

Chief Executive's Office

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Date: 22 March 2006

Chief Executive:
Donna Hall

Dear Councillor

EXECUTIVE CABINET - THURSDAY, 30TH MARCH 2006

You are invited to attend a meeting of the Executive Cabinet to be held in the Council Chamber, Town Hall, Chorley on Thursday, 30th March 2006 at 5.00 pm.

AGENDA

1. **Apologies for absence**
2. **Declarations of any Interests**

Members of the Cabinet are reminded of their responsibility to declare any personal interest in respect of matters contained in this agenda in accordance with the provisions of the Local Government Act 2000, the Council's Constitution and the Members' Code of Conduct. If the personal interest is a prejudicial interest, then the individual Member should not participate in a discussion on the matter and must withdraw from the Council Chamber and not seek to influence a decision on the matter.

3. **Minutes (Pages 1 - 12)**

To confirm as a correct record the minutes of the meeting of the Executive Cabinet held on 9 March 2006 (enclosed).

OPERATIONAL ITEMS

CAPACITY AND RESOURCES ITEMS (INTRODUCED BY THE EXECUTIVE LEADER, COUNCILLOR J WILSON)

4. **Annual Audit and Inspection Letter, 2004/05 (Pages 13 - 40)**

To consider the enclosed Annual Audit and Inspection Letter for 2004/05 from the Audit Commission.

Mr M Thomas and Mr G Kelly from the Audit Commission have been invited to attend the meeting.

Continued....

5. **Executive Cabinet Committee - Waste Recycling Arrangements** (Pages 41 - 42)

To consider the minutes of the meeting of the Executive Cabinet Committee – Waste Recycling Arrangements held on 15 March 2006 (enclosed)

6. **Capital Programme Monitoring** (Pages 43 - 62)

Report of Director of Finance (enclosed).

7. **The Role and Membership of the Audit Committee** (Pages 63 - 70)

Report of Director of Finance (enclosed).

8. **Internal Audit Plan, 2006/07** (Pages 71 - 82)

Report of Director of Finance (enclosed).

9. **Housing Stock Transfer Offer Document** (Pages 83 - 178)

Report of Head of Housing Services, with attached draft Document (enclosed).

10. **Constitution of the Chief Executive Performance Review Panel** (Pages 179 - 180)

Report of Head of Human Resources (enclosed).

CUSTOMERS, POLICY AND PERFORMANCE ITEM (INTRODUCED BY THE EXECUTIVE MEMBER, COUNCILLOR D EDGERLEY)

11. **Local Public Service Agreement - Progress Report**

Report of Head of Corporate and Policy Services (to follow).

12. **Lancashire Local Area Agreement - Progress Report** (Pages 181 - 186)

Report of Head of Corporate and Policy Services (enclosed).

DEVELOPMENT AND PLANNING ITEM (INTRODUCED BY THE EXECUTIVE MEMBER, COUNCILLOR A LOWE)

13. **Revised Local Development Scheme, 2006-2009** (Pages 187 - 192)

Report of Head of Development and Regeneration (enclosed).

LIFE AND LEISURE ITEM (INTRODUCED BY THE EXECUTIVE MEMBER, COUNCILLOR C HOYLE)

14. **Children's Play initiative - Big Lottery Fund Bid** (Pages 193 - 196)

Report of Director of Finance (enclosed).

15. **Any other item(s) that the Chair decides is/are urgent**

16. **Exclusion of the Public and Press**

To consider the exclusion of the press and public for the following items of

business on the ground that they involve the likely disclosure of exempt information as defined in Paragraph 6 of Part 1 of Schedule 12A to the Local Government Act 1972.

OPERATIONAL ITEMS

DEVELOPMENT & PLANNING AND CHORLEY TOWN CENTRE ITEM (INTRODUCED BY THE EXECUTIVE MEMBERS, COUNCILLORS A LOWE AND A GEE)

17. **Land at Gillibrand Street, Chorley** (Pages 197 - 214)

Report of Head of Property Services and Head of Development and Regeneration (enclosed).

The Head of Property Services will also make a short presentation on the proposals at the meeting.

CAPACITY AND RESOURCES ITEM (INTRODUCED BY THE EXECUTIVE LEADER, COUNCILLOR J WILSON)

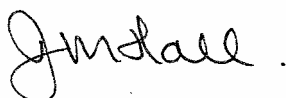
18. **Affordable Housing Initiatives** (Pages 215 - 220)

Report of Head of Property Services, Head of Housing Services and Head of Development and Regeneration (enclosed).

19. **Management Restructure**

Report of the Chief Executive to be circulated at the meeting.

Yours sincerely



Chief Executive

ENCS

Distribution

1. Agenda and reports to all Members of the Executive Cabinet and Chief Officers for attendance.
2. Agenda and Audit and Inspection Letter to Mr M Thomas and G Kelly (Audit Commission) for attendance for Item 4.

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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

Executive Cabinet**Thursday, 9 March 2006**

Present: Councillor J Wilson (Executive Leader in the Chair), Councillor D Edgerley (Deputy Leader of the Council) and Councillors K Ball, T Brown, A Gee, D Gee, C Hoyle, L Lennox, A Lowe and R Snape

Also in attendance: Councillors J Walker and Mrs S Walsh

06.EC.40 DECLARATIONS OF ANY INTERESTS

There were no declarations of personal or prejudicial interest by any Member in any of the meeting's agenda items.

06.EC.41 MINUTES

The public minutes of the meeting of the Executive Cabinet held on 9 February 2006 and the non-scheduled meeting of the Executive Cabinet held on 23 February 2006 were each confirmed as a correct record.

06.EC.42 OVERVIEW AND SCRUTINY IMPROVEMENT PLAN

The Executive Cabinet received and considered a report of the Chief Executive seeking endorsement of the draft Overview and Scrutiny Improvement Plan.

The Plan had been compiled to take account of the outcome of the recent Members' workshop to complete the self-evaluation framework for Overview and Scrutiny produced by the Centre for Public Scrutiny.

The improvement plan which had emerged from the workshop identified 13 actions aimed at improving the delivery of the Council's Overview and Scrutiny function. The actions required to be undertaken in order to:

- ensure that the Plan adds value to the Council's wider improvement programme and delivery of the Corporate Strategy and Community Strategy;
- communicate the potential of scrutiny to local communities;
- encourage involvement in the process of scrutiny;
- strengthen the confidence of persons undertaking scrutiny activities;
- demonstrate the value of the scrutiny role.

The draft improvement plan had been accepted by the Overview and Scrutiny Committee and the plan was commended for approval by the Chair of the Committee, Councillor J Walker, who also highlighted the need for continued training of Members on the overview and scrutiny function.

Decision made:

That the Overview and Scrutiny Improvement Plan be approved and adopted.

Reason for Decision:

The improvement plan will assist and improve the delivery of the Council's Overview and Scrutiny function.

Alternative Option(s) considered and rejected:

None.

06.EC.43 LOCAL STRATEGIC PARTNERSHIPS:SHAPING THEIR FUTURE - CONSULTATION PAPER

The Executive Cabinet considered a report of the Head of Corporate and Policy Services on a Consultation paper issued by the Office of the Deputy Prime Minister entitled 'Local Strategic Partnerships : Shaping their future' on which responses had been requested by 3 March 2006.

The consultation paper emphasised the significant role Local Strategic Partnerships (LSPs) would be expected to play in the delivery of many of the Government's objectives in defining and delivering local priorities across the respective areas rather than work being confined to separate agencies. Local services were increasingly being delivered through partnerships between local authorities, public sector agencies, businesses and the voluntary and community sectors, with LSPs identified as the vehicle for collaborative working.

The consultation document proposed that LSPs should be the primary partnership vehicle responsible for the development of Sustainable Community Strategies, the effective delivery of Local Area Agreements (LAA) and the production of combined Community Strategy and LAA action plans.

The Government expected local authorities' involvement to be vital to the effective operation of an LSP, with the authority being responsible for the production of Sustainable Community Strategies and the accountable body for the LSP's actions.

The future role of LSPs would be defined in a Local Government White Paper to be issued later in the year, together with draft guidance on the production of Sustainable Community Strategies.

The report contained the Officers' recommended responses to the key questions in the consultation paper. The report had been presented to the Overview and Scrutiny Committee at its meeting on 2 March, which had, in fact, endorsed the suggested responses.

Decision made:

That the report be noted and that the responses to the key questions within the consultation paper on the future shape of Local Strategic Partnerships, as outlined in the submitted report, be accepted and endorsed.

Reason for Decision:

The considered responses to the consultation paper will ensure that the Borough Council's views and suggestions are presented to the Office of the Deputy Prime Minister within the specified deadline.

Alternative option(s) considered and rejected:

None.

06.EC.44 CHORLEY PARTNERSHIP - A WAY FORWARD

The Head of Corporate and Policy Services presented a report reviewing the structure of the Chorley Partnership and making recommendations to make the organisation more 'fit for purpose'.

The report highlighted the Council's commitment within the adopted Corporate Strategy to strengthen its community leadership role by developing its relationship with the Local Strategic Partnership (LSP) and other partners. This entailed a target to assist the LSP in achieving 'green status' in an LSP Self Accreditation exercise by March, 2009.

The report argued that, in order to achieve the 'green status' outcome, the Chorley Partnership would need to alter its structure to become more 'fit for purpose'. The present status of the organisation as a company limited by guarantee was no longer either appropriate or practical.

Following an analysis of the best national practice and an assessment of the needs of the LSP in achieving the Community Strategy priority outcomes, the report recommended the removal of the LSP's company status and the creation of an LSP comprising the following elements:

- an overarching Board of approximately 40 members;
- a smaller Executive of 20 members
- 6 Sub-Groups to focus on the delivery of the priorities of the Community Strategy; and
- a Public Service Board comprising the key public sector agencies operating in the Borough

The suggested composition, terms of reference and expected roles of the LSPs proposed component elements were outlined in the report.

Decision made:

(1) That the proposals outlined in the submitted report to alter the structure of the Chorley Partnership be endorsed and the Partnership Board of Directors be recommended to approve the proposals.

(2) That the composition of the Partnership Board of Directors include six Chorley Borough Councillors and four Lancashire County Councillors.

Reasons for Decisions:

The revision of the Chorley Partnership arrangements and structure is aimed at strengthening its community partnership role and ability to ensure delivery of agreed priority outcomes and targets.

Alternative option(s) considered and rejected:

To allow the Partnership to continue in its present status.

06.EC.45 CONSULTATION ON CHANGES TO THE STRATEGIC HEALTH AUTHORITY, THE PRIMARY CARE TRUSTS AND THE AMBULANCE SERVICE NHS TRUSTS IN LANCASHIRE AND CUMBRIA

The Executive Cabinet considered a report of the Head of Leisure and Cultural Services seeking Members' views on the Authority's response to the Government's three consultations on proposals to make changes to the present arrangements for Strategic Health Authorities, Primary Care Trusts and Ambulance Service NHS Trusts in Cumbria and Lancashire.

The consultation documents had each been considered by the Customer Overview and Scrutiny Panel and the Overview and Scrutiny Committee, whose recommendations on a suggested response to each element of the NHS review had been provided to the Executive Cabinet.

The Cabinet Members agreed with the conclusions of the Overview and Scrutiny bodies and emphasised their views that Ambulance Trusts should be small enough to be capable of responding to local needs. The Members also supported the creation of a PCT to cover the districts of Chorley, Preston, South Ribble and West Lancashire, but with the proviso that any reconfiguration proposals takes account of any impending plans to review local government structures.

Decision made:

That the following comments suggested by the Overview and Scrutiny Committee be approved to form the basis of the Council's response to the three consultations on the NHS service.

Strategic Health Authorities

- 1. To support the proposals for dissolving the existing three SHA's to create a new Strategic North West Strategic Health Authority covering the area of the existing three SHA's and the regional boundary for the Government Office for the North West.**
- 2. To question whether it is true consultation if only one option is given to choose from.**

Ambulance Trusts

- 1. To note the disappointment of the Council that only one option was given to choose from.**
- 2. To note that the proposed Ambulance Trust for the North West would be too large and, therefore, less responsive than several smaller trusts to local needs.**
- 3. To propose that the Ambulance Trusts cover Lancashire and Cumbria, to align with the proposed reorganisation of the Police Authorities.**
- 4. To request that local performance data is available to monitor the situation in Chorley.**

PCT Reconfiguration

- 1. To support Option Three; meaning that Chorley could be part of a PCT co-terminous with the local authority boundaries of Chorley, South Ribble, West Lancashire and Preston.**
- 2. To highlight that Option One and Option Two would create a Trust too large and, therefore, less responsible to local needs.**
- 3. The Council recognises that the consultation only offers three options but would want any reconfiguration to tie in with the outcome of any future review of local government.**

Reason for decisions:

The views expressed in the response to the consultation exercises are aimed at achieving the best outcomes for the Borough in terms of reducing health inequalities.

Alternative option(s) considered and rejected:

Not to respond to the consultation exercises.

06.EC.46 A PLAN FOR ALL THE CHILDREN AND YOUNG PEOPLE OF LANCASHIRE - RESPONSE TO CONSULTATION

The Executive Cabinet considered a report of the Head of Leisure and Cultural Services on a consultation from the Lancashire County Council on a draft 'Plan for all the Children and Young People of Lancashire'.

The draft Plan identified 28 priority areas of work aimed at delivering the five 'Every Child Matters' outcomes (ie Be Healthy; Stay Safe; Enjoy and achieve; Make a positive contribution; and Achieve economic well-being). The Lancashire Children and Young People's Strategic Partnership would be responsible for ensuring co-operation between local partners on the delivery of the priority outcomes.

The report contained a suggested response to the consultation, which had been endorsed by the Overview and Scrutiny Committee.

The Chief Executive indicated that the Executive Cabinet would need to review the Borough Council's contribution, as a major partner, to the achievement of the "Every Child Matters" agenda.

Decisions made:

- (1) That approval be given to the comments contained in Paragraphs 22 to 26 of the submitted report forming the basis of the Council's response to the County Council's consultation on the draft 'Plan for all the Children and Young People of Lancashire'.**
- (2) That a report highlighting the Council's endeavours and current and future plans to provide services for children and young people in the Borough be presented to a future meeting of the Executive Cabinet.**

Reason for decisions:

The views expressed in the response to the consultation exercise are aimed at achieving the best outcomes for the children and young people of the Borough.

Alternative option(s) considered and rejected:

Not to comment on the consultation document.

06.EC.47 CAPITAL PROGRAMME, 2005/06 - MONITORING

The Executive Cabinet considered a joint report of the Group Director A and the Director of Finance on the progress of the 2005/06 Capital Programme and seeking approval of a number of recommendations from the Capital Programme Board.

In response to the comment of an Executive Member on the possibility of Section 106 monies being utilised to fund the required drainage of football pitches, the Director of Finance confirmed that a Working Group of Officers had been set up to review the use of Section 106 monies.

Decisions made:**That the Council be recommended to:**

- (1) approve the revised Capital Programme for 2005/06 in the sum of £15,079,800 as outlined in the submitted report; and**
- (2) to approve the following recommendations of the Capital Programme Board:**

Exception Reports

- (a) approval to a £6,500 increase to the Fleet Management System project budget to be funded from savings in other schemes;
- (b) approval to the revised Housing Revenue Account programme as outlined in Appendix 1 to the submitted report and the inclusion of the Cotswold House CCTV scheme within the 205/06 Capital Programme, to be funded from restricted housing receipts;
- (c) to defer consideration of the start of Phase 3 of the Chapel Street Enhancement Scheme, together with proposals for Phase 4 of the scheme, until a feasible Business Plan has been produced.

New Capital Schemes and Projects

- (d) that the following new schemes be placed on the reserve list (Category C) for future consideration when resources become available:
- Additional resources for the disabled facilities grant;
 - Hic Bibi scheme;
 - Common Bank - Big Wood Reservoir;
 - Thin Client;
 - Data Storage Solution.
- (e) that the new scheme for 'Pitch Drainage at Bishop Rawsthorne School' be placed in Category B of the 2005/06 Capital Programme, and that £19,944 from the Fairclough Homes, Jubilee Mill, Croston Section 106 Agreement monies be used as match funding for the project.

Reasons for recommendations:

The revisions to the 2005/06 Capital Programme have been made on the advice of consultants and project managers. The decisions have taken account of schemes that are either overspending or require additional resources.

Alternative option(s) considered and rejected:

None.

06.EC.48 REVENUE BUDGET, 2005/06 - MONITORING

The Director of Finance submitted a report on the present financial position of the Council in respect of the 2005/06 General Fund and Housing Revenue Account, and their comparison with the identified efficiency savings targets.

The report revealed that the situation with the General Fund continued to improve, with the forecast overspend having been reduced from £101,000 to £13,000 since the previous monitoring report.

Only minor alterations had occurred in the Housing Revenue Account since the last report and, while the forecast for the HRA balances had reduced by £4,000, the overall budget remained close to target.

Decisions made:

That the report be noted.

06.EC.49 TENDER FOR THE RENEWAL OF COUNCIL INSURANCES

This item had been deleted from the meeting's agenda.

06.EC.50 CHORLEY ECONOMIC REGENERATION STRATEGY

The Head of Development and Regeneration presented a report seeking approval of an Economic Regeneration Strategy for the Borough.

The Strategy had been compiled from the findings of the consultants commissioned in 2005 to undertake a study of the area, in consultation with public sector stakeholders and businesses. The Strategy identified Chorley as a 'Contemporary Market Town' and provided a framework to support sustainable growth, within which economic activity and social inclusion could be promoted.

The key priority actions were identified in the Strategy document, together with the partners whose role would be vital in achieving delivery of the planned targets.

The Strategy would provide a framework for action over a 10 -15 year period and would be reviewed on a regular basis.

Decision made:

That approval be given to the Chorley Economic Regeneration Strategy, subject to the Head of Development and Regeneration being delegated with authority to make any necessary minor textual amendments to the Strategy document.

Reason for decision:

The Economic Regeneration Strategy is a key document that will assist the Council to deliver sustainable growth.

Alternative option(s) considered and rejected:

None.

06.EC.51 CHORLEY TOWN CENTRE STRATEGY - CONSULTATION DRAFT

The Head of Development and Regeneration submitted a report to which was attached a consultation draft of a Chorley Town Centre Strategy which had been compiled to take account of the findings of a recent consultants' study of the town centre and the wider retail and leisure needs of the Borough.

The Strategy identified the following four priority elements, against which the key measures and action plans had been focused:

- Town Centre Diversification;
- Town Centre Environment;
- Accessibility and Movement;
- Business Promotion and Support.

The Strategy had been prepared to provide a co-ordinated framework for action, investment and partnership working over a 10 year period. The Strategy aimed to realise the full potential of the town centre by improving its vitality and viability by building on its unique character and strengths by a combination of activities including town centre management, environmental improvements and regeneration, promotion and marketing.

Decisions made:

That the Draft Chorley Town Centre Strategy be approved for consultation and community involvement purposes, subject to the Head of Development and Regeneration being granted delegated authority to make any necessary mirror textual amendments to the Strategy document.

Reason for decision:

Planning Policy Statement 6 : Planning for Town Centres states that Council's should be proactive in their approach to town centres, produce Town Centre Strategies and plans for future development in the town.

Alternative option(s) considered and rejected:

None.

06.EC.52 LOCAL DEVELOPMENT FRAMEWORK - JOINT WORKING WITH PRESTON AND SOUTH RIBBLE COUNCILS

The Executive Cabinet received a report of the Head of Development and Regeneration on a proposed collaborative working arrangement with Preston and South Ribble Borough Councils on the production of a joint Core Strategy document and other aspects of the Local Development Framework.

Officers from the three Authorities had, over recent months, established a close working relationship on strategic planning policy and economic development issues and it was considered that the preparation of a joint Core Strategy would represent a natural progression of the working arrangement. This would ensure that the Core Central Lancashire Sub-Regional Strategy and Preston City Vision being prepared were implemented through each Authority's Local Development Framework.

It was proposed to set up a joint Authority Steering Group to ensure that a co-ordinated approach was adopted and the Council's Local Development Framework and Community Strategy Member Working Group would continue to advise Officers on the content of the Core Strategy.

Decision made:

That the proposal for the Borough Council's collaboration with South Ribble and Preston Councils on the preparation of a joint Core Strategy development plan document covering all three areas, and other aspects of the Local Development Framework, be approved.

Reason for decision:

The joint working arrangement between the three authorities will be beneficial to the central area of Lancashire and will ensure the production of a joint Core Strategy in a cost and time effective manner.

Alternative option(s) considered and rejected:

An alternative option would be for each authority to prepare its own Core Strategy, but a combined, joint Strategy is likely to be more effective in developing and implementing the sub-regional spatial strategy and Preston City Vision.

A further option would be to establish formal joint working arrangements entailing the setting up of a Joint Committee. This would require additional resources, be time consuming and would not necessarily result in a better joint Core Strategy.

06.EC.53 REVIEW OF THE CRIME AND DISORDER ACT 1998

The Head of Corporate and Policy Services presented a report on the changes to be made to the provisions of the Crime and Disorder Act 1998 as a result of the Government's recent review and White Paper.

The report highlighted the likely impact of the changes on the Chorley Community Safety Strategy and Partnership, explaining, in particular, the effect on how the partnership works at a strategic level and how the services are delivered at an operational level. The report also commented on the failure of the review to take into account the current consultation exercise on the future shape of Local Strategic Partnerships and the probable debate on the review of local government structures, which would impact further on community safety issues.

Decision made:

That the report be noted and that the comments contained within paragraph 11 form the basis of the Council's representations to the Government Office for the North West on the proposed revision of the Crime and Disorder Act, 1998.

Reason for decision

The comments articulated in the report express the Borough Council's considered views on the proposed revision of the current community safety regime.

Alternative option(s) considered and rejected:

None.

06.EC.54 CORE FUNDING, 2006/07 - AWARDS IN EXCESS OF £5,000

The Executive Cabinet considered a report of the Head of Leisure and Cultural Services seeking the Members' instructions on applications for grant assistance in excess of £5,000 from the Council's Core Fund budget provision in 2006/07.

The Executive Member for Life and Leisure would be considering, under her delegated powers, the requests for grants less than £5,000 to a number of non-profit making organisations.

The Chief Executive indicated that the Council would need to review the situation in respect of the provision of advice services throughout the Borough.

Decisions made:

(1) That approval be given to the making of the following Core Fund grant in excess of £5,000, subject to the Head of Leisure and Cultural Services agreeing, and signing off, a Core Funding Agreement with each organisation:

- **Chorley and South Ribble Shopmobility - grant of £10,150;**
- **Age Concern, Chorley - grant of £2,385, plus £3,550 towards accommodation costs via internal transfer;**
- **South Lancashire Arts Partnership - grant of £6,795, subject to the organisation providing an analysis of activity across Chorley, South Ribble and West Lancashire districts and details of the funding from each district;**
- **Chorley and District Sports Forum - grant of £5,435, subject to the Forum agreeing an appropriate methodology for assessing talented individuals' applications and a fixed budget for the year with the Head of Leisure and Cultural Services; and**
- **Chorley, South Ribble and Districts Citizens' Advice Bureaux - grant of £65,600 (to be paid in two six monthly payments in advance), plus £16,719 to cover accommodation costs; subject to the CAB providing the same level of service during 2006/07 as they have in 2005/06, as a minimum, and maintaining the Community Legal Service Quality Mark.**

(2) That a review of the provision of advice services throughout the Borough be undertaken.

Reason for decision:

The grant assistance to key local organisations will enable them to continue with their work, which contributes towards the achievement of the Council's strategic objectives.

Alternative option(s) considered and rejected:

Not to award the Core Fund grants in 2006/07.

06.EC.55 ALBANY SCIENCE COLLEGE

The Executive Leader allowed consideration of an item not on the meeting's agenda in order to inform Members of an important educational project.

Councillor Lennox drew the Executive Cabinet's attention to Albany Science College's proposals to undertake a major educational project in constructional engineering for Year 10/11 pupils, which was being supported by Runshaw College.

Decision made:

That the educational venture be supported by the Borough Council.

Reason for decision:

The venture will enhance the education curriculum for 14 - 19 year old students.

Alternative option(s) considered and rejected:

None.

06.EC.56 EXCLUSION OF PRESS AND PUBLIC

Decision made:

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

06.EC.57 MINUTES

The non-public minutes of the meeting of the Executive Cabinet fell on 23 February 2006 were confirmed as a correct record for signature by the Executive Leader.

06.EC.58 IMPACT OF HOUSING STOCK TRANSFER - ORGANISATIONAL REVIEW

The Executive Cabinet considered a report of the Management Team on its recent review of the likely impact on the organisation of the proposed housing stock transfer to Chorley Community Housing.

The Management Team now advocated a more strategic approach to the transfer operations, which would allow Service Heads to identify and consider alternative structures and approaches, whilst acknowledging the likely impact on the projected transfer timetable.

Decision made:

That the report be accepted and that the Management Team be requested to undertake a more strategic review and identify and assess how savings based upon the identified criteria can be delivered; and report their findings to a future meeting of the Executive Cabinet.

Reason for decision:

The alternative strategic approach will allow an opportunity to consider both the impact of the projected senior management restructure on the delivery of services and the need to take account of the requirements of the Corporate Strategy and priorities.

Alternative option(s) considered and rejected:

None.

Executive Leader

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Annual Audit Letter

Date

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Annual Audit and Inspection Letter

Chorley Borough Council

Audit 2004/2005

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local services for the public. Our remit covers around 11,000 bodies in England, which between them spend more than £180 billion of public money each year. Our work covers local government, health, housing, community safety and fire and rescue services.

As an independent watchdog, we provide important information on the quality of public services. As a driving force for improvement in those services, we provide practical recommendations and spread best practice. As an independent auditor, we ensure that public services are good value for money and that public money is properly spent.

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Author	Gareth Kelly
Filename	Annual Audit and Inspection Letter- Chorley post discussion draft 200306

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Key messages

Council performance

- 1 The Council is consistently improving outcomes for local people and is addressing previous weaknesses in leadership and strategic direction identified in the corporate assessment of 2004. It has set a clearer path for itself and its communities through a revised community strategy and corporate plan. It is strengthening internal systems to support improvement and the performance management framework is improving.
- 2 Performance has improved in important areas such as waste management, community safety, and benefits. Progress in managing performance is being made but it needs to better link objectives across plans and strategies. A more focussed and meaningful array of performance measures is needed in order to challenge and monitor outcomes. Business unit plans, service objectives and personal objectives for individual staff need to be integrated and more clearly linked to corporate priorities.
- 3 The Council is securing strong and fruitful partnership arrangements and beginning to play a greater role in the economic and social development of the sub region. It is emerging as a strong partner in county wide initiatives such as the Lancashire Shared Contact Centre and takes opportunities to facilitate constructive working arrangements across local authority boundaries.
- 4 The Council focuses its main efforts in community engagement on the five most deprived and disadvantaged urban areas of the borough, but there are significant neighbourhood areas at risk of exclusion. Plans for local neighbourhood areas are not well developed.
- 5 There has been some progress in building member capacity and developing the roles of councillors but the Council needs to firmly embed a sustainable structure for member training and development. While scrutiny arrangements have been strengthened, there remains scope for members to become more involved in performance management.
- 6 The inspection judgement that Chorley Borough Council provides 'excellent' access to services and has 'excellent' prospects for further improvements reflects the way that the needs of Council customers and service users are at the heart of planning and service delivery.

Use of resources

- 7 Overall Chorley Borough Council is performing well on its use of resources. Some improvements can be made to financial reporting including stake holder consultation on summary accounts and to consider the benefits of producing an annual report in a user friendly format. Sound financial management

6 Annual Audit and Inspection Letter | Key messagesKey messagesKey messagesLooking forwardsLooking forwardsAccounts and governanceAccounts and governanceAccounts and governanceAccounts and governanceCouncil performanceCouncil performanceCouncil performanceKey messages arrangements are in place but there remains a need to integrate the new Community Plan and other internal plans into the future Medium Term Financial Strategy. Members and non-financial officers would benefit from appropriate financial management training. Performance measures and benchmarking should be used to describe and evaluate how the Council's asset base contributes to the achievement of corporate and service objectives.

- 8 Risk management arrangements are performing well although a more risk aware culture could be developed through explicit consideration of opportunity upside of risks in decision making.
- 9 The Council performs well on value for money. Clear VFM targets are needed for senior managers and members to assess VFM and monitor its achievement. Structures and processes for assessing the wider VFM of policy decisions for the whole community need to be formalised.

The accounts

- 10 We issued an unqualified opinion on the Council's accounts on 22nd September 2005. The Council remains well placed to meet the earlier deadlines imposed by the whole of government accounts agenda for the closure of accounts and production of financial statements in 2005/06. The Council needs to ensure that essential working papers are provided, ideally electronically, with evidence of an internal SoRP compliance review at the start of the final accounts audit.

Financial position

- 11 The overall financial position of the Council is generally sound and prudent levels of revenue reserves are set as assessed against the financial risks it faces. HRA reserves are relatively low compared to other districts, but is projected to improve, and needs to be managed given the potential LSVT in June 2006. Whilst the Council's income collection rates are good the level of arrears has remained constant in overall terms so it still needs to ensure it continues to actively pursue all debts.

Other accounts and governance issues

- 12 We have not identified any significant weaknesses in the overall control framework. However, there is scope to further embed risk management into financial management and partnership arrangements. The Council needs to progress its arrangements to embed a proactive anti fraud and corruption and wider ethical governance culture through effective communication of the whistle blowing policy to members, staff and related third parties and appropriate awareness training.
- 13 Chorley Borough Council has responded well to the Civil Contingencies Act and has updated their Emergency Plan and developed a Business Continuity Plan.

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The main elements to comply with the Act appear to be in place or under development.

Best Value Performance Plan and Performance Information

- 14 The Council's Best Value Performance Plan (BVPP) was compliant in all significant respects with the statutory guidance, with an unqualified opinion issued on 12th December 2005. The quality of information produced for performance indicators (PIs) needs to significantly improve, with five reservations placed on 2004/2005 PIs, through the introduction of more proactive and standardised quality control arrangements.

Action needed by the Council

- 15 The actions for the Council which relate to members' responsibilities include the need to:
- oversee plans for engaging local neighbourhood areas so as to avoid exclusion
 - become more effective in the use of performance management measures to challenge and monitor outcomes
 - implement a sustainable structure for member training and development
 - continue to monitor the implementation of the Corporate Strategy to achieve strong performance on the Council's overall use of resources
 - develop financial management and value for money skills to further challenge the future use of Council's resources
 - embed a proactive anti fraud and corruption and wider ethical governance culture
 - monitor Civil Contingencies Act compliance, business continuity arrangements and public awareness strategies
 - monitor the introduction of improved performance information quality control arrangements.

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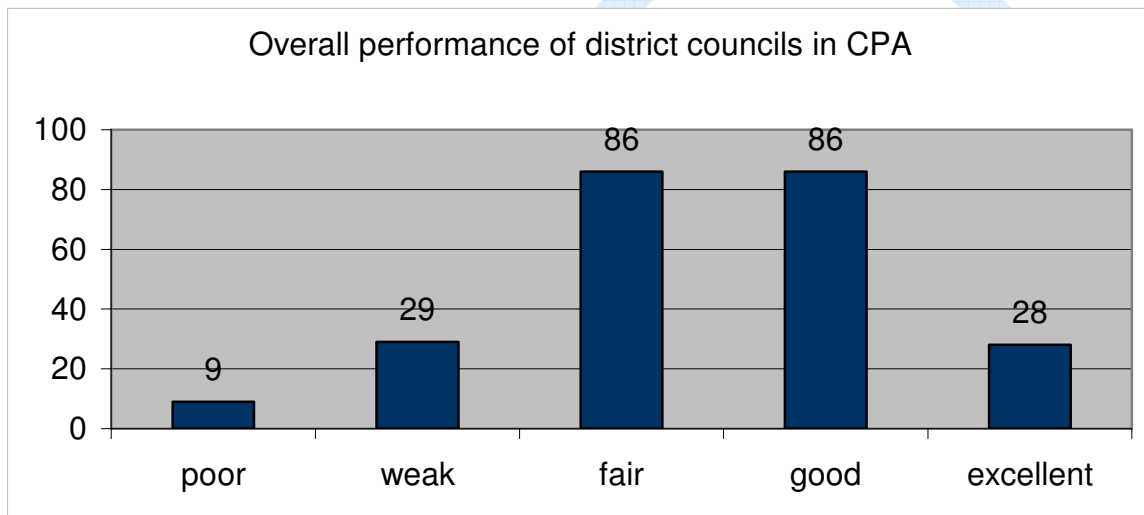
Council performance

Direction of travel report

- 16 Chorley Borough Council was assessed as fair in the comprehensive performance assessment carried out in 2004. These assessments have now been completed in all district councils with the following results.

Figure 1 Overall performance of district councils in CPA

Three times as many district councils are rated Good or Excellent than Poor or Weak



Source: Audit Commission

- 17 Since the assessment, the Council has identified its priorities for improvement and we have been working with the Council as it seeks to improve further.
- 18 The Council continues to improve as an organisation and has developed a confident, outward facing approach. It is securing strong and fruitful partnership arrangements. Good collaboration is delivering important regeneration projects, such as the new village and strategic regional site at Buckshaw. The Council is beginning to play a greater role in the economic and social development of the sub region. Chorley Borough Council is emerging as a strong partner in county wide initiatives such as the Lancashire Shared Contact Centre and takes opportunities to facilitate constructive working arrangements across local authority boundaries. The new community strategy offers real opportunities to deliver significant and sustainable improvement.

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- 19 The Council's Corporate Improvement Plan targets the weaknesses identified in the 2004 corporate performance assessment. It is regularly reviewed and updated. The latest version shows good progress in all areas with planned actions completed, or on track to complete, by the target date.

Improving outcomes

- 20 The Council is consistently improving outcomes for local people. It delivers good quality core services, performing well when compared to others. In 2004/05, 57 per cent of national performance indicators showed improvement when compared to previous years with the majority (67 per cent) above average. Performance improved in important areas such as waste management, community safety, and benefits. The Council has focussed efforts to drive improvements in weaker areas such as planning, speeding up its processing times substantially. It is also improving areas of strength such as recycling where it is a top performer nationally. In 2005 the Council introduced an enhanced collection scheme for 95 per cent of households and unaudited figures for the first six months show an increase in recycling from 28 per cent to 42 per cent.
- 21 Customer satisfaction is high. In the 2003/04 Mori survey satisfaction at 74 per cent exceeded the national average in all but two areas. Satisfaction with complaint handling (average), and satisfaction with planning services, were well below the national average in 2003/04 and remained so in 2004/05. The Council has improved its planning services and is confident that this will feed through into higher level of satisfaction in future customer surveys. Following substantial improvements to the housing repairs service tenant satisfaction has risen to 81 percent compared to the national average of 77 percent.
- 22 Providing access to information and services and a good customer experience is a major priority of the Council. Its success is reflected in an inspection assessment of a three star approach to customer access and user focus that has excellent prospects for improvement. Strong, visionary leadership places customers and service users at the heart of planning and service delivery. A good range of access channels fit well with local needs including well developed electronic access, and a modern one stop shop with excellent facilities. This has substantially improved the service to the public. Standards are high, reflecting best practice in the public and private sectors with a strong customer focussed culture across the organisation. Almost all, at 97 percent, queries and service requests are dealt with at the first point of contact and customer satisfaction as measured by regular surveys is consistently high. Furthermore, the effectiveness of back office systems has improved, although, there is still further work to be done in this area. Currently 76 percent of Council buildings are suitable for and accessible to people with disabilities in line with the requirements of the Disability Discrimination Act, and Chorley Borough Council is on target to reach 88 percent in 2006.
- 23 The Council takes an innovative approach to using technology piloting e-voting and using mobile working systems to speed up response to service requests. Technology is used to gain information and feedback from residents and service

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 government targets are being met, with 96 per cent of relevant services e-enabled.

Leadership and strategic direction

- 24 The Council is addressing previous weaknesses in leadership and strategic direction, setting a clearer path for itself and its communities. With its partners Chorley Borough Council has launched a new community strategy 2005-2025. This sets out five long term priorities for improving quality of life based on a good analysis of the challenges facing the borough and rooted in thorough and reliable consultation with local people. The underpinning objectives are realistic, target the right things, and have the support of partners and community representatives. The Council is clear about its role and responsibilities in delivering the community strategy, and its new corporate plan explicitly links to the wider vision.
- 25 A stronger emphasis on consultation and a more structured dialogue with customers, partners and residents has led to a deeper knowledge of the make up of the borough and the diversity of its communities. This has driven a redefinition of priorities and restructuring of political and managerial leadership around priority areas. Improved communication means that Councillors and staff, partners and local people better understand and support what the council is trying to achieve. Investments are targeted towards priorities and there is a commitment to identifying and withdrawing from areas of low priority. This will be tested with the adoption of the 2006/07 Corporate Strategy and underlying budget.
- 26 The minority ethnic population is growing and the Council is building a good level of engagement with community representatives developing its understanding of the cultural issues that can create barriers to access and take up of services. In response to feedback it has appointed a designated liaison officer and councillor champion with specific responsibilities to build deeper working relationships. Engagement with young people is also effective giving them opportunities to shape service delivery such as the design of a new youth and community centre at Adlington. The Council focuses its main efforts in community engagement on the five most deprived and disadvantaged urban areas of the borough, but there are significant neighbourhood areas at risk of exclusion. Plans for local neighbourhood areas are not well developed.

Systems to support improvement

- 27 The Council is strengthening internal systems. The corporate planning regime more explicitly integrates corporate and community plans and is bringing clarity around aims and objectives in service plans. New strategies are in place and beginning to deliver in key areas such as procurement, consultation, communication and human resources management.
- 28 Performance management is improving. Monitoring systems and progress reporting are more rigorous with regular updates to councillors and managers about performance against national and local performance indicators; project plans and improvement plans. A competency based staff appraisal system links

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11 performance to training and development. A firmer approach to identifying and tackling under performance is improving outcomes. For example, a strengthened scrutiny and overview function has an influential role in driving remedial action to tackle weaker areas, and identifying improvement opportunities. As a result there have been improvements in areas such as grass cutting and provision of youth activities. There is still room for improvement. For example, ensuring that all staff have clear personal objectives that link to the Corporate Strategy and that the performance management framework is embedded and routinely applied at every level. There are still problems with reliability of performance data. The Council needs to improve its quality assurance arrangements to drive up the quality of BVPI management information as it is the bedrock to any performance management framework.

- 29 The implementation of better HR systems is reflected in improved outcomes such as sickness levels which reduced from 13.5 days lost in 2003/04 to 9.6 days in 2004/05. The 2005 staff survey shows that morale is high. Staff enjoy a good working environment which encourages innovation. They have an effective range of opportunities to influence decision making and planning such as the 'Improve 4u' initiative, staff newsletter and an excellent interactive intranet.
- 30 There has been some progress in building member capacity and developing the roles of councillors. However, there is still some way to go and the Council needs to firmly embed a sustainable structure for member training and development that ensures consistency of approach. Progress is still at times hampered by tense political relations and this presents a real challenge for the Council in driving forward its ambitions for the community. There are examples of good cross party co-operation around important decisions such as the transfer of council housing stock. The Council is aware of these weaknesses and recently employed consultants to guide improvement planning.

Other performance work

Performance management

- 31 The Council is making progress in managing performance but needs to better link objectives across plans and strategies and develop a focussed and meaningful array of performance measures in order to monitor outcomes.
- 32 Chorley Borough Council's 2004 Comprehensive Performance Assessment (CPA) found that weaknesses outweighed strengths in performance management. We carried out a detailed review of different aspects of performance management arrangements based on interviews with staff and completion of self assessment checklists.
- 33 We found notable improvements in leadership and motivation. Good performance is recognised and celebrated by managers, and a performance oriented culture is emerging. Further work is required to consolidate this and, while scrutiny

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 arrangements have been strengthened, there remains scope for members to become more involved in performance management.

- 34 A strong customer focus is evident in the approach to performance management. Service standards are increasingly based on consultation with service users and subsequent monitoring and review includes feedback from customers and citizens.
- 35 The Council has defined the outcomes it needs to deliver in order to realise the vision for the borough set out in the Community Strategy. It is updating corporate policies to reflect this but has not yet reviewed and quantified the resource implications of delivering its part of the vision. The clarity of performance reporting has improved but current measures of performance do not fully reflect the revised corporate objectives. The Council needs to develop additional local performance indicators to measure the outcomes it seeks for local citizens. The Council needs to address concerns around data quality raised in the PI audit and noted elsewhere in this letter. Business unit plans, service objectives and personal objectives for individual staff need to be integrated and more clearly linked to corporate priorities.
- 36 The Council is making good progress in strengthening people management and capacity through the implementation of a new HR Strategy and business plan. A comprehensive staff development and performance review process has been introduced.

Best value Performance Plan and Performance Information

- 37 The Council's Best Value Performance Plan (BVPP) complied with statutory guidance in all significant areas and was issued with an unqualified opinion on 12th December 2005.
- 38 The quality assurance arrangements on performance data quality is under developed as reflected in 40 percent of 2004/2005 BVPIs being inaccurate, with reservations placed on five out of forty-eight PIs. The quality of information produced for performance indicators (PIs) needs to significantly improve through the introduction of more proactive and standardised quality control arrangements.
- 39 Improvements in the quality assurance framework would allow the Audit Commission to reduce its future level of testing and related fee by placing greater reliance on the Council's own arrangements.

Other Audit Commission inspections

Customer Access and Focus

- 40 The inspection team gave the Council's approach to improving services through customer access and focus the highest possible score of three stars.

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- 41** The inspection judgement that Chorley Borough Council provides ‘excellent’ access to services and has ‘excellent’ prospects for further improvements reflects the way that the needs of council customers and service users are at the heart of planning and service delivery. Particular strengths are:
- The Council has a good understanding of the make up of the borough and the diversity of its communities and this helps it to provide the type of access to services that local people need – for example, on line, by telephone and via its modern ‘one stop shop’ which has excellent facilities.
 - Standards are high with a strong customer focussed culture in operation across the Council.
 - Staff and Councillors are committed to improving the experience of service users and, as a result, customer satisfaction is high and the substantial improvements that the Council has made are recognised and valued by service users, residents, partners and staff.
 - Through strong partnership working the Council makes sure that its premises and those of other public services are accessible to people with mobility problems or disabilities.
 - The Council is influential in the development of electronic government across Lancashire and in the North West region. It uses sophisticated technology to not only provide a high quality response but also to deliver efficiency savings which are passed onto its customers.
 - Consultation and feedback are used to shape and improve access and take up of services and the Council has ambitious plans for further improvements based on up to date knowledge of what matters to local people.
- 42** In order to secure further improvements, the inspectors recommended that the Council provide a designated point of contact for minority groups and develop clearer plans for local area meetings that enable residents to participate in plans for their communities, especially in rural areas.

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Accounts and governance

Audit of 2004/05 accounts

- 43 The published accounts help the Council report its stewardship of the public funds at its disposal and its financial performance to use these resources. We gave an unqualified opinion on the Council's accounts on 22nd September 2005. The Council amended the accounts for one material and a number of other non trifling errors and they were re-approved by the Accounts Committee on 21st September 2005.
- 44 Although the Council has sound systems in place for the preparation of financial statements there are some areas that require strengthening, including:
- Regularity and authorisation of control account reconciliations
 - Journal procedures
 - System balancing and access levels.
- 45 We were able to conclude that the main accounting system can be relied upon to produce statements free from material misstatement. The Council will address these weaknesses as part of the new main accounting system.
- 46 We are satisfied that the majority of expected budgetary controls in relation to budget setting, monitoring, control and reporting are in place. Further improvement could be secured through:
- Adopting written procedures for budget monitoring.
 - Providing budget holders with adequate training and
 - Improving the controls over budget monitoring undertaken by budget holders as well as ensuring the information is fit for purpose.
- 47 Our review of the closedown procedures identified that effective arrangements are in place to prepare the financial statements. However there are a number of areas where improvements can be made, including:
- Senior officer review of accounts and working papers before the audit commences
 - Reconciling the asset register to general ledger and final adjustments to capital charges.
 - Regular progress meetings between finance and other departmental staff who are critical to earlier closedown
 - A detailed plan needs to be in place to help the Council with continuing to produce the statement of accounts to the future earlier deadline.

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- 48 The 2004/2005 opinion audit identified one material amendment, which required re-approval due to the treatment of grant used to fund expenditure on deferred charges. Other changes to the accounts related to technical matters, with none of the amendments impacting on the bottom line of the CRA. The accounts presented for audit were of a reasonable standard. Other amendments contained within our Opinion Memorandum focused on the Council ensuring full compliance with the Cipfa Statement of Recommended Practice (SORP 2004).

Report to those with responsibility for governance in the Council

- 49 We are required by professional standards under Statements of Auditing Standards (SAS) 610 'Reporting to Those Charged with Governance' which in Chorley Borough Councils case is the Accounts Committee, certain matters before we give an opinion on the financial statements.
- 50 As all material and non trifling errors have been amended in the re-approved accounts with no other material weaknesses, we informed the members of the Accounts Committee on the 21st September 2005 that, no SAS 610 report was necessary.

Financial standing

- 51 The Council's financial position is satisfactory with General Fund balances being at an adequate level as internally assessed against the future financial risks it faces. HRA reserves are low relative to other district councils but the Council's position has been improving. The table below shows that the Council has a combined reserve total of £2.75m.

Table 1 Level of Balances

This table summarises the overall level of balances and reserves.

Year	General Fund £000	Earmarked Reserves £000	HRA £000	Total £000
2001/02	1,111	2,144	158	3,412
2002/03	1,257	2,291	265	3,813
2003/04	1,000	1,483	311	2,794
2004/05	1,000	1,305	443	2,748

Source Statement of accounts

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General fund spending and balances

- 52 The net cost of services per head of population is £208 in 2004/2005, which is in the mid range for districts. The general fund balances represents 13.2 percent of net operating expenditure, which represents a decrease from last year but it is still within the mid range for districts.
- 53 The latest forecast for 2005/06 reported to the Executive Cabinet on the 9th February 2006 indicates that the Council is projecting an overspend of £101,000. However, savings have been identified to reduce this overspend.

Housing Revenue Account

- 54 The HRA balance position has improved over the past year. It is now 4.7% of HRA related expenditure in 2004/2005 but it remains relatively low compared to other districts. The Council needs to continue with this improvement and ensure the HRA balances are closely monitored and managed in light of the potential forthcoming LSVT. We acknowledge the Council is taking action to increase HRA reserves with projected balances of £534,000 and £613,000 in 2005/2006 and 2006/2007 respectively.

Capital programme

- 55 The 2004/05 approved total capital programme was £17m, although only £9m was spent. The main slippage relates to Eaves Green Link Road scheme which now forms part of the 2005/06 capital programme. The Council is able to fund the bulk of the capital programme from capital receipts. However, it will need to continue to monitor and ensure strong programme and project management for the future.

Income collection and arrears

- 56 Table 2 details the overall level of Council arrears, which have only fallen by £7,000 or 0.29% during the year. Although all these levels of debt are relatively low compared to other districts improvement is needed especially within Council Tax and NDR where debts have remained constant over the last financial year. Whilst the Council is performing relatively well on collection rates it should continue to explore all options to ensure debts are actively pursued in all areas.

Table 2 Total Indebtedness

The table shows the debts in each of the main categories.

Year	Council Tax £000	NDR £000	Housing Rents £000	Total £000

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Year	Council Tax £000	NDR £000	Housing Rents £000	Total £000
2001/02	2,184	557	274	3,015
2002/03	2,016	475	302	2,793
2003/04	1,915	212	263	2,390
2004/05	1,884	308	191	2,383
Variance £	-31	96	-72	-7
Variance %	-1.62%	45.28%	-27.38%	-0.29%

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Systems of internal financial control

- 57 We have not identified any significant weaknesses in the overall control framework and are able to rely on Internal Audit. The Council has sound systems in place to monitor financial systems and to manage risks. However, there is scope to further embed risk management into financial management and partnership arrangements.

Internal Audit

- 58 Our assessment of Internal Audit confirms that it continues to provide an effective service. We are happy to report that we can rely on the work undertaken by the section and the work undertaken provides an effective component of the Council's internal control environment and governance arrangements.

Standards of financial conduct and the prevention and detection of fraud and corruption

- 59 We have not identified any significant weaknesses in your arrangements to prevent and detect fraud and corruption. However, arrangements need to be more proactive, supported by an embedded whistle blowing policy and awareness training. Subsequent to our review a whistle blowing policy has been

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- 60 The Council's overall arrangements demonstrate that it is committed to prevent and detect both fraud and corruption but could be more proactive on promoting high ethical governance standards. However, the Council needs to ensure all their policies and procedures are up to date and comply with statutory and other guidance. Arrangements to monitor and test the operation of CIPFA/SOLACE framework by members also needs to be in place.

Legality of transactions

- 61 We have not identified any significant weaknesses in the framework established by the Council for ensuring the legality of its significant financial transactions.

Civil Contingencies

- 62 A Civil Contingencies review has been undertaken with a report agreed and tabled at the January 2006 Audit Committee. Chorley Borough Council has responded well to the Civil Contingencies Act and has updated their Emergency Plan and developed a Business Continuity Plan. The main elements to comply with the Act appear to be in place or under development.
- 63 Training has been provided where needed and is included in the staff appraisal process for ongoing training.
- 64 Tests were carried out throughout Lancashire to establish if there were enough resources to operate ten Rest Centres at the same time. This proved successful, but arrangements to ensure that contractors and suppliers can, where relevant, support the Council during an emergency, are not uniformly in place. It is important that not only is the emergency dealt with but that critical services are also maintained, and steps should be taken to develop a purchasing policy which includes these elements.
- 65 Recommendations were made around member involvement and public awareness on Civil Contingencies and business continuity, and formalised information sharing with the Local Resilience Forum. The Council is well on with implementing these recommendations.

Use of resources judgements

- 66 The use of resources assessment is a new assessment, which focuses on financial management, but links to the strategic management of the Council. It

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looks at how the financial management is integrated with strategy and corporate management, supports council priorities and delivers value for money. It will be carried out annually, as part of each council's external audit. We anticipate in future the Use of Resources judgements will form part of the CPA framework.

- 67 We have assessed and scored the Council's arrangements in five key theme areas as outlined in Table 3.

Table 3 Councils arrangements

Overall Chorley Borough Council is performing well on its use of resources

Element	Assessment
Financial reporting	2 out of 4
Financial management	3 out of 4
Financial standing	3 out of 4
Internal control	2 out of 4
Value for money	3 out of 4
Overall	3 out of 4

(Note: 1=lowest, 4=highest, 2 adequate performance, 3 performing well, 4 performing strongly)

- 68 In reaching these judgements we have drawn on the above work and supplemented this with a review against specified Key Lines of Enquiry. A separate Use of Resources report has been agreed with the Management Team with the most significant areas where further development is needed outlined below.

Financial reporting

- 69 Improve the final accounts quality assurance arrangements to ensure the statement of accounts is fully SoRP compliant and free from material and non trifling errors. Need to introduce a process of consultation with a range of stakeholders on content and format of future summary accounts. In addition, consider the benefits of producing an annual report in a user friendly format.

Financial management

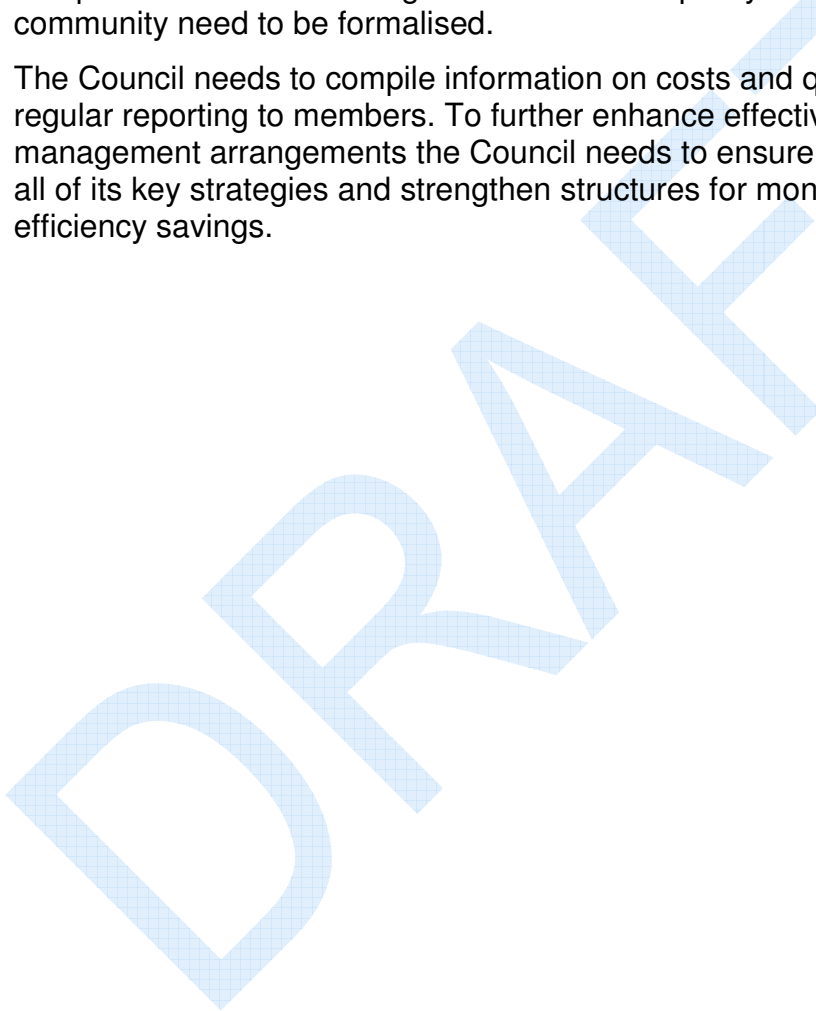
- 70 The Council has taken effective action to ensure that its Medium Term Financial Strategy (MTFS), budgets and capital programme are soundly based and are adequately designed to deliver its strategic priorities. Further improvements to the

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- 76 Benchmarking information on costs and quality of services achieved currently and over time needs to be used consistently throughout all services and corporately as a means of challenging performance and VFM.
- 77 VFM considerations need to be integrated by all services into their day to day operational management arrangements. Clear VFM targets are needed for senior managers and members to assess VFM and monitor its achievement. Structures and processes for assessing the wider VFM of policy decisions for the whole community need to be formalised.
- 78 The Council needs to compile information on costs and quality of services in regular reporting to members. To further enhance effective performance management arrangements the Council needs to ensure full integration between all of its key strategies and strengthen structures for monitoring and reviewing efficiency savings.



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Grant claims

- 79 In accordance with Strategic Regulation, the Audit Commission has continued with a more risk-based approach to the certification of grant claims. We have reduced our audit of these claims but our ability to reduce further depends on the adequacy of the Council's control environment.
- 80 During the year we have audited the Councils major grant claims including Housing Benefit and Non Domestic Rates. We are pleased to report that no major issues arose during the year.

National Fraud Initiative

- 81 In 2004/05, the Council took part in the Audit Commission's National Fraud Initiative. The NFI, which is undertaken every two years, aims to help identify and reduce fraud by bringing together data from NHS bodies, local authorities and government departments and other agencies, to detect a wide range of frauds against the public sector. These include housing benefit fraud, occupational pension fraud, tenancy fraud and payroll fraud as well as, new for 2004/05, right to buy scheme fraud and providing new contact details for former tenants with arrears in excess of £1,000.
- 82 The NFI audit work completed confirms that the Council have adequate arrangements and resources in place to prevent fraud. However the Council need to have a realistic timetable in place to complete the fraud work. The NFI exercise has identified and made total savings of £42,062 for Chorley Borough Council during 2004/05.

24 Annual Audit and Inspection Letter | Closing remarksClosing remarksOther workOther workAccounts and governanceAccounts and governanceAccounts and governanceAccounts and governanceAccounts and governanceAccounts and governanceAccounts and governanceAccounts and governanceAccounts and governanceAccounts and governanceCouncil performanceCouncil performanceCouncil performanceCouncil performanceCouncil performanceCouncil performanceKey messagesKey messagesKey messagesLooking forwardsLooking forwardsAccounts and governanceAccounts and governanceAccounts and governanceAccounts and governanceCouncil performanceCouncil performanceCouncil performanceCouncil performanceKey messages

Closing remarks

- 88 This letter has been discussed and agreed with the Chief Executive and Management Team. A copy of the letter will be presented at Executive Cabinet on 30th March 2006, to Full Council on 11th April 2006 and at a future Audit Committee.
- 89 The Council has taken a positive and constructive approach to our audit and inspection I would like to take this opportunity to express my appreciation for the Council's assistance and co-operation.

Availability of this letter

- 90 This letter will be published on the Audit Commission's website at www.audit-commission.gov.uk and also on the Council's website.

Signature

Mike Thomas

District Auditor Relationship Manager

March 2006

Appendix 1 – Background to this letter

The purpose of this letter

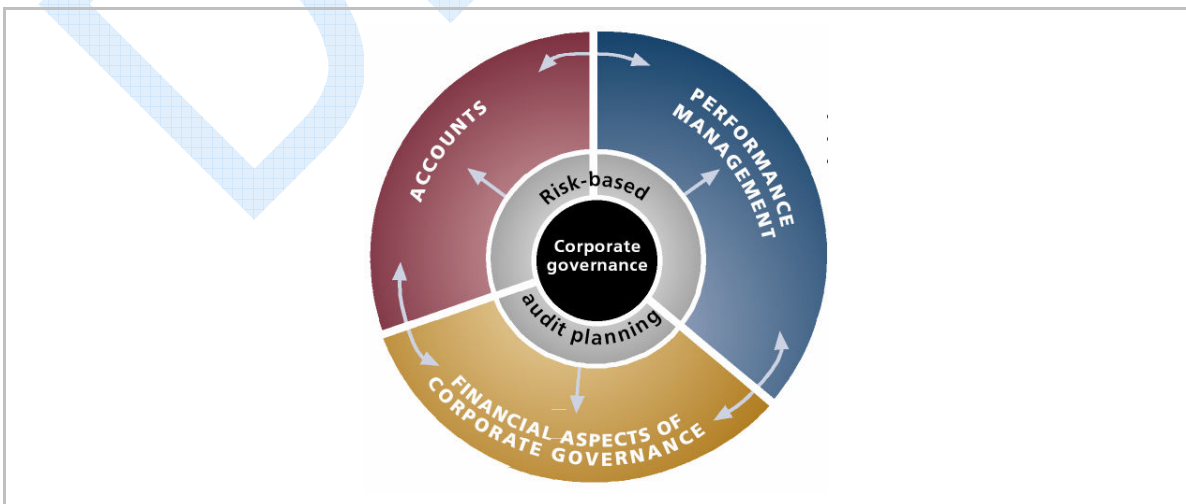
- 1 This is our audit and inspection ‘Annual Letter’ for members which incorporates the Annual Audit Letter for 2004/05, which is presented by the Council’s Relationship Manager and District Auditor. The letter summarises the conclusions and significant issues arising from our recent audit and inspections of the Council.
- 2 We have issued separate reports during the year setting out the findings and conclusions from the specific elements of our programme. These reports are listed at Appendix 2 for information.
- 3 The Audit Commission has circulated to all audited bodies a statement that summarises the key responsibilities of auditors. Our audit has been conducted in accordance with the principles set out in that statement. What we say about the results of our audit should be viewed in the context of that more formal background.
- 4 Appendix 3 provides information about the fee charged for our audit and inspections.

Audit objectives

- 5 Our main objective as your appointed auditor is to plan and carry out an audit that meets the requirements of the Code of Audit Practice. We adopt a risk-based approach to planning our audit, and our audit work has focused on your significant financial and operational risks that are relevant to our audit responsibilities.
- 6 Central to our audit are your corporate governance arrangements. Our audit is then structured around the three elements of our responsibilities as set out in the Code and shown in Figure1.

Figure 2 Code of Audit Practice

Code of practice responsibilities



26 Annual Audit and Inspection Letter | Appendix 1 – Background to this letter
Appendix 1 – Background to this letter
Appendix 2 – Audit and Inspection reports issued
Appendix 1 – Background to this letter

Accounts

- Opinion.

Financial aspects of corporate governance

7 Reviewing how effectively the Council ensures:

- financial standing;
- systems of internal financial control;
- standards of financial conduct and the prevention and detection of fraud and corruption; and
- legality of transactions with significant financial consequences.

Performance management

- Use of resources.
- Performance information.
- Best Value Performance Plan.

Inspection objectives

8 Inspection work is based around section 10 of the Local Government Act 1999, which requires us to carry out inspections and deliver reports that will:

- enable the Council and the public to judge whether best value is being delivered;
- enable the Council to assess how well it is doing;
- enable the Government to assess how well its policies are being implemented; and
- identify failing services where remedial action may be necessary.

Appendix 2 – Audit and Inspection reports issued

Table 4

Report title	Date issued
Audit and Inspection Plan	March 2005
Customer Access and Focus Inspection	August 2005
Letter on the 2004/05 financial statements to those charged with governance (SAS 610)	September 2005
Interim Audit Memorandum	November 2005
Opinion Memorandum	November 2006
BVPP Opinion	December 2005
BVPP and PI review	December 2005
Performance Management review	January 2006
Civil Contingencies	January 2006
Use of Resources	March 2006

Appendix 3 – Audit and Inspection fee

Table 5 Audit fee update

Audit area	Plan 2004/05 £	Actual 2004/05 £
Accounts	32,950	33,847
Financial aspects of corporate governance	20,400	22,560
Performance	43,750	40,693
Total Code of Audit Practice fee	97,100	97,100

Inspection fee update

The full year inspection fee is £51,981 with Chorley Borough Council paying £10,396. The work reported in this audit and inspection letter has been funded by the fee planned in 2004/05 and is net of an 80% ODPM grant.

Executive Cabinet Committee - Waste Recycling Arrangements**Wednesday, 15 March 2006****Present:** Councillor J Wilson (Chair), Councillors K Ball, T Brown and L Lennox**05.DC.01 APPOINTMENT OF CHAIR****Resolved – That Councillor J Wilson be appointed the Chair of this Special Executive Committee****05.DC.02 TERMS OF REFERENCE**

The Deputy Chief Executive submitted a report on the membership and proposed terms of reference for the Special Executive Committee which were as follows:

- (i) To review the current waste recycling arrangements and to identify and approve short term measures to reduce littering and restore and improve customer satisfaction to acceptable levels;
- (ii) To consider the medium and longer term arrangements for waste recycling in the context of the renewal of the waste collection contract in 2009 and to provide member oversight of the associated preparations and procurement arrangements.

The Special Executive Committee had been established by the Executive Leader under Article 7.06 (2) (iii) of the Council's Constitution following public concern regarding the level of littering associated with recycling collections in some parts of the Borough.

Resolved – That the membership and terms of reference for the Special Executive Cabinet be approved.**05.DC.03 REFUSE COLLECTION RECYCLING SERVICE - OPTIONS AND ISSUES**

The Head of Environmental Services submitted a report which set out options for improving the container provision for recycling materials under the refuse collection and recycling service and the measures currently being undertaken to address operational performance issues with the contractor, Cleanaway.

The report indicated that the current contract with Cleanaway expires on 31 March 2009 and that an alternate weekly collection service is provided to 43,000 households within the Borough with a residual waste collection (green bin) one week and a recycling collection (brown bin, green box, woven sack and paper bag) the following week. As a consequence of this, the Council's recycling rate had increased from 4% in 2001/02 to over 40% in the current year.

During the consideration of the report, the Special Executive Committee accepted that the two main areas of concerns under the existing contract were:

- the open and lightweight construction of the sacks results in an increase of wind blown litter from its contents prior to collection; and

- the collection crews have encountered problems in emptying sacks at a rate necessary to complete collection rounds without causing littering problems with the sack contents.

It was also accepted that the use of modified weighted sacks would provide the volume necessary to allow householders to manage an alternate weekly residual collection and provide a collection method which ensures collection rounds are completed in a timely manner.

The report also set out the contract procurement issues for maximising competition and efficiency when the current contract expires in 2009.

Resolved – (1) That following the successful trial use of 1,000 weighted sacks in areas of the Borough, the Executive Cabinet be recommended to implement Option 2 in the report as now amended, which provides for the use of weighted sacks by all 43,000 households within the Borough with the choice of two coloured coded 55L container boxes as an alternative to an estimated 2,000 households;

(2) That prior to the next meeting of this Special Executive Committee, the Capital Programme Board be requested to reassess the capital programme to enable the financing of the proposals in (1) above and the provision of an additional stock of recycling container boxes.

05.DC.04 DATE OF NEXT MEETING

Resolved – That the next meeting of the Special Executive Committee be held on 30 March 2006 at 3.30pm.

Chair



Report of	Meeting	Date
Director of Finance (Introduced by the Executive Leader, Councillor J Wilson)	Executive Cabinet	30 March 2006

CAPITAL PROGRAMME MONITORING

PURPOSE OF REPORT

- To present updated figures for the 2005/06 and 2006/07 capital programmes; to update the 'reserve list' of schemes; and to recommend the inclusion of expenditure on kerbside recycling in the approved programme for 2006/07.

CORPORATE PRIORITIES

- Implementation of capital projects can help to achieve several corporate priorities. The projects for 2006/07 onwards, including the 'reserve list', are categorised according to the corporate priority they relate to.

RISK ISSUES

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

Strategy		Information	
Reputation		Regulatory/Legal	
Financial	√	Operational	
People		Other	

- Detailed estimates have not yet been prepared for all of the schemes in the 2006/07 capital programme. Revisions to the programme may be required when tenders are received or, in respect of land assembly, compensation terms are agreed.

The intended financing of the capital programmes for 2005/06 and 2006/07 takes into account estimated capital receipts from the sale of assets at a prudent level. At the time of preparing this report, one substantial capital receipt required to finance the 2005/06 programme is still outstanding: a verbal update will be given at the meeting.

BACKGROUND

- Council of 7 March 2006 approved a reduction in the 2005/06 Capital Programme to £15,202,760. Subsequently Executive Cabinet of 9 March 2006 recommended a further reduction to £15,079,800, taking into account slippage of expenditure into 2006/07.



6. The Capital Programme for 2006/07 to 2008/09 was approved at Council of 7 March 2006, the total for the three years being £14,659,770. Of this total, the expenditure estimate for 2006/07 was £7,635,490.

CAPITAL MONITORING 2005/06

7. Following discussions with budgets holders, the latest Capital Programme forecast for 2005/06 shows a reduction in total expenditure to £10,541,950. The changes can be summarised as follows:

	£	£
Capital Programme 2005/06 as at 9/3/06		15,079,800
Slippage to 2006/07		
- Computer Network Improvements	(3,400)	
- Euxton Play Facilities (S106)	(1,100)	
- e-Claims travel & subsistence	(6,000)	
- Planning Delivery Grant funded scheme	(123,370)	
- Road junction improvements (S106)	(175,530)	
- Eaves Green Link Road (S106)	(4,300,000)	
		<hr style="width: 100%; border: 0.5px solid black;"/> (4,609,400)
Other Changes		
- Job Evaluation software	10,550	
- Town Hall (b/f from 2006/07)	26,000	
- Cotswold House CCTV	35,000	
		<hr style="width: 100%; border: 0.5px solid black;"/> 71,550
Capital Programme 2005/06 as at 30/3/06		<hr style="width: 100%; border: 0.5px solid black;"/> 10,541,950

The detailed programme is presented as Appendix 1 and further information about the 'Other Changes' as Appendix 2. The sum of £26,000 had been included in the 2006/07 programme to cover release of retention, but this budget is required in 2005/06 instead.

CAPITAL PROGRAMME 2006/07 TO 2008/09

8. It is proposed that the Capital Programme for 2006/07 be increased from £7,635,490 to £12,351,330 for the following reasons:

	£
Capital Programme 2006/07 as at 7/3/06	7,635,490
Add:	
Slippage from 2005/06	4,609,400
Pitch drainage Croston (S106)	19,950
Kerbside recycling from Reserve List	112,490
Less: Town Hall budget to 2005/06	(26,000)
Capital Programme 2006/07 as at 30/3/06	12,351,330

9. The detailed programme for 2006/07 is presented as Appendix 3 and the updated Reserve List as Appendix 4.

10. The addition to the approved programme of containers required for the kerbside recycling service would lead to an increase in prudential borrowing in 2006/07. The revenue consequences in 2006/07 would be payment of interest of less than £5,000, which would be met from identified revenue savings. In subsequent years, an increased Minimum

Revenue Provision would be required as well as interest, so that the revenue cost in 2007/08 would be around £10,000.

COMMENTS OF THE HEAD OF HUMAN RESOURCES

11. There are no direct human resource implications of the recommendations.

RECOMMENDATION(S)

12. That Executive Cabinet recommend to Council that the Job Evaluation system be added to the 2005/06 Capital Programme at £10,550, to be financed from the Job Evaluation Reserve previously created.
13. That Executive Cabinet recommend to Council that the Capital Programme for 2005/06 be reduced to £10,541,950, as presented in Appendix 1.
14. That Executive Cabinet recommend to Council the addition of £112,490 kerbside recycling expenditure to the 2006/07 Capital Programme.
15. That Executive Cabinet recommend to Council that the 2006/07 Capital Programme be amended by the slippage of £4,609,400 expenditure from 2005/06 and the net reduction of £6,050 in the Other Changes column of Appendix 3.
16. That Executive Cabinet recommend to Council that the Reserve List of schemes for consideration for implementation in 2006/07 be increased by £1,256,580, as presented in Appendix 4.

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

17. The phasing of expenditure on schemes approved to be implemented during 2005/06 needs to be updated on the advice of external consultants and the Council's project managers.
18. The Capital Programme for 2006/07 needs to be updated to take account of slippage and other changes to the phasing of schemes.
19. The Executive Cabinet Panel on Waste Recycling Arrangements of 15 March 2006 has requested the inclusion of a budget for acquisition of kerbside recycling containers in the 2006/07 Capital Programme.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

20. None.

GARY HALL
DIRECTOR OF FINANCE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Michael L. Jackson	5490	21/3/06	Capital programme Monitoring

Capital Programme - 2005/06

Scheme

CATEGORY A SCHEMES**Corporate Programmes - e-Government**

Revenues & Benefits eGovernment
 Financial systems upgrades (PARIS income system)
 Replacement core financial systems
 Digitisation of Records
 Computer Network Improvements (Business Continuity)
 e-Democracy Software
 PSS Computer Aided Design Systems
 PSS Document Image Processing
 PSS Fleet Management System
 Intranet Redesign and Update
 Annual leave & flexitime system
 IT Support (incl. salary capitalisation)
 Records management
 Pay Modeller System re Job Evaluation
 National Land & Property Gazetteer
 Integration of CRM & Workflow with Back Office
 Environmental Services Integration
 Access to home/remote & mobile working facilities
 Integration to Land & Property Gazetteer
 Microsoft Upgrade
 Planning Delivery Grant-funded capital scheme

Total - e-Government**Corporate Programmes - Office Accommodation**

Bengal Street Improvements, CCTV and New Building
 Town Hall Disabled Access and Refurbishment
 Gillibrand Street Annexe Refurbishment 2005/06
 Union Street Offices - Refurbishment
 Union Street Offices Heating and Ventilation

Total Office Accommodation

2005/06 Current Budget £	Change of Category £	Slippage to 2006/07 £	Other Changes £	2005/06 Revised Estimate £	External Funding £	CBC Funding £
107,970			5,110	113,080	107,970	5,110
22,700				22,700	22,700	0
46,200				46,200	0	46,200
87,330				87,330	79,310	8,020
62,670	(3,400)		14,800	74,070	0	74,070
26,000				26,000	26,000	0
520				520	0	520
24,000				24,000	20,000	4,000
15,000				15,000	0	15,000
33,790				33,790	0	33,790
13,250				13,250	0	13,250
75,820				75,820	75,820	0
600				600	600	0
17,500			10,550	28,050	0	28,050
1,590				1,590	0	1,590
50,000				50,000	50,000	0
30,000				30,000	30,000	0
30,000				30,000	30,000	0
22,500				22,500	22,500	0
0	21,320		(19,910)	1,410	0	1,410
	4,630			4,630	4,630	0
667,440	25,950	(3,400)	10,550	700,540	469,530	231,010
150,230				150,230	0	150,230
1,426,910			26,000	1,452,910	0	1,452,910
29,630				29,630	0	29,630
17,580				17,580	0	17,580
1,500				1,500	0	1,500
1,625,850	0	0	26,000	1,651,850	0	1,651,850

Capital Programme - 2005/06**Scheme****Corporate Programmes - Strategic Measures**

Capitalised Restructuring Costs
 Project Management Support Capitalisation
 EGLR - contribution to Holy Cross AW Pitch
 EGLR - environmental mitigation works
 ODPM e-Voting 2004/05 - 2005/06

Total Strategic Measures**Leisure and Cultural Services**

Replace filter Brinscall swimming pool
 All Seasons Leisure Centre Refurbishment
 Astley Hall Refurbishment (Phase I slippage & II)
 Astley Hall Gas Supply
 YVP Replacement of Bridges
 Leisure Centres Capital Investment
 Leisure Centres DDA Works

Total Leisure and Cultural Services**Public Space Services**

Traffic Calming/Estate Improvements
 Replacement Borough Boundary Signs
 Extension to Chorley Cemetery (new burial area)
 Cemetery memorial safety
 Resurface Footpaths Chorley and Adlington Cemeteries
 Car parking measures following new Chorley Interchange
 Euxton Play Facilities (S106 funded)
 Purchase and erection of bus shelters
 Tesco superstore cycle path

Total Public Space Services

2005/06 Current Budget £	Change of Category £	Slippage to 2006/07 £	Other Changes £	2005/06 Revised Estimate £	External Funding £	CBC Funding £
56,520				56,520	0	56,520
40,000				40,000	0	40,000
250,000				250,000	250,000	0
103,020	16,980			120,000	120,000	0
903,880				903,880	903,880	0
1,353,420	16,980	0	0	1,370,400	1,273,880	96,520
19,180				19,180	0	19,180
9,630				9,630	0	9,630
17,720				17,720	0	17,720
12,000				12,000	0	12,000
95,660				95,660	20,700	74,960
39,750				39,750	0	39,750
7,350				7,350	0	7,350
201,290	0	0	0	201,290	20,700	180,590
55,360				55,360	0	55,360
5,890				5,890	0	5,890
78,540				78,540	0	78,540
1,130				1,130	0	1,130
2,620				2,620	0	2,620
16,700				16,700	0	16,700
1,100		(1,100)		0	0	0
10,000				10,000	0	10,000
0	63,000			63,000	63,000	0
171,340	63,000	(1,100)	0	233,240	63,000	170,240

Capital Programme - 2005/06

	2005/06 Current Budget £	Change of Category £	Slippage to 2006/07 £	Other Changes £	2005/06 Revised Estimate £	External Funding £	CBC Funding £
Scheme							
<u>Environmental Services</u>							
New and Replacement Litter and Dog Waste bins DEFRA 2004/05	18,610				18,610	0	18,610
Public Toilets Upgrade and Refurbishment Programme Recycling bins, boxes, lids and sacks 2005/06	116,420				116,420	110,710	5,710
	106,000				106,000	0	106,000
	153,330				153,330	18,250	135,080
Total Environmental Services	394,360	0	0	0	394,360	128,960	265,400
<u>Housing Services (General Fund)</u>							
Vacant Property Initiative	36,000				36,000	0	36,000
Gillibrand Disabled Adaptations (S106 funded)	10,000				10,000	10,000	0
Disabled Facilities Grants	399,130				399,130	237,940	161,190
Home Repair Assistance & Energy Grants	280,000				280,000	0	280,000
Handy Person Scheme	15,000				15,000	0	15,000
Group Repair Schemes	24,500				24,500	0	24,500
Slum Clearance	34,000				34,000	0	34,000
Total Housing Services (General Fund)	798,630	0	0	0	798,630	247,940	550,690
<u>Corporate & Policy Services</u>							
Adlington CCTV Cameras	40,000				40,000	40,000	0
Coppull Spondmore Lane CCTV Cameras	30,050				30,050	30,050	0
Town Centre CCTV/Control Room equipment	9,820				9,820	4,150	5,670
Total Corporate & Policy Services	79,870	0	0	0	79,870	74,200	5,670
<u>Property Services</u>							
Service Centre on Portland St Car Park	5,370				5,370	0	5,370
Ackhurst Lodge Refurbishment	85,890				85,890	0	85,890
Total Property Services	91,260	0	0	0	91,260	0	91,260

Environmental Services
New and Replacement Litter and Dog Waste bins
DEFRA 2004/05
Public Toilets Upgrade and Refurbishment Programme
Recycling bins, boxes, lids and sacks 2005/06

Total Environmental Services**Housing Services (General Fund)**

Vacant Property Initiative
Gillibrand Disabled Adaptations (S106 funded)
Disabled Facilities Grants
Home Repair Assistance & Energy Grants
Handy Person Scheme
Group Repair Schemes
Slum Clearance

Total Housing Services (General Fund)**Corporate & Policy Services**

Adlington CCTV Cameras
Coppull Spondmore Lane CCTV Cameras
Town Centre CCTV/Control Room equipment

Total Corporate & Policy Services**Property Services**

Service Centre on Portland St Car Park
Ackhurst Lodge Refurbishment

Total Property Services

Capital Programme - 2005/06

	2005/06 Current Budget £	Change of Category £	Slippage to 2006/07 £	Other Changes £	2005/06 Revised Estimate £	External Funding £	CBC Funding £
Scheme							
<u>Development & Regeneration</u>							
Chapel Street Environmental Enhancement	296,450				296,450	67,330	229,120
Strategic Regional Site	2,281,300				2,281,300	193,430	2,087,870
Design Fees	103,550				103,550	0	103,550
Astley Park Heritage Lottery Project	176,210				176,210	135,190	41,020
Groundwork Projects	30,000				30,000	0	30,000
Total Development & Regeneration	2,887,510	0	0	0	2,887,510	395,950	2,491,560
<u>Housing Services (Housing Revenue Account)</u>							
Achieving Decent Homes Standard	353,000				353,000	203,000	150,000
Replacement Windows & Doors	716,000				716,000	716,000	0
Community Safety	42,000				42,000	42,000	0
Estate Improvements & Regeneration	93,000				93,000	53,000	40,000
Adaptations for Disabled	194,000				194,000	194,000	0
Major Void Works	373,000				373,000	373,000	0
External Site Works	217,000				217,000	217,000	0
Capitalised Salaries	110,000				110,000	0	110,000
Cotswold House CCTV	0			35,000	35,000	0	35,000
Total Housing Services (HRA)	2,098,000	0	0	35,000	2,133,000	1,798,000	335,000
TOTAL CATEGORY A SCHEMES	10,368,970	105,930	(4,500)	71,550	10,541,950	4,472,160	6,069,790

Scheme

Development & Regeneration

Chapel Street Environmental Enhancement
 Strategic Regional Site
 Design Fees
 Astley Park Heritage Lottery Project
 Groundwork Projects

Total Development & Regeneration

Housing Services (Housing Revenue Account)

Achieving Decent Homes Standard
 Replacement Windows & Doors
 Community Safety
 Estate Improvements & Regeneration
 Adaptations for Disabled
 Major Void Works
 External Site Works
 Capitalised Salaries
 Cotswold House CCTV

Total Housing Services (HRA)

TOTAL CATEGORY A SCHEMES

Capital Programme - 2005/06

	2005/06 Current Budget £	Change of Category £	Slippage to 2006/07 £	Other Changes £	2005/06 Revised Estimate £	External Funding £	CBC Funding £
Scheme							
<u>CATEGORY B SCHEMES</u>							
<u>Corporate Programmes - e-Government</u>							
e-Claims travel and subsistence	6,000		(6,000)		0	0	0
Microsoft Upgrade	21,320	(21,320)			0	0	0
Building Control - applications on-line	50,000			(50,000)	0	0	0
Planning - applications on-line	78,000			(78,000)	0	0	0
Planning Delivery Grant-funded capital scheme	0	(4,630)	(123,370)	128,000	0	0	0
Total - e-Government	155,320	(25,950)	(129,370)	0	0	0	0
<u>Corporate Programmes - Strategic Measures</u>							
Junction Improvements A49/Lancaster Lane (S106 funded)	175,530		(175,530)		0	0	0
Eaves Green Link Road	4,316,980	(16,980)	(4,300,000)		0	0	0
Total Strategic Measures	4,492,510	(16,980)	(4,475,530)	0	0	0	0
<u>Public Space Services</u>							
Tesco superstore cycle path	63,000	(63,000)			0	0	0
Total Public Space Services	63,000	(63,000)	0	0	0	0	0
TOTAL CATEGORY B SCHEMES	4,710,830	(105,930)	(4,604,900)	0	0	0	0
TOTAL CAPITAL PROGRAMME 2005/06	15,079,800	0	(4,609,400)	71,550	10,541,950	4,472,160	6,069,790

Scheme

CATEGORY B SCHEMES

Corporate Programmes - e-Government

- e-Claims travel and subsistence
- Microsoft Upgrade
- Building Control - applications on-line
- Planning - applications on-line
- Planning Delivery Grant-funded capital scheme

Total - e-Government

Corporate Programmes - Strategic Measures

- Junction Improvements A49/Lancaster Lane (S106 funded)
- Eaves Green Link Road

Total Strategic Measures

Public Space Services

- Tesco superstore cycle path

Total Public Space Services

TOTAL CATEGORY B SCHEMES

TOTAL CAPITAL PROGRAMME 2005/06

Capital Programme - 2005/06

	2005/06 Current Budget £	Change of Category £	Slippage to 2006/07 £	Other Changes £	2005/06 Revised Estimate £	External Funding £	CBC Funding £
Scheme							
<u>Financing the Programme</u>							
Prudential Borrowing	0	0	0	0	0	0	0
Unrestricted Capital Receipts	2,939,390	0	(3,400)	26,000	2,961,990	0	2,961,990
Capital receipt earmarked for Strategic Regional Site	2,166,870	0	0	(79,000)	2,087,870	0	2,087,870
Housing Investment Programme Restricted Capital Receipts	700,690	0	0	35,000	735,690	0	735,690
Ext. Contributions - Developers	4,991,110	0	(4,476,630)	99,000	613,480	613,480	0
Ext. Contributions - Lottery Bodies	135,190	0	0	0	135,190	135,190	0
Ext. Contributions - Other Local Authorities	52,160	0	0	0	52,160	52,160	0
Ext. Contributions - Regional Development Agency etc	114,430	0	0	0	114,430	114,430	0
Ext. Contributions - Other	100,050	0	0	(20,000)	80,050	80,050	0
Government Grants - Local Government On Line	464,900	0	0	0	464,900	464,900	0
Government Grants - e-Voting Schemes	903,880	0	0	0	903,880	903,880	0
Government Grants - DEFRA Recycling	128,960	0	0	0	128,960	128,960	0
Government Grants - Disabled Facilities Grants	206,480	0	0	0	206,480	206,480	0
Government Grants - Planning Delivery Grant	128,000	0	(123,370)	0	4,630	4,630	0
Revenue Budget - Specific Revenue Reserves or Budgets	129,690	0	(6,000)	10,550	134,240	0	134,240
Revenue Budget - Housing Revenue Account	150,000	0	0	0	150,000	0	150,000
Major Repairs Allowance	1,768,000	0	0	0	1,768,000	1,768,000	0
TOTAL CAPITAL RESOURCES	15,079,800	0	(4,609,400)	71,550	10,541,950	4,472,160	6,069,790

Scheme

Financing the Programme

Prudential Borrowing

Unrestricted Capital Receipts

Capital receipt earmarked for Strategic Regional Site

Housing Investment Programme Restricted Capital Receipts

Ext. Contributions - Developers

Ext. Contributions - Lottery Bodies

Ext. Contributions - Other Local Authorities

Ext. Contributions - Regional Development Agency etc

Ext. Contributions - Other

Government Grants - Local Government On Line

Government Grants - e-Voting Schemes

Government Grants - DEFRA Recycling

Government Grants - Disabled Facilities Grants

Government Grants - Planning Delivery Grant

Revenue Budget - Specific Revenue Reserves or Budgets

Revenue Budget - Housing Revenue Account

Major Repairs Allowance

TOTAL CAPITAL RESOURCES

Capital Programme - 2005/06 - Other Changes

Scheme	Other Changes £	Virements £	Increases £	Total £	Comments
<u>CATEGORY A SCHEMES</u>					
<u>Corporate Programmes - e-Government</u>					
Revenues & Benefits eGovernment	5,110	5,110		5,110	Vired from Microsoft Upgrade
Computer Network Improvements (Business Continuity)	14,800	14,800		14,800	Vired from Microsoft Upgrade
Pay Modeller System re Job Evaluation	10,550		10,550	10,550	Use of Job Evaluation Reserve
Microsoft Upgrade	(19,910)	(19,910)		(19,910)	Vired to Revenues & Benefits e-Govt and Computer Network Improvements
Total - e-Government	10,550	0	10,550	10,550	
<u>Corporate Programmes - Office Accommodation</u>					
Town Hall Disabled Access and Refurbishment	26,000		26,000	26,000	Brought forward from 2006/07, no overall increase in budget
Total Office Accommodation	26,000	0	26,000	26,000	
TOTAL GENERAL FUND PROGRAMME	36,550	0	36,550	36,550	
<u>Housing Services (Housing Revenue Account)</u>					
Cotswold House CCTV	35,000		35,000	35,000	As previously recommended
Total Housing Services (HRA)	35,000	0	35,000	35,000	
TOTAL CATEGORY A SCHEMES	71,550	0	71,550	71,550	
<u>CATEGORY B SCHEMES</u>					
<u>Corporate Programmes - e-Government</u>					
Building Control - applications on-line	(50,000)	(50,000)		(50,000)	
Planning - applications on-line	(78,000)	(78,000)		(78,000)	
Planning Delivery Grant-funded capital scheme	128,000	128,000		128,000	Transferred from above
Total - e-Government	0	0	0	0	
TOTAL CATEGORY B SCHEMES	0	0	0	0	
TOTAL 'OTHER CHANGES' 2005/06	71,550	0	71,550	71,550	

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Capital Programme - 2006/07

Scheme	2006/07 Current Estimate £	Change of Category £	Slippage from 2005/06 £	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
<u>CATEGORY A SCHEMES</u>							
<u>People - Reduce Pockets of Inequality</u>							
Town Hall Disabled Access and Refurbishment	26,000			(26,000)	0		0
Leisure Centres DDA Works	139,650				139,650		139,650
	165,650	0	0	(26,000)	139,650	0	139,650
<u>People - Improved Access to Public Services</u>							
Leisure Centres Capital Investment	1,335,250				1,335,250		1,335,250
Extension to Chorley Cemetery (new burial area)	10,000				10,000		10,000
	1,345,250	0	0	0	1,345,250	0	1,345,250
<u>Place - Develop Character & Feel Of Chorley</u>							
Achieving Decent Homes Standard (Council Dwellings)	2,054,000				2,054,000	1,789,670	264,330
Disabled Facilities Grants	300,000				300,000	180,000	120,000
Housing Renewal	353,660				353,660		353,660
Astley Park Improvements - Construction	1,663,970				1,663,970	1,347,280	316,690
Kerbside Recycling Schemes	0	112,490			112,490		112,490
	4,371,630	112,490	0	0	4,484,120	3,316,950	1,167,170
<u>Performance - Ensure CBC is a Performing Organisation</u>							
Computer Network Improvements (Business Continuity)	0		3,400		3,400		3,400
	0	0	3,400	0	3,400	0	3,400

Performance - Ensure CBC is a Performing Organisation

Computer Network Improvements (Business Continuity)

Capital Programme - 2006/07

Scheme

TOTAL CATEGORY A SCHEMES

2006/07 Current Estimate £	Change of Category £	Slippage from 2005/06 £	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
5,882,530	112,490	3,400	(26,000)	5,972,420	3,316,950	2,655,470

Capital Programme - 2006/07

Scheme	2006/07 Current Estimate £	Change of Category £	Slippage from 2005/06 £	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
Groundwork Projects	15,000				15,000		15,000
Elwood Initiative (grants for tree planting & management)	101,670				101,670		101,670
Traffic Calming	128,000				128,000		128,000
	1,200,610	0	0	0	1,200,610	0	1,200,610
IT Support (incl. salary capitalisation)	30,000				30,000		30,000
e-Enabling HR systems - Training	30,000				30,000		30,000
PSS Planting Schemes	3,500				3,500		3,500
Telephony	42,100				42,100		42,100
e-Claims travel and subsistence			6,000		6,000		6,000
Planning Delivery Grant-funded capital scheme			123,370		123,370	123,370	0
Union Street Offices Heating and Ventilation	25,000				25,000		25,000
Project Management Support Capitalisation	40,000				40,000		40,000
Planned Maintenance of Fixed Assets	200,000				200,000		200,000
	370,600	0	129,370	0	499,970	123,370	376,600
TOTAL CATEGORY B SCHEMES	1,752,960	0	4,606,000	19,950	6,378,910	4,708,230	1,670,680
TOTAL CATEGORY A AND CATEGORY B SCHEMES	7,635,490	112,490	4,609,400	(6,050)	12,351,330	8,025,180	4,326,150

Performance - Ensure CBC is a Performing Organisation

IT Support (incl. salary capitalisation)
e-Enabling HR systems - Training
PSS Planting Schemes
Telephony
e-Claims travel and subsistence
Planning Delivery Grant-funded capital scheme
Union Street Offices Heating and Ventilation
Project Management Support Capitalisation
Planned Maintenance of Fixed Assets

TOTAL CATEGORY B SCHEMES**TOTAL CATEGORY A AND CATEGORY B SCHEMES**

Capital Programme - 2006/07

Scheme

Financing the Programme - Category A & B Schemes

Prudential Borrowing										
Unrestricted Capital Receipts										
Housing Investment Programme Restricted Capital Receipts										
Ext. Contributions - Developers										
Ext. Contributions - Lottery Bodies										
Government Grants - Planning Delivery Grant										
Government Grants - Disabled Facilities Grants										
Government Grants - Major Repairs Allowance										
Revenue Budget - Specific Revenue Reserves or Budgets										
Revenue Budget - Housing Revenue Account										

TOTAL CAPITAL RESOURCES - A & B SCHEMES

2006/07 Current Estimate £	Change of Category £	Slippage from 2005/06 £	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
1,611,010	112,490			1,723,500		1,723,500
1,797,760		3,400	(26,000)	1,775,160		1,775,160
587,990				587,990		587,990
88,280		4,476,630	19,950	4,584,860	4,584,860	0
1,347,280				1,347,280	1,347,280	0
		123,370		123,370	123,370	0
180,000				180,000	180,000	0
1,789,670				1,789,670	1,789,670	0
83,500		6,000		89,500		89,500
150,000				150,000		150,000
7,635,490	112,490	4,609,400	(6,050)	12,351,330	8,025,180	4,326,150

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Capital Programme Reserve List - 2006/07

Scheme

RESERVE LISTProsperity - Put Chorley at Heart of Regional Economic Development

Transport-related Improvements (S106 funded)

Place - Develop Character & Feel Of Chorley

Traffic Calming
 Changing Rooms Jubilee Playing Field Adlington
 Litter/Dog Waste/On-street Recycling Bins
 Warden Patrol Vans/Digital CCTV Recorders
 Enhanced Recycling Scheme
 Kerbside Recycling Schemes
 Recycling Bring Site Expansion
 Chapel Street Environmental Enhancement Phase 3
 Hic Bibi Local Nature Reserve
 Common Bank - Big Wood Reservoir
 Regional Housing Pot Capital Grant funded schemes
 Additional Disabled Facilities Grants

2006/07 Current Estimate £	Change of Category £	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
20,500			20,500	20,500	0
20,500	0	0	20,500	20,500	0
50,000			50,000		50,000
30,000			30,000		30,000
42,940			42,940	42,940	0
13,100			13,100		13,100
33,000			33,000		33,000
183,000	(112,490)	44,490	115,000		115,000
20,000			20,000		20,000
95,000			95,000		95,000
0		28,090	28,090		28,090
0		100,000	100,000		100,000
493,000			493,000	493,000	0
0		260,000	260,000		260,000
960,040	(112,490)	432,580	1,280,130	535,940	744,190

Capital Programme Reserve List - 2006/07**Scheme****People - Getting People Involved in Their Communities**

Play/Recreation Facilities (S106 funded)
Community Centre Ecclestone - Capital Grant
Parks and Play Areas Refurbishment

Performance - Ensure CBC is a Performing Organisation

Legal Case Management System
Electronic Document & Records Management System
Corporate DIP implementation
Capitalised Restructuring Costs
Planning Delivery Grant funded schemes
Strategic Shared Contact Centre (Benefits)
Thin Client - Pilot
Thin Client - Full Implementation
Data Storage Solution
Invest to Save schemes

TOTAL RESERVE LIST

2006/07 Current Estimate £	Change of Category £	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
42,870			42,870	42,870	0
150,000			150,000		150,000
50,000			50,000		50,000
242,870	0	0	242,870	42,870	200,000
31,750			31,750		31,750
50,920			50,920		50,920
30,000			30,000		30,000
500,000			500,000		500,000
66,310			66,310	66,310	0
0		140,000	140,000		140,000
0		20,000	20,000		20,000
0		480,000	480,000		480,000
0		184,000	184,000		184,000
200,000			200,000		200,000
878,980	0	824,000	1,702,980	66,310	1,636,670
2,102,390	(112,490)	1,256,580	3,246,480	665,620	2,580,860

Report of	Meeting	Date
Director of Finance	Management Team	21/03/06
	Audit Committee	27/03/06
	Executive Cabinet	30/03/06

THE ROLE & MEMBERSHIP OF THE AUDIT COMMITTEE

PURPOSES OF REPORT

- To evaluate the Council's compliance with new CIPFA guidance on the composition and remit of Audit Committees.
- To put forward proposals to address recommendations made by the Audit Commission in the Use of Resources assessment, regarding the Audit Committee's remit and relationship with the Executive and Scrutiny functions.
- To recommend the Council's adoption of the new CIPFA model Terms of Reference for Audit Committees.

CORPORATE PRIORITIES

- The latest guidance on audit committees and the Audit Commission's corresponding recommendations have "raised the bar" in terms of the expected role and jurisdiction of the Council's Audit Committee. The Committee now has a key role to play in monitoring the organisation's overall governance arrangements, including risk management and performance and holding the Executive to account on these matters.
- The role of the Audit Committee is therefore of central importance to ensuring that the Council is a performing organisation.

RISK ISSUES

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

Strategy	3	Information	3
Reputation	3	Regulatory/Legal	3
Financial	3	Operational	
People		Other	

- The establishment of effective monitoring arrangements for governance, performance, risk and internal control matters is key to the effective management of the Council as a whole and is now of central importance in CPA terms.

BACKGROUND

8. The Council’s Audit Committee has been in place since 2002 and has operated in accordance with the terms of reference shown at **Appendix 1**. These terms of reference were formally approved and were aimed to ensure compliance with the Audit Commission guidance “Called to Account” – The Role of Audit Committees in Local Government”. The Committee’s remit has largely covered the monitoring of audit workload and quality (both internal and external).
9. Although the Committee has operated very effectively in this regard, the latest CIPFA guidance now directs Audit Committees to monitor councils’ arrangements for governance, risk management and performance. The Audit Commission has made it a condition of CPA that authorities are unlikely to be rated good or excellent unless they have an effective audit committee in place.

CORPORATE GOVERNANCE

10. Corporate Governance is the product of the interlocking systems and processes through which an organisation manages and directs itself to determine and deliver its objectives. Whilst as the phrase implies this includes issues of probity and ethics the impact is much wider and CIPFA and SOLACE in their joint publication “Corporate Governance in Local Government – A Framework for Community Governance” point to the following five dimensions:
 - Community Focus
 - Service Delivery Arrangements
 - Structures and Processes
 - Risk Management and Internal Control
 - Standards of Conduct
11. This therefore requires the Audit Committee to provide oversight of the effectiveness of all the Council’s fundamental business processes, including community and corporate planning, performance management, financial management, risk management, constitutional compliance and its arrangements for ensuring the economic, efficient and effective use of resources.
12. Of critical importance is the Audit Committee’s role in receiving key external and internal audit reports in these areas, and tracking the implementation of recommendations to secure improvement.

NEW CIPFA GUIDANCE

13. In recognition of the wider role now expected of Audit Committees, CIPFA have issued new guidance: “Practical Guidance for Local Authorities” including a new model terms of reference (**Appendix 2**). This is far more prescriptive and wide ranging than the Audit Committee’s original / current terms of reference and as such the Council automatically finds itself in a largely non-compliant position.
14. The key elements of the new CIPFA guidance are re-produced below, together with an assessment of the extent to which the Council’s Audit Committee arrangements currently comply:

MAIN	CURRENT	ISSUES	ACTION
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PRINCIPLES	STATUS		REQUIRED
PURPOSE			
<p>Authorities should formally approve a Statement of Purpose along these lines:</p> <p>“The purpose of the Audit Committee is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority’s financial and non-financial performance to the extent that it affects the authority’s exposure to risk and weakens the control environment, and to oversee the financial reporting process”.</p>	Non-compliant.	No Statement of Purpose is currently in situ.	A Statement of Purpose should be formulated along the lines suggested.
CORE FUNCTIONS			
<ul style="list-style-type: none"> ▪ Consider the effectiveness of the authority’s risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements. 	Partly compliant.	Reports on these issues have been considered, including a recent report on the Statement on Internal Control (SIC). The focus has however been on audit and assurance rather than wider governance and risk matters.	The Committee’s remit should be widened to oversee the effectiveness of the Council’s Governance, Risk & Control Framework. Specific ways in which this could be executed are noted below.
<ul style="list-style-type: none"> ▪ Seek assurances that action is being taken on all risk-related issues identified by auditors and inspectors. 	Non-compliant.	<p>Until recently the Corporate Improvement Plan has been the Council’s vehicle for addressing key risks. Progress against Plan has been reported to Executive Cabinet & O&S.</p> <p>A separate Strategic Risk Register is now being compiled to identify the key risks to the achievement of the new strategic objectives and priorities.</p>	<p>The Committee should receive regular monitoring reports showing that action has been taken to:</p> <ul style="list-style-type: none"> ▪ Address all agreed external audit recommendations, including those relating to governance. ▪ Address the risk issues identified in the new Strategic Risk Register.
<ul style="list-style-type: none"> ▪ Be satisfied that the authority’s assurance statements, including the Statement on Internal Control, properly reflect the risk environment and any actions required to improve it. 	Partly Compliant.	Prior to formally approving the SIC, the Committee received a report explaining the basis on which it had been produced, following a detailed review of the Council’s internal control environment.	The Committee should also receive regular reports on progress to address weaknesses in the internal control environment, identified through the SIC process.
<ul style="list-style-type: none"> ▪ Approve (but not direct) internal audit’s strategy, 	Compliant.		

plan and monitor performance.			
<ul style="list-style-type: none"> Review summary internal audit reports and the main issues arising, and seek assurance that action has been taken where necessary. 	Compliant.		
<ul style="list-style-type: none"> Receive the annual report of the head of internal audit. 	Compliant.		
<ul style="list-style-type: none"> Consider the reports of external audit and inspection agencies. 	Partly compliant.	Significant pieces of work have tended to be individually reported, but the Committee has not policed the implementation of associated recommendations.	As stated above, the Committee should receive regular monitoring reports showing that action has been taken to address all agreed external audit recommendations.
<ul style="list-style-type: none"> Ensure that there are effective relationships between external & internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted. 	Compliant	The Committee have received a report on external / internal audit liaison and joint working arrangements and frequently questions their operation.	
<ul style="list-style-type: none"> Review the financial statements, external auditor's opinion and reports to members, and monitor management action in response to the issues raised by external audit. 	Partly compliant.	Relevant reports have been received but the Committee has not policed the implementation of associated recommendations.	As stated above, the Committee should receive regular monitoring reports showing that action has been taken to address all agreed external audit recommendations.
FEATURES			
<ul style="list-style-type: none"> Unbiased attitudes - treating auditors, the executive & management equally. 	Partly compliant	The Committee has operated effectively and with integrity since its creation in 2002. However the new guidelines require it to be completely separate from the executive and have the ability to question it on matters of governance, risk and control.	In addition to adopting wider Terms of Reference, the Committee's membership, composition and overall mode of operation also need to be reviewed.
<ul style="list-style-type: none"> The ability to question the executive (leader or chief executive) when required. 	See above.	See above.	See above.
<ul style="list-style-type: none"> A membership that is balanced, objective, independent of mind and knowledgeable. 	See above.	See above.	See above.
<ul style="list-style-type: none"> A strong chair – displaying a depth of skills and interest. 	See above.	See above.	See above.

STRUCTURE & ADMINISTRATION			
<ul style="list-style-type: none"> Be independent of the executive & scrutiny functions. 	See above.	See above.	See above.
<ul style="list-style-type: none"> Have clear reporting lines and rights of access to other committees / functions, for example scrutiny and service committees, corporate risk management boards and other strategic groups. 	Non-compliant.	The Committee's reporting lines and inter-relationships with other committees and boards have not been formalised and are unclear.	The Committee's reporting lines and inter-relationships with other committees and boards need to be clarified, particularly with regard to the Overview & Scrutiny Committee, Risk Management Board and Corporate Governance Group.
<ul style="list-style-type: none"> Meet regularly – about four times a year, and have a clear policy on those items to be considered in private and those to be considered in public. 	Partly compliant.	Regular meetings take place but there is no clear policy on private / public business.	A clear policy on the consideration of private / public business is required.
<ul style="list-style-type: none"> Meet privately and separately with the external auditor and head of internal audit. 	Non-compliant.	This facility is currently not in place.	A facility needs to be established, to enable the Committee to meet separately with the external auditor or head of internal audit, if required.
<ul style="list-style-type: none"> Include, as regular attendees, the chief finance officer or deputy, head of internal audit and appointed external auditor and relationship manager. Other attendees may include the monitoring officer (for standards issues), chief executive and the head of resources (where such a post exists). These officers should also be able to have access to the committee, or the chair, as required. The committee should have the right to call any other officers or agencies of the council as required. 	Partly compliant.	<p>Although the required regular attendees do attend, the other suggested attendees have tended not to.</p> <p>The Committee has tended not to call any other officers or agencies, for example to discuss key agenda items.</p>	<p>Agreement is sought as to which officers should regularly attend the Audit Committee.</p> <p>The Committee should be advised of its right to ask other officers to attend meetings as and when required.</p>
<ul style="list-style-type: none"> Be properly trained to fulfil their role. 	Partly compliant.	General training was provided when the Committee was established in 2002 but this has not been repeated for new members and does not cover the roles and responsibilities now expected.	The newly constituted Audit Committee should be appraised of the new terms of reference and training provided on the Committee's wider governance, risk and control remit.

CONCLUSIONS

15. The Audit Committee has operated very effectively under its original terms of reference. However the new CIPFA Guidance stresses that the Committee now has a key role to play in monitoring the organisation’s overall **governance arrangements, including risk management and performance** and holding the Executive to account on these matters. It has a particularly important role in **tracking** the implementation of recommendations made by external and internal audit in these areas.
16. This was recently endorsed by the Audit Commission in their Use of Resources report, whereby the Commission recommended the Council to “extend the Audit Committee’s terms of reference to more clearly specify its risk and governance remit and to support this with more awareness training”. The Commission also recommended that the Audit Committee should be “**independent of both the Executive and Scrutiny functions**”
17. There are therefore important issues to be resolved regarding the Audit Committee’s **remit, composition, membership, training and reporting lines.**

RECOMMENDATIONS

18. That the Audit Committee remit, composition, membership, training and reporting issues identified above be addressed, by:
 - (a) Adopting the new CIPFA model Terms of Reference for Audit Committees;
 - (b) Aligning the respective Terms of Reference of the Audit and O&S Committees to provide greater clarity of remit and avoidance of overlap;
 - (c) Implementing the actions necessary to ensure compliance with the new CIPFA Guidance on Audit Committees;
 - (d) Consulting the Audit Commission to determine what flexibilities may exist in terms of Audit Committee composition and membership.

GARY HALL
DIRECTOR OF FINANCE

Background Papers			
Document	Date	File	Place of Inspection
“Called to Account” – The Role of Audit Committees in Local Government”.	1996	Finance Unit	Gillibrand St.Offices
“Audit Committees – Practical Guidance for Local Authorities”.	2005	Finance Unit	Gillibrand St.Offices

Report Author	Ext	Date	Doc ID
Garry Barclay	5468	13/03/06	ToIRRepJan06

ORIGINAL / EXISTING AUDIT COMMITTEE TERMS OF REFERENCE

- i) to oversee all arrangements for both the internal and external audit of the Council's accounts and financial records;
- ii) to consider and make recommendations on:
 - (a) the annual audit report and management letter of the external Auditor;
 - (b) any other statutory report of the external Auditor;
 - (c) any internal audit report that may be referred by the Chief Executive, the Director of Finance, the Director of Legal and Personnel Services (as Monitoring Officer), the Executive Leader or the Chair of the Overview and Scrutiny Committee;
 - (d) the effectiveness and adequacy of the response by the Council, the Executive, any Committee or Sub-Committee of the Council or the Executive or of any officer to any internal or external audit report or management letter;
 - (e) the systems of control and arrangements for the prevention of fraud and corruption within the Council's organisation; and
 - (f) of any other matter relevant to the audit of the Council's accounts and financial records or its systems for the control and safeguarding of all the Council's assets, both financial and otherwise.
- iii) If necessary for the purpose of its functions, to consider and examine specific matters that have been the subject of an audit report, with the right to call for production of relevant documents in the possession or control of the Council, the Executive or an officer.

NEW MODEL TERMS OF REFERENCE FOR AUDIT COMMITTEES**AUDIT ACTIVITY**

- To consider the head of internal audit's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the council's corporate governance arrangements.
- To consider summaries of specific internal audit reports as requested.
- To consider reports dealing with the management and performance of the providers of internal audit services.
- To consider a report from internal audit on agreed recommendations not implemented within a reasonable time scale
- To consider the external auditor's annual audit letter, relevant reports, and the report to those charged with governance.
- To consider specific reports as agreed with the external auditor.
- To comment on the scope and depth of external audit work and to ensure it gives value for money
- To liaise with the Audit Commission over the appointment of the council's external auditor.
- To commission work from internal and external audit.

REGULATORY FRAMEWORK

- To maintain an overview of the council's constitution in respect of contract procedure rules, financial regulations and codes of conduct and behaviour.
- To review any issue referred to it by the chief executive or a director, or any council body.
- To monitor the effective development and operation of risk management and corporate governance in the council.
- To monitor council policies on "raising concerns at work" and the anti-fraud and corruption strategy and the council's complaints process.
- To oversee the production of the authority's Statement on Internal Control and to recommend its adoption.
- To consider the council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.
- To consider the council's compliance with its own and other published standards and controls.

ACCOUNTS

- To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
- To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.



Report of	Meeting	Date
Director of Finance (Introduced by the Executive Leader)	Management Team Audit Committee Executive Cabinet	21/03/06 27/03/06 30/03/06

INTERNAL AUDIT PLAN 2006/07

PURPOSE OF REPORT

- To summarise and explain the basis of the **Annual Internal Audit Plan** for 2006/07 and the priority areas to be reviewed during the new financial year.
- To seek the Audit Committee's approval of the Plan and its subsequent adoption by the Executive Cabinet.

CORPORATE PRIORITIES

- As an independent assurance function, Internal Audit's prime objective is to evaluate and report on the adequacy of the Council's **governance, risk management** and **internal control** framework. In so doing, Internal Audit also contributes to the economic, efficient and effective **use of resources**.
- The Internal Audit Service therefore makes a vital contribution to ensuring that the Council is **a performing organisation**.

RISK ISSUES

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

Strategy	3	Information	
Reputation	3	Regulatory/Legal	3
Financial	3	Operational	
People		Other	

- The provision of an adequate and effective system of Internal Audit is a statutory requirement.
- Perhaps more importantly, the Internal Audit Service has a pivotal role to play in ensuring a strong governance, risk management and internal control framework within the Council. This is key to the effective management of the Council as a whole and is now of central importance in CPA terms.

BACKGROUND

8. The traditional approach to organising audit work involved the production of a rolling **Strategic Audit Plan** covering a 3 to 5 year period, during which time the aim was to review all the Council's **financial systems**, sub-systems and processes. In addition to this core role, Internal Audit also provided specialist input to areas like **computer audit**, **contracts audit**, **value for money** reviews and **investigations**. The amount of time spent on any particular area in any given year was determined by a formal risk assessment.
9. Although the traditional role has not been discarded altogether, the focus is now on adding maximum value to the organisation by reviewing its **overall governance framework**, including **business-critical corporate systems**. A planning horizon of up to 5 years is also no longer considered appropriate in a dynamic local government environment where extensive organisational, technological and process change has become the norm.
10. The latest CIPFA Code of Practice for Internal Audit recommends the compilation of an **Annual Audit Plan** each financial year to review the **key business risks** that are pertinent to the Council at the time. The draft Annual Audit Plan for 2006/07 shown at **Appendix A** has been constructed on this basis. **Appendix B** provides an outline of the scope and audit approach for each key review planned. The actual terms of reference will however only be firmed up after consulting with the key stakeholders prior to the start of each assignment.
11. The Audit Plan is structured into **five sections**, each of which are explained below:

CORPORATE GOVERNANCE

12. Corporate Governance is the product of the interlocking systems and processes through which an organisation manages and directs itself to determine and deliver its objectives. Whilst as the phrase implies this includes issues of probity and ethics the impact is much wider and CIPFA and SOLACE in their joint publication "Corporate Governance in Local Government – A Framework for Community Governance" point to the following five dimensions:
 - Community Focus
 - Service Delivery Arrangements
 - Structures and Processes
 - Risk Management and Internal Control
 - Standards of Conduct
13. **Best Internal Audit practice therefore now involves providing assurance on the effectiveness of all the Council's fundamental business processes, including community and corporate planning, performance management, risk management, constitutional compliance and its arrangements for ensuring the economic, efficient and effective use of resources.**
14. The Internal Audit Service is increasingly providing **proactive support** in these areas. During the last financial year, this included taking a prominent role in production of the **Statement on Internal Control (SIC)**. In the second half of the year the Audit & Risk Manager was extensively involved in the **Use of Resources assessment** prior to the Audit Commission's formal inspection.
15. Other key inputs included the production of (or assistance with) corporate policies & procedures in areas like **Anti-Money Laundering** and **Whistle-Blowing**. Internal Audit also co-ordinated the Council's contribution to the Audit Commission's **National Fraud Initiative 2004/5** exercise.

16. This is an ongoing and developing area of input and an appropriate allocation of time has been built into the 2006/07 Audit Plan for this purpose.
17. In addition to this direct, proactive input, the aim is also to conduct **reviews of specific governance processes**. The emphasis in early 2006/07 will be to review some of the areas where issues were raised in the recent Use of Resources assessment.
18. Several other factors have also been taken into account when arriving at a list of governance audit topics next year. These include how recently they have been audited (either internally or externally) or where it would not be appropriate to carry out an audit next year due to process changes that are in progress.

RISK MANAGEMENT

19. The Internal Audit Service has an ongoing role in developing the authority's **risk management framework and systems**, largely through the Audit & Risk Manager's work on the corporate **Risk Management Board**.
20. This involves overseeing the establishment and revision of **strategic and service-level business risk assessments**. More recently, the Audit & Risk Manager also assumed responsibility for arranging and managing the Council's **insurance** requirements.

BUSINESS CRITICAL SYSTEMS

21. In addition to auditing governance-related processes, we undertake reviews of other **corporate systems or processes** whose effective operation is also critically important to the overall performance of the organisation. Such systems appear under the following broad headings:
 - Corporate Planning
 - Performance Management
 - Risk Management
 - Asset Management
 - Human Resource Management
 - Management of ICT
 - Information Management
22. Again, when arriving at a list of individual systems for review during 2006/07, consideration has been given to how recently they have been audited or where process changes are in progress.

FINANCIAL MANAGEMENT

23. This section covers our continuing responsibility to provide assurance that **effective financial controls remain in place within the Council**. This is underpinned by an annual evaluation of the key controls in all the main financial systems; together with more detailed reviews of specific systems on a cyclical basis according to audit need. Our work in this area ensures compliance with the Director of Finance's formal obligations regarding audit, under S.151 of the Local Government Act.

CONTINGENCY

24. This aspect of the Audit Plan is to enable us to provide **ongoing advice** to managers, respond to requests for **investigations** and to **follow-up recommendations** made in earlier audit reports.

25. It also contains a provision for preparing reports for **Audit Committee** and to follow up the key issues raised in **Audit Commission reports** on behalf of the Council.

AUDIT RESOURCES

26. The Internal Audit Plan for 2006/07 is based on a resource of **675 audit days**. This is the number of chargeable days available within the existing budget (after deducting for annual leave and other non-productive time) and is comprised of a mix of in-house and bought-in resources from Lancashire Audit Services (LCC). The total chargeable days are to be allocated as follows:

	Days	%
Corporate Governance	235	35
Risk Management	90	13
Business Critical Systems	110	16
Financial Management	120	18
Contingency	120	18
Total	675	100

27. Our partnering arrangement with Lancashire Audit Services continues and is producing a **practical service solution** and a **better overall audit product** in a variety of ways:
- Access to **specialists** and a wider skills mix (e.g. ICT audit);
 - The retention of **local knowledge**, experience and relationships in-house;
 - Continuous **on-site contact** and ongoing availability for advice;
 - Enabling direct input to corporate policies and procedures on **governance and risk management**;
 - Retaining **ownership** of the risk assessment and audit planning processes;
 - Retaining a **responsive** service (e.g. investigations);
 - **Sharing** of ideas, approaches & information.
28. We are also continuing to work closely with the **Audit Commission** in a number of areas and have formalised this arrangement in a **Protocol for Joint Working and Co-operation**, which is periodically reviewed and updated.

THE CHANGING ROLE OF THE AUDIT COMMITTEE

29. Consistent with the changing role of the audit function, the latest guidance on Audit Committees have also “raised the bar” in terms of their expected role and jurisdiction. The latest guidance stresses that they have a key role to play in monitoring the organisation’s overall **governance arrangements, including risk management and performance** and holding the executive to account on these matters. CIPFA have produced a new model terms of reference to reflect this.

- 30. This was endorsed by the Audit Commission in their recent Use of Resources report. The Commission recommended the Council to “extend the Audit Committee’s terms of reference to more clearly specify its risk and governance remit and to support this with more awareness training”. The Commission also recommended that the Audit Committee should be “**independent of both the Executive and Scrutiny functions**”.
- 31. There are therefore important issues to be resolved regarding the Audit Committee’s **remit, composition, membership, training and reporting lines**. These issues are explored more fully in a separate report on the Role & Membership of the Audit Committee (also on this agenda).

COMMENTS OF THE HEAD OF HUMAN RESOURCES

- 32. Not applicable to this report.

RECOMMENDATIONS

- 33. That the Audit Committee approves the 2006/07 Internal Audit Plan and recommends its adoption by the Executive Cabinet.

**REASONS FOR RECOMMENDATION
(If the recommendation is accepted)**

- 34. To ensure that the Council has in place an adequate and effective internal audit of its system of governance, risk management and internal control in accordance with best practice and professional standards.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 35. None

GARY HALL
DIRECTOR OF FINANCE

Background Papers			
Document	Date	File	Place of Inspection
Accounts & Audit Regulations 2003	2003	FINANCE UNIT	Gillibrand St. Offices
Code of Practice for Internal Audit in Local Government in the United Kingdom 2003			

Report Author	Ext	Date	Doc ID
Garry Barclay	5468	10/03/06	AnnualPlanReport.doc

Audit Area	Estimated Days
CORPORATE GOVERNANCE (Proactive Work)	
External Assurance (CPA / Use of Resources / SIC)	40
Corporate Governance Policies & Procedures (Production & Raising Awareness)	30
National Fraud Initiative (NFI)	20
Efficiency & Transformation	15
BVPI's	20
Corporate Governance - General	10
	135
CORPORATE GOVERNANCE - (Reviews)	
Corporate Strategies & Policies	25
Management of Partnerships and Partnering Contracts	35
Corporate Anti-Fraud & Corruption Arrangements	20
Compliance Review of Standing Orders, Financial Procedure Rules & Scheme of Delegation	20
	100
RISK MANAGEMENT (Proactive Work)	
Risk Management Board	15
Risk Management Policies & Procedures	15
Strategic Risk Assessment	10
Service Unit Risk Assessment	15
Insurance	25
Risk Management - General	10
	90
BUSINESS CRITICAL SYSTEMS (Reviews)	
IT Security	20
Data Protection	20
Freedom of Information	20
Business Continuity Planning	20
Project Management	20
Business Risk Areas General	10
	110
FINANCIAL MANAGEMENT (Reviews)	
Key Systems / Interrogations	40
Debt Management	15
Benefits - Security	15
Cash Collection & Banking	15
Charging Policies	25
Main Financial Systems - General	10
	120
CONTINGENCY	
Irregularity Investigations	35
Post Audit Reviews	25
Audit Commission Reports	20
Unplanned Reviews	20
Audit Committee Reporting	20
	120
TOTAL CHARGEABLE DAYS	675

KEY REVIEWS

AUDIT AREAS	AUDIT SCOPE	AUDIT APPROACH
<p>CORPORATE GOVERNANCE</p> <p>Corporate Strategies & Policies</p> <p><i>The purpose of the audit is to evaluate the processes in place to produce, promote and monitor the effectiveness of and compliance with key corporate strategies and policies.</i></p>	<ul style="list-style-type: none"> ▪ Definitions (strategy / policy / protocol / procedure, etc) ▪ Relevance / importance / link to corporate objectives / prioritisation ▪ Omissions / duplications ▪ Formal approval ▪ Publicity / awareness / access / intranet ▪ Responsibility / ownership / management / monitoring / update ▪ Version Control ▪ Corporate oversight / co-ordination ▪ Corporate format / approach ▪ Capacity to produce / comply 	<ul style="list-style-type: none"> ▪ High level review ▪ Identify all corporate strategies, policies & protocols ▪ Include Constitutional items ▪ Review for omissions or overlap ▪ Collect key data for every strategy (etc) by questionnaire (title, type, date, version, location, approval, ownership, publicity, link to objectives, etc) ▪ Interview key strategy owners ▪ Produce matrix of strategies & issues ▪ Test for awareness, compliance & effectiveness ▪ Identify generic issues
<p>Management of Partnerships & Partnering Contracts</p> <p><i>The purpose of the audit is identify the Council's key partnership agreements and partnering contracts and to evaluate the mechanisms for their ongoing performance management and monitoring. This includes an evaluation of the management of partnership risks.</i></p>	<ul style="list-style-type: none"> ▪ Corporate strategy / framework ▪ Definition / list / hierarchy ▪ Classification (strategic, contractual, accountable body, voluntary, etc) ▪ Whether lined to linked to funding (eg PSA, LAA, etc) ▪ Clarity on roles & responsibilities ▪ Documentation / formalised agreements / objectives ▪ Performance management / evaluation / monitoring / reporting 	<ul style="list-style-type: none"> ▪ High level review ▪ Identify all partnerships, contracts & partnering arrangements (inc. LSP) ▪ Collect key data for every partnership (etc) by questionnaire / interview ▪ Produce matrix of partnerships & issues ▪ Evaluate corporate arrangements for recording & oversight ▪ Refer to existing audit & inspection recommendations

INTERNAL AUDIT PLAN 2006/07

KEY REVIEWS

AUDIT AREAS	AUDIT SCOPE	AUDIT APPROACH
	<ul style="list-style-type: none"> ▪ Payment mechanisms / contract Variations ▪ Risk management / financial vetting / due diligence ▪ Link to strategic objectives ▪ Link to Procurement Strategy 	
<p>Anti-Fraud & Corruption Arrangements</p> <p><i>The purpose of the audit is to work in tandem with the Audit Commission to test the adequacy and effectiveness of the Council's core governance policies and procedures, including those to prevent and deter fraud and corruption.</i></p>	<ul style="list-style-type: none"> ▪ Whistle blowing policy ▪ Anti fraud & corruption strategy ▪ Internal investigation procedures ▪ Registers of interests, gifts & hospitality ▪ Codes of conduct ▪ Corporate & devolved responsibilities ▪ Training & awareness ▪ Members & officers ▪ Standards Committee process ▪ Recruitment / vetting 	<ul style="list-style-type: none"> ▪ Joint review with Audit Commission using AC auditing tool
<p>Standing Orders, Financial Procedure Rules & Scheme of Delegation</p> <p><i>The purpose of the audit is to ascertain levels of awareness of and compliance with the key provisions laid down in the Council's contract and financial procedure rules and the scheme of delegation.</i></p>	<ul style="list-style-type: none"> ▪ Process for reviewing / maintaining documents ▪ Publicity & training 	<ul style="list-style-type: none"> ▪ Compliance audit ▪ Testing of awareness & understanding of main provisions ▪ Interview and questionnaire / quiz ▪ Possible use of the Loop

KEY REVIEWS

AUDIT AREAS	AUDIT SCOPE	AUDIT APPROACH
<p>BUSINESS CRITICAL SYSTEMS</p> <p>ICT Security</p> <p><i>The purpose of the audit is to ascertain whether there are adequate safeguards in place to protect the Council's ICT resources, including computer hardware, software, data and communications.</i></p>	<ul style="list-style-type: none"> ▪ Corporate policy & procedures ▪ Awareness & training ▪ Central & devolved responsibilities ▪ Risk Assessment ▪ Hardware, software, data, communications ▪ Physical, logical & access controls ▪ Internet / intranet ▪ Internet & e-mail usage / monitoring ▪ Officers & members 	<ul style="list-style-type: none"> ▪ Standard system based approach ▪ Review of compliance with corporate policy & ensure consequential control routines are established ▪ Selective testing on main elements of policy (e.g. password change controls)
<p>Data Protection</p> <p><i>The purpose of the audit is to ascertain whether the Council has procedures in place to ensure full compliance with the Data Protection Act.</i></p>	<ul style="list-style-type: none"> ▪ Corporate policy, procedures & responsibilities ▪ Awareness & training ▪ Partnerships / agencies ▪ Registration control / application ▪ Liaison with DP Officer re new systems ▪ Control over disclosure 	<ul style="list-style-type: none"> ▪ Standard system-based approach
<p>Freedom of Information</p> <p><i>The purpose of the audit is to ascertain whether the Council has procedures in place to ensure full compliance with the Freedom of Information Act.</i></p>	<ul style="list-style-type: none"> ▪ Corporate policy, procedures & responsibilities ▪ Awareness & training ▪ Control over disclosure ▪ Data / document retention 	<ul style="list-style-type: none"> ▪ Standard system-based approach
<p>Business Continuity Planning</p>	<ul style="list-style-type: none"> ▪ Corporate management & administration 	<ul style="list-style-type: none"> ▪ Review of documentation (policies, procedures,

INTERNAL AUDIT PLAN 2006/07

KEY REVIEWS

AUDIT AREAS	AUDIT SCOPE	AUDIT APPROACH
<p><i>The purpose of the audit is to ensure that the Council has a clear, up to date BCP which is regularly tested and fully understood by those responsible for invoking it in the event of an emergency.</i></p>	<ul style="list-style-type: none"> ▪ Devolved responsibilities ▪ Disaster recovery ▪ Communication & training ▪ Testing ▪ Maintenance / updating 	<ul style="list-style-type: none"> ▪ responsibilities, test plans & results, etc) ▪ Testing awareness / understanding of responsibilities
<p>Project Management</p> <p><i>The purpose of the audit is to ensure that there are corporate standards in place for project management which conform with best practice and are consistently applied.</i></p>	<ul style="list-style-type: none"> ▪ Corporate framework ▪ Corporate & devolved responsibilities ▪ Project management function / resources ▪ Adequacy of procedures (project planning, monitoring & control) ▪ Communication, awareness & training ▪ Monitoring & compliance ▪ Conformity with other relevant corporate policies procedures 	<ul style="list-style-type: none"> ▪ Review of corporate framework, policies & procedures ▪ Testing for awareness of / compliance with corporate standards ▪ Sample test specific project documentation
<p>FINANCIAL MANAGEMENT</p> <p>Key Systems / Interrogations</p> <p><i>The purpose of the audit is to continuously test and interrogate all the Council's main financial systems to ensure that they remain effective and secure.</i></p>	<ul style="list-style-type: none"> ▪ Annual review of the operation of key controls in all the Council's main financial systems 	<ul style="list-style-type: none"> ▪ High level system documentation, control evaluation and testing for each area in accordance with new international auditing standards (IAS) ▪ Supplementary computerised interrogation of specific systems

INTERNAL AUDIT PLAN 2006/07

KEY REVIEWS

AUDIT AREAS	AUDIT SCOPE	AUDIT APPROACH
<p>Debt Management</p> <p><i>The purpose of the audit is to ensure that debt is minimised through the adoption of alternative income collection methods and efficient and effective debt collection.</i></p>	<ul style="list-style-type: none"> ▪ Use of alternative income collection methods ▪ Compliance with DM Policy ▪ Internal communication, training & awareness ▪ Efficiency of internal processes ▪ Collection Agency performance ▪ Write-offs 	<ul style="list-style-type: none"> ▪ Revisiting previous relevant audit reports ▪ Analytical review on key debt streams
<p>Benefits System (Security)</p> <p><i>The purpose of the audit is to ascertain whether the Benefits Section is complying with the Security element of the DWP Standards for benefits administration.</i></p>	<ul style="list-style-type: none"> ▪ Review of the security element of the DWP Standards. 	<ul style="list-style-type: none"> ▪ Review of the security element of the DWP Standards using the DWP self-assessment tool
<p>Cash Collection & Banking</p> <p><i>The purpose of the audit is to ensure that there is effective control of the receipt, banking and reconciliation of cash income.</i></p>	<ul style="list-style-type: none"> ▪ Receipts ▪ Deposits ▪ Reconciliation 	<ul style="list-style-type: none"> ▪ Standard system-based review ▪ Evaluate key controls ▪ Testing the operation of the key controls ▪ Follow-up of known problem areas

INTERNAL AUDIT PLAN 2006/07

KEY REVIEWS

AUDIT AREAS	AUDIT SCOPE	AUDIT APPROACH
<p>Charging Policies</p> <p><i>The purpose of the audit is to ascertain whether the Council has identified and evaluated all its income generating powers and opportunities and has corresponding, formally approved charging policies in place.</i></p>	<ul style="list-style-type: none"> ▪ Corporate / service level charging policies ▪ Evaluation of income generating powers & opportunities ▪ Management evaluation processes ▪ Optimisation of charges levied ▪ Formal approval ▪ Publication & communication (externally & internally) ▪ Adequacy of audit trails for receipt & deposit 	<ul style="list-style-type: none"> ▪ Service by service analysis of income generating powers & opportunities ▪ Review of current tariffs, fees & charges (levied, approved, publicised, etc)

Report of	Meeting	Date
Head of Housing Services (Introduced by the Executive Leader)	Executive Cabinet	30 March 2006

HOUSING STOCK TRANSFER OFFER DOCUMENT

PURPOSE OF REPORT

- To seek approval of the housing stock transfer offer document.

CORPORATE PRIORITIES

- This report relates to corporate priorities for investing in our capacity to deliver and serving our customers better.

RISK ISSUES

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

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

- The Council is legally required to consult all tenants whose homes would be transferred. The offer document sets out the Council's promise to tenants of the consequences of transfer, and will form the basis of the legal agreement between the Council and Chorley Community Housing, the proposed new landlord.

BACKGROUND

- A transfer cannot go ahead unless an authority has consulted with all the tenants whose homes would transfer, and has demonstrated that a majority are not opposed. All secure and introductory tenants must be consulted.
- The formal consultation requirements are set out in section 106 of and schedule 3A to the Housing Act 1985 (as inserted by section 6 and schedule 1 to the Housing and Planning Act 1986). The process has two stages.
- Stage 1 Notice** – the authority must first serve a notice setting out:
 - the details of the transfer proposal, including the identity of the prospective new landlord;
 - the likely consequences of the transfer for the tenant;

- c) the effect of the provisions of schedule 3A (i.e. the consultation requirements) and the provisions inserted by section 8 of the 1986 Act (i.e. the preserved right to buy)
8. The Stage 1 notice must invite representations within a reasonable period, which is expected to be at least 28 days. The Council must consider any representations made in that period, and whether any revisions to its proposals should be made.
9. **Stage 2 Notice** – the authority is then required to make a further written notice, which must:
- a) describe any significant changes in the proposal;
 - b) state that any further objections may be made to the Secretary of State within 28 days (or a specified longer period);
 - c) state that the Secretary of State will not give his consent to the transfer if it appears to him that a majority of tenants oppose it.
10. The ballot is generally expected to commence immediately after the issue of the Stage 2 notice, and to run concurrently with it. The ballot period must be appropriate to local circumstances, but the ODPM would normally expect it to be at least 21 days.

STAGE 1 NOTICE

11. The offer document is the Stage 1 notice. Housing transfer guidance sets out the expectations of the ODPM on the contents of the offer document. Information should be provided in the following areas:
- Reasons for proposing transfer
 - Basic facts about the proposed transfer
 - Tenancy agreement
 - Information about the proposed new landlord
 - Proposed capital expenditure programme
 - Rents and other charges
 - Management Standards (including repairs, specialist services for elderly people)
 - Arrangements for tenant representation, consultation and participation
 - Tenants rights after transfer.
12. The document is required to be open and honest about the reasons for and implications of transfer. It has also to avoid statements implying that decision have already been taken when they have not, and throughout the document the future conditional tense (i.e. would rather than will) should be used to describe the implications of a proposed transfer.
13. The offer document has to be sent to the office of the Deputy Prime Minister and the Housing Corporation for comments before it can be issued.

THE OFFER DOCUMENT

14. A plain text version of the offer document is attached at Appendix 1. The final version will be professionally designed, including photographs.
15. The offer document sets out the Council's key commitments to tenants:
1. **Delivering improvements to your home** - Chorley Community Housing would invest £26 Million in homes in the first five years after transfer. This would bring homes up to the Chorley Standard.

2. **Delivering more for your money** - Chorley Community Housing would charge the same rent and service charge as the Council, but tenants would get more money invested in homes, neighbourhoods and services.
 3. **Delivering repairs** - Chorley Community Housing would continue to provide the free repairs service, delivered by the same skilled in-house repairs team.
 4. **Delivering protection of key rights** - Chorley Community Housing would protect key rights, including the Right To Buy, which would be guaranteed through a new tenancy agreement.
 5. **Delivering new homes** - Chorley Community Housing, through joining the Adactus Housing Group, would see at least 200 more affordable homes provided in the Borough in the first five years after transfer.
 6. **Delivering safer neighbourhoods** - Chorley Community Housing would set up a new, dedicated anti-social behaviour team, with access to a range of specialist equipment.
 7. **Delivering services in your neighbourhood** - Chorley Community Housing would employ Neighbourhood Officers to co-ordinate services in neighbourhoods.
 8. **Delivering clean neighbourhoods** - Chorley Community Housing would set up a Neighbourhood Caretaker service, to be piloted in three areas.
 9. **Delivering local employment opportunities** - Chorley Community Housing would employ apprentices and would use local contractors where possible.
 10. **Delivering new services for older people** - Chorley Community Housing would set up a Gardener/Handyperson service for sheltered schemes.
 11. **Delivering tenant involvement** - Chorley Community Housing would provide a menu of opportunities for tenants to get involved, including becoming members of Chorley Community Housing, and tenants having 4 seats on the Board.
 12. **Delivering customer access** - Chorley Community Housing would aim to deliver services to the doorstep, and would also provide an easily accessible office in Chorley town centre.
16. The document also includes the new tenancy agreement that tenants would get with Chorley Community Housing, if the transfer goes ahead.

BUSINESS PLAN

17. A draft business plan has been prepared for Chorley Community Housing, taking into account the promises set out in the offer document. The expenditure to deliver the offer document promises can be met within the resources available, and the borrowing required will be paid off within 30 years, to meet Housing Corporation requirements.

TIMETABLE

18. The transfer timetable is as follows:

Spring 2006 - period of formal consultation with tenants on the proposed transfer. Together with the offer document, tenants will receive a short video produced by the Council, and be visited at home by Council staff.

Spring 2006 -The Council will consider any comments on the transfer proposal and will decide whether to go ahead with a ballot of its secure and introductory tenants.

Spring/Summer 2006 - The Council will send all tenants a letter called the 'Stage 2 Notice'. This would describe what, if any, changes have been made to this proposal, and whether it has decided to go ahead with a ballot.

Summer 2006 - A secret postal ballot would be conducted by an independent organisation. Neither the Council nor Chorley Community Housing would know which way individual tenants had voted.

COMMENTS OF THE DIRECTOR OF FINANCE

- 19. The key issue for members in relation to the business plan is Chorley Community Housing (CCH) ability to deliver the promises made in the offer document. The offer document represents the Council's promise to tenants that will be delivered by CCH.
- 20. I have reviewed the business plan and my assessment is that with the resources available and some re-engineering of current services the plan and the promises made are deliverable. This conclusion is based upon my assessment of the key assumptions within the plan. Should any of the assumptions prove to be unrealistic then the plan may need realigning at some point in the future. However on the balance of probabilities I feel this is unlikely to be necessary.

COMMENTS OF THE HEAD OF HUMAN RESOURCES

- 21. With the specialised housing transfer team already constituted, there are no apparent human resources implications arising from this report.

RECOMMENDATION(S)

- 22. Members are recommended to:
 - (a) approve the housing transfer offer document;
 - (b) delegate authority for the Head of Housing Services to make amendments to the wording of the document which do not effect the substance of the offer and any factual corrections to the document arising from any changes to the composition of the CCH shadow board that may occur prior to publication.

REASONS FOR DECISION

- 23. The Council is required to formally consult with all its' tenants on the proposals to transfer the housing stock to Chorley Community Housing. The offer document sets out the Council's commitment to tenants of what they can expect should the proposed transfer go ahead.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 24. None.

STEVE LOMAS
HEAD OF HOUSING SERVICES

Background Papers			
Document	Date	File	Place of Inspection
Housing Transfer Manual 2005 Programme	October 2004	***	Transfer Shop, Cleveland Street

Report Author	Ext	Date	Doc ID
Richard Roe	5952	16 March 2006	ADMINREP/REPORT

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Contents

Section		[Page(s)]
	Summary	
1	The Housing Transfer Proposal	
2	Improvements to Your Home and Providing New Homes	
3	Service Improvements	
4	Sheltered Housing and Services for Older People and Those With Disabilities	
5	Rents and Other Charges	
6	Your Rights	
7	More Information About Chorley Community Housing	
8	The Legal Requirements for Transfer	
9	Where Can You Obtain Further Information?	
10	The Tenancy Agreement	

Summary

Chorley Borough Council is proposing to transfer the ownership and management of all its homes to Chorley Community Housing Limited, a new, not for profit, housing organisation, which would be set up by the Council if tenants vote in favour of transfer.

Chorley Community Housing would be part of the Adactus Housing Group. Adactus are based in the North West, and have worked with the Council for a number of years. Chorley Community Housing would be locally accountable, with its own Board.

This is the formal offer document which gives you details of the Council's proposals, and outlines the promises the Council are making to you should the transfer go ahead.

The Council believes the transfer will bring real benefits to you and is the only way to maintain and improve the housing service to the standards you expect. But it is for you to decide whether this should happen. Transfer could only go ahead if you, the tenants, have indicated your support in a secret ballot, with a majority of those voting saying 'yes'.

The secret postal ballot of

all Council tenants is to be held in the Summer of 2006.

What would the transfer mean for you?

Here are our 12 commitments to you if the transfer goes ahead:

Better Homes

1. Delivering improvements to your home

Chorley Community Housing would invest £26 Million in your homes in the first five years after transfer. This would bring homes up to the standard you have told us that you want.

2. Delivering more for your money

Chorley Community Housing would charge you the same rent and service charge as the Council, but you would get more money invested in your home, neighbourhood and services.

3. Delivering repairs

Chorley Community Housing would continue to provide the free repairs service, delivered by the same skilled in-

Chorley Community Housing

DELIVERING:

- ✓ **Better Homes**
- ✓ **Better Neighbourhoods**
- ✓ **Better Services**

house repairs team.

4. Delivering protection of your key rights

Chorley Community Housing would protect your key rights, including your Right To Buy, which would be guaranteed through a new tenancy agreement.

5. Delivering new homes

Chorley Community Housing, through joining the Adactus Housing Group, would see at least 200 more affordable homes provided in the Borough in the first five years after transfer.

Better Neighbourhoods

6. Delivering safer neighbourhoods

Chorley Community Housing would set up a new, dedicated anti-social behaviour team, with access to a range of specialist equipment.

7. Delivering services in your neighbourhood

Chorley Community Housing would employ Neighbourhood Officers to co-ordinate services in your neighbourhood.

8. Delivering clean neighbourhoods

Chorley Community Housing would set up a Neighbourhood

Caretaker service, to be piloted in three areas.

9. Delivering local employment opportunities

Chorley Community Housing would employ apprentices and would use local contractors where possible.

Better Services

10. Delivering new services for older people

Chorley Community Housing would set up a Gardener/Handyperson service for sheltered schemes.

11. Delivering tenant involvement

Chorley Community Housing would provide a menu of opportunities for tenants to get involved, including becoming members of Chorley Community Housing, and tenants having 4 seats on the Board..

12. Delivering customer access

Chorley Community Housing would aim to deliver services to your doorstep, and would also provide an easily accessible office in Chorley town centre.

Compare the difference

[Summary, in table format, comparing staying with the Council to transfer to Chorley Community Housing to be added]

	With Chorley Community Housing	Staying with the Council
Same rents	Yes	Yes
Free repairs service	Yes	Yes
Security of tenure protected	Yes	Yes
Same staff	Yes	Yes
Money to be spent on homes in next 5 years	£26 Million	£9 Million
Homes with new kitchen layouts in next 5 years	1300	0
Over bath showers installed in next 5 years	2816	0
Number of additional homes with off street car parking	985	0
Number of additional affordable homes	200	0
Estate caretakers	Yes	No
Gardener/Handypersons	Yes	No
Specialist anti-social behaviour team	Yes	No

Chorley Community Housing – “YES” to Better Homes, Better Neighbourhoods & Better Services

Section 1

The Housing Transfer Proposal

Summary:

- The Council is consulting you about a possible transfer of its homes to Chorley Community Housing, a new, local, not for profit housing organisation.
- The transfer would mean:

More investment in homes;

- ✓ £26 Million invested in homes in the next five years;
- ✓ Homes brought up to the Chorley Standard – the standard you have said you want for your home;
- ✓ At least 200 additional affordable homes for local people;

More investment in neighbourhoods;

- ✓ Garden fencing and new car parking;
- ✓ Estates re-designed to reduce crime;
- ✓ Services delivered in your neighbourhood;

More investment in services

- ✓ Dedicated anti-social behaviour team;
 - ✓ Gardener/handy person scheme for sheltered tenants;
 - ✓ Neighbourhood caretakers
- Rents the same as they would be with the Council.
 - Security of tenure protected.
 - You would deal with the same staff
 - The Council would not be able to provide the same level of service in the future as it does now.
 - Transfer can only go ahead if a majority of tenants vote in favour

Section 1

The Housing Transfer Proposal

1 The Proposal

Chorley Borough Council ("the Council") is consulting you about a possible transfer of all its homes to Chorley Community Housing.

The Council would establish Chorley Community Housing as a new, local, not for profit organisation, which means that all its income would be ploughed back into providing services to tenants and improving homes.

Chorley Community Housing would be a member of the Adactus Housing Group, but would have its own locally accountable Board, and would make its own decisions. It would benefit from economies of scale by working with Adactus, which would reduce its running costs. This would mean more money could be spent on improving homes, neighbourhoods and services.

Transfer would only go ahead after a ballot of all tenants, and if a majority of tenants are in favour.



More information about Chorley Community Housing and the Adactus Housing Group can be found in Section 7 of this document.

More than 200 transfers have already taken place across England since the late 1980s, involving over 900,000 households who have benefited from almost £14 billion of investment. Within Lancashire, transfers have taken place in Preston, South Ribble, Blackburn with Darwen, Wyre, Fylde and Burnley.

The Council believes that transfer would have many benefits for tenants, but it will be for you to make the decision in a ballot of all of the Council's secure and introductory tenants. Depending on the feedback to this consultation, the Council will decide whether to go ahead with the ballot. If it does, the ballot will be held this Summer. **The transfer would only go ahead if the majority of tenants who vote are in favour of the transfer.**

You are not being asked to vote at this time, but the Council wants to hear what you think about the offer set out in this document. A response form is included in this document (inside the front cover) for you to return to us with your views and comments. This is already addressed and you do not need a

stamp. **Your views are important – please tell us what you think.**

PLEASE RETURN THE FORM WITH YOUR VIEWS BY MONDAY 12 JUNE 2006.

If you would like your card to be collected, please contact us on the free phone number below.

If you have any comments or views about any aspect of this proposal, please phone the Council's freephone help line 0800 073 0262.

2 Why is the Council proposing transfer?

It has always been the Council's aim to provide good quality, well-managed and well-maintained homes at an affordable rent – now and in the future. Indeed, it has taken pride in the past in the services it has provided.

The Council has talked to tenants about the standard of homes they want to live in, and has looked at the future housing needs in the Borough. Together with tenants we have agreed the Chorley Standard, and have recently commissioned a survey of our properties to look at their condition and assess how much extra investment is needed.

This work has revealed that:

£26 Million needs to be spent on your homes in the next 5 years

350 more affordable homes needed

Council gives £1.6 Million of your rent money to the Government each year

- In total, over £140 million would need to be spent on the homes over a thirty year period;
- £26 million of improvements are required in the next five years to bring homes up to the standard tenants expect;
- To meet the high local demand, there is a need for an additional 350 affordable rented homes in the Borough over the next 5 years.
- You have told us you want to see more investment in your homes, more investment in your neighbourhood and more investment in the services you receive.

The Council does not have now, and is unlikely to have in the future, enough money to pay for these improvements or to fund the much needed additional affordable housing. The reasons for this include:

- This year the Council will have to pay over £1.6 million of your rent money to Central Government. This is unlikely to change in the future;
- Current Government finance rules mean that the Council is not able to borrow enough money to pay for the programme of improvements needed;

- Chorley is not seen as a priority area for Central Government funding for new affordable housing;
- The Council loses properties each year through Right to Buy sales. This reduces the money it has to repair and improve homes each year.

The decision to propose transfer was made following a thorough assessment of all the options open to the Council. This decision was made by a group of 15 tenants/leaseholders and 10 Councillors, and was unanimously supported by the Council.

3 What are the key benefits of the transfer?

The Council believes that the key benefits for tenants of a transfer would be:

- ✓ **£26 million spent on tenants' homes within 5 years of the transfer**
- ✓ **Rents and other charges the same as the Council would charge**
- ✓ **Neighbourhood improvements, such as garden fencing and car parking**
- ✓ **Estates re-designed to reduce crime**
- ✓ **Increased tenant participation opportunities and a direct say**

- in running the service with 4 Tenant members on the Board**
- ✓ **Dedicated anti-social behaviour team**
- ✓ **Services delivered in the neighbourhood**
- ✓ **Ownership of the homes by a new, local, not for profit housing organisation**
- ✓ **The protection of your key rights and entitlements in a new tenancy agreement. This ensures that tenants keep all the rights they currently enjoy, plus a new right that Chorley Community Housing would not be able to change the terms of your tenancy without your agreement. The proposed new tenancy agreement, which has been drawn up in consultation with tenants is set out in section 10 of this document.**
- ✓ **At least 200 additional homes for local people at affordable rents.**

4 About Chorley Community Housing

Chorley Community Housing would be a new housing organisation, set up by the Council. It would be local and not-for-profit, which means any surpluses will be ploughed back into housing services and paying for

improvements to homes and neighbourhoods.

Chorley Community Housing would employ the same staff who work for Chorley Borough Council Housing Services now, so you would deal with the same housing staff, including sheltered Scheme Managers and Repairs Officers, that you do now.

It would be registered with the Housing Corporation, the government agency responsible for regulating registered social landlords.

Chorley Community Housing would be part of the Adactus Housing Group. This means they would be able to benefit from economies of scale, so that more money could be spent on providing services to you.

More information about Chorley Community Housing can be found in section 7 of this document.

5 What happens if the transfer does not go ahead?

If the transfer does not go ahead you would remain a tenant of the Council. The Council would do its best to deliver a good service, but would not have as much money to spend as Chorley Community Housing.

This means that **the Council would not be able to keep providing the same standards of service to you.** It would have to look at the times for responding to repairs. It would have to look at its other staffing costs, and

would have to consider cutting back on discretionary services, such as tenant participation and providing support to tenants.

The Council would not be able to invest in the additional services that Chorley Community Housing would be able to.

And the Council would certainly not be able to invest in your homes as much money as Chorley Community Housing. Our current estimates show that the Council would be able to invest only £9 Million in your homes in the five years after the proposed transfer. This is £17 Million less than Chorley Community Housing would.

This means there would be a reduced programme of new kitchens and new bathrooms. There would be no new off-street parking provision. There would be no programme of fencing to properties.

Neither would the Council be able to invest in developing more affordable housing. This means waiting lists would continue to grow as the Council could not meet the identified need for affordable housing.

Whether the transfer goes ahead or not, the rent and other charges you pay would be the same. Both the Council and Chorley Community

The Council could not keep providing the same standard of service

The Council could invest £17 million less than Chorley Community Housing would

You would be paying the same, but getting less

Housing would be required to charge the same rents for similar sized properties by 2012, under Government rules.

In effect, you would be paying the same for less.

6 Why can't the Council spend what is needed?

The Council has to comply with Government rules about spending. This means:

- The Council cannot borrow enough money to pay for repairs and improvements to your home;
- £1.6 million of tenants' rents are paid over to the Government each year;
- The Council has to give back to Government nearly three quarters of the money it gets from the sale of homes through Right To Buy.
- The Council has very limited money available to fund new affordable homes, and is not in a priority area for additional Government funding.

7 Why would Chorley Community Housing be in a better financial position than the Council?

Chorley Community Housing would be in a better position to repair and improve homes and

provide better services because:

- It is not restricted in what it can borrow in the same way as the Council. It would be able to pay back the money it borrows over a period of about 30 years using rents to fund the repayments;
- Every pound of rent money received could be spent on the housing service. It would not have to pay any money back to the Government.

8 How is the price that Chorley Community Housing would pay for the homes calculated?

Chorley Community Housing would buy the homes from the Council if the transfer goes ahead.

The price that Chorley Community Housing would pay the Council follows a formula laid down by the Government.

This is very different from the value of homes sold to tenants under the Right To Buy or homes sold on the open market.

The formula takes account of:

- The fact that properties must be kept available for affordable renting (although existing tenants would still be able to buy their homes) and that tenants keep their security of tenure;
- The likely tenant rents payable over a 30 year period;

Every pound of rent Chorley Community Housing receive would be spent on the housing services to you. It would not have to pay any money to the Government.

- The cost of management, repairs and improvements over a 30 year period;
- The cost of carrying out the promises contained within this document.

9 How would the Council use the money from the transfer sale proceeds?

If the transfer goes ahead, the Council would have to use some of the money it receives to meet the cost of the transfer and also pay some of it back to the Government. Some of the money will also be used by the Council to repay loans.

10 What would the future role of the Council be?

If the transfer goes ahead, the Council would no longer be your landlord, but would work in partnership with Chorley Community Housing.

The Council would monitor the performance of Chorley Community Housing to ensure that it meets all the promises set out in this offer document. **These promises would be the subject of a legally binding contract between the Council and Chorley Community Housing.**

The Council would also continue to have an important housing role. They would still:

- Have responsibility for assessing future housing needs and condition in the Borough and plan how to meet these;
- Have responsibility for ensuring there is a comprehensive homelessness and housing advice service in the Borough;
- Continue to have a strategic housing role, to ensure that all housing organisations work together to meet the housing needs of the Borough;
- Be able to nominate 4 people to the Board of Chorley Community Housing ;
- Continue to make sure housing standards in the Borough were raised;
- Continue to run the housing benefit service; and
- Continue to provide other non-housing services, such as refuse collection, environmental health and planning.

11 The role of tenants in developing these proposals

Since the start of this process the Council has made sure that tenants have been fully involved. The first step was the Options Appraisal, where a working group of tenants and councillors considered the options for the Council. The tenants made up a majority of this working group, and it recommended that

transfer was in the best interests of tenants.

To ensure that tenants' views have been fully considered, the Council has:

- Consulted with the Tenants Forum and local tenants groups;
- Carried out various tenant surveys;
- Held meetings across the borough;
- Included tenant representatives on all groups;
- Appointed an independent tenant advisor (PS Consultants), who reports to a group of tenants – the ITA Steering Group;
- Issued newsletters and provided a free phone service to receive comments and feedback.

PS Consultants were appointed by a group of tenants to give advice to all tenants throughout the process of the proposed housing transfer. They are completely independent, and represent the interests of tenants. Their contact details are to be found at the end of this section.

12 The role of tenants in this consultation

The Council is committed to an open and detailed consultation process with its secure and introductory tenants, and you have a major role

to play. The Council has to follow strict rules set down by Government in holding this consultation.

These proposals have been recommended by tenants, for all tenants, to get the investment needed to make:

- ✓ Better homes
- ✓ Better neighbourhoods
- ✓ Better services.

The Council will consider any comments you make on the proposal set out in this document. There is a card to help you make any comments attached to the cover. Please send your comments to reach the Council by Monday 12 June 2006.

All views and comments received will be carefully considered. Only then will the Council decide whether to proceed with a ballot of all its secure and introductory tenants.

Once the Council has considered the comments you make, it will write to you to let you know whether there have been any changes to the Council's proposal, and whether or not it intends to proceed with a ballot.

If a ballot does take place, the Council will let you know when it will be held, and that you can still send any objections to the Deputy Prime Minister.

If a ballot is held, **each secure and introductory tenant will receive a ballot paper** in the post. The ballot will be a **secret postal ballot** held over a four week period. The ballot will be conducted by an organisation independent of both the Council and Chorley Community Housing.

The Deputy Prime Minister will only agree to the transfer if he is satisfied that a majority of tenants are not opposed to it. **This means that the transfer would not go ahead unless a majority of tenants vote in favour of the proposal.**

Each tenant with a secure and introductory tenancy would have a vote and joint tenants would each have a ballot paper and a vote.

13 The consultation timetable

The current plans are:

Spring 2006	The period of formal consultation, with tenants on the proposed transfer. Together with this document, tenants will receive a short DVD or video produced by the Council, and many will be visited at home by Council staff.
Spring 2006	The Council will consider any comments on the transfer proposal and will decide whether to go ahead with a ballot of its secure and introductory tenants.
Spring/Summer 2006	The Council would send all tenants a letter, called the 'Stage 2 Notice'. This would describe what, if any, changes have been made to this

	proposal, and whether it has decided to go ahead with a ballot.
Summer 2006	A secret postal ballot would be conducted by an independent organisation. Neither the Council nor Chorley Community Housing would know which way individual tenants had voted.
	If the ballot is in favour of transfer, and the Council agrees to go ahead, the Deputy Prime Minister must still give his approval before the transfer can take place. If all this happens transfer should take place by March 2007.

14 Where can I get more information?

- There are a number of ways in which you can get more information. You can:
- Call the Council's free phone help line on 0800 073 0262;
- Call your Independent Tenant Adviser, PS Consultants, on 0800 0852 207;
- Visit the transfer shop on Cleveland Street, Chorley;
- Look out for the exhibition trailer coming to your neighbourhood.

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Section 2

Repairs and Improvement to Your Home, and Providing New Homes

Summary

Chorley Community Housing would:

- ✓ Invest £26 million in your homes in the first 5 years after transfer;
- ✓ Bring homes up up to the Chorley Standard;
- ✓ Provide a free repairs service, including a 24 hour emergency service;
- ✓ Create a Neighbourhood Fund for environmental improvements in each neighbourhood;
- ✓ Guarantee a budget of £250,000 a year for disabled adaptations for the first five years;
- ✓ Develop at least 200 affordable homes in the first five years, through being part of the Adactus Housing Group.

The Chorley Standard

- ✓ **New kitchens**
- ✓ **Bathrooms with over-bath showers**
- ✓ **Economic, controllable central heating;**
- ✓ **Tenants choice for secondary heating;**
- ✓ **Wired smoke alarms;**
- ✓ **New standard for kitchens;**
- ✓ **PVCu double glazed windows;**
- ✓ **Fencing to front gardens;**
- ✓ **Off street parking, where practicable.**

Section 2

Repairs and Improvements to Your Home and Providing New Homes

1 How does the Council know what needs to be done?

The Council has had an independent and detailed survey carried out on the condition of its homes. This survey shows how much money needs to be spent on the homes both now and in the future.

The Council has also gathered information from tenants, through the use of surveys and talking to tenant representatives, regarding your priorities for improvements. Through this process the Chorley Standard was set and agreed.

The independent survey showed that your homes require investment of over £140 million over the next 30 years to get them to, and keep them at, the Chorley Standard. Of this, £26 million needs to be spent in the next five years to get your homes to the standard you told us you would like.

2 The work Chorley Community Housing would carry out

Chorley Community Housing would do all the work identified in the stock condition survey. This includes tackling the backlog of repairs that the Council has not been able to do, and investing in improvements to your homes and neighbourhoods.

Chorley Community Housing would also carry out repairs and planned maintenance to keep the homes in good repair and condition. This includes re-introducing a painting programme for exterior woodwork and rendering. The majority of this work will be carried out by the same repairs staff that you deal with now.

The survey work has also enabled the Council to establish what work needs doing to its homes to bring them up to a modern standard that meets your expectations. **Chorley Community Housing would give you a guarantee to carry out the repairs and improvements** set out below.

Chorley Community Housing would guarantee to bring your homes up to the Chorley Standard, and keep them at that high standard in the future.

Chorley Community Housing would also have a long term investment plan. This would ensure that once the homes have been improved, **Chorley Community Housing would be able to keep them at that high standard in the future.**

Chorley Community Housing plans to carry out a major programme of improvements. It would spend over £26 Million in the first five years after transfer. In contrast, the Council

calculates that it would have only £9 Million to spend in the next five years.

All these works have been taken into

Type of Improvement	Estimated number of homes where work needed (first five years)	Chorley Community Housing Number of homes where work would be carried out in first five years	Chorley Borough Council Number of Homes where work would be carried out in first five years
New kitchen layout	1300	1300	0
Over bath showers	2816	2816	0
Off-street car parking	985	985	0
Fencing	646	646	0
Mains smoke detectors	2816	2816	0
Fascias & soffits	1122	1122	0
Install/upgrade kitchen	1740	1740	1200
Install/upgrade bathroom	1150	1150	790
Install/ upgrade central heating	466	466	466
New boiler	1227	1227	1227
Rewire	600	600	600
Roofing	108	108	108

account in Chorley Community Housing's financial projections and the work outlined in this document would **not** result in rent increases above those set down in this document.

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3 Improvements & Modernisation

Chorley Community Housing would start a major programme of

improvements and modernisation from day one after transfer. The table above compares the work that would be carried out by the Council and Chorley Community Housing.

The programme of work, which would be completed in the first 5 years after transfer, would include:

4 What is the Chorley Standard?

The Chorley Standard was agreed by a group of tenant representatives. Consultation with all tenants has shown very strong support for the standard. The Chorley Standard includes:

- ✓ **New kitchens**
- ✓ **Bathrooms with over-bath showers**
- ✓ **Economic, controllable central heating;**
- ✓ **Tenants choice for secondary heating;**
- ✓ **Wired smoke alarms;**
- ✓ **New standard for kitchens;**

- ✓ **PVCu double glazed windows;**
- ✓ **Fencing to front gardens;**
- ✓ **Off street parking, where practicable.**

- ✓ **Creating a ‘Neighbourhood Fund’, allocated to each Neighbourhood Group, for environmental improvements.**

- ✓ **Fencing to front and rear gardens;**

- ✓ **The provision of new and improved car parking areas where parking provision is poor and new parking areas are practical;**

Installation and upgrading of door entry systems;

- ✓ **Painting to communal rooms and communal facilities in sheltered schemes and flats;**

- ✓ **Upgrading and refurbishing out buildings.**

5 Improvements to neighbourhoods & communal areas

6 Estate re- design

The environment outside the front door is as important to all of us as the fixtures and fittings inside. Chorley Community Housing would be able to invest almost £4 Million in neighbourhood improvements and improvements to communal areas in flats and sheltered schemes.

Chorley Community Housing has made provision in its financial planning to re-model two estates.

These estates, Longfield Avenue, Coppull and Greenside, Euxton suffer from poor design and layouts, but the Council has not had the money to make the necessary improvements.

Chorley Community Housing would spend over £600,000 to improve defensible space and close off ginnels and underpasses. This work would be completed within 5 years of the transfer.

7 Who would carry out the work?

All the work would be managed by staff employed by Chorley

Work would be carried out by skilled trades staff employed by Chorley Community Housing

Community Housing. The improvement and modernisation would be done by trades staff employed by Chorley Community Housing and local contractors.

8 Responsive repairs

Chorley Community Housing would be responsible for providing the responsive repairs service, both routine and emergency. Tenants tell the Council that they like the service they get at present. The aim of Chorley Community Housing is to maintain the service to current standards as a minimum, and to look to improve upon it. More details of how they intend to do this are included in Section 3.

9 What about disabled adaptations?

Chorley Community Housing would guarantee to continue to pay for adaptations to homes for the elderly and disabled. These costs would be built into the long term investment plan.

For at least the first five years after transfer Chorley Community Housing would spend £250,000 per year on disabled adaptations. The Council could not commit to continuing this level of investment in future years.

10 Would Chorley Community Housing build new homes?

Chorley Community Housing would be part of the Adactus Housing Group (see Section 7 for more information). The Adactus Housing Group have guaranteed to develop an **additional 40 homes for affordable rent each year for the next five years** in the Borough of Chorley. These homes would be owned and managed by Chorley Community Housing.

200 more homes for rent

11. Support for local employment and training initiatives

Chorley Community Housing would become one of the Borough's major employers, and would be investing a lot of money in the Borough. As a major investor, Chorley Community Housing would:

- ✓ Employ 3 apprentices in our Repairs & Maintenance Team;
- ✓ Employ one modern apprentice in our offices;
- ✓ Employ one graduate trainee in our Housing Management service;

Frequently asked questions

Would I be consulted on the works?

Each tenant would be fully consulted on the proposed modernisation and improvements to their home before any work is carried out.

When would the work be done on my home?

Chorley Community Housing would have a detailed plan setting out which work is to be done on which properties. Chorley Community Housing would improve nearly all of its homes up to the Chorley Standard in the first five years after transfer.

Would I have to have work done?

No. Internal improvements, such as new kitchens and bathrooms would be optional. So, for example, if you had already installed a new modern kitchen, or simply didn't want a new one, Chorley Community Housing would respect your wishes and would not insist on replacing it.

Some works may be compulsory, if they are essential for health and safety reasons or if they are to do with the structure of the building, for example re-roofing.

Would I get a decorating allowance when the works have been finished?

Yes. Chorley Community Housing would pay an enhanced decorating allowance following some major works to improve and modernise homes.

Would I have to pay extra rent for improvement works?

No. All the works set out in this document would be carried out with no specific increase in rent.

This investment in improving your homes is all included in the financial plans for Chorley Community Housing, and would not result in additional rent increases above the annual rent rise described in Section 5 of this document.

Would I have to move out whilst the works were being carried out?

Wherever possible the improvement and modernisation work will be done so as to cause as little disruption as possible to you.

In exceptional cases, where particularly extensive modernisation work is required, a tenant may have to move out temporarily. In such cases Chorley Community Housing would secure suitable alternative accommodation and would pay a disturbance allowance.

Would I have the right to do my own improvements?

Yes. You would still be able to carry out improvements to your home. You would need the permission of Chorley Community Housing, and any planning or other consents that may be required, depending on the work you wish to do.

If you do improve your home, within the terms of your tenancy

agreement, you would not have to pay extra rent, and you may be entitled to compensation for some works if you end your tenancy and leave your home.

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Section 3

Service Improvements

Summary

Chorley Community Housing would:

- ✓ Set up a dedicated anti-social behaviour team
- ✓ Appoint Neighbourhood Officers to co-ordinate services in your neighbourhood
- ✓ Set up a Gardener/Handyperson scheme for sheltered schemes
- ✓ Appoint Neighbourhoods Caretakers
- ✓ Provide more opportunities for tenants to get involved in the service
- ✓ Introduce new customer care standards
- ✓ Introduce a compensation scheme if we don't meet our standards
- ✓ Maintain a customer accessible office in Chorley Town Centre
- ✓ Provide a free repairs service, offering appointments, and a dedicated free phone repairs reporting number

Section 3

Service Improvements

1 What service improvements would Chorley Community Housing introduce?

Chorley Community Housing would introduce the following new services within the first year after transfer:

- ✓ **Set up a dedicated anti-social behaviour team;**
- ✓ **Appoint named, local, Neighbourhood Officers, responsible for co-ordinating the delivery of all housing services in your area;**
- ✓ **Appoint Gardeners/handy persons to work across sheltered schemes (see Section 4 for more information);**
- ✓ **Appoint Neighbourhood Caretakers;**
- ✓ **Provide a menu of opportunities for tenants to get involved;**
- ✓ **Introduce new, higher, customer care standards;**
- ✓ **Provide choice in the colour of floor tiles in kitchens and**

bathrooms, and in the colour of kitchen fittings;

- ✓ **Start work in developing locally based community facilities;**
- ✓ **Work with the Council to introduce Choice Based Lettings.**
- ✓ **Increase the value of the decorating allowance following major improvement or modernisation works.**

2 Who would provide the service?

Following transfer, you would continue to deal with the same experienced and committed staff they see now. Chorley Community Housing would ensure that these staff are well trained and supported in delivering services to you.

Chorley Community Housing would, as a minimum, maintain existing levels of housing management services. This includes:

- ✓ **Maintaining a customer accessible office in Chorley town centre, open 8.45 am to 5.00pm, Monday to Friday;**
- ✓ **Providing a free repairs service, offering appointments, except in case of emergency repairs;**

Better Services; More for your money

Chorley Community Housing would, as a minimum maintain existing levels of service, and would introduce a range of new services, at no extra cost to you.

- ✓ Keeping a dedicated repairs reporting phone line;
- ✓ Continuing to have an out of hours repairs reporting facility;
- ✓ Employing a Scheme Manager for each sheltered scheme;
- ✓ Providing support to tenants and residents groups;
- ✓ Providing a range of ways to pay your rent;

As set out elsewhere, in this section and other parts of this document, Chorley Community Housing would look to develop new and improved services above this minimum standard.

3 Tackling anti-social behaviour

Chorley Community Housing believes that every tenant has the right to live peacefully in their home, without having to suffer or fear anti-social behaviour or harassment in their home or neighbourhood.

The vast majority of tenants and residents cause no problems, and are excellent neighbours. The minority who do behave anti-socially can cause misery for those who live around them, and Chorley Community Housing would work hard to deal with this minority.

Chorley Community Housing would work closely with the Council and the police to tackle anti-social behaviour,

providing support to victims, and working with perpetrators to modify their behaviour where possible.

Chorley Community Housing could use the full range of remedies at their disposal to tackle anti-social behaviour, depending on the circumstances of each case, including:

Dedicated Team – Chorley Community Housing would set up a dedicated, trained anti-social behaviour team. They would have access to specialist legal advice, and would work closely with your local Neighbourhood Officer in seeking appropriate solutions.

Specialist Equipment – Chorley Community Housing would ensure that their dedicated team would be provided with the latest equipment. This would include cameras, camcorders, CCTV, recording equipment, noise monitoring equipment and mobile phones.

Home visits – to enable tenants to discuss any problems in their own home;

Mediation Service – Chorley Community Housing would work with a partner to provide a free, confidential, independent mediation service. Many disputes can be resolved amicably through the use of trained, skilled mediators.

Acceptable Behaviour Contracts – these agreements would be signed by the perpetrator of nuisance, as a pledge that they would modify their behaviour.

Injunctions – these can be used, following application to the court, to stop an unacceptable activity or to make someone do something.

Anti-Social Behaviour Orders – Chorley Community Housing, in conjunction with the police and the Council, could apply to the court for an order. These orders can be used to curb anti-social behaviour, and to stop individuals going to specified places.

Demotion of tenancy – Chorley Community Housing could apply to court to have someone's tenancy demoted if they have been causing nuisance and annoyance to neighbours. A demoted tenancy means that the tenant would lose some of their rights, making it easier for Chorley Community Housing to take possession of their home if their anti-social behaviour continues.

Closing Orders – Chorley Community Housing would support the police and the Council in making applications to court for a Closing Order where a Chorley Community Housing property is associated with Class A drug activity and disorder or serious nuisance. If a Closing Order is granted, this would mean that the tenant would not be able to return to the property for a fixed period of time, as set by the court. Chorley Community Housing would be able to take possession action during this time (see below for more information on possession action).

Notice of seeking possession – in the most serious cases, where work to prevent and stop anti-social behaviour has not been successful, Chorley Community Housing would serve a notice seeking possession, which is the first stage in re-possessing a tenants home. The notice would set out quite clearly how the tenant had broken the terms of the Tenancy Agreement.

Possession Action – if the anti-social behaviour continues, Chorley Community Housing would take the next step and apply to the court for a possession order. The court would listen to both sides, and decide if the tenants actions were serious enough to grant a possession order.

Chorley Community Housing would use all the legal powers available to stamp down on anti-social behaviour

Eviction – if all other remedies have failed, and the tenant still continues to behave in an anti-social manner, the court may grant Chorley Community Housing a possession order, and the tenant would lose their home. Tenants who have become homeless because they have behaved anti-socially may be considered by the Council to have made themselves homeless intentionally, and are therefore unlikely to be re-housed.

4 What would Chorley Community Housing do to prevent anti-social behaviour?

Chorley Community Housing recognises that **preventing anti-**

social behaviour is just as important as responding in the right way if it occurs. Chorley Community Housing would adopt a range of measures to prevent anti-social behaviour, including:

- ✓ Introducing Starter Tenancies, for all new tenants. The Starter Tenancies last twelve months, and during this time Chorley Community Housing would monitor how the tenancy is conducted. If the tenancy is not conducted in a satisfactory manner, a Starter Tenancy could be extended for a further 6 months. Starter Tenancies also allow for quicker and easier legal action to be taken to re-possess a property. If the tenancy has been conducted satisfactorily, the tenancy would be made into an Assured Tenancy;
- ✓ Explaining to all new tenants how serious Chorley Community Housing take anti-social behaviour, and the measures that may be taken to prevent it;
- ✓ Assessing the support needs of new tenants, and if appropriate making referrals to the Chorley Community Housing Tenant Support staff or to another agency;
- ✓ Visiting all new tenants within 6 weeks of the start of the tenancy

to check they have settled in and there are no problems;

- ✓ Giving clear and practical advice on how tenants can help to tackle anti-social behaviour;
- ✓ Working with partners to provide opportunities for young people to learn new skills and make new friends, with activities organised on evenings, weekends, and during the school holidays;

Chorley Community Housing would prevent anti-social behaviour by:

- ✓ Using Starter Tenancies
- ✓ Visiting all new tenants within 6 weeks
- ✓ Providing support
- ✓ Working with young people
- ✓ Using local lettings policies
- ✓ Providing additional security in neighbourhoods

- ✓ Taking account of the needs of the community, as well as the individual applicant, when letting homes, with the use of local lettings policies in some areas;
- ✓ Providing enhanced security in neighbourhoods, through fencing to the front of

properties;

- ✓ Working with the Council, the Neighbourhood Wardens Service and the police to co-ordinate activities.

5 How would Chorley Community Housing deliver and improve the repairs service?

Chorley Community Housing would provide a free, customer focused repairs and maintenance service.

You would still deal with the same staff you see and trust now. Chorley Community Housing would employ a skilled team of repairs officers who would carry out most of the work on your homes, with local, skilled contractors used for specialist work or at periods of particularly high demand.

Chorley Community Housing would, as a minimum, maintain the current high standards provided by the Council. The Council cannot guarantee to maintain these standards, but Chorley Community Housing could. Chorley Community Housing would look to improve on these standards in future years. The minimum standard you could expect is:

Repairs category	Target Time
Emergency e.g. Burst pipes; Total loss of power; Major gas leak.	2 hours
Priority 1: Urgent e.g. Unsafe electrical fitting; Total loss of water or gas supply.	24 hours
Priority 2: Non-urgent e.g. Partial loss of electrical power; Partial loss of water supply;	2 working days

Blocked sink or bath; Leaking roof.	
Priority 3: Routine Non-urgent repairs	20 working days (AM or PM appointments offered where access is required)

Chorley Community Housing believes that **providing an excellent repairs service** means more than how quickly we respond. It's also about how we respond, and the quality of work that is done. Chorley Community Housing would:

- ✓ **Provide a free phone repairs reporting phone number, putting you straight through to skilled operatives who will take all the details of your repair;**
- ✓ **Provide emergency assistance 24 hours a day, every day of the year;**
- ✓ **Offer appointments for all routine repairs, including appointments in the evening and Saturday mornings;**
- ✓ **Offer a good will payment if an appointment is missed;**
- ✓ **Ensure all its repairs officers wear uniforms and carry identity badges;**
- ✓ **Aim to complete your repair in one visit;**
- ✓ **Provide opportunities for you to comment each time a repair is done to your home.**

6 How would Chorley Community Housing deliver services locally?

Chorley Community Housing would appoint Neighbourhood Officers, who would be responsible for co-ordinating all the services Chorley Community Housing provide in your area.

Chorley Community Housing would let you know who the Neighbourhood Officer was for your area. The Neighbourhood Officer would:

- ✓ Carry out regular neighbourhood 'walkabouts';
- ✓ Manage the work of the Neighbourhood Caretakers (see below for more information);
- ✓ Support and work with the local tenants and residents groups;
- ✓ Liase with the Council, Police and other agencies on their activities in the neighbourhood;
- ✓ Be responsible for ensuring that neighbourhoods are well maintained and kept clean and tidy;
- ✓ Assist in co-ordinating the major improvement works in the neighbourhood;
- ✓ Provide an initial contact point for new tenants;

- ✓ Co-ordinate the delivery of supported housing services in the neighbourhood;
- ✓ Liase with the dedicated anti-social behaviour team, to keep everyone informed of progress on major cases.

7 Neighbourhood Caretakers

Chorley Community Housing would introduce a neighbourhood caretaker scheme within the first twelve months after transfer.

The neighbourhood caretakers would:

- ✓ Carry out minor day to day repairs;
- ✓ Ensure that any land owned by Chorley Community Housing was well maintained;
- ✓ Help to ensure that neighbourhoods are kept clean, tidy and safe;
- ✓ Ensure tenants looked after their own gardens, and provide help and support as necessary;
- ✓ Help new tenants to settle into their new home;
- ✓ Liase with the Gardener/Handy-person service to be introduced for tenants in sheltered schemes.

Better Neighbourhoods

Chorley Community Housing would bring services to your neighbourhood:

- ✓ Appoint Neighbourhood Officers
- ✓ Appoint Estate Caretakers
- ✓ Carry out regular estate 'walkabouts'
- ✓ Support local tenants' groups

The Neighbourhood Caretakers service would initially be piloted in 3 areas, with the aim of rolling it out across the Borough in future years if it is successful. The three pilot areas would be: Chorley South West, Chorley East and Coppull.

8 Tenant Participation and involvement

Chorley Community Housing would put tenants at the heart of everything it does. It would provide a menu of opportunities for tenants to get involved, depending on the time you can spare, and any areas of interest you may have.

Chorley Community Housing would provide a range of opportunities for tenants to get involved.

Chorley Community Housing would work in partnership with the Tenants Forum and Neighbourhood Groups to review and expand the Tenants Partnership

Agreement, to provide new ways to ensure that tenants were able to influence decisions at all levels.

Some of the ways Chorley Community Housing would do this include:

- ✓ Having four tenants on the Board (out of twelve seats in all). The four tenants would be chosen by tenants;
- ✓ Having an annual tenant participation budget, and dedicated tenant participation staff;

- ✓ Setting an annual tenant training budget, and provide dedicated training packs for tenants;
- ✓ Setting up a ‘buddy’ scheme for new tenants groups, pairing new groups with existing ones, to share skills and experience;
- ✓ Continuing the Tenants Investment Group, which would review the budget for Chorley Community Housing each year;
- ✓ Holding an annual Tenants Conference;
- ✓ Supporting existing tenants groups and working pro-actively to set up new groups;
- ✓ Funding and supporting the production of a tenants newsletter, edited by tenants, for tenants;
- ✓ Reporting annually on performance, both against the promises set out in this document, and against performance standards agreed with tenants.

9 Customer Care Standards

Chorley Community Housing would set out to deliver the best possible service to all its customers. It would:

- ✓ Introduce a Tenants’ Charter;
- ✓ Agree clear customer care standards with tenants, and publish them;

Chorley Community Housing would introduce new standards of customer care, with a compensation scheme if we don’t get things right.

- ✓ Pay compensation if we fail to meet our service standards;
- ✓ Report annually on performance against those standards;
- ✓ Establish a Comments, Compliments and Complaints Scheme;
- ✓ Work towards achieving Charter Mark accreditation for its customer service;
- ✓ Join the Housing Ombudsman Scheme, to ensure tenants are able to apply to the Housing Ombudsman if Chorley Community Housing is not able to deal with their complaint satisfactorily.

accounts. You would also be entitled to vote on important items, such as proposals to change the constitution of Chorley Community Housing or the appointment of independent board members or of auditors.

Chorley Community Housing would have an open membership policy, which means that any tenant or leaseholder could become a member.

10 Membership of Chorley Community Housing

Chorley Community Housing would be accountable to its tenants in the way it manages its homes and runs its housing service. As already mentioned, this would be achieved in part by having tenants make up a third of the Board.

Chorley Community Housing would like to go further than that, and provide an opportunity for all tenants to become more involved by becoming members of Chorley Community Housing.

As a member of Chorley Community Housing, you would be able to attend Annual General Meetings, and receive the Board's reports and

Section 4

Sheltered Housing and Services for Older People and Those With Disabilities

Summary

Chorley Community Housing would:

- ✓ Employ Scheme Managers for each sheltered scheme;
- ✓ Ensure the provision of a community alarm scheme;
- ✓ Set up a Gardener/Handyperson scheme for sheltered tenants;
- ✓ Aim to provide a community facility for those sheltered schemes which do not currently benefit from one;
- ✓ Pay for a dedicated Occupational Therapist to reduce waiting times for assessments for disabled adaptations;
- ✓ Set a budget of £250,000 a year for disabled adaptations for the first 5 years after transfer;

Section 4

Sheltered Housing and Services for Older People and Those With Disabilities

1 What would happen to the sheltered housing service?

The Council currently provides a range of services to older people, from the provision of sheltered housing to community alarms.

Over 400 of the homes that would transfer to Chorley Community Housing are sheltered, and benefit from the services of a Scheme Manager.

The Scheme Managers would automatically be employed by Chorley Community Housing if the transfer goes ahead. There would be a seamless transition of the service to Chorley Community Housing.

Chorley Community Housing would, as a minimum, maintain your existing services, without any disruption. They would;

- ✓ Continue to provide Scheme Managers;
- ✓ Continue to provide a community alarm service;
- ✓ Continue to provide amenities such as laundries and common rooms where they are currently provided;
- ✓ Continue to provide daily contact with sheltered scheme residents (Monday to Friday);
- ✓ Maintain the current cut and collect service for grounds maintenance;
- ✓ Continue to make sure that lettings to sheltered housing schemes are appropriate to each scheme.

The Council could not guarantee to maintain all these services if the transfer does not go ahead.

2 Improvements to Sheltered Housing

As well as maintaining the existing levels of service, Chorley Community Housing would introduce new and additional services. They would:

- ✓ Set up a Gardener/Handyperson service for all our sheltered tenants. They would keep gardens clean and tidy, and do small jobs around the house;

- ✓ Build a new community facility for Calder Avenue/Hodder Avenue, to replace the one lost when Douglas House was demolished;
- ✓ Aim to provide a community facility for those sheltered schemes which do not currently benefit from one, within 3 years after transfer, where practicable;
- ✓ Paint the communal areas in each sheltered scheme;
- ✓ Provide access to digital TV in each sheltered block scheme;
- ✓ Provide free specialist white goods (cookers and fridges) for tenants in the sheltered block schemes;
- ✓ Set up an older peoples forum;
- ✓ Provide internet access within each sheltered scheme, and training on the use of computers.

3 Services to older people & those with disabilities

Chorley Community Housing knows how important it is to provide homes that meet the needs of all our tenants, especially older tenants and the disabled. Adapting properties to meet changing requirements is important in promoting independence, and helping people to carry on living in their home.

Chorley Community Housing would:

- ✓ Pay for a dedicated Occupational Therapist, to reduce waiting times for an assessment;
- ✓ Fast track minor adaptations, such as fitting handrails and lever taps;
- ✓ Aim to carry out all adaptations within 13 weeks of receiving the recommendation from the Occupational Therapist;
- ✓ Provide a budget of £250,000 for disabled adaptations each year, for the first five years after transfer.

4 Improvements to homes and services

Tenants in sheltered housing would also benefit from the range of improvements that Chorley Community Housing would provide.

This would include:

- ✓ Bringing homes up to the Chorley Standard;
- ✓ A free repairs service. Appointments would be offered, except in the case of emergency;
- ✓ Setting up a dedicated anti-social behaviour team;
- ✓ The introduction of new service standards, with a compensation scheme if those standards aren't met;

Chorley Community Housing would provide a better service for tenants in sheltered schemes and a better service for disabled adaptations

- ✓ The appointment of Neighbourhood Officers, co-ordinating the delivery of all housing services at the local level

More information about these, and other, improvements, can be found in sections 3 and 4 of this document.

Would I have to pay more?

No. As with all the promises set out in this document, the service improvements for sheltered tenants have been included in the business plan for Chorley Community Housing.

You would not have to pay any extra rent for these services, over and above the annual rent and service charge increase for all tenants, as explained in Section 5 of this document.

Section 5**Rents and Other Charges****Summary**

If the transfer were to go ahead your rent would be same with Chorley Community Housing as with the Council. BUT with Chorley Community Housing you would get more for your money.

Service charges will be based on the actual amount it costs to deliver the service.

No new service charges will be introduced, unless new services are introduced following consultation with tenants.

Transfer would not change your entitlement to Housing Benefit.

Section 5 Rents and Other Charges

The table below sets out the average 'target' rent for 2011/12 for both the Council and Chorley Community Housing, for different types of property.

Property Type	Target Rent 2011/12 (weekly)	
	Chorley Community Housing	Chorley Borough Council
1 bed	£60.86	£60.86
2 bed	£67.57	£67.57
3 bed	£75.71	£75.71
4 bed	£82.01	£82.01

1 What Would Happen to Rents?

If transfer goes ahead, you would pay the **same** rent to Chorley Community Housing as you were paying to the Council. As with the Council, rent increases would be due in April of each year. The first rent increase by Chorley Community Housing would be in April 2007.

The increased rent you would be charged would be the same as the increased rent you would be charged by the Council.

2 Future Rents

Future rents would be set in accordance with a national formula set by Government. **This means that your rent would be the same whether the**

Council stays as your landlord or the transfer to Chorley Community Housing goes ahead.

The rent you would pay after transfer would be the same as the Council would charge

Chorley Community Housing would give you a Service Charge Guarantee

You would get more for your money with Chorley Community Housing

If the transfer does not go ahead, the rent you pay to the Council would be the same as you would pay to Chorley Community Housing. But, the Council would have a lot less money to invest in your properties. After transfer you would get more for your money.

For more information on the Government's national rent policy see part 11 of this section.

3 Service Charges

The Government is keen to ensure that all social landlords (including Councils and organisations like Chorley Community Housing) should make a charge for communal services separate from the rent. This covers services such as:

- Communal heating and lighting
- Grounds maintenance
- Cleaning and caretaking
-
- Door entry systems
- **No new service charges would be introduced, except where new services are introduced;**
- New services would only be introduced in response to tenant demand and following tenant consultation.

In April 2006 the Council introduced Service Charges. The average service charge is £1.53 per week for sheltered tenants and £1.43 per week for general needs.

Chorley Community Housing's charges would be identical to the Council's, unless new services are introduced. New services would only be introduced in response to tenant demand and following tenant consultation.

Chorley Community Housing would not introduce new service charges, except where new services are introduced.

New services will only be introduced in response to tenant demands and consultation.

4 Rents and Service Charges with the Council

As explained above, if the transfer does not go ahead, rent increases with the Council would be the same as those that would be set by Chorley Community Housing. Service charges would also be the same.

However, the Council would have a lot less money to spend on services to tenants, and would not be able to invest as much money in improvements to your home.

Chorley Community Housing would be able to give you the following **Service Charge Guarantee:**

- Service charges would be based on the amount Chorley Community Housing actually spends on delivering the service;
- **Any savings on the costs of providing services covered by a service charge would be accounted for in the following years charges;**
- Service charges would follow the Council's agreed phasing and therein after would rise by no more than 0.5% above Retail Price Inflation (RPI) for 5 years;

5 Methods of rent payment

With Chorley Community Housing you would be able to pay your rent in the same way you do now. There are a number of different ways to pay your rent, including:

- By Direct Debit or Standing Order;
- By Post (cheque payment);
- By debit or credit card;
- Allpay swipe card at post offices and other PayZone outlets.

6 What rent would new tenants pay?

New tenants are those who move into a Chorley Community Housing home for the first time after the date of transfer. **They would be charged the same rent as existing tenants.** Chorley Community Housing would NOT operate a two tier rent system.

7 Housing Benefit

The transfer would not affect your entitlement to Housing Benefit. In addition, most service charges would also be covered by Housing Benefit.

Applications would still be made to the Council, and advice would be available from both the Council and Chorley Community Housing.

You would not need to re-apply for Housing Benefit, and your benefit claim would be automatically updated.

If transfer goes ahead tenants on Housing Benefit would have a choice as to whether they want their benefit payments to be made to them or direct to their rent account with Chorley Community Housing.

8 Council Tax

If the transfer goes ahead, there would be no change to the way your Council Tax is charged. You would still get yearly bills and be required to pay in the same way as you do now.

Your entitlement to Council Tax benefit would not change as a result of the transfer.

9 Chorley Community Housing's policy on rent arrears

Your rent would pay for the housing service and the investment in the homes. Chorley Community Housing believes it is not fair to the majority of tenants who do pay their rent on time, to allow a minority not to do so. However, it also realises that some tenants do sometimes have financial difficulties through no fault of their own.

Chorley Community Housing would contact any tenant who falls behind with their rent. They would work with them to find a way for arrears to be cleared over a mutually agreed time. As a responsible social landlord, Chorley Community Housing would, like the Council would, adopt a **'firm but fair'** approach to tenants.

Chorley Community Housing would continue to work closely with the Citizens Advice Bureau to ensure that tenants get fair and independent advice about rent arrears.

As a last step, Chorley Community Housing, like the Council, could take court action to end the tenancy. This would only normally be done when the tenant has ignored an agreement to pay off the arrears without any good reason. And like the Council, Chorley Community Housing would have to obtain a Court Order to obtain possession.

If the transfer goes ahead any rent arrears would transfer to Chorley Community Housing. Any tenant who

Chorley Community Housing would adopt a 'firm but fair' approach to collecting rent and chasing arrears.

owes rent to the Council would then owe that rent to Chorley Community Housing.

10 Would there be a home contents insurance scheme?

Chorley Community Housing would provide tenants with information about home contents insurance.

11 Government Rent Policy

The Government has introduced a national formula for the setting of rents (called a Target Rent) for each type of home. All Councils and registered social landlords, such as Chorley Community Housing, have to use this formula. The intention is that by 2012 rents are similar for similar properties in similar locations, regardless of whether the landlord is a Council or a registered social landlord.

The target rent is calculated using a formula made up of three elements:

- The market value of the property compared with the national average value of social rented property;
- Local average earnings compared to national average earnings;
- The property's size, in terms of the number of bedrooms it has.

It is expected that it will take until 2011/12 for Councils and registered social landlords to reach target rents. They will then be expected to set

their rents in line with annual target levels.

This means that whether your landlord is Chorley Community Housing or the Council, you would pay the same rent for your home.

Importantly it also means that there would be no extra rent payable for the works and improvements Chorley Community Housing would undertake as outlined in this document.

After transfer, this Government rent policy means that, on average, rents would increase by Retail Price Inflation plus 0.5% each year. There would also be an appropriate adjustment until the Target Rent has been reached. The maximum increase is currently capped at 5% for 2007/08.

Chorley Community Housing would guarantee to follow Government policy and guidelines in setting rents each year. All its financial plans are based on the Government rent formula.

Section 6

Your Rights

Summary

As a tenant of Chorley Community Housing you would become an “Assured” tenant.

You would have the right to remain in your home provided you kept to the terms of your tenancy agreement.

If you currently have the Right To Buy, this would be preserved after transfer.

You would gain the right not to have the terms of your tenancy agreement changed without your consent.

You would lose the right to manage (though this right has never been exercised in Chorley).

Section 6 **Your Rights**

1 Your rights after transfer

As a tenant of Chorley Community Housing you would become an "Assured Tenant" rather than a "Secure Tenant" which is the status you currently have as a tenant of the Council. **Both kinds of tenancies give you the protection to remain in your home provided you keep to the terms of your Tenancy Agreement.**

2 How would the transfer affect my rights?

As a Secure Tenant of the Council you have rights that are laid down in statute (the Housing Act 1985). The law governing the rights of Assured Tenants is in a different statute (the Housing Act 1988) and is not so extensive; but Chorley Community Housing would give you equivalent rights in your new Tenancy Agreement. They would then become contractual rights.

This would mean that your rights would be the same as now (with the exception of the Right to Manage, as explained below) and would be fully protected. You would also acquire some new rights.

The rights that introductory tenants have during their first twelve months probationary period as a tenant are not as extensive as those for secure tenants.

If the transfer goes ahead introductory tenants would become assured tenants of Chorley Community Housing from the date of transfer (unless they have been served a notice seeking possession), in exactly the same way and with the same rights as secure tenants. In effect your probationary period would come to an end, even if it has not run its full twelve months.

Introductory Tenants

Tenants Rights

Your rights	Your rights with Chorley Community Housing	Your rights as a Secure Tenant with the Council
The Right to Buy (if your property is eligible) (This would be known as the "Preserved" right to buy, if the transfer took place)	✓	✓
The Right to live in your home without the threat of being evicted without good cause	✓	✓
The Right not to have your Tenancy amended without consent	✓	✗
The further Right of succession, if you have already succeeded to the tenancy	✓	✗
The new Right to Acquire in certain circumstances	✓	✗
The Right to transfer or exchange your home	✓	✓
The Right to take in lodgers and (with permission) to sublet part of your home	✓	✓
The Right to make improvements and receive compensation for them if you move	✓	✓
The Right to pass on your home when you die	✓	✓
The Right to have repairs carried out within set timescales	✓	✓
The Right to be given information about the Management of your home	✓	✓
The Right to Manage	✗	✓

The chart above summarises your rights now and shows you the rights you would have after transfer:

Your key rights and entitlements would be protected.

The rights you would gain after transfer

After transfer you would gain some important new rights. These are:

- ✓ The right not to have the terms of your tenancy agreement changed without your consent (except in relation to rents and charges);
- ✓ A further right of succession if you have previously succeeded to your tenancy whilst the Council was the landlord;
- ✓ An alternative Right To Buy scheme called the Right To Acquire.

The right you would lose after transfer

The only right which transferring tenants would not keep is the statutory Right to Manage, but Chorley Community Housing would be keen to work with tenants' groups to increase their involvement in the management of their homes. The Right to Manage provides tenants, acting collectively, to take on the responsibility for managing local authority properties. No tenant of the Council has ever exercised this right.

3 How would my rights be protected?

If the transfer goes ahead, all tenants would be asked to sign a new

tenancy agreement, an example of which is in Section 10 of this document.

This tenancy agreement would incorporate your preserved Right To Buy (if your property is eligible for Right To Buy), and the new contractual rights.

It has been drafted following consultation with tenant representatives and PS Consultants (your Independent Tenant Advisers).

The new tenancy would take immediate effect from the date of transfer, and it would not be possible for Chorley Community Housing to change it without your written consent. This is an important additional right that you do not have as a Council tenant.

4 Would I still be able to buy my home?

Right To Buy
With the Council your maximum discount is £26,000
With Chorley Community Housing the maximum discount would be £26,000

Preserved Right to Buy

Tenants who transfer to Chorley Community Housing and who currently have the Right to Buy with the Council would have what is known as the "Preserved Right to Buy" with Chorley Community Housing. This entitles current tenants with the

Right to Buy to purchase their home from Chorley Community Housing with a discount on the sale price under similar rules to those which apply to tenants now.

As now, some properties such as sheltered housing, would be excluded from the "Preserved Right to Buy" scheme.

What are the Maximum Discount and Cost Floor rules?

Like the Right to Buy, your Preserved Right to Buy would entitle you to a discount on the purchase price of your home based on the number of years you have spent as a council or housing association tenant. The purchase price is determined by the market value of the property less the discount (based on years as a Council or Registered Social Landlord tenant) to which you are entitled. With the Council the maximum discount is £26,000. The same limit would apply if the transfer goes ahead and you exercise your Preserved Right to Buy in the future.

When calculating the purchase price and the amount of discount, the Council take account of any money they have spent on buying, building, repairing and improving the property during a certain period before you buy. This is known as the "cost floor".

Chorley Community Housing would also be able to apply a "cost floor". The rules are similar to those covering the right to buy from the Council, although there are two main differences:

- Chorley Community Housing could include the costs of works notified to tenants within this document even if the work is not done yet. This

is because the cost of the works has been allowed for in calculating the price payable to the Council for the homes.

- Chorley Community Housing could take account of all costs incurred over 15 years prior to the application for the right to buy and not 10 years as in the case with the Council. This would apply from the date of transfer, and could include costs incurred whilst the properties were in Council ownership.

Right to Acquire

This is a similar right to the Right to Buy. Tenants of Chorley Community Housing, including existing tenants transferring from the Council, would be able to buy their home under the new Right to Acquire scheme as long as certain tests are met. These include having spent at least two years as a public sector tenant, and living in a self-contained flat or house, which is your only or main home. Tenants in designated sheltered accommodation would not have the Right to Acquire.

This scheme is based on a grant towards the cost of your home, rather than a discount and is normally less generous than the Preserved Right to Buy Scheme. The maximum grant for homes in Chorley is £9,000. You cannot combine both the Right to Acquire and the Right to Buy.

5 Would I still be able to pass on my home?

Yes. As is the case now, the new tenancy agreement would allow for the tenancy to be passed on (succession) when the tenant dies. As with the Council a tenant's home could only be passed on once.

If the transfer goes ahead, all tenants would start again with a right of succession, even if this right had already been used as a tenant of the Council.

6 Would I still be able to move to another home or exchange tenancies?

Yes. Chorley Community Housing would aim to make best use of its housing by assisting with transfers and exchanges both within its homes and with other landlords.

If you transfer to another property owned by Chorley Community Housing you would keep all your rights, including the Preserved Right to Buy, unless you moved into a property which is excluded from the scheme, such as sheltered housing.

Chorley Community Housing would participate in the Housing Organisation Mobility and Exchange Scheme (HOMES) and the HOMESWAP scheme which helps people to move to Council or Registered Social Landlord homes outside the area.

7 Would I still be able to sublet my home?

Yes. You would be in the same position with Chorley Community Housing as you would be as a secure tenant of the Council. You would be able to sublet part of your home, with Chorley Community Housing's written permission, or take in lodgers.

8 Would Chorley Community Housing have more rights to obtain possession of my home?

No. Chorley Community Housing would not use any of the additional grounds for eviction available under an Assured Tenancy, in order to make sure that your rights to live in your home reflect as closely as possible those you now have with the Council.

10. Would I still have a right to have repairs carried out?

Yes. Tenants would have the same rights to have repairs carried out with Chorley Community Housing as they do with the Council. If Chorley Community Housing failed to carry out certain types of repairs for which they are responsible, within specified time limits, you could require them to appoint another contractor to do the repairs. If that contractor also fails to do the repairs within a specified time limit you would have the right to compensation.

11 Would Chorley Community Housing consult me in the same way as the Council?

Yes, and Chorley Community Housing would be looking to improve consultation and involvement, see section 3. The Housing Corporation would also require Chorley Community Housing to consult with, and provide information to, its' tenants, as if you were secure tenants.

DRAFT

Section 7

More Information About Chorley Community Housing

Summary

Chorley Community Housing would be a new, local, not for profit housing organisation.

It would be based in the Borough of Chorley, providing local services to local people.

Its vision is:

“Working together to make great homes and sustainable communities”

It would be managed by a Board, made up of 4 tenants, 4 Council nominees and 4 independents.

It would be registered with the Housing Corporation, a government agency responsible for regulating similar housing organisations.

Section 7

More Information About Chorley Community Housing

1 What type of organisation would Chorley Community Housing be?

In Section 1 of this document, we provided some brief information about Chorley Community Housing. If the transfer goes ahead Chorley Community Housing would be the new, local, not for profit, organisation set up to provide the housing service to you.

It would be a not-for-profit housing organisation with charitable status and has been set up with the help of the Council specifically to take a transfer of the Council's homes if tenants vote in favour of transfer. It would be based in the Borough of Chorley, **providing local services to local people.**

It would have to be registered with the Housing Corporation, which is the government agency responsible for regulating Registered Social

Landlords. Chorley Community Housing would apply for registration with the Housing Corporation if tenants vote in favour of the transfer.

Not-for-profit means all of Chorley Community Housing's income would be spent on the housing service..Any surpluses would be reinvested in improvements to properties, services to tenants, and developing more affordable housing.

2 Vision, Values and Objectives

Chorley Community Housing has adopted the following:

Vision

“Working Together to Make Great Homes and Sustainable Communities”

Objectives

Working

- Provide an excellent place to work

Chorley Community Housing:

A new, local, not for profit housing organisation, providing local services to local people

- Well trained, qualified and motivated staff
- Employ resources effectively to achieve common goals

Together

- Put customers at the heart of our service delivery and development
- Work with Local Authorities, the community leaders
- Work with partners to enhance performance

- Accountable
- Delivers
- Choice
- Values difference
- Striving for excellence
- Responsive/listening
- Fosters mutual respect

Great

- High quality environment and affordable homes
- Ensure excellent service standards
- Seek innovative solutions and strive to continuously improve
- Services accessible to our customers

Tenants would have 4 seats (out of 12) on the Board of Chorley Community Housing

3 The Board

Every Registered Social Landlord has a Board which comprises a group of people ultimately responsible for the proper running (governance), finance, management and performance of its activities.

Chorley Community Housing would have such a Board, comprised of 12 people:

- 4 tenants;
- 4 Council nominees; and
- 4 independents (selected because of their particular expertise and experience).

Communities

- Local communities where people are proud to live
- Local communities where people feel safe and secure
- Assist local communities access a range of social and economic opportunities

All members of the Board would have the same rights and responsibilities, and a direct and equal say in the management of the housing service.

Values

- Open
- Transparent
- Involving
- Ambitious
- 'Can do' approach

A Shadow Board (interim board) has been formed, and has started to look at how Chorley Community Housing would work, what its policies would be, and how it would deliver the promises set out in this document. There is more information on the members of the Shadow Board later in this section.

4 How were the Board members chosen?

- The tenant Board Members were elected following a ballot of all tenants;
- The Council nominees were selected by the Council;
- The independent Board Members were selected by the tenant and Council Board Members following advertisements in the local press and an interview process.

5 How would the Board Members be chosen in the future?

The current Board, excluding Council nominees, would serve until the first annual general meeting.

The Council Board Members are currently appointed annually at the Council's Annual Meeting.

Independent and Tenant Board Members would retire on a rotational basis to help ensure that an experienced Board was maintained.

The Tenant Board Members would be selected through a democratic process and the Independent Board Members would be chosen from the community for their skills.

6 Do Board Members get paid?

The Shadow Board have already made the decision that the Board of Chorley Community Housing would not be paid. They would be eligible to claim reasonable out of pocket expenses.

7 Adactus Housing Group

The Council owns less than 3000 homes, and is losing properties each year as a result of the Right To Buy. Due to this small size, the Council has concluded that it would be beneficial for Chorley Community Housing to work with the support and assistance of an existing Registered Social Landlord. Following a detailed selection process, tenants, staff and Councillors chose the Adactus Housing Group.

Initially, 6 different Registered Social Landlords were shortlisted and considered. Each one was examined in detail, and written proposals to improve services and budgeting were analysed. A final decision was then made to choose the

Adactus Housing Group.

Chorley Community Housing would provide the housing service as a separate organisation within the Adactus Group. Chorley Community Housing would own the homes, employ the staff and make its own decisions about investment in homes and services.

Chorley Community Housing would be part of the Adactus Housing Group.

It would benefit from the skills and experience of staff at Adactus, whilst reducing costs by sharing services.

Adactus are committed to Chorley Community Housing having local independence.

Staff would benefit from the experience and knowledge of Adactus as well as gaining the benefits of economies of scale. However, Chorley Community Housing would manage its own affairs. Adactus would be there to provide support and expertise, but is committed to allowing Chorley Community Housing a high level of independence.

8 Who would regulate Chorley Community Housing?

The Housing Corporation is the government agency responsible for regulating Registered Social Landlords such as Chorley Community Housing would be if the transfer were to go ahead.

The Housing Corporation:

- Has established a regulatory code, with which all Registered Social Landlords must comply. This code sets out the requirements of the Housing Corporation as to the way Registered Social Landlords operate in respect of management, governance, standards of service, tenants' rights and in financial issues;
- Regulates Registered Social Landlords to ensure that the above requirements are met. The Housing Corporation has wide powers to intervene if these requirements are not met.

The Audit Commission also has a role in checking the standard of services delivered by Registered Social Landlords.

9 Would the Council have any control over Chorley Community Housing?

The Council recognises that Chorley Community Housing would be an independent organisation. The Council could not control Chorley Community Housing, and could not unreasonably interfere in its activities.

The Council would be able to nominate people to four of the seats on the Board. These nominees would normally be Councillors, but the Council could choose to nominate other people.

The Council would wish to ensure that Chorley Community Housing keeps the promises made to you in this document. There would be a legally binding contract between the Council and Chorley Community Housing, which would allow the Council to enforce the promises made to you.

Chorley Community Housing would also become an important partner for the Council. They would look to work jointly in a number of areas to deliver services in neighbourhoods and meet the objectives set out in Chorley's Community Strategy.

There would be a legally binding agreement between the Council and Chorley Community Housing, covering all the promises made in this document

Who is on Chorley Community Housing's Board?

The proposed Board (currently known as the shadow Board) has already started to meet. They are:

[Pictures to be added]

Chair

Ann James (tenant member)

Ann has been closely involved in the review process to look at all the options to keep good quality homes for rent in Chorley. Ann first got involved with tenant participation projects and has gone on to be the founder member of the local tenants and residents group where she lives in Heapey. She is Vice-Chair of the Chorley Tenants Forum and a member of the Tenants Investment Group.

Ann has been a Council tenant for five years. She is retired, but spent most of her working life in social work and community development which gave her valuable knowledge of housing matters.

Vice Chair

To be added (Council nominee)

Councillor Laura Lennox (Council nominee)

Councillor Lennox represents the Astley & Buckshaw ward and has been a councillor since 2002. Councillor Lennox is a retired

teacher who sits on the governing bodies of two local schools. She is a magistrate, a member of the District Liaison Committee for Education and lives in Chorley.

The Shadow Board of Chorley Community Housing has a range of knowledge, skills and experience.

Stephen Bullock (Independent member)

Stephen lived in council housing for the first 24 years of his life. He has worked for building societies for over 36 years and has wide

experience of housing issues. He is a qualified Banker and a qualified company secretary, also being a Director and Chief Executive of Chorley Building Society, a Director of an IT company and Vice-Chairman of Lancashire College.

Councillor Dennis Edgerley (Council nominee)

Councillor Edgerley represents the Chorley North East ward and is very well known locally after being first elected to the Council in 1972. Over the years he has served on numerous Council committees and was the Mayor in 2000. He is a former Chair of the Planning and Housing Committees. He is the Executive Member for Customer Policy and Performance. He is a retired teacher and lives in Chorley.

Clive Gettins (Independent member)

Clive has extensive experience of working in the construction industry where he was employed by McAlpines until 2005. His first role

was as Commercial Director in the organisation and later Group IT Manager. Clive is a Member of the Royal Institute of Chartered Surveyors.

Su Holland (tenant member)

Su lives in Chorley and has been involved in tenant activities for more than 20 years. Like the other tenants on the shadow board Su was closely involved in the housing review. She is Chair of her local residents group and Secretary of the Tenants' Forum. She helped to organise community education classes in east Chorley. Su is also a member of the Chorley East Police and Community Together (PACT). She has worked on two tenants group dealing with anti social behaviour and repairs and is interested in improving neighbourhood management and safety.

Tom Jenkins (Independent member)

Tom has detailed knowledge of housing organisations after being a board member of a large group for three years. He remains as a pension trustee with the group. He is currently chair of two local charities and has worked with several others. Tom retired from British Steel Distribution (now Corus) where he was General Manager, Special Projects. Previously he held senior positions in Human Resources.

Paul Lees (Independent member)

Paul has worked in housing for 26 years. He began as a housing

manager and later became the Chief Executive of County Palatine Housing Association. He is now Chief Executive of the Adactus Housing Group. Paul's voluntary work has included being Chair of the Transport & General Workers Union local branch and Secretary of the Ethnic Minority Housing Trust. He is currently Chair of the Housing Forum in Wigan and a Fellow of the Chartered Institute of Housing.

Derrick Leach (tenant member)

Derrick lives in Whittle le Woods and has been a tenant for eight years. He is a former chair of the Tenants Forum. He was Joint Chair of the Options Appraisal Project Steering Group. Derrick is a member of the Whittle le Woods Tenants and Residents Group and the tenants' newsletter editorial board.

Derrick is now retired but works as a volunteer for the International Aid Trust. His working experience included being a postmaster for ten years and a computer manager for eight, giving him a wide range of experience and skills.

To be added (tenant member)

Councillor Chris Snow (Council nominee)

Councillor Snow lives in Chorley and is the Business Development Manager for a housing led regeneration company. He represents the South East ward of the town. He has been on the

Council since 1996. He has served on committees for Development Control, Community Overview and Scrutiny and is Chair of the Ethnic Minorities Consultative Committee and is a board member for the Preston and West Lancashire Racial Equality Council.

DRAFT

Section 8

The Legal Requirements for Transfer

Summary

The Council is formally consulting you on its proposal to transfer its housing stock to Chorley Community Housing.

In doing so, it is complying with the relevant law set out in the Housing Act 1985.

This document forms “Stage 1” of the formal consultation process.

Section 8

The Legal Requirements for Transfer

In consulting with its tenants on the proposal to transfer its housing stock to Chorley Community Housing the Council must comply with the relevant law which is set out in Section 106A and Schedule 3A of the Housing Act 1985. The Council and the Deputy Prime Minister must have regard to the views of its tenants before deciding to proceed with the transfer.

This offer document forms "Stage 1" of the consultation process as required by the Secretary of State. This complies with the requirements of the Council under the law and guidelines to give you:

- details of the proposal that the Council has considered appropriate, including the identity of the organisation to whom the transfer would be made;
- the likely consequences of the transfer for the tenants;
- the effects of the provisions of Schedule 3A Housing Act 1985 and, in the case of secure

tenants, of Sections 171A to 171H Housing Act 1985.

Following a review of comments that you and other tenants make, if the Council decides to proceed with the proposal, we shall issue what is known as a "Stage 2" Notice. This will let you know about any changes to the Offer Document based on the comments you have made. At this point, if the Council decides to proceed to the next stage having heard from its tenants, you will be asked to vote on the transfer proposal. You will also be given an opportunity to put your views directly to the Secretary of State.

For the transfer to proceed the Secretary of State must give his approval. In making the decision, the Secretary of State will take objections into account in considering any application from the Council for the necessary consent to transfer the stock.

Section 9**Where Can I Get More Information?****Summary**

This section provides details of places where you can get more information.

It also includes contact details for PS Consultants, your Independent Tenants' Advisor.

Section 9

Where can you obtain further information?

Chorley Borough Council

You can contact the Council's Transfer Team on Free phone **0800 073 0262** who will be able to answer questions and provide more information on any aspect of the proposed transfer.

Transfer Shop
10 Cleveland Street
Chorley

E-mail: yourhome@chorley.gov.uk
Website: chorley.gov.uk/yourhome

Independent Tenants' Advisor

For independent advice, contact **PS Consultants**, your Independent Tenant Adviser on free phone **0800 0852 207**

Parkside House,
190-192, Wigan Road,
Euxton,
Chorley
PR7 6JW

E-mail:
enquiries@psconsultants.org.uk
Website: PSconsultants.org.uk

Information is also available on the Internet

The Office of the Deputy Prime Minister website is www.housing.odpm.gov.uk/chtf

The National Housing Federation website is www.housing.org.uk

The Housing Corporation website is www.housingcorp.gov.uk

Useful names and addresses

If you need any further information or have any queries or are unsure about anything you can contact:

Community Housing Task Force
Office of the Deputy Prime Minister
Zone 2/D1 Eland House
Bressenden Place
London
SW1E 5DU
Telephone: 0207 944 4400

The Housing Corporation
Stock Transfer Registration Unit
Attenborough House
109/111 Charles Street
Leicester
LE1 1FQ
Telephone: 0116 242 4879

You can also seek advice from your local Councillor; please see the list on the Council's website or contact the Council on the free phone for details.


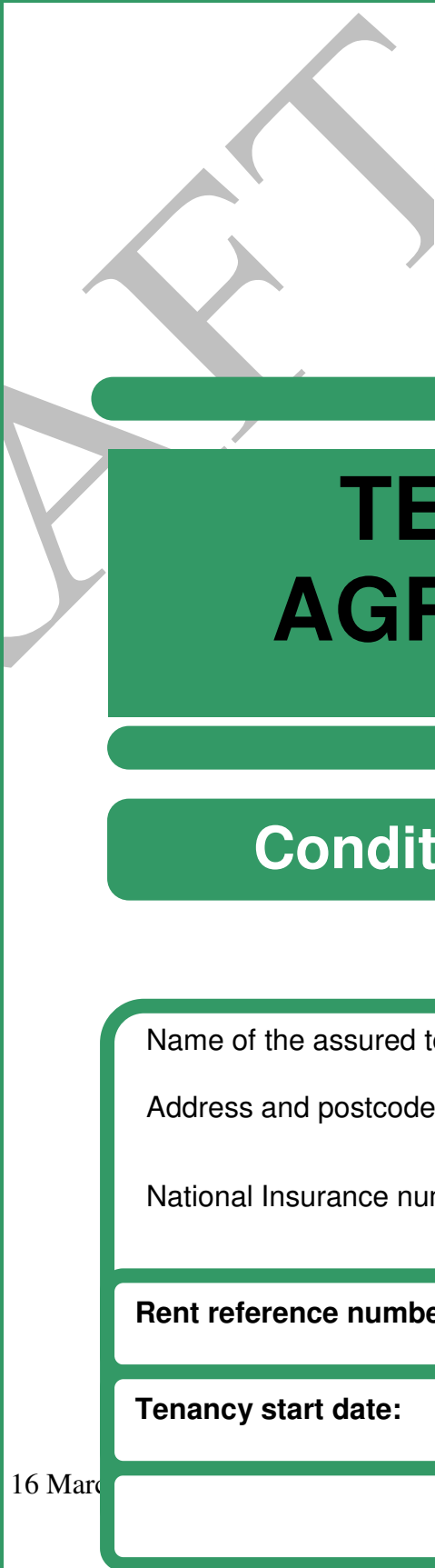
Section 10

The Tenancy Agreement

The following pages contain the form of tenancy agreement that tenants would have with Chorley Community Housing if the transfer goes ahead.

This tenancy agreement has been designed to ensure tenants' rights are protected if the transfer goes ahead and tenants have been involved in its development.

EXISTING TENANTS AT TRANSFER



TENANCY AGREEMENT

Conditions of tenancy

Name of the assured tenant (or tenants):

Address and postcode:

National Insurance numbers:

Rent reference number:

Tenancy start date: **(transfer date)**

16 Mar

Chorley Community Housing Limited

Tenancy agreement

Help and advice

This tenancy agreement is a legally binding document. It sets out your rights and responsibilities as one of our tenants.

If you would like to get legal advice about this tenancy agreement, you should visit a Citizens Advice Bureau or see a local solicitor.

Your landlord

We, Chorley Community Housing Limited, are your landlord.

If you need to send us any notices, you should send them to:

Chief Executive

Chorley Community Housing

Limited

[]

Section 196 of the Law of Property Act 1925 applies if we or our officers or agents need to send you any notices. This means that any notices are valid if we leave them or send them by registered post to your usual or last known address. (We need to give you this information under section 48(1) of the Landlord and Tenant Act 1987.)

1 An assured tenancy

1 This agreement makes you an assured tenant.

This means that provided you occupy the property as your principal home and you keep to the conditions of tenancy we cannot interfere with your right to quiet enjoyment of the property without a Court Order. We can only get a Court Order for certain legal reasons (called grounds).

1.1 You and Chorley Community Housing must both keep to this agreement. Once you have received the keys to your home and a copy of this agreement, it will be legally binding, whether or not it has been signed.

1.2 Your tenancy is for your home and any gardens, boundary hedges/fencing, dividing fencing to front gardens and any other permanent outbuilding. A plan showing the areas of your responsibility and those of Chorley Community Housing is attached later in this agreement.

1.3 Your tenancy does not include the following:

- Any item (for example, a shed) which a previous tenant left and you have agreed to take responsibility for. If you do not want to take responsibility for an item left by a previous tenant, you can remove it if you first get our permission.
- Garden paths which are not essential for getting to and from your home.
- Dividing garden fences to rear gardens.
- Trees and Bushes.
- Garages not attached to your home.

You are responsible for repairing and maintaining the items above.

A list of items you have agreed to be responsible for is given on the information sheet (page 25) at the back of this document.

1.4 We will ask you to confirm that the condition of the property is acceptable when you move in, or to notify us at this point of any problems that you have identified.

1.5 You may lose your right to live in your home if a court grants us a possession order for reasons as outlined later in this agreement.

1.6 If we want to repossess your home, we have to end your tenancy by sending you a 'notice of seeking possession' and get an order from the court. In most cases, the court will have to decide if it is reasonable for us to repossess your home. We explain this in more detail later.

2. Rent and service charges

Your responsibilities

- 2.1 One of your most important responsibilities is to pay your rent and service charges. You must pay these from the date your tenancy starts
- 2.2 You must pay your weekly rent on Monday each week for the week to come. The total payments you owe include any extra charges listed below. You can pay your rent by direct debit each month in advance (for the month to come) or by other methods as indicated to you by us from time to time.

2.3 Payments for your home are worked out as follows:-

Weekly Rent	£[]
Support charge	£[]
Service Charges	£[]

(These could include cutting grass, maintaining shrub beds, cleaning and maintaining shared areas, maintaining shared parking areas, unadopted footways and roadways, drying areas and playing areas. This is not a complete list, it is only a guide.)

Heating Charge	£ []
Payment towards arrears due at the date this agreement is signed (see below)	£[]

If we have filled in this figure it means that this is the case where you owe arrears (missed payments) to Chorley Borough Council. The total arrears figure at The date of this agreement = £

The amount and period of instalments may change from time to time if we and you agree. If you clear this debt, you will no longer be liable for rent arrears, charges or any other money you owed us at your previous home.

Total Weekly Payment	£[]
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Water and sewerage rates and Council Tax are not included.

Your rights

- 2.4 You have the right to a rent card which shows the amount of rent you have to pay. If we replace your rent card with a swipe card, you will receive a statement of your rent account twice a year. This statement will be your rent card.
- 2.5 (i) any changes to your rent will take effect on the first Monday in April each year. Any changes will be made in accordance with Government guidelines. We will give you at least one month's notice in writing of the change.
- (ii) We cannot change your rent more than once a year.

Service charges

- 2.6 (i) Service charges will be reviewed annually. In March each year we will set the amount of the service charge we will ask you to pay for the following year. We will give you 4 weeks notice in writing of any changes.
- (ii) We can only make reasonable service charges, and the services or work we do must be of a good standard. If you believe that your service charge is unreasonable (in terms of how much we charge or the standard of work), you may be able to apply to a Rent Assessment Committee for a decision on what is reasonable. You can find more details on this in the tenants' handbook.
- (iii) Any changes to the services you receive and the service charges will only be made following consultation with you and others who receive the service

Supporting people

- 2.7 (i) If we provide you with support services (this will be shown by a charge for this service on the front page of this agreement), those services will include general counselling and support.
- (ii) We may change the support charge in the same way as we may change your rent and other service charges. We will limit any increase in charges for the support services we provide, by taking account of the level of charges approved by the Supporting People Administering Authority.
- (iii) At the start of your tenancy, you agree to accept the level of support services we make available, to make sure you can live as independently as possible. The level of services we provide on your scheme may change from time to time, as agreed through consultation with you and other tenants on your scheme.

- 2.8 You must pay your rent and any service charges on time (you could risk losing your tenancy if you do not).
- 2.9 If you are joint tenants, each of you is responsible for all the rent and any rent arrears. If one joint tenant leaves, we can take action against either or both of you for the whole amount.
- 2.10 By signing this agreement, you are agreeing that we will treat any rent or service charge arrears that you owed to Chorley Borough Council on your home before the date of this agreement as current arrears. We may claim these arrears as if we had not granted this agreement and your old tenancy agreement was still in force.
- 2.11 If you cannot pay your rent, contact your Neighbourhood Officer or Scheme Manager as soon as possible.
- 2.12 You may get help with paying your rent by claiming Housing Benefit. Your Neighbourhood Officer or Scheme Manager can tell you how to make a claim.
- 2.13 If you are receiving Housing Benefit, you may agree to Chorley Borough Council paying the benefit straight to us. However, you are still responsible for making sure that your rent is paid in full.

3 Repairs

Your rights

Repairs

- 3.1 You have the right to have certain repairs carried out to your home if you tell us what needs doing. You and we have certain responsibilities to make sure that your home is reasonably well maintained.
- 3.2 We are responsible for keeping in good repair the structure and exterior of your home. We are also responsible for keeping in good repair and proper working order installations for the supply of water, gas and electricity, for sanitation, space heating and water heating. We are responsible for the following elements:
- | | |
|----------------------------------|--|
| - Roof | - window fittings |
| - Chimney | - external painting and decoration |
| - External flues | - basins |
| - Outside walls | - sinks |
| - Gutters | - baths |
| - Rainwater pipes | - WC's |
| - External doors | - flushing systems |
| - Window frames | - drains |
| - Window sills | - waste pipes |
| | - electric wiring |
| | - gas pipe work and taps |
| - water pipe work and taps | - water heaters |
| - space heating | - fireplaces |
| - fires (fitted by CCH) | - sockets |
| - light fittings (fitted by CCH) | - gates (fitted by CCH) |
| - perimeter fencing | - dividing fences to front gardens |
| - boundary walls | - footpaths, steps & ramps (within the boundary of the dwelling) |
| - outhouses | - garages |
| - common areas in flats | |
- 3.3 However, we will not pay for repairs if:
- They are needed because you or anyone living with you or your visitors have damaged or neglected the installations; or
 - You have installed them yourself.
- In these cases you will have to meet the costs. (You must first get Chorley Borough Council Community Housing's written permission to alter the property.)
- 3.4 We will keep the common entrances, halls, stairway, lifts, passageways, rubbish chutes and any other common parts in reasonable repair and make sure they are fit

for use.

- 3.5 You have the Right to Repair. If we do not carry out certain repairs on time, you can tell us to get another contractor to do the work. See the Tenants Handbook for details.
- 3.6 We have to clear up after a repair, but we cannot guarantee that we will restore any decoration to its previous condition. If we carry out major repairs to your home and damage decorations, we will pay you a limited decoration allowance rather than redecorate.
- 3.7 We will offer you a suitable alternative home if we need to carry out major repairs which require you to move out of your home. You may choose to stay in your home if we carry out limited major work and there is no risk to your health and safety.
- 3.8 If we offer you a temporary home during repair work, you must move back into your original home after we have finished the repairs, unless we agree otherwise.

Improvements

- 3.9 You have the right to make improvements or alterations to your home. You must ask permission from Chorley Community Housing in writing before you commence any improvement work. We will write back to you telling you if you can do the work. You will need permission to do the following types of work:
- Carry out structural changes, for example, knocking down internal walls or making additions or alterations to the property such as installing or altering electrical wiring, gas pipes, water pipes or central heating, adding or altering fixtures and fittings.
 - Place or erect any structure on your property e.g. garage, hardstanding, path, shed, driveway, greenhouse, outbuilding, fence or other similar structure
 - Erect any posts or other structure on any parts of the communal gardens or drying area.
 - If you have a garden, remove or alter any trees, boundary hedges or fences.
- 3.10 We can ask that the work is done in a certain way, or to a specified standard. We will check that the work will not damage your home or make it unsafe.
- 3.11 You must make sure that you or your contractor are adequately insured against damage to Chorley Community housing's property or other people's possessions and personal injury during the course of the work
- 3.12 We may inspect works in progress and on completion.
- 3.14 When you end your tenancy, you may be able to get compensation in line with government guidelines for any improvements you have made. See your handbook for more details.

Gas safety check

- 3.13 We must make sure that any gas appliance supplied by Chorley Community Housing, gas pipework and flue are maintained in a safe condition. Each appliance, pipework and flue will be checked for safety once a year. We have to keep a record of the safety check for two years after it has been made. You will be given a copy of the Landlord's gas safety certificate each year.
- 3.14 If during the gas safety check, a fault is found on a tenants own appliance e.g. a gas cooker or gas fire, it will be disconnected. Repairs to these are the responsibility of the tenant.

Your responsibilities

You must look after your property and repair or replace anything which you or anyone living with you, or visitors, have damaged or neglected. If you do not, we have the right to enter your property to make good the damage and charge you for doing so. Note that you may, at the discretion of Chorley Community Housing, be responsible for the cost of repairing any damage which you were aware of or should have been aware of and which you did not report to us.

You must let us know immediately if any electricity, gas, water or central heating installations need repairing or if there are any other repairs needed to your property which are our responsibility. (See also the explanatory booklet entitled "Repairs" in your Tenants' Handbook. Note the legal rights which you have for the repairs which are our responsibility.) Subject to your legal rights, if you arrange repair work directly with other organisations you will have to pay the bill.

- 3.15 You must not cause or allow the premises to be damaged wilfully, recklessly, or negligently. Any such damage will be your responsibility. We will charge you for putting it right. This may include an administration charge.
- 3.16 You must keep the inside of the property clean, free from pests and vermin and decorated to a reasonable standard.
- 3.17 You should tell your Neighbourhood Officer if you are going to be away from your home for more than four weeks. This is in case we need to do repairs or gain access at short notice.

Access to your home

3.18 You must allow authorised employees or contractors of Chorley Community Housing access to the property at all reasonable hours to inspect or carry out repairs or routine servicing

3.19 in an emergency, you must allow immediate access at all times.

The action we could take

3.20 If you do not keep your home in reasonable decorative order, we may apply to a court to repossess your home.

3.21 If you or anyone living with you, or your visitors, have damaged or neglected the property, you will be responsible for meeting the repair costs. You can arrange to have the repair carried out yourself or we will do it and charge you. However, in the case of criminal damage charges, Chorley Borough Council Community Housing requires a crime number which can be obtained from the Police.

3.22 If you do not ask for our permission for improvements you carry out, we may apply to a court to repossess your home. We may also ask you to return the property to its original condition, or we may choose to do this and charge you for it.

Access

3.23 In emergencies, we have the right to enter your home immediately without giving you notice.

3.24 If we reasonably ask you to allow us into your home and you do not, provide access we may ask the court for an injunction to obtain entry into your home. Failure to comply with the injunction could result in your committal to prison. We will ask the court to make you pay the legal costs. We could also seek possession of your home

3.25 If you refuse to let us in, we may prosecute you for obstruction.

4 Living in your community

Your rights

- 4.1 You, anyone living in your home (including children) and visitors must respect other people who live in your neighbourhood. We believe that every resident has the right to live in an environment that is free from intimidation and antisocial behaviour and will take appropriate action to ensure this. ,

Your responsibilities – behaviour

- 4.2 As a tenant you are responsible for:

- your own behaviour;
- the behaviour of any person who lives in your home, including children;
- the behaviour of any person who comes to visit you, including children; and
- the behaviour of any pets belonging to you, your visitors or anyone living with you.

This includes in your home, on surrounding land and on shared areas, for example, stairs, landings, hallways, shared gardens, parking areas, play areas, or near your home.

Nuisance and annoyance

- 4.3 You must not behave in any way that causes or is likely to cause nuisance, alarm, distress or harassment to another person.

Examples would include:

- Car repairing
- Loud music
- Revving of motor vehicles
- Shouting
- Slamming of doors

(This is not a complete list, it is just a guide.)

Harassment

- 4.4 Harassment is caused when you offend other people or you interfere with their peace and comfort.
- 4.5 You must not do anything that could harass others on the grounds of race, colour, religion, sex, sexual orientation or disability or interfere with neighbours' peace and

comfort or cause offence to neighbours, other occupiers in the neighbourhood or anybody visiting the area.

You must not injure or threaten to injure our employees, contractors or agents.

- 4.6 You must not harass, assault others or abuse any neighbours, other occupiers in the neighbourhood or anybody visiting the area.

Some examples of harassment:

- Violence, or threats of violence, towards any person
- Abusive or insulting words or behaviour
- Damage, or threats of damage, to property belonging to another person
- Writing threatening, abusive or insulting graffiti
- Racist behaviour, including written or verbal abuse

(This is not a complete list, it is just a guide.)

Antisocial behaviour

- 4.7 You, visitors and anyone living with you must not behave antisocially.

Some examples of antisocial behaviour:

- Violence, or threats of violence, towards any person
- Racist behaviour, including written or verbal abuse
- Prostitution
- Criminal activity in properties
- Drug abuse or drug dealing
- Alcohol abuse
- Verbal abuse and offensive behaviour
- Domestic violence
- Damaging property
- Malicious phone calls
- Writing graffiti
- Throwing things off balconies or out of windows
- Blocking shared areas
- Storing petrol, diesel, paraffin, or vehicles powered by those fuels, in shared areas

(This is not a complete list, it is just a guide.)

Criminal activity

- 4.8 You must not use the property or communal areas for any illegal activity, for example, drugs offences or any other immoral purpose. If you do with the result

that Police Officers or other public officials need to gain entry by force, you may be charged for resulting damage at the discretion of Chorley Community Housing.

- 4.9 You will have broken this agreement if you, visitors or anyone living with you is arrested by the police for possessing controlled drugs in your home. Controlled drugs include heroin, crack cocaine, cocaine, non-prescription methadone, mescaline morphine and ecstasy. (This is not a complete list, it is just a guide).

Domestic violence

- 4.10 You must not commit, cause or threaten any violence against a member of your household. If you do so, you will be in breach of your tenancy conditions.

The action we could take

- 4.11 We will investigate complaints of nuisance, annoyance, harassment, antisocial behaviour, criminal activity or domestic violence; The procedure we follow to do this and the action we can take is outlined in Chorley Community Housings Anti-Social Behaviour Policy

5 In and around your home**Property**

- 5.1 You must not damage, spoil or put graffiti on any property.
- 5.2 You must not interfere with or damage the security and safety equipment in flats or sheltered housing schemes. You must not jam doors open or let strangers in if they do not have any identification.
- 5.3 You must not carry on a business or trade from your property or allow anyone to do so without our written permission.
- 5.4 You must only use the entrance hall, stairs, lifts and landings for entering or leaving your property and not for storage or any other purpose

Gardens

- 5.5 You must keep the garden, hedges and trees on the premises in a tidy and manageable state and not remove any hedges, trees or fences without first obtaining our written consent.
- 5.6 Tenants in flats, will be jointly responsible for both front and back gardens.
- 5.7 You must not store inflammable liquids in any part of the property other than usual household items such as paint.
- 5.8 You must not use your garden for storage of large quantities of materials, items or dangerous items without prior approval from us.
- 5.9 You must maintain any trees in your garden. However, if you believe that the tree may be dead, diseased or dangerous, or that the roots may be affecting underground services or foundations, you should contact your Neighbourhood Officer, who will arrange inspection and its subsequent removal, if necessary.
- 5.10 You must get our permission, in writing, to remove a tree or hedge, as it may be in a protected or conservation area.
- 5.11 You are responsible for maintaining any shed, greenhouse or other structure in your garden.
- 5.12 You are responsible for maintaining any fence, hedge or wall between you and

your neighbour's garden (but see clause 5.13). If you want to repair or improve the current fence, hedge or wall, you will be responsible for making the necessary arrangements and paying any costs involved.

- 5.13 Generally, we will repair a boundary fence or hedge in your garden, unless your neighbour owns their property. In this case, your neighbour may be responsible for repairing the fence or hedge. Your Neighbourhood Officer will be able to tell you if we or your neighbour has to repair the fence or hedge in your garden. It is your responsibility to maintain (e.g. creosote or paint) boundary fences.
- 5.14 You must not park a vehicle, caravan or trailer on the property until there is a properly made hardstanding or garage together with a dropped pavement crossing. Any vehicles parked must be in roadworthy condition.
- 5.15 You must not park motor vehicles, caravans, boats or trailers on grass verges and open spaces that are not intended for such parking.
- 5.16 You must not take any petrol or diesel engine vehicles into a dwelling-house
- 5.17 You must get our permission, in writing, to build a driveway or hard standing at your home.
- 5.18 If you want to make arrangements to build a driveway or hard standing at your home, you should contact the Highways Department about the dropped kerb that will be required

Domestic animals

- 5.19 You must not keep (temporarily or permanently) any animal which we consider unsuitable, at your property.
- 5.20 You must not keep an animal in the dwelling house where you have a communal entrance or communal garden area.
- 5.21 You must not keep (temporarily or permanently) any animal except small caged animals / birds in any dwelling which forms part of a block of dwellings to which access to some or all of the dwellings is by use of common parts, without our written consent.
- 5.22 If you wish to keep any unusual animal (as defined under the Dangerous Wild Animals Act 1976), you must obtain our written consent before obtaining such an animal.
- 5.23 These are the conditions for keeping pets:
- You must keep the pet under proper control at all times.
 - The pet must not cause a nuisance, annoyance, disturbance or danger to

people or other animals any person or animal in the vicinity or neighbourhood of your property. . (Nuisance includes excessive or persistent noise.) In some cases, keeping many pets in your home will cause a nuisance even if each pet is under control.

- You must not allow your pet to cause damage to our property or shared areas.
- You must not allow any animal in your control to foul these areas. In the event that the animal does foul any of these areas, you must ensure that you hygienically dispose of any fouling by your animal.

Property

- 5.24 We may charge you for any repairs, or if we have to replace any security equipment at our flats which you, visitors or anyone living with you has damaged.
- 5.25 We may charge you for any necessary cleaning or repairs if you, visitors, anyone living with you, or pets have damaged our property.
- 5.26 If you damage our property, we may apply to a court to repossess your home.
- 5.27 If you run a business from your home without our permission in writing, we may apply to a court to repossess your home. If you have our permission to run a business, but your business then causes nuisance, we could withdraw that permission.

Gardens

- 5.28 You must allow authorised employees or contractors of the Council access to your gardens at all reasonable hours to inspect or carry out repairs.
- 5.29 We may choose to clear your garden and charge you for the work. This will only happen in limited circumstances, such as where the garden is very overgrown and you have not responded to requests to clear it.

If you are elderly or have a disability, you may qualify for our gardening scheme. You may have to pay an extra fee for this.

Domestic animals

- 5.30 If we receive a complaint that you have broken any of the conditions for keeping pets, your Neighbourhood Officer will warn you that you must keep to the conditions.

- 5.31 If you break the conditions again within six months of the warning, we will ask you to find another home for the pet within 28 days, or we will ask you again to keep to the conditions for keeping pets.
- 5.32 If you cannot find another home for your pet within 28 days, or if you break the conditions again within six months of the second warning, we will withdraw our permission to keep the pet. We may also apply to a court to repossess your home.

6 Passing on your home

- 6.1 As a general rule, you are not allowed to give control of your home to another person.

Lodgers

- 6.2 You have the right to take in lodgers and ask them to pay you rent, as long as this does not bring the number of people living in your home to more than the maximum number on page [] of this agreement. A lodger is someone who rents a room in your home, but they cannot stop you from going into any part of it. You must tell us the lodger's name in writing. If you receive Housing Benefit, you must also tell the Housing Benefit Department of Chorley Borough Council that your circumstances have changed.

Transferring or exchanging your home

- 6.3 We will allow you to exchange your property with another local authority or registered social landlord subject to any conditions which may have to be met before we give full written approval. You must not move before both landlords give full written consent.

Succession

- 6.4 Passing your tenancy to another person if you die is called a 'succession'. There can only be one succession of your tenancy.
- 6.5 If you die, your tenancy will pass to your husband or wife, or civil partners, as long as they lived with you before you died. If they are already a joint tenant, they will become the only tenant.
- 6.6 We will consider your unmarried or same-sex partner to be a member of your family if they can show that you were living together for the last 12 months before you died.
- 6.7 If you are not married, another member of your family can become the tenant, as long as they have lived with you for the last 12 months before you died. A member of your family is a parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew or niece. If your home is not suitable for this member of your family, either because of size or type, we will offer that person alternative accommodation.

- 6.8 See the Tenants Handbook for further details of succession

Exchanging with another tenant

- 6.8 You have the right to exchange your home with another of our tenants or a tenant or registered social landlord or another company.
- 6.9 You must get our permission, in writing, before any exchange can go ahead. You must use an exchange application form to do this.
- 6.10 We must tell you of the outcome of your application within 42 days. We may only refuse permission for certain reasons, for example if your home will be too big or too small for the family you want to exchange with.
- 6.11 If you have rent arrears (missed payments) or if you have not kept to the conditions of this agreement, we may give our permission to exchange only if you pay your rent or take some action to keep to this tenancy agreement (for example, we can ask you to tidy your garden).

After a relationship has broken down

- 6.12 If you get divorced, the court which decides your divorce has the power to order that the tenancy can be given to you or your husband or wife.
- 6.13 This rule applies whether or not your husband or wife is already a joint tenant.
- 6.14 If you have been living together as husband and wife but are not married, the court also has power to order the transfer of the tenancy. If the court does not order the transfer of the tenancy, we may do so.
- 6.15 The court will have to send us a copy of the order before the transfer can take place.

Transferring your tenancy

- 6.21 You may want to move somewhere else but not want to leave your family without a home to live in. In some cases, you may be allowed to hand over your tenancy to a member of your family. This is called 'assigning' your tenancy.
- 6.22 A member of your family is your husband or wife, your partner, parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew or niece.

- 6.23 You will only be allowed to hand over your tenancy to a member of your family who has lived with you for the last 12 months and if you have not succeeded to the tenancy from someone else. You should confirm with us whether the person you want to assign your tenancy to is eligible to become the new tenant.

Transfer list

- 6.24 You can apply to move to another one of our properties. To do this, you will have to apply to go on the transfer list.
- 6.25 We will consider your application in line with our transfer scheme.

Your responsibilities

- 6.26 You can pass on (assign) the tenancy to a person who would be legally entitled to succeed to the tenancy with our prior written permission.
- 6.27 If your name changes, you must provide proof of any change (for example, a marriage certificate and National Insurance number) if you want us to change the name shown on your tenancy.
- 6.28 You can leave the property for more than 4 weeks at a time with our prior written permission if you:-
- tell us when you expect to come back
 - give us a forwarding address
 - give us a name of someone we can contact if there is a problem with your property
- If you do not tell us that you are going to be away, you may lose your rights under this agreement.
- 6.29 You are not allowed to give your home to someone else. This means that you cannot move out and allow someone else to live in your home.

The action we can take**Subletting**

- 6.30 If you sublet part of your home without our permission, we may apply to a court to repossess your home.
- 6.31 If you sublet all of your home, you will lose your rights under this agreement and we may apply to a court to repossess your home.

Succession

- 6.32 If more than one member of your family wants to take on the tenancy, we can decide who will take the tenancy. We will consider any requests you may have put in your will or in writing.

- 6.33 If you have succeeded to this tenancy and we decide that your home is too large for you, we will offer you another home which is more suitable to your needs. If you refuse to move to another home, we may apply to a court to repossess your home. However, we will take account of all the circumstances of your case before we decide to do this.

Exchanging with another tenant

- 6.34 If you have exchanged homes with another person and do not have our permission in writing, we may apply to a court to repossess your home.
- 6.35 If you offer or accept any money or other financial incentive from another tenant to exchange your home, we may apply to a court to repossess your home.

Assigning your tenancy

- 6.36 If you assign your tenancy to someone who is not eligible to become the new tenant, that person will not be a secure tenant and we may apply to a court to repossess the property.

7 Ending your tenancy

Your rights

7.1 You have the right to end your tenancy at any time.

Your responsibilities

7.2 You may end the tenancy by giving us, in writing, at least 4 weeks notice ending on a Monday.

7.3 When the tenancy ends for whatever reason you must ensure that:-

- Your rent is paid up to the date your tenancy ends
- No possessions are left in the premises
- The property is clean
- Any garden is tidy
- The fixtures and fittings are in good condition
- Everyone in the premises has moved out

If you do not comply with these requirements then we will charge you the cost of putting the property right. The costs may include legal costs, staff time, and cost of repairs or replacement. You may also be charged for any rent lost for the period we are not able to let the property due to you not complying with the above.

7.4 If you are joint tenants, you are both liable for all the rent and other responsibilities of the tenancy. If one of you moves out without giving us notice, that person will still be liable for the rent and other responsibilities of the tenancy until they have given us notice.

7.5 You must allow new tenants and our staff access to view your home within the final four weeks of your tenancy. We will arrange suitable appointments to do this.

7.6 You must return all keys to us by 9am 12 noon on the day that the tenancy ends.

The action you can take

7.7 If you want to end your tenancy, your Neighbourhood Officer can give you a standard notice and help you fill it in. If you are joint tenants, either one of you can end the whole tenancy by giving us notice. We will decide if the other person is allowed to stay at the property. You should discuss this with your Neighbourhood

Officer.

The action we will take

- 7.8 We will arrange to inspect the property when you give us notice to end your tenancy. If any repairs are needed to the structure, fixtures or fittings, which are not the result of fair wear and tear, we may charge you for the cost of these repairs.
- 7.9 If you leave the property without telling us that you intended to end your tenancy, you will be responsible for the full rent until the date the tenancy ends legally.
- 7.10 We expect you to leave the property totally empty unless you have agreed with your Neighbourhood Officer that you can leave carpets if they are in excellent condition. We will get rid of any other belongings you leave in the property on the date your tenancy ends, but we will charge you for this.

How we can end your tenancy

7.11 As well as the situations we have explained in this agreement about when we can end your tenancy, we can also end it in the following circumstances.

- If it stops being an assured tenancy. There are only a few circumstances where this could happen. For example, if you stop living in your home as your only or main home. If your tenancy does stop being an assured tenancy, we may end your tenancy by giving you four weeks' notice, in writing. In this circumstance, we would not need to get a court order against you.
- If we get a court order against you to repossess your home under grounds from schedule 2 of the Housing Act 1996. If we intend to get a court order against you, we will give you at least four weeks' notice, in writing, unless we are using grounds 14 and 14A in schedule 2, in which case the notice may be less than four weeks.

We will only try to get a court order for the following reasons.

- If you die and leave the tenancy to someone other than your husband, wife, partner (including a same-sex partner) or a member of your family (ground 7).

We are able to request a court order in the following circumstances:

- If you die and leave the tenancy to someone other than your husband, wife, partner (including a same sex partner) or a member of your family (ground 7)
- If you have been offered suitable alternative accommodation and we can

show that:

- we intend to demolish your home or restructure the building (or part of the building) which includes your home, and we need your home to be empty to carry out the work;
- your home has special features (which you do not need) for an elderly or disabled person, and we need your home for someone who needs those special features; or
- you took over the tenancy in the circumstances described in clause 6.4 of this agreement and there are too few people living in your home considering its size (ground 9).

we will give you a tenancy of this new property and we can end this tenancy.

- If you have not paid the rent you owe (grounds 10).
- If you have persistently delayed paying your rent (ground 11).
- If you have broken any of the conditions of this tenancy (ground 12).
- If you or anyone living with you has damaged or not looked after your home or its surroundings, or your lodger or subtenant has damaged your home and you have not taken all reasonable steps to evict that person from your home (ground 13).
- If you, visitors or anyone living with you has constantly annoyed your neighbours or visitors to the area, or has harassed them because of their race, colour, religion, disability, age, sex gender or sexuality. Or, if you have used your home for an illegal purpose or been convicted of an arrestable offence in or near your home (ground 14).
- If you live at your home as a married couple and one partner leaves because of domestic violence towards them and we can show that the partner who has left is unlikely to return (married couple means those who are married, civil partners or a couple living together as husband and wife) If you lived at your home as a married couple (or as a couple living together as husband and wife) and one partner has left because of domestic violence, and we can show that the partner who has left is unlikely to return (ground 14A).
- If you or anyone living in your home has damaged any furniture we have provided under the tenancy. Or, if someone living in your home has caused damage to furniture we have provided under the tenancy, and you have not

taken all reasonable steps to evict that person from your home (ground 15).

- If we let your home to you because of your job and you no longer have that job (ground 16).
- If you, or someone acting on your behalf, made a false statement to get this tenancy from us (ground 17).

We will only try to get a Court Order against you on one of these grounds. The grounds for possession referred to above have been summarised. We would rely upon the full text contained in Schedule 2 of the Housing Act 1988 where proceedings are taken. These can be found in your Tenants Handbook. As long as you keep to this Tenancy agreement you have the right to live peacefully in your home without interference from us.

If your home becomes damaged beyond repair or becomes unstable, we may need to use ground 6 to ask you to move out, but we will provide other accommodation and will only use this ground in extreme circumstances.

8 Information, consultation and your 'right to buy' and 'right to acquire'**Information**

- 8.1 You have the right to information about your assured tenancy. This agreement and the tenants' handbook will give you information about the terms of your assured tenancy. If you need any more information, you can speak to your Neighbourhood Officer or get leaflets from your local Area Office.
- 8.2 We may share your information with other public bodies for housing management purposes from time to time.

Preserved right to buy

- 8.2 If you were a tenant of Chorley Borough Council and had the 'right to buy' your home before you transferred to us, you have the 'preserved right to buy' your home under the Housing Act 1996 and the Housing (Preservation of Right to Buy) Regulations 1993. Your Neighbourhood Officer will be able to give you more information about this.
- 8.3 You will not have the preserved right to buy if you live in sheltered housing or other housing that is not covered by this or any other legislation, or in accommodation that is specifically excluded under the law.

Right to acquire

- 8.4 You have the 'right to acquire' your home under the Housing Act 1996, unless you live in sheltered housing or other housing that is not covered by this or any other legislation, or in accommodation that is specifically excluded under the law.

Data Protection Act 1998

- 8.5 Under the Data Protection Act 1998, you have the right to see information that we hold about you, your partner or your family. You may not be able to see everything, for example, details about other tenants. You can get copies of the information, but you will have to pay a charge set by the Data Protection Commissioner.

Local tenants' and residents' groups

- 8.6 You have the right to start or join a local tenants' or residents' group. Ask our Tenant Participation Officer or your Neighbourhood Officer for information about groups in your area or about how to start one.

- 8.7 We encourage tenants to get involved in decisions and managing their homes, and to take part in any training and development they may need.

Consultation

- 8.8 You have the right to be consulted about important changes in our housing service.
- 8.9 We must ask for your views about any of our housing plans if they substantially affect you (for example, modernisation or improvement work that is planned for your home or your area). We will involve you or your tenants' or residents' group in local housing issues.
- 8.10 We may vary the agreement by either agreeing with you to allow such a change or by serving a Notice of Variation. If we serve a Notice of Variation you will have the right to comment on the proposed changes.
- 8.101 We must deal with your complaints efficiently and effectively. We have a formal complaints procedure. Any of our officers will be able to tell you what you have to do to make a formal complaint. The complaints procedure will follow the Charter for Housing Association Applicants and Residents (or any document that replaces it), as set out by the Housing Corporation. We are regulated by the Housing Corporation, and the Charter for Housing Association Applicants and Residents applies to this agreement. The Charter explains your rights and contains various conditions which we must follow. You can get a copy of the Charter from our offices. If you are still not satisfied after following our complaints procedure, you can refer the matter to:

The Independent Housing Ombudsman
Norman House
105-109 The Strand
London
WC2A 0AA.

Information sheet

Name of the assured tenant (or tenants):

Address and postcode:

Type of property:

Maximum number of people allowed to live in the property:

People living in the home:

Surname	First names	Date of birth	Relationship to the tenant	National Insurance number

This is a list of fittings/items I agree to take responsibility for.

- A
- B
- C
- D

I accept and agree to keep to the conditions set out in this tenancy agreement.

I confirm that the information I have given in my application for housing was and still is true.

I know that you may prosecute me if I have given false information or have withheld information that you need to make sure that you can allocate your homes properly.

Your signature: Date:

Joint tenant's signature:Date:

Authorised officer's signature: Date:

Their name (in CAPITALS): Position:

DRAFT

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Report of	Meeting	Date
Head of Human Resources (Introduced by the Executive Leader Cllr J Wilson)	Executive Cabinet	30/03/06

CONSTITUTION OF THE CHIEF EXECUTIVE PERFORMANCE REVIEW PANEL

PURPOSE OF REPORT

1. To seek Executive Cabinet approval of the constitution of a performance review panel for the Chief Executive

CORPORATE PRIORITIES

2. This proposal supports all four corporate priorities:

- Prosperity
- People
- Place, and
- Performance

In that the Chief Executive's performance will be managed and reviewed by elected members.

RISK ISSUES

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

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

4. The risks in this proposal are slight. The performance review of the Chief Executive would ensure that Officers are managing the change agenda in line with elected members' requirements. The monitoring process would identify any areas of concern and allow early remedial action(s).

BACKGROUND

5. Performance Review was introduced to the Council in October 2004 and currently all staff undergo a review. The performance review sets individual objectives for staff in line with their Unit's Business Plan as is linked to the Corporate Plan. It also highlights areas for development and address change management to further develop our services as per the Corporate Priorities.
6. There is no current performance review system in place for the Chief Executive. As Head of Paid Service, the Chief Executive serves elected members in the delivery of the

Council's services. It is felt that a performance review in this context should be as democratic and transparent as possible. It is therefore proposed that member(s) from all four political areas are represented.

6. A special appointment panel was formed for the appointment of the Chief Executive and it is proposed that they constitute the performance review panel for the Chief Executive. They are:
- K W Ball (Liberal Democrat)
 - M P Case (Conservative)
 - D Edgerley (Labour)
 - P Goldsworthy (Conservative)
 - C Hoyle (Labour)
 - R Snape (Independent)
 - J G Wilson (Labour)

COMMENTS OF THE DIRECTOR OF FINANCE

8. There no financial implications contained in this report.

RECOMMENDATION(S)

10. That Executive Cabinet :
- Approve the constitution of the Chief Executive Performance Review Panel, and
 - Advise Full Council to approve the constitution at its next sitting.

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

11. The constitution of the Chief Performance Review Panel is approved by Executive Cabinet with the recommendation for its acceptance at Full Council

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

12. None

ANGELA WOLSTENCROFT
HEAD OF HUMAN RESOURCES

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Dave Watt	235801	14/03/06	

Report of	Meeting	Date
Head of Corporate & Policy Services (Introduced by Cllr D Edgerley, Executive Member for Customers, Policy and Performance)	Executive Cabinet	30/03/06

LANCASHIRE LOCAL AREA AGREEMENT – PROGRESS REPORT

PURPOSE OF REPORT

1. The purpose of the report is to update the Executive Cabinet on progress with the Lancashire Local Area Agreement (LAA).

CORPORATE PRIORITIES

2. The LAA represents an agreement between Government, the Local Authority and its partners on an agenda for improvement over a three-year period. It is important that the LAA is consistent with local priorities in order that it doesn't detract from the pursuit of our Community and Corporate Strategy priorities.
3. The issue raised and recommendations made in this report involve risk considerations in the following categories:

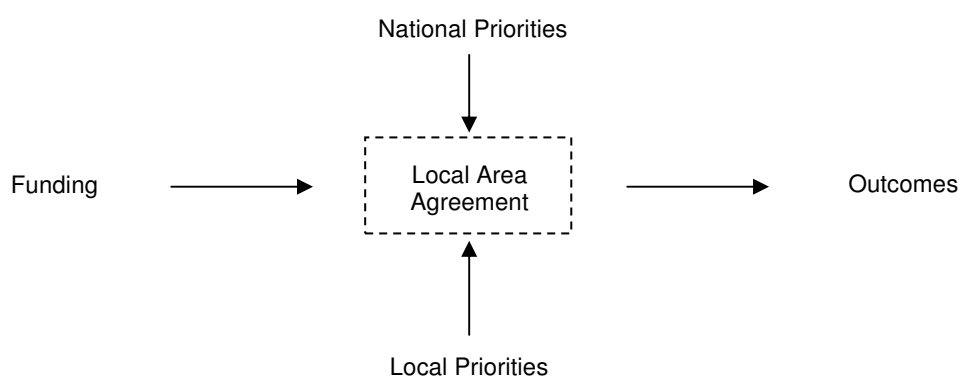
Strategy	4	Information	
Reputation	4	Regulatory/Legal	
Financial	4	Operational	4
People		Other	

4. As indicated in paragraph 2 above it is important that the LAA is consistent with our Community and Corporate Strategy priorities. Following CPA significant effort has been invested in providing greater clarity and focus locally through our Community and Corporate strategies. We do not now want to lose this focus through the imposition of targets through the LAA which are not priorities for Chorley.
5. Within the LAA 'stretch targets' will be identified which will attract Performance Reward Grant (PRG). If these targets are not achieved a reduced level of PRG will be payable.
6. As the LAA is an agreement between Government and the local authority a failure to deliver may be harmful to our reputation.
7. Once the LAA has been signed the Council will need to deliver operationally to ensure that targets are achieved.

BACKGROUND

8. LAA's have been introduced with the aim of improving co-ordination between central government, local authorities and other key partners. The introduction of LAA's is the first step in the implementation of the Government's ten-year vision for the future of local government.
9. In simple terms the intention is that the Government will continue to set its high level strategic priorities. Together local authorities, Local Strategic Partnerships, other partners and the regional government office will then work together to identify local solutions (outcomes) which will achieve both the Government's strategic priorities and local priorities. These local solutions are then brought together in an agreement between the local area and the Government hence the title 'Local Area Agreement'.

The diagram below sets out the broad principles of the LAA.



10. The LAA is built around four priority blocks and covers a three-year period (01/04/06 – 31/03/09). The blocks are:
 - Safer and Stronger Communities
 - Children and young people
 - Economic Development and Enterprise
 - Healthier Communities and Older People.
11. As with the preceding Local Public Service Agreement twelve targets have been selected as reward targets. Each of these targets has been 'stretched' ie a higher level of performance has been estimated because of the existence of the LAA and pump priming monies. If these targets are achieved the Government will pay Performance Reward Grant. Arrangements regarding the distribution of PRG have not yet been finalised and a further report will be presented to Members in due course.
12. In two tier areas the countywide LSP, in our case the Lancashire Partnership, are required to lead preparation of, and discussions around, the LAA.
13. Work has been ongoing with the LAA for over ten months now and a number of councillors and partners have been involved in the various workshops and conferences.

LAA UPDATE

14. The final LAA document has been signed by partners and was submitted to GONW on 17 February 2006. GONW are currently facilitating negotiations with the various government departments about the measures and targets contained within the agreement. Final sign off is expected on 17 March with the LAA due to start on 1 April 2006. The LAA will be subject to an 'annual refresh' which recognises that priorities and circumstance do not remain static over the three year period.

15. The full LAA document runs to 195 pages so copies haven't been provided with the agenda. The document can be viewed on the Lancashire Partnership website www.lancashirepartnership.co.uk or alternatively copies can be supplied on request. As a brief summary the four blocks within the LAA contain the following outcomes.

(a) **Safer and Stronger Communities Outcomes**

- To reduce crime and the harm caused by illegal drugs, and to reassure the public, reducing the fear of crime.
- To reduce overall crime in line with local Crime and Disorder Reduction Partnership targets and narrow the gap between the worst performing wards/neighbourhoods and other areas across the district.
- To build respect in communities and reduce anti-social behaviour.
- To improve the quality of the local environment by reducing the gap in liveability between the worst wards/neighbourhoods and the district as a whole, with particular focus on reducing levels of litter and detritus.
- To have cleaner, safer and greener public spaces in Lancashire.
- To increase the capacity of local communities so that people are empowered to participate in local decision-making and are able to influence service delivery.
- To improve the quality of life for people in the most disadvantaged neighbourhoods and ensure service providers are more responsive to neighbourhood needs and improve their service delivery.

(b) **Children and Young People Outcomes**

- Increased positive social participation by Lancashire children and young people.
- Improved health of children and young people in Lancashire.
- Improved outcomes for Lancashire's young people aged 14-19 years.
- Raise standards in English, Maths and Science in secondary education so that by 2008, in all schools located in the districts in receipt of NRF, at least 50% of pupils achieve level 5 or above in each English, Maths and Science.
- Improved outcomes for Lancashire's looked after children and young people.

(c) **Healthier Communities and Older People Outcomes**

- Reduced health inequalities across Lancashire by improving lifestyles and addressing the wider determinants of health.
- As part of an overall housing strategy for the districts, improve housing conditions within the most deprived neighbourhoods/wards, with a particular focus on ensuring that all social housing is made decent by 2010.
- Increased life expectancy at birth for Lancashire people.
- Reduce premature mortality rates and reduce inequalities in premature mortality rates between wards/neighbourhoods with a particular focus on reducing the risk factors for heart disease, stroke and related diseases (CVD) – smoking, diet and physical activity.
- Improved well-being of Lancashire's older people.
- Lancashire people with mental health problems, learning and physical disabilities and sensory impairment are more independent and have a better quality of life.

(d) **Economic Development and Enterprise Outcomes**

- Increased entrepreneurs and improved access to economic prosperity throughout Lancashire.
- For those living in the wards with the worst labour market position that are also located within the districts in receipt of NRF, significantly improve their overall employment rate and reduce the difference between their employment rate and the overall employment rate for England.

16. For each outcome a series of sub-outcomes have been identified around which measures and targets have been developed to help establish the progress being achieved.

ACTION PLANNING

17. As the outcomes, measures and targets have now been finalised within the LAA attention has now turned to the preparation of supporting action plans.

18. A large portion of the LAA simply lists things that will be achieved by current mainstream activities and reflects the previously planned direction of travel in terms of targets. Detailed action plans already exist in individual authority strategy's and business plans for these outcomes, measures and targets. For these areas we will monitor performance as part of our normal performance monitoring arrangements and if performance goes off track we will prepare an improvement or recovery plan to bring performance back in line.

19. The main focus for the current round of action planning will, therefore, be the reward/stretch targets.

20. Initially action plans will be prepared on a 'cluster' rather than a countrywide basis. For this purpose Chorley is clustered with South Ribble, West Lancashire and Preston. The reasoning behind this approach is that a sub-regional approach provides more opportunity for consensus over the key actions necessary to achieve the reward targets and also to consider the possibility of collaboration and partnership working.

21. For each of the LAA blocks a group has been drawn together with representatives from each of the four areas. These groups have been tasked with preparing an action plan by 31 March. The action plans will then be submitted to a Central Lancashire Cluster Group meeting on 5 April. Once finalised they will then be forwarded to Lancashire County Council.

COMMENTS OF THE HEAD OF HUMAN RESOURCES

22. There are no HR implications at this stage.

COMMENTS OF THE DIRECTOR OF FINANCE

23. The details regarding the distribution of any Performance Reward Grant are still to be decided, but will determine the importance or otherwise in financial terms of the stretch targets. This grant is only available retrospectively and as such the Council needs to determine through the supporting action plans if the current level of resources available can deliver the targets within the LAA. Once this is known I will report to members on the options available for financing the delivery of the targets, should any additional resources be required.

RECOMMENDATION

24. Executive Cabinet are requested to note the progress report.

REASONS FOR RECOMMENDATION

25. The report is presented for information.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

26. None.

TIM RIGNALL
HEAD OF CORPORATE & POILICY SERVICES

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Tim Rignall	5140	14 March 2006	CPSREP/92083LM

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Report of	Meeting	Date
Head of Development and Regeneration (Introduced by the Executive Member for Development and Planning)	Executive Cabinet	30 March 2006

REVISED LOCAL DEVELOPMENT SCHEME 2006- 2009

PURPOSE OF REPORT

- To seek Members approval for the proposed revised Local Development Scheme for the Local Development Framework to run from 2006 –2009.

CORPORATE PRIORITIES

- The implementation of the policies and guidance contained within the Local Development Scheme (LDS) are likely to have a direct impact on the environment and economy of the Borough, in particular in relation to a “greener, cleaner and safer Chorley”.

RISK ISSUES

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

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

BACKGROUND

- Since the enactment of the new Planning Act Councils are required to produce a Local Development Scheme every year. This sets out what planning documents are to be produced and includes a timetable of significant dates known as “milestones” to which the Council should commit. Unless a planning document is contained within a LDS its contents are considered “unsound” and would therefore be given little weight by an Inspector at appeal.
- Last year a report was produced on time, and the milestones committed to in the year March 05- April 2006 have been met. Consideration has now been given to revising the second and third years of that Scheme and rolling it forward a year.

PROPOSED REVISIONS TO LOCAL DEVELOPMENT SCHEME

6. Following the delay in the review of the Regional Spatial Strategy it has been necessary to hold back the production of the Preferred Options document for the Core Strategy. This has given the opportunity for Chorley, together with the neighbouring authorities of South Ribble and Preston, to align the timing of each Core Strategy to allow the possibility of joint working where appropriate. The advantages and disadvantages of the proposed working arrangements have already been outlined in the report that went to Executive Cabinet 9th March 2006.
7. Many of the policy and Supplementary Planning Documents set out in last year's Local Development Scheme require to be in conformity with the Core Strategy (which in turn is informed by the Regional Spatial Strategy) and so are consequently delayed. This particularly concerns the identification of possible future development allocations and responding to the site suggestions submitted by landowners and others in the autumn of 2005.
8. It has, however, given the opportunity to include a Supplementary Planning Document on Householder developments based on the existing policies contained within the Adopted Chorley Local Plan Review 2003. This will be an updated document replacing the current House Extension Guidelines. Also building on the potential for working with Preston and South Ribble Councils it is proposed to bring forward Supplementary Planning Documents on Affordable Housing and Open Space linked to Core Strategy production. It may prove necessary to adopt these documents as informal guidance initially pending later formal adoption of the Core Strategy.
9. It is not clear what impact amending the dates set out in last year's LDS will have on possible receipt of Planning Delivery Grant. However, it is to be hoped that as all the first year's milestones have been met that alterations to the work schedule in the other years as a result of the delay in the production of the Regional Spatial Strategy will not incur financial penalties.
10. The proposed revised LDS, including the proposed new Householder Supplementary Planning Document is set out in Appendix 1 to this report. Please note that the only significant change to the LDS from last year is the introduction of the Householder SPD and changes to the dates of some of the other documents.

COMMENTS OF THE HEAD OF HUMAN RESOURCES

11. There are no apparent Human Resource implications associated with this report.

COMMENTS OF THE DIRECTOR OF FINANCE

12. There are no immediate financial implications associated with this report.

RECOMMENDATION

13. That Executive Cabinet approve the draft Scheme to be submitted to the Government Office for the North West for approval. Subsequent changes recommended by the Planning Inspectorate and the Government Office for the North West may require amendments.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

14. Given the slippage in the production of the Regional Spatial Strategy, and the opportunity to work together with Preston and South Ribble Local Authorities, continuing with the existing time- table set out in the Local Development Scheme 2005- 2008 would be impracticable.

REASONS FOR RECOMMENDATION

15. To provide a clear and realistic time-table for the production of planning documents within the Local Development Scheme.

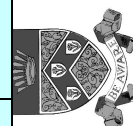
JANE E MEEK
HEAD OF DEVELOPMENT AND REGENERATION

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Louise Nurser	5281	17 March 2006	Tdrive/louise/reports/LDS revision 06

APPENDIX 1 - SCHEDULE OF PROPOSED LOCAL DEVELOPMENT DOCUMENTS (shaded parts refer to actions completed)

Document Title	Status	Brief Description	Chain of Conformity	Prepare Issues and alternative options in consultation	Public participation on preferred options (DPD), draft SCI (SPD) and sustainability appraisal report	Submission to SoS	Formal Examination	Adoption
Statement of Community Involvement	LDD	Document setting out standards and approach to involving stakeholders and the community in the production of the LDF and also consulting on planning applications.	N/A	N/A (first draft published in June 2004)	Second draft published for consultation March/April 2005	September 2005	March 2006	July 2006
Proposals Map	DPD	This will be required to accompany and illustrate any DPD that results in changes where policies apply on the ground.	N/A	N/A	At the same time as the DPD or SPD it supports	At the same time as the DPD it supports	At the same time as the DPD it supports	At the same time as the DPD it supports
Sustainable Resources	DPD	Criteria based policies for the efficient and sustainable use of, inter alia, energy, construction materials and water.	General conformity with Regional Spatial Strategy	October 2004- Issues and Options consultation Further informal consultation March 2005	March/April 2006	September 2006	March 2007	October 2007
Sustainable Resources SPD	SPD	To give detailed advice to support above.	N/A	March 2005	March/April 2006	N/A	N/A	October 2007
Chorley Town Centre and Retail and Leisure Policies	DPD	Contains detailed policies, and proposals to strengthen and revitalise the area, as well as an accompanying retail strategy for the Borough.	General conformity with Regional Spatial Strategy	October 2004- Issues and Options consultation Further informal consultation June – October 2005 WYG study	March/April 2006	November 2006	June 2007	December 2007



Document Title	Status	Brief Description	Chain of Conformity	Prepare Issues and alternative options in consultation	Public participation on preferred options (DPD), draft SCI (SPD) and sustainability appraisal report	Submission to SoS	Formal Examination	Adoption
Core Strategy	DPD	Sets out the vision, objectives and the strategy for the spatial development of the area to include a key diagram.	General conformity with Regional Spatial Strategy		September 2007	April 2008	October 2008	July 2009
Householder	SPD	To provide design guidance on all development associated with householders.	Conformity with policies within Chorley Borough Local Plan Review	N/A	September 2006	N/A	N/A	January 2007
Site Allocations	DPD	Housing, and employment allocations plus associated infrastructure and facilities to support Core Strategy.	General conformity with Regional Spatial Strategy and Core Strategy	NB have already undertaken Issues and Options Report in 2004. Further informal consultation may be necessary	June 2008	June 2009	December 2009	September 2010
Affordable Housing	SPD	Document relating to affordable housing provision.	General conformity with Regional Spatial Strategy and Core Strategy	Further informal consultation may be necessary	September 2007	N/A	N/A	July 2009
Open Space	SPD	Document relating to open space provision and standards.	General conformity with Regional Spatial Strategy and	Further informal consultation may be necessary	September 2007	N/A	N/A	July 2009

Document Title	Status	Brief Description	Chain of Conformity	Prepare Issues and alternative options in consultation	Public participation on preferred options (DPD), draft SCI (SPD) and sustainability appraisal report	Submission to SoS	Formal Examination	Adoption
			Core Strategy					
Planning Contributions	DPD	Development Plan Document setting out the principles by which planning contributions will be required.	As above	As above	June 2008	June 2009	December 2009	September 2010
Planning Contributions SPD	SPD	Provides detailed information on how the DPD will be implemented.	N/A	As above	June 2008	June 2009	December 2009	September 2010
Generic Development Control Policies	DPD	Generic topic based Development Control policies that set out to achieve the vision set out in the Core Strategy. Fundamentally based on impact of development.	Regional Spatial Strategy and Core Strategy	October 2004- Issues and Options consultation Further informal consultation may be necessary	June 2008	June 2009	December 2009	September 2010

- LDD- Local Development Document
- DPD- Development Plan Document
- SPD- Supplementary Planning Document

Report of	Meeting	Date
Director of Finance (Introduced by the Executive Leader)	Executive Cabinet	30 th March 2006

BIG LOTTERY FUND – CHILDREN’S PLAY INITIATIVE

PURPOSE OF REPORT

- To seek endorsement from members for Chorley Borough Council to develop and submit a bid to the Big Lottery Fund’s ‘Children’s Play Initiative’ in collaboration with the Chorley Play Partnership

CORPORATE PRIORITIES

- Priority - People,
Outcome - Improved life chances for young people (2.2)
Target - To develop a basket of measures around the ‘Every child Matters’ outcomes of ‘be healthy, stay safe, enjoy and achieve, positive contribution and economic well being’.
- 2.1 Priority - Place
Outcome - Develop the character and feel of Chorley as a good place to live (5.1)
Target - % increase in people satisfied with the Borough as a place to live.

RISK ISSUES

- The report contains no risk issues for consideration by Members.

BACKGROUND

- In November 2005 the Big Lottery Fund announced details of its new £155 million “Children’s Play Initiative”.

The Fund has been created in response to the findings of the Department for Culture, Media and Sport report “Getting Serious About Play”.

The programme aims to:

- create, improve and develop play spaces for the under 16’s;
- develop local infrastructures to develop play opportunities and raise the importance, value and status of play.

4.1 Examples of work that is likely to be supported:

- adventure playgrounds;
- BMX and skate parks;
- holiday and after school play activities.
- small public playgrounds;
- informal sports facilities;
- a play bus;
- a mobile play team;
- play workers;
- training, support and development for staff and volunteers;
- increasing access to play, eg travel, opening times and physical access.

OPPORTUNITIES FOR CHORLEY

5. Chorley Borough Council has been invited by the Big Lottery Fund to submit a bid up to the value of £208,007. This figure has been calculated using Chorley's child population weighted by the local level of poverty. Our project may last up to three years, and requires no match funding, although the Big Lottery Fund will expect to see appropriate existing budgets working in harmony with BLF funding.

BIDDING FORMAT AND ROLE OF COUNCIL

6. The Big Lottery Fund have requested that the bid is developed in partnership with local play providers, and reflect the needs highlighted in a local play strategy.
 - 6.1 The Big Lottery Fund requires the local authority to be the project applicant and, should the bid be approved, be the financially accountable body.
 - 6.2 The bid must contain a portfolio of projects which meet the needs highlighted in a local play strategy. If the bid is successful, some of the project work is likely to be delivered by Chorley Borough Council, whilst other elements will be best delivered under contract by voluntary and community groups.

CURRENT SITUATION

7. A small group of officers (Community Development, External Funding, Open Spaces, Sports Development), has been working in close consultation with the play partnership to explore how to approach bid development.
 - 7.1 The Play Partnership, supported by Liz Morey (Community Development worker) is now in the early stages of developing a play strategy for the Chorley area which reflects their grass roots knowledge and expertise. The strategy is due to be completed in August 2006, and will be an ideal document to inform the content of the bid.
 - 7.2 The officers who have been working on this to date, feel that once local needs and priority areas have been identified, that work should begin on developing the bid's portfolio of projects during autumn 2006. Project risk assessments will be undertaken and political approval sought in winter 2006/07. Final bid submission is recommended to take place in March 2007.

COMMENTS OF THE HEAD OF HUMAN RESOURCES

8. There are no apparent human resources implications in the development of a local play strategy.

RECOMMENDATION(S)

9. The Executive Cabinet is asked to :
- support the Play Partnership in developing a local play strategy
 - endorse collaborative working with the play partnership to develop a bid for 'Children's Play Initiative' funding

REASONS FOR RECOMMENDATION(S)

10. The Play Partnership is an ideally placed for developing a local play strategy. The partnership is made up of a variety of voluntary and a statutory organisation, each making a direct contribution to play provision within the Borough. It's mission statement is "Working in partnership to promote and increase quality play opportunities for children and young people across the Borough of Chorley."

Chorley's application for £208,000 will only be successful if it can demonstrate partnership working. A successful bid will considerably increase Chorley's capacity to invest in play provision for the period 2007- 2010.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

11. None

GARY HALL
DIRECTOR OF FINANCE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Sara Cooper	5337	16 th March 2006	ADMINREP/REPORT

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