

Chorley

Borough Council



Council Papers

for consideration on

11 April 2006



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Chief Executive's Office

Please ask for: Mr A Uren
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Date: 6 April 2006

Chief Executive:
Donna Hall

Dear Councillor

COUNCIL – TUESDAY, 11TH APRIL 2006

You are invited to attend a meeting of the Chorley Borough Council to be held in the Council Chamber, Town Hall, Chorley on Tuesday, 11th April 2006 commencing at 6.30 pm for the following purposes.

AGENDA

1. **Apologies for absence**

2. **Declarations of Any Interests**

Members of the Council 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)**

Council Meeting held on 7 March 2006 – Confirmation as a correct record for signature by the Mayor.

4. **Councillor R W Livesey - Resignation**

The Mayor to advise Members of the resignation of Councillor Roger W Livesey (Councillor for Clayton-le-Woods North Ward) with effect from 14 March 2006.

5. **Mayoral Announcements**

6. **Annual Audit and Inspection Letter, 2004/05 (Pages 13 - 42)**

Report enclosed

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

Continued....

7. **Development Control Committee** (Pages 43 - 46)
General Report (enclosed)
8. **Statutory Licensing Committee and Licensing and Safety Committee** (Pages 47 - 48)
General Report (enclosed)
9. **Audit Committee** (Pages 49 - 52)
General Report (enclosed)
10. **Overview and Scrutiny Committee and Panels** (Pages 53 - 56)
General Report (enclosed)
11. **General Purposes Committee** (Pages 57 - 58)
General Report (enclosed)
12. **Executive Cabinet**
 - a) **Capital Programme Monitoring 2005/06 and 2006/07- Monitoring** (Pages 59 - 80)
Report enclosed
 - b) **Role and Membership of the Audit Committee** (Pages 81 - 90)
Report enclosed
 - c) **Constitution of the Chief Executive's Performance Review Panel** (Pages 91 - 92)
Report enclosed
 - d) **Revised Local Development Scheme, 2006-2009** (Pages 93 - 100)
Report enclosed
 - e) **General Report** (Pages 101 - 108)
Copy enclosed
13. **Area Forum Pilots - Update Report** (Pages 109 - 110)
Report of Chief Executive (enclosed).
14. **Housing Shadow Board - Replacement Member**
To consider the appointment of a replacement Council representative on the Housing Shadow Board as a consequence of the recent resignation of Ex Councillor R Livesey
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15. Questions asked under Council Procedure Rule 7 (if any)
16. To consider the Notices of Motion (if any) given in accordance with Council procedure Rule 8
17. Any other item(s) the Mayor decides is/are urgent

Yours sincerely



Chief Executive

Distribution

To all Members of the Council and Chief Officers

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

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

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COUNCIL**Tuesday, 7 March 2006**

Present: Councillor Mrs M Gray (Mayor), Councillor M Wilson (Deputy Mayor), Councillors K Ball, E Bell, T Bedford, A Birchall, T Brown, Brownlee, Mrs P Case, H Caunce, A Cullens, F Culshaw, M Davies, D Dickinson, Mrs D Dickinson, D Edgerley, A Gee, D Gee, P Goldsworthy, T Gray, H Heaton, C Hoyle, Miss I Iddon, M Lees, R Lees, L Lennox, R Livesey, A Lowe, M Lowe, P Malpas, T McGowan, Miss J Molyneaux, G Morgan, M Perks, G Russell, E Smith, S Smith, Mrs J Snape, R Snape, C Snow, J Walker, Mrs S Walsh, A Whittaker and J Wilson

06.C.15 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Buckley and Parr.

06.C.16 DECLARATIONS OF ANY INTERESTS

No Member disclosed an interest in relation to matters under consideration at the meeting.

06.C.17 MINUTES

RESOLVED - That the Minutes of the Council meeting held on 24 January 2006 be confirmed as a correct record and signed by the Mayor.

06.C.18 MAYORAL ANNOUNCEMENTS

The Mayor welcomed a delegation of Members and Officers from Wyre Borough Council who were attending the meeting to see how we debate and consider reports.

The Mayor informed Members of the following:

- (a) A Ladies Luncheon - Women of Achievement be held at The Pines Hotel, on Tuesday, 16 March 2006.
- (b) A boat trip on Sunday, 19 March from 1.00pm to 5.00pm with 60's music band 'Full Circle'.
- (c) An army event on Saturday, 25 March between 9.00am and 5.00pm in Astley Park.
- (d) A fashion show with Cameo held on Wednesday, 26 April at St Joseph's Parish Centre.

06.C.19 DEVELOPMENT CONTROL COMMITTEE

The Chair of the Development Control Committee presented a report summarising the more significant proposals considered at a meeting of the Committee held on 14 February 2006.

RESOLVED - That the report be noted.

06.C.20 OVERVIEW AND SCRUTINY COMMITTEE AND PANELS

The Chair of the Overview and Scrutiny Committee presented a report summarising the principal matters discussed at the Overview and Scrutiny Committee held on 19

January 2006 and the Special meeting held on 16 February 2006 as well as a brief summary of the recent activities and matters discussed at meetings of the Customer, Community and Environment Overview and Scrutiny Panels.

RESOLVED - That the report be noted.

06.C.21 ESTABLISHMENT OF A CHIEF OFFICER APPOINTMENTS PANEL

RESOLVED - That the Special Committee for the Chief Executives Appointment be reconstituted as the Chief Officer Appointments Panel with the membership remaining the same with Councillors J Wilson (Chair), Ball, Mrs Case, Edgerley, Goldsworthy, Hoyle and R Snape.

06.C.22 CORPORATE STRATEGY 2006/07 – 2008/09

The Executive Member for Customers, Policy and Performance presented a report seeking approval of the draft Corporate Strategy for 2006/07 - 2008/09.

The draft Strategy set out the Council's vision, priorities and strategic objectives for the next three year period up to 2009 and identified a series of measures, targets and key proposals for delivery in 2006/07.

The Strategy had been developed through a series of focus meetings and consultation sessions with Council Members, Officers and community groups to highlight the relevant issues raised during the Authority's Comprehensive Performance Assessment and to report the adopted Community Strategy's five priorities.

The key projects identified in the draft Strategy had influenced the budget consideration for 2006/07, and progress on the achievements of the projects would be reviewed annually.

RESOLVED - That the Corporate Strategy for 2006/07 and 2008/09 as presented be approved.

06.C.23 PERFORMANCE AGREEMENT 2006/07

The Executive Member for Customers, Policy and Performance presented a report seeking approval of the Performance Agreement for 2006/07.

The aim of the Performance Agreement was to ensure delivery in 2006/07 of the key projects that will contribute to the achievement of the new priorities and strategic objectives identified in the Corporate Strategy for 2006/07 and 2008/09.

While overall responsibility for each of the projects would be assigned annually to an Executive Member and a Group Director, Chief Officers and senior managers would be responsible for the day to day project management of the initiatives. Subsequently, all elements of the Performance Agreement would be monitored through the Council's performance management database (Performance Plus), with periodic reports being presented to the Executive Cabinet and the Overview and Scrutiny bodies.

RESOLVED - That the Performance Agreement for 2006/07 as presented be approved.

06.C.24 TIMETABLE OF MEETINGS FOR 2006/07

The Executive Leader presented a report seeking the Council's endorsement of the draft timetable of meetings for the 2006/07 Municipal Year from the Annual Meeting on 16 May 2006.

With the exception of the summer holiday period, the timetable proposed a six weekly cycle of Council and Licensing and Safety Committee meetings, and an average four week frequency of meetings of the Executive Cabinet, Development Control Committee and the Overview and Scrutiny Committee and its Associate Panels. The draft schedule also took account of local school holiday weeks and the need to arrange appropriate meetings in line with the budget scrutiny exercise. In addition, dates had been allocated for two further meetings of the three Area Forum pilots, three Borough/Parish Council Liaison meetings, monthly Member Development Steering Group meetings and Member Learning Hours and quarterly meetings of a number of the liaison meetings.

RESOLVED - That the timetable of meetings to be held during the 2006/07 Municipal Year as presented be approved.

06.C.25 AMENDMENTS TO DESIGNATED POLLING PLACES

The Executive Leader presented a report proposing a number of amendments to the location and designation of Polling Places within the Borough.

The alterations were recommended after taking account of operational experiences during the 2005 elections, requests to consider newly available attendance facilities and the recent closure of a current polling place.

RESOLVED - 1) That the following amendments to Polling Places be approved.

- **Clayton-le-Woods and Whittle-le-Woods (Register 10B)**
The substitution of Whittle Village Hall, Union Street for the current designated station at Whittle-le-Woods, Primary School, Preston Road.
 - **Clayton-le-Woods North (Register 11A)**
The substitution of the current designated station at Clayton Youth and Community Centre, Manor Road by two stations at St Bede's School (Old School), Preston Road and Clayton-le-Woods Primary School (Old School), Back Lane, Clayton-le-Woods.
 - **Chorley North East (Registers 6A and 6B)**
The substitution of the current designated station and St Joseph's RC Primary School, Railway Road, Chorley by a mobile station to be located on the car park between All Seasons Leisure Centre and the former Bentwoods Factory.
- 2) That the above new polling stations be designated as Polling Places for Chorley.

06.C.26 GENERAL REPORT

The Executive Leader presented a report summarising the more significant items of business dealt with at a meeting of the Executive Cabinet held on 9 February 2006 and a non-scheduled meeting on 23 February 2006.

RESOLVED - That the report be noted.

(Councillor Lennox declared an interest in relation to a question raised during the above item regarding the Housing Revenue Account reserves of £150,000 and the allocation of £100,000 for the replacement of soffits in HRA properties in the Longfield Estate, Coppull. She remained in the meeting, but did not take part in the discussion).

06.C.27 STATUTORY REPORT ON THE BUDGET AND MEDIUM TERM FINANCIAL STRATEGY FOR 2006/07 - 2008/09

The Director of Finance submitted a report to satisfy the provision of Section 25 of the Local Government Act 2003 requiring the Officer to report independently to Members on the robustness of the estimates and the adequacy of the Council’s reserves. Good practice was for such advice to be set within the context of the Council’s Medium Term Financial Strategy which should cover both revenue and capital spending issues also includes specific requirements arising from the Prudential Code for Capital Finance in Local Authorities.

**RESOLVED - 1) That the advice of the Chief Finance Officer under Section 25 of the Local Government Act 2003, as set out in the submitted report be noted and the Council have regard to it when considering the budget for 2006/07.
2) That the Medium Term Financial Strategy for 2006/07 - 2008/09, including the Treasury Management Strategy and Prudential Indicators as shown in Appendix to the submitted report be approved.**

06.C.28 GENERAL FUND REVENUE BUDGET 2006/07

The Leader of the Council presented a report seeking the Council’s approval of the Executive Cabinets budget spending proposals for 2006/07.

The Executive Leader explained that the proposals had been formulated to feed directly into the Council’s key objectives, targets and action for 2006/07 and beyond. The Council’s priorities address the key issues identified and codified in the updated Corporate Strategy. The Corporate Strategy represents the Council’s contribution to achieving the objectives and outcomes specified.

The report set out the Executive Cabinet’s proposals, including appendices relating to budget consultation responses, including the Executive’s response to issues raised by the Overview and Scrutiny Committee in relation to its review of the budget and savings and growth items.

It was moved by the Executive Leader and seconded by the Deputy Leader of the Council that the Executive Cabinets budget proposals to achieve a total budget requirement of £13,751,100, as detailed in the submitted report, be approved.

In terms of the total Council Tax bill, when the precepts of the County Council, Police and Fire Authorities were taken into account the average bill across the Borough including Parish precepts would increase by 5.1% or 127p per week at Band D. Excluding Parish precepts the increase will be 4.9% or 120p. The Borough increase equates to 4.8% or 15 per week on the average Band D property.

In respect of the budget proposals for 2006/07 it was moved by Councillor Goldsworthy and seconded by Councillor Mrs Case that the budget and estimates of the Executive Cabinet be amended as follows:

	£	£
2006/2007 Budgeted Net expenditure as per the Executive’s Recommendation		13,751,100
Add back Removal of car parking yield increase		23,000
Less Removal of proposed growth items:	(35,000)	

Appointment of Neighbourhood Co-ordinator and local research	(59,000)	
Additional expenditure on communication	(24,000)	
Staffing support to the Local Strategic Partnership		(118,000)
Reduction in staffing levels		
Equalities & Diversity Officer		
Communications Team	(37,000)	
Further reduction of 2 vacant posts consequent upon the Senior Management restructure	(63,000)	
	(43,200)	
Other Reductions		
Delete the Communications budget		(143,200)
Remove subscription to North West Regional Assembly	(31,000)	
	(5,000)	
		(36,000)
Revised Net Expenditure		<u>13,476,900</u>

At this level of expenditure the average Band D Council Tax for the Borough Council's services would remain at the level set in 2005/06 of £163.63 and that the Council Tax resolution be amended accordingly.

In accordance with the requirement of Section 25 of the Local Government Act 2003, to provide the Council with the Chief Finance Officer's views on the robustness of the budget and the adequacy of resources in the budget proposals, the Director of Finance submitted a report on the risks and robustness of the alternative budget proposals.

A request was made under the Council Procedure Rule 17(2) for a recorded vote on the Conservative Group amendment.

For: Councillors Bedford, Bell, Mrs Case, Counce, Cullens, Culshaw, D Dickinson, Mrs D Dickinson, Goldsworthy, Mrs M Gray, Heaton, Livesey, Malpas, Morgan, Perks, Russell, Mrs Smith, E Smith, S Smith and Walker. (20)

Against: Councillors Ball, Birchall, Brown, Brownlee, Davies, Edgerley, A Gee, D Gee, T Gray, Hoyle, Iddon, M Lees, R Lees, Lennox, A Lowe, M Lowe, McGowan, Miss Molyneaux, Mrs J Snape, R Snape, Snow, Mrs Walsh, Whittaker, J Wilson and Mrs Wilson. (25)

Absentions: None.

The necessary formal resolutions on the setting of the 2006/07 Council Tax for the Borough to reflect the Council's net revenue requirements together with the necessary additions to meet Lancashire County Council, Lancashire Police Authority, Lancashire Fire Authority and Parish Council precepts were moved by the Executive Leader and Deputy Leader of the Council.

RESOLVED - 1) That it be noted that acting under delegated powers the Director of Finance calculated the amount of 34,744.40 as its Council Tax Base for the year 2006/07 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992.

- (a) 34,744.40 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its council Tax Base for the year.
- (b) Part of the Council's Area

Parish of:	Adlington	1,964.10
	Anderton	475.20
	Anglezarke	15.30
	Astley Village	1,117.50
	Bretherton	282.70
	Brindle	455.80
	Charnock Richard	666.90
	Clayton le Woods	4,747.60
	Coppull	2,350.70
	Croston	1,029.60
	Cuerden	41.40
	Eccleston	1,533.30
	Euxton	3,215.80
	Heapey	379.20
	Heath Charnock	801.40
	Heskin	348.80
	Hoghton	361.50
	Mawdesley	755.80
	Rivington	53.90
	Ulnes Walton	258.60
	Wheelton	392.30
	Whittle le Woods	1,750.30
	Withnell	1,252.20
	All other parts of the Council's area	10,494.50
	Total	34,744.40

being the amounts calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate.

2) That the following amounts be now calculated by the Council for the year 2006/07 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:

- (a) £41,090,589 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (e) of the Act;
- (b) £26,804,065 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) to (c) of the Act.
- (c) £14,286,524 being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year;
- (d) £7,791,688 being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, Revenue Support Grant, increased by the amount of the sums which the Council estimates will be transferred in the year from its collection fund to its general fund in accordance with Section 97(3) of the Local Government Finance Act 1988;
- (e) £186.94 being the amount at 2(c) above less the amount at 2(d) above, all divided by the amount at 2(a) above, calculated by the Council,

in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year;

(f) £1,224,985 being the aggregated amount of all special items referred to in Section 34(1) of the Act;

(g) £151.69 being the amount at 2(e) above less the result given by dividing the amount at 2(f) above by the amount at 1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special items relates;

(h) Part of the Council's Area

		£
Parish of:	Adlington	178.43
	Anderton	161.69
	Anglezarke	151.69
	Astley Village	196.02
	Bretherton	179.81
	Brindle	167.66
	Charnock Richard	186.28
	Clayton le Woods	211.93
	Coppull	196.71
	Croston	180.39
	Cuerden	184.92
	Eccleston	182.56
	Euxton	198.49
	Heapey	190.83
	Heath Charnock	178.74
	Heskin	173.07
	Hoghton	167.62
	Mawdesley	183.44
	Rivington	172.09
	Ulnes Walton	167.15
	Wheelton	177.27
	Whittle le Woods	187.88
	Withnell	180.05
	All other parts of the Council's area	177.55

being the amounts given by adding to the amount at 2(g) above to the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate;

(i) Part of the Council's Area

	<u>Valuation Bands</u>							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Parish of:								
Adlington	118.95	138.78	158.60	178.43	218.08	257.73	297.38	356.85
Anderton	107.79	125.76	143.72	161.69	197.62	233.55	269.48	323.37
Anglezarke	101.12	117.98	134.83	151.69	185.39	219.10	252.81	303.37
Astley Village	130.68	152.46	174.24	196.02	239.58	283.15	326.71	392.05
Bretherton	119.87	139.85	159.83	179.81	219.77	259.73	299.68	359.62
Brindle	111.77	130.40	149.03	167.66	204.92	242.18	279.44	335.32
Charnock Richard	124.19	144.88	165.58	186.28	227.67	269.07	310.46	372.56
Clayton le Woods	141.29	164.84	188.38	211.93	259.03	306.12	353.22	423.86
Coppull	131.14	153.00	174.85	196.71	240.42	284.14	327.85	393.42
Croston	120.26	140.30	160.35	180.39	220.47	260.56	300.65	360.78
Cuerden	123.28	143.83	164.38	184.92	226.02	267.11	308.20	369.85
Eccleston	121.70	141.99	162.27	182.56	223.13	263.69	304.26	365.11
Euxton	132.33	154.38	176.44	198.49	242.60	286.71	330.82	396.98
Heapey	127.22	148.42	169.63	190.83	233.24	275.64	318.05	381.66
Heath Charnock	119.16	139.02	158.88	178.74	218.46	258.17	297.89	357.47
Heskin	115.38	134.61	153.84	173.07	211.53	249.99	288.44	346.13
Hoghton	111.75	130.37	148.99	167.62	204.87	242.12	279.37	335.24
Mawdesley	122.29	142.67	163.05	183.44	224.20	264.96	305.73	366.87
Rivington	114.73	133.85	152.97	172.09	210.34	248.58	286.82	344.19
Ulnes Walton	111.44	130.01	148.58	167.15	204.30	241.44	278.59	334.31
Wheulton	118.18	137.87	157.57	177.27	216.66	256.05	295.44	354.53
Whittle le Woods	125.25	146.13	167.00	187.88	229.63	271.38	313.13	375.75
Withnell	120.04	140.04	160.05	180.05	220.07	260.08	300.09	360.11
All other parts of the Council's area	118.37	138.10	157.83	177.55	217.01	256.47	295.92	355.11

being the amounts given by multiplying the amounts at 2(g) and 2(h) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

3. That it be noted that for the year 2006/07 the Lancashire County Council, Lancashire Police Authority, and the Lancashire Combined Fire Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

	<u>Valuation Bands</u>							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
<u>Precepting authority</u>								
Lancashire County Council	664.57	775.33	886.09	996.85	1,218.37	1,439.89	1,661.42	1,993.70
Lancashire Combined Fire Authority	36.47	42.55	48.63	54.71	66.87	79.03	91.18	109.42
Lancashire Police Authority	75.39	87.96	100.52	113.09	138.22	163.35	188.48	226.18

4. That, having calculated the aggregate in each case of the amounts at 2(i) and 3 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2005/2006 for each of the categories of dwellings shown below:

(j) Part of the Council's Area

Parish of:	<u>Valuation Bands</u>							
	A £	B £	C £	D £	E £	F £	G £	H £
Adlington	895.38	1,044.62	1,193.84	1,343.08	1,641.54	1,940.00	2,238.46	2,686.15
Anderton	884.22	1,031.60	1,178.96	1,326.34	1,621.08	1,915.82	2,210.56	2,652.67
Anglezarke	877.55	1,023.82	1,170.07	1,316.34	1,608.85	1,901.37	2,193.89	2,632.67
Astley Village	907.11	1,058.30	1,209.48	1,360.67	1,663.04	1,965.42	2,267.79	2,721.35
Bretherton	896.30	1,045.69	1,195.07	1,344.46	1,643.23	1,942.00	2,240.76	2,688.92
Brindle	888.20	1,036.24	1,184.27	1,332.31	1,628.38	1,924.45	2,220.52	2,664.62
Charnock Richard	900.62	1,050.72	1,200.82	1,350.93	1,651.13	1,951.34	2,251.54	2,701.86
Clayton le Woods	917.72	1,070.68	1,223.62	1,376.58	1,682.49	1,988.39	2,294.30	2,753.16
Coppull	907.57	1,058.84	1,210.09	1,361.36	1,663.88	1,966.41	2,268.93	2,722.72
Croston	896.69	1,046.14	1,195.59	1,345.04	1,643.93	1,942.83	2,241.73	2,690.08
Cuerden	899.71	1,049.67	1,199.62	1,349.57	1,649.48	1,949.38	2,249.28	2,699.15
Eccleston	898.13	1,047.83	1,197.51	1,347.21	1,646.59	1,945.96	2,245.34	2,694.41
Euxton	908.76	1,060.22	1,211.68	1,363.14	1,666.06	1,968.98	2,271.90	2,726.28
Heapey	903.65	1,054.26	1,204.87	1,355.48	1,656.70	1,957.91	2,259.13	2,710.96
Heath Charnock	895.59	1,044.86	1,194.12	1,343.39	1,641.92	1,940.44	2,238.97	2,686.77
Heskin	891.81	1,040.45	1,189.08	1,337.72	1,634.99	1,932.26	2,229.52	2,675.43
Hoghton	888.18	1,036.21	1,184.23	1,332.27	1,628.33	1,924.39	2,220.45	2,664.54
Mawdesley	898.72	1,048.51	1,198.29	1,348.09	1,647.66	1,947.23	2,246.81	2,696.17
Rivington	891.16	1,039.69	1,188.21	1,336.74	1,633.80	1,930.85	2,227.90	2,673.49
Ulnes Walton	887.87	1,035.85	1,183.82	1,331.80	1,627.76	1,923.71	2,219.67	2,663.61
Wheelton	894.61	1,043.71	1,192.81	1,341.92	1,640.12	1,938.32	2,236.52	2,683.83
Whittle le Woods	901.68	1,051.97	1,202.24	1,352.53	1,653.09	1,953.65	2,254.21	2,705.05
Withnell	896.47	1,045.88	1,195.29	1,344.70	1,643.53	1,942.35	2,241.17	2,689.41
All other parts of the Council's area	894.80	1,043.94	1,193.07	1,342.20	1,640.47	1,938.74	2,237.00	2,684.41

5. That the Director of Finance and his officers be authorised to take any action necessary to ensure collection and recovery of the Council Tax and Non-Domestic Rates.

EXPLANATION OF COUNCIL TAX SETTING RESOLUTION

RESOLUTION 1

(a) Before we can calculate the Council Tax to be charged, we first have to calculate the Council Tax base. The Council Tax base is the amount which a Band D Council Tax of £1.00 would raise. For 2006/07 we estimate that a £1.00 Council Tax at Band D would raise £34,744.40 in the Chorley area.

(b) This shows the “base” figure for each Parish in the area. For example, a £1.00 Band D Council Tax in Adlington would raise £1,964.10.

RESOLUTION 2

(a) This is the grand total of money which the Council estimates it will spend on all services in 2006/07. It also includes £535,399 which Parish Councils need to run their services.

(b) This is the grand total of money which the Council estimates it will receive from various sources in the year. This includes, for example, car park charges, housing rents, government grants in respect of benefits, etc.

(c) This is the difference between 2(a) and 2(b) and is in effect the Council’s and Parishes net spending on services.

(d) This is the amount that the Government will contribute towards the cost of our services. Also included is extra Council Tax resulting from new properties and expected collection rates in previous years.

(e) The difference between 2(c) and 2(d) is £6,494,836 and this is the amount we need to charge Council Taxpayers. This is divided by the base (see 1(a) above) and the resulting figure of £186.94 is the average Band D Council Tax for all Borough and Parish services.

(f) The total of all the amounts needed from Council Taxpayers by the Parish Councils in the area and for Chorley Borough Special Expenses.

(g) This is the Band D Council Tax for Chorley Borough Council’s own services, ie excluding Parish Council spending and Special Expenses

(h) This table shows the Band D Council Tax for all parishes including the cost of the Parish Councils and Chorley Borough Council. For example, Adlington’s Band D Council Tax is £151.69 for Chorley Borough services and £8.79 for Adlington Town Council services and £17.95 for Chorley Borough Special Expenses.

(i) The rate for each property Band is calculated by reference to the Band D charge. The following ratios apply:

Band A	$\frac{6}{9}$ ths of Band D
Band B	$\frac{7}{9}$ ths of Band D
Band C	$\frac{8}{9}$ ths of Band D
Band D	$\frac{9}{9}$ ths of Band D
Band E	$\frac{11}{9}$ ths of Band D
Band F	$\frac{13}{9}$ ths of Band D
Band G	$\frac{15}{9}$ ths of Band D
Band H	$\frac{18}{9}$ ths of Band D

For Adlington Band A, for example, the charge is $\pounds 178.43 \times 6 \div 9 = \pounds 118.95$; for Band B it is $\pounds 178.43 \times 7 \div 9 = \pounds 138.78$.

RESOLUTION 3

Lancashire County Council, Lancashire Fire Authority and Lancashire Police Authority are separate bodies who have worked out their own estimates of spending and income for 2006/07 and have set taxes in a similar way to Chorley Borough Council. This resolution notes their final decision.

RESOLUTION 4

This pulls together the Council Taxes for Lancashire County Council, Lancashire Fire Authority, Lancashire Police Authority, Chorley Borough Council and the Parish Councils. For example, the Band D for Adlington is $\pounds 1,343.08$ made up as follows:

	£
Lancashire County Council (as in 4 above)	996.85*
Lancashire Fire Authority (as in 4 above)	54.71*
Lancashire Police Authority (as in 4 above)	113.09*
Chorley Borough Council (as in 3(g) above)	151.69
Adlington Town Council	8.79
Special Expenses	17.95

* These values have to be confirmed by the precepting authority

RESOLUTION 5

Formally authorise the necessary staff to take legal action to collect arrears as and when this is necessary. ***For the vast majority of taxpayers, this is not needed***

06.C.29 CAPITAL PROGRAMME 2006/07 TO 2008/09

The Executive Leader presented a report of the Director of Finance on proposals for the revision of the 2005/06 Capital Programme and the formulation of the Capital Programme for 2006/07 to 2008/09.

the revised Capital Programme agreed in January 2006 had totalled £15,749,770, but the latest forecast, after taking account of slippages to 2006/07 and additional expenditure on the Strategic Regional Site at Euxton, had revealed a reduction in total expenditure of £15,202,760.

The report identified in Appendix 1, the Category A and B schemes included in the three year Capital Programme from 2006/07 to 2008/09, classified into the respective corporate priorities, the expenditure for which totalled, £14,659,970, after taking account of charges to the phasing of programmes and slippage of expenditure in other schemes.

The report also included, at Appendix 2, a list of reserve schemes in respect of which outline business cases have been presented to the Capital Programme Board. The Executive Cabinet was asked to determine which, if any, of the reserve Category C schemes, will be added to the three year Capital Programme. The Cabinet, considered that until feasible business cases had been produced and the revenue consequences identified, it would be unwise to make firm commitments on the reserve schemes.

RESOLVED 1) That the reduction of the 2005/06 Capital Programme from £15,749,770 to £15,202,760, be approved.

2) That the Capital Programme for 2006/07 to 2008/09 comprising the Category A and B schemes identified in Appendix 1 to the submitted report, at a total expenditure of £14,659,970, be approved.

3) That approval be deferred of any schemes from the reserve list pending further detailed consideration of the relative merits and costs of each individual scheme.

06.C.30 TO CONSIDER THE NOTICE OF MOTION GIVEN IN ACCORDANCE WITH COUNCIL PROCEDURE RULE 8

The following Notice of Motion submitted in accordance with provision of Rule 8 of the Council Procedure Rules was moved by Councillor Bell and seconded by Councillor Goldsworthy,

“That this Borough Council agrees to undertake a comprehensive consultation exercise with Chorley residents exploring their views regarding the restoration of the town’s original motto ‘Beware’ which was replaced by “Be Aware” in 1988.”

An amendment was moved by Councillor R Snape and seconded by Councillor Iddon as follows:

“That the Director of Finance investigate the costings of this exercise and bring it with the support of the Chief Executive to the Executive Cabinet and then to Council”.

Councillor Bell accepted the amendment to the Notice of Motion. The amendment was put to the vote and the Mayor declared it carried.

RESOLVED - That the Director of Finance investigates the costings of this exercise and bring it with the support of the Chief Executive to the Executive Cabinet and then to Council.”

Mayor

REPORT OF EXECUTIVE CABINET**ANNUAL AUDIT AND INSPECTION LETTER, 2004/05**

1. The Audit Commission's Annual Audit and Inspection Letter for 2004/05 is attached to this report for members' consideration. The letter summarises the conclusions and significant issues arising from the Commission's recent audit and inspection of the Borough Council.
2. The letter was submitted to the last meeting of the Executive Cabinet on 30 March 2006 and the generally positive comments were well received by the Members.
3. The authors of the letter, Mr M Thomas and Mr G Kelly from the Audit Commission, have been invited to attend the Council meeting on 11 April to assist Members' consideration of the letter.
4. Members' views and comments on the Audit and Inspection Letter are invited.

COUNCILLOR J WILSON
Executive Leader

AU

There are no background papers to this report.

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Annual Audit and Inspection Letter

Chorley Borough Council

Audit 2004/2005

External audit is an essential element in the process of accountability for public money and makes an important contribution to the stewardship of public resources and the corporate governance of public services.

Audit in the public sector is underpinned by three fundamental principles.

- Auditors are appointed independently from the bodies being audited.
- The scope of auditors' work is extended to cover not only the audit of financial statements but also value for money and the conduct of public business.
- Auditors may report aspects of their work widely to the public and other key stakeholders.

The duties and powers of auditors appointed by the Audit Commission are set out in the Audit Commission Act 1998, the Local Government Act 1999 and the Commission's statutory Code of Audit Practice. Under the Code of Audit Practice, appointed auditors are also required to comply with the current professional standards issued by the independent Auditing Practices Board.

Appointed auditors act quite separately from the Commission and in meeting their statutory responsibilities are required to exercise their professional judgement independently of both the Commission and the audited body.

Status of our reports to the Council

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

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- any third party.

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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 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 22 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. 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 12 December 2005. The quality of information produced for performance indicators (PIs) needs to significantly improve, with five reservations placed on 2004/05 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;

8 Annual Audit and Inspection Letter | Key messages

- monitor Civil Contingencies Act compliance, business continuity arrangements and public awareness strategies; and
- monitor the introduction of improved performance information quality control arrangements.

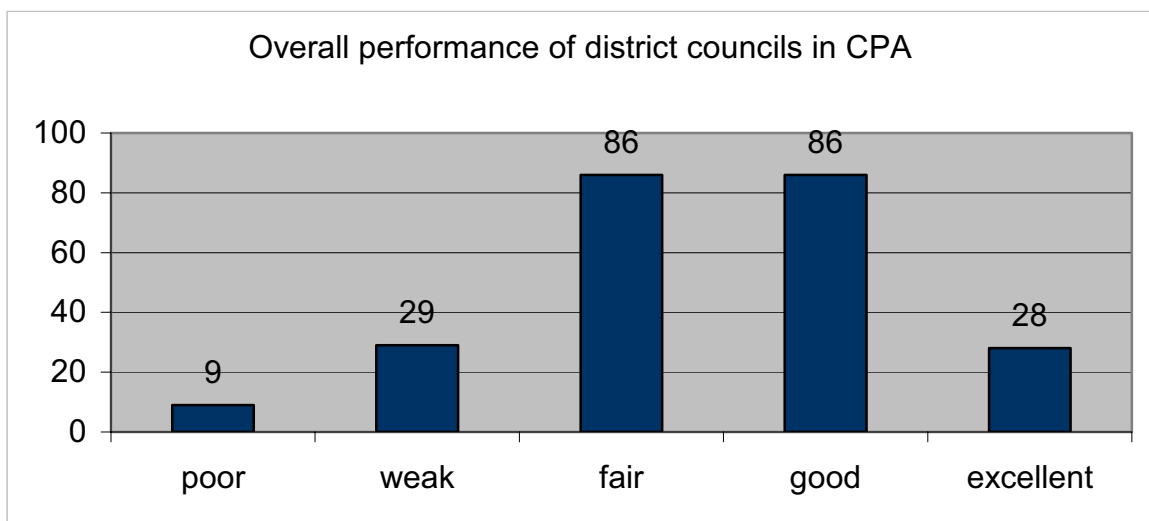
Council performance

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.
- 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 per cent compared to the national average of 77 per cent.
- 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 per cent, 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 per cent 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 per cent 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 users. E-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 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 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 12 December 2005.
- 38 The quality assurance arrangements on performance data quality is under developed as reflected in 40 per cent of 2004/05 BVPIs being inaccurate, with reservations placed on five out of 48 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 as follows.
- 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.

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 22 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 21 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; and
 - 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; and
 - 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.

Matters arising from the final accounts audit

48 The 2004/05 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 21 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 £2.75 million.

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

General fund spending and balances

- 52 The net cost of services per head of population is £208 in 2004/05, which is in the mid range for districts. The general fund balances represents 13.2 per cent 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 9 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 per cent of HRA related expenditure in 2004/05 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 2005/06 and 2006/07 respectively.

Capital programme

- 55 The 2004/05 approved total capital programme was £17 million, although only £9 million 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 per cent 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
2001/02	2,184	557	274	3,015
2002/03	2,016	475	302	2,793

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

Source: Statement of accounts

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 adopted, which now needs to be effectively communicated to members, staff and related third parties.
- 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 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

Element	Assessment
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 Council's financial management arrangements can be made through incorporating the new Community Plan and other internal plans into the future MTFS to assist in the delivery of its strategic priorities. Deliver regular financial management training for members and non-financial officers.
- 71 Performance is actively managed against budgets and the Council performs well on managing its asset base, and the capital strategy is being updated to reflect current priorities. 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, including improvement priorities, and the results shared with stakeholders.

Financial standing

- 72 The Council has a good track record of managing it's spending within budget, linking the level of reserves against the financial risks it faces. Strong performance can be secured through members monitoring of financial health indicators.

Internal control

- 73 The Council does have well performing arrangements to manage its significant business risks largely achieved through the integration of risk management into its performance management and business planning framework. Although risk management is considered within each of the major partnerships, more work is required through formulating a partnership RM policy framework. To secure strong performance on managing risks broader staff and member RM related training is required, with a more risk aware culture developed through explicit consideration of opportunity upside of risks in decision-making.
- 74 There are sufficient basic controls, strategies and policies in place to give the Council a well performing regulatory framework, although there are no formalised arrangements for regular review of this documentation. There are arrangements to ensure compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful. Members are involved in the process which monitors systems on internal control. Some formalisation and development of existing procedures will be required before advancement to strong performance.
- 75 However, some important elements in the conduct of the Council's business such as an adopted and well communicated whistle blowing policy have still not been embedded to ensure probity and propriety. Partnership arrangements need to be developed in this area. In overall terms, the approach to promote and ensure probity and propriety in the conduct of its business needs to be more proactive.

Value for money

- 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.

Other work

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.

Looking forwards

Future audit and inspection work

- 83 We have an agreed plan for 2005/06 and we have reported in this letter those aspects that have already been completed. The remaining elements of that plan, including our audit of the 2005/06 accounts, will be reported in next year's Annual Letter.
- 84 We have sought to ensure, wherever possible, that our work relates to the improvement priorities of the Council. We will continue with this approach when planning our programme of work for 2006/07. We will seek to reconsider, with you, your improvement priorities and develop an agreed programme by 31 March 2006.

Revision to the Code of Audit Practice

- 85 The statutory requirements governing our audit work, are contained in:
- the Audit Commission Act 1998; and
 - the Code of Audit Practice (the Code).
- 86 The Code has been revised with effect from 1 April 2005. Further details are included in our Audit Plan which has been agreed with the Management Team and shared with the Audit Committee in early 2005. The key changes include:
- the requirement to draw a positive conclusion regarding the Council's arrangements for ensuring value for money in its use of resources; and
 - a clearer focus on overall financial and performance management arrangements.

A new CPA framework

- 87 The Audit Commission has extended the consultation period on the proposals for revising the CPA framework for District Councils up to summer 2006. The revised framework will then follow later in 2006.

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 30 March 2006, to full Council on 11 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.

Mike Thomas
District Auditor Relationship Manager
March 2006

Appendix 1 – Background to this letter

The purpose of this letter

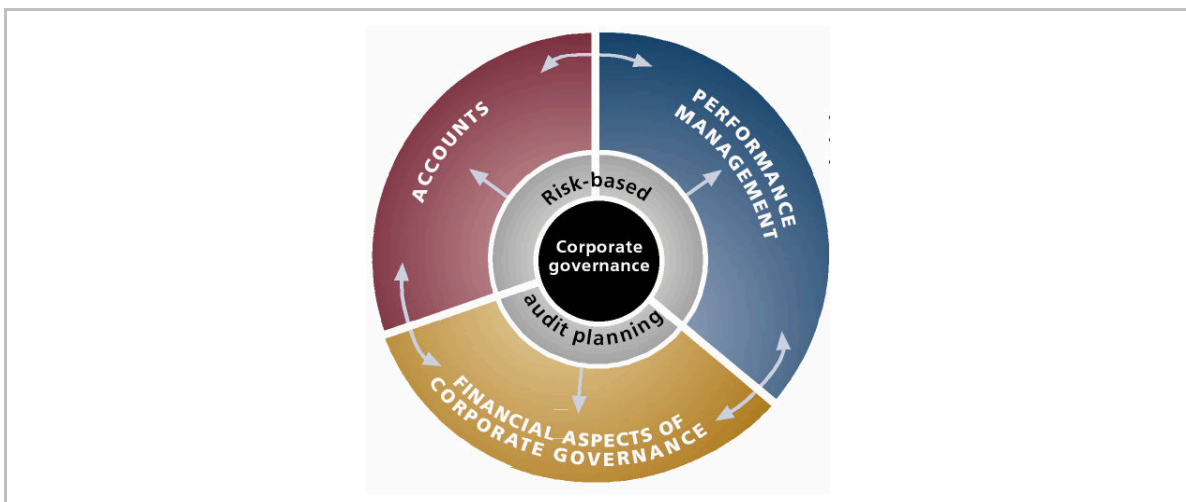
- 1 This is our audit and inspection 'Annual Letter' for members which incorporates the Annual Audit Letter for 2004/05, which is presented by the Council's Relationship Manager and District Auditor. The letter summarises the conclusions and significant issues arising from our recent audit and inspections 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 Figure 1.

Figure 2 Code of Audit Practice

Code of practice responsibilities



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 per cent ODPM grant.

REPORT OF THE DEVELOPMENT CONTROL COMMITTEE**GENERAL REPORT**

1. Since the last Council meeting, the Development Control Committee has met twice on 6 March 2006 and 27 March 2006. This report refers briefly to the more significant proposals that were considered at the two meetings.

6 March 2006**Planning Application 05/00394/OUTMAJ**

2. We considered the above planning application for outline planning permission for a mixed-use development of Offices and Light Industry, General Industry and Warehousing and Distribution use classes with site entrance allocated for a Hotel and Pub access on land between the M61 Motorway and the Leeds and Liverpool Canal, Millennium Way, Chorley.
3. A previous decision made by this Committee had granted planning permission on this site. The decision gave permission for a business and leisure development, including offices, research and development, light industry, general industry, distribution and warehousing, pubs and restaurants, hotel and leisure. However, no reserve matters were ever submitted. The permission had never been implemented and it has now lapsed as the period of time for submission of reserved matter had expired.
4. After considering the information in the officer's report we decided to grant the outline planning permission subject to a Section 106 Agreement.

Planning Application 05/00455/FULMAJ

5. We considered the above planning application for the erection of hotel and public house/ restaurant and related works on land between M61 Motorway and the Leeds and Liverpool Canal, Millennium Way, Chorley.
6. The application proposed the construction of a 109-bed hotel and public house/restaurant in the north western most corner of the site with frontage to the access and the A674. The pub is domestic in scale and has the appearance of an old cottage. It is similar to their recent development at Three Rings (Bamber Bridge) in South Ribble.
7. It was considered that the application was of poor design because of the relationship of the proposed hotel and pub bearing in mind their

contrasting styles and design, and because of this, planning permission was refused.

Planning Application 05/01159/COU

8. We considered the above planning application for a change of use of an existing bungalow to office space and change of use of the existing barn to a dwelling at Thowd Stables, Hall Lane, Mawdesley.
9. The applicants want to swap the buildings to secure a larger dwelling than currently exists on the site. The applicants advise that they have two disabled children and the existing building is ill equipped for their needs.
10. It was considered that the application as proposed was on balance acceptable and subject to the applicant first entering into a legal agreement securing the revocation of the existing residential use, the extent of the residential curtilage and to ensure the conversion of the existing dwelling to offices we decided to grant planning permission subject to a Section 106 Agreement.

27 March 2006 meeting

Planning Application 06/00133/FULMAJ

11. We considered the above planning application for the demolition and clearance of existing warehouse and outbuildings and erection of proposed healthcare facilities development at Friday Street Depot, Friday Street, Chorley
12. The development consists of a L-shaped building, which will accommodate two GP surgeries, a health centre which will be occupied by Chorley and South Ribble Primary Care Trust and a pharmacy.
13. The development will also incorporate visitor parking to the front of the building for 56 cars and at the rear for 26 vehicles. The proposal also incorporates an area of parking for motorcycles and cycles.
14. After considering the information in the Officer's report we decided to grant planning permission subject to a Section 106 Agreement.

Planning Application 06/00147/FUL

15. We considered the above application for the restoration and conversion of WAP building to offices on the site of the Howard Arms Hotel, Dark Lane, Whittle-Le-Woods.

16. It is proposed that the building is used to provide office accommodation for the residents of Heys Lodge and the buildings owners (the applicants: Primrose Holdings).
17. The Wap building was one of three buildings originally constructed as a spa in the mid 1840s. The WAP building being the entrance lodge. The buildings are a vital part of the history and development of Whittle Springs displaying definite links to the cultural heritage of the region.
18. After considering the information in the Officer's report we decided to grant full planning permission

Recommendation

19. The Council is recommended to note this report.

COUNCILLOR A LOWE
Chairman of the Development Control Committee

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There are no background papers to this report.

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REPORT OF STATUTORY LICENSING COMMITTEE AND THE LICENSING AND SAFETY COMMITTEE

GENERAL REPORT

1. This report sets out a brief summary of the main items considered at the meeting of the Statutory Licensing Committee and the Licensing and Safety Committee held on 8 March 2006.

Statutory Licensing Committee - 8 March 2006

2. The Committee was requested to consider an application for the grant of a permit under Section 34 of the Gaming Act 1968 in respect of The Hayrick, Lancaster Lane, Clayton-le-Woods.
3. The Committee at its meeting on 6 December 2005 had approved a scheme of delegation whereby applications for more than two section 34 permits be referred to this Committee for determination. The application in respect of the Hayrick requested three Gaming Machines and Lancashire Police and Council Offices had objected to the machine on the basis that as the machine faced away from the bar, under age gambling and the protection of children could not be controlled or suspended.
4. Representations from The Hayrick indicated that the position of the offending machine had been changed and that all three Section 34 machines were able to be adequately supervised from the bar areas.
5. The Committee therefore granted a permit for the three machines and requested that plans be submitted with all future applications.

Licensing and Safety Committee - 8 March 2006 Use of Private Hire Vehicles with Insurance

6. We received a report from the Director of Legal Services informing us that a private hire vehicle may have been used without insurance on 15 January 2006.
7. Representations received at the meeting indicated that the licensed private hire driver/proprietor of the private hire vehicle, was out of this Country for at least another two months but because of the seriousness of the allegation, we decided in his absence that his private hire driver's licence and hackney carriage driver's licences be revoked on the grounds that we considered that he was not a fit and proper person to hold these licences.
8. We considered the human rights implications and the proportionality principle and were of the view that the protection of the public was of paramount importance.

Hackney Carriage Driver - Failure to Disclose Information

9. We received a report from the Director of Legal Services informing us that information had been received by officers about a licensed hackney carriage driver.
10. The information received indicated that the driver licensed by a neighbouring authority had been suspended from driving hackney carriages within the area of that authority and that this information had not been disclosed to officers of this Council.
11. The report indicated that the Council's application form fails to ask if a licence had been suspended, even though reference is made to a refusal or revocation of a licence. Application forms have since been amended to include suspension.

12. We agreed that the licensed hackney carriage driver be allowed to continue to drive in Chorley but he be sent a warning letter.

Application for Licence to Drive Hackney Carriages/Private Hire Vehicles within Chorley

13. We received a report from the Director of Legal Services requesting consideration of an application received to drive Hackney Carriage/Private Hire Vehicles. Information received from both the Council Records Bureau and his DVLA licence had revealed that the application should be referred to us for determination.
14. We agreed to grant him a private hire drivers licence, but to stress to him that his conduct must be exemplary.

Application for Private Hire Driver's Licence

15. We received a report from the Director of Legal Services requesting us to consider an application for a private hire drivers licence by an applicant who had produced a DVLA licence issued on 26 January 2006 but had failed to provide any proof of any driver experience prior to this.
16. The Council had adopted a policy in 1996 which required applications for drivers licences to be over 21 years of age and to have three years of experience driving under a full licence.
17. It had not been possible to satisfy officers that the applicant had the necessary driving experience and therefore the application had to be determined by the Committee.
18. Representations were made at the Committee indicating that the applicant had received the necessary driving experience in Pakistan.
19. We therefore agreed to grant him a licence for a probationary period of six months, subject to him passing the usual knowledge test and should there be no concerns or complaints raised during this period then a licence be issued for a further six months.

Application for Private Hire Drivers Licence

20. We received a report from the Director of Legal Services requesting us to determine an application for a private hire drivers licence by an applicant who had a number of previous convictions.
21. We agreed that the applicant was not a fit and proper person to hold a licence due to the number and seriousness of the convictions that had been recorded against him over a number of years and were of the opinion that a sufficient period of time had not elapsed since the date of the last conviction for him to be granted a licence.

Meetings of Licensing and Safety Committee and Statutory Licensing Committee held on 5 April 2006

22. Reports on the two Committee meetings held on Wednesday, 5 April 2006 will be presented to the next ordinary meeting of the Council to be held on 18 July 2006.

COUNCILLOR R SNAPE

Chairman of the Licensing and Safety Committee and the Statutory Licensing Committee

There are no background papers to the report.

REPORT OF AUDIT COMMITTEE

GENERAL REPORT

1. This report gives a brief summary of the items discussed at the meeting of the Audit Committee held on 27 March 2006.

Use of resources audit score feedback

2. The Audit Commission submitted a report on the annual use of resources assessment which evaluates how well Council's manage and use their financial resources.
3. The assessment focuses on the importance of having sound and strategic financial management to ensure the resources are available to support the Council's priorities and improve services covering five themes:
 - Financial Reporting
 - Financial Management
 - Financial Standing
 - Internal Control
 - Value for Money
4. For the year 2005/2006 the Authority's overall score for use of resources was a 3 which indicates that the Council is performing well on its use of resources.

Interim Audit Report

5. We received an interim report from the Audit Commission on the work undertaken as part of the Audit and Inspection Plan for 2004/05. The work had been carried out to meet the Code of Audit Practice responsibilities, which included a review of financial core processes and aspects of corporate governance and findings from their review of Internal Audit carried out as part of the 2005/06 audit.
6. Their approach concentrated on three main aspects of Accounts, Financial aspects of corporate governance and Internal Audit and no significant issues arose from the three interim audit review areas. There were some processes identified that could be done better, but no major concerns.

Opinion Memorandum

7. The audit Commission submitted an Opinion Memorandum summarising the matters arising from the audit of the Council's accounts for the year ended 31 March 2005.

8. They gave the authority an unqualified opinion, this is good news and some of the recommendations to improve have already been implemented.

Performance Management

9. The Audit Commission submitted a report of their findings relating to Performance Management within the Authority.
10. In 2004, the Authority's comprehensive performance assessment (CPA) found that on balance, performance management weaknesses outweighed strengths. Over the past 12 months the Authority has demonstrated a positive response to CPA. The performance issues identified as needing further development have been incorporated into the corporate improvement plan (CIP) and action is now being taken to address them.
11. A number of recommendations have been made for the Authority to consider. The new corporate strategy has six strategic objectives, five of which mirror the community strategy priorities. In moving to a new corporate strategy, the Council will address in some part the recommendations. The Council's sixth strategic objective is to ensure it is a performing organisation, and a key project for 2006/07 will be to embed effective performance and risk management.

Best Value Performance Plan

12. The Audit Commission submitted a report on the Audit and Inspection Plan outlining the work that they propose to undertake in 2005/06. The new Code of Audit Practice provides a clearer focus of audit effort on overall financial and performance management arrangements.
13. 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.

Internal Audit Plan 2006/07

14. The Director of Finance submitted a report on the Annual Internal Audit Plan for 2006/07 and the priority areas to be reviewed during the new financial year.
15. The Audit Plan is structured into five sections:
 - Corporate Governance
 - Risk Management

- Business Critical Systems
- Financial Management
- Contingency

16. It is required 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.

Role and Membership of the Audit Committee

17. The Director of Finance submitted a report on proposals to address the recommendations made by the Audit Commission in the Use of Resources Assessment, regarding the Audit Committee's remit and relationship with the new CIPFA model Terms of Reference for Audit Committees.
18. 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.
19. The Audit Commission have 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".
20. The Commission also recommended that the Audit Committee should be "independent of both Executive and Scrutiny functions".

Recommendation

21. The Council is recommended to note this report.

COUNCILLOR LENNOX
Chair of Audit Committee

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REPORT OF OVERVIEW AND SCRUTINY COMMITTEE AND PANELS

GENERAL REPORT

1. This report briefly summarises the business transacted at the Overview and Scrutiny Committee held on 2 March 2006, as well as a brief summary of the recent activities and matters discussed at meetings of the Community, Customer and Environment Overview and Scrutiny Panels.

Overview and Scrutiny Committee 2 March 2006

2. We received the third quarter updates of the Business Plans for the period October to December 2005 relating to Corporate and Policy Services, Human Resources, Legal Services and Finance Services.
3. We discussed each Business Plan in turn with the Service Head, with specific areas discussed in relation to the continuing challenge of reducing sickness absence and the need to closely monitor the situation.
4. Under the Business Plan for Legal Services we were informed of the work that had been undertaken with the implementation of the requirements of the Licensing Act 2003 and that no appeals had been lodged.
5. There had been a reduction in the number of local searches being processed by the Land Charges Unit following a down turn in the property market, resulting in a fall in income for the Unit.
6. Under the Business Plan for Financial Services we noted that there had been a slight improvement in the percentage of invoices paid in 30 days, but it was not enough to make any significant progress to meet the target that would have to be met. The main reason for this was that in the early part of the year during the introduction of the new financial system performance reached little more than 61% in the first quarter and it was therefore not possible to pull back performance. Individuals are now familiar with the new system, resulting in a performance of 91% in the third quarter.

Consultation on Changes to the Strategic Health Authority, The Primary Care Trusts and The Ambulance Service NHS Trusts in Lancashire and Cumbria

7. We received a report from the Head of Leisure and Cultural Services on the proposed response to the consultation on changes to the Strategic Health Authority (SHA), Primary Care Trusts (PCT) and Ambulance Service NHS Trusts in Lancashire and Cumbria.
8. The Committee discussed each of the three areas in detail and queried several issues with the Head of Leisure and Cultural Services.
9. We endorsed the comments that had been made by the Customer Overview and Scrutiny Panel at its meeting on 1 March 2006 and requested that they be forwarded to the Executive Cabinet.

A Plan for all Children and Young People of Lancashire Consultation

10. We received a report of the Head of Leisure and Cultural Services inviting Members to consider a response to Lancashire County Council's draft 'Plan for all the Children and Young People in Lancashire'.

11. Lancashire City Council were keen to hear responses to the following points:
 - Do you share the issues for children and young people in Lancashire.
 - Do you agree with the priorities set out in the plan.
12. The comments recommended to the County Council indicated that we should take an active involvement in the consultation exercise so that the best outcome for the Borough's children and young people could be achieved.

Chorley Economic Regeneration Strategy

13. We received and considered the draft Economic Regeneration Strategy, submitted by the Head of Development and Regeneration.
14. Consultants had been commissioned to undertake a study of the area, in consultation with public sector stakeholders and business to produce the Strategy for the Borough. It provides a detailed evaluation of the economic strengths and challenges faced by the Borough and proposed to target action across a number of inter-linked strands to enable sustainable growth.
15. The Strategy provides a framework for action over a 10 - 15 year period and will be reviewed on a regular basis with action taken to implement the Strategy to be monitored annually against a programme of key actions.

Corporate Strategy 2006/07 - 2008/09

16. We endorsed the draft Corporate Strategy for 2006/07 - 2008/09 setting out the Council's vision, priorities and strategic objectives for the next three year period up to 2009 and identified a series of measures, targets and key proposals for delivery in 2006/07.
17. The Strategy had been developed through a series of focus meetings and consultation sessions with Council Members, Officers and community groups to highlight the relevant issues raised during the Authorities Comprehensive Performance Assessment and to reflect the adopted Community Strategy's five priorities.

Local Strategic Partnerships : Shaping their Future - A Consultation Paper

18. We received a report from the Head of Corporate and Policy Services informing us of the consultation paper produced by the Office of the Deputy Prime Minister which raised a number of specific questions in relation to the future role of Local Strategic Partnerships (LSP's) and suggestions as to how the Council should respond to the paper. Formal responses to the consultation paper were required by 3 March 2006.

Overview and Scrutiny Improvement Plan

19. We received and accepted the draft Overview and Scrutiny Improvement Plan which had been produced following the completion of the Centre for Public Scrutiny self evaluation framework.

Delivery of the Corporate Procurement Strategy

20. We received a joint report of the Director of Legal Services and the Head of Customer, Democratic and Office Support Services on the progress to date in respect of the measures taken to meet the appropriate milestones identified in the National Local Government

Procurement Strategy and the targets set out in the corporate Procurement Strategy approved in May 2004.

21. The report confirmed that as at November 2005, 22 of the 24 national milestones had been achieved and that the total savings over the five year life of the strategy had been calculated at £1,078,044 which was far in excess of the savings target of £500,000. In addition, a number of additional areas and measures where there was potential opportunity to achieve savings as a result of the procurement exercise had also been identified.

Community Overview and Scrutiny Panel - 14 March 2006 Public Participation in the Council's Decision making Process

22. The Panel received either written or verbal reports on a number of Panel Members' visits to neighbouring Authorities' Council meetings and Planning Committee meetings to observe their adopted procedures to allow the public's participation in the meetings.
23. After assessing survey evidence and Members' experience of neighbouring Authorities' practices, the Panel agreed to support recommendations to allow the public to speak at meetings of the Council, Executive Cabinet, Development Control Committee and the Overview and Scrutiny bodies within specific parameters. These recommendations will be contained in the Panel's final report on the scrutiny inquiry due to be presented to the Overview and Scrutiny Committee in the new municipal year.
24. The views of the Development Control Committee on the proposed procedures will be sought prior to the production of the final report.
25. The Panel also received a presentation by the Chief Executive which summarised the extent of existing forms of community engagement in the Borough; the means of community engagement practiced by Blackburn with Darwen Borough Council; and how the implications of the Government's new 'Neighbourhoods' agenda will impact on the Council's future operations.

Environment Overview and Scrutiny Panel - 15 March 2006 Business Plan and Performance Monitoring Reports - Third Quarter Update

26. The Panel received the third quarter updates of the Business Plans for Environmental Services and Public Space Services which fall within the remit and area of responsibility of the Panel.
27. In relation to the Business Plan for Public Space Services we received an explanation on the Best Value indicator relating to sickness absence.
28. We also received from the Head of Public Space Services the background to the work being carried out by a consultant on the management of the Council's cemeteries services and that his report would be submitted to a future meeting of the Panel.

Sustainable Resources

29. We received a document entitled 'Renewable Energy Information for Scrutiny Members' that had been compiled by the Energy Saving Trust providing answers to many frequently asked questions by Scrutiny Committees.
30. The Panel had been given the task to pursue the use of renewable energy within the Borough and the area the Council would take a lead on this issue on a cost neutral basis.
31. We agreed that at the first meeting of the Panel in the Municipal Year to receive a short presentation from one of the Planning Officers dealing with sustainable resources.

Customer Overview and Scrutiny Panel 22 March 2006**“Standards for Better Health” declaration**

32. The Director of Clinical Governance from Chorley and South Ribble Primary Care Trust presented their declaration on “Standards for Better Health”. We discussed the declaration and clarified several points. We welcomed the declarations and congratulated the Primary Care Trust on the result.

Discussion regarding Friday Street Car Park

33. In response to a request from the Overview and Scrutiny Committee we considered the findings presented by officers relating to problems caused by lorries on Friday Street car park. 67 of the residents in the area were written to, 31 replies had been received with 2 respondents who complained of disturbance. The issue of litter and a lack of toilet facilities had been raised by other respondents. Officers would look into these points and an update would be presented to a future meeting of the Panel.

Decriminalisation of Parking Enforcement Inquiry

34. We considered evidence collected throughout the Inquiry to go forward as recommendations to the Final Report. This included a discussion with the Deputy Director of Legal Services on several issues, consideration of the minutes of the Sub-Group held on 24 November 2005, a leaflet giving additional information to Blue Badge holders on why they had received a Penalty Charge Notice and comments received from applications for residents car parking permits.
35. We discussed the results of consultation with the Disability Liaison Group, Markets Liaison Group and the Town Centre Forum, the updated figures for Penalty Charge Notices issued and cancelled and a comparison of car parking charges with other local authorities.
36. The Panel discussed points raised by Councillor I Smith, who attended the meeting, and took forward the issues raised to be included in the Final Report.
37. The next meeting of the Panel would consider all the recommendations identified by the Panel in the draft Final Report. The Executive Member for Traffic and Transportation would be in attendance at the meeting to discuss the issues raised throughout the Inquiry and the recommendations to be made.

COUNCILLOR J WALKER
Chairman of Overview and Scrutiny Committee

GKB

There are no background papers to this report.

REPORT OF GENERAL PURPOSES COMMITTEE

GENERAL REPORT

1. This report summarises the business transacted at a meeting of the General Purposes Committee held on 8 March 2006.

Alcohol Consumption in Designated Public Place - Criminal Justice and Police Act 2001

2. Members will recall that at the meeting of the Committee on 16 November 2005, we requested Chorley's Multi-Agency Problem Solving (MAPS) Team to assess and analyse the problem of nuisance and annoyance to the public associated with public drinking in not just the specified areas of Astley Village and Whittle-le-Woods but other areas of the Borough with a similar problem, and report back with a strategy to combat the problem.
3. We received at the meeting on 8 March 2006 a report from the Head of Corporate and Policy Services setting out the findings of the research and assessment of the implementation of a Designation Order.
4. We agreed that existing legislation be utilised more fully than previously and Police officers be informed of the powers; the situation continue to be monitored and fully assessed after six months and, if evidence suggests there are issues with adults only drinking in areas, then a report be prepared for this Committee concerning the making of a designation order(s).
5. We expressed concern at the inconsistency throughout the Borough of enforcement by the Police of the current legislation, as well as the constant changing of area officers and that the issue be raised at the Community Safety Partnership and the Chief Executive write to the Chair of the Police Authority.

Management Structure Grading of New and Existing Posts

6. We received and considered a confidential report of the Head of Human Resources to agree in principle and, subject to Executive Cabinet approval on 30 March 2006 the proposed grades, remuneration and redesignation of posts contained within the report that was submitted to Executive Cabinet on 23 February 2006.
7. We accepted the report and recommended that the proposed changes to the establishment be approved, in principle, pending the decision of the Executive Cabinet.

Recommendation

8. The Council is recommended to note this report.

COUNCILLOR J WILSON
Chair of General Purposes Committee

GKB

There are no background papers to this report.

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REPORT OF EXECUTIVE CABINET

CAPITAL PROGRAMME, 2005/06 AND 2006/07 - MONITORING

1. We were presented at our meeting on 9 March 2006 with a joint report from the Group Director and the Director of Finance on the progress of the 2005/06 Capital Programme, which also sought approval of a number of recommendations from the Capital Programme Board.
2. At our meeting on 30 March 2006, we received a further report of the Director of Finance recommending the reduction of the 2005/06 Capital Programme, the increase of the 2006/07 Programme and the expansion of the reserve list of Capital schemes for consideration for implementation in 2006/07.
3. We endorsed the proposals in each report to alter the Capital Programme and present the recommendations for approval by the Council. A copy of the report presented to the 30 March 2006 Executive Cabinet is attached so that the Council is able to take account of all the relevant factors before taking decisions on the Capital Programme. The suggested revisions to the Capital Programme are detailed in four appendices to the attached report which have taken on board each of the amendments agreed on 9 March 2006.

Recommendations

4. The Council is recommended:
 - (1) 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 attached report with the inclusion of the Cotswold House CCTV scheme within the 2005/06 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 a new scheme for "Pitch Drainage at Bishop Rawsthorne School" be placed in Category B of the 2006/07 Capital Programme, and that £19,944 from Section 106 funding (from the Fairclough Homes, Jubilee Mill, Croston Agreement) be used as match funding for this project.
 - (2) to add the Job Evaluation system to the 2005/06 Capital Programme at a cost of £10,550, to be financed from the existing Job Evaluation Reserve.
 - (3) to agree the reduction of the 2005/06 Capital Programme to £10,541,950 as outlined in Appendix 1 to the attached report.
 - (4) to approve the addition of £112,490 for kerbside recycling expenditure to the 2006/07 Capital Programme.
 - (5) to amend the 2006/07 Capital Programme by the slippage of £4,609,600 from 2005/06 and the net reduction of £6,050 in the Other Changes column of Appendix 3 to the attached report.

- (6) to approve the Reserve List of Capital schemes to be considered for implementation in 2006/07 being increased by £1,216,580 as presented in Appendix 4 to the attached report.

COUNCILLOR J WILSON
Executive Leader

AU

There are no background papers to this report.



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; margin-bottom: 5px;"/> (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; margin-bottom: 5px;"/> 71,550
Capital Programme 2005/06 as at 30/3/06		<u>10,541,950</u>

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

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

CATEGORY A SCHEMES

People - Reduce Pockets of Inequality

Town Hall Disabled Access and Refurbishment
Leisure Centres DDA Works

People - Improved Access to Public Services

Leisure Centres Capital Investment
Extension to Chorley Cemetery (new burial area)

Place - Develop Character & Feel Of Chorley

Achieving Decent Homes Standard (Council Dwellings)
Disabled Facilities Grants
Housing Renewal
Astley Park Improvements - Construction
Kerbside Recycling Schemes

Performance - Ensure CBC is a Performing Organisation

Computer Network Improvements (Business Continuity)

2006/07 Current Estimate £	Change of Category £	Slippage from 2005/06 £	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
26,000			(26,000)	0		0
139,650				139,650		139,650
165,650	0	0	(26,000)	139,650	0	139,650
1,335,250				1,335,250		1,335,250
10,000				10,000		10,000
1,345,250	0	0	0	1,345,250	0	1,345,250
2,054,000				2,054,000	1,789,670	264,330
300,000				300,000	180,000	120,000
353,660				353,660		353,660
1,663,970				1,663,970	1,347,280	316,690
0	112,490			112,490		112,490
4,371,630	112,490	0	0	4,484,120	3,316,950	1,167,170
0		3,400		3,400		3,400
0	0	3,400	0	3,400	0	3,400

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 £
	43,470				43,470		43,470
	30,000				30,000	30,000	0
	50,780		1,100		51,880	51,880	0
	0			19,950	19,950	19,950	0
	124,250	0	1,100	19,950	145,300	101,830	43,470
	50,000				50,000		50,000
	7,500				7,500	7,500	0
	57,500	0	0	0	57,500	7,500	50,000
<u>Prosperity - Put Chorley at Heart of Regional Economic Development</u>							
	0		175,530		175,530	175,530	0
	0		4,300,000		4,300,000	4,300,000	0
	0	0	4,475,530	0	4,475,530	4,475,530	0
	757,300				757,300		757,300
	92,920				92,920		92,920
	2,500				2,500		2,500
	103,220				103,220		103,220

CATEGORY B SCHEMESPeople - Getting People Involved in Their Communities

Parks and Play Areas Refurbishment
 Chorley Play Facilities (S106 funded)
 Euxton Play Facilities (S106 funded)
 Contribution to Pitch Drainage Bishop Rawsthorne School

People - Improved Access to Public Services

External Funding Pot
 Adlington Rail Station Improvements (S106 funded)

Prosperity - Put Chorley at Heart of Regional Economic Development

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

Place - Develop Character & Feel Of Chorley

Invest in Success - Gillibrand Scheme
 Duxbury Park Golf Course capital investment
 YVP Extension Flood Alleviation
 Regeneration Projects - Design Fees

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

	2006/07 Current Estimate £	Change of Category £	Slippage from 2005/06 £	Other Changes £	2006/07 Revised Estimate £	External Funding £	CBC Funding £
Prudential Borrowing	1,611,010	112,490			1,723,500		1,723,500
Unrestricted Capital Receipts	1,797,760		3,400	(26,000)	1,775,160		1,775,160
Housing Investment Programme Restricted Capital Receipts	587,990				587,990		587,990
Ext. Contributions - Developers	88,280		4,476,630	19,950	4,584,860	4,584,860	0
Ext. Contributions - Lottery Bodies	1,347,280				1,347,280	1,347,280	0
Government Grants - Planning Delivery Grant			123,370		123,370	123,370	0
Government Grants - Disabled Facilities Grants	180,000				180,000	180,000	0
Government Grants - Major Repairs Allowance	1,789,670				1,789,670	1,789,670	0
Revenue Budget - Specific Revenue Reserves or Budgets	83,500		6,000		89,500		89,500
Revenue Budget - Housing Revenue Account	150,000				150,000		150,000
TOTAL CAPITAL RESOURCES - A & B SCHEMES	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 EXECUTIVE CABINET

ROLE AND MEMBERSHIP OF THE AUDIT COMMITTEE

1. The Executive Cabinet were presented with a report of the Director of Finance reviewing the role and membership of the Audit Committee in the light of new CIPFA guidance and recommendations contained with the Audit Commission's Use of Resources assessment. A copy of the report is attached for information.
2. The new CIPFA guidance points to the Audit Committee's role in monitoring the organisation's overall governance arrangements, including risk management and tracking the implementation of recommendations. In addition, the Audit Commission has suggested that Audit Committees should be independent of both the Executive and scrutiny functions.
3. As a consequence, the Council has been advised to review the remit, composition, membership, training and reporting lines of its Audit Committee. In the light of the new guidance, the Executive Cabinet has agreed to put forward the following recommendations for the Council's approval.

Recommendations

4. The Council is recommended to:
 - (a) adopt the new CIPFA model terms of reference for the Audit Committee;
 - (b) align the respective terms of reference of the Audit Committee and the Overview and Scrutiny Committee to provide greater clarity of remit and avoidance of overlap;
 - (c) implement the actions necessary to ensure compliance with the new CIPFA guidance on Audit Committees; and
 - (d) consult the Audit Commission to determine the flexibilities that may exist in terms of the composition and membership of the Audit Committee.

COUNCILLOR J WILSON
Executive Leader

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There are no background papers to this report.

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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:

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MAIN PRINCIPLES	CURRENT STATUS	ISSUES	ACTION 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) 	Compliant.		

internal audit's strategy, 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.

<p>STRUCTURE & ADMINISTRATION</p>			
<ul style="list-style-type: none"> ▪ Be independent of the executive & scrutiny functions. 	<p>See above.</p>	<p>See above.</p>	<p>See above.</p>
<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. 	<p>Non-compliant.</p>	<p>The Committee's reporting lines and inter-relationships with other committees and boards have not been formalised and are unclear.</p>	<p>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.</p>
<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. 	<p>Partly compliant.</p>	<p>Regular meetings take place but there is no clear policy on private / public business.</p>	<p>A clear policy on the consideration of private / public business is required.</p>
<ul style="list-style-type: none"> ▪ Meet privately and separately with the external auditor and head of internal audit. 	<p>Non-compliant.</p>	<p>This facility is currently not in place.</p>	<p>A facility needs to be established, to enable the Committee to meet separately with the external auditor or head of internal audit, if required.</p>
<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. 	<p>Partly compliant.</p>	<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. 	<p>Partly compliant.</p>	<p>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.</p>	<p>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.</p>

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	TofRRRepJan06

APPENDIX 1**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.

APPENDIX 2**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 EXECUTIVE CABINET

CONSTITUTION OF THE CHIEF EXECUTIVE'S PERFORMANCE REVIEW PANEL

1. We received and considered a report of the Head of Human Resources recommending the appointment of a Members Panel to be responsible for undertaking the performance reviews of the Chief Executive.
2. 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 it is linked to the Corporate Plan. It also highlights areas for development and addresses change management to further develop the individual and delivery of services.
3. 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 and it is felt that a performance review in this context should be as democratic and transparent as possible.
4. A special appointments panel was set up to interview and appoint the new Chief Executive. This panel comprises members from each political group represented on the Council and the Executive Cabinet considers that the same Members should now constitute the performance review panel for the Chief Executive.

Recommendation

5. That the Council be recommended to approve the constitution of a Chief Executive Performance Review Panel comprising the following cross-party Members:
Councillor J Wilson (Chairman) and Councillors K Ball, Mrs P Case, D Edgerley, P Goldsworthy, C Hoyle and R Snape.

COUNCILLOR J WILSON
Executive Leader

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There are no background papers to this report.

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REPORT OF EXECUTIVE CABINET**REVISED LOCAL DEVELOPMENT SCHEME, 2006-2009**

1. The Executive Cabinet considered a report of the Head of Development and Regeneration seeking endorsement of the revised Local Development Scheme (LDS) for the Local Development Framework (LDF) to run from 2006 to 2009.
2. Local Authorities are statutorily required to produce annual Local Development Schemes, which set out the planning documents to form the LDF and include a timetable of significant dates (ie 'milestones') to which the Council will be committed.
3. A copy of the Head of Development and Regeneration's report, together with the revised Local Development Scheme, is attached. The most significant change to the current LDS is the introduction of the new Householder Supplementary Planning Document, together with alterations to the dates of a number of other listed documents.

Recommendation

4. The Council is recommended to approve the draft revised Local Development Scheme for 2006 – 2009 for submission to the Government Office for the North West for approval.

COUNCILLOR A LOWE
Executive Member for Development and Planning

AU

There are no background papers to this report.

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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

1. To seek Members approval for the proposed revised Local Development Scheme for the Local Development Framework to run from 2006 –2009.

CORPORATE PRIORITIES

2. 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

3. 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

4. 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.
5. 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 EXECUTIVE CABINET

GENERAL REPORT

1. The Executive Cabinet has met twice since the last ordinary Council meeting on 9 and 30 March 2006. This report summarises briefly the principal matters considered at the meetings. Separate reports have been prepared in respect of these items which require Council decisions.

9 March 2006 meeting

Overview and Scrutiny Improvement Plan

2. On the recommendation of the Overview and Scrutiny Committee, we approved for adoption the Overview and Scrutiny Improvement Plan.
3. The Plan has 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 Plan identifies 13 actions aimed at improving the delivery of the Council's overview and scrutiny functions, principally by demonstrating the value of the scrutiny role and ensuring that it adds value to the Council's wider improvement programme and delivery of the Corporate and Community Strategies.

Local Strategic Partnerships: Shaping their Future – Consultation Paper

4. The Head of Corporate and Policy Services presented a report 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 sought by 3 March 2006.
5. The consultation paper emphasised the significant role Local Strategic Partnerships (LSPs) will be expected to play in the delivery of many of the Government's objectives by defining and delivering local priorities, rather than work being confined to separate agencies. Local services are 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.
6. 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.
7. The Government expects 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.
8. 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. In the interim, the Executive Cabinet accepted and endorsed the responses to the Consultation Paper's key questions outlined in the report.

Chorley Partnership – A Way Forward

9. We received and considered a report of the Head of Corporate and Policy Services, reviewing the structure of the Chorley Partnership and making recommendations to make the organisation more 'fit for purpose'.
10. 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 entails a target to assist the LSP in achieving 'green status' in an LSP Self Accreditation exercise by March 2009.
11. In order to achieve the 'green status' outcome the Chorley Partnership will need to alter its structure to become more 'fit for purpose'. The present status of the organisation as a company limited by guarantee is no longer considered either appropriate or practical.
12. 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 Executive Cabinet supported 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 small 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.
13. We have recommended the Partnership Board of Directors to approve the new structure and agree that the composition of the reconstituted Board of Directors shall include six Chorley Borough Councillors and four Lancashire County Councillors.

Consultation on Changes to the Strategic Health Authority, Primary Care Trusts and the Ambulance Service NHGS Trusts in Lancashire and Cumbria

14. We received a report of the Head of Leisure and Cultural Services on the Government's three consultation papers 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.
15. The consultation papers had also been assessed by the Overview and Scrutiny Committee, whose recommended responses were endorsed by the Cabinet members. In particular we supported the view that Ambulance Trusts should be small enough to be capable of responding to local needs. We also support 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 take account of any impending plans to review local government structures.

A Plan for all Children and Young People in Lancashire – Response to Consultation

16. 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'.
17. The draft Plan identifies 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 will be responsible for ensuring co-operation between local partners on the delivery of the priority outcomes.

18. We agreed that the comments contained in the submitted report should form the basis of our response to the County Council's consultation. In addition, we requested the preparation of a report highlighting the Council's endeavours and current and future plans to provide services for children and young people in the Borough for submission to a future Executive Cabinet meeting.

Chorley Economic Regeneration Strategy

19. The Executive Cabinet approved for adoption an Economic Regeneration Strategy for the Borough.
20. The Strategy has 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 identifies Chorley as a 'contemporary market town' and provides a framework for key priority actions with Partner over a 10-15 year period to support sustainable growth, within which economic activity and social inclusion can be promoted.
21. The strategy will be reviewed on a regular basis.

Chorley Town Centre Strategy – Consultation Draft

22. We approved for consultation and community involvement purposes a draft Chorley Town Centre Strategy, which has 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.
23. The Strategy identifies the following four priority elements, against which the key measures and action plans have been focused:
 - Town Centre Diversification;
 - Town Centre Environment;
 - Accessibility and Movement;
 - Business Promotion and Support.
24. The Strategy aims to provide a co-ordinated framework for action, investment and partnership working over a 10 year period. The Strategy also aims 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.

Local Development Framework – Joint Working with Preston and South Ribble Councils

25. The Executive Cabinet received a report of the Head of Development and Regeneration and agreed a proposal for a 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.
26. Officers from the three Authorities have, over recent months, established a close working relationship on strategic planning policy and economic development issues and it is considered that the preparation of a joint Core Strategy will represent a natural progression of the working arrangement. This will ensure that the Core Central Lancashire Sub-Regional Strategy and City Vision being prepared are implemented through each Authority's Local Development Framework.
27. It is proposed to set up a Joint Authority Steering Group to ensure that a co-ordinated approach is adopted, but the Council's Local Development Framework and Community

Strategy Member Working Group will continue to advise Officers on the content of the Core Strategy.

Review of the Crime and Disorder Act 1998

28. We received a report from the Head of Corporate and Policy Services 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.
29. 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 will impact on further on community safety issues.
30. We authorised the comments contained in the report to form the basis of the Council's representations to Government on the proposed review of the Crime and Disorder Act 1998.

Core Funding 2006/07 – Awards in excess of £5,000

31. We approved a number of Core Fund grants in excess of £5,000 to a number of local organisations, subject to the Head of Leisure and Cultural Services agreeing, and signing off, a Core Funding Agreement with each organisation.

Albany Science College

32. Our attention was drawn by the Executive Member for Housing and Neighbourhood Renewal, Councillor L Lennox, to a major educational project on constructional engineering for Year 10/11 pupils being undertaken by Albany Science College, and support from Runshaw College.
33. This venture will enhance the education curriculum and employment opportunities for 14-19 year old students and we agreed unanimously to lend our support to the project.

Impact on Housing Stock Transfer – Organisational Review

34. Following consideration of a confidential report of the Management Team, we requested the Management Team to undertake a more strategic review of the likely impact of the proposed housing stock transfer to Chorley Community Housing on the organisation in order to identify and assess how savings based on the identified criteria can be delivered.

30 March 2006 meeting

Waste Recycling Arrangements – Executive Cabinet Committee

35. We received and considered the minutes and recommendations of the Executive Cabinet Committee established by myself to consider waste recycling arrangements from its meeting on 15 March 2006.
36. The Committee had examined initially short term measures to reduce the current littering problems associated with the use of woven sacks. Following a successful trial of 1,000 weighted sacks in some areas of the Borough, we endorsed the Executive Cabinet Committee's recommendation to introduce the weighted recycling sacks to all 47,000 households within the Borough, with the choice of two colour coded 55L container boxes as an alternative for up to 2,000 households. The Council's approval of the requisite capital funding of the initiative has been sought in the separate report on the Capital Programme.

Internal Audit Plan, 2006/07

37. The Executive Committee approved the Internal Audit Plan for 2006/07. The Audit Plan has been constructed on the basis of the CIPFA Code of Practice for Internal Audits which recommends the compilation of an Audit Plan to review the key business risks that are pertinent to Authorities.
38. The Audit Plan has been structured around the following five principal sections:
 - Corporate Governance;
 - Risk Management;
 - Business Critical Systems;
 - Financial Management;
 - Contingency.

Housing Stock Transfer Offer Document

39. The Executive Cabinet received a report of the Head of Housing Services and gave approval to the Housing Stock Transfer Offer Document attached to the report.
40. The Council are statutorily required to consult with all secure and introductory tenant whose homes will be transferred to the new landlord. The offer document, which represents the Stage 1 Notice of the formal consultation process, 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, in respect of a positive ballot to transfer.
41. The subsequent ballot of tenants is expected to commence immediately after the issue of the Stage 2 notice, and to run concurrently with that notice.

Local Public Service Agreement – Progress

42. We received and noted a report of the Head of Corporate and Policy Services on the progress towards the achievement of the 12 "stretch" targets contained within the Lancashire Local Public Service Agreement (LPSA) covering the period April 2003 to April 2006. The Agreement aims to improve the life chances of young and older people through a partnership between the County Council, the 12 District Councils, the Government and other key partners.
43. Attainment of the 12 targets will attract Performance Review Grant (PRG) from the Government. The report summarises the performance in respect of each of the 12 targets up to the end of the third quarter (2005/06) and projected the estimated level of PRG.
44. We were pleased to note that, overall, good progress is being made, with a predicted payment of the grant monies, in respect of 9 of the 12 targets, resulting in the LPSA receiving approximately £14.56m in Performance Reward Grant. Dependant on the final outcome, it is anticipated that the Council's proportion of the PRG, will be between £150,000 and £200,000, which will be earmarked to fund the Council's pilot scheme for Community Support Officers authorised within the 2006/07 – 2008/09 Financial Strategy.

Lancashire Local Area Agreement – Progress

45. We received and noted a report of the Head of Corporate and Policy Services on the progress in respect of the Lancashire Local Area Agreement (LAA) which had been produced to achieve an agenda for improvement over a 3 year period.

46. The LAA has been compiled around four priority areas (ie Safer and Stronger Communities; Children and Young People; Economic Development and Enterprise; and Healthier Communities and Older People). As with the preceding Local Public Services Agreement, 12 'stretch' targets have been identified, the achievement of which will attract Performance Reward Grant. The report summarised the respective outcomes expected from the four theme blocks.
47. The final LAA document has been signed by the respective partners and has been submitted to the Government Office for the North West for the final sign off before the LAA became operative on 1 April 2006.
48. Action Plans for the delivery of the respective targets within each of the four LAA blocks are being drawn up by partner groups, which, when finalised, will be presented to the Lancashire County Council.

Childrens Play Initiative – Big Lottery Fund

49. We were presented with a report of the Director of Finance and approved proposals to support the development of a local play strategy by the Play Partnership in advice of the development of a bid for funding from the Big Lottery Fund's 'Childrens Play Initiative'.
50. In November 2005, the Big Lottery Fund announced a new £155m 'Children's Play Initiative' programme to create, improve and develop play spaces for under 16s and to develop local play facility infrastructures to raise the importance, value and status of play.
51. The Council has been invited by the Big Lottery Fund to submit a bid to the value of £208,007 for funding of an appropriate 3 year project which will require no match funding. The bid is to be developed in partnership with local play providers and will contain a portfolio of projects, aimed at reflecting the needs highlighted in a local play strategy.
52. The bid is to be developed by a small group of Council Officers working in close collaboration with the Play Partnership. The Partnership aims to complete the play strategy by August 2006, from which appropriate projects will be selected to form the basis of the final bid submission by March 2007.

Land at Gillibrand Street, Chorley

53. The Head of Development and Regeneration and the Head of Property Services presented a joint confidential report on proposals to develop land at the junction of Gillibrand Street and Market Street, with the assistance of the Borough Council on the assembly of land.
54. We have accordingly approved the institution of compulsory acquisition procedures in respect of identified land required to implement the comprehensive redevelopment scheme envisaged by the adopted development brief.

Affordable Housing Initiatives

55. Following consideration of a report of the Head of Development and Regeneration, the Head of Housing Services and the Head of Property Services, the Executive Cabinet has authorised an investigation with a development partner and respective owners into the potential for partnership working to bring four properties back into use, subject to a 'back to back' development agreement with the partner which will pass on to the partner all financial obligations.

Management Restructure

56. The Chief Executive presented a confidential report on the outcome of the consultation exercise on the draft proposals to revise the Council's corporate management structure agreed by the Executive Cabinet for consultation purposes on 23 February 2006.
57. Following an assessment of the consultation responses, we approved the adoption of the revised management structure which will ensure that the organisation is 'fit for purpose' in meeting the new challenges facing local authorities, is capable of delivering the Council's priority objectives, and is economically viable.

Recommendation

58. The Council is recommended to note this report.

COUNCILLOR J WILSON
Executive Leader

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There are no background papers to this report.

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REPORT OF THE CHIEF EXECUTIVE TO COUNCIL – 11TH April 2006**AREA FORUM PILOTS – UPDATE REPORT**

The three pilot area forums have all held their first meetings. Feedback from the public at all three sessions was very positive and there was a good attendance overall:

Coppull:

The Coppull area forum was held on Tuesday 28th February at the Royal British Legion Club, Coppull. Approximately 80 people attended the meeting.

Clayton North:

The Lostock area forum was held on Thursday 16th March at the Youth and Community Centre, Manor Rd. Approximately 25 members of the public attended the meeting.

Lostock:

The Lostock Area Forum was held on Thursday 23rd March at Croston Old School, Church St, Croston. Approximately 35 people attended.

Key Issues from the Public:

A wide range of issues were raised by members of the public at all three meetings. They included the following:

- Problems with the recycling containers
- Street cleanliness following recycling collections
- Lack of activities for teenagers
- Juvenile nuisance
- Anti-social behaviour
- Motorcyclists using open land
- Traffic speeding and potential traffic calming schemes and more speed cameras
- Problems with people fly-tipping and dumping rubbish
- Lack of a police presence in some areas
- Dog fouling
- Health services in local areas
- Lack of local secondary schools
- Poor public transport in some areas
- Reduced bus services recently
- Funding required for local groups
- More information required on the new concessionary fare scheme
- Insufficient information on the performance of schools
- Bogus officials operating in the area

Key Learning Points for the Future.

Feedback from the public was sought at the end of each area forum on the usefulness of the session. Feedback in all cases was very positive. To continue this we need to:

- Continue the "Listening and Responding" approach we have adopted.
- Ensure people who ask questions are provided with full answers either on the evening or later in writing.
- Work with partner agencies – eg Police, PCT, Lancashire County Council to ensure more collective, integrated solutions to problems the public face in local areas.
- Select venues as central to the whole area as possible.
- Avoid a few individuals dominating the meeting.
- Ensure the new neighbourhood newsletters target the areas where meetings will take place to publicise them.

Next Steps:

Further meetings are planned for:

Coppull – 13th June, 20th September

Clayton North – 21st June, 12th October

Lostock – 6th July, 28th September

Comprehensive evaluation of the pilot will take place following the completion of the first round of the meetings in October 2006.

Recommendations will also be emerging from the Council's Community Overview and Scrutiny Panel on the most appropriate forms of neighbourhood engagement. These findings should also inform the process of establishing new structures for neighbourhood engagement across the Borough. A report outlining these recommendations will be presented to Council in November/ December 2006.

Donna Hall – Chief Executive
5th April 2006