

Executive Cabinet

Agenda and Reports

For consideration on

Thursday, 23rd June 2011

In the Council Chamber, Town Hall, Chorley

At 5.00 pm



PROCEDURE FOR PUBLIC QUESTIONS/SPEAKING AT EXECUTIVE CABINET MEETINGS

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

PROCEDURE FOR 'CALL-IN' OF EXECUTIVE DECISIONS

- Each of the executive decisions taken at the Executive Cabinet meeting are subject to the adopted 'call-in' procedure within 10 working days of the Executive Cabinet meeting at which the decision is made, unless the decision has been implemented as a matter of urgency.
- Guidance on the 'call-in' procedure can be accessed through the following internet link:
<http://www.chorley.gov.uk/index.aspx?articleid=1426>
- If you require clarification of the 'call-in' procedure or further information, please contact either:
Ruth Rimmington (Tel: 01257 515118; E-Mail: ruth.rimmington@chorley.gov.uk) or
Carol Russell (Tel: 01257 515196, E-Mail: carol.russell@chorley.gov.uk)
in the Democratic Services Section.

15 June 2011

Dear Councillor

EXECUTIVE CABINET - THURSDAY, 23RD JUNE 2011

You are invited to attend a meeting of the Executive Cabinet to be held in the Council Chamber, Town Hall, Chorley on Thursday, 23rd June 2011 at 5.00 pm.

AGENDA

1. **Apologies for absence**

2. **Minutes (Pages 1 - 6)**

To confirm as a correct record the minutes of the meeting of the Executive Cabinet held on 31 March 2011 (enclosed).

3. **Declarations of Any Interests**

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

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

4. **Public Questions**

Members of the public who have requested the opportunity to ask a question(s) on an item(s) on the agenda will be asked to put their question(s) to the respective Executive Member(s). Each member of the public will be allowed to ask one supplementary question within his/her allocated 3 minutes.

ITEM OF EXECUTIVE LEADER (INTRODUCED BY COUNCILLOR PETER GOLDSWORTHY)

5. **Principal Area Boundary Review - Buckshaw (Pages 7 - 14)**

To receive and consider the report of the Chief Executive (enclosed).

ITEM OF EXECUTIVE MEMBER (TRANSFORMATION) (INTRODUCED BY COUNCILLOR KEVIN JOYCE) AND EXECUTIVE MEMBER (PEOPLE) (INTRODUCED BY COUNCILLOR JOHN WALKER)

6. **Grant of a new sub-lease of Land at Chisnall Lane, Coppull, from Chorley Council to Chorley Panthers ARLFC (Pages 15 - 20)**

To consider and receive the report of the Director of Transformation (enclosed).

ITEM OF EXECUTIVE MEMBER (PEOPLE) (INTRODUCED BY COUNCILLOR JOHN WALKER)

7. **Chorley Pals - Heritage Lottery Fund Bid (Pages 21 - 32)**

To consider and receive the report of the Director of People and Places (enclosed).

ITEM OF EXECUTIVE MEMBER (POLICY AND PERFORMANCE) (INTRODUCED BY COUNCILLOR GREG MORGAN)

8. **Chorley Council Fourth Quarter Performance Report 2010/11 (Pages 33 - 42)**

To receive and consider the report of the Chief Executive (enclosed).

9. **Chorley Partnership Annual Report (Pages 43 - 62)**

To receive and consider the report of the Chief Executive (enclosed).

ITEM OF EXECUTIVE MEMBER (TRANSFORMATION) (INTRODUCED BY COUNCILLOR KEVIN JOYCE)

10. **Capital Programme Provisional Outturn 2010/11 and Monitoring 2011/12 - 2013/14 (Pages 63 - 80)**

To receive and consider the enclosed report of the Director of Transformation (enclosed).

11. **Provisional Revenue Outturn 2010/11 (Pages 81 - 92)**

To receive and consider the enclosed report of the Director of Transformation (enclosed).

12. **Treasury Management Annual Report 2010/11 (Pages 93 - 98)**

To receive and consider the enclosed report of the Director of Transformation (enclosed).

13. **Joint Insurance Procurement Tender Exercise in Collaboration with South Ribble Borough Council (Pages 99 - 104)**

To receive and consider the report of the Director of Transformation (enclosed).

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

To consider the exclusion of the press and public for the following items of business on the ground that it involves the likely disclosure of exempt information as defined in Paragraphs 1 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

ITEM OF EXECUTIVE LEADER (INTRODUCED BY COUNCILLOR PETER GOLDSWORTHY)

15. **Proposed new Senior Management structure (Pages 105 - 110)**

To receive and consider the report of the Executive Leader (enclosed).

ITEM OF EXECUTIVE MEMBER (TRANSFORMATION) (INTRODUCED BY COUNCILLOR KEVIN JOYCE)

16. **2010/11 year end progress report on the performance of Key Partnerships** (Pages 111 - 134)

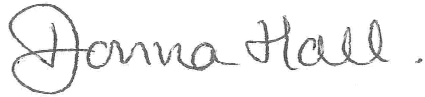
To receive and consider the report of the Director of Transformation (enclosed).

17. **Executive's response to Overview and Scrutiny Review of Accommodation Assets** (Pages 135 - 138)

To receive and consider the report of the Director of Transformation (enclosed).

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

Yours sincerely



Donna Hall CBE
Chief Executive

Dianne Scambler
Democratic and Member Services Officer
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Distribution

1. Agenda and reports to all Members of the Executive Cabinet, Lead Members and Directors Team for attendance.

This information can be made available to you in larger print or on audio tape, or translated into your own language. Please telephone 01257 515118 to access this service.

આ માહિતીનો અનુવાદ આપની પોતાની ભાષામાં કરી શકાય છે. આ સેવા સરળતાથી મેળવવા માટે કૃપા કરી, આ નંબર પર ફોન કરો: 01257 515822 01257 515823

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

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Executive Cabinet

Minutes of meeting held on Thursday, 31 March 2011

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

Also in attendance:

Lead Members: Councillors Harold Heaton and Rosie Russell

Other Members: Councillors Alan Cullens, Alison Hansford, Roy Lees and Mick Muncaster (Clayton-Le-Woods West and Cuerden)

11.EC.258 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Eric Bell (Executive Member Places), Keith Iddon (Lead Member Licensing), Henry Caunce and Geoff Russell.

11.EC.259 MINUTES

The minutes of the last meeting of the Executive Cabinet held on 17 February 2011 were confirmed as a correct record for signature by the Executive Leader.

11.EC.260 DECLARATIONS OF ANY INTERESTS

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

11.EC.261 PUBLIC QUESTIONS

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

11.EC.262 INTERIM POLICY ON RESIDENTIAL CAR PARKING STANDARDS

The Director of Partnerships, Planning and Policy presented a report informing Members of the recent change to national planning policy on Transport. Amendments have been made to reflect the localism agenda, and in particular, the requirement for local planning authorities to set and apply maximum car parking standards for residential development has been removed.

An interim policy on parking standards for residential development has been considered necessary to allow account to be taken of local circumstances and to assist in determining proposals for residential development.

The policy allows for negotiation with developers on a case by case basis and sets out proposals for dwellings with 1 bedroom 1 space, dwellings with 2-3 bedrooms 2 spaces and dwellings with 4 or more bedrooms 3 spaces.

Decision made

1. **Approval of the draft interim policy on Residential Car Parking Standards for a six week public consultation exercise.**
2. **Delegated authority granted to adopt the policy, as approved, to the Chief Executive in consultation with the Leader of the Council. This delegation to be exercised only if there were no objections to the adoption of the policy received during the consultation period. In the event of objections being received the results of the consultation be brought back to the Executive Cabinet for the policy to be considered further.**

Reason for decision

To ensure an appropriate response to changes in national policy and to reflect local circumstances in determining proposals for residential development.

Alternative option(s) considered and rejected

None.

11.EC.263 COUNCIL'S COMMUNITY ENGAGEMENT STRATEGY

The Chief Executive presented a report which contained the Community Engagement Strategy 2011/12 for approval by Executive Cabinet.

The purpose of the Strategy was to bring together the Council's current community engagement activities and to clearly define the approach to community engagement with actions to help improve existing methods.

The Corporate Strategy 2010/11 – 2013/14 had a number of long term outcomes which relied on successful community engagement in order to be achieved. The Community Engagement Strategy aimed to Inform, Consult, Involve and Devolve.

The Cabinet noted that one of the actions was the development of a Citizens' Jury.

Decision made

Approval of the Community Engagement Strategy 2011/12.

Reason for decision

The Corporate Strategy 2010/11 – 2013/14 has a number of long term outcomes which relies on successful community engagement in order to be achieved. This includes being 'an excellent community leader' (9.2), 'community that residents actively take care of and improve' (4.3), and 'empowered local people managing community assets' (6.2). Having good community engagement also ensures the Council will be able to develop services around customer need. By adopting this Community Engagement Strategy, the Council will ensure that it is able to achieve these outcomes, and will have a consolidated approach to the way in which the Council engages with the community.

Alternative option(s) considered and rejected

The alternative option would be to not adopt a Community Engagement Strategy for Chorley Council. This had been rejected on the basis that the Council need the strategy to ensure that we meet our Corporate Strategy outcomes.

11.EC.264 EQUALITY SCHEME REFRESH 2011

The Chief Executive presented a report enclosing a revised version of the Equality Scheme for the Executive's consideration and approval.

Since the last refresh, in February 2008, the legislation regarding equality had been superseded by the Equality Act 2010. The Scheme identified nine Equality Strands, with each strand identifying a group of customers who share a similar characteristic, which were protected by law.

The exception to this was the rurality strand, which was not protected by law but was contained within the scheme to ensure that the needs of customers who live in rural areas were considered.

The Equality Strands were:

Age	Disability
Gender Reassignment	Pregnancy and Maternity
Race	Religion and Belief
Rurality	Sex and
Sexual Orientation	

In terms of service delivery, the Equality Scheme described how the Council would ensure that equality was embedded into processes, and indicated the information and tools that were used to do this.

Decision made

Approved of the updated Equality Scheme 2011.

Reasons for recommendation

By adopting the new Equality Scheme, the Council will ensure that we are meeting the duties required by law with regards to Equality. However, a strong commitment to equality and diversity does not only meet legal obligations, but it also makes good business sense. As an organisation that is committed to understanding and shaping services around customers needs, the Council needs to be able to recognise and adapt to the diverse nature of our customers.

Alternative options considered and rejected

Not to update the Equality Scheme.

11.EC.265 CORE FUNDING 2011/12

The Chief Executive presented a report outlining the Core Funding allocation for 2011/12.

Core Funding was provided to local voluntary, community and faith sector organisations whose activities contributed towards the delivery of the Sustainable Community Strategy. The process of allocating, managing and monitoring Core Funding had undergone some changes this year to ensure that value for money was being achieved through an effective and proportionate process.

There were now three types of funding: Large Core Funding, Project Funding, and Small Community Grants. Forty applications had been received by the close date at the end of February and a panel scored them against assessment criteria as set out in the guidance.

Decision made

Approval to the recommendations in Appendix A, subject to agreeing and signing contracts and or grants with the organisations listed in Appendix A and subject to three amendments:

1. the constitution of one organisation will be checked,
2. there will be a condition that two organisations ensure no duplication in their projects, and
3. the funding for 'Dial a Ride' will be provided for a three month period whilst a countywide review is undertaken.

Reasons for recommendation

To provide local voluntary, community and faith sector organisations with Core Funding for 2011/12, to enable them to deliver services in the Borough which contribute towards the delivery of the Sustainable Community Strategy.

Alternative options considered and rejected

Not to award Core Funding Grants in 2011/12.

11.EC.266 EXCLUSION OF THE PUBLIC AND PRESS

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

11.EC.267 SHARED ASSURANCE BUDGET 2011-12

The Executive Cabinet received and considered a report which sought approval of proposed changes to the Shared Assurance budget from 2011/12.

Decision made

Approval to proposed changes, as recommended by the Shared Services Joint Committee, which will achieving the 2011/12 savings target approved by Council of £45,000.

Reasons for recommendation

To approve the planned resources for Shared Assurance which will underpin the Service's workload in 2011/12 as set out in the Business Improvement Plan and Internal Audit Plans for the new financial year.

Alternative options considered and rejected

The alternative options have already been considered during detailed consultations with External Audit, the Audit Committee of this Council and the Governance Committee of South Ribble Borough Council.

At the last meeting of the Shared Services Joint Committee on 24th January 2011 the Members recommended that the proposals be approved by the Cabinets of both host authorities. The Cabinet of South Ribble Borough Council approved the proposals on 16 February 2011.

11.EC.268 LAND AT PALL MALL

The Director of Transformation presented a report which sought approval for the sale of land at Pall Mall.

Decision made

1. **Approval to the disposal of land at Pall Mall.**
2. **Authorisation to Liberata UK Limited to issue instructions to the Head of Governance for the completion of the disposal.**

Reasons for recommendation (s)

The sale of the strips of land will allow the overall development proposals for the superstore, petrol filling station and associated areas including car parking, public realm and landscaping to the sites full potential;

The sale of the parcels of land identified above will result in a capital receipt for the Council.

Alternative options considered and rejected

Refuse to sell the strips of land which are currently laid out as redundant highway strips of land that serve no purpose to the Council which would result in the developers application for highway closure not being contiguous to the overall development proposals;

The community would not benefit from the development proposals that will ultimately create employment opportunities and lead to a new large scale commercial development for Chorley town centre;

The council would not benefit from a substantial capital receipt.

Executive Leader

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Report of	Meeting	Date
Chief Executive (introduced by the Executive Leader)	Executive Cabinet Council	23 June 2011 19 July 2011

PRINCIPAL AREA BOUNDARY REVIEW - BUCKSHAW

PURPOSE OF REPORT

1. To inform Members of the Council that the Local Government Boundary Commission for England (LGBCE) has indicated that there is a possibility that a Principal Area Boundary Review will be undertaken of the boundary between Chorley and South Ribble Councils regarding the Buckshaw Village Development.

RECOMMENDATION(S)

2. That the Executive Cabinet recommends to the next meeting of full Council that they agree in principle that the area of Buckshaw Village should be located entirely in one local authority area and that this be confirmed to the Local Government Boundary Commission for England.
3. That discussions continue with South Ribble Borough Council who are undergoing a full ward review by the Boundary Commission.
4. That it be noted that the Community Governance Review Committee has paused its Community Governance Review into whether or not to create a Parish Council for Buckshaw, to enable the Council to consider its position.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

5. The Council wrote to the LGBCE in 2008 requesting that a review take place of the boundary between South Ribble and Chorley to resolve the anomaly of Buckshaw Village being located across two Council areas. The response received of 20 April 2011 is the first indication that a boundary review could take place and is therefore to be welcomed.
6. The review will only proceed if both Chorley BC and SRBC agree one is required (although it does not appear to be necessary for them to be in agreement on the location of the new boundary)

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

7. If the Council does not support the principle of this review, Buckshaw Village would continue to be in an anomalous situation where the boundary cuts through actual properties and residents in the same cul-de-sac receive services from different Councils. This situation ignores the community identity of Buckshaw Village and does not provide effective and convenient local government - a key factor in determining local authority boundaries.

CORPORATE PRIORITIES

8. This report relates to the following Strategic Objectives:

Strong Family Support		Education and Jobs	
Being Healthy		Pride in Quality Homes and Clean Neighbourhoods	
Safe Respectful Communities	/	Quality Community Services and Spaces	
Vibrant Local Economy		Thriving Town Centre, Local Attractions and Villages	/
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			/

BACKGROUND

9. The Buckshaw Village Development started in 1999 on the 900 acre site of the former Royal Ordnance Factory. The boundary between South Ribble and Chorley Councils goes through the existing residential development – and can be seen on the attached map (Appendix 1). Currently there are around 1200 completed housing units on the Chorley part of Buckshaw, along with significant commercial development. Further significant residential and commercial development is planned in future years. Most of this planned development is on the Chorley side of Buckshaw Village.

REQUEST FOR A BOUNDARY REVIEW

10. The Council formally requested that the Boundary Commission reviewed the boundary between South Ribble and Chorley in part because of the anomaly over service delivery. Buckshaw is one community but services are delivered by two Councils – with Chorley currently providing refuse collection services to South Ribble's Buckshaw residents. The Council was initially told that a boundary review could well take a number of years before it was programmed to commence. On that basis the Council recently started a Community Governance Review in response to requests for a Parish Council for Buckshaw.
11. The Community Governance Review is underway. The preliminary round of consultation suggests there are mixed views on whether or not there should be a Parish Council, but overriding support for any decision to be postponed until the local authority boundary is reviewed to put all of Buckshaw under one Council area. The Community Governance Review Committee met on 7 June 2011 and has decided to pause the Community Governance Review to allow the Council time to consider its position and to start discussions with the Boundary Commission and South Ribble Council.

LOCAL GOVERNMENT BOUNDARY COMMITTEE FOR ENGLAND

12. The correspondence from the LGBCE is attached as Appendix 2. It gives no clear indication of timescales but does indicate that a review will only take place if both South Ribble and Chorley Councils are in agreement that one should take place. At this moment in time South Ribble have not indicated where they stand on the issue, they are also undergoing a full ward review by the Boundary Commission. If there was an agreement between the two Councils on a new boundary, the letter suggests there could be earlier implementation. However it is thought likely at this very early stage, that both Councils will strive to have all of Buckshaw Village located within their area.

IMPLICATIONS OF REPORT

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

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

COMMENTS OF THE DIRECTOR OF TRANSFORMATION / HEAD OF GOVERNANCE

14. The conducting of a Principal Local Authority Boundary review would be undertaken in line with the technical guidance issued by the LGBCE and in line with the Local Government and Public Involvement in health Act 2007 as amended by the Local Democracy, Economic Development and Construction Act 2009. This is new guidance published in May 2011 and officers are currently analysing it with a view to seeing how the Council would be required to evidence the case it wishes to put forward.
15. There are some financial implications in undertaking a Boundary Review and putting together robust evidence to support the Council's case. This can be done within existing resources. There are clearly significant financial implications in a change in a Council boundary and these will be investigated in detail if a review is undertaken and once the Council has decided how it wishes to move forward.

**DONNA HALL
CHIEF EXECUTIVE**

There are no background papers to this report.

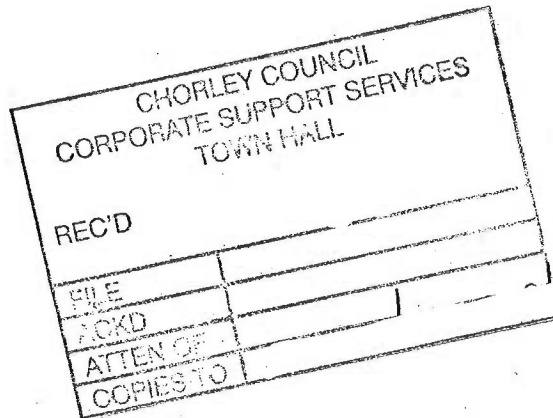
Report Author	Ext	Date	Doc ID
Carol Russell	5196	8 June 2011	***

Background Papers			
Document	Date	File	Place of Inspection
Terms of Reference for the Community Governance Review of Buckshaw	Feb 2011	***	www.chorley.gov.uk

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The
Local Government
Boundary Commission
for England

Donna Hall
Chief Executive
Chorley Borough Council
Town Hall
Market Street
Chorley
Lancashire
PR7 1DP



20 April 2011

Dear Ms Hall

Principal Area Boundary Review between Chorley and South Ribble

The Local Government Boundary Commission for England (LGBCE) is considering its current work programme with regard to principal area boundary reviews (PABRs). These are reviews in which changes to the boundary between principal authorities are considered and recommendations made to the Secretary of State under section 8 of the Local Government and Public Involvement in Health Act 2007.

I enclose a copy of correspondence between Phil Davies, Principal Corporate Support Officer at Chorley Borough Council and the Boundary Committee (the LGBCE's predecessor), from 2008. This correspondence and mapping indicates the anomalous boundary around Buckshaw Village which covers an area in both South Ribble and Chorley.


A review to address this anomaly was not undertaken at that time. However, the LGBCE is now considering the outstanding requests it holds for PABRs and welcomes your council's view on whether a review in this area in order to unite the residents of Buckshaw village in the same borough, is desirable.

The Minister for Local Government has said 'where any recommended boundary change is agreed by all the principal authorities concerned, the Secretary of State will implement it, providing there is clear evidence that it represents value for money, and public support for it has been robustly demonstrated'.

Accordingly, we will not seek to start such a review without the support of both Chorley and South Ribble borough councils.

I am writing to South Ribble Borough Council in similar terms. I look forward to receiving your views on this matter. I would be happy to discuss the approach that the LGBCE intends on taking on reviews of this scale, if that would be helpful.

Yours sincerely,



Alison Wildig
Review Administrator
alison.wildig@lgbce.org.uk
020 7664 8537

Appendix B2 - Chorley Borough Council

**Chorley
Council**Our Ref: pd/RB
Your Ref:Town Hall
Market Street
Chorley
PR7 1DP

25 September 2008

Mr Richard Buck
The Boundary Committee
Trevelyan House
Great Peter Street
LONDON
SW1P 2HW

Dear Mr Buck

CHORLEY BOROUGH COUNCIL – BUCKSHAW VILLAGE BOUNDARIES

Further to our recent telephone conversation regarding our initial enquires about a boundary review of the Buckshaw Village area of Chorley Borough Council (CBC) and South Ribble Borough Council (SRBC), you requested a little more information regarding the actual location.

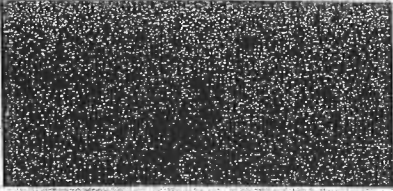
As discussed I was going to e-mail a map to you but when converted to a PDF or JPEG the files are too large to e-mail. As such, attached is a CD with the relevant maps. I also enclose a hard copy of the maps with the actual area in question highlighted.

There are two maps, one showing the CBC/SRBC current boundary with the Chorley Parish Boundaries and one showing the same CBC/SRBC boundary but with the Chorley Borough Ward Boundaries. On each map I have highlighted the Buckshaw Village development that straddles the two Boroughs.

I hope this is satisfactory and please do not hesitate to contact me should you have any further queries. I will be on leave from Monday 6th October to Wednesday 15th October 2008 and therefore should you need to contact us during this time could you please liaise with:

Andrew Docherty
Corporate Director of Governance
01257 515110
Andrew.docherty@chorley.gov.uk

Yours sincerely



Phil Davies

Principal Corporate Support Officer

Email: phil.davies@chorley.gov.uk

Tel: 01257 515131

Fax: 01257 515150

Report of	Meeting	Date
Director of Transformation (Introduced by the Executive Member for Transformation, Councillor Kevin Joyce and the Executive Member for People, Councillor John Walker)	Executive Cabinet	23 June 2011

GRANT OF A NEW SUB-LEASE OF LAND AT CHISNALL LANE, COPPULL FROM CHORLEY COUNCIL TO CHORLEY PANTHERS ARLFC

PURPOSE OF REPORT

1. To seek approval for the terms agreed for the grant of a 25 year sub-lease with the opportunity to extend for a further 25 years to Chorley Panthers ARLFC on land at Chisnall Lane, Coppull.
2. To seek consent to improve and alter facilities provided, namely:
 1. Improved drainage system to all pitches
 2. Floodlighting for one pitch and training area
 3. Extension of changing rooms to include 6 changing rooms, a match officials' changing room, a treatment room and a gymnasium
 4. The erection of a new perimeter fence and a 3 foot fence with access gates around the playing pitches

RECOMMENDATION(S)

3. That the terms agreed for the surrender of the existing sub-lease dated 5th February 2004 and the grant of a new sub-lease be approved.
4. Liberata Property Services be authorised to instruct the Head of Governance (Legal Services) to proceed with the drafting of the surrender and grant of a new sub-lease.
5. That consent be granted for the alterations and improvements to the drainage, the perimeter fencing of the pitches, the installation of floodlights and the extension of the changing rooms/pavilion

EXECUTIVE SUMMARY OF REPORT

GRANT OF NEW SUB-LEASE

6. Lancashire County Council owns land at Chisnall Lane Coppull and in 1983 granted a 99 year Lease to Chorley Borough Council for the purpose of delivering recreational facilities on the land shown shaded blue on the attached plan.
7. Chorley Borough Council (The Council) granted the Chorley Panthers ARLFC (The Club) a sub-lease of the land shown cross hatched on the plan in January 2004.



8. The Club has since occupied the land providing recreational activities across the playing fields and pitches on the site for its members and the general public
9. The current sub-lease was granted for a period of 21 years in 2004 and The Club has indicated that in order to improve the existing facilities they have applied for funding from the Rugby Football League (RFL).
10. A condition of the funding application is that the Club has an unexpired term of at least 25 years. The Club having occupied since 2004 has less than 14 years remaining on the existing Sub-Lease.
11. The Club has recently been successful in their application on condition that the longer term for the sub lease is granted
12. The Club is looking to upgrade the facilities and has submitted a proposal to
 - Improve drainage system to all pitches – planning consent granted – 10/0835/FUL
 - Erect floodlighting for one pitch and training area – planning consent granted – 10-00835/FUL
 - Extend the changing rooms to include 6 changing rooms, a match officials’ changing room, a treatment room and a gymnasium – planning consent granted - 11/00100/FUL
 - Erect a new perimeter fence and a 3 foot fence with access gates around the playing pitches to counter vandalism and dog fouling of the pavilion and the playing fields.
 - Upgrade and replace where necessary the current boundary fencing around the site to match the existing

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

13. To ensure continued and improved delivery of a recreational facility for the people of Chorley

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

14. Should the Sub-lease not be extended, the funding application would have to be withdrawn because the qualifying criteria (i.e. the longer lease term) could not be met and so the facilities would remain in the current condition for the remainder of the term of the current Sub-Lease

CORPORATE PRIORITIES

15. This report relates to the following Strategic Objectives:

Strong Family Support		Education and Jobs	
Being Healthy	x	Pride in Quality Homes and Clean Neighbourhoods	
Safe Respectful Communities	x	Quality Community Services and Spaces	x
Vibrant Local Economy		Thriving Town Centre, Local Attractions and Villages	
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			x

BACKGROUND

16. In 1983 Lancashire County Council's (the land owner) granted Chorley Borough Council a 99 year lease for recreational use of Land at Chisnall Lane Coppull.
17. Chorley Borough Council has subsequently granted sub-leases of the land to The Chorley Panthers and the Mid Lancs BMX Club
18. In January 2004 Chorley Borough Council granted a 21 year sub-lease to the Chorley Panthers ARLFC.
19. The Club has over 300 members in 18 teams ranging from the under 7s through to male and female adult teams.
20. To support the players there are over 50 volunteers who are responsible for managing The Club, the teams, coaching, first aid and child welfare.
21. The Club has asked whether a new Lease of 25 years might be granted to support the investment they are looking to make in the provision of improved recreational opportunities on the land for their members and other users of the pitches and playing fields.
22. The Club has an offer of £100,000 (one hundred thousand pounds) from a private investor and has sought match funding from their governing body, the Rugby Football League (RFL).
23. In addition, the Club advises that they have raised £45,000 by their own fundraising efforts and intend to make a bid for a further £50,000 from Biffa.
24. The Club has asked for a term of 25 years with the opportunity to extend by a further 25 years thereafter.
25. Lancashire County Council has given consent (as landlord) to the extended term, and the opportunity to extend for a further 25 years thereafter.
26. The other terms will remain largely in accordance with the existing sub-lease except for the rent and the maintenance.
27. Under the existing Sub-Lease the Council currently mows the site but it has been provisionally agreed that the Club will take over this responsibility in the future.
28. The Club currently pays £1,065 per annum which is credited to the Council's Investment Portfolio, though associated expenditure is charged to the People and Places Directorate.
29. To recognise the investment the Club is intending to make into the land it is proposed that the rent for the land be reduced to a peppercorn
30. The maintenance and repair liability of the upgraded facilities will also pass to the Club
31. To compliment the revised arrangements a Management Agreement has been proposed which requires the Club to work closely with the Council to deliver a recreational service for all residents of Chorley and refers to the Club's Finances, Development Plans, Community Involvement, Availability of the Track, Monitoring, Communications, Liaison, Mediation etc.
32. Currently the Club is obliged to permit other organisations and clubs to use the land as directed by and at the discretion of the Council (the Northern Whippet Group currently use the site to run their dogs).

33. The new sub-lease will continue to ensure that the Council is able to direct other groups to use the site and the Management Agreement will reinforce this requirement by stating that the site must be made available to the Council for at least one planned event each year

ALTERATIONS AND IMPROVEMENTS

34. The Club sole purpose of the Club’s funding raising efforts is to improve the facilities available.
35. The Club has identified the key improvements needed as follows:
- Improved drainage systems to all pitches,
 - floodlighting for one pitch and training area to enable winter training to take place on site, extension of the existing changing rooms,
 - a perimeter fence around the playing fields to control access over the pitches (dog fouling across the site is a problem)
36. The Club will be obliged to seek the necessary statutory consents associated with the upgrades, but have already been granted planning consent for the erection of 4 x 15m floodlights and sports pitch drainage (application ref 10/00835/FUL) and more recently having been granted planning permission for the extension of the changing rooms to include a gymnasium (11/00100/FUL).
37. The Mid Lancs BMX Club provides a BMX Tack and facilities on the adjoining land.
38. Chorley Borough Council has recently granted The BMX Club a new 21 year sub-lease to enable a similar funding application to made to their governing body British Cycling to improve their facilities

IMPLICATIONS OF REPORT

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

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

COMMENTS OF THE SECTION 151 OFFICER (DIRECTOR OF TRANSFORMATION)

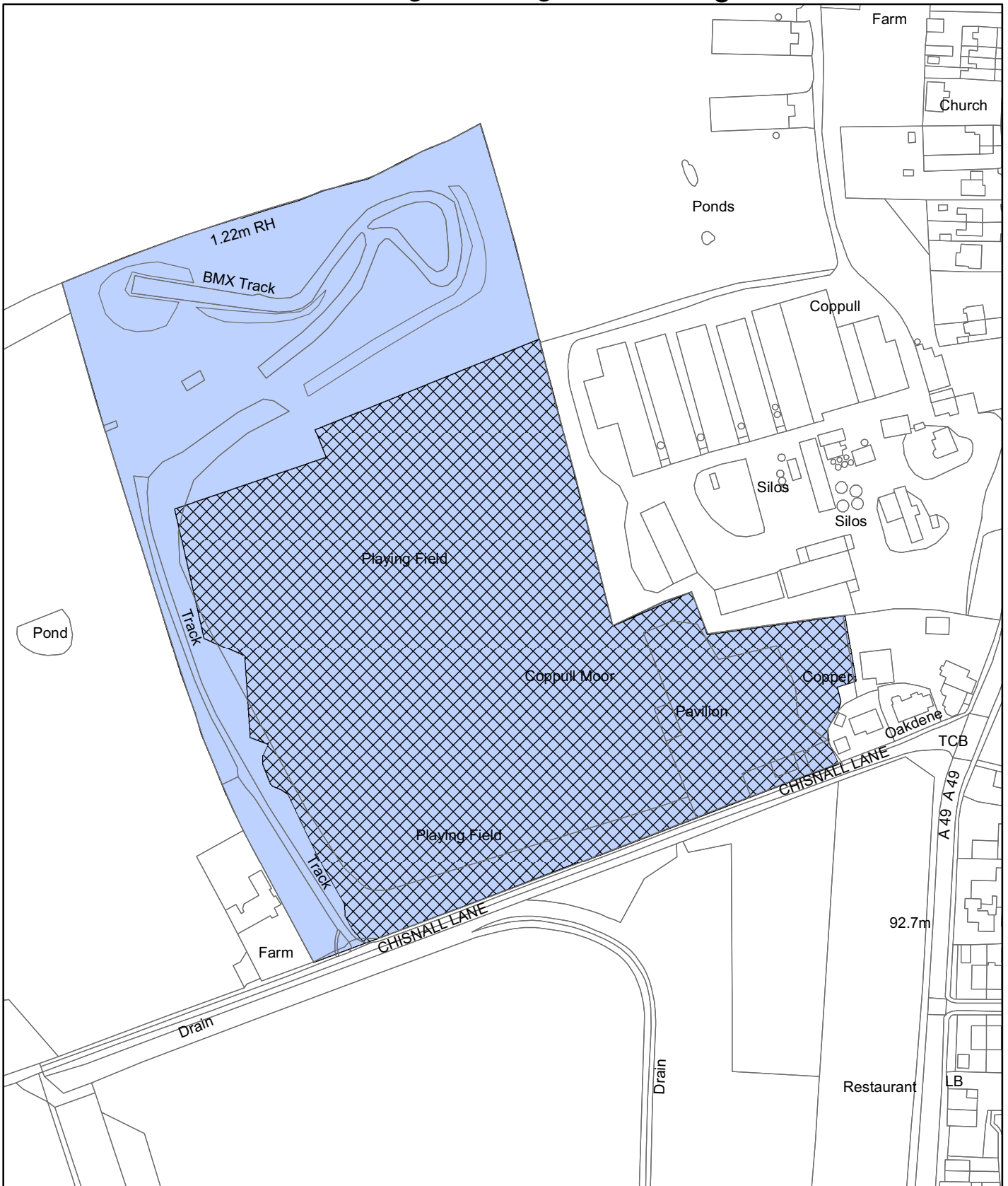
39. The Council has no objections to the granting of a new sub-lease on financial grounds. The loss of rent is considered marginal in comparison to the substantial investment the club is intending to make on this site and the maintenance responsibilities taken on by the club.

COMMENTS OF THE MONITORING OFFICER (HEAD OF GOVERNANCE)

40. There are no legal reasons which would prevent the granting of this new lease.

There are no background papers to this report.

Report Author	Tel	Date	Doc ID
Catherine Jagger	01257 515 275	6 th June 2011	LandAtChisnallLane



Description		Chisnall Lane, Coppull. Leasehold land Leased to Chorley Panthers
Scale	1:2500	Drawing Number
Drawn By	Date March 2009	CAD Reference

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17-23 Gillibrand Street,
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Chorley
Council

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Report of	Meeting	Date
Director of People and Places (Introduced by the Executive Member for People, Councillor John Walker)	Executive Cabinet	23 June 2011

CHORLEY PALS MEMORIAL TRUST – HERITAGE LOTTERY FUND BID

PURPOSE OF REPORT

- To approve Chorley Council's involvement and support for the Chorley Pals Memorial Trust bid to the Heritage Lottery Fund (HLF)

RECOMMENDATION(S)

- That the Executive Cabinet approve Chorley Council's involvement in the Trust's bid, as detailed in Sections 15, 20, 25 and 29 to this report, and support the application.

EXECUTIVE SUMMARY OF REPORT

- The report provides details of the Chorley Pals Memorial Trusts funding bid to HLF and, specifically, further detail of projects that involve Chorley Council assets. The recommendation is to support the bid and there are also recommendations for the projects relating to the Council assets.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- The recommendations, assuming the HLF bid is successful, will result in an improvement to the Cenotaph, the Memorial Arch, an expansion and enhancement of the Pals Memorial room at Astley Hall and the introduction of interpretation boards and improved access at the Chorley Pals memorial statue on the Flat Iron car park.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- Not to support the Chorley Pals Memorial Trust's HLF application.

CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Strong Family Support		Education and Jobs	
Being Healthy		Pride in Quality Homes and Clean Neighbourhoods	√
Safe Respectful Communities		Quality Community Services and Spaces	√
Vibrant Local Economy		Thriving Town Centre, Local Attractions and Villages	√
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			

BACKGROUND

7. Following the success of the Chorley Pals Memorial statue, the Trustees of the Chorley Pals Memorial decided to apply to the HLF for funding for a Remembrance Project in Chorley. They were successful in securing initial funding to appoint project management support to work up their project bid in more detail.
8. Chorley Council and the Trust have worked closely to prepare the bid. There has been, and continues to be, extensive consultation with parks, Astley Hall, town centre and conservation officers.
9. The Remembrance Project has a number of strands, namely:
 - Enhancement to the Chorley Cenotaph.
 - Remedial works to the Memorial Arch at the Queens Road entrance to Astley Park.
 - Expansion and enhancement of the Memorial Room at Astley Hall.
 - Enhancements to the Chorley Pals Memorial statue.
 - Chorley Remembers website.
 - Education and community initiatives, for example, Chorley Remembers Month.
10. This report focuses on the first four strands, given that the assets involved are Chorley Council's responsibility. The Trustees are the accountable body for the HLF funding. This means that the Trust is responsible for the delivery of the whole project and is responsible to the HLF, for all financial matters.

ENHANCEMENT TO THE CHORLEY CENOTAPH

11. The proposal for the Cenotaph is to add stone panel's engraved with the names of the fallen around the rear of the central cross, see Appendix A. The panels will replace the stone wall that extends around the area. The Trustees expect the number of names added to be about 850 and will cover all deaths from the Boer War up to the present, with an additional addendum panel for any additional names. The panels will be made from Portland Limestone as this is the material traditionally used by the Commonwealth War Graves Commission. In addition, the Trustees propose to install an interpretation board so that visitors can read about Chorley's military history.
12. Members will note in Appendix A that the panels are shown to be all around the Cenotaph. If this option were to be pursued, the Falklands Stone would need to be repositioned. Likewise, the removal of the existing wall would mean that the individual stones commemorating specific conflicts would need to be repositioned. The drawing is for illustrative purposes at the moment. Any decision to relocate the Falklands Stone would be the subject of further consultation with stakeholders for example, the British Legion and the South Atlantic Medals Association. If the outcome of the consultation is to retain the Falklands Stone in its current position, the proposed central panel would need to be removed from the plan or be sensitively repositioned. However, if there was agreement to relocate the Falklands Stone, it could be incorporated, along with other stones, in the wall/grassed area facing the Cenotaph, for example.
13. The Trustees estimate the cost of the works to be £57,000 and a further £6,000 for the panels to be engraved. The Trustees will include a contingency sum in their HLF bid. The cost of this work will be met by the Trustees.
14. There is no financial cost to Chorley Council for these works. However, Chorley Council will need to give permission for the work to take place and take responsibility for the

maintenance and upkeep of the improved asset. Chorley Council will be closely involved with the supervision of the works to ensure the asset is safeguarded.

Recommendation

15. That Members approve the inclusion of the Chorley Cenotaph in the Chorley Pals Memorial Trust application, subject to:
 - (a) A consultation exercise being undertaken to consider options for the location of the existing Falklands Stone.
 - (b) A detailed final design, costings, work methods, conservation details and insurances being presented for approval by the Executive Member for People prior to consent being given to work on site.
 - (c) The cost of the works, estimated to be £63,000 in total, to be met by Chorley Pals Memorial Trust.

Members are also asked to approve the Chorley Cenotaph management and maintenance actions in Appendix C to this report.

REMEDIAL WORKS TO THE MEMORIAL ARCH

16. In February 2011, the Trustees were given permission to undertake a structural survey on the Memorial Arch. The Surveyor's report noted that there are some problems due to the fact that the stone blocks were made from sandstone. Being a natural material, it varies in its composition from block to block and this will affect durability in how it reacts to weather conditions and pollution. This has resulted in some blocks displaying more cracks and stains than others. The Arch includes cast iron metal retaining/fixing pins which, given modern practices, would now be considered as poor materials. The exposed cast iron fixing element at the top of the structure had suffered the affects of corrosion. The corrosion has caused the metal to expand which has created pressure in the surrounding material. This has caused the sandstone to crack and spall. This spalling effect is evident in a number of locations with loose sections of spalled stonework present along areas where recent spalling had taken place. This action of corrosion and spalling is a continuous cycle that needs remedial works undertaken to prevent it causing serious failure in the future.
17. The Trustees propose to undertake works to remove and replace the corroding metal with stainless steel fittings. The old mortar will be raked out and replaced with a suitable replacement mortar and this will limit the water damage and prevent the growth of vegetation in the gaps and they will seek to repair areas of damage stonework, wherever possible.
18. The Trustees estimate the cost of the works to be £15,000. The Trustees will include a contingency sum in their HLF bid. The cost of this work will be met by the Trustees.
19. There is no financial cost to Chorley Council for these works. However, Chorley Council will need to give permission for the work to take place and to take responsibility for the maintenance and upkeep of the improved asset. Chorley Council will be closely involved with the supervision of the works to ensure the asset is safeguarded.

Recommendation

20. That Members approve the inclusion of the Memorial Arch in the Chorley Pals Memorial Trust application, subject to:

- (a) A detailed final design, costings, work methods, conservation details and insurances being presented for approval by the Executive Member for People prior to consent being given to work on site.
- (b) The cost of the works, estimated to be £15,000 in total, to be met by Chorley Pals Memorial Trust.

Members are also asked to approve the Memorial Arch management and maintenance actions in Appendix C to this report.

EXPANSION AND ENHANCEMENT OF THE MEMORIAL ROOM AT ASTLEY HALL

- 21. The current Memorial Room at Astley Hall is cramped, It is proposed to expand the themed area into the Townley Parker room as well as the existing space. It is not possible to make one large space given the listed status at the Hall. Having two rooms means that two spaces can be created that have two slightly different themes. The Townley Parker room would be about the actual conflicts and the people who were out on the front line, with the small current room being used for social history, such as the families left behind, rationing and those who worked locally at the Royal Ordnance site. Appendix B shows the proposed layout.
- 22. Astley Hall currently has limited electrical outlets in this part of the Hall and lighting is already poor for exhibition purposes. Part of the proposal would be to upgrade the electrical system which, in turn, would mean that exhibition requiring an electrical input could be installed. It is also proposed to redecorate the area and replace the carpeting, although the wooden floor in the Townley Parker room would be retained. The rest of the work will be to install exhibits and an Interpretation Scheme. This will consist of a floor mounted display systems around the walls and a moveable interpretation display for the middle of the floor space. This will be easy to move and means that the room can be used for other purposes should the need arise. It is also proposed to have some of the collection on permanent display in the central atrium in the Coach House, along with information about the opening times at the Hall and details of the Remembrance Projects in the Hall.
- 23. The Trustees estimate the cost of the works to be £56,000. The Trustees will include a contingency sum in their HLF bid. The cost of the work will be met by the Trustees.
- 24. It is proposed that Chorley Council contribute £2,000 towards the cost of these works, from the Astley Hall collections budget. In addition, Chorley Council need to give permission for the work to take place and take responsibility for the maintenance, upkeep and display of the improved asset. As before, Chorley Council will be closely involved with the supervision of the works to ensure the Hall is safeguarded.

Recommendation

- 25. That Members approve the inclusion of the Memorial Room at Astley Hall in the Chorley Pals Memorial Trust application, subject to:
 - (a) A detailed final design, costings, work methods, conservation details and insurances being presented for approval by the Executive Member for People prior to consent being given to work on site.
 - (b) The cost of the works, estimated to be £56,000 in total, to be met by Chorley Pals Memorial Trust. Chorley council will contribute £2,000 towards the works.

Members are also asked to approve the management and maintenance actions in Appendix C to this report.

ENHANCEMENTS TO THE CHORLEY PALS MEMORIAL STATUE

- 26. As the statue’s been in place only one year, it is in excellent condition. The proposal is to enhance the visitor experience to the site. The proposal is to open up the access to the site by providing a wider paved area so that there is more room for people to move around the statue especially if they are in a wheelchair or have a child in a pushchair. The proposal is also to provide interpretation boards so that everybody that visits can get to know about whom the Chorley Pals were and what they did to earn their place in history. It is also proposed to provide a bench so that people can visit the Memorial and have a place to sit and contemplate. The plan is to access the statue from the pavement. This will have no impact on car parking bays.
- 27. The Trustees estimate the cost of the works to be £5,000. The Trustees will include a contingency sum in their HLF bid. The cost of the works will be met by the Trustees.
- 28. There is no financial cost to Chorley Council for these works, however, Chorley Council will be closely involved with the supervision of the works to ensure the smooth operation of the Flat Iron car park and markets. Chorley Council will also continue to be responsible for the maintenance and upkeep of the paved area, grass and floral displays.

Recommendation

- 29. That Members approve the inclusion of the area around the Chorley Pals Memorial Statue in the Chorley Pals Memorial Trust application, subject to:
 - (a) A detailed final design, costings, work methods and insurances being presented for approval by the Executive Member for People prior to consent being given to work on site.
 - (b) The cost of the works, estimated to be £5,000 in total, to be met by Chorley pals Memorial Trust.

Members are also asked to approve the management and maintenance actions for the area in Appendix C to this report.

ONGOING MAINTENANCE, REPAIR AND OPERATION

- 30. As mentioned in other sections, attached, at Appendix C, is a table showing the ongoing maintenance, repair and operational liabilities. The Council’s liabilities can be met from within the existing budget for these areas.
- 31. As mentioned earlier, there has been ongoing consultation between the Council and the Trust to get to this stage. This will continue. A protocol has been agreed to ensure that we manage the communication around the project. Again, this will continue.
- 32. This report has implications in the following areas and the relevant Directors’ comments are included:

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

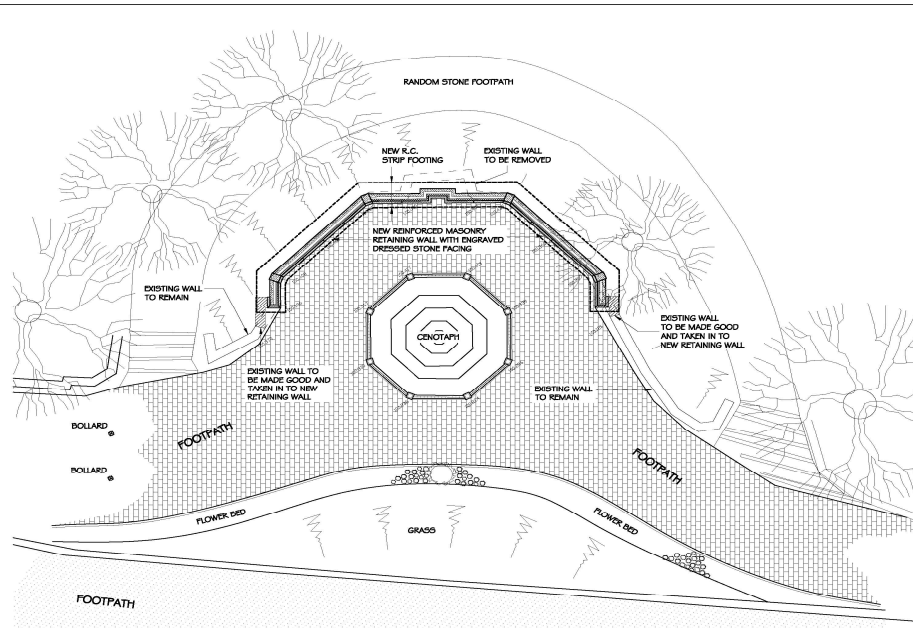
COMMENTS OF THE DIRECTOR OF TRANSFORMATION

33. As detailed in the report, the capital works will be funded by Chorley Pals Memorial Trust. £2,000 from the Astley Hall budget, will be allocated to the Astley Memorial Room element. The ongoing maintenance, report and operation costs will be contained within existing budgets. If there are any changes, these will be brought to Members' attention.

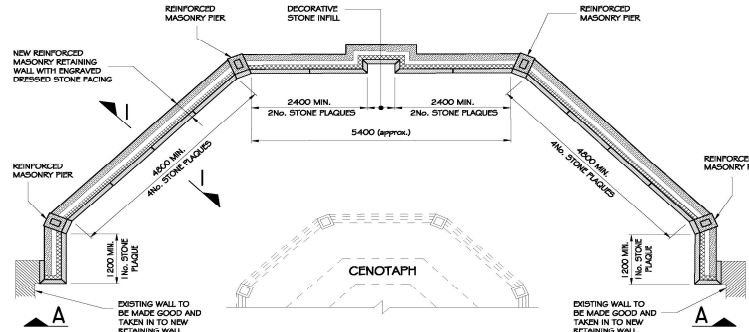
JAMIE CARSON
DIRECTOR PEOPLE AND PLACES

There are no background papers to this report.

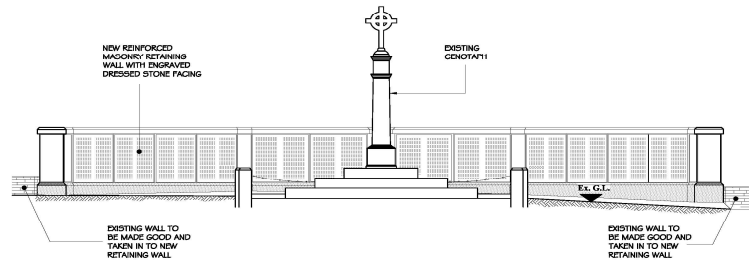
Report Author	Ext	Date	Doc ID
Jamie Carson	5815	15 June 2011	



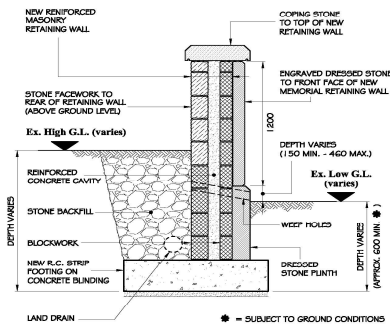
PROPOSED SITE LAYOUT (SCALE 1:100)



PROPOSED PLAN ON NEW MEMORIAL WALL (SCALE 1:50)



PROPOSED ELEVATION 'A - A' (SCALE 1:50)



SECTION '1 - 1' (SCALE 1:20)
TYPICAL DETAIL THROUGH NEW MEMORIAL WALL
 (CONSTRUCTION DETAILS INDICATIVE PENDING
 CONFIRMATION OF GROUND CONDITIONS & DETAILED DESIGN)



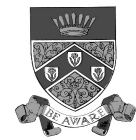
DEVELOPED FRONT ELEVATION (SCALE 1:50)

- GENERAL NOTES:**
1. THIS DRAWING IS TO BE READ IN CONJUNCTION WITH THE SPECIFICATION & ALL RELEVANT ENGINEERS, ARCHITECTS & SUBCONTRACTORS DRAWINGS.
 2. DO NOT SCALE OFF THIS DRAWING. USE ONLY FIGURED DIMENSIONS & IF IN DOUBT ASK. ALL DIMENSIONS ARE IN MILLIMETERS.

NO.	DESCRIPTION	DATE	BY	CHECKED

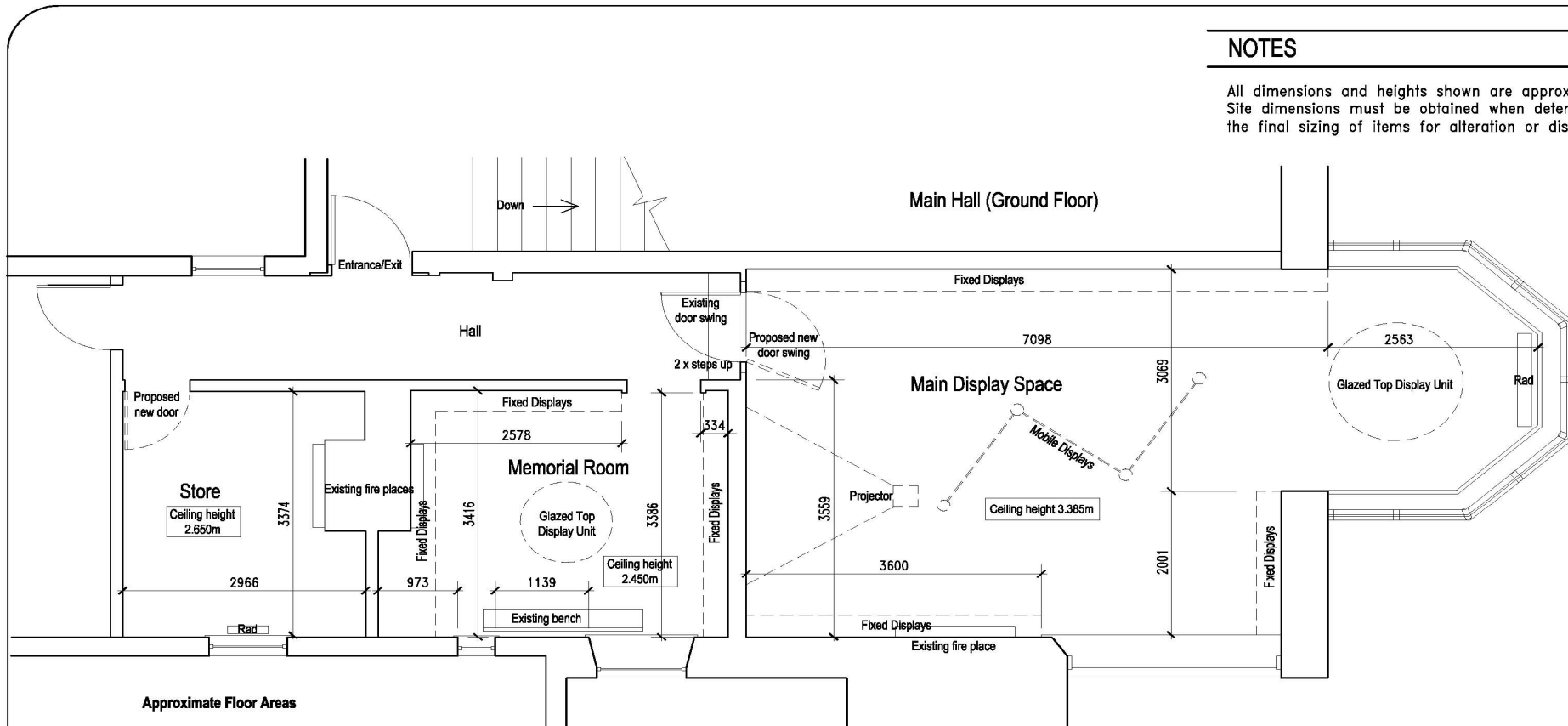
FOR CLIENTS APPROVAL	
Graham Schofield Associates CONSULTING CIVIL AND STRUCTURAL ENGINEERS 72 Deodar Road, Leyland PR25 3BD Tel: 01772 458863 Fax: 01772 458264	
client:	ERIC WRIGHT CIVIL ENGINEERING LTD. FOR CHORLEY REMEMBERS PROJECT
project:	CHORLEY CENOTAPH MEMORIAL ASTLEY PARK
title:	PROPOSED PLAN, SECTION AND ELEVATIONS OPTION No. 2
drawn: AW	checked: DM
date: 31.05.11	date: 02.05.11
scale: 1:100 / 1:50 / 1:20	A1
drawing number:	2011 - 091 - 002

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Agenda Item 7



NOTES

All dimensions and heights shown are approximate. Site dimensions must be obtained when determining the final sizing of items for alteration or display.



Approximate Floor Areas

Main Display Space: 41.8 msq
 Memorial Room: 13.8 msq
 Store: 9.5msq
 Hall: 10.9msq

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JOB TITLE
**Astley Memorial Rooms
 Chorley**

REVISION	DESCRIPTION	DATE
DRAWING RECORD	FOR INFORMATION	

DRAWING TITLE		
Astley Hall Plan Layout First Floor		
SCALE	DRAWN BY	DATE
1:50 @ A3	CMW	May 2011
JOB NUMBER	DRAWING NUMBER	REVISION
307	307-001	A



Section 5: Action Plan & Costs

Asset	Action	Work Involved	Carried Out By:	When/ How Often	Resources Needed	Cost estimated/ averaged per year
Chorley Cenotaph	Site cleanliness	Removal of litter & graffiti	Chorley Council	Litter – Daily Graffiti – Ad-hoc	Existing resource	£2,300
	Maintenance of general landscape in immediate area.	Grass cutting, weed control, pruning of trees/shrubs.	Chorley Council	Weekly as part of on-going maintenance	Existing resource	£1,000
	Monitoring of structural integrity of site.	Monitoring of columns, wall, & cross to comply with health & safety requirements. Minor repairs.	Chorley Council	Annually	Existing resource	£900
	Cleaning of panels & cross & interpretation panels.	Removal of build-up of algae/ tree sap / staining.	Chorley Council	Inspected every 6 months, work as required	Existing resource	£800
	Maintenance of access to cenotaph.	Monitoring of safety of footpaths & paved areas, continued access, routine maintenance and repairs.	Chorley Council	Monitoring, weekly, with repairs as necessary	Existing resource	£1,000



Memorial Arch	Monitoring of structure	Structural survey & safety inspection	Chorley Council	Every 2 years	Existing resource	£450
	Routine maintenance	Weed control and graffiti removal.	Chorley Council	As necessary	Existing resource	£350
Memorial Suite	Visitor management	Fire safety procedures, health & safety procedures, access & staffing.	Chorley Council	Daily	Existing resource	£3,000
	Maintenance of static exhibits & interpretation	Changing of displays, and general housekeeping.	Chorley Council	Quarterly	Staff time	£1,000
	Inspection & maintenance of electrical equipment and infrastructure.	Planned Statutory inspections & maintenance to fire alarms, legionella, PAT testing fixed wiring etc.	Chorley Council		Existing resources	£1,500
	Updating of interactive facilities.		Chorley Pals Memorial Trust			
	Maintenance of overall building structure and décor.	Condition survey, works prioritised and actioned.	Chorley Council	As determined by survey and priorities	Existing resources	£8000
Chorley Pals Memorial Statue	Site cleanliness.	Removal of litter & graffiti	Chorley Council	Weekly inspection and cleaned as required	Existing resources	£1,000
	Maintenance of	Monitoring of	Chorley Council	Regular	Existing	£1,250

	access to site.	safety of footpaths & paved areas, continued access, routine maintenance and repairs.		inspection with repairs requested as	resources	
	Monitoring of structure and statue and interpretation.	Inspection	Chorley Pals Memorial Trust			
Chorley Remembers Website	Website hosting		Chorley Pals Memorial Trust			
	Updating of site	Adding information, site maintenance.	Chorley Pals Memorial Trust			

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Report of	Meeting	Date
Chief Executive (Introduced by the Executive Member for Policy and Performance)	Executive Cabinet	23 June 2011

FOURTH QUARTER PERFORMANCE REPORT 2010/2011

PURPOSE OF REPORT

1. This monitoring report sets out the performance against the delivery of the Corporate Strategy and key performance indicators during the fourth quarter of 2010/2011, 1 January to 31 March 2011.

RECOMMENDATION(S)

2. That the report be noted.

EXECUTIVE SUMMARY OF REPORT

3. This report sets out performance against the Corporate Strategy and key performance indicators for the fourth quarter of 2010/11, 1 January to 31 March 2010. Performance is assessed based on the delivery of key projects, against the measures in the Corporate Strategy and key service delivery measures.
4. Overall performance of key projects remains excellent, with the vast majority of the projects either completed, on track or not scheduled to start until later in the year. Of the two projects rated amber, one will be completed to the original timescales and the other should now be completed by the end of the second quarter.
5. Overall performance on the key measures in the Corporate Strategy and key performance indicators is strong, with 95% of the Corporate Strategy measures performing above target or within the 5% tolerance.
6. Three of the key service delivery measures are below target. In these cases, action plans have been developed to outline what action will be taken to improve performance.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

7. To facilitate the ongoing analysis and management of the Council's performance in delivering the Corporate Strategy.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

8. None

CORPORATE PRIORITIES

9. This report relates to the following Strategic Objectives:

Strong Family Support	✓	Education and Jobs	✓
Being Healthy	✓	Pride in Quality Homes and Clean Neighbourhoods	✓
Safe Respectful Communities	✓	Quality Community Services and Spaces	✓
Vibrant Local Economy	✓	Thriving Town Centre, Local Attractions and Villages	✓
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			✓

BACKGROUND

- 10. The Corporate Strategy is the key strategic document for the authority and includes performance indicators and key projects which focus on delivering the Council’s nine strategic objectives. The Corporate Strategy mirrors, and outlines the Council’s contribution to, the Sustainable Community Strategy, delivery of which is taken forward by the Chorley Partnership.
- 11. This is the first monitoring report since the Corporate Strategy was refreshed in December and includes an update on the new key projects and targets set out in the 2010/2011 – 2013/14 Corporate Strategy.

PERFORMANCE OF KEY PROJECTS

- 12. There are 15 key projects in the Corporate Strategy for 2010/2011 – 2013/14. Overall performance of key projects remains excellent. 13 of the 15 projects (87%) are either on track, completed or scheduled to start later in the year.
- 13. Two projects (13%) have been completed during the last quarter:

Project	Key Outcomes
Choice Based Lettings	<ul style="list-style-type: none"> ▪ Choice Based Lettings was launched as planned on the 21 March 2011. ▪ The new way of allocating homes is far simpler for customers and increases choice and transparency. Properties are advertised on a weekly basis covering Preston, South Ribble and Chorley which provides opportunity for customer to relocate to other areas in central Lancashire which may be nearer job opportunities. ▪ All customers have been contacted with details of how to register for the scheme. ▪ The Selectmove website is up and running and customers can apply online or via a new property shop which has been set up at Union Street with the new terminals located in the One Stop Shop. Customers can also access the service by text.
Future proof the ICT infrastructure	<p>This project included several key improvements to the Council’s ICT infrastructure:</p> <p>Network upgrade This delivered new hardware and increased the capacity of the network</p>

	<p>and was the first building block in the implementation of a new data centre. The network upgrade has increased the bandwidth running between the 3 main buildings and increased the speed of delivery available to the desktop so that each is ten times faster than previously.</p> <p>SAN (or Storage Area Network) Implementation A SAN is a dedicated storage network and is fundamental in the running of a modern data centre. The implementation of the SAN will greatly improve the Council's resilience and ability to backup data improving recovery times for data loss from days to hours, significantly enhancing the Council's business continuity and disaster recovery abilities.</p> <p>Server virtualisation installation Rather than having racks of physical servers can be 'virtualised' onto a smaller number of physical hosts. This project has reduced the number of physical servers at the Council from 107 to 35 so 67% are now running virtually, significantly reducing power consumption and associated costs and CO2 emissions. The ability to run virtual servers will deliver major procurement savings in the long term and reduce the need to pay expensive warranties for physical servers to ensure business continuity.</p> <p>Citrix The roll out of the Citrix infrastructure to all users has been completed. ICT can now control sessions and install software upgrades very quickly, removing the need to install software on each individual PC or visit staff at their desk to resolves many issues. The implementation has also removed the requirement for PC builds which previously could take up to 3 days. The Citrix 'Thin Client' boxes consume less than 10% of the energy of a standard PC, which will reduce running costs and CO2 emissions. As they have less moving parts the new devices also have a longer working life than PCs and require less maintenance, providing further savings.</p> <p>Corporate printers/photocopiers refresh The procurement exercise to select a new supplier for the corporate suite of multi-functional printers has been completed with Canon being the successful supplier, which has reduced the price per page and will printing costs by bringing in automatic defaulted two page, black and white printing. These devices are currently being rolled out with the last printer due to be implemented in early July.</p>
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14. At the end of the fourth quarter, eight projects (54%) were rated green, meaning that they are progressing according to timescale and plan:
- Early Intervention
 - Total Family
 - Strategic Partnerships with other Councils
 - Deliver food waste recycling
 - Allotment Project
 - Flat Iron Gazebos
 - Shared Revenues and Benefits with SRBC
 - S106 Play and Recreation Fund
15. Three projects (20%) had not started by the end of the fourth quarter, as they are scheduled to start later in the year in order to balance out project work with core business and manage staff capacity.

16. Two projects (13%) are currently rated as ‘amber’, which is early warning that there may be a problem with these projects.

Project Title	Project Status	Explanation	Action Required
Refresh the Council’s website	Amber	Overall the project is progressing well although supplier issues have caused delays. This is primarily as a result of the innovative nature of the technology being used to support end to end automation and design of the new website. Action has been taken to address the issues and guarantee the success of the final product although the deadline for delivery has been compromised as a result.	Additional development work will be completed in early June. Work will then begin on populating content, integrating the transactional elements and testing the final product as planned with a live deployment by the end of the second quarter.
Develop an Asset Management Strategy	Amber	The initial phase of the project to review the Council’s land and building assets has been delayed due to the public examination of the LDF Core Strategy which has been scheduled earlier than expected and therefore prioritised. In addition site allocations work is also stretching the capacity of the Planning Policy team who are key to the first stage of the Asset Management project.	The project plan will be updated to reflect the current capacity issues within the Planning Policy team, however overall it is expected that the project can be delivered within the original timescales.

PERFORMANCE OF CORPORATE STRATEGY KEY MEASURES

17. At the end of the fourth quarter, it is possible to report on 19 of the key performance indicators within the Corporate Strategy. Performance in those indicators is excellent, with 14 (74%) performing on or better than target. The full outturn information for the performance indicators is included at Appendix A.
18. The following indicators are performing better than target:
- % of 16-18 year olds who are not in education, employment or training (NEET)
 - Overall employment rate
 - Under 18 conception rate
 - % of health checks resulting in a referral
 - Number of affordable homes delivered
 - Street and environmental cleanliness – litter
 - Street and environmental cleanliness – detritus
 - Street and environmental cleanliness – graffiti
 - Street and environmental cleanliness - fly posting
 - New businesses established

- New businesses established and sustained for 12 months
- New businesses established and sustained for 24 months
- Working age people receiving out of work benefits
- Level of avoidable contact

19. Four indicators (21%) are performing slightly below target, but are within the 5% tolerance threshold:

- Town Centre Visits: Performance is at 33,822 visits against a target of 34,814. This is only very slightly below target, with 992 fewer visits than the target.
- Median workplace earnings in the borough: Performance is at £454.20 against a target of £460, with a difference of only £5.80 from the target.
- % of staff satisfied with the Council: Performance is 82% against a target of 85%, only 3% less than the target.
- Percentage of household waste sent for reuse, recycling or composting: Performance is at 48.67% against the 50% target, 1.33% off target. * This figure is provisional and may be subject to a minor change when final confirmed figures for waste processed by Lancashire County Council are received.

20. One indicator (5%) performed below target:

Performance Indicator	Target	Performance	Reason below target	Action required
Vacant Town Centre floor space	7.5%	8.23%	The current economic climate is having an impact on this indicator as it is in other town centres. However performance is only slightly below target and Chorley town centre continues to be resilient (in comparison to other areas) in these uncertain economic times.	The refreshed Economic Regeneration Strategy and Town Centre Action Plan is now in place. In March 2011, Executive Cabinet approved, as a growth item, a package of town centre projects will commence delivery in May 2011 and will help to tackle our vacant town centre floor space, these are; the Shop Front Improvement Grant, Business Rate Subsidy, Shop Floor Refurbishment Grant and Revenue Business Support measures. Improvements have been seen in the vacancy rate since the beginning of 2011/12, with the vacancy rate reducing. This will be reported in the next report.

PERFORMANCE OF KEY SERVICE DELIVERY MEASURES

21. There are some important indicators that are not included within the Corporate Strategy, but are measured locally as indicators of service performance. There are five indicators that can be reported at the end of the fourth quarter. The full outturn information for this is included at Appendix B: Key Service Delivery Measures.

22. The following are performing better than target:
- Average time taken to process Housing Benefit and Council Tax Benefit change events
 - Number of families in temporary accommodation

23. There are currently three indicators that are performing worse than target. These indicators relate to the time taken to process planning applications. The table below gives the reasons for the worse than anticipated performance, and the steps that are being taken to improve performance:

Performance Indicator	Target	Performance	Reason below target	Action required
NI 157a Processing of planning applications as measured against targets for 'major' application types	81.0%	67.31%	Performance in processing planning applications remains below target at the end of the fourth quarter, having been off track earlier in the year.	The service improved performance in the fourth quarter, (i.e the period 1 January to 31 March 2011). The peak of appeal work subsided and temporary staffing helped to significantly improve the proportion of applications processed within the required timescales.
NI 157b Processing of planning applications as measured against targets for 'minor'	82.5%	55.68%	Performance has improved but this is not seen in the overall figures, because of poor performance earlier in the year, the reasons for which have previously been reported. These include an 8.6% increase in the number of applications on 2009/10 from 789 to 857, particularly in the number of Major applications and the amount of officer time and resource taken in responding to an increased level of appeals and applications withdrawn before determination. This has occurred as a result of new policies around garden grabbing and the new LDF being introduced and then tested by developers.	A review of the service commenced in April and improvements in processing are already underway. Temporary staffing arrangements will continue while the review progresses.
NI 157c Processing of planning applications as measured against targets for 'other' application types	92%	76.8%		The improving trend has continued into the beginning of 2011/2012. The percentage of applications processed within the prescribed timescales has increased and is currently hitting target. This will be reported on in the next quarterly report.

IMPLICATIONS OF REPORT

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

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


DONNA HALL
CHIEF EXECUTIVE


There are no background papers to this report.




















Report Author	Ext	Date	Doc ID
Louise Wingfield	5061	1 June 2011	Fourth Quarter Performance Report 2010/11

Appendix A: Performance of Corporate Strategy Key Measures

 Performance is better than target

 Worse than target but within threshold


 Worse than target, outside threshold


Indicator Name	Polarity	Target Value	Performance Value	Symbol
The % of 16-18 year olds who are not in education, employment or training (NEET)	Smaller is better	5.1%	4.5%	
Overall employment rate	Bigger is better	68%	73.9%	
Under 18 Conception Rate	Smaller is better	38.7per 1,000	38.7per 1,000	
% of health checks resulting in a referral	Bigger is better	40%	40%	
Number of affordable homes delivered	Bigger is better	50	173	
Street and environmental cleanliness - Litter	Smaller is better	4.5%	4%	
Street and environmental cleanliness - detritus	Smaller is better	6%	6%	
Street and environmental cleanliness - graffiti	Smaller is better	1.5%	1%	
Street and environmental cleanliness - fly posting	Smaller is better	1%	0%	
% of household waste sent for reuse, recycling or composting	Bigger is better	50%	48.67%*	
New businesses established	Bigger is better	53	67	
New businesses established and sustained for 12 months	Bigger is better	91%	95%	
New businesses established and sustained for 24 months	Bigger is better	89%	91%	
Town Centre Visits	Bigger is better	34,814	33,822	
Vacant Town Centre Floor Space	Smaller is better	7.5%	8.23%	
Working age people receiving out of work benefits	Smaller is better	16.8%	10.275%	
Median workplace earnings in the borough	Bigger is better	£460	£454.2	
The level of avoidable contact	Smaller is better	20%	14.1%	
% of staff satisfied with the Council	Bigger is better	85%	82%	






* This figure is provisional and may be subject to a minor change on receipt of final confirmed figures from Lancashire County Council.

Appendix B: Performance of key service delivery measures

 Performance is better than target

 Worse than target but within threshold

 Worse than target, outside threshold

Indicator Name	Polarity	Target Value	Performance Value	Symbol
Number of households living in Temporary Accommodation	Smaller is better	13	12	
Processing of planning applications as measured against targets for 'major' application types	Bigger is better	81%	67.31%	
Processing of planning applications as measured against targets for 'minor'	Bigger is better	82.5%	55.68%	
Processing of planning applications as measured against targets for 'other' application types	Bigger is better	92%	76.8%	
Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	Smaller is better	10 Days	8.87 Days	

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Report of	Meeting	Date
Chief Executive (Introduced by the Executive Member for Policy and Performance)	Executive Cabinet	23 June 2011

CHORLEY PARTNERSHIP ANNUAL REPORT 2010/11

PURPOSE OF REPORT

1. This report provides a summary of the progress made by the Chorley Partnership throughout 2010/11. The report includes partnership performance information and LSP projects delivered in 2010/11 and the work undertaken by the Partnership on the refresh of the Sustainable Community Strategy.

RECOMMENDATION(S)

2. Members are asked to note the contents of the report, before it is presented to the LSP Executive.

EXECUTIVE SUMMARY OF REPORT

3. The Chorley Partnership Annual Report is attached to this report as an appendix. Below is a summary of the key headlines from this year's report.
 - Unemployment has reduced by 2.5% since last year
 - The number of people in temporary accommodation is on target
 - House prices in Chorley have decreased slightly over the last year but only at a rate of 1%
 - Crime is down overall by 1.7% compared to last year
 - Anti Social Behaviour is down by 11.7% and Criminal Damage is down by 15.4%
 - Teenage pregnancies across the borough have been reducing in numbers and as a borough our figures are now lower than the Lancashire and North West average at 38.7 per 1,000
 - The rate of alcohol admissions has reduced and is now lower than the North West average.
 - There have been 67 new business start ups in the last year compared to a target of 53
 - Delivery of affordable homes has increased by 62% since last year
 - CO2 emissions have continued to reduce and is exceeding target
 - 84.7% of people feel that Chorley is a place where people get on well together
 - The level of street cleanliness is exceeding target
 - The number of primary fires has increased slightly since last year

REASONS FOR RECOMMENDATION

4. To facilitate the efficient working of the Local Strategic Partnership.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. N/A

CORPORATE PRIORITIES

6. This report relates to the following Strategic Objectives:

Strong Family Support	✓	Education and Jobs	✓
Being Healthy	✓	Pride in Quality Homes and Clean Neighbourhoods	✓
Safe Respectful Communities	✓	Quality Community Services and Spaces	✓
Vibrant Local Economy	✓	Thriving Town Centre, Local Attractions and Villages	✓
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			✓

IMPLICATIONS OF REPORT

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

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

DONNA HALL
CHIEF EXECUTIVE

There is one background paper attached to this report

Report Author	Ext	Date	Doc ID
Sarah James	5348	25 th May 2011	Chorley Partnership Annual Report 2010/11

Chorley Partnership Annual Report

2010/11



Executive Summary

This report outlines the performance of the Chorley Partnership over 2010/11.

This past year has been a busy and exciting one for the Partnership. One of the major achievements has been to develop a new Sustainable Community Strategy, based on the needs of our communities and consultation with over 1,000 residents and over 50 partner organisations. This Strategy ensures that we are well placed to work together to deliver our shared vision and priorities for the communities of Chorley. The partnership has developed an annual Delivery Plan to enable us to deliver the strategy, with commitments from key partners for the year ahead. This annual report will be the last one based on the structure of the previous Sustainable Community Strategy 2007.

Sustainable Community Strategy 2010 - 2020



Vision Chorley will smile as the most attractive and supportive place in the North West to live, work, invest, play and visit. People will be healthy and happy in safe communities where they can achieve their ambitions									
Theme	You and Your Family			You and Your Community			You and Chorley		
Priority	Strong Family Support	Education and Jobs	Being Healthy	Pride in Quality Homes and Clean Communities	Safe Respectful Communities	Quality Community Services and Spaces	Vibrant Local Economy	Thriving Town Centre, Local Attractions and Villages	Sustainable Places and Transport
Long term outcome	<ul style="list-style-type: none"> Ensure early intervention and prevention of health and wellbeing problems Use a whole family approach to address problems and provide support Support the ageing population to be healthy and independent 	<ul style="list-style-type: none"> Improve skills across the family Improve links from good quality education to employment Promotion and uptake of local job prospects 	<ul style="list-style-type: none"> Improve the quality of local health services Reduced Health Inequalities Families enabled to make healthy lifestyle choices 	<ul style="list-style-type: none"> Provision of quality affordable housing Clean streets Communities that residents actively take care of and improve 	<ul style="list-style-type: none"> Safe communities Cohesive communities where people get on well together Reduce death and injuries from fire 	<ul style="list-style-type: none"> High quality coordinated public services Clean, safe and well used open spaces Empowered local people managing community assets 	<ul style="list-style-type: none"> Promote knowledge based inward investment Support a strong, indigenous business base Ensure families and communities reach their full economic potential 	<ul style="list-style-type: none"> A contemporary market town with good quality shops Places to visit, play, enjoy as a tourist destination Thriving local villages 	<ul style="list-style-type: none"> Reduce energy consumption Ensure sustainable modes of transport
Reducing Public Expenditure by Working Together									

www.chorleypartnership.org.uk

chorleypartnership@chorley.gov.uk

Based on the work to refresh our Sustainable Community Strategy, the partnership has changed its structure to ensure that we are fit for purpose for the future. The new structure will be in place since April 2011 and ensures that the LSP Executive has a greater focus, with the wider partnership coming together once a year through the annual conference, whilst keeping in touch through the online Chorley Partnership Network on a more regular basis. The introduction of the Champions will provide an important link for partners, and these changes will ensure that we are working as efficiently and effectively as possible to achieve great outcomes.

As well as all this improvement work, the partnership has maintained high standards of business as usual. This annual report reflects the hard work of partners to achieve outcomes through working in partnership to deliver projects. A particular success has been the delivery of the Alcohol Intervention Programme and the impact that this has had in reducing alcohol related harm. The report also shows the sustained high levels of performance in areas such as crime, economy and health.

Headlines from this year's report are:

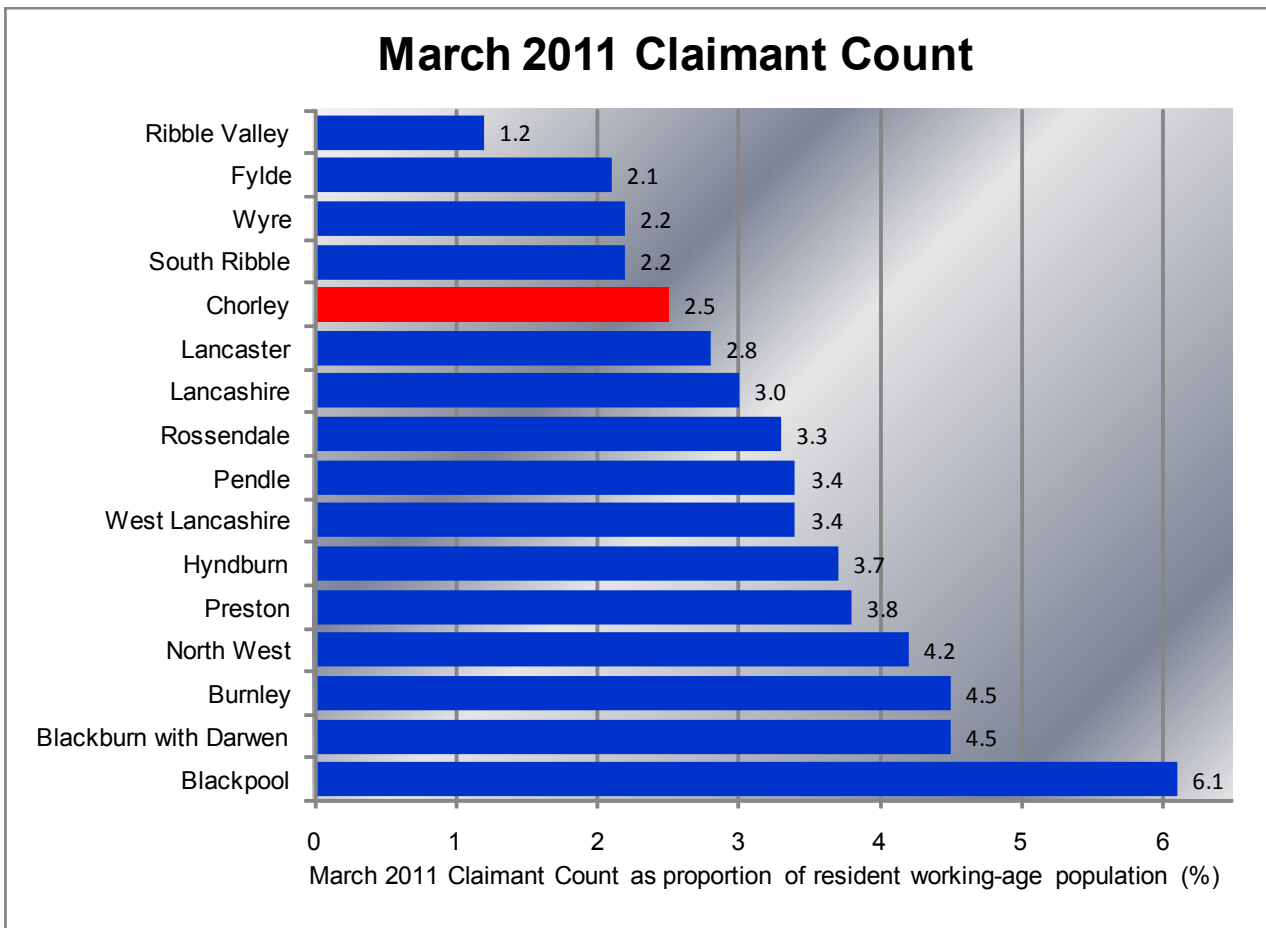
- Unemployment has reduced by 2.5% since last year
- The number of people in temporary accommodation is on target
- House prices in Chorley have decreased slightly over the last year but only at a rate of 1%
- Crime is down overall by 1.7% compared to last year
- Anti Social Behaviour is down by 11.7% and Criminal Damage is down by 15.4%
- Teenage pregnancies across the borough have been reducing in numbers and, as a borough, our figures are now lower than the Lancashire and North West average at 38.7 per 1,000
- The rate of alcohol related admissions has reduced and is now lower than the North West average
- There have been 67 new business start ups in the last year compared to a target of 53
- Delivery of affordable homes has increased by 62% since last year
- CO₂ emissions have continued to reduce and is exceeding target
- 84.7% of people feel that Chorley is a place where people get on well together
- The level of street cleanliness is exceeding target

The State of Chorley 2010/11

Each year we provide an overall view on the picture of Chorley. The economic picture this year is more optimistic than the last as the UK economy has emerged from recession.

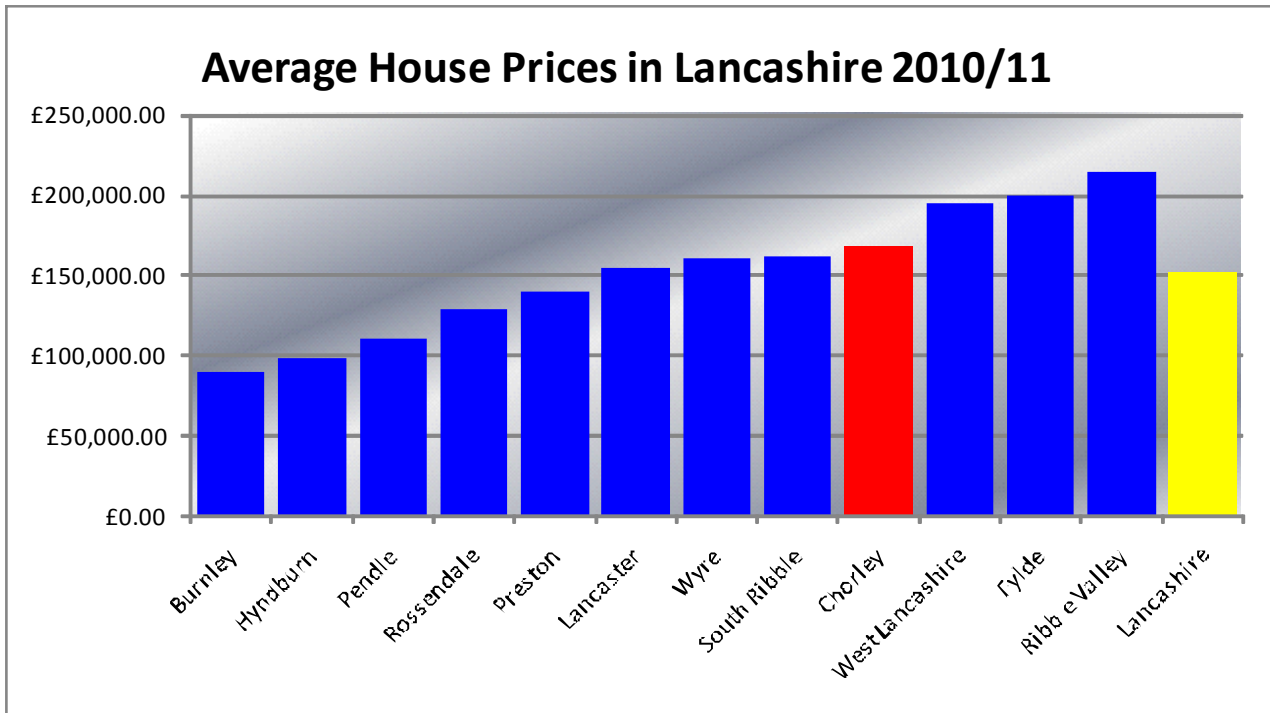
Unemployment

Over the last year, the unemployment benefit claimant count has decreased; and it is now less than when the recession first started. In March 2011 it was at 2.5% of the working age population, compared to 3.3% in March 2009 and 2.9% in March 2010. In numerical terms, it amounts to 1726 claimants, a decrease of 444 claimants on the figure of 2170 claimants in 2009.



House Prices

At the end of 2010/11, the average house price in Chorley was £168,434, which is a slight decrease of 1% on 2009/10. Although this illustrates that house prices in Chorley have reduced slightly over the past 12 months, they are 9.7% above the Lancashire average.



Crime

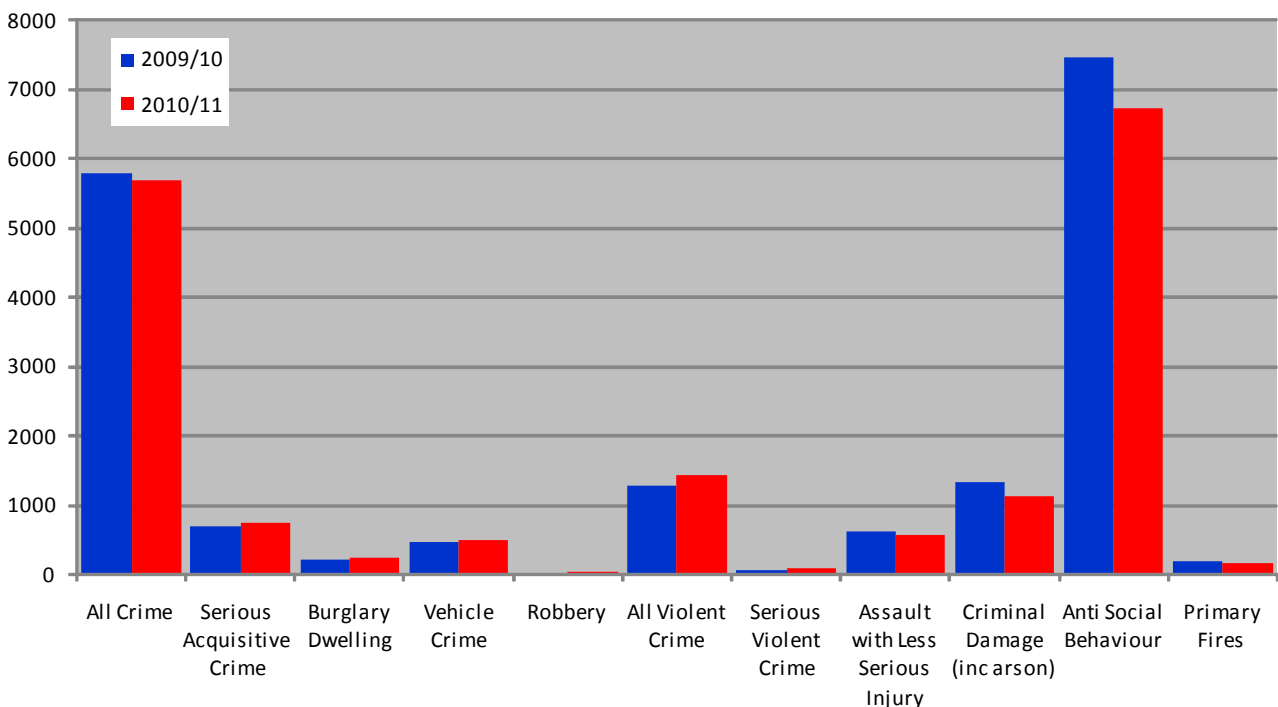
In 2010/11 overall crime fell in Chorley by 1.7% since last year. Anti Social Behaviour is down by 11.7% and Criminal Damage is down by 15.4%

It is important to note that Chorley still remains one of the safest places to live, compared to the national average.

This table shows the number of incidents of crime by type in Chorley and how it compares with last year's figures.

Category	2009/10	2010/11	Year To Date % Change
All Crime	5783	5687	-1.7%
Serious Acquisitive Crime (NI16)	701	753	+7.4%
Burglary Dwelling	210	231	+10.0%
Vehicle Crime	475	484	+1.9%
Robbery	16	38	+137.5%
All Violent Crime	1293	1424	+10.1%
Serious Violent Crime	68	79	+16.2%
Assault with Less Serious Injury (NI20)	615	584	+6.8%
Criminal Damage (inc arson)	1321	1117	-15.4%
Anti Social Behaviour	7472	6716	-11.7%
Primary Fires	189	176	+6.7

Comparison of Crime in Chorley 2009/10 to 2010/11



Health

The health profile summary published by the North West Public Health Observatory in 2009 shows that the health of people in Chorley is varied. Some indicators are worse than the England average; but a similar number are better.

Health Inequalities

There are significant health inequalities within Chorley, by gender and level of deprivation. For example, men in the least deprived areas can expect to live nearly seven years longer than men in the most deprived areas.

Risk taking behaviour is a key area of concern for Chorley. The number of women who smoke during pregnancy is significantly worse than the England average. Also, although teenage pregnancies on average are reducing in numbers, in some wards (particularly deprived wards); teenage pregnancies are still double the national average.

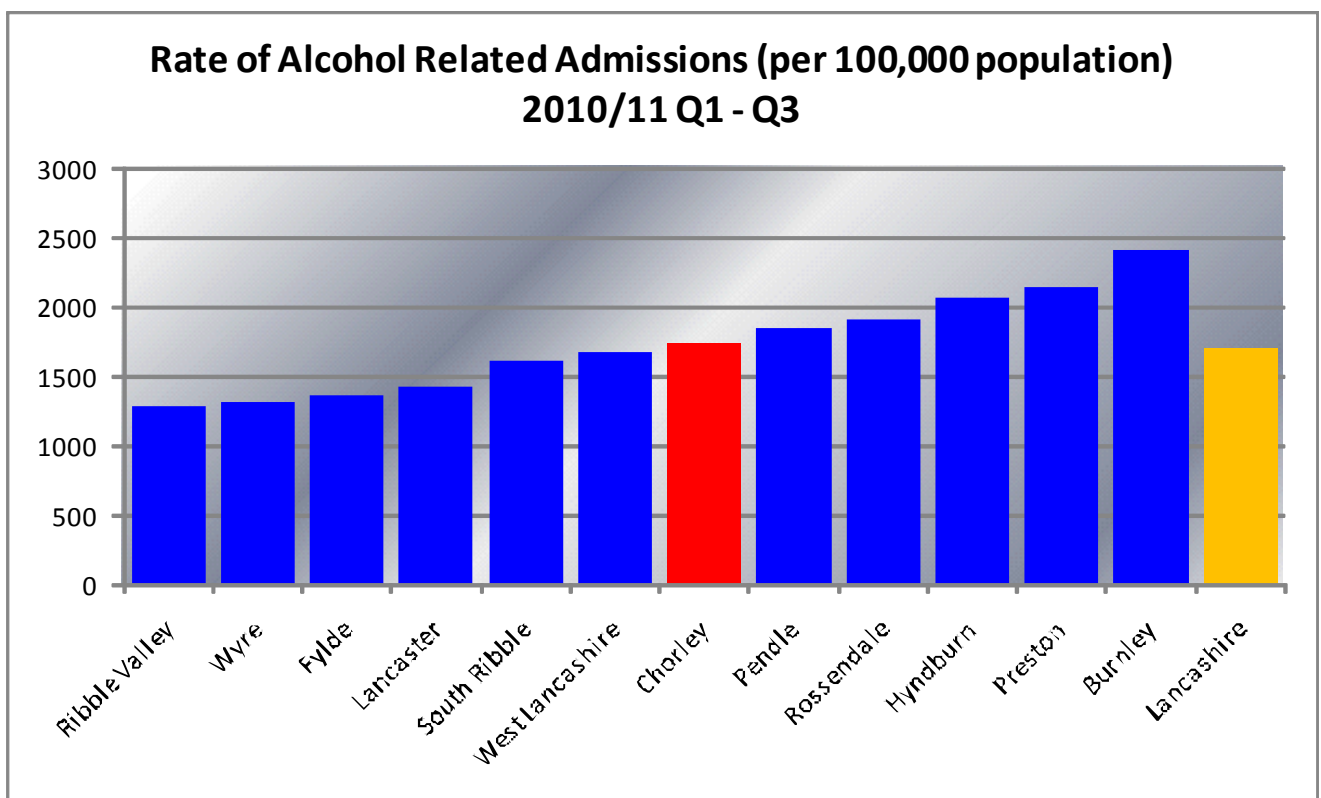
The Chorley Partnership has produced a Health Inequalities Strategy and an associated action plan, which sets out how we will tackle the most pressing health issues for Chorley. The three key areas for action are:

- Reducing alcohol related harm
- Reducing teenage pregnancy
- Tackling the most common causes of early death

Alcohol Related Harm

Alcohol related harm remains a key focus for the Chorley Partnership and much work has taken place over the past year to improve in this area.

- Chorley has improved over the last year now having the 6th highest rate of alcohol related admissions in Lancashire, compared to the 2nd highest last year (based on Q3 2010/11 provisional figures)
- At the end of quarter 3 2010/11 (provisional figures) the rate of alcohol related admissions per 100,000 population was 1,746 compared with 1,782 at the end of quarter 3 2009/10, this is a decrease of 2%. In comparison the Lancashire average is 1,715 with an increase of 5%.
- Chorley's rate of alcohol related admissions is also lower than the North West average with rates per 100,000 of 1,840, this equates to 5% lower than the North West average.
- Although alcohol related admissions are 19% higher than the national average, this is an improvement compared with 28% last year.



Over the past year, the Chorley Partnership has developed an alcohol intervention programme, to tackle the issues of alcohol related harm in the borough. This includes innovative use of partnership resources, including an empty town centre outlet.

The programme includes a number of different projects. Some of these include working with young people through the high schools and through street work (Healthy Shotz Project and Smart Response Project). The programme also commissioned brief intervention training, where 50 front line staff from a range of partner organisations received training to enable them to recognise and deal with signs of alcohol abuse.

A major part of the programme includes the 'free health checks' project, designed to target the highest proportion of our alcohol related admissions, people with high blood pressure. This was developed by Chorley Council and NHS Central Lancashire and initially undertaken as a pilot using the Chorley Smile Trailer in various locations. Healthy Lifestyle experts were on hand to check blood pressure, height and weight, carbon monoxide levels for smokers and alcohol awareness.

The scheme has since been extended, by transforming an empty town centre outlet into a 'One Stop Health Shop'. This is located in Chorley at 10 Cleveland Street and is open four days a week and alternate Saturdays, for people to just drop in for a mini MOT and to talk to health experts about help in stopping smoking, free weight management courses and alcohol awareness advice. Since opening in January 2011, it has received over 250 visitors.



Teenage Pregnancy

Teenage pregnancies across the borough have been reducing and, as a borough, our figures are now lower than the Lancashire and North West average at 38.7 per 1,000. Between 2006-8 and 2007-9 teenage conceptions across the borough have reduced by 2%. However, there is still a clear link both nationally and within Chorley between deprivation and higher than average levels of teenage pregnancies.

A variety of actions are currently being undertaken to tackle teenage pregnancy; including further roll out of the Girls Allowed and Boys Own projects and new reducing risk taking behaviour projects to be commissioned by the Children's Trust.

Life Expectancy

There are significant inequalities in life expectancy within Chorley by gender and level of deprivation.

- Life expectancy at birth in Chorley is lower for men. Based on 2007-2009 figures for men it is 77.5 years and for women it is 81.4 years. Since 1991-3, life expectancy for both men and women in Chorley has increased by 6% and 4% respectively.

- Life expectancy at birth in Chorley is lower for those that live in Chorley's most deprived wards. However, it is also a problem in some of our more rural wards. Chorley East, Brindle and Hoghton, Coppull, Chorley South West and Clayton-le-Woods North are in the bottom 20% nationally for life expectancy.
- However, although people are living longer, the general trend is that people are experiencing more ill health after the age of 65 than other areas.

The Sustainable Community Strategy - Performance and Projects

Priority 1: Ensuring that Chorley is the pulse of a thriving Central Lancashire economy

Manage Your Money Better

The ‘**Manage Your Money Better**’ project has provided advice on a wide range of financial matters to individuals, groups and communities across Chorley. The project has also built capacity in the public and voluntary sectors through partnership working and the delivery of training to front line staff. It was delivered by the Chorley and South Ribble Citizens Advice Bureau.

45 workshops have been delivered with 233 attendees. Feedback responses completed by delegates have indicated that 100% found the workshop content relevant & 91% were confident in the subject and able to put what they had learnt into practice.

The workshops have been instrumental in improving the financial capability of local people and also by supporting workers to help their clients make better financial decisions and being more likely to have a sustainable tenancy. Some people had never completed a budget before and this has proven the most popular activity undertaken. A welcome by-product has also been that some delegates have improved their basic numeracy.

Additional comments received were that people felt more able to recognise potential financial problems, understood the consequences for non payment of bills and debt and that they know what questions to ask before taking out credit. They also knew where to seek help.



Indicator	2009/10 Outturn	2010/11 Target	2010/11 Outturn	Performance against target	Direction of travel
Number of new businesses established per year	74	53	67	😊	↓
New businesses established and sustained for 12 months	94%	91%	95%	😊	↑
New businesses established and sustained for 24 months	79%	89%	91%	😊	↑
Vacant town centre floor space	7.75%	7.5%	8.23%	😞	↓

Priority 2: Improving Life Chances for All

Our Cotswold Community Kitchen

The 'Our Cotswold Community Kitchen' project was used to educate residents of Cotswold Supported Housing how to cook healthy food. These residents then in turn share their new found knowledge with new residents moving in to Cotswold Supported Housing giving the residents ownership of the project.



The group have benefited not only by gaining practical skills but by working on improving personal skills such as



team work, communication, skills, building confidence, self esteem and motivation. The group has now opened up to ex-residents of the service and the wider community.

Participants of this project are also participating regularly in another project called 'Great Food at Cotswold' which is a community food growing project, and wish to expand their skills by holding taster sessions to encourage other resident's to attend future groups.

Residents taking part in the project said:

"I'm always cooking for my family now and they love it, especially my cauliflower cheese"

"It has taught me how to cook from scratch using fresh ingredients, instead of tins or packets"

Indicator	2009/10 Outturn	2010/11 Target	2010/11 Outturn	Performance against target	Direction of travel
Reduction in teenage pregnancy rate for under 18 year old girls	39.5/1000	38.7/1000	38.7/1000	😊	↑
Number of affordable homes delivered	107 units	50 units	173	😊	↑

Aspects

The '**Aspects**' project delivered by the Arts Partnership provided places for young people who have been excluded or are on a limited or restricted timetable. The project provided opportunities in arts and music as well as a variety of social and interpersonal skills, and also helped with literacy and numeracy and provided accreditation to Silver Arts Award level which is equivalent to GCSE grade A* - C.

The project helped 30 young people aged 15 + struggling to remain engaged either within school or needing additional support to find a place in a training scheme or entry to college. They took part in 6 week programmes to gain confidence using art/music and drama. The project also worked with around 20 young people under 15 who now regularly attend other programmes run by the Arts Partnership. 10 young people found places at Rathbones Training and 5 have taken part in The Princes Trust scheme and work experience with the Arts Partnership helping as volunteers on the Disability Drama sessions.

'We are fortunate to be able to offer support on a longer term as although initial outcomes were good; raised self esteem, increased confidence, better timekeeping and better communication skills; their lives change quickly and their situation can alter how they feel, often continuity is key to good results and remaining a constant has increased our success.'

Healthy Shotz

The '**Healthy Shotz**' project delivered an alcohol education programme to 874 young people between the ages of 13 and 15, attending one of the six high schools within Chorley or the Pupil Referral Unit at Shaftsbury House. The young people gained factual information about alcohol and are more aware of the long and short term damage alcohol can do to their bodies and the subsequent consequences relating to alcohol consumption.

Two specialist workers from Addaction delivered the work within the schools, and teachers from the various schools have said that having a professional organisation delivering the sessions has helped with consistency and up to date information.

Sessions included alcohol awareness, alcohol safety and a harm reduction messages competition. Harm reduction messages have been entered into a competition across the schools in the area and were judged by a panel consisting of representatives from Chorley Partnership. The winners will receive a personal prize and the chance to see their message produced.

Each young person was given an educational pack at the end of the sessions to take away and some of the funding was used to purchase up to date resources to be utilised in the sessions and left with the schools to continue work and education.

The project was successful, in particular, with the



The winning entry in the harm reduction messages competition

project exceeded the initial target set of 600 young people accessing the project.

LevelUp

The purpose of the **'LevelUp'** project was to use creative arts and media to research the experiences of vulnerable women in Chorley. Over 70 sessions were conducted with over 50 female participants, all of whom have experienced mental health problems, domestic violence, abuse, isolation or racism. The sessions have taken place in 12 community venues across Chorley, including mental health inpatient wards, children's centres, women's refuge and participant's homes.

This research aims to inform both strategy and practice for community development, service delivery and mental health and wellbeing.

LevelUp has been very well received by the participants, who have welcomed the opportunity to have their voices heard. Common themes raised have included the experience of overt and subtle racism, difficulty accessing support, social isolation, fear and poor housing.

Smart Response

The purpose of the **'Smart Response'** project was to offer capacity to deliver targeted outreach with young people and families on a regular basis in response to local need, rather than ad hoc pieces of work. Directed by local intelligence from partner agencies, 'Smart Response' delivered evening street work, targeted family work interventions and targeted group work interventions.

- A total of 152 young people were engaged in street work or group work where harm minimisation and personal safety information was discussed.
- 922 young people were engaged in targeted group work.
- There was a 100% engagement with all young people targeted through outreach and group work.
- There have been 8 clients so far referred into treatment services as a result of the Smart Response Project. One client is abstaining from Mephedrone and 5 have reported reducing their alcohol and drug use. In quarter 4, a client has been discharged as drug free and another two have been discharged as occasional users.

Feedback from parents has been positive:

"We found the meeting very, very useful we learnt about the different drugs and the effects, side effects from withdrawal etc."

"You have been a great help thank you."

"I feel there should be more services like this at parent's evenings."

Priority 3: Developing local solutions to global climate change

Chorley Community Food Growing Fund: Sustainability and Carbon Reduction

The ‘Community Food Growing’ project delivered by NHS Central Lancashire Public Health, established a one off community capacity building / engagement fund for the promotion of community food growing and sustainable carbon reduction across the neighbourhood footprint of the Borough of Chorley.

The project assisted community groups, land owners and schools to establish community food growing schemes or improve existing schemes to ensure continued success.



The Food Growing Fund provided money in the form of small grants along with professional advice that assisted groups to make their ideas into reality. Grants were awarded in the region of £500 to £750, supporting community change at the local level. The grant was also used to establish the infrastructure of the Community Food Growing Sites, for example fencing, paths, soil, seeds, fruit trees, raised beds, water butts, tools, greenhouse, shed. The grant was also used to run training courses about cooking and horticulture and celebration/promotional events.

Grants have been awarded to 14 organisations meaning that 14 Community Food Growing sites have been developed in Chorley in the last 12 months as a result of the funding from The Chorley Partnership.

Indicator	2009/10 Outturn	2010/11 Target	2010/11 Outturn	Performance against target	Direction of travel
Household waste recycled and composted	47.53%	50%	48.67%*	☹️	⬆️
A reduction in Chorley's overall CO2 emissions (% reduction based on 2005 figure)	5.3%	5.15%	5.6%	☺️	⬆️

* This figure is provisional and may be subject to a minor change on receipt of final confirmed figures from Lancashire County Council.

Priority 4: Developing the Character and feel of Chorley as a good place to live, work and play

Street Pastors

The ‘**Street Pastors**’ project is an active partnership between the Church, Chorley Council and the Police. The Street Pastors engage with people on the streets and in night time venues. They are there to care, listen and offer practical help during weekend evenings, for example accompanying people to hospital, ensuring vulnerable people are able to get a taxi home and talking to those in distress.





There have been 13 new recruits over 2010 – 2011 who have almost completed their training and will be going out on the streets very soon.

Each week they find not just the general public but the landlords and doormen are very friendly towards them and show so much appreciation for the work they are doing, one particular case helps to illustrate their work;

A young girl came running up to the Street Pastors in the town centre expressing her thanks for listening and understanding during a conversation that had taken place 3 weeks earlier about her suffering from very bad low self esteem. She explained that this gave her the courage to apply for a job she'd always wanted and got it.

There are more churches offering help and support including Church leaders offering regular support on the street as observers. The Street Pastors continue to work with the Council on trying to find ways to improve Chorley regarding alcohol abuse and partnership with the Police continues on a weekly basis.

Indicator	2009/10 Outturn	2010/11 Target	2010/11 Outturn	Performance against target	Direction of travel
Reduce crime in the Borough	5783 reduction of 2.1% on last year	Reduce by 1% over three years	5687 reduction of 1.7% on last year	😊	↑
Street and Environmental Cleanliness					
Litter	6.1%	4.5%	4%	😊	↑
Detritus	9.7%	6.0%	6.0%	😊	↑
Graffiti	1.6%	1.5%	1.0%	😊	↑

Flyposting	0.8%	1.0%	0%		
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Priority 5: Building stronger communities with improved access to services

Database of Adapted Properties

The ‘**Database of Adapted Properties**’ project was to establish a virtual database of all substantially adapted properties owned by Registered Social Landlords in Chorley. The database can be accessed by landlords and other agencies to enable moves for disabled households to be proactively managed. This enables adaptations to be recycled, reducing the number of major adaptations that have to be carried out and expediting moves to more suitable accommodation for households with severely disabled family members whilst making best use of the housing stock.

Chorley Help Hub

The ‘**Chorley Help Hub**’ project was delivered by Help the Homeless, to provide flexible, quality, low cost accommodation and office services to the 3rd Sector in Chorley. The project provides a common, shared venue for agencies serving similar client groups, to enable closer working ties and easier access and referrals for clients.

Indicator	2009/10 Outturn	2010/11 Target	2010/11 Outturn	Performance against target	Direction of travel
% of people satisfied with their neighbourhood as a place to live	84.0%	84.0%	89.4%		
% of people who feel that their communities are places where people from different backgrounds get on well together	81.9%	81.9%	84.7%		
% of people who feel they can influence decisions in their locality	31.7%	31.4%	45.8%		
% of people who regularly participate in volunteering	22.8%	25%	33.4%		

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Report of	Meeting	Date
Director of Transformation (Introduced by the Executive Member for Transformation)	Executive Cabinet	23 June 2011

CAPITAL PROGRAMME PROVISIONAL OUTTURN 2010/11 AND MONITORING 2011/12 – 2013/14

PURPOSE OF REPORT

1. To present the provisional outturn figures for the 2010/11 Capital Programme, which at this stage are subject to scrutiny by the Council's external auditor.
2. To update the Capital Programmes for financial years 2011/12 to 2013/14 to take account of rephasing of expenditure and other budget changes.
3. To report the receipt and budgeted use of contributions from developers for the period 2010/11 to 2013/14.

RECOMMENDATION(S)

4. That the Council be recommended to approve the financing of the Capital Programme for 2010/11 as presented in Appendix 1.
5. That the Council be recommended to approve the rephasing of capital expenditure from 2010/11 and 2012/13 to the Capital Programme for 2011/12, as presented in column (2) of Appendix 2.
6. That the Council be recommended to approve the increases in the Capital Programme for 2011/12 financed by Government grant and developers' contributions, and other changes, as presented in column (3) of Appendix 2.

EXECUTIVE SUMMARY OF REPORT

7. Council of 1st March 2011 approved revisions to the 2010/11 Capital Programme, to change the current estimate to £4,587,240, as indicated in column (1) of Appendix 1. After taking account of reductions in capital expenditure of £307,112 and rephasing of expenditure of £1,994,937, the provisional outturn for 2010/11 is £2,285,190, as presented in column (5) of Appendix 1.
8. In addition to the £1.995 million expenditure rephased from 2010/11 to 2011/12, the 2011/12 Capital Programme should also be increased by £3,770 brought forward from 2012/13 to reflect the revised phasing of purchases of gazebos for the Flat Iron Market.
9. The Capital Programme for 2011/12 should also be increased by a net total of £362,720, as presented in column (3) of Appendix 2. Of this total, £449,720 is in respect of budgets which could be increased or added to the programme as a result of receiving additional Government grants or developers' contributions. For accounting reasons, the £50,000 budget for dilapidation repairs at Coppull Leisure Centre should be transferred to the revenue

account budget in 2011/12, and revenue financing of the capital programme should be reduced to match, so that the effect on revenue and capital budgets is neutral.

- 10. The Capital Programme for 2012/13 should be reduced by £3,770, as shown in Column (6) of Appendix 2. This is because the budget provision is required in 2011/12 in order to implement Phase 2 of the Flat Iron Market gazebos project.
- 11. There are no changes at this stage to the 2013/14 Capital programme.
- 12. In accordance with the Council’s strategy of reducing the debt incurred for financing of capital expenditure in previous years, £0.719 million has been set aside voluntarily in addition to the Minimum Revenue Provision for debt reduction charged to the revenue budget each year. This has been achieved by applying VAT Shelter Income and revenue account savings in 2010/11, in order to reduce the charge to the revenue budget for repaying debt in subsequent years.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- 13. It is necessary for Council to approve the financing of the 2010/11 Capital Programme and to approve the rephasing of expenditure between financial years.
- 14. It is also necessary to update the provisional capital programme figures for 2011/12 and 2012/13 to take account of the rephasing of expenditure and changes to the resources estimated to be available to finance the programme.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 15. None.

CORPORATE PRIORITIES

- 16. This report relates to the following Strategic Objectives:

Strong Family Support		Education and Jobs	
Being Healthy		Pride in Quality Homes and Clean Neighbourhoods	✓
Safe Respectful Communities		Quality Community Services and Spaces	✓
Vibrant Local Economy	✓	Thriving Town Centre, Local Attractions and Villages	✓
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			✓

BACKGROUND

17. The revised Capital Programme for 2010/11 and the programmes for 2011/12 to 2013/14 was approved by Council on 1st March 2011, as follows:

	£
2010/11	4,587,240
2011/12	5,900,700
2012/13	1,115,410
2013/14	780,000
Total 2010/11 – 2013/14	<u>12,383,350</u>

18. It is proposed to increase the programme for financial years 2010/11 to 2013/14 by a net total of £56,510, made up as follows:

	£
Increased budgets funded with Government grant	73,820
Increased budgets funded with developer and other contributions	386,970
Pension Strain arising from restructuring in 2010/11 (not capitalised because no capital receipts available for financing)	(171,000)
Expenditure transferred from revenue account and financed with revenue contribution (accounting reasons)	15,000
Expenditure transferred to revenue account and reduction in recharges to capital programme (see analysis below)	(249,180)
Total	<u>56,510</u>

Further explanation is given below and the analysis of the variances between virements, rephasing and other changes is presented in Appendix 1 in respect of 2010/11 and Appendix 2 in respect of 2011/12.

CAPITAL PROGRAMME 2010/11

19. The provisional outturn figures and the recommended financing for 2010/11 are presented in Appendix 1, which gives the split of the changes between virements, rephasing and other changes. Brief explanations for the rephasing of budgets are also presented in Appendix 1.
20. Budget provision for a number of projects has been transferred to match provisional outturn expenditure, as indicated in column (2) of Appendix 1.
21. Column (3) of Appendix 1 identifies £1.995 million expenditure to be rephased to 2011/12. This is net of £0.108 million expenditure brought forward from 2011/12 in respect of Buckshaw Railway Station. The expenditure was financed with the developer contribution held for the purpose so there was no effect on the Council's own capital resources. Lancashire County Council's priority has been to ensure that expenditure incurred on the station project would be financed firstly with the 'CIF2' grant, which had to be spent by 31st March 2011, before drawing on the S106 contribution held by this Council. This has been achieved and implementation is progressing well so that the station would be completed by the autumn.

22. The Unified Intelligent Desktop project, to deal with customer services interactions, is funded with a £285,000 capital grant from the North West Improvement and Efficiency Partnership (NWIEP). The project is a partnership between Chorley, Rossendale and Blackburn with Darwen councils, and the main contractor, Asidua GB Limited. Phasing of the expenditure depends on the requirements of Chorley’s partners. Of the expenditure incurred during 2010/11, £47,500 was in respect of the partner councils; and it has been charged to the revenue budget as “Revenue Expenditure Funded From Capital Under Statute”, for accounting reasons. Of the rephased budget, £122,500 will be financed with NWIEP grant to be claimed during 2011/12. Further information about the effect on the revenue budget of the project is presented in the report presenting the Provisional Revenue Outturn 2010/11.
23. Prudential borrowing of £0.621 million will also be delayed until 2011/12 because of the rephasing of expenditure. The reduction in the revenue cost of capital financing as a result of this rephasing will be reflected in revenue budget monitoring during 2011/12.
24. Pension strain of £123,786 has been charged to the revenue account in 2010/11 rather than being capitalised. It has been financed with uncommitted VAT Shelter Income. Other employee-related costs arising from the restructuring during 2010/11 have been financed from revenue budget savings.
25. Other changes in 2010/11 are in respect of expenditure transferred between capital and revenue budgets, and reductions in recharges to capital projects from the revenue account. The purchase of a Transit 350 Tipper at £15,000 has been transferred to the capital programme and financed by revenue contribution for accounting reasons. Similarly minor improvements to fixed assets have been transferred to the revenue account. Project design and management fees have been retained in the revenue account rather than being charged to capital because delays to implementation of projects meant that capitalisation could not be justified. Expenditure transferred to the revenue account was made up as follows (figures rounded):

	£	£
Coppull Leisure Centre dilapidations grant		(50,000)
Minor improvements to Fixed Assets		(3,810)
Project design and management fees (external)		
- Town Centre (Flat Iron Market improvements)	(24,390)	
- Leisure Centre Improvements	(45,740)	
- Asset Improvements	(54,750)	
		(124,880)
Project design and management fees (internal)		
- People and Places projects	(15,260)	
- Buckshaw Railway Station	(13,790)	
		(29,050)
Housing recharge – change to financing		(41,440)
Total		(249,180)

CAPITAL PROGRAMME 2011/12 and 2012/13

26. The updated figures for the 2011/12 and 2012/13 programmes are presented in Appendix 2. These figures take account of the rephasing of expenditure and changes in the resources available to finance capital projects.

27. Column (2) of Appendix 2 shows the rephasing of £1.995 million expenditure from 2010/11 plus £3,770 brought forward from 2012/13 to enable implementation of Phase 2 of the Flat Iron Market gazebos project. It is also recommended that the £11,160 Town Centre Investment budget, rephased from 2010/11, should be transferred to the Market Improvements budget for purchase of gazebos and associated costs.
28. Additional Performance Reward Grant (£50,720) for financing of capital schemes has been received, which increases the uncommitted total available to £126,220.
29. The Government has allocated additional grant funding of £19,000 for Disabled Facilities Grants in 2011/12 following a bid for increased resources. An extra grant of £4,100 was received at the end of 2010/11.
30. Two projects to be financed with the S106 contribution received in respect of the Pilling Lane development (former Lex site) have been added to the programme: £150,000 for highways improvements, which would be a contribution to a Lancashire County Council scheme; and £230,000 for improvements to Rangletts recreation Ground and Duke Street Field.
31. For accounting reasons, it is proposed that the £50,000 grant for dilapidation repairs to Coppull Leisure Centre should be transferred to the revenue budget and should be financed with VAT Shelter Income so that the effect on the revenue account and the capital budget is neutral.

CAPITAL PROGRAMME 2013/14

32. No changes to the 2013/14 Capital Programme are required at present, though this will continue to be reviewed. The programme would be updated when necessary to reflect changes to estimated resources, in particular Government grants and developers' contributions.

CAPITAL RECEIPTS AND DEVELOPERS' CONTRIBUTIONS

33. No new capital receipts were received by the end of 2010/11 so it was not possible to capitalise pension strain arising from restructuring of directorates. Additional capital receipts should be received during 2011/12 and proposals as to the most effective use of the resource will be made as these sums are received. To maximise the benefit to the revenue budget, new capital receipts should be used to reduce budgeted capital financing by borrowing, or to be set aside to reduce previous borrowing, where possible. However, because VAT Shelter Income was used to finance expenditure charged to the revenue budget during 2010/11, that resource is now expected to be slightly less than required to finance the 2011/12 programme so £31,000 of the new capital receipts would be required to make up the difference. Actual and budgeted use of VAT Shelter Income from 2010/11 to 2012/13 is as follows (figures rounded):

	£	£
Brought forward 1/4/10	397,590	
Received in year	1,586,600	
Available in 2010/11		1,984,190
Applied in 2010/11		
- Capital financing	(693,950)	
- Revenue financing	(111,470)	
- Pension Strain	(123,790)	
- Debt reduction	(707,550)	
		(1,636,760)

Balance carried forward 31/3/11	347,430
Receivable 2011/12	524,280
Available in 2011/12	871,710
Applied in 2011/12	
- Capital financing	(704,870)
- Revenue financing	(50,000)
	(754,870)
Balance carried forward 31/3/12	116,840
Applied in 2012/13	
- Capital financing	(116,840)
Balance carried forward 31/3/13	0

34. Appendix 3 shows the estimated receipt and use of developers' contributions, most of which are S106 contributions. The top table presents a summary of the total estimated to be received and used between 2010/11 and 2013/14. This summary excludes contributions to be used to finance revenue expenditure, such as Play and Recreation Fund grants to other bodies such as parish councils. Use of £380,000 of the Pilling Lane contribution has now been added to the 2011/12 Capital Programme but the remainder is uncommitted. The bottom table indicates the specific schemes that will be financed with developers' contributions.
35. Apart from £90,000 in respect of affordable housing, no new contributions are shown as being expected between 2011/12 and 2013/14. However, contributions will continue to be received and the proposed use will be recommended in future capital programme monitoring reports. S106 contributions are expected from the Buckshaw Group 1 and Group 4 North developments over the next few years. A total of £6,115,000 plus index linking is due in instalments as the sites are developed, to provide affordable housing, community facilities, playing fields and public open space, public infrastructure, and public transport improvements. In addition, affordable housing and other facilities would be provided on site by the developers.

DEBT REDUCTION STRATEGY

36. The approved revenue budget for 2011/12 was prepared on the basis that uncommitted resources, in particular VAT Shelter Income, would be set aside voluntarily in 2010/11 to reduce debt, represented by the Capital Financing Requirement. The objective was to reduce the Minimum Revenue Provision (the provision for debt reduction included within Net Financing Transactions) charged to the revenue budget by £100,000 from 2011/12 onwards. The provisional outturn for the revenue account for 2010/11 includes voluntary set aside for debt reduction of £0.719 million, most of which was financed with VAT Shelter Income not committed to financing of the capital programme. In addition, debt was reduced by a further £0.051 million by adjusting the financing of assets that had been financed by borrowing in 2009/10. The budget reduction in Net Financing Transactions in 2011/12 should therefore be achieved and this will be confirmed in subsequent revenue budget monitoring reports following the audit of the 2010/11 accounts.
37. To continue to reduce debt and the related charges to revenue would require additional resources to be set aside from 2011/12 onwards. Such resources would include capital receipts from the disposal of surplus assets; revenue budget savings; and VAT Shelter Income, if additional sums become due.

IMPLICATIONS OF REPORT

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

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

Financial implications are set out in the body of the report.

GARY HALL
DIRECTOR OF TRANSFORMATION

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Michael L. Jackson	5490	2 nd June 2011	Capital Programme Provisional Outturn 2010-11 and Monitoring 2011-12-13-14 Jun 2011.doc

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Capital Programme Provisional Outturn 2010/11

Scheme

Director of Partnerships, Planning & PolicyHead of Economic Development

Chorley Market Improvements

Climate Change Pot

Head of Economic Development TotalHead of Housing

Affordable Housing New Development Projects

- Crosse Hall Lane

- Devonport Way

- Newbuild Specialist Adapted property Purchase and Repair

Disabled Facilities Grants Housing Renewal

- Home Repair Grants/Decent Homes Assistance

- Energy Efficiency Grants

- Handyperson Scheme

Cotswold House Improvements

Project Design Fees

Head of Housing Total

Explanation of Phasing (Column (3))

Balance of budget retained for further market improvements during 2011/12

Use of budget depends on appropriate applications from small businesses. Applications have been received and are being assessed during 2011/12

Budget committed but legal agreements not in place to enable payment in year

Budget committed but legal agreements not in place to enable payment in year

Budget will be reallocated to other affordable housing projects because an alternative solution was identified

Budget committed but some works not completed by 31 March

Budget committed but some works not completed by 31 March

Budget committed but some works not completed by 31 March

Budget retained to contribute to new Handyperson Scheme to start 2011/12

2010/11 Current Estimate (1) £	Virement (2) £	Rephasing (3) £	Other Changes (4) £	2010/11 Provisional Outturn (5) £
22,290		(14,790)		7,500
89,300		(59,300)		30,000
111,590	0	(74,090)	0	37,500
80,000		(80,000)		0
78,000		(78,000)		0
67,500		(67,500)		0
485,230		0	23,210	508,440
508,020	(6,944)	(89,874)	4,100	415,302
41,790	6,944	(2,777)		45,957
10,000		(2,941)		7,059
22,000		(7,901)		14,099
0	22,705			22,705
41,440			(41,440)	0
1,333,980	22,705	(328,993)	(14,130)	1,013,562

Capital Programme Provisional Outturn 2010/11

Scheme

Head of Planning

Town Centre Investment	
Eaves Green Link Road - contribution to LCC scheme	
Buckshaw Village Railway Station (S106/LCC financed)	
Buckshaw Village Cycle Network (S106 financed LCC scheme)	
Chorley Strategic Regional Site	

Head of Planning TotalHead of Policy

Performance Management	
Performance Reward Grant (PRG) funded schemes	

Head of Policy TotalDirector of Partnerships, Planning & Policy Total

2010/11 Current Estimate (1) £	Virement (2) £	Rephasing (3) £	Other Changes (4) £	2010/11 Provisional Outturn (5) £
35,550		(11,160)	(24,390)	0
80,000		(80,000)		0
30,000		107,578	6,969	144,547
77,360		(77,360)		0
391,200		(391,200)		0
614,110	0	(452,142)	(17,421)	144,547
10,000		(10,000)		0
75,500		(75,500)		0
85,500	0	(85,500)	0	0
2,145,180	22,705	(940,725)	(31,551)	1,195,609

Explanation of Phasing (Column (3))

Saving on design of Flat Iron improvements transferred to 2011/12 and wired for purchase of gazebos
Contribution not received from developer so payment not made to LCC
Expenditure brought forward from 2011/12 because of progress of station. Funded with contributions so no impact on Chorley Council's resources
Works not completed by LCC
Expenditure will be incurred when claimed by developer and/or NWDA

Project rephased to fit in with overall programme of ICT schemes
Performance Reward Grant carried forward to 2011/12 to provide match funding for schemes attracting grant funding from other sources

Capital Programme Provisional Outturn 2010/11

Scheme

Director of People and Places**Head of Streetscene & Leisure Contracts**

Leisure Centres/Swimming Pool Refurbishment
 Coppull Leisure Centre Grant
 Duxbury Park Golf Course capital investment
 Village Hall & Community Centres Projects
 Replacement of recycling/litter bins & containers
 Highway improvements - Gillibrand estate/Southlands
 Astley Park Improvements
 Eaves Green Play Development (S106 funded)
 Fairview Farm Play Facilities (S106 funded)
 Coppull Leisure Park (S106 funded)
 Play and Recreation Fund projects
 YVCP Natural Play Zone (S106/Grant funded)
 Tatton Community Centre Roof
 Transit 350 Tipper NJ10 OTW
 Project Design Fees

Head of Streetscene & Leisure Contracts Total**Director of People and Places Total**

2010/11 Current Estimate (1) £	Virement (2) £	Rephasing (3) £	Other Changes (4) £	2010/11 Provisional Outturn (5) £
302,980		(251,738)	(45,740)	5,502
50,000		(50,000)		0
86,560		(86,560)		0
13,060		(9,827)		3,233
101,680		(9,740)		91,940
44,000		(44,000)		0
27,210		(5,835)		21,375
0	889			889
100,000	3,712	(2,970)		100,742
25,000				25,000
113,000	5,958	(111,949)		7,009
80,000	4,053	(74,934)		9,120
0	72,090			72,090
0			15,000	15,000
29,870	(14,612)		(15,258)	0
973,360	72,090	(647,553)	(45,998)	351,899
973,360	72,090	(647,553)	(45,998)	351,899

Explanation of Phasing (Column (3))

Work rephased to enable larger improvement projects to be implemented during 2011/12
 Grant paid to Coppull Parish Council in early April 2011
 Works not implemented by Glendale during 2010/11
 Phasing of expenditure depends on progress of improvements implemented by third parties
 Balance of budget required for additional bins in 2011/12
 Works not implemented by LCC during 2010/11
 Balance of budget required for completion of improvements during 2011/12
 Balance of S106 contribution due to be spent during 2011/12
 Implementation of individual projects rephased for operational reasons
 Implementation of project rephased for operational reasons

Capital Programme Provisional Outturn 2010/11

Scheme

Director of Transformation

Head of Customer, ICT & Transactional Services

Website Development (incl. ICT salary capitalisation)
Thin Client/Citrix (started 2007/08)
Server Virtualisation / Data Storage Solution
Web Accessibility
Astley Hall network link
CRM implementation

Unified Intelligent Desktop (NWIEP funded)
Replacement Benefits System
Telephony
Website Replacement
Network Infrastructure Upgrade 2010/11
NetApp SAN 2010/11

Head of Customer, ICT & Transactional Services Total

Head of Governance

Legal Case Management System

Head of Governance Total

Head of Human Resources & Organisational Development

Integrated HR, Payroll and Training System

Head of HR & Organisational Development Total

Director

Planned Improvements to Fixed Assets
Capitalisation of Restructuring Costs

Director Total

2010/11 Current Estimate (1) £	Virement (2) £	Rephasing (3) £	Other Changes (4) £	2010/11 Provisional Outturn (5) £
20,000	(20,000)			0
46,490	(35,582)	(5,241)		5,667
190,750	(102,172)			88,578
10,080	(10,080)			0
8,000	(8,000)			0
89,150	(36,996)	(33,419)		18,735
290,130		(125,841)		164,289
139,500				139,500
0	40,996			40,996
0	22,872		0	22,872
0	106,762			106,762
0	140,962		0	140,962
794,100	98,762	(164,501)	0	728,361
4,490		(4,490)		0
4,490	0	(4,490)	0	0
30,000		(30,000)		0
30,000	0	(30,000)	0	0
469,110	(193,557)	(207,669)	(58,563)	9,321
171,000			(171,000)	0
640,110	(193,557)	(207,669)	(229,563)	9,321

Explanation of Phasing (Column (3))

Project rephased to fit in with overall programme of ICT schemes

Project rephased to fit in with overall programme of ICT schemes
Project includes development of systems for other councils so phasing is affected by requirements of third parties. Work is funded by NWIEP

Project rephased to fit in with overall programme of ICT schemes

Project rephased to fit in with overall programme of ICT schemes

Work rephased to enable larger improvement projects to be implemented during 2011/12

Capital Programme Provisional Outturn 2010/11

Scheme

Director of Transformation Total

Explanation of Phasing (Column (3))

2010/11 Current Estimate (1) £	Virement (2) £	Rephasing (3) £	Other Changes (4) £	2010/11 Provisional Outturn (5) £
1,468,700	(94,795)	(406,660)	(229,563)	737,682

Capital Programme Provisional Outturn 2010/11

Explanation of Phasing (Column (3))

	2010/11 Current Estimate (1) £	Virement (2) £	Rephasing (3) £	Other Changes (4) £	2010/11 Provisional Outturn (5) £
Capital Programme Total	4,587,240	0	(1,994,938)	(307,112)	2,285,190
Financing the Capital Programme					
Prudential Borrowing	744,560		(621,010)	(61,252)	62,298
Unrestricted Capital Receipts	218,200		(10,700)	(171,000)	36,500
Revenue Budget - Specific Revenue Reserves or Budgets	0			15,000	15,000
Revenue Budget - VAT Shelter income	1,446,580		(577,100)	(175,529)	693,951
Chorley Council Resources	2,409,340	0	(1,208,810)	(392,781)	807,749
Ext. Contributions - Developers	1,178,590		(450,931)	51,390	779,049
Ext. Contributions - Other	417,500		(249,934)	6,969	174,535
Government Grants - Disabled Facilities Grants	235,000			4,100	239,100
Government Grants - Housing Capital Grant	346,810		(85,263)	23,210	284,757
External Funding	2,177,900	0	(786,128)	85,669	1,477,441
Capital Financing Total	4,587,240	0	(1,994,938)	(307,112)	2,285,190

Rephasing of financing by borrowing gives Net Financing Transactions saving during 2011/12

Scheme

Capital Programme Total

Financing the Capital Programme

Prudential Borrowing

Unrestricted Capital Receipts

Revenue Budget - Specific Revenue Reserves or Budgets

Revenue Budget - VAT Shelter income

Chorley Council Resources

Ext. Contributions - Developers

Ext. Contributions - Other

Government Grants - Disabled Facilities Grants

Government Grants - Housing Capital Grant

External Funding

Capital Financing Total

Scheme	2011/12 Current Estimate (1) £	Rephasing (2) £	Other Changes (3) £	2011/12 Revised Estimate (4) £	2012/13 Current Estimate (5) £	Proposed Changes (6) £	2012/13 Revised Estimate (7) £	2013/14 Current Estimate (8) £	Proposed Changes (9) £	2013/14 Revised Estimate (10) £	Total 2011/12 to 2013/14 (11) £
Chief Executive											
Head of Policy and Communications											
Performance Management	0	10,000		10,000	0		0	0		0	10,000
Performance Reward Grant (PRG) funded schemes	0	75,500	50,720	126,220	0		0	0		0	126,220
Head of Policy and Communications Total	0	85,500	50,720	136,220	0	0	0	0	0	0	136,220
Chief Executive Total	0	85,500	50,720	136,220	0	0	0	0	0	0	136,220
Director of Partnerships, Planning & Policy											
Head of Economic Development											
Chorley Market Improvements	46,500	18,560	11,160	76,220	59,300	(3,770)	55,530	0		0	131,750
Climate Change Pot	0	59,300		59,300	0		0	0		0	59,300
Head of Economic Development Total	46,500	77,860	11,160	135,520	59,300	(3,770)	55,530	0	0	0	191,050
Head of Housing											
Affordable Housing New Development Projects	390,130	225,500		615,630	90,000		90,000	0		0	705,630
Disabled Facilities Grants	250,000	89,870	19,000	358,870	250,000		250,000	250,000		250,000	858,870
Housing Renewal	803,520		(23,210)	780,310	0		0	0		0	780,310
- Home Repair Grants/Decent Homes Assistance	50,000	2,780		52,780	0		0	0		0	52,780
- Energy Efficiency Grants	10,000	2,940		12,940	10,000		10,000	0		0	22,940
- Handyperson Scheme	0	7,900		7,900	0		0	0		0	7,900
Project Design Fees	41,440			41,440	41,440		41,440	0		0	82,880
Head of Housing Total	1,545,090	328,990	(4,210)	1,869,870	391,440	0	391,440	250,000	0	250,000	2,511,310
Head of Planning											
Buckshaw Village Railway Station (S106/LCC financed)	3,476,690	(107,580)	(13,790)	3,355,320	0		0	0		0	3,355,320
Town Centre Investment	0	11,160	(11,160)	0	0		0	0		0	0
Eaves Green Link Road - contribution to LCC scheme	0	80,000		80,000	0		0	0		0	80,000
Buckshaw Village Cycle Network (S106 financed)	0	77,360		77,360	0		0	0		0	77,360
Chorley Strategic Regional Site	0	391,200		391,200	0		0	0		0	391,200
Highway Improvements Pilling Lane area (S106 funded)	0		150,000	150,000	0		0	0		0	150,000
Head of Planning Total	3,476,690	452,140	125,050	4,053,880	0	0	0	0	0	0	4,053,880
Director of Partnerships, Planning & Policy Total	5,068,280	858,990	132,000	6,059,270	450,740	(3,770)	446,970	250,000	0	250,000	6,756,240

Capital Programme - 2011/12 to 2013/14

Scheme

Chief Executive**Head of Policy and Communications**Performance Management
Performance Reward Grant (PRG) funded schemes**Head of Policy and Communications Total****Chief Executive Total****Director of Partnerships, Planning & Policy****Head of Economic Development**Chorley Market Improvements
Climate Change Pot**Head of Economic Development Total****Head of Housing**Affordable Housing New Development Projects
Disabled Facilities Grants
Housing Renewal
- Home Repair Grants/Decent Homes Assistance
- Energy Efficiency Grants
- Handyperson Scheme
Project Design Fees**Head of Housing Total****Head of Planning**Buckshaw Village Railway Station (S106/LCC financed)
Town Centre Investment
Eaves Green Link Road - contribution to LCC scheme
Buckshaw Village Cycle Network (S106 financed)
Chorley Strategic Regional Site
Highway Improvements Pilling Lane area (S106 funded)**Head of Planning Total****Director of Partnerships, Planning & Policy Total**

Scheme	2011/12 Current Estimate (1) £	Rephasing (2) £	Other Changes (3) £	2011/12 Revised Estimate (4) £	2012/13 Current Estimate (5) £	Proposed Changes (6) £	2012/13 Revised Estimate (7) £	2013/14 Current Estimate (8) £	Proposed Changes (9) £	2013/14 Revised Estimate (10) £	Total 2011/12 to 2013/14 (11) £
Leisure Centres/Swimming Pool Refurbishment	230,000	251,740		481,740	235,000		235,000	245,000		245,000	961,740
Coppull Leisure Centre Grant	0	50,000	(50,000)	0	0		0	0		0	0
Duxbury Park Golf Course capital investment	0	86,560		86,560	0		0	0		0	86,560
Village Hall & Community Centres Projects	0	9,830		9,830	0		0	0		0	9,830
Replacement of recycling/litter bins & containers	85,000	9,740		94,740	85,000		85,000	85,000		85,000	264,740
Food Waste Recycling Receptacles	0	0		0	30,000		30,000	0		0	30,000
Highway improvements - Gillibrand estate/Southlands	0	44,000		44,000	0		0	0		0	44,000
Astley Park Improvements	0	5,840		5,840	0		0	0		0	5,840
Eaves Green Play Development (S106 funded)	189,480			189,480	0		0	0		0	189,480
Fairview Farm Play Facilities (S106 funded)	0	2,970		2,970	0		0	0		0	2,970
Play and Recreation Fund projects	0	111,950		111,950	0		0	0		0	111,950
YVCP Natural Play Zone (S106/Grant funded)	0	74,930		74,930	0		0	0		0	74,930
Common Bank - Big Wood Reservoir	11,320			11,320	0		0	0		0	11,320
Car Park Pay and Display Ticket Machines	20,250			20,250	0		0	0		0	20,250
Rangletts Recreation Ground/Duke Street Field (S106 funded)	0	230,000	230,000	230,000	0		0	0		0	230,000
Project Design Fees	29,870			29,870	29,870		29,870	0		0	59,740
Head of Streetscene & Leisure Contracts Total	565,920	647,560	180,000	1,393,480	379,870	0	379,870	330,000	0	330,000	2,103,350
Director of People and Places Total	565,920	647,560	180,000	1,393,480	379,870	0	379,870	330,000	0	330,000	2,103,350
Director of Transformation											
Head of Customer, ICT & Transactional Services											
Website Development (incl. ICT salary capitalisation)	20,000			20,000	20,000		20,000	0		0	40,000
Thin Client/Citrix (started 2007/08)	0	5,240		5,240	64,800		64,800	0		0	70,040
CRM Implementation	0	33,420		33,420	0		0	0		0	33,420
Unified Intelligent Desktop	0	125,840		125,840	0		0	0		0	125,840
Replacement Benefits System	46,500			46,500	0		0	0		0	46,500
Head of Customer, ICT & Transactional Services Total	66,500	164,500	0	231,000	84,800	0	84,800	0	0	0	315,800
Head of Governance											
Legal Case Management System	0	4,490		4,490	0		0	0		0	4,490
Head of Governance Total	0	4,490	0	4,490	0	0	0	0	0	0	4,490
Head of Human Resources & Organisational Development											
Integrated HR, Payroll and Training System	0	30,000		30,000	0		0	0		0	30,000

Capital Programme - 2011/12 to 2013/14

Scheme

Director of People and Places**Head of Streetscene & Leisure Contracts**

Leisure Centres/Swimming Pool Refurbishment
Coppull Leisure Centre Grant
Duxbury Park Golf Course capital investment
Village Hall & Community Centres Projects
Replacement of recycling/litter bins & containers
Food Waste Recycling Receptacles
Highway improvements - Gillibrand estate/Southlands
Astley Park Improvements
Eaves Green Play Development (S106 funded)
Fairview Farm Play Facilities (S106 funded)
Play and Recreation Fund projects
YVCP Natural Play Zone (S106/Grant funded)
Common Bank - Big Wood Reservoir
Car Park Pay and Display Ticket Machines
Rangletts Recreation Ground/Duke Street Field (S106 funded)
Project Design Fees

Head of Streetscene & Leisure Contracts Total**Director of People and Places Total****Director of Transformation****Head of Customer, ICT & Transactional Services**

Website Development (incl. ICT salary capitalisation)
Thin Client/Citrix (started 2007/08)
CRM Implementation
Unified Intelligent Desktop
Replacement Benefits System

Head of Customer, ICT & Transactional Services Total**Head of Governance**

Legal Case Management System

Head of Governance Total**Head of Human Resources & Organisational Development**

Integrated HR, Payroll and Training System

Capital Programme - 2011/12 to 2013/14

Scheme

Head of HR & Organisational Development Total**Director**

Planned Improvements to Fixed Assets

Director Total**Director of Transformation Total****Capital Programme Total****Financing the Capital Programme**

Prudential Borrowing

Unrestricted Capital Receipts

Revenue Budget - VAT Shelter income

Chorley Council Resources

Ext. Contributions - Developers

Ext. Contributions - Other

Government Grants - Disabled Facilities Grants

Government Grants - Housing Capital Grant

External Funding**Capital Financing Total**

	2011/12 Current Estimate (1) £	Rephasing (2) £	Other Changes (3) £	2011/12 Revised Estimate (4) £	2012/13 Current Estimate (5) £	Proposed Changes (6) £	2012/13 Revised Estimate (7) £	2013/14 Current Estimate (8) £	Proposed Changes (9) £	2013/14 Revised Estimate (10) £	Total 2011/12 to 2013/14 (11) £
	0	30,000	0	30,000	0	0	0	0	0	0	30,000
	200,000	207,670		407,670	200,000		200,000	200,000		200,000	807,670
	200,000	207,670	0	407,670	200,000	0	200,000	200,000	0	200,000	807,670
	266,500	406,660	0	673,160	284,800	0	284,800	200,000	0	200,000	1,157,960
	5,900,700	1,998,710	362,720	8,262,130	1,115,410	(3,770)	1,111,640	780,000	0	780,000	10,153,770
	526,560	621,010		1,147,570	644,800		644,800	530,000		530,000	2,322,370
	29,800	10,700	31,000	71,500	0		0	0		0	71,500
	205,000	580,870	(81,000)	704,870	120,610	(3,770)	116,840	0		0	821,710
	761,360	1,212,580	(50,000)	1,923,940	765,410	(3,770)	761,640	530,000	0	530,000	3,215,580
	4,025,820	450,930	366,210	4,842,960	90,000		90,000	0		0	4,932,960
	0	249,940	50,720	300,660	0		0	0		0	300,660
	250,000		19,000	269,000	250,000		250,000	250,000		250,000	769,000
	863,520	85,260	(23,210)	925,570	10,000		10,000	0		0	935,570
	5,139,340	786,130	412,720	6,338,190	350,000	0	350,000	250,000	0	250,000	6,938,190
	5,900,700	1,998,710	362,720	8,262,130	1,115,410	(3,770)	1,111,640	780,000	0	780,000	10,153,770

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Report of	Meeting	Date
Director of Transformation (Introduced by the Executive Member for Transformation)	Executive Cabinet	23 June 2011

PROVISIONAL REVENUE OUTTURN 2010/11

PURPOSE OF REPORT

1. This report sets out the provisional revenue outturn figures for the Council as compared against the budgets and efficiency savings targets it set itself for the financial year 2010/11.
2. The accounts are provisional at this stage and are also subject to final checking and scrutiny by the Council's external auditor. Should there be any significant changes to the outturn as a result of this process I shall submit a further report to Executive Cabinet. Further details of the Council's overall financial position will be presented to the Audit Committee at the end of June when they are considering the Council's statement of accounts.

RECOMMENDATION(S)

3. That Executive Cabinet are asked to consider the following recommendations.
 - Approval of slippage requests outlined in Appendix 2 of the report to finance expenditure on specific items or projects in 2011/12.
 - Approval of slippage of Section 106 funding for Play and Recreation schemes.
 - Transfer available funds to a specific reserve to fund one-off costs associated with achieving the objectives of the Medium Term Financial Strategy.

EXECUTIVE SUMMARY OF REPORT

4. In December I reported on the financial position of the Council as compared against the budgets and efficiency savings targets for 2010/11. At that time I reported that the full savings target of £360,000 had already been achieved. Further savings have been achieved during the remainder of the year and these have helped to offset one-off costs associated with the recent directorate restructures.
5. The provisional outturn shows the Council's initial net expenditure at the end of the year to be £505,000 below budget. However, this figure includes budgeted underspends to the value of £169,000 on committed items where slippage requests have been received to carry forward resources to 2011/12. After taking slippage into account, the outturn shows an underspend of £336,000 against the budget reflecting a further reduction of £244,000 from the position reported in December.
6. The Council's Medium Term Financial Strategy proposed that working balances were to be no lower than £2.0m due to the financial risks facing the Council. I am pleased to report that the level of balances proposed at 31 March 2011 will exceed the minimum of £2.0m by £0.077m. This puts the Council in a positive position for the start of the next financial period.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- 7. To ensure the Council’s budgetary targets are achieved.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 8. None.

CORPORATE PRIORITIES

- 9. This report relates to the following Strategic Objectives:

Strong Family Support		Education and Jobs	
Being Healthy		Pride in Quality Homes and Clean Neighbourhoods	
Safe Respectful Communities		Quality Community Services and Spaces	
Vibrant Local Economy		Thriving Town Centre, Local Attractions and Villages	
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			✓

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

BACKGROUND

- 10. The Council expected to make overall target savings of £360,000 made up of £300,000 from management of the establishment, £50,000 from the review of Administrative and Transactional Services, and £10,000 from the review of the Car Leasing scheme.
- 11. In my report to Executive Cabinet of 17 February (position at end of December 2010) I reported that the full target savings of £360,000 had been achieved and advised on the projected outturn for 2010/11 which showed a forecast underspend at the time of around £92,000.

GENERAL FUND PROVISIONAL OUTTURN

- 12. Set out in Appendix 1 is the provisional summary outturn position for the Council for 2010/11. No individual service directorate figures are attached. These are available for inspection in the Members’ Room.
- 13. The net expenditure at the end of the financial year shows a provisional underspend of £336,000 against the Council’s budgets (after taking requests for slippage into account). This reflects a further net reduction in expenditure of £244,000 from the position reported in December.
- 14. An analysis of the main variances over and above those previously reported in monitoring is shown below. Further details are contained in the service unit analysis available in the Members’ Room.

ANALYSIS OF MOVEMENTS**Table 1 – Significant Movements since the December Monitoring report**

Note: Further savings/underspends are shown as ().

	£'000	£'000
Expenditure		
Staffing Costs	(73)	
Severance/Redundancy payments	60	
Utilities (Gas/Electricity/Water)	(18)	
Skips/Refuse Collection	(31)	
Contractors (Streetscene & Neighbourhoods)	(40)	
Grounds Maintenance Supplies	(29)	
Active Nation contract	42	
Concessionary Travel	<u>(24)</u>	
		(113)
Income		
Car Parking Permits	(30)	
DCLG Housing Grant	(15)	
Revenue salaries recharged to capital schemes (UID Project)	(54)	
DCLG Grant (Customer, ICT & Transactional Services)	(54)	
Income generation from external bodies (Copeland BC)	<u>25</u>	
		(128)
Other variances		(3)
Net Movement from December report		(244)

15. Additional savings on staff salaries of £73,000 have been generated since the last monitoring report, predominantly from within the Housing and Communication sections and the Transformation Directorate as a result of vacant posts. These savings have helped to offset the additional one-off severance and redundancy costs of around £60,000 incurred as a result of the recent departmental restructures.
16. The forecast expenditure for utilities at the end of December was broadly in line with the 2010/11 budgets. The Council now uses the help of Liberata UK to provide meter readings to help monitor energy consumption and the control of expenditure and based on the information provided the estimated outturn costs are lower than budgeted. The Council also changed energy suppliers for electricity in 2010/11 in an attempt to mitigate recent price increases and this has helped to control costs resulting in an additional saving of around £18,000 against budget.
17. The level of expenditure relating to refuse collection and skip use at the Bengal Street Depot is dependent on how much is collected from various types of waste such as green waste, street cleaning and grounds maintenance, and also on the number of exchanges (ie, how often they are collected). In recent months, Council vehicles have been used wherever possible, tipping directly rather than bringing refuse back to the skip therefore negating the need to pay for disposal. In addition to this, Streetscene operatives have increased the chipping of green waste rather than placing it in the skips therefore reducing the volumes of waste for disposal. This has helped to generate a saving against budget of around £31,000 for 2010/11.

18. Another saving generated in the People & Places directorate is on the use of external contractors in relation to tree inspection work and other services. Certain services such as football pitch maintenance have been brought in-house reducing the need for external contractors. The Council has also developed links with government sponsored scheme to retrain people who are unemployed whereby the Council provides the tools and consumables and the work is provided by the partner.. Combined, this has generated a saving of around £40,000 for 2010/11.
19. Further savings have been generated on Grounds Maintenance supplies, particularly in respect of the supply and type of spring and summer bedding plants. This has been achieved through better procurement and control of costs resulting in a saving against budget of around £29,000.
20. One area where the Council has not achieved the savings target it set itself for 2010/11 is on the Active Nation Contract for management of the borough's leisure centres. The 2010/11 estimates included a budgeted saving of £50,000 on the contract, to be achieved by capitalising Active Nation's project management fee. This was on the understanding that there would be sufficient improvement works undertaken throughout the year to justify charging the fee to capital rather than revenue budgets. The value of improvement work completed in 2010/11 wasn't sufficient for this to be achieved resulting in a charge of £44,000 against the revenue budget.
21. In the monitoring report to the end of December the forecast outturn for Concessionary Travel was for a marginal underspend of around £5,000. This was based on cost information provided by Lancashire County Council for the period to 25 December. The final outturn figures show a reduction in costs for the final quarter, likely to be as a result of the poor weather around the start of the year, resulting in a further saving against budget of around £24,000.
22. The Council has an arrangement with Lancashire County Council for residents on-street parking permits whereby the Council administers the scheme, issuing the permits and collecting the income. The income is paid over to LCC at the end of the year after deducting the estimated administration costs (staff time, cost of permits, etc). After reviewing the position at year-end, it has been agreed that the administration costs for 2010/11 are approximately £20,000. This is higher than first anticipated and therefore reduces the amount of net income payable to LCC, generating a saving against the budget.

The Council also held around £11,000 of income relating to residents parking permits previously collected under the Decriminalised Parking Enforcement scheme (DPE). It was expected that this sum would be paid over to LCC at the end of the scheme but after negotiations it has now been agreed that the Council shall retain this income.
23. In 2010/11 the Council received a Housing Grant of £20,000 from the DCLG which was earmarked to part finance the set up and implementation costs of the new Choice Based Lettings system. It was anticipated that the cost of the project would be around £35,000 as initially advised by the provider Community Gateway. However, the final costs for the scheme were only around £20,000 generating a saving of £15,000 to the Council.
24. In 2010/11 the Council secured funding for two projects that have not previously been reported in monitoring as the grants were not guaranteed until the programmes of work were delivered. The first of these was for the Unified Intelligent Desktop (UID) where the Council, in conjunction with Rossendale and Blackburn with Darwen Council, secured £285,000 capital funding from the North West Improvement and Efficiency Partnership (NWIEP) as detailed in the Capital Outturn report. As staff from the Customer, ICT and Transactional Services department have worked on the project it has been possible to recharge an element of their salary costs to capital. This has generated a revenue saving of £54,000 in 2010/11.

25. The Council also secured funding from the DCLG to deliver a project that used customer insight to better understand the needs and wider needs of older people with a focus on fuel poverty. The project engaged with older people and partners through workshops as well as developing a series of practical initiatives (flu jabs, electric blanket testing, health checks) and a promotional campaign to raise awareness of fuel poverty and reduce its impact. This project extended and enhanced previous work undertaken on Circles of Need.

The funding was used to support the delivery and management of the project and as the majority of the work was delivered in-house, the funding was used primarily to cover existing staffing costs therefore generating a revenue saving for the Council.

26. At the time of the last monitoring report in December it was anticipated that the Transformation Programme support to Copeland Council would generate income of around £70,000. As the support for this project has continued into the new financial year, a proportion of this income around £25,000 will only be realised in 2011/12.

COMMITTED ITEMS/SLIPPAGE REQUESTS

27. Each year the Council commits itself to expenditure that may not always be incurred in the financial year. It is customary to allow directorates that have a budget underspend to carry forward these resources to pay for specific items in the following year. This is an important part of the budget management process as it allows officers to commit earmarked resources to specific projects particularly towards the end of the financial year.

The slippage requests received for 2010/11 are outlined in Appendix 2.

28. One area that merits a specific comment is the slippage requests in relation to ICT Services. The principal aim of the Councils current investment in ICT is to deliver better services for less cost. This commenced with the modernisation of the Councils infrastructure in 2010, consolidation of key corporate business applications and making better use of our Microsoft products. Ultimately this will future proof systems, improve productivity leading to more effective performance and resource management for the Council. Greater service efficiency and the potential for sharing of our ICT infrastructure will reduce waste and operational costs in 2012 and beyond in line with the Councils Transformation Strategy.

To conclude the two year ICT improvement plan, now in its second year, requires the investment outlined in this report. Astute fiscal management over 2010 has enabled this opportunity and the request for slippage of funds is therefore necessary to achieve the improvements required for 2012 and beyond.

29. One further item for consideration is the slippage of Section 106 funded grants to other bodies (such as Parish Councils) relating to the Play and Recreation Fund. Grants are paid in stages with the final payment only paid upon completion of the work and as a result of delays in projects being delivered, a balance of £109,740 remains available at the end of the year which is requested to be carried forward to fund projects committed for completion in 2011/12.

GENERAL FUND RESOURCES AND BALANCES

30. With regard to working balances, and as per Appendix 1, we started the year with a balance of £1.663m. During 2010/11 we added to this balance a planned contribution of £0.219m plus the income received from LCC for marginal off-street parking in the sum of £0.158m. At this stage this would provide us with a potential closing balance at the end of 2010/11 of £2.545m prior to allocating any of these resources to specific reserves or allowing for any slippage.

However there are a number of items that will impact on this position that should be considered by Cabinet, these being:

- Carrying over items into 2011/12 via slippage requests (outlined in Appendix 2).
- Setting up an additional reserve to cover future one-off costs associated with achieving recurring budgetary efficiencies.
- Uncertainty in MTFs over future years Formula Grant after 2012/13.

31. The approved MTFs proposes that working balances are to be no lower than £2.0m given the budgetary challenges facing the Council for the next three years together with significant efficiency savings to be achieved to reach a balanced budget position. The MTFs is intended to achieve recurring and sustainable budgetary savings which may result in one-off costs. In the past Central Government have allowed us to capitalise these costs, however, it is unlikely this will be the case in future. The only other alternative to finance these costs is from revenue funds. It is recommended, therefore, that it would be prudent to set aside funds from general balances to form a separate reserve to cover any such one-off costs in future years.

32. It can be seen from the table below that the General Fund Balance will exceed the minimum level set in the MTFs by £0.077m, however, given that there remains uncertainty with regard to Formula Grant after 2012/13 it is important that balances are maintained. The effect of the above on working balances is set out below.

Table 2 – Movement in General Fund Balance

General Balances	£m
Opening Balance 2010/11	1.663
Planned contribution during 2010/11 - achieved	0.219
Marginal off street parking income from LCC	0.158
Provisional revenue budget underspend	0.505
Potential Closing Balance 2010/11	2.545
Less Slippage Requests	0.168
Less reserve to fund recurring efficiencies	0.300
Proposed Working Balances for 2011/12	2.077

IMPLICATIONS OF REPORT

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

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

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

GARY HALL
DIRECTOR OF TRANSFORMATION

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Dave Bond	5488	31/05/11	

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Appendix 1

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Original Cash Budget	Impact of Council Restructure	Agreed Changes (Directorates)	Agreed Changes (Other)	Amended Cash Budget	Contribution to Corp. Savings (Staffing)	Contribution to Corp. Savings (Other)	Current Cash Budget	Forecast Outturn	Variance	Variance
	£	£	£	£	£	£	£	£	£	£	%
General Fund Revenue Budget Monitoring											
Provisional Outturn 2010/11											
Chief Executive	491,870		27,940	13,310	533,120	(10,000)		523,120	445,100	(78,020)	-14.9%
Partnerships, Planning & Policy	1,633,880		(11,360)	181,320	1,803,840	(40,000)		1,763,840	1,825,805	61,965	3.5%
People & Places	6,157,310		3,340	(42,740)	6,117,910	(130,000)		5,987,910	5,919,590	(68,320)	-1.1%
Transformation	5,239,480		(19,920)	128,880	5,348,440	(180,000)		5,168,440	4,915,420	(253,020)	-4.9%
Directorate Total	13,522,540	-	-	280,770	13,803,310	(360,000)	-	13,443,310	13,105,915	(337,395)	-2.5%
Budgets Excluded from Transformation Directorate Monitoring:											
Pensions Account	242,580				242,580			242,580	256,395	13,815	5.7%
Concessionary Fares	727,130				727,130			727,130	698,047	(29,083)	-4.0%
Benefit Payments	69,250				69,250			69,250	92,850	23,600	34.1%
Corporate Savings Targets											
Management of Establishment	-			(300,000)	(300,000)	300,000		-	-	-	-
Target for Review of Admin. & Transactional Services	-			(50,000)	(50,000)	50,000		-	-	-	-
Efficiency/Other Savings	-			(10,000)	(10,000)	10,000		-	-	-	-
Total Service Expenditure	14,561,500	-	-	(79,230)	14,482,270	-	-	14,482,270	14,153,207	(329,063)	-2.3%
Non Service Expenditure											
Contingency Fund	-				-			-	-	-	-
Contingency - Management of Establishment	(300,000)			300,000	-			-	-	-	-
Efficiency/Other Savings	(10,000)			10,000	-			-	-	-	-
Revenue Contribution to Capital	-			1,446,580	1,446,580			1,446,580	708,952	(737,628)	
Net Financing Transactions	535,550				535,550			535,550	476,630	(58,920)	
Voluntary set aside for debt reduction	-				-			-	719,353	719,353	
VAT Shelter Income	-			(1,077,730)	(1,077,730)			(1,077,730)	(1,586,605)	(508,875)	
VAT Recovery (Fleming claim)	-				-			-	(57,353)	(57,353)	
Parish Precepts	595,030				595,030			595,030	595,030	-	
Total Non Service Expenditure/Income	820,580	-	-	678,850	1,499,430	-	-	1,499,430	856,007	(643,423)	
Total Expenditure	15,382,080	-	-	599,620	15,981,700	-	-	15,981,700	15,009,214	(972,486)	-6.1%
Financed By											
Council Tax	(6,917,050)				(6,917,050)			(6,917,050)	(6,917,050)	-	
Aggregate External Finance	(8,486,750)				(8,486,750)			(8,486,750)	(8,486,753)	(3)	
LAA Reward Grant (PRG)	(150,000)			148,700	(1,300)			(1,300)	(170,366)	(169,066)	
Area Based Grant	(28,820)				(28,820)			(28,820)	(35,876)	(7,056)	
LABGI Grant	(75,000)				(75,000)			(75,000)	(75,000)	-	
Housing & Planning Delivery Grant	-			(127,000)	(127,000)			(127,000)	-	127,000	
Collection Fund (Surplus)/Deficit	20,000				20,000			20,000	20,094	94	
Use of Earmarked Reserves - capital financing	-			(382,170)	(382,170)			(382,170)	(382,170)	-	
Use of Earmarked Reserves - revenue expenditure	36,000			(239,150)	(203,150)			(203,150)	(203,150)	-	
Transfer to Earmarked Reserves - PRG/VS	-				-			-	516,493	516,493	
Contribution to General Balances	219,540				219,540			219,540	219,540	-	
Total Financing	(15,382,080)	-	-	(599,620)	(15,981,700)	-	-	(15,981,700)	(15,514,238)	467,462	-2.9%
Net Expenditure	-	-	-	-	-	-	-	-	(505,024)	(505,024)	
General Balances Summary Position											
		Target		Forecast				Committed Items	168,450		
General Fund Balance at 1 April 2010		£		£				Provisional Outturn	(336,574)		
(Use of)/Contribution to General Balances		2,000,000		1,662,610							
Provisional (Over)/Under Spend				505,024							
Marginal off-street parking income from LCC				157,980							
Forecast General Fund Balance at 31 March 2011		2,000,000		2,545,154							
Committed Items				(168,450)							
Efficiency savings reserve				(300,000)							
Final General Fund Balance				2,076,704							

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Appendix 2 – Slippage Requests

	£'000	£'000	Additional Notes
<u>Chief Executives Office</u> Reward & Recognition		18,560	Balance remaining from the external income generated to be used to fund projects in 2011/12 such as Chief Exec Awards.
<u>Partnerships, Planning & Policy</u> Market Refuse		9,990	Increase in refuse collection costs as advised by Market Walk representatives now anticipated in 2011/12.
<u>People & Places</u> Waste publicity budget (food waste collections) Souvenir budget at Astley Hall to develop shop	6,670 1,870		Food waste collections will not start until Sept 2011. Budget required to allow investment in new stock to develop the range of goods sold at Astley Hall souvenir shop.
Publicity budget at Astley Hall to promote weddings PCT funded health initiatives	2,870 <u>9,990</u>	21,400	To allow additional promotion of Astley Hall as a wedding venue. Carry forward of funding from PCT required for continued support of the "One Stop Health Shop" during 2011/12.
<u>Shared Financial Services</u> Shared Assurance Services projects		2,500	Undertake ICT audit work as requested By Director of Transformation
<u>ICT Services</u> IDOX capital cost of migrating Civica App (Flare)	50,000		System upgrade within Partnerships, Planning & Policy to IDOX with the aim to reduce costs by £15k p.a. recurring
Dynamyx/Microsoft consolidated sharepoint infrastructure	25,000		Transfer Northgate EDMS to sharepoint to achieve revenue savings of £14k p.a. recurring.
ANS conclude infrastructure work around DR, Citrix and Lynx	15,000		Improve Disaster Recovery procedures by automating DR SAN located at LCC thus consolidating DR arrangements across the Council.
ANS/Citrix technical training	10,000		To improve support provided by ICT staff to new systems.
Dynamyx/Microsoft intranet replacement	7,000		Ability to send voice traffic via data network providing greater security.
ANS implement unified communications	4,000		To complete work which was started in 2010/11.
Northgate/Searchnet data extraction for land charges	3,500		
Portfolio website design	<u>1,500</u>	116,000	
Total Slippage Requests 2010/11		168,450	

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Report of	Meeting	Date
Director of Transformation (Introduced by the Executive Member for Transformation)	Executive Cabinet	23 June 2011

TREASURY MANAGEMENT ANNUAL REPORT 2010/11

PURPOSE OF REPORT

- One of the changes in the regulatory environment concerning treasury management is that a greater onus is placed on members to scrutinise treasury policy and activity. To enable that, each year the Council is required to consider three treasury reports. These consist of an annual strategy statement in advance of the year (Council 2/3/10), a mid year review of that strategy (Executive Cabinet 11/11/2010), and finally this out-turn report. An additional report on quarter 1 activity was submitted to Executive Cabinet on August 12.

RECOMMENDATION(S)

- Members are asked to note the report

EXECUTIVE SUMMARY OF REPORT

- The report advises that Prudential and Treasury Indicators were complied with and that the return on investments totalled 0.65% which exceeded the benchmark of 0.43%. Details of borrowings are given and the situation with regard to the Icelandic investments is updated.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- No action is necessary

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- None

CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Strong Family Support		Education and Jobs	
Being Healthy		Pride in Quality Homes and Clean Neighbourhoods	
Safe Respectful Communities		Quality Community Services and Spaces	
Vibrant Local Economy		Thriving Town Centre, Local Attractions and Villages	
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			X

DETAIL**Prudential Indicator Capital Expenditure and Financing 2010/11**

A comprehensive report on the capital out-turn has been separately submitted to Executive Cabinet. Expenditure in the year was significantly less than that originally estimated, a fact which has had important consequences for cash balances and investments. These are commented on below.

7. Prudential Indicator The Capital Financing Requirement (CFR)

The CFR is a measure of the capital expenditure of the Council which is still to be paid for. Such expenditure will currently be met by borrowing or by temporarily using internal cash balances. Ultimately however it has to be paid for and will be a charge to Council tax payers.

	Original estimate	Actual
Capital Financing Requirement at 1 April 2010	9,823	9,674
Change in year – prudential borrowing	613	62
- MRP	(457)	(412)
- Voluntary MRP		(719)
CFR at 31 March 2011	9,979	8,605

It will be seen that the CFR has reduced as a result of the reduced prudential borrowing and the voluntary set aside of MRP under the Council's debt reduction strategy.

8. Prudential Indicator The CFR and Borrowing

The Prudential Code requires that borrowing, net of investments, should be compared to the CFR, and should not exceed not only the current years CFR but also the anticipated increase in the next two years. As at 31 March 2011 net borrowing is a negative figure (i.e invested cash exceeds borrowing by £0.303m) and is thus well below the CFR.

9. Compliance with Borrowing Limits

The Prudential Indicators include two borrowing limits.

The Operational Boundary is the expected borrowing position. This was set at £9.4m and has not been exceeded.

The Authorised Limit is the limit, set by the Council itself, required by Section 3 of the Local Government Act 2003. The Council does not have power to exceed it. This was set at £9.979m and has not been exceeded.

10. Prudential Indicator Ratio of Financing Costs to the Revenue Stream

This indicator shows what percentage of the Council's income from Government grants and council tax has been used to meet interest costs and debt repayment.

As a result of the increase in MRP reported above, this has increased from 3.93% to an out-turn figure of 7.55%.

11. Prudential Indicator Incremental impact of capital investment decisions

This indicator seeks to assess the impact on Council Tax payers of changes in the capital programme. The original estimated impact on Band D charges was £3.49 pa. The reduced programme has reduced this to £0.99

12. Treasury Position as at 31 March 2011

	Estimated value as at 31 March 2011	Actual value as at 31 March 2011
Borrowing at period start	2,266	2,266
Borrowing repaid in year	(1,366)	(1,541)
Borrowing in year	8,500	8,146
Interest accrued		52
Total borrowing at period end	9,400	8,923
Investments excluding Iceland deposit	Nil	9.226
Icelandic investment		

13. Borrowings

During the year two borrowings were made, £5m in May 2010 and £3.146m in August. The amount taken was less than that estimated to avoid temporarily exceeding the approved treasury limit. The second borrowing is repayable by instalments rather than on maturity, hence the fact that repayments exceeded the estimate

14. Treasury Indicator Upper limit on fixed rate exposure

The Council is exposed to fixed interest rates on its borrowings. The indicator for 2010/11 was £9.9m and has not been breached.

15. Investments

There has been a significant increase in the value of investments. It was anticipated that these would have reduced to nil by year end, but in fact they totalled £9.23m. The reasons for this are as follows:

	£m
Reduced capital expenditure, from an estimated £8.64m to £2.29m	6.35
Movements in debtor and creditor balances	1.48
General Fund surplus for the year	0.74
Other – including receipts of grants and contributions	0.66
Total movement	9.23

Consistent with this the average amount invested significantly exceeded the forecast position (see below).

Throughout the year bank rate remained at its historical low of 0.5%, although growing market expectations of imminent monetary tightening saw 6 to 12 month rates picking up.

The following table summarises investment activity and returns in 2010/11

Details	Average daily Investment £'000	Interest Earned £	Average Rate %
Money Market Funds	1,686	9,384	0.56
Short Term deposits	0.825	12,015	1.46
Call accounts	5,933	45,685	0.77
Debt Management Office (DMO)	3,175	7,936	0.25
Total	11,619	75,020	0.65

The performance benchmark is the London 7 day Inter-Bank Bid Rate (LIBID). This averaged 0.43% over the year

16. Treasury Indicator Upper limit on exposure to variable interest rates

The Council is exposed to variable interest rates only on its invested cash. Consistent with the expectation that the amounts available for investment would reduce to nil over the year, this limit was set at £10m, being 100% of the anticipated peak level of investments. In fact investments averaged £11.6m and peaked at £19.6m. In cash terms the limit was exceeded, but not in percentage terms.

17. Icelandic Investments

In April the long awaited judgement of the Icelandic courts was delivered, upholding the priority status of Local Authority deposits. This is still subject to further challenge in the Icelandic Supreme Court, and repayments are frozen until this is resolved (expected late autumn).

The book value of the Council's investment at 31/3/2011 was £1.57m. This was after the following in year transactions.

	£'000
Balance as at 1 April 2010	1.489
Interest accrued during the year	0.088
Additional impairment	(0.007)
Total	1.570

18. The economy and Interest rates

The review of the year provided by the Council's consultant is at appendix A

19. Treasury Advisors

2010/11 was the first of the three years covered by the contract with Sector Treasury Services. The significant event in the year was the merger between Sector and its biggest competitor, Butlers.

IMPLICATIONS OF REPORT

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

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

COMMENTS OF THE STATUTORY FINANCE OFFICER

21. This report meets statutory requirements. Its statistical content is consistent with the Council's financial accounts for the year 2010/11

GARY HALL
DIRECTOR OF TRANSFORMATION

Report Author	Ext	Date	Doc ID
G Whitehead	5485	May 2011	***

Background Papers			
Document	Date	File	Place of Inspection
Treasury Management Strategy	2/3/10		Town Hall
Treasury monitoring report	12/8/10		
Treasury mid year review	11/11/10		

Appendix A - The Economy and Interest Rates

2010/11 proved to be another watershed year for financial markets. Rather than a focus on individual institutions, market fears moved to sovereign debt issues, particularly in the peripheral Euro zone countries. Local authorities were also presented with changed circumstances following the unexpected change of policy on Public Works Loan Board (PWLB) lending arrangements in October 2010. This resulted in an increase in new borrowing rates of 0.75 – 0.85%, without an associated increase in early redemption rates. This made new borrowing more expensive and repayment relatively less attractive.

UK growth proved mixed over the year. The first half of the year saw the economy outperform expectations, although the economy slipped into negative territory in the final quarter of 2010 due to inclement weather conditions. The year finished with prospects for the UK economy being decidedly downbeat over the short to medium term while the Japanese disasters in March, and the Arab Spring, especially the crisis in Libya, caused an increase in world oil prices, which all combined to dampen international economic growth prospects.

The change in the UK political background was a major factor behind weaker domestic growth expectations. The new coalition Government struck an aggressive fiscal policy stance, evidenced through heavy spending cuts announced in the October Comprehensive Spending Review, and the lack of any “giveaway” in the March 2011 Budget. Although the main aim was to reduce the national debt burden to a sustainable level, the measures are also expected to act as a significant drag on growth.

Gilt yields fell for much of the first half of the year as financial markets drew considerable reassurance from the Government’s debt reduction plans, especially in the light of Euro zone sovereign debt concerns. Expectations of further quantitative easing also helped to push yields to historic lows. However, this positive performance was mostly reversed in the closing months of 2010 as sentiment changed due to sharply rising inflation pressures. These were also expected (during February / March 2011) to cause the Monetary Policy Committee to start raising Bank Rate earlier than previously expected.

The developing Euro zone peripheral sovereign debt crisis caused considerable concerns in financial markets. First Greece (May), then Ireland (December), were forced to accept assistance from a combined EU / IMF rescue package. Subsequently, fears steadily grew about Portugal, although it managed to put off accepting assistance till after the year end. These worries caused international investors to seek safe havens in investing in non-Euro zone government bonds.

Deposit rates picked up modestly in the second half of the year as rising inflationary concerns, and strong first half growth, fed through to prospects of an earlier start to increases in Bank Rate. However, in March 2011, slowing actual growth, together with weak growth prospects, saw consensus expectations of the first UK rate rise move back from May to August 2011 despite high inflation. However, the disparity of expectations on domestic economic growth and inflation encouraged a wide range of views on the timing of the start of increases in Bank Rate in a band from May 2011 through to early 2013. This sharp disparity was also seen in MPC voting which, by year-end, had three members voting for a rise while others preferred to continue maintaining rates at ultra low levels.

Risk premiums were also a constant factor in raising money market deposit rates beyond 3 months. Although market sentiment has improved, continued Euro zone concerns, and the significant funding issues still faced by many financial institutions, mean that investors remain cautious of longer-term commitment. The European Commission did try to address market concerns through a stress test of major financial institutions in July 2010. Although only a small minority of banks “failed” the test, investors were highly sceptical as to the robustness of the tests, as they also are over further tests now taking place with results due in mid-2011.

Report of	Meeting	Date
Director of Transformation (Introduced by the Executive Member for Transformation)	Executive Cabinet	23 June 2011

JOINT INSURANCE PROCUREMENT TENDER EXERCISE IN COLLABORATION WITH SOUTH RIBBLE BOROUGH COUNCIL

PURPOSE OF REPORT

1. This is a request for approval to undertake a joint procurement tender exercise in conjunction with South Ribble Borough Council for the renewal of the current insurance covers in place at both Councils under existing Long Term Agreements (LTAs) that are due to expire on 31/12/2011.
2. The joint insurance tender is a key project in the Shared Financial & Assurance Services Business Improvement Plan which has been agreed by the Shared Services Joint Committee.

RECOMMENDATIONS

3. That Executive Cabinet:
 - 3.1 Agree that South Ribble Borough Council will act as the lead body for the joint procurement and conduct the exercise in compliance with its Contract Procedure Rules and Procurement Guidance.
 - 3.2 Approve the use of the proposed contract award procedure and evaluation criteria set out below.

EXECUTIVE SUMMARY OF REPORT

4. The report sets out proposals for a combined tender exercise for insurance covers in order to seek out more economically advantageous terms than would exist if each Council was to approach the insurance market separately.
5. The report summarises the approach for the tender together with the evaluation procedure and criteria to be applied to the tenders received.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

6. The aims of the joint tender exercise are to:
 - (a) seek volume discounts from insurers by providing them with a larger overall offer;
 - (b) share procurement costs by arranging one tender exercise rather than two;
 - (c) rationalise the current insurance portfolios in order to provide ongoing administrative efficiencies.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 7. Research has been undertaken involving the Council’s Procurement & Partnerships Manager to identify alternatives to the traditional tender approach to obtaining insurance covers. For example a number of consortia are currently being developed including a National Procurement Framework for Insurance and the South West Councils’ Insurance Procurement Framework
- 8. During a recent tender exercise to appoint a joint insurance broker to both South Ribble and Chorley Councils we took the opportunity to question all 3 candidates on their views as to the alternatives on offer. All were quite dismissive about the possibility of joining any form of consortium due to their fledgling nature and also that procurement savings from this route would probably be modest.
- 9. The consensus was to arrange a joint tender for new LTA's commencing from 1/1/2012. This approach has subsequently been endorsed by Jardine Lloyd Thompson (JLT) following their appointment as the common insurance broker to both Councils.
- 10. It must be stressed that separate premium quotations will be sought for each Council and there will also be separate insurance policies. The objective of the joint exercise is to minimise overall costs but not to combine risks.**

CORPORATE PRIORITIES

- 11. This report relates to the following Strategic Objectives:

Strong Family Support		Education and Jobs	
Being Healthy		Pride in Quality Homes and Clean Neighbourhoods	
Safe Respectful Communities		Quality Community Services and Spaces	
Vibrant Local Economy		Thriving Town Centre, Local Attractions and Villages	
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			x

BACKGROUND

- 12. The procurement exercise will be coordinated by the Risk Manager in Shared Assurance Services but will require extensive contributions from JLT and the Procurement and Partnerships Manager within the Shared Services Partnership.
- 13. The estimated combined contract value for the tender is £1.5m to £2.5m for a 3 to 5 year term respectively and as such must be conducted in accordance with the EU Procurement Regulations. This will require notice of the tender to be published in the Official Journal of the European Union (OJEU).

TENDER APPROACH

- 14. The tender exercise will be undertaken in accordance with the “open” contract procedure and all insurers responding to the OJEU notice will be invited to tender. The tender will be processed through the regional e-procurement portal “The Chest” and all documentation

available to tenderers and the resulting completed tender submissions will be handled electronically.

15. Tenderers will be invited to quote premiums to enter into an LTA for a period of three years with an option to extend for a further two years. However tenders will also be considered for a five year period where the terms are of greater benefit to the two Councils.
16. The insurance classes for consideration will be packaged into six “Lots” of related cover types and tenderers will be invited to quote for any individual Lot, selected Lots, or indeed all Lots, as follows:

Lot Numbers & Insurance Classes		Quotations Sought		
		SRBC	CBC	Combined
		£	£	£
1	Property Material damage Business interruption Terrorism Works in progress Money Glass All Risks Theft Contractors all risks Mortgaged and Commercial Property Computer	✓	✓	✓
2	Fidelity Guarantee	✓	✓	✓
3	Combined Liability Public Liability Employers Liability Professional Indemnity Libel and Slander Land Charges Hirers Liability	✓	✓	✓
4	Motor Fleet	✓	✓	✓
5	Engineering Inspection and Insurance	✓	✓	✓
6	Personal Accident and Travel	✓	✓	✓

17. The main objective of this approach is to seek the widest possible access to the insurance market by inviting specialist as well as general insurers to submit quotations thereby maximising competition in the process.
18. Bids for each Lot will be based on the existing insurance programmes for each Council together with some variations to cover and levels of excess as recommended by JLT.
19. In relation to Lots 3 and 4 which will generate the highest value premiums, prospective insurers will also be asked to outline the effect on excesses and limits of liability in respect of a 10% and 20% reduction on their base quotations. This approach will enable each Council to make its own selections from the options available in accordance with its risk appetite.

TENDER EVALUATION PROCEDURE & CRITERIA

20. The overall evaluation of the tenders received will be undertaken by JLT using the following three stage procedure:

Stage 1 – Insurers will need to demonstrate their financial standing and their technical and professional ability to carry out the insurance contract in a legal and efficient manner. Specific qualification questions will be asked in the Instructions to Tenderers and their responses will be assessed on a pass or fail basis.

Stage 2 - Detailed consideration of tenders to determine the most economically advantageous tender to each Council in terms of price and quality. The following evaluation criteria and weightings have been discussed and agreed with JLT:

Evaluation Criteria	Weighting					
	Lot 1	Lot 2	Lot 3	Lot 4	Lot 5	Lot 6
Price for Insurance cover	70%	70%	70%	70%		65%
Price for Insurance cover & Inspection Fee					60%	
Assessment of Policy Cover	15%	20%	15%	10%	5%	30%
Engineering Service Delivery					30%	
Enhancements to Policy Cover	5%	5%	5%	10%	n/a	n/a
Claims Service	7%	4%	8%	7%	n/a	5%
Enhancement to Claims Service	3%	1%	2%	3%	n/a	n/a
Risk Management Advice	n/a	n/a	n/a	n/a	5%	n/a

Stage 3 - Award of contract and acceptance of tender(s) following the detailed evaluation of the tender submissions against the award criteria and the provision of reports to both Councils containing appointment recommendations for approval.

21. The following timetable is in place for the overall completion of the procurement exercise:

Tender to market	24 th June 2011
Tenders back	13 th August 2011
Evaluate tenders	September 2011
JLT reports to officers	22 nd September 2011
Officers' report to Cabinet - SRBC	2 nd November 2011
Officers' report to Executive Cabinet - CBC	24 th November 2011
Final decision / instruction from both Councils	30 th November 2011
Award contracts	12 th December 2011
Cover incepted	1 st January 2012

IMPLICATIONS OF REPORT

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

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

COMMENTS OF THE HEAD OF GOVERNANCE

23. The procurement process and scoring matrix are appropriate for this matter.

**GARY HALL
DIRECTOR OF TRANSFORMATION**

There are no background papers to this report.

Report Authors	Ext	Date	Doc ID
Andy Armstrong Garry Barclay	01772 625256 01772 625272	7th June 2011	CBC Insurance Cabinet Report FINAL V2

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