costs	10
Shared Assurance Services	(25)
Waste Contract	(22)
Buildings Repairs/Maintenance	9
Income	
Planning/Building Control Fees	44
Cotswold House Voids (loss of income)	20
LCC Cost Share (Green Waste)	(37)
Buckshaw Waste Collection	(27)
Benefits	18
Other minor forecasts	(3)
Net Movement	(13)

- 18. The most significant change outlined in the table above is a reduction in the income generated from Planning & Building Control Fees compared to the forecast made in December. The previous forecast was for a combined increase in fee income over and above the budgeted amounts of around £74,000. This was based on significant increases in Planning fee income received over the first nine months of the year. The final three months of the year have shown a downturn in generated income levels compared with previous months resulting in a final outturn position of £30,000 surplus income above budgeted levels, a reduction of £44,000.
- 19. Another major change to report is the additional saving from a reduction in the recharge from South Ribble Borough Council for Shared Assurance Services. Previous forecasts had indicated a saving of around £23,000 against budget but as more audit work has been performed in-house reducing the need for externally contracted resources, an additional saving of £25,000 has been achieved giving a total saving of £48,000 for the year.
- 20. One area that has generated significant savings in 2009/10 is waste and recycling services. The savings against budget have been shown under three separate elements as the waste contract, green waste processing, and Buckshaw waste collection as outlined above.

A saving against the waste contract costs has been achieved in 2009/10 for two main reasons. Firstly a reduction in the core contract costs whenever Veolia have failed to meet

specific targets and secondly for a reduction in the number of additional collection services required throughout the year. This has generated a saving of around £28,000 for the full year, an increase of £22,000 on previous forecasts.

A saving has also been achieved through additional income generated from green waste processing and other household recycling. An increase in volumes recycled has resulted in additional income of around £37,000 compared to previous forecasts.

The final saving again is as a result of additional income being generated, this time from the refuse collection service on Buckshaw Village. An increase in the number of occupied properties and the addition in 2009/10 of an administration charge in relation to collection services has resulted in a surplus of income over budget of around £27,000 for the year.

21. One area where the Council suffered a shortfall in income was in void rents at Cotswold House. Throughout the previous year major repairs and refurbishment works have been carried out and as a consequence Cotswold House has had a reduced number of rooms available for letting. As a result, the void rate increased from around ten to thirty percent creating a further shortfall in income of £20,000 over and above the previous forecast of £13,000 giving a deficit for the year of £33,000.
22. Previous budget monitoring reports have highlighted the volatility of a number of budgets. One such budget that can have a significant impact on the year-end position is housing and council tax benefits. Throughout the year it is extremely difficult to accurately predict the level of expenditure and subsequent levels of subsidy as the nature of the budget is demand driven, however I am pleased to report that the net cost to the Council is only £18,000 higher than previously forecast in December.

COMMITTED ITEMS

23. Included in the outturn figure are committed items of expenditure and income. Each year the Council commits itself to incurring expenditure that may not always be incurred in the financial year. It is custom and practice to allow Directorates that have a budget underspend to carry forward this cash to pay for items where such a commitment has been made.
24. Accordingly I have received the following carry forward requests that I support.

Details	£'000
• Information management work commissioned for 09/10 to be completed in 2010/11	17
• Reward & Recognition budget required to fund initiatives in 2010/11	13
• Provision of 49 x 1,100 litre bins for recycling at schools	10
• IDeA Peer Review planned for 09/10 postponed until later in 2010/11	9
• Additional new business start up support work	7
• Training sessions due for 09/10 delayed to April/May 2010/11	6
• Development of applications for Council's front facing service to improve access channels for customers	6
• Provision for cash prizes for Chorley Smile Awards as unlikely to attract third party sponsorship in current economic climate	6
• Playground equipment planned works to be delivered May/June 2010	5
• Production of a marketing package for the town centre and markets	5
• Inward investments agents database, distribution of pack & attendance at exhibitions	5
• LEP II Evolutive user licence for sites and premises	3
• Consultant entomologist to investigate excessive numbers of flies in Euxton	2

Total

94

CONCESSIONARY TRAVEL

25. The greatest potential impact on the Council's year-end position was likely to come from Concessionary Travel. As highlighted in my last monitoring report, the outturn cost of the 2009/10 scheme would be determined by the eventual reimbursement rate and additional cost items, agreed by negotiation with operators or by the DfT appeal process, together with any changes in levels of usage and fare changes.

Provisional usage data and cost information received for the period April to December 2009 indicated a potential outturn cost of approximately £1,268,000 giving an underspend of around £70,000 based on the operators offer rate of 61%. A final reimbursement rate has now been agreed with all operators of 59.5%, with the exception of Stagecoach. This reduction, together with a reduction in demand following the cold spell in January has had a significant impact on the outturn position.

Unless Stagecoach decide to accept the 59.5% offer, the eventual total reimbursement to that company will only be determined after a protracted period of negotiations. Taking into account an adjustment for the likely additional costs of this outcome, the final outturn cost for Concessionary Travel in 2009/10 (after the pooling adjustment) is £1,092,000 giving an underspend of around £246,000. After taking into account additional costs incurred on legal and consultancy fees and Nowcard production in 2009/10, the final saving on Concessionary Travel is around £231,000.

Members will be aware that the budget for 2009/10 set out a proportion of working balances to mitigate against the potential additional costs of the Concessionary Travel scheme due to the various unknown factors at the time such as the operators reimbursement rate and the pooling agreement. I am pleased to report that as a result of the final outturn figures for Concessionary Travel the majority of this sum taken from balances was not required to meet additional costs and will therefore be transferred back to general balances.

GENERAL FUND RESOURCES AND BALANCES

26. Set out in Appendix 2 for Members information is a summary of the levels of reserves and balances available to the Council at the end of the financial year 2009/10. Resources and balances are set aside to be able to pay for future known expenditure and to guard against financial risk. The key message is that the Council committed to working towards increasing a level of working balances to £2m in its financial strategy. The analysis shows that the Council has gone along way to achieving that through the actions taken during 2009/10.
27. The most significant impact on balances in 2009/10 is as a result of the claim against HM Revenues & Customs for the reclaim of VAT paid in earlier years. In my last monitoring report I advised that in making the claim the Council has worked with Pricewaterhouse Coopers on a no win no fee basis.

The amount received to date, including interest and net of fees paid to PwC total £741,000. This figure includes calculations based on simple interest. However, compound interest has been claimed and should the claim be successful, this amount could increase by up to £240,000. Due to the uncertainty involved in this claim, this sum has been excluded from the level of balances outlined in this report.

28. Another major issue to impact on balances is the result of the application to capitalise the Icelandic investment impairment. As previously reported the Council's application was unsuccessful and as a result the cost of the impairment of around £310,000 will be met from balances.

CAPITAL PROGRAMME PROVISIONAL OUTTURN

29. Details of the Capital Programme provisional outturn for 2009/10 are set out in appendices 3 and 4 to the report. Appendix 4 provides an analysis of the 'Other Changes' in column (3) of Appendix 3.
30. The provisional outturn expenditure is £5,668,296, which is £851,754 less than the revised estimate of £6,520,050 approved by Council. The main reasons for the reduction are as follows:

	£'000
Net rephasing of expenditure to 2010/11	(729)
Reduction in recharges from revenue	(107)
Net transfer of expenditure from revenue	34
Other net reduction in expenditure	(50)
Reduction compared to Revised Estimate	(852)

The capital programme for 2010/11 should be updated to include the net rephasing of expenditure from 2009/10 as presented in column (2) of Appendix 3.

Financing by borrowing was £146,918 less than estimated, mainly because of the rephasing of expenditure to 2010/11. Capital receipts available for financing were £41,962 more than estimated. Performance Reward Grant has been applied to finance existing rather than new capital schemes instead of using VAT Shelter income. This means that the VAT Shelter income is available to finance Local Strategic Partnership projects, both revenue and capital, in 2010/11.

IMPLICATIONS OF REPORT

31. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal		No significant implications in this area	

32. The financial implications are detailed in the body of the report.

GARY HALL
DIRECTOR OF TRANSFORMATION

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Dave Bond/Michael Jackson	5488/5490	21/05/10	

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
General Fund Revenue Budget Monitoring - Provisional Outturn 2009/10	Original Cash Budget	Impact of Council Restructure	Agreed Changes (Directorates)	Agreed Changes (Other)	Amended Cash Budget	Contribution to Corp. Savings (Staffing)	Contribution to Corp. Savings (Other)	Current Cash Budget	Provisional Cash Outturn	Variance	Variance	Committed Items
	£	£	£	£	£	£	£	£	£	£	%	
Chief Executive's Office	609,590		(50)	14,000	623,540	(55,050)		568,490	548,510	(19,980)	-3.5%	13,310
Corporate Governance	1,643,120		27,650	(90,550)	1,580,220	(17,000)		1,563,220	1,567,729	4,509	0.3%	
Business	926,500		(64,740)	(27,820)	833,940	(140,000)		693,940	720,259	26,319	3.8%	19,570
Business Transformation & Improvement (Finance)	918,590		(20,640)	34,170	932,120	(18,000)		914,120	935,441	21,321	2.3%	
Shared Financial Services	905,650			-	905,650	(18,000)		887,650	842,516	(45,134)	-5.1%	
Human Resources	423,450		17,350		440,800	(14,000)		426,800	397,935	(28,865)	-6.8%	6,100
Information & Communication Technology Services	825,300		8,100	13,780	847,180	(6,000)		841,180	848,329	7,149	0.8%	17,000
People	2,299,480		(66,430)	(88,230)	2,144,820	(117,000)		2,027,820	2,054,047	26,227	1.3%	5,040
Policy & Performance	769,060		54,440	27,350	850,850	(49,000)		801,850	762,609	(39,241)	-4.9%	20,740
Neighbourhoods	4,800,410		44,320	3,060	4,847,790	(56,000)		4,791,790	4,756,418	(35,372)	-0.7%	12,460
Directorate Total	14,121,150	-	-	(114,240)	14,006,910	(490,050)	-	13,516,860	13,433,793	(83,067)	-0.6%	94,220
Budgets Excluded from Finance Unit Monitoring:												
Benefit Payments	(870)				(870)			(870)	56,531	57,401	-6597.8%	
Concessionary Fares	1,160,420				1,160,420			1,160,420	1,160,420	-	-	
Pensions Account	225,480				225,480			225,480	221,862	(3,618)	-1.6%	
Corporate Savings Targets												
Management of Establishment & Efficiency Savings	-			(410,050)	(410,050)	410,050		-	-	-	-	
Salary Related Savings (Pay Award)	-			(80,000)	(80,000)	80,000		-	-	-	-	
Total Service Expenditure	15,506,180	-	-	(604,290)	14,901,890	-	-	14,901,890	14,872,606	(29,284)	-0.2%	
Non Service Expenditure												
Contingency Fund	-				-			-	-	-	-	
Contingency - Management of Establishment/Efficiency	(410,050)			410,050	-			-	-	-	-	
Contingency - Salary Related Savings (Pay Award)	(80,000)			80,000	-			-	-	-	-	
Revenue Contribution to Capital	-			541,420	541,420			541,420	346,805	(194,615)	-35.9%	
Net Financing Transactions	461,100				461,100			461,100	320,935	(140,165)	-30.4%	
Parish Precepts	594,340				594,340			594,340	594,340	-	-	
Total Non Service Expenditure/Income	565,390	-	-	1,031,470	1,596,860	-	-	1,596,860	1,262,080	(334,780)	-21.0%	
Total Expenditure	16,071,570	-	-	427,180	16,498,750	-	-	16,498,750	16,134,686	(364,064)	-2.2%	
Financed By												
Council Tax	(6,899,760)				(6,899,760)			(6,899,760)	(6,899,760)	-	-	
Aggregate External Finance	(8,357,690)				(8,357,690)			(8,357,690)	(8,357,688)	2	0.0%	
LAA Reward Grant (PRG)	(150,000)			(7,790)	(157,790)			(157,790)	(157,790)	-	-	
Area Based Grant	(22,500)				(22,500)			(22,500)	(22,810)	(310)	1.4%	
LABGI Grant	(150,000)			(56,650)	(206,650)			(206,650)	(231,178)	(24,528)	11.9%	
Collection Fund Surplus	16,170				16,170			16,170	(291)	(16,461)	-101.8%	
Use of Earmarked Reserves - capital financing	-			(444,000)	(444,000)			(444,000)	(241,205)	202,795	-45.7%	
Use of Earmarked Reserves - revenue expenditure	-			81,260	81,260			81,260	8,181	(73,079)	-89.9%	
Use of General Balances (Concessionary Travel)	(234,320)				(234,320)			(234,320)	(234,320)	-	-	
Contribution to or use of General Balances	(273,470)				(273,470)			(273,470)	(273,470)	-	-	
Total Financing	(16,071,570)	-	-	(427,180)	(16,498,750)	-	-	(16,498,750)	(16,410,331)	88,419	-0.5%	94,220
Net Expenditure	-	-	-	-	-	-	-	-	(275,645)	(275,645)	Over/(Underspend)	

General Balances Summary Position	Budget	Forecast
	£	£
General Fund Balance at 1 April 2009	1,000,000	1,600,690
Budgeted use of General Balances (Concessionary Travel)		(234,320)
Budgeted use of General Balances		(273,470)
Provisional (Over)/Under Spend	-	275,645
Concessionary Travel (Over)/Under Spend in 2009/10		230,754
Forecast General Fund Balance at 31 March 2010	1,000,000	1,599,299
Committed Items		(94,220)
Final General Fund Balance		1,505,079

	Committed Items
Outturn excluding Concessionary Travel	(181,425)
Concessionary Travel Underspend	(230,754)
Provisional Outturn	(412,179)

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Analysis of Reserves	£m	£m
Those requiring approval by Cabinet		
Working Balances	1.877	
Building Control Reserve	0.000	
Astley Hall Works of Art	<u>0.006</u>	1.883
Neighbourhood Working	0.138	
Directorate specific reserves	0.508	
Capital Reserve (VAT Shelter income)	0.008	
Local Development Framework	<u>0.117</u>	0.771
LABGI Grant/Performance Reward Grant		0.231
Total		2.885
Transfers to earmarked reserves for committed expenditure		0.094
Reserves total if slippage approved		2.979

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Capital Programme Provisional Outturn 2009/10

Scheme	2009/10 Current Estimate (1) £	Slippage (to)/from 2010/11 (2) £	Other Changes (3) £	2009/10 Provisional Outturn (4) £
<u>Director of Partnerships, Planning & Policy</u>				
<u>Head of Economic Development</u>				
Chorley Covered Market - Improvement Scheme	87,910		139	88,049
Chorley Covered Market - Rainwater Harvesting	30,440	(22,290)	0	8,150
Climate Change Pot	110,700	(30,000)	0	80,700
Project Design Fees	41,440		(41,440)	0
<u>Head of Economic Development Total</u>	270,490	(52,290)	(41,301)	176,899
<u>Head of Housing</u>				
Homelessness Prevention Central Lancs Sanctuary Scheme	28,500		0	28,500
Affordable Housing Halliwell Street Project 2007-2010	79,000		0	79,000
Choice Based Lettings	20,000	(20,000)	0	0
Affordable Housing New Development Projects	15,930		3,271	19,201
Purchase and Repair	787,730	(485,230)	3,401	305,901
Disabled Facilities Grants	427,880	(3,020)	5	424,865
Housing Renewal				
- Home Repair Grants/Decent Homes Assistance	105,000	(19,790)	1	85,211
- Energy Efficiency Grants	200,000	1,040	(5)	201,035
- Handyperson Scheme	12,000	6,170	13,684	31,854
<u>Head of Housing Total</u>	1,676,040	(520,830)	20,357	1,175,567
<u>Head of Planning</u>				
Town Centre Investment	41,550	(41,550)	0	0
Buckshaw Village Railway Station (S106 financed)	80,250	(51,140)	87,504	116,614
Buckshaw Village Cycle Network	30,580		(3)	30,577
Chorley Strategic Regional Site	0	90,130	1	90,131
<u>Head of Planning Total</u>	152,380	(2,560)	87,502	237,322

Capital Programme Provisional Outturn 2009/10

Scheme	2009/10 Current Estimate (1) £	Slippage (to)/from 2010/11 (2) £	Other Changes (3) £	2009/10 Provisional Outturn (4) £
<u>Head of Policy</u>				
Project Management Support Capitalisation	40,000		(40,000)	0
Performance Reward Grant (PRG) funded schemes	159,330	4,370	(148,700)	15,000
	199,330	4,370	(188,700)	15,000
<u>Director of Partnerships, Planning & Policy Total</u>	2,298,240	(571,310)	(122,142)	1,604,788
<u>Director of People and Places</u>				
<u>Head of Environment</u>				
Alleygates	42,580	(6,780)	4	35,804
Contaminated land site investigations (DEFRA grant)	9,620		(9,620)	0
	52,200	(6,780)	(9,616)	35,804
<u>Head of Leisure & Neighbourhoods</u>				
Leisure Centres/Swimming Pool Refurbishment	304,610	(8,800)	29,998	325,808
Astley Hall/Park CCTV	36,360		(1)	36,359
Village Hall & Community Centres Projects	44,770	(40)	(3)	44,727
On-line Booking System	25,000	(8,130)	5	16,875
	410,740	(16,970)	29,999	423,769

Capital Programme Provisional Outturn 2009/10

Scheme	2009/10 Current Estimate (1) £	Slippage (to)/from 2010/11 (2) £	Other Changes (3) £	2009/10 Provisional Outturn (4) £
<u>Head of Streetscene Services</u>				
Replacement of recycling/litter bins & containers	98,700	(16,680)	3	82,023
Refuse and Recycling Contract Purchase of Bins	1,201,150		3	1,201,153
Highway improvements - Gillibrand estate/Southlands	90,000	(44,000)	0	46,000
Astley Park Improvements - Construction	469,690		(1,736)	467,954
Ulnes Walton Play/Leisure Schemes (S106 funded)	10,630		478	11,108
Clayton Brook Play Area (lottery funded)	96,780		4,734	101,514
Lighting at Coronation Recreation Ground	12,090		315	12,405
Cemetery Development	3,270		(3,270)	0
Common Bank - Big Wood Reservoir	4,250	3,590	757	8,597
Project Design Fees	10,000		(10,000)	0
	1,996,560	(57,090)	(8,716)	1,930,754
<u>Director of People and Places Total</u>	2,459,500	(80,840)	11,667	2,390,327
<u>Director of Transformation</u>				
<u>Head of Customer, ICT & Transactional Services</u>				
Website Development (incl. ICT salary capitalisation)	30,000		(30,000)	0
Thin Client/Citrix (started 2007/08)	89,400	3,510	(3)	92,907
Server Virtualisation / Data Storage Solution	30,000	(1,200)	(1)	28,799
New ISP Implementation	23,980		9,030	33,010
CRM Implementation	206,790	(91,420)	(2)	115,368
	380,170	(89,110)	(20,976)	270,084

Capital Programme Provisional Outturn 2009/10

Scheme	2009/10 Current Estimate (1) £	Slippage (to)/from 2010/11 (2) £	Other Changes (3) £	2009/10 Provisional Outturn (4) £
<u>Head of Governance</u>				
Legal Case Management System	21,750	(6,090)	3	15,663
<u>Head of Governance Total</u>	21,750	(6,090)	3	15,663
<u>Director</u>				
Matched Funding Pot / Invest To Save	0	9,030	(9,030)	0
Planned Improvements to Fixed Assets	210,390	9,490	17,554	237,434
Capitalised restructuring costs	1,150,000		0	1,150,000
<u>Director Total</u>	1,360,390	18,520	8,524	1,387,434
<u>Director of Transformation Total</u>	1,762,310	(76,680)	(12,449)	1,673,181
<u>Capital Programme Total</u>	6,520,050	(728,830)	(122,924)	5,668,296

Capital Programme Provisional Outturn 2009/10

Scheme	2009/10 Current Estimate (1) £	Slippage (to)/from 2010/11 (2) £	Other Changes (3) £	2009/10 Provisional Outturn (4) £
<u>Financing the Capital Programme</u>				
Prudential Borrowing	2,662,390	(131,230)	(15,688)	2,515,472
Unrestricted Capital Receipts	199,120		41,057	240,177
Capital Receipt earmarked for Strategic Regional Site	481,330		(4)	481,326
Preserved RTB Capital Receipts from CCH	10,000		909	10,909
Revenue Budget - Specific Revenue Reserves or Budgets	59,790		47,550	107,340
Revenue Budget - VAT Shelter income	523,150	10,410	(294,095)	239,465
Chorley Council Resources	3,935,780	(120,820)	(220,271)	3,594,689
Ext. Contributions - Developers	977,350	(510,760)	11	466,601
Ext. Contributions - Lottery Bodies	324,210		(7)	324,203
Ext. Contributions - Other	278,630	4,370	87,496	370,496
Government Grants - Disabled Facilities Grants	180,000		0	180,000
Government Grants - Housing Capital Grant	746,400	(101,620)	4	644,784
Government Grants - Housing & Planning Delivery Grant	51,240		2	51,242
Government Grants - Other	26,440		9,841	36,281
External Funding	2,584,270	(608,010)	97,347	2,073,607
Capital Financing Total	6,520,050	(728,830)	(122,924)	5,668,296

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Capital Programme 2009/10 - Analysis of Other Changes

Scheme	2009/10 Other Changes (1) £	Recharges Adjustments (2) £	Transfers (to)/from Revenue (3) £	Increases/R eductions (4) £	Explanation of Increases and Reductions
<u>Director of Partnerships, Planning & Policy</u>					
<u>Head of Economic Development</u>					
Project Design Fees	(41,440)	(41,440)			
<u>Head of Economic Development Total</u>	(41,440)	(41,440)	0	0	
<u>Head of Housing</u>					
Affordable Housing New Development Projects	3,271	3,266		5	
Purchase and Repair	3,401	3,401			
Housing Renewal					
- Handyperson Scheme	13,684			13,684	Application of additional external funding
<u>Head of Housing Total</u>	20,356	6,667	0	13,689	
<u>Head of Planning</u>					
Buckshaw Village Railway Station (S106 financed)	87,504			87,504	Application of additional external funding
<u>Head of Planning Total</u>	87,504	0	0	87,504	
<u>Head of Policy</u>					
Project Management Support Capitalisation	(40,000)	(40,000)			
Performance Reward Grant (PRG) funded schemes	(148,700)			(148,700)	Used to finance appropriate schemes in approved capital programme
<u>Head of Policy Total</u>	(188,700)	(40,000)	0	(148,700)	
<u>Director of Partnerships, Planning & Policy Total</u>	(122,280)	(74,773)	0	(47,507)	
<u>Director of People and Places</u>					
<u>Head of Environment</u>					
Contaminated land site investigations (DEFRA grant)	(9,620)		(9,620)		
<u>Head of Environment Total</u>	(9,620)	0	(9,620)	0	
<u>Head of Leisure & Neighbourhoods</u>					
Leisure Centres/Swimming Pool Refurbishment	29,998		30,000	(2)	
<u>Head of Leisure & Neighbourhoods Total</u>	29,998	0	30,000	(2)	

Capital Programme 2009/10 - Analysis of Other Changes

Scheme	2009/10 Other Changes (1) £	Recharges Adjustments (2) £	Transfers (to)/from Revenue (3) £	Increases/R eductions (4) £	Explanation of Increases and Reductions
<u>Head of Streetscene Services</u>					
Astley Park Improvements - Construction	(1,736)	1,262		(2,998)	Cost reduction
Ulmes Walton Play/Leisure Schemes (S106 funded)	478	473		5	
Clayton Brook Play Area (lottery funded)	4,734	4,734			
Lighting at Coronation Recreation Ground	315	316		(1)	
Cemetery Development	(3,270)		(3,270)		
Common Bank - Big Wood Reservoir	757	757			
Project Design Fees	(10,000)	(10,000)			
<u>Head of Streetscene Services Total</u>	(8,722)	(2,458)	(3,270)	(2,994)	
<u>Director of People and Places Total</u>	11,656	(2,458)	17,110	(2,996)	
<u>Director of Transformation</u>					
<u>Head of Customer, ICT & Transactional Services</u>					
Website Development (incl. ICT salary capitalisation)	(30,000)	(30,000)			Additional virement from Invest to Save budget
New ISP Implementation	9,030			9,030	
<u>Head of Customer, ICT & Transactional Services Total</u>	(20,970)	(30,000)	0	9,030	
<u>Director</u>					
Matched Funding Pot / Invest To Save	(9,030)			(9,030)	Virement to New ISP Implementation
Planned Improvements to Fixed Assets	17,554		17,550	4	
<u>Director Total</u>	8,524	0	17,550	(9,026)	
<u>Director of Transformation Total</u>	(12,446)	(30,000)	17,550	4	
Other minor variances from Revised Estimate	146			146	
<u>Capital Programme Total</u>	(122,924)	(107,231)	34,660	(50,353)	

Capital Programme 2009/10 - Analysis of Other Changes

Scheme

Financing the Capital Programme

Prudential Borrowing

Unrestricted Capital Receipts

Preserved RTB Capital Receipts from CCH

Revenue Budget - Specific Revenue Reserves or Budgets

Revenue Budget - VAT Shelter income

Chorley Council Resources

Ext. Contributions - Other

Government Grants - Other

External Funding

Other minor variances from Revised Estimate

Capital Financing Total

2009/10 Other Changes (1) £	Recharges Adjustments (2) £	Transfers (to)/from Revenue (3) £	Increases/R eductions (4) £
(15,688)			(15,688)
41,057			41,057
909			909
47,550		47,550	
(294,095)	(107,231)	(3,754)	(183,110)
(220,267)	(107,231)	43,796	(156,832)
87,496			87,496
9,841		(9,136)	18,977
97,337	0	(9,136)	106,473
6			6
(122,924)	(107,231)	34,660	(50,353)

Explanation of Increases and Reductions

Use of VAT Shelter income and grants instead of borrowing, plus small cost reduction

Use of Performance Reward Grant and Capital receipts instead of VAT Shelter income

Contribution re Buckshaw Village Railway Station

Grants re Handyperson Scheme and Thin Client

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REPORT OF EXECUTIVE CABINET

GENERAL REPORT

1. The Executive Cabinet has met on one occasion on 3 June 2010 since the last ordinary Council meeting in April 2010. This report summarises briefly the principal items considered and decisions taken at the meeting. A separate report has been prepared on the item requiring a Council decision.

Overview and Scrutiny Inquiries – Executive’s response

2. At earlier meetings of the Executive Cabinet we had been presented with the findings and recommendations of (i) the Joint Overview and Scrutiny Task Group set up by the Chorley, Preston and South Ribble Councils to consider issues around the provision and access to affordable housing for both sale and rent; and (ii) the Overview and Scrutiny Task Group’s inquiry into town centre issues.
3. Following consideration of the two inquiry findings reports, we endorsed the recommended responses to the two Task Groups’ recommendations, as contained within the submitted reports of the Director of Partnerships, Planning and Policy, for submission to the Overview and Scrutiny Committee. We hope that the agreed actions will assist the delivery of both more affordable homes throughout the Central Lancashire sub-region and plans to enhance town centre facilities and its environment.

Chorley Council Performance Monitoring Report – Fourth Quarter of 2009/10

4. We received and noted a report of the Director of Partnerships, Planning and Policy, which set out and reviewed the Authority’s performance both in respect of the key projects included in the Corporate Strategy and against the National Indicators for which the Council are responsible, during the fourth quarter of 2009/10 ending on 31 March 2010.
5. We were pleased to note that of the 33 projects identified in the Corporate Strategy, two have been completed and the remaining 31 projects are progressing ahead of or according to plan. The report also reveals that the targets set for 17 of the 25 national indicators able to be monitored have been matched or exceeded. Action Plans have been prepared to address the matters covered by the 4 indicators that have missed the stipulated targets by 5% or more during the quarter period.

Chorley Partnership Annual Report for 2009/10

6. The Director of Partnerships, Planning and Policy presented the Chorley Partnership’s end of year performance report for 2009/10.
7. The report reviewed the Partnership’s activities and performance throughout 2009/10, commenting particularly on the progress and impact of the LSP sponsored projects and how they are contributing to the achievement of the Sustainable Community Strategy. The report also reviewed the Authority’s performance against the second year of the Local Area Agreement.
8. The following significant trends and statistics revealed in the report were highlighted by the Executive Member (Policy and Performance):
 - Unemployment has reduced over the past year.
 - The number of persons in temporary accommodation had fallen considerably to its lowest ever level during the past year.
 - Crime levels overall had reduced by 2.1% compared to 2008/09.

- The number of all types of crime in Chorley had decreased over the past year, with the exception of house burglaries and serious violent crime.
- Teenage pregnancy had fallen by 2.2% when the three year average for 2006/08 was compared to the three year average for 2005/07.
- 74 new business start-ups were recorded in 2009/10.
- The delivery of affordable homes in the Borough had increased significantly by 174% since the past year.
- Chorley's recycling rate had increased since 2008/09.

Central Lancashire Economic Regeneration Strategy

9. The Executive Cabinet approved and adopted the Central Lancashire Economic Regeneration Strategy.
10. The Strategy for Central Lancashire has been jointly prepared by the Chorley, South Ribble and Preston Councils in order to align with the draft refreshed version of the Chorley Economic Regeneration Strategy, the Mid-Lancashire Multi-Area Agreement and the emerging Local Development Framework Core Strategy. It will support and assist action to influence national and regional decisions and to drive forward the Central Lancashire economy. The strategy will, therefore, help to shape the economic development of the Central Lancashire sub-region over the next 15 years.

Chorley and South Ribble Community Safety Partnership – Collaborative Model

11. The Director of People and Places presented the Executive Cabinet with a report on the outcomes achieved since the adoption of the pilot merger of the Chorley and South Ribble Crime and Disorder Reduction Partnerships in 2008.
12. The trial merger has been deemed a success and we approved the recommended continuation of the arrangement on the basis of a collaborative model, rather than an official, formal merger, which is likely to be too prescriptive. A collaborative model will allow a degree of flexibility and enable the authorities to retain greater control over our respective budgets. This collaborative model was, in fact, supported at the joint scrutiny review session between Members of Chorley and South Ribble Councils on 31 March 2010.

Tree Management and Maintenance Policy

13. The Executive Cabinet approved for adoption a Tree Management and Maintenance Policy for application to trees situated on Council owned land.
14. The policy aims to give clear guidance on the future management of the authority's tree stock by the introduction of more robust and coherent arrangements and procedures. The policy will introduce best practice systems for the inspection of all trees across the Borough and the apportionment of trees within risk zones. The policy will also provide guidance on the handling of requests relating to Council owned trees and the provision of available options to other service users.
15. Future requests for tree works will be assessed to ensure that the budget provision is targeted at those trees at greater risk and a tendering process for identified works will secure best value.

Income Generation Proposal

16. We received a confidential report from the Chief Executive on an approach from the North West Improvement and Efficiency Partnership for Chorley Council's Management Team to provide assistance to Copeland Council in its review and acceleration of the Authority's ambitious improvement plans.

17. Chorley Council has been selected to offer its services to Copeland Council on the basis of its reputation for the successful delivery of transformation programmes.
18. The Executive Cabinet endorsed the provision of the consultancy service, which will generate an income of £70,000 for the Council.

Performance of Key Partnerships

19. The Executive Cabinet considered a confidential report of the Director of Transformation providing Members with a corporate update on the performance of the Council's key partnership arrangements during 2009/10.
20. The report outlined information required by the Council's framework for partnership working, including the performance of the Council's key partnerships against targets set for the current year and an assessment of the partners' financial strengths and stability.
21. In the light of the monitoring information, we agreed to take the measures recommended to address a number of emerging issues, together with the removal of Anchor Homes Improvement Agency, the Shared Services Contact Centre and "Parkwise" from the "Key Partnerships" register.

Recommendation

22. The Council is recommended to note this report.

COUNCILLOR PETER GOLDSWORTHY
Executive Leader

There are no background papers to this report.

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Scrutiny Reporting Back

Chorley Council's Annual Report on Overview and Scrutiny in 2009 - 2010



CONTENTS

1. Forward by the Chair and Vice Chair of Overview and Scrutiny Committee
2. The Year Ahead
3. Key Messages from Scrutiny Reviews in 2009/10
 - Joint Scrutiny of Affordable Housing with South Ribble and Preston
 - Highways
 - Town Centre Vitality
4. Crime and Disorder Scrutiny
5. Challenging the Executive
6. Challenging Performance
7. Financial Scrutiny
8. Conclusion

1. FOREWORD



Councillor Dennis Edgerley, Chair of the Committee 2009/10



Councillor Alan Cullens, Vice Chair of the Committee 2009/10

This year's work on scrutiny has resulted in two key reviews which address topics close to Members hearts – the vitality of Chorley Town Centre, particularly in the current economic climate and also Highways issues – one of the areas we as Councillors receive most complaints about. We also finally concluded the joint scrutiny review with Preston and South Ribble on Affordable Housing with a large number of recommendations on how we might tackle affordable

housing issues across the area. The Committee has this year taken on the new role of scrutinising crime and disorder. This has enabled a further piece of joint scrutiny with South Ribble reviewing the success of the merged Safer Chorley and South Ribble Partnership.

As last year we held a review at the end of the year looking at our achievements in 2009/10 and looking ahead to what we would like to look at in this new year.

This year I am handing the Chair over to my colleague, Councillor Adrian Lowe and wish him and the Committee a very productive year ahead.

2. THE YEAR AHEAD

Our review of 2009/10 reinforced some of the principles from last year around Members enthusiasm for topics, being a key driver to effective reviews. Whilst the Committee has not yet formally decided Task Group topics for 2010/11, there was a range of issues put forward for scrutiny of both internal services and external partners. This included a request from the Executive that a forthcoming Council Asset Management Review would be something that scrutiny could provide valuable input into. In addition we have received two requests from the public to consider a review into allotment provision – not just the length of waiting list and unmet demand but also the planning issues involved in establishing allotments and the use of farmland. This is an area which the Council has acknowledged as a priority and is investing in for 2010/11 and a scrutiny review would therefore be very relevant.

3. KEY MESSAGES FROM SCRUTINY REVIEWS IN 2009/10

3.1 Joint Scrutiny of Affordable Housing with South Ribble and Preston

Undertaking this scrutiny review has resulted in significant learning. Starting off as an IDeA hosted joint strategic housing session, the purpose of the scrutiny inquiry was to examine the delivery of affordable housing and to consider alternative methods to increase affordable housing supply.

The review has sometimes been difficult to progress and drive forward with three Councils each researching different elements, sharing information and comparing good practice. However after more than 12 months, 19 recommendations on affordable housing were agreed in a final report and have been submitted to the Executive Cabinet. The review also involved discussions with Register Social Landlords and other relevant partners

The key areas under scrutiny and the basis of the recommendations were:

- maximising housing corporation grant;
- social rented as against shared ownership;
- land availability;
- affordability in the private sector;
- empty properties and housing standards;
- layout and design issues; and
- use of S106 funding.

The Task Group recommendations are under consideration by the Executive in the current meetings cycle but the expectation is that many will be accepted and in fact some are already in place eg a Rental Bond Scheme; enhanced publicity on the concept of affordable housing; and on debt advice. The Site Allocations Development Plan documents which will include housing issues are currently being developed by all three Central Lancashire authorities.

3.2 Highways

Chaired by Councillor Mike Devaney, the Highways Task Group's aim was to improve the highways services delivered by Lancashire County Council and Chorley Council for the residents of Chorley.

The Task Group looked at the outcomes and key themes of other District Council scrutiny reviews of highways involving Lancashire County Council as a key contributor to the review. Their final report formed an action plan of 26 recommendations, based around four objectives, in summary:

- 1. Provision of information** – consideration of the Streetscene Service Agreement and the need for performance measures; better mechanisms and information sharing to keep Councillors and officers informed.
- 2. Communications cycles** – Lancashire County Council (and United Utilities) need to feedback to customers once issues have been reported – on when/whether work will be done to reduce need for further customer contact/frustration.
- 3. Consulting and influence** – more frequent meetings between LCC and Chorley Council – streamlining existing meetings to greater effect, consider Chorley taking on some wider enforcement functions eg on advertising boards, overhanging vegetation etc
- 4. Anomalies** – consider Chorley taking on some gritting responsibilities in the town centre; also request agreement that LCC maintain roads and pavements and Chorley maintain grass verges, weed control, tree and shrub maintenance etc.

The Executive will be responding to the comprehensive recommendations later in the summer.

3.3 Town Centre Vitality

Chaired by Councillor Peter Wilson, the Town Centre Vitality Task Group looked at specific areas of the vitality and viability of the town centre and formulated a total of 15 recommendations over 8 objectives:

- 1. A Comprehensive Marketing Action Plan**
- 2. A Strategy for an Evening Economy**
- 3. Signage Strategy**
- 4. Car Parking Strategy**
- 5. Town Centre Living**
- 6. Vacant Property Policy**
- 7. Develop and Deliver Short Term Plans for the Markets**
- 8. Develop and Deliver a Pavement Café Policy**

The Executive is currently considering a response to the recommendations and will report back in this meetings cycle. It is expected that many of the recommendations will be adopted and will be fed into corporate strategy projects like the review of the town centre marketing strategy; the corporate accommodation review and the proposals for the improvements to the Flat Iron.

4. CRIME & DISORDER SCRUTINY

In response to guidance under the Local Government and Involvement in Health Act 2007, the Council implemented a new duty to scrutinise crime and disorder matters in 2009/10

through the crime and disorder reduction partnership.

The Council decided that this duty would form part of the Overview and Scrutiny Committee which will dedicate at least one meeting a year to this work. A protocol for scrutinising the partnership – the Safer Chorley and South Ribble Partnership (Responsible Authorities Group) has been agreed and Superintendent Stuart Williams, Chair of the Partnership attended our first crime and disorder scrutiny meeting.

Since then we have undertaken a joint piece of scrutiny with South Ribble Scrutiny Committee Members on the success of the merged Partnership and have supported the view that a collaboration rather than a fully merged Partnership is the best way forward.

We have two Member learning session planned around increasing Member awareness of crime and disorder matters – again these will be jointly with South Ribble Councillors

- 16 June in Leyland - Understanding the Safer Chorley and South Ribble Partnership
- 5 July in Chorley – Drug and Alcohol Abuse

5. CHALLENGING THE EXECUTIVE

The following areas are Executive Cabinet items we have considered at scrutiny and made recommendations in 2009/10.

- “Get Up and Play” Rangers
- Affordable Housing task group - service improvement plan
- Updated attendance policy
- Work undertaken by Groundwork
- Central Lancashire and Blackpool Growth Point
- Information and Communication Technology availability for Members
- Value for Money review of the Corporate Support Services
- Performance of key partnerships
- Review of free swimming scheme

The Executive Members for Business, Neighbourhoods and Resources have all attended Overview and Scrutiny Committees to answer Members questions

6. CHALLENGING PERFORMANCE

Scrutiny continues to challenge directorate and service performance based on quarterly monitoring information. Members receive:

- Directorate business plan monitoring and performance information.
- Project updates under the Corporate Strategy; and
- Monitoring information from Chorley Partnership, including projects being run by the partnership.

The Committee has remained concerned about performance under NI 195 environmental cleanliness; performance on the time taken to process housing and council tax benefit claims and collection of debts older than 90 days.

7. FINANCIAL SCRUTINY

As well as scrutinising the Executive's budget principles and quarterly budget monitoring information, the Executive Member (Resources) has attended the Committee to answer Members questions about the Council's treasury management strategy.

8. CONCLUSION

2009/10 has been an interesting year for scrutiny with the implementation of the duty to scrutinise crime and disorder matters. It has also been a productive year resulting in some key recommendations on topics of concern to Members – affordable housing, the town centre and highways issues. Challenges ahead are to continue to scrutinise areas of interest and concern to Councillors and their constituents; to follow up on the implementation of scrutiny recommendations; to work more effectively with our partners on scrutiny and to continue to challenge our Executive Members in a constructive way with recommendations that result in positive outcomes for the residents in Chorley.

REPORT OF OVERVIEW AND SCRUTINY COMMITTEE

GENERAL REPORT

1. This report summarises the business transacted at the Overview and Scrutiny Committee held on 1 June 2010.

Safer Chorley and South Ribble Partnership

2. The Committee considered the minutes of the joint meeting of representatives of Chorley and South Ribble Overview and Scrutiny Committees that had been held on 31 March 2010 to scrutinise the performance of the Crime and Disorder Reduction Partnership.
3. Members noted that two Member Learning Session that were to be delivered jointly with South Ribble on Crime and Disorder related topics.
4. The Committee received a report of the Director of People and Places informing Members of the progress and outcome of the Merged Partnership which provided detail on the performance of the pilot merger against the agreed evaluation criteria and crime levels and made recommendations relating to the future arrangements for delivering community safety across Chorley and South Ribble Borough footprints.
5. The Committee supported the model of collaboration for the Chorley and South Ribble Partnership and recommended that the Executive Cabinet look specifically at the role of the Elected Member within the Partnership to ensure democratic accountability and effective communications.

Business Plan Monitoring Statements

6. We considered the Business Plan and Monitoring Statements for the final quarter of 2009/10 for the three new directorates, Partnerships, Planning and Policy, People and Places and Transformation.
7. Members were informed that the new government had stated that it planned to abolish Comprehensive Area Assessment, therefore all work on updating the area assessment and organisational assessment had ceased.
8. It was noted that meetings were currently underway to discuss Locality working and to better forge partnership arrangements between Council Leaders and Chief Executives following the abolishment of the Lancashire Locals and that the County Council were considering some services being delegated to District Councils to deliver.
9. The Members were informed that eighty percent of the total £500,000 debt outstanding over the 90 day period had been collected, some of which had been connected to Section 106 money.

Revenue and Capital Outturn for 2009/10

10. The Committee received a report of the Director of Transformation on the provisional outturn figures for the Council's budget for the 2009/10 financial year. The forecasted revenue underspend had been improved on with the revenue outturn now coming in under budget by £181,000. In terms of the Capital programme, a number of schemes

had had slipped and borrowing was therefore contained within the estimates and working balances were set to increase.

Corporate Strategy Key Projects: Forth Quarter Performance 2009/10

11. The Committee considered a report of the Director of Partnerships, Planning and Policy which set out and reviewed the Authority's performance both in respect of the 33 projects included in the Corporate Strategy and the National Indicators for which the Council were responsible, during the fourth quarter of 2009/10 ending in March 2010.
12. The report revealed a commendable performance in the delivery of the 33 Corporate projects, with 100% being either already completed or on track for delivery. In addition, the report confirmed that 17 of the 25 National Indicators had matched or exceeded target.

Chorley Partnership annual Report for 2010

13. We received a report of the Director of Partnerships, Planning and Policy presenting the Chorley Partnerships end of year performance report for 2009/10. A number of key issues were highlighted to Members including that the delivery of affordable homes had increased by 174% since last year and the overall crime rate had reduced by 2.1% over the past 12 months.

Annual Review of Overview and Scrutiny 2009/10 and Topics for 2010/11

14. We considered a report which presented a review of the issues covered by Scrutiny in 2009/10 and outlined future Task Group topics suggested at the "Scrutiny - A review of the year session" held prior to the last meeting.
15. Members agreed that the review topics for 2010/11 be:
 - Asset Management to be Chaired by Councillor Alan Cullens
 - Allotments to be Chaired by Councillor Julia Berry

A Member Learning Session would also be delivered on Chorley Community Housing available for all Members and the issue of CH transfer promises be looked at specifically at a future meeting of the Committee.

RECOMMENDATION

16. The Council is recommended to note this report.

COUNCILLOR A LOWE
Chair of Overview and Scrutiny Committee

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There are no background papers to this report.

REPORT OF AUDIT COMMITTEE**GENERAL REPORT**

1. This report summarises briefly the items considered and decisions taken by the Audit Committee at its meeting on 30 June 2010.

Treasury Management Annual Report for 2009/10

2. The Audit Committee received a report of the Director of Transformation reviewing the Council's Treasury management performance in terms of its investment and borrowing activities in 2009/10.
3. An appendix to the report summarised the Council's performance during the year, which we were assured had complied with the targets, limitations and prudential indicators set by the CIPFA Prudential Code.
4. Capital expenditure has increased by £0.6m during the year, principally as a result of restructuring costs, and the report also indicated that the Council's net borrowing (ie borrowing less investments) of £1.784m at 31 March 2010 is substantially less than the Capital Financing Requirement, as required by the prudential code.
5. The report also contained an update on the Authority's efforts to secure recovery of its frozen deposits in the Icelandic Landsbanki. Whilst the forecast recovery rate continues to fluctuate, the latest forecast suggests a recovery of 95% of claims over a period up to 2018, provided that the Council's claim is afforded preferred creditor status.

Annual Governance Statement for 2009/10

6. We received a report of the Head of Shared Assurance Services presenting the draft Annual Governance Statement for 2009/10, which reviews the framework in place to monitor the systems, processes, culture and values by which the Authority directs and controls its activities.
7. The Statement has been compiled after taking account of a corporate self-assessment and service assurance statements and lists a number of actions to address identified issues for inclusion in the various Directorates' Business Improvement Plans.
8. We endorsed the Governance Statement for signature by the Executive Leader and the Chief Executive in advance of its submission for external audit as part of the 2009/10 financial statements.

Annual Statement of Accounts for 2009/10

9. The Audit Committee received and considered a report of the Director of Transformation seeking approval of the Statement of Accounts for 2009/10, which sets out and comments on the draft accounts for the financial year.
10. The Director and the Head of Shared Financial Services drew attention to the principal elements of the accounts and the salient issues and factors that have influenced the current financial position of the authority.
11. The financial statement reveals a net revenue underspend of £339,000 on the expected 2009/10 revenue outturn of £16,601m, which had assumed a £0.508m contribution from General Fund balances. The underspend has enabled the return to the General Fund of £0.062m after accounting for other factors, including the Icelandic impairment. The fact that

concessionary travel costs have not exceeded the original budget, as envisaged, has contributed to the underspend, along with other factors.

12. The outturn on the 2009/10 Capital Programme of £5.668m represents an underspend of £852,000 on the revised estimate of £6.520m. The re-phased expenditure will be recommended for incorporation into the 2010/11 Capital Programme.
13. The Committee acknowledged the prudent and effective management of the Authority's budget in 2009/10, which has resulted in the underspend and increase in the level of General Fund balances. The Members did, however, accept that measures will need to be taken at a national level to address the underlying deficit in the pension fund and we are, of course, cognisant of the need to maintain strict control over the authority's capital and revenue spending in the current austere financial climate.
14. Following a comprehensive debate and consideration, the Audit Committee approved the submitted Statement of Accounts for 2009/10 for submission to the external auditors.

Internal Audit Annual Report for 2009/10

15. The Committee received a report of the Head of Shared Assurance Services that summarised the work undertaken by the Internal Audit Section during the 2009/10 financial year, the first full year in which the shared financial services arrangement has operated.
16. An appendix to the report scheduled the Internal Audit work undertaken during the past year, showing individual opinions on the adequacy of controls for each area examined, with a commentary on the key control issues identified.
17. The Committee was pleased to note that, after taking account of all relevant factors and judgements, in the opinion of the Internal Audit Section, the Council continues to operate within a sound control environment.

Code of Corporate Governance

18. In March 2007, the Council approved a Code of Corporate Governance to define how the authority aimed to implement the provisions of the CIPFA/SOLACE framework and to comply with the six identified core principles. The code sets out a checklist of control measures in respect of each core principle which the Council are expected to have in place. The Council is also required to prepare an annual governance statement to illustrate the extent to which the authority is complying with its Code.
19. Recent CIPFA guidance recommends the revision of the Code in order to incorporate five new principles to define the role, core activities and behaviour of Chief Finance Officers in local government, and the organisational arrangements needed to support them.
20. We accepted the guidance and approved for adoption a revised Code of Corporate Governance as presented by the Head of Shared Assurance Services.

Compliance with International Auditing Standards

21. The Head of Shared Assurance Services presented a report on a request from the Audit Commission for 'those charged with governance' and 'management/Section 151 Officer' to provide the Commission with assurances on a number of issues as part of its audit of the Council's 2009/10 accounts. The assurances sought were defined in letters to the Chair of the Audit Committee and the Director of Transformation via the Internal Audit Manager.
22. Having reviewed the specific information sought, the Internal Audit Section are satisfied that the Council's arrangements in place are sufficient to enable positive assurances to be given

in response to the Audit Commission's request. We, therefore, authorised the Chair of the Audit Committee and the Director of Transformation (the Council's statutory Section 151 Chief Finance Officer) to sign the assurance letters requested by the Audit Commission.

Audit Opinion Plan for 2009/10

23. Our external auditors, the Audit Commission, presented its Audit Opinion Plan for 2009/10.
24. The Plan sets out the approach that will be adopted by the Audit Commission in its audit of the Council's financial statements for 2009/10. In particular, the report outlines the testing strategy and criteria that will be used by the Commission in its response to the specific opinion risks that have been identified in four risk areas.

Annual Audit Fee for 2010/11

25. The Audit Committee, prior to the meeting, had been provided with a letter from the Audit Commission informing the Council of the Commission's total indicative fee for the audit work planned for 2010/11.
26. We were, however, reminded by the Engagement Lead with the Audit Commission of the Government's recent announcement of plans to abolish the Comprehensive Area Assessment regime for local authorities. This will clearly impact on the level of work undertaken by the external auditors, particularly as their assessment of authorities' use of resources and value for money conclusions will not now be required.
27. Whilst the Audit Commission's fees for its audit of the 2009/10 accounts are not expected to alter significantly in order to reflect the work already undertaken by the Commission, the Commission is currently consulting with authorities on the nature and level of future audit work that will need to be undertaken in relation to a new inspection regime. The new auditing arrangements will reduce the current estimated audit fees for 2010/11, the precise details of which will be reported to a future Audit Committee meeting.

Recommendation

28. The Council is recommended to note this report.

COUNCILLOR ANTHONY GEE
Chair of Audit Committee

There are no background papers to this report.

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Report of	Meeting	Date
Director of Transformation	Council	20 July 2010

OFFICER CODE OF CONDUCT

PURPOSE OF REPORT

- To advise members of proposed revisions made to the Officer Code of Conduct and to seek approval by Council as any change to this document would represent a Constitutional Change.

RECOMMENDATION(S)

- It is recommended that approval is given to the following amendments to the Officer Code of Conduct:
 - Responsibility for the implementation to sit with the Human Resources Team.
 - Quarterly monitoring report of disclosures produced for the Strategy Team.
 - All disclosures to be considered by the relevant Director.
 - All gifts and hospitality with a monetary value of £5 or above must be declared.
 - Revised criteria for determining when gifts and hospitality should be declared

EXECUTIVE SUMMARY OF REPORT

- The Officer Code of Conduct was reviewed following an Audit inspection which recommended that ownership of the code was established and that monitoring arrangements were strengthened. Whilst addressing these issues the opportunity was taken to look at other aspects of the Code, and in particular the disclosure of gifts and hospitality and providing greater guidance to employees of when disclosures should be made.
- The report was submitted to the Standards Committee for their consideration, and they recommended that a £25 threshold for gifts and hospitality should be introduced as this would be consistent with the Member Code of Conduct. However, given the significant difference in the nature and level of decisions taken by officers, as oppose to those taken by members, it is felt that the threshold of £25 is too high, and that for officers it should be set at £5, for the reasons detailed below.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- It is important that there are clear responsibilities relating to the Officer Code of Conduct and that effective monitoring is carried out to ensure openness and transparency.
- With Directors considering all disclosures there should be greater consistency and also be able to identify any potential trends.
- The nature and level of decisions taken by officers are significantly lower than those taken by Members and therefore could be seen as being more easily influenced by gifts and

hospitality and potentially of gifts and hospitality of a lower value.

8. As well as having a value threshold officers are also required to consider the motive behind the gift or hospitality and whether if challenged, they could justify accepting it. (The general guidance is that any gifts of value should be donated to the Mayor's charity.) Therefore officers may be required to declare any gift or hospitality for which it may be argued as trying to influence a decision or may be perceived in such a way.
9. Finally, hospitality may be difficult to value and therefore officers would again be required to consider the motive for the hospitality and how it may be perceived.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

10. Establishing a value threshold of £25 for gifts and hospitality, but rejected in accordance with the reasons detailed above.

CORPORATE PRIORITIES

11. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region		Develop local solutions to climate change.	
Improving equality of opportunity and life chances		Develop the Character and feel of Chorley as a good place to live	
Involving people in their communities		Ensure Chorley Borough Council is a performing organization	√

IMPLICATIONS OF REPORT

12. This report has implications in the following areas and the relevant Directors' comments are included:

Finance		Customer Services	√
Human Resources	√	Equality and Diversity	
Legal		No significant implications in this area	

**GARY HALL
DIRECTOR OF TRANSFORMATION**

Report Author	Ext	Date	Doc ID
Graeme Walmsley	5186	23/04/2010	v/hrpolicies/current/code of conduct

There are no background papers to this report.