

COUNCIL

TUESDAY, 19TH JULY 2016, 6.30 PM
COUNCIL CHAMBER, TOWN HALL, CHORLEY

AGENDA

APOLOGIES

1 DECLARATIONS OF ANY INTERESTS

Members are reminded of their responsibility to declare any pecuniary interest in respect of matters contained in this agenda.

If you have a pecuniary 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.

2 MINUTES OF THE ANNUAL COUNCIL MEETING HELD ON TUESDAY, 17 MAY 2016

(Pages 5 - 18)

3 MAYORAL ANNOUNCEMENTS

4 PUBLIC QUESTIONS

Members of the public who have requested the opportunity to ask question(s) on any item(s) on the agenda will have three minutes to put their question(s) to the relevant Councillor. Members of the public will be allowed to ask one short supplementary question.

5 CHORLEY COUNCIL ANNUAL REPORT 2015/16

(Pages 19 - 38)

To consider the attached report of the Director of Policy and Governance.

6 EXECUTIVE CABINET

(Pages 39 - 42)

To consider the attached general report of the meeting of Executive Cabinet held on 30 June 2016.

- | | | |
|----|---|---------------------|
| 7 | REVENUE AND CAPITAL BUDGET MONITORING - PROVISIONAL
OUTTURN 2015-16 | (Pages 43 - 70) |
| | To consider recommendations within the attached report of the Chief Executive which was agreed at Executive Cabinet on 30 June 2016. | |
| 8 | SCRUTINY REPORTING BACK: ANNUAL REPORT OF THE
OVERVIEW AND SCRUTINY COMMITTEE | (Pages 71 - 80) |
| | To consider the attached annual report of the work of the Overview and Scrutiny Committee in 2015/16. | |
| 9 | OVERVIEW AND SCRUTINY COMMITTEE AND TASK AND FINISH
GROUPS | |
| | To consider a general report of the Overview and Scrutiny Committee on 7 July 2016, including the work of the Performance Panel (report to follow). | |
| 10 | GOVERNANCE COMMITTEE | (Pages 81 - 86) |
| | To consider the attached report of the Governance Committee held on 22 June 2016. | |
| 11 | QUESTIONS ASKED UNDER COUNCIL PROCEDURE RULE 8 (IF
ANY) | |
| 12 | TO CONSIDER THE NOTICES OF MOTION (IF ANY) GIVEN IN
ACCORDANCE WITH COUNCIL PROCEDURE RULE 10 | |
| 13 | MEMBERSHIP OF COMMITTEES | |
| | To agree that Councillors Roy Lees and Adrian Lowe should replace Councillors Aaron Beaver and Charlie Bromilow as Substitute Members on the Licensing and Public Services Committee. | |
| 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 Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act. | |
| | By Virtue of Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information). | |
| 15 | PROPOSALS FOR AN INTEGRATED COMMUNITY WELLBEING
SERVICE | (Pages 87 -
128) |
| | To consider the attached report of the Director of Policy and Governance. | |

16 **DIGITAL HEALTH VILLAGE, EUXTON LANE**

To consider a report of the Chief Executive (to follow).

17 **LAND SWAP WITH THE HCA**

To consider a report of the Chief Executive (to follow).

18 **GROUP ONE LAND TRANSFER**

To consider a report of the Chief Executive (to follow).

19 **ANY URGENT BUSINESS PREVIOUSLY AGREED WITH THE
MAYOR**

**GARY HALL
CHIEF EXECUTIVE**

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To view the procedure for public questions/ speaking click here

<https://democracy.chorley.gov.uk/documents/s60977/Appendix%203%20Standing%20Orders%20Jan%202016.pdf> and scroll to page 49

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MINUTES OF ANNUAL COUNCIL

MEETING DATE Tuesday, 17 May 2016

MEMBERS PRESENT: Councillor Marion Lowe (Mayor), Councillor Doreen Dickinson (Deputy Mayor) and Councillors Aaron Beaver, Eric Bell, Martin Boardman, Alistair Bradley, Charlie Bromilow, Terry Brown, Henry Counce, Paul Clark, Jean Cronshaw, Alan Cullens, John Dalton, Graham Dunn, Christopher France, Gordon France, Margaret France, Jane Fitzsimons, Anthony Gee, Danny Gee, Tom Gray, Mark Jarnell, Hasina Khan, Zara Khan, Paul Leadbetter, Margaret Lees, Roy Lees, Sheila Long, Adrian Lowe, Matthew Lynch, June Molyneaux, Greg Morgan, Alistair Morwood, Mick Muncaster, Steve Murfitt, Beverley Murray, Mark Perks, Debra Platt, Joyce Snape, Kim Snape, Ralph Snape, Richard Toon, John Walker, Paul Walmsley, Alan Whittaker and Peter Wilson

OFFICERS: Gary Hall (Chief Executive), Jamie Carson (Director (Early Intervention and Support)), Chris Sinnott (Director (Policy and Governance)), Asim Khan (Director (Customer and Digital)), Chris Moister (Head of Legal, Democratic & HR Services) and Carol Russell (Democratic Services Manager)

APOLOGIES: Councillors Keith Iddon

16.C.334 Declarations of Any Interests

There were no declarations of interest received.

16.C.335 Minutes of the Council Meeting held on Tuesday, 12 April 2016

RESOLVED – That the minutes of the meeting of the Council held on 12 April 2016 be approved as a correct record for signature by the Mayor.

16.C.336 Minutes of an Extraordinary Meeting of the Council held on Friday, 22 April

RESOLVED – that the minutes of the Extraordinary Council meeting held on 22 April 2016 be approved as a correct record for signature by the Mayor.

Councillor Alistair Bradley provided Members with an update on the temporary closure of the Accident and Emergency Department at Chorley Hospital. He had met with members of the Hospital Trust Board and the MP for an update on recruitment and was disappointed that only one additional appointment had been made. It was important to keep the pressure on the Hospital Trust Board and to keep the profile of the campaign high. There would be increased pressure on other A and E departments in the area and the Council would work with the County and other District Councils to try and resolve the situation and get services reopened at Chorley.

16.C.337 Returning Officer's Report

The Mayor congratulated all those Councillors who had been elected or re-elected on 5 May 2016 and in particular welcomed the three new councillors.

The Returning Officer's report indicated election results as follows:

- **Adlington and Anderton** - Peter Wilson
- **Brindle and Hoghton** - Sheila Long
- **Chorley East** - Zara Khan
- **Chorley North East** - Adrian Lowe
- **Chorley North West** - Joyce Snape
- **Chorley South East** - Alistair Bradley
- **Chorley South West** - Anthony Gee
- **Clayton-le-Woods and Whittle-le-Woods** - John Walker
- **Clayton-le-Woods North** - Jean Cronshaw
- **Coppull** - Jane Fitzsimons
- **Heath Charnock and Rivington** - Kim Snape
- **Eccleston and Mawdesley** - Henry Caunce
- **Euxton North** - Danny Gee
- **Lostock** - John Dalton
- **Wheelton and Withnell** - Chris France

RESOLVED – that the report be noted.

16.C.338 Election of the Mayor for the Council Year 2016/17

It was formally proposed by Councillor John Walker, and seconded by Councillor John Dalton, that Councillor Doreen Dickinson be elected as Mayor of the Borough of Chorley for the forthcoming Council Year.

RESOLVED – that Councillor Doreen Dickinson be elected as Mayor of the Borough of Chorley for the forthcoming Council year.

16.C.339 Election of the Deputy Mayor for the Council Year 2016/17

It was formally proposed by Councillor John Walker and seconded by Councillor Paul Leadbetter that Councillor Mark Perks be elected as Deputy Mayor for the forthcoming Council Year.

RESOLVED – that Councillor Mark Perks be elected as Deputy Mayor for the Borough of Chorley for the forthcoming Council year.

There was a brief adjournment to allow the Retiring Mayor and her Consort; the newly elected Mayor and her Consort; and the newly elected Deputy Mayor and Mayoress to exchange robes and badges of office.

Councillor Doreen Dickinson in the Chair

On resuming the meeting, Councillor Doreen Dickinson signed the declaration of acceptance of office of Mayor, and thanked Councillors for her appointment. She introduced her Consort for the year, her son Mr Peter Vickers.

Councillor Mark Perks signed the declaration of acceptance of office of Deputy Mayor, and thanked Councillors for his appointment. He introduced his Deputy Mayoress, Mrs Pat Haughton.

16.C.340 Vote of Thanks to the Retiring Mayor

The Mayor referred to the Retiring Mayor, Councillor Marion Lowe's year of office which had been excellent, and along with her husband Councillor Adrian Lowe, they had served as first class ambassadors for Chorley.

Political group Leaders also paid tribute to the Retiring Mayor and her Consort for a very successful year, with many enjoyable fundraising events in aid of their chosen charities.

Councillor Marion Lowe responded, thanking Councillors for their kind words and their support over the year. She thanked Redrow Homes and Bailcast for their sponsorship of charity events and in particular Bailcast as her employer, supporting her in the role of Mayor. A number of successful fundraising events and activities had enabled her to raise almost £15,000 for her chosen charities.

Councillor Lowe presented the Council with a music centre for the Mayor's Parlour.

16.C.341 Appointment of the Executive Leader of the Council

The Mayor asked for nominations for the role of Executive Leader on the Council. This was a four year appointment as set out in the Council's Constitution.

Councillor Danny Gee proposed, Councillor Chris France seconded, and it was **RESOLVED – that Councillor Alistair Bradley be appointed as Executive Leader to the Council, for a further 4 year term of office.**

16.C.342 Executive Cabinet Appointments for 2016/17

Councillor Alistair Bradley, Executive Leader informed the Council of his appointments to the Executive Cabinet for 2016/17.

Appointments to the Executive Cabinet and portfolio support roles were reported as follows:

Portfolio	Appointment
<p>ECONOMIC DEVELOPMENT AND PUBLIC SERVICE REFORM Lead Director: Director (Business, Growth and Investment) / Chris Sinnott</p> <ul style="list-style-type: none"> • Business growth and inward investment • Employment and skills • Asset Management • Town Centre (including Market Walk) • Public Service Reform (including combined authority) 	Alistair Bradley
<p>RESOURCES Lead Director: Chris Sinnott / Gary Hall</p> <ul style="list-style-type: none"> • Finance • Corporate Strategy and improvement • Communications and events • Support services 	Peter Wilson
<p>EARLY INTERVENTION Lead Director: Jamie Carson</p> <ul style="list-style-type: none"> • Housing Options and Advice • Supported Housing • Volunteering and VCFS • Community Centre Management • Community Development • Home improvement service • Welfare reform • Astley Hall and Cultural Assets • Community safety • Neighbourhood Working 	Bev Murray
<p>PUBLIC PROTECTION Lead Director: Jamie Carson / Asim Khan</p> <ul style="list-style-type: none"> • Development Control • Building Control • Planning and housing policy • Environmental Health • Licensing 	Paul Walmsley
<p>STREETSCENE SERVICES Lead Director: Asim Khan</p> <ul style="list-style-type: none"> • Street Cleansing • Grounds Maintenance • Car parking • Streetscene Improvements • Parks and Open Spaces 	Adrian Lowe
<p>CUSTOMER AND ADVICE SERVICES Lead Director: Asim Khan</p> <ul style="list-style-type: none"> • ICT • Customer Services • Revenue and Benefits • Single Front Office • Waste collection 	Graham Dunn

Member Responsible for :	
Town Centre Community Development Enforcement and Adoptions Economic Development and Skills Governance and Audit	Danny Gee Matthew Lynch Kim Snape Alistair Morwood Anthony Gee
Council Champion for :	
Democratic and Member Services Older People Rural Communities Health and Wellbeing Young People Housing	Gordon France Jean Cronshaw Alan Whittaker Margaret France Mark Jarnell Margaret Lees

RESOLVED – that the appointments be noted.

16.C.343 Appointments to Committees, Panels and Working Groups for 2016/17

The Council considered a schedule of nominations for the appointment of committees, working groups and panels in accordance with the political balance of the Council, together with nominations to Chair and Vice Chair positions and a list of shadow portfolio positions.

The Executive Leader Councillor Alistair Bradley proposed, the Deputy Leader Councillor Peter Wilson seconded, and it was **RESOLVED – that the following appointments be approved for 2016/17:**

COMMITTEES	LABOUR GROUP	CONSERVATIVE GROUP	IND GROUP
OVERVIEW AND SCRUTINY COMMITTEE (14 Members) (10: 4: 0)	Roy Lees (Vice-Chair) Aaron Beaver Paul Clark Jane Fitzsimons Mark Jarnell Margaret Lees Matthew Lynch June Molyneaux Alistair Morwood Kim Snape	John Walker (Chair) Greg Morgan Mark Perks Debra Platt	
O & S Performance Panel (6 Members 4: 2: 0)	Roy Lees (Vice-Chair) Matthew Lynch June Molyneaux Alistair Morwood	John Walker (Chair) Mark Perks	

COMMITTEES	LABOUR GROUP	CONSERVATIVE GROUP	IND GROUP
<p>DEVELOPMENT CONTROL COMMITTEE (15 Members)</p> <p>(10: 5: 0)</p> <p>3 x substitute Members per group</p>	<p>June Molyneaux (Chair) Chris France (Vice-Chair) Aaron Beaver Charlie Bromilow Danny Gee Tommy Gray Alistair Morwood Richard Toon Paul Walmsley Alan Whittaker</p> <p>Jean Cronshaw Gordon France Graham Dunn</p>	<p>Martin Boardman Henry Caunce John Dalton Keith Iddon Mick Muncaster</p> <p>Eric Bell Paul Leadbetter Sheila Long</p>	
<p>LICENSING AND PUBLIC SAFETY COMMITTEE (15 Members)</p> <p>(10 : 4: 1)</p> <p>2 x Substitute Members per group</p>	<p>Marion Lowe (Chair) Anthony Gee (Vice-Chair) Jean Cronshaw Gordon France Margaret France Tommy Gray Mark Jarnell Hasina Khan Matthew Lynch Kim Snape</p> <p>Charlie Bromilow Aaron Beaver</p>	<p>Keith Iddon Sheila Long Mick Muncaster John Walker</p> <p>Eric Bell Paul Leadbetter</p>	<p>Ralph Snape</p>
<p>GENERAL PURPOSES COMMITTEE (17 Members)</p> <p>(11: 5: 1)</p>	<p>Gordon France (Chair) Matthew Lynch (Vice-Chair) Charlie Bromilow Jean Cronshaw Margaret France Tommy Gray Mark Jarnell Hasina Khan Zara Khan Marion Lowe June Molyneaux</p>	<p>Eric Bell Alan Cullens John Dalton Paul Leadbetter Greg Morgan</p>	<p>Ralph Snape</p>
<p>GOVERNANCE COMMITTEE (8 Members)</p> <p>(5: 3: 0)</p>	<p>Anthony Gee (Vice Chair) Jean Cronshaw Gordon France Margaret France Danny Gee</p>	<p>Paul Leadbetter (Chair) Alan Cullens Debra Platt</p>	

COMMITTEES	LABOUR GROUP	CONSERVATIVE GROUP	IND GROUP
<p>APPOINTMENTS PANEL (9 Members)</p> <p>(6: 2: 1)</p>	<p>Alistair Bradley (Chair) Graham Dunn Jane Fitzsimons Adrian Lowe Alistair Morwood Peter Wilson</p> <p>Plus relevant portfolio holder</p>	<p>Paul Leadbetter Greg Morgan</p>	<p>Ralph Snape</p>
<p>CHIEF EXECUTIVE'S PERFORMANCE REVIEW PANEL (5 Members) (3: 2: 0)</p>	<p>Alistair Bradley (Chair) Terry Brown Peter Wilson</p>	<p>Paul Leadbetter Greg Morgan</p>	
<p>HUMAN RESOURCES APPEALS COMMITTEE (Panels taken from 9 Members) (6: 3: 0)</p>	<p>Margaret France (Chair) Charlie Bromilow Graham Dunn Jane Fitzsimons Marion Lowe Beverley Murray</p>	<p>Paul Leadbetter Greg Morgan John Walker</p>	
<p>CHAIR OF EQUALITIES AND WELL BEING</p> <p>This role to include taking the Chair of the Equality Forum and acting as Lead Member for Health and Wellbeing, Equality and Diversity</p> <p>EQUALITY FORUM (4 Members) (3: 1: 0)</p>	<p>Hasina Khan</p> <p>Hasina Khan (Chair) Jean Cronshaw Zara Khan</p>	<p>Sheila Long</p>	
<p>LOCAL DEVELOPMENT FRAMEWORK WORKING GROUP (12 Members) (8: 4: 0)</p>	<p>Alistair Bradley (Chair) Paul Walmsley (Vice-Chair) Christopher France Margaret France Danny Gee Roy Lees Richard Toon Alan Whittaker</p>	<p>Martin Boardman Henry Counce John Dalton Paul Leadbetter</p>	

COMMITTEES	LABOUR GROUP	CONSERVATIVE GROUP	IND GROUP
<p>MARKET WALK STEERING GROUP (7 Members) (4: 3: 0)</p> <p>1 x Substitute from each Group</p>	<p>Alistair Bradley (Chair) Jane Fitzsimons Matthew Lynch Peter Wilson</p> <p>Danny Gee</p>	<p>Martin Boardman Paul Leadbetter Greg Morgan</p> <p>Alan Cullens</p>	
<p>MEMBERS SUPPORT WORKING GROUP (7 Members) (4: 2: 1)</p>	<p>Gordon France (Chair) Charlie Bromilow Margaret Lees Matthew Lynch</p>	<p>Doreen Dickinson Mick Muncaster</p>	<p>Joyce Snape</p>
<p>SHARED SERVICES JOINT COMMITTEE (3 Members) (2: 1: 0)</p>	<p>Alistair Bradley (Chair) Alistair Morwood</p>	<p>Greg Morgan</p>	
<p>CHORLEY LIAISON</p> <p>The 8 Chairs of the Neighbourhood Area Meetings plus one other Councillor representing Chorley town</p>	<p>Chairs of all 8 Neighbourhood areas - to be appointed at the first Neighbourhood Meetings of the year in June/July</p> <ul style="list-style-type: none"> • Chorley Town East – Alistair Morwood • Chorley Town West - Anthony Gee • Clayton and Whittle – Eric Bell • Eastern Parishes – Gordon France • Western Parishes – Doreen Dickinson • Euxton, Astley and Buckshaw - Matthew Lynch • South Eastern Parishes – Kim Snape • Southern Parishes – Alan Whittaker • Chorley town area - Alistair Bradley 		
<p>LICENSING LIAISON Chair and Vice Chair of Licensing & Public Services Committee plus Executive Member for Public Protection</p>	<p>Marion Lowe Anthony Gee Paul Walmsley (Executive Member)</p>		
<p>PUBLIC SERVICES TRANSFORMATION WORKING GROUP (8 Members) (5: 2: 1)</p>	<p>Alistair Bradley (Chair) Adrian Lowe Kim Snape Richard Toon Peter Wilson</p>	<p>Alan Cullens Paul Leadbetter</p>	

COMMITTEES	LABOUR GROUP	CONSERVATIVE GROUP	IND GROUP
TOWN TEAM (4 Members including Executive Member for Resources – plus County Councillors) (3: 1: 0)	Danny Gee (Chair) Matthew Lynch Peter Wilson	Martin Boardman	
CHORLEY PUBLIC SERVICES REFORM BOARD (2 representatives) (1:1)	Alistair Bradley Hasina Khan (Observer)	Paul Leadbetter	

SHADOW CABINET APPOINTMENTS

Leader of the Opposition, Policy and Partnerships	Paul Leadbetter
Deputy Leader of the Opposition, Finance and Governance	Greg Morgan
Customer and Digital	Alan Cullens
Business Development and Growth	Martin Boardman
Health and Wellbeing	Debra Platt
Community	Eric Bell

16.C.344 Appointments to Outside Bodies for 2016/17

A schedule of nominations for the appointment of Council representatives on outside bodies for the forthcoming Council year was circulated.

Councillor Paul Leadbetter proposed and Councillor Greg Morgan seconded the appointment of Councillor Sheila Long to the Brindle Village Hall Management Committee. On being put to the vote this was LOST.

The Executive Leader Councillor Alistair Bradley proposed, Councillor Peter Wilson seconded, and it was **RESOLVED that appointments to outside bodies be approved as follows:**

No.	NAME OF BODY	NO OF REPS	REPRESENTATIVES	EXPIRY DATE
1.	Adactus Board	2	Councillors Graham Dunn and Roy Lees	May 2017
2.	Adlington Community Association	2	Councillor June Molyneaux and Mrs Florence Molyneaux (Labour Nominee)	May 2017
3.	Armed Forces Champion (Preston, Chorley and South Ribble CVS)	1	Councillor Aaron Beaver	May 2017
4.	Brindle Village Hall Management Committee (Observer position)	1	Councillor Margaret France	May 2017
5.	Central Lancashire Strategic Planning Joint Advisory Committee	3	Executive Leader – Councillor Alistair Bradley and Councillors Paul Walmsley and Martin Boardman (Substitute Councillors Roy Lees, Chris France and Paul Leadbetter)	May 2017
6.	Chorley and District Neighbourhood Watch Association	1	Executive Member for Early Intervention - Councillor Bev Murray	May 2017
7.	Chorley and South Ribble Citizens Advice Bureau Management Committee	1	Councillor Gordon France	May 2017
8.	Chorley and South Ribble Disability Forum	1	Councillor Hasina Khan	May 2017
9.	Chorley and South Ribble Shopmobility	1	Councillor June Molyneaux	May 2017
10	Chorley Consolidated Charity and Chorley Relief Fund	3	Councillor Anthony Gee (Appointed May 2015) Councillor Jean Cronshaw (Appointed May 2015) Councillor Doreen Dickinson (Appointed May 2016) (NB Appointments are for a 5 year period and cannot be changed mid-period)	May 2020 May 2020 May 2021
11	Chorley Sports Forum	2	Executive Member for Early Intervention - Councillor Beverley Murray and Councillor John Walker	May 2017
12	Chorley, South Ribble and West Lancashire Children's Partnership Board	1	Councillor Mark Jarnell	May 2017
13	Chorley Women's Centre Committee	1	Julia Berry (Labour nominee)	May 2017
14	Clayton-le-Woods Community Centre Management Committee	1	David Rogerson (Labour nominee)	May 2017

No.	NAME OF BODY	NO OF REPS	REPRESENTATIVES	EXPIRY DATE
15	Cuerden Valley Trust	1	Councillor Charlie Bromilow	May 2017
16	District Councils' Network	1	Executive Leader - Councillor Alistair Bradley	May 2017
17	Heapey and Wheelton Village Hall Committee	2	Councillors Chris France and Gordon France	May 2017
18	Heskin Village Hall Management Committee	1	Councillor Paul Leadbetter	May 2017
19	Hoghton Village Hall Management Committee	1	Councillor Sheila Long	May 2017
20	Home-Start Chorley and South Ribble	1	Councillor Margaret Lees	May 2017
21	Lancashire Combined Authority (Shadow)	1	Executive Leader – Councillor Alistair Bradley (Substitute - Councillor Peter Wilson, Deputy Leader)	May 2017
	Lancashire Combined Authority (Shadow) Overview and Scrutiny Committee	1	to be determined	
22	Lancashire County Council Adult Social Care and Health Scrutiny Committee (Co-opted member)	1	Councillor Hasina Khan (Substitute - Councillor Margaret France)	May 2017
23	Lancashire County Council Transport Asset Management Plan (TAMP) Scrutiny Task Group	1	Councillor Richard Toon	May 2017
24	Lancashire Neighbourhood Watch Forum	1	Councillor Jean Cronshaw	May 2017
25	Lancashire Police and Crime Panel	1	Executive Leader - Councillor Alistair Bradley (Substitute, Deputy Executive Leader - Councillor Peter Wilson)	May 2017
26	Lancashire Teaching Hospital NHS Foundation Trust – Governing Council (3 year appointment)	1	Executive Leader – Councillor Alistair Bradley	May 2019
27	Lancashire Waste Partnership	1	Executive Member for Customer and Advice Services - Councillor Graham Dunn	May 2017
28	Local Government Association General Assembly and associated groups	2	Executive Leader - Councillor Alistair Bradley and Deputy Executive Leader - Councillor Peter Wilson	May 2017
29	Local Government Association (Lancashire Branch)	1 (2)	Executive Leader - Councillor Alistair Bradley Deputy Executive Leader - Councillor Peter Wilson and	May 2017

No.	NAME OF BODY	NO OF REPS	REPRESENTATIVES	EXPIRY DATE
			Leader of the Opposition - Councillor Paul Leadbetter (Observers)	
30	Mawdesley Millennium Trust	1	Councillor Martin Boardman	May 2017
31	Mawdesley Village Hall Management Committee	1	Councillor Keith Iddon	May 2017
32	North Western Local Authorities' Employers Organisation	1	Executive Member for Resources - Councillor Peter Wilson An employee of: (i) an organisation represented on the Trade Union Side of the Joint Council; or (ii) a local or Joint Authority and whose conditions of employment are within the scope of the Joint Council shall not be appointed as an Employers' representative (or substitute representative) on the Employers' Organisation. (Rule 5(d))	May 2017
33	PATROL Adjudication and Bus Lane Adjudication Joint Committee Service	1	Executive Member for Streetscene Services - Councillor Adrian Lowe	May 2017
34	Preston and Western Lancashire Racial Equality Council	1	Councillor Paul Clark	May 2017
35	Preston Domestic Violence Services – Management Committee	1	Councillor Margaret France	May 2017
36	Rivington and Brinscall Advisory Group	3	Councillors Chris France, Margaret France and Kim Snape	May 2017
37	Rivington Heritage Trust	1	Councillor Kim Snape	May 2017
38	Runshaw College Community Liaison Group	4	Councillors Hasina Khan, Danny Gee, Alistair Morwood (plus one Conservative nominee – to be decided)	May 2017
39	Rural Services Network	1	Councillor Alan Whittaker	May 2017
40	Safer Chorley and South Ribble Partnership (Responsible Authorities Group)	1	Executive Member for Early Intervention – Councillor Bev Murray	May 2017

No.	NAME OF BODY	NO OF REPS	REPRESENTATIVES	EXPIRY DATE
41	The North West of England and the Isle of Man Reserved Forces and Cadets Association	1	Councillor Aaron Beaver	May 2017
42	West Pennine Moors Area Management Committee	2	Councillors Gordon France and Kim Snape	May 2017

16.C.345 Council Meetings in 2016/17

Councillors noted the programme of Council Meetings for 2016/17 as follows:

- Tuesday 19 July 2016 at 6.30pm
- Tuesday 20 September 2016 at 6.30pm
- Tuesday 22 November 2016 at 6.30pm
- Tuesday 24 January 2017 at 6.30pm
- Tuesday 28 February 2017 at 6.30pm
- Tuesday 11 April 2017 at 6.30pm
- Tuesday 16 May 2017 at 6.30pm

Mayor

Date

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Report of	Meeting	Date
Director Policy and Governance (Introduced by the Leader)	Council	19 th July 2016

CHORLEY COUNCIL ANNUAL REPORT 2015/16

PURPOSE OF REPORT

- To provide a summary of the Council's achievements during 2015/16 as well as highlighting both the challenges and opportunities facing the Council in 2016/17.

RECOMMENDATION(S)

- That the report be noted.

EXECUTIVE SUMMARY OF REPORT

- Overall performance during 2015/16 has been good, delivering tangible outcomes that meet the Council's key priority areas:
 - Involving residents in improving their local area and equality of access for all
 - A strong local economy
 - Clean, safe and healthy communities
 - An ambitious council that does more to meet the needs of residents and the local area
- The successful delivery of key projects has been underpinned by strong organisational performance and supported by the Council's programme of new investment in 2015/16, totalling £4.422m. Looking ahead, we continue to face challenges as a result of budget pressures combined with high demand for services. Projections show a potential budget gap of around £3m to 2018/19. This report highlights activity to date, the resulting outcomes for local people and our approach to meeting the challenges ahead.

Confidential report Please bold as appropriate	Yes	No
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Key Decision? Please bold as appropriate	Yes	No
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REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- N/A

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- N/A

CORPORATE PRIORITIES

7. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all	✓	A strong local economy	✓
Clean, safe and healthy communities	✓	An ambitious council that does more to meet the needs of residents and the local area	✓

BACKGROUND

- 8. The annual report is a key mechanism for presenting information about the Council’s performance to residents, partners and key stakeholders. The report provides information regarding the key activities which have been delivered over the past 12 months to meet our vision and corporate priorities.
- 9. Looking ahead, the report identifies some key challenges faced by the Council in order to meet residents’ needs, and sets out a number of key initiatives for 2016/17 which we will be undertaking to ensure that our organisation remains in a position to meet these needs.

SUMMARY OF THE REPORT

10. The Chorley Council Annual Report is attached to this paper as an appendix. The key headlines from the report include:

a. Involving residents in improving their local area and equality of access for all

We have delivered many successful events this year, attracting thousands of people into the area. The first ever Chorley Flower Show attracted 10,000 people and 16 professional exhibitors, making it a huge success with significant potential for growth in future years. The Chorley Time Credits scheme has continued to reward people for giving up their time to volunteer, with 72% of volunteers giving their time at least once a week and 83% of Time Credits members reporting an improvement in their quality of life. We have continued to commission much needed services providing advice and support for families, vulnerable adults, older people, young people and community safety. In 2015 we undertook our residents’ survey which showed improvement in the majority of areas, with 77% of residents satisfied with the way the council runs things (an increase of 18.5% when compared with the previous survey in 2013) and 60% agreeing that the council provides value for money (a 17.5% increase since 2013).

b. A strong local economy

This year, we have continued to strengthen Chorley’s local economy, working hard to attract new businesses and seeing over £1.5 million worth of investment brought into the area. We have held a number of Choose Chorley Business Network Events attended by 414 business people. Work has continued to assist residents getting into paid employment through our employment initiatives and schemes. Overall employment levels buck regional and national trends at 80.8%. The number of young people not in education, employment or training was 4.5% at the end of March 2016, equating to 153 young people. This is better than target which is 4.8% and the Lancashire rate which is 5.1%. We also launched our new ‘Check Out Chorley’ website, which has had over 28,540 page views in the first three months.

c. Clean, safe and healthy communities

We have encouraged people to get active and stay active, promoting and delivering healthy lifestyles, with 26,452 young people attending our Get Up and Go activities over the last twelve months and over 120 people taking part in the Couch to 5K programme. We have continued to increase the amount of affordable housing across the borough, delivering 85 affordable homes this year bringing the total to 379 homes since 2012. Work has continued on the delivery of our Play, Open Space and Playing Pitch Strategy with the Astley Park Destination Play Area receiving very positive feedback from local residents and work to develop Rangleetts Recreation Ground being completed, providing a vital asset for young people in the local area.

d. An ambitious council that does more to meet the needs of residents and the local area

Our customers remain satisfied with the work that we do with the level of overall dissatisfaction standing at 17.1% at the end of 2015/16 against a target of 20%; this is the lowest level since 2012 when dissatisfaction was 31.1%. Work has been undertaken to improve the Council website, making it more icon driven and therefore easier to use on both mobile and tablet devices. We've also progressed development of the Youth Zone, with plans developed for the proposed site on Railway Street in Chorley to provide new facilities for young people including a fitness suite, football pitches and activity rooms. The Chorley Credit Union has given out a total of 1,170 loans this year, totalling £555,074, providing local people with a safe and ethical banking option.

e. Council spending

In 2015/16 Chorley Council took the decision to once again freeze Council Tax, despite continuing large scale reductions in Central Government grants. At the same time, the Council committed to new investments totalling £4.422m, with priorities for investment identified by residents including;

- Working with public service providers in the borough to make sure residents are getting the best deal possible
- Supporting businesses and improving the local economy
- Providing services for young and older people
- Improving the town centre
- Supporting safer communities
- Putting on events for families
- Improvements to play areas in the borough

f. Future challenges in 2016/17

Managing the impact of cuts to public service budgets against increasing demand for services as the population of Chorley grows and changes, is likely to be the biggest challenge facing the organisation over the coming year. However, the Council has been proactive in its response and positioned itself well to ensure that vital services for local residents are maintained. A number of plans and strategies are in place, including the Transformation Strategy, which will support the Council to achieve its ambitions and the recommendations of the Future Governance Models for Chorley report. The work of the Chorley Public Service Reform Partnership will also support the Council in these challenges, working to integrate and re-configure public services in Chorley to provide the best outcomes for residents. Developing the local economy continues to be a priority and a number of initiatives have been put in place for 2016/17 to create jobs, promote inward investment, attract new business into the borough and to improve the town centre, leisure and retail offer in Chorley.

IMPLICATIONS OF REPORT

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

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		Integrated Impact Assessment required?	
No significant implications in this area	✓	Policy and Communications	

CHRIS SINNOTT
DIRECTOR (POLICY AND GOVERNANCE)

Report Author	Ext	Date	Doc ID
Kate Cronin	5348	5 th July 2016	Annual report 2015_16 covering report

Chorley Council Annual Report 2015/16



Welcome to Chorley Council's annual report

This report presents Chorley Council's annual report for 2015/16. It provides an overview of activities and achievements over the last year, outlining the key steps that we have taken to ensure that we continue to deliver our vision and priorities.

Our vision: A proactive community leader, supporting the borough and all its residents to reach their full potential through working in partnership to deliver services that achieve the best outcome and protect vulnerable people



Involving residents in improving their local area and equality of access for all



Clean, safe and healthy communities



A strong local economy



An ambitious council that does more to meet the needs of residents and the local area

The challenges in 2015/16

The council continues to operate in challenging conditions, with specific local concerns linked to population growth, health and deprivation. During 2015/16 the impact of government funding cuts became more acute in Chorley, with local partner organisations implementing drastic service changes across the borough in a bid to reduce costs. We also continue to see further changes to national policy on benefits and support for vulnerable people, creating uncertainty and instability for individuals and families.

The council's approach to proactively addressing these challenges and protecting vital services for local residents is set out in this report.

Overview of 2015/16

Statement from Cllr Bradley, Leader of Chorley Council and Executive Member for Economic Development and Partnerships

Our vision is to be a proactive community leader, working in partnership to deliver the best outcomes possible for our local communities and this report shows that this year, we've gone even further to achieving that ambition.

In 2015/16 more residents than ever before have 'made it happen' in their local communities, either through volunteering and giving their time as part of Chorley Time Credits; taking part in community clean up activity; or attending local events with their families such as Chorley Live and Picnic in the Park. Residents report that they have a better quality of life and say they 'feel healthier' as a result. Across the borough, play areas have been improved, new community facilities have been created and neighbourhoods have been transformed, all contributing to making Chorley a safer and more appealing place to live.

We continue to progress activity to strengthen the local economy and attract investment into the borough, encouraging businesses to 'Choose Chorley' so that we can create greater opportunities for local residents, resulting in 97 new jobs created this year. Families, individuals and young people have received targeted support to get back into employment and Chorley has a higher overall employment rate than Lancashire and nationally.

As an organisation we continually strive for better, more efficient ways of working to minimise the impact of budget cuts on residents and maintain vital services. We have accelerated work with partners to explore new, more integrated ways of working through the Chorley Public Service Reform Partnership, and we have changed the structure of the organisation to ensure that we are well equipped to face the challenges ahead.

Statement from Cllr Wilson, Deputy Executive Leader, Executive Member (Resources)

Overall, the performance of the council remains strong despite the challenges we face. We've delivered against our key priorities and invested even more in our communities, whilst retaining a balanced budget.

Delivery of the Corporate Strategy has been very successful, with the majority of projects completed or continuing to deliver highly positive outcomes. Performance of the Corporate Strategy indicators and key service delivery measures has been excellent and in the final quarter of 2015/16 84% of corporate strategy indicators were performing above target. We continue to challenge underperformance and have seen sustained improvement in areas such as an increase in the overall employment rate, an increase in volunteering, as well as reducing customer dissatisfaction.

Planning for the future, building a strong local economy and enabling our communities will be important as we move forward into 2016/17, supported by further investment of £3.2million to achieve better outcomes for the people of Chorley.



Involving residents in improving their local area and equality of access for all

Long term outcomes

- Residents who take pride in where they live and their achievements
- All residents are able to take an active part in their community
- Easy access to high quality public service

What have we done this year to achieve this?

Work this year has seen more local residents being supported to engage and contribute towards improving their local community through neighbourhood working and community development activity. A successful events programme has seen thousands of people attending various attractions and activities across the year, engaging both local residents and encouraging visitors from further afield, raising the profile of Chorley as a destination to visit. More people are engaged with and are giving up their time to volunteer through our Time Credits scheme which continues to reward people for contributing towards their local communities. 2016 has seen 20% of Time Credits volunteers gaining work experience, 29% report having less need to go to the doctor and 67% said their level of contact has increased as a result of Time Credits. Much needed services providing advice and support for families with young children, vulnerable adults, older people, young people, and community safety have been supported through our grants and commissioning schemes.

- **86% of residents are satisfied with their neighbourhood as a place to live**
- **72% of volunteers give their time at least once a week**
- **36% increase in the number of volunteering hours earned**

Neighbourhood Working

24 Neighbourhood Working priorities were identified at neighbourhood area meetings for delivery in 2015 to improve and enhance community spaces. The work which has been undertaken this year has included:

- South East Parishes: Anderton Gateway, a scheme to design and construct planting and flowerbeds to the Anderton Southern Gateway to the borough
- Chorley Town West: Developed an Eaves Green tree management plan

- Eastern Parishes: Hoghton war memorial has been enhanced with additional seating and community areas

Time Credits

The Chorley Time Credits programme continues to grow, supporting residents to volunteer and providing much needed capacity within communities. This year 77 additional community groups have been engaged in time banking to bring the total up to 267. A total of 511 new volunteers were recruited this year to bring the total of volunteers up to 1625, this year giving 42,452 hours of their time, and increasing volunteering hours by 36% compared to last year. Key outcomes to date include:

- 83% of Chorley members reported that Time Credits have helped to improve their quality of life; this is a 45% increase on last year.
- 42% said that they had not regularly given time before.
- 67% of respondents from Chorley said their level of social contact has increased as a result of time credits.

Chorley Flower Show

The first ever Chorley Flower Show to place in 2015 and was a great success. The event attracted more than 10,000 visitors and 16 professional exhibitors, working in partnership with external groups such as Horticultural Exhibitors' Association (HEA) and Chorley and District Gardening Society. Since the show, Astley Hall has reported a significant increase in visitor numbers with some weekends are now seeing a 100 per cent increase in visitors.

Other Events

We deliver an extensive programme of events spanning across the year to engage local residents, provide things to do for families and raise the profile of Chorley as a destination, encouraging visitors from further afield to boost the local economy.

This year some of the events we have delivered have included:

- **Christmas 2015** – Over 22,000 people attended various Christmas attractions organised including Astley illuminated, Santa Express and the festive ferris wheel (10,800 people took a ride on the wheel during Christmas 2015).
- **Chorley Grand Prix** – Thousands of people lined the streets of Chorley to see the event this year. The race weaved its way through villages including Rivington, Belmont, Withnell, Wheelton and Buckshaw before returning to the town centre.
- **Chorley Live** – The third Chorley live event was held this year and was a huge success with local performers playing at cafes, pubs, restaurants and shops. More than

7,000 people attended the event, a 50 per cent increase on last year, boosting the evening and night time visitor economy in the town centre.

- **Bonfire and Fireworks** - Chorley Council received sponsorship from Botany Bay and FI Real Estate Management to organise a bonfire event on Friday 6 November, which in previous years had been organised by the Chorley Carnival Group. Entry to the event was free with donations to the Mayor's charities, and was attended by approximately 5,000 people with numerous positive comments and feedback received.

Grants and Commissioning

A total of £142,486 was awarded through the VCFS large commissioning process to ensure that funding is targeted to areas of greatest need in Chorley. The services commissioned provide vital support for families, vulnerable adults, older people, young people and community safety. In addition, £5,019 was also awarded this year through our small community funding process. The funding went to a total of nine VCFS organisations to help them deliver projects aimed at older people, young people, vulnerable adults, as well as those living with dementia and their carers.

This year, the council delivered a project to support local groups to access grant funding through the Grantfinder and Chorley4Community web platforms which enable users to search a range of funding sources both locally and nationally. Users can also opt to receive a weekly funding e-newsletter which includes information on new funding, updates, and deadlines. In 2015/16 the system was accessed a total of 1,215 times, with 33% of users accessing the system on more than one occasion. A recent user survey showed that the majority of those registered found the system useful and would be likely to recommend it.

Digital Access and Inclusion

More people have been encouraged and enabled to get online this year through the provision of digital access sessions across the borough. A total of 56 individuals attended the supported sessions to equip them with the basic skills and tools to make the most of the internet.

The Digital Awareness Week in February aimed to promote activities which can be done online rather than by ringing or visiting the Council. We have also improved access to online facilities through providing new equipment to create access hubs in rural areas. A Digital Inclusion Officer has been appointed to support this work which will be continuing into 2016/17.



A strong local economy

Long term outcomes

- A vibrant town centre and villages
- A strong and expanding business sector
- Access to high quality employment and education opportunities

What have we done this year to achieve this?

As a result of work this year, more new businesses have been established in Chorley, more jobs have been created for local people and more residents have been supported into employment through our employment and grant schemes. 4.5% of young people are classed as 'not in employment education or training' which is better than Lancashire, and overall employment levels buck regional and national trends. The future of our town centre is exciting with low vacant shop levels, new retailers and the approval of plans to extend Market Walk. We've also taken a proactive approach to attracting visitors to Chorley, developing the 'Check Out Chorley' website to showcase all that Chorley has to offer.

- **3% increase in the number of new businesses established this year with support from the Council**
- **The overall employment rate in Chorley is 80.8%, this is better than both the North West (71.2%) and National (73.9%) average**
- **87 people completed the Chorley Works programme**
- **Over £1.5 million investment has been brought into the borough via our Choose**

Inward Investment

Attracting investment and new business to Chorley is critical if we are to create new and more highly paid jobs that will sustain the local economy and enable better outcomes for all residents of Chorley.

This year we have been working harder than ever to help the Chorley business sector to thrive:

- Over £600,000 of investment has been generated by our Chorley BIG grant (Business Improvement for Growth) scheme to provide financial support for existing businesses with vision for growth and increasing employment levels.

The grant is aimed at creating jobs, with funding being available for capital investment projects such as new buildings, adapting existing premises or buying new plant or machinery.

- Over £1.5 million of investment has been brought into the borough via our Choose Chorley grant scheme, incentivising businesses looking to permanently relocate from outside the borough who intend to create at least 20 or more sustainable jobs within 18 months of establishing a base.
- We also provide support to new start-up businesses, and help those without significant capital available to them to create sustainable business. This year we have engaged with 138 new start-up clients and 97 new businesses have been established with support from Chorley Council.
- 84% of the new jobs created have been accessed by Chorley residents.

Choose Chorley for business

This year, over 400 attendees have been encouraged to share contacts and business opportunities through 3 Choose Chorley Business Network Events. Inspiration and advice has been provided by a number of high profile speakers including Robert Craven of The Directors Centre, 3 Man Factory and Levi Roots of Reggae Reggae Sauce.

Market Walk extension

Following extensive consultation and development planning during 2015, plans to extend Market Walk and to develop a seven unit retail and leisure development were approved by Development Control Committee and Full Council in September 2015. Work has continued this year towards securing 75% of lettings for the development.

The Market Walk development will improve the retail and leisure offer in the town centre, attracting national retailers and increasing visitors, creating growth and generating opportunities for the future.

Chorley Works

The Chorley Works programme supports local people into sustainable employment and aims to target those most affected by the Welfare Reforms. Over the last year, 87 people have successfully completed the full Chorley Works placement of up to 8 weeks and have gone on to be offered paid permanent employment either with their placement provider or as a direct result of the work they had undertaken on their placement.

Young people, volunteering and training opportunities

The council continues to support young people on their way to employment and learning new skills and by working in conjunction with Runshaw College we have employed six customer service apprentices in our customer service centre.

Our Runshaw College Employment Support project has continued to help young people into apprenticeships by reducing some of the barriers to apprentice take up. Through the scheme, 19 young people have been supported, with 11 of these young people not in education, employment or training (NEET). The fund has been used to help towards costs additional to wages such as equipment, travel, work clothes and training fees.

By the end of March 2016 4.5% of 16 to 18 year olds were not in employment, education or training, this equates to a total of 153 young people, which is better than Lancashire at 5.1%.

Check Out Chorley

The 'Check Out Chorley' website, developed by the council in 2015/16, aims to showcase the local area and show what Chorley has to offer to people of all ages. It provides an online tourist information centre for Chorley with all the information needed to plan a great day out in the borough.

The site was launched using an April fool's stunt via our council Facebook page which proved very successful, reaching 51,544 people, gaining 519 likes and 263 comments.

The site has continued to be promoted through sponsorship on Heart FM and billboard advertising in surrounding areas. So far, the site has been well received and had over 28,540 page views over the first three months and over 9,000 visitors.



Clean, Safe and Healthy Communities

Long term outcomes

- Clean and safe streets
- Reduced health inequalities
- A wide range of quality recreational activities
- High quality affordable and suitable housing
- High quality play areas, parks and open spaces

What have we done this year to achieve this?

This year more people have been encouraged to get active and stay active through a wide range of recreational activities, with more young people taking part in Get Up and Go and Free Swimming activities. We have continued to work towards providing access to quality, low cost housing and developing plans to meet future housing needs. We have worked hard to make sure our open spaces and streets are clean and safe and reduced the number of empty homes in the area. As a result, residents are more satisfied with parks and open spaces and street cleanliness, feelings of safety have also increased.

- **A 26% increase in the number of young people taking part in our Get Up and Go activities this year**
- **A 20% decrease in the number of long term empty properties in the borough**
- **More residents feel safe when outside in their local area at night 71% (previously 68.5%)**
- **An 11% increase in resident satisfaction with parks and open spaces**
- **A 5% increase in resident satisfaction with street cleanliness**

Getting Active

We aim to provide a range of healthy activities and opportunities for people to engage with to get active, keep fit and have fun.

Leisure Centres - Our leisure centres play a big role in getting people healthy, active and staying active. This year our leisure centres had over 1 million visits.

Get Up and Go! -26,452 young people took part in Get Up and Go activities in 2015 which equates to enough people to fill Victory Park 7.5 times and would take 7 hours to do a head count!

Free Swimming

The free swimming project allows young people aged 16 and under to swim for free during the school holidays. The scheme aims to provide a diversionary activity for young people, allowing them to access the sessions for free and encouraging them to take part in physical activity. Our 2015 scheme saw a 4% increase in attendance levels, with a total of 3,604 young people coming to the sessions.

Affordable Homes

Chorley Council is committed to providing affordable homes across the borough, ensuring that residents have access to high quality, low cost, and suitable housing options. This year we delivered 85 homes which means that over a three year period, a total of 379 affordable homes were delivered.

Extra Care Scheme

The Extra Care scheme will deliver 65 new beds for older people as part of a community hub close to the town centre, allowing them to maintain their independence and integrate with the community. Work this year has included submitting a planning application for the development and revising the financial model to reflect some of the national changes to the social sector rent policy.

Parks and Open Spaces

The Play, open space and playing pitch strategy (2013-2018) was approved in September 2014 and outlines a 5 year action plan to protect, manage, and enhance our open space provision in Chorley. The second year has seen further developments with some highlights including:

Destination play area in Astley Park has been delivered and has received positive feedback from local people and the site is being well used.

Rangleys Recreation Ground has seen developments which have included allotment sites, grass pitches; work on footpaths, drainage and lighting schemes and new CCTV being installed. The MUGA, ball court and Skate Park are now also complete and provide a vital asset for young people in the area.

Empty Properties

Reducing the number of empty properties in the area is a council priority as they can cause a number of problems including increased risk of crime, encouraging anti-social behaviour and can be costly for a local authority to investigate. The number of empty properties in the borough has decreased over the last year from 210 to 167.

Crime and Antisocial behaviour

Overall recorded crime has increased slightly this year, with 48.43 incidences per thousand population (46.42 in 2014/15). Incidences of burglary have also increased slightly at 13.74 per thousand population. Both statistics are however lower than the Lancashire averages of 65.8 (all crime) and 17.97 (burglary).

Antisocial behaviour incidences have also seen a slight increase at 43.83 per thousand population (38.81 in 2014/15). Again this is lower than the Lancashire average which is 56.1.

Our resident's survey was held in 2015, the results of this survey showed that:

- 92% of the population feel safe during the day
- 71% of the population feel safe at night



An ambitious Council that does more to meet the needs of local residents and the local area

Long term outcomes

- A council that consults and engages with residents
- An ambitious council that continually strives to improve
- Cohesive communities and around underlying areas

What have we done this year to achieve this?

This year we engaged with residents through a postal and online survey, the results of which informed us that more of our residents feel the council provides value for money, are satisfied with the way the council runs things, with street cleanliness, and with parks and open spaces. More people are using our improved website to access services, and more of our customers are satisfied with the service they receive. Fewer people in Chorley are living in fuel poverty, and we have helped to alleviate debt problems by continuing to support the Credit Union. We have continued our work with partners, working together for the benefit of local people, to find new and innovative ways to provide services.

- **Customer dissatisfaction has fallen by 4.2% over the last year**
- **An increase of 17.5% of residents feel the council provides value for money**
- **The Chorley Credit Union has had 287 new savers**
- **77% of residents are satisfied with the way the council runs things**

Customer Satisfaction

The level of customer dissatisfaction at the end of 2015/16 was 17.1% against a target of 20%; our performance has improved significantly since 2014/15 with an overall reduction of 4.2% in customers dissatisfied. A number of initiatives have been introduced to sustain performance including ensuring that customers are responded to in a timely manner and working with contractors to ensure that they are meeting customer expectations.

Improving online services

The council website has been improved to make it easier for residents to interact with us and complete key tasks or service requests online. The home page has been updated and the text based design replaced by icons. The new look website has been well received, gaining over 94,000 page views between December 15 and May 16 and there has been a 54.9% increase in the percentage of service requests completed online since 2014/15.

Chorley Public Service Reform

Over the last year, the Chorley Public Service Reform Partnership has been working intensively to integrate and reconfigure services in Chorley to ensure the best outcomes for residents, with a focus on early intervention and prevention. Year one work streams include:

- Building community capacity, this piece of work aims to encourage people to help themselves, making them less likely to come into contact with public services unnecessarily.
- Ensuring teams across different organisations are better connected so that they can more effectively meet the needs of service users.
- Testing out the principles of collaborative partnership working with the aim of making 'one public service for Chorley'.

Year two will see the implementation of new structures and ways of working in line with wider changes to health and social care across Lancashire.

Credit Union

The Chorley Credit Union enables people to save as well as offering low cost loans and support with banking as an ethical alternative to pay day loans or other less secure finance arrangements.

Over the last year 1,170 loans have been given out, with a value of more than £555,000, and 287 new savers have joined the Credit Union.

The Chorley Credit Union opened in August 2013 and since it commenced it has seen 3,010 loans given out, to the value of £1.6 million, as well as 1,474 new savers.

Chorley Youth Zone

A planning application has now been submitted for a new Youth Zone in Chorley town centre following a public exhibition where local people could view the plans, speak with members of the project team and provide feedback.

Chorley Council are working with OnSide Youth Zones, which runs similar facilities across the Midlands and North West, the Arts Partnership and Lancashire County Council. Over 400 young people from across Chorley got involved in the branding of the proposed new facility.

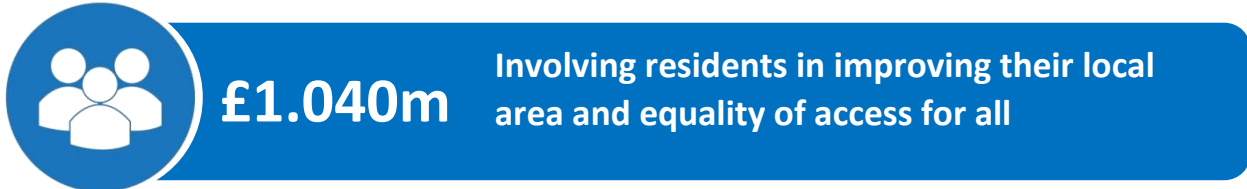
The aim is to provide a purpose-built facility for young people aged eight to 19 years and up to 25 for those with disabilities. There would be around 20 activities each night ranging from football, boxing, dancing and climbing to creative arts, music, drama and employability training, for just 50p per visit.

Council Spending

In 2015/16 Chorley Council took the decision to once again freeze Council Tax, despite continuing large scale reductions in Central Government grants. At the same time the Council committed to new investments totalling £4.422m, with priorities for investment identified by residents including;

- Working with public service providers in the borough to make sure residents are getting the best deal possible
- Supporting businesses and improving the local economy
- Providing services for young and older people
- Improving the town centre
- Supporting safer communities
- Putting on events for families
- Improvements to play areas in the borough

In 2015/16 the £4.4 million investment benefitted the council's four main priority areas as follows:



Our challenges 2016/17

Looking ahead to 2016/17, we recognise a number of challenges that we will need to address if we are to continue to deliver the right services for our residents. Some of these challenges include:

- **Changing population** - our population is predicted to increase by 14.9% between 2012 and 2037, with 25% of the population aged 60 or over by 2020.
- **Budget constraints** - the current Medium Term Financial Strategy forecasts a total budget gap of £3 million to 2018/19.
- **Areas of deprivation** - whilst largely affluent, there are areas of deprivation across the borough with 4 neighbourhood areas identified in bottom 10% nationally for multiple deprivation.
- **Effective Partnership working** – local health services need to save £150 million over the next 5 years; this will demand transformational change for all public service organisations.

How will we overcome these challenges?

Transformation Strategy

- Supporting the council to achieve its ambitions and recommendations of the Future Governance Models for Chorley report
- Integrated Community Wellbeing
- Combined Authority
- Refreshing internal processes
- Making sure we can respond to future demands

Public Service Reform

- Working to integrate and reconfigure public services in Chorley to provide the best outcomes for residents
- Making every contact count
- Focusing on prevention and early intervention to reduce demand
- Creating coordinated public services

Inward Investment

- Attracting new business into Chorley
- Creating jobs in the local area
- Strengthening the local economy
- Improving the look and feel of the town centre and progressing Market Walk

Executive Cabinet

1. Any Cabinet recommendations on the reports that require Council decisions appear as separate items on the agenda.

GENERAL REPORT OF MEETING HELD ON 30 JUNE 2016**Final Report of the Overview and Scrutiny Task Group – Staff Sickness Absence Review**

2. In the absence of the Chair of Overview and Scrutiny, and Chair of the Task Group, Councillor John Walker, the Leader of the Opposition, Councillor Paul Leadbetter presented the final report of the Overview and Scrutiny Task Group's review on Staff Sickness Absence to Executive Cabinet.
3. The Task Group felt that the current increase in the levels of sickness absence for 2015/16 did not suggest any underlying cause for concern and that the Council's current Sickness Absence Policy and approach to short and long term staff sickness absence was fair and proportionate to manage staff sickness effectively. The report was accepted for consideration of the Task Group's recommendations which were mainly around training for managers to maintain a consistent approach to the implementation of the new policy across the authority, with a view to providing a response directly to the next meeting of the Overview and Scrutiny Committee.

Equality Scheme Refresh

4. The report of the Director of Policy and Governance was presented by the Deputy Leader and Executive Member (Resources) and was a revised and updated version of the Council's Equality Scheme for the Executive Cabinet's consideration.
5. The scheme represented the authority's most recent approach towards equality and diversity based on a comprehensive review of legislation, data and best practice. It outlined the Council's approach, the processes undertaken and the strategies and policies in place to ensure that the authority continued to undertake its duties as defined by the Equality Act 2010 over 2016/17 to enhance and improve performance.
6. A strong commitment to equality and diversity will not only help the authority to meet its legal requirements but will provide benefits to our local communities. As an organisation that is committed to understanding and shaping our services around customer needs, the Council needs to be able to recognise and adapt to the diverse nature of our local communities.

Chorley Council Performance Monitoring Report – Fourth Quarter 2015/16

7. The report of the Director of Policy and Governance was presented by the Deputy Leader and Executive Member (Resources). The monitoring report set out performance against the delivery of the Corporate Strategy, and key performance indicators during the fourth quarter of 2015/16, 1 January to 31 March 2016.

8. An update on the performance of 2014/15 Corporate Strategy projects and the outcomes achieved was provided. The majority of projects (89%) were now successfully completed and rated green with highly positive outcomes that have been developed and taken forward into 2016/17. Only one project, which would continue through to the 2016/17 Corporate Strategy was rated red; 'Progress the delivery of Friday Street Health Centre'. This rating reflected recent delays to progress, pending the outcomes of a review by the Clinical Commissioning Group which would influence future funding.
9. Performance of the Corporate Strategy indicators and key service delivery measures remained excellent with 84% of the Corporate Strategy indicators and 90% of the key service measures performing above target or within the 5% tolerance.
10. The Economic Masterplan for Botany Bay has progressed and there is an agreement in principle with the landowners. The next steps will be to consult with ward councillors and local residents before applying for planning permission.

Fixed Penalty Notices – Fly-Tipping Report

11. The report of the Director of Early Intervention was presented by the Executive Member (Public Protection). The report highlighted new regulations that allow local authorities to issue fixed penalty notices for those caught fly-tipping and it was agreed that Chorley Council would set its penalty fee to £400, with a reduction to £200, if it is paid with 10 days of the notice being issued. This was in line with the national default if no local penalty is set.
12. Members were advised that local authorities are responsible for investigating and clearing small scale fly-tipping on public land and that larger fly-tipping (classed as a lorry load or more) is the responsibility of the Environment Agency. There are typically 800 incidents of fly-tipping in the borough each year and the issuing of a fixed penalty notice is only one tool available to the Council, along with prosecution through the Courts.
13. Members were pleased to see this course of action being taken by the Council and urged the authority to publicise the scheme as much as possible to get the message across that the Council will prosecute. It was hoped that the exercising of the new regulations would deter people from committing the act and financially punish offenders. Thanks was given to the Neighbourhood Officers who worked hard to identify the culprits and educate people to help change behavioural patterns.
14. Authority was delegated to the Deputy Chief Executive/Director of Early Intervention to implement the Unauthorised Deposit of Waste (Fixed Penalties) Regulations 2016. He would in turn, grant delegated authority to designated officers within the Council and PCSO's to issue Fixed Penalty Notices for fly-tipping.

Chorley VCFS Commissioning – End of year two review

15. The report of the Chief Executive was presented by the Executive Member (Early Intervention). The report provided an update on the performance of the commissioned VCFS providers during 2015/16, year two of the three year contract. Overall performance of all of the commissioned providers remained excellent and all of the organisations have met or exceeded all the aims as set out in their contracts.
16. Contract reviews had been undertaken with each of the providers to consider overall performance and give an opportunity to highlight any issues in delivery. An update on each of the contracts was appended to the report.
17. Delivery of the final contract year has now commenced and monitoring will continue to take place on a quarterly basis, with final year monitoring and evaluation planned for the end of March 2017.

Executive Cabinet response to the Overview and Scrutiny Task Group Review of the Single Front Office

19. The report of the Director of Customer and Digital was presented by the Executive Member (Customer and Advice Services) and provided our response to the Overview and Scrutiny Task Group Review of the Single Front Office undertaken in 2015 and reported to Executive Cabinet in February 2016.
20. The Cabinet have accepted all the recommendations and the report outlined the actions that had already been taken to address each one and progress made to date.
21. Councillor Graham Dunn thanked all those who had contributed to the inquiry.

Key Partnerships monitoring report

22. To ensure the effective monitoring of the Council's key partnerships, a report of the Director of Policy and Governance was presented by the Deputy Leader and Executive Member (Resources) and provided an update on the performance of the Council's key partnership arrangements.
23. Overall performance of all the key partnerships was generally strong and the financial assessments of the partnerships are positive with the financial standing of the majority of key partnerships remaining strong or improving.

Recommendation

24. To note the report

COUNCILLOR ALISTAIR BRADLEY
EXECUTIVE LEADER

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Report of	Meeting	Date
Chief Executive (Introduced by the Executive Member for Resources)	Executive Cabinet	30 June 2016

PROVISIONAL REVENUE AND CAPITAL OUTTURN 2015/16

PURPOSE OF REPORT

1. To present the provisional revenue outturn figures for the Council as compared against the budgets and efficiency savings targets set for the financial year 2015/16.
2. To present the provisional outturn figures for the 2015/16 Capital Programme and update the Capital Programme for financial years 2016/17 to 2018/19 to take account of the re-phasing of expenditure from 2015/16 and other proposed budget changes.
3. 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 a further report will be submitted to Executive Cabinet.

RECOMMENDATION(S)

4. Note the full year outturn position for the 2015/16 revenue budget and capital investment programme.
5. Request Council approval for slippage requests and other transfers to reserves outlined in Appendix 2 of the report to finance expenditure on specific items or projects in 2016/17.
6. Request Council approve the set aside of £80,000 from the 2015/16 surplus on Market Walk and £70,000 from other in-year revenue underspends to fund the additional one-off costs of the new Management Structure.
7. Request Council approve the transfer of £50,000 from in-year revenue underspends to the Buildings Maintenance Fund to finance asset improvements in 2016/17.
8. Note the 2015/16 outturn position on the Council's reserves.
9. Request Council approve transfer of the £0.415m underspend in respect of the Central Government Business Rates Retention (BRR) Levy Budget to the BRR Equalisation Reserve.
10. Note the impact of the final capital expenditure outturn and the re-phasing of capital budgets to 2016/17 and approve the additions and deletion to the 2015/16 capital budget outlined in paragraphs 96 to 99.
11. Request Council approval of the financing of the 2015/16 Capital Programme to maximise the use of funding resources available to the Council.

EXECUTIVE SUMMARY OF REPORT

12. The Council's overall savings target of £150k in 2015/16 from management of the establishment has been achieved.
13. There is a provisional underspend against the budget at year-end of £187k (as detailed in Appendix 1) which takes into account requests for slippage of committed items of £171k. The provisional underspend excludes any variances on investment items added to the budget in 2015/16. Details of the balances remaining at year end are shown in Appendix 2 and will be transferred into specific reserves and matched to expenditure in future years.
14. In the 2015/16 budget the expected net income from Market Walk after deducting financing costs is £0.929m. The final outturn position shows that the net income is £1.009m, the £80k surplus being driven by lower than budgeted financing costs.
15. The total BRR receipts for the 2015/16 are less than anticipated. This has been brought about as a result of the Valuation Office Agency appeals process and a decision made by the VOA, outwith this usual process, to significantly reduce the Rateable Value of the M6 Service Station at Charnock Richard and backdate this decision to 01/04/2010. The vagaries of the system mean that this reduction in financial performance actually creates an underspend of £0.415m against the anticipated budgeted position. This has been brought about by the fact that the Council does not need to pay as much BRR Levy payment to Central Government. The negative financial impact falls to the Council's revenue account in two years' time, being 2017/18. It is therefore recommended that the underspend in 2015/16 is transferred to the BRR Equalisation reserve to off-set this potential charge in 2017/18.
16. The capital outturn for 2015/16 is £4.019m.
17. The Council's Medium Term Financial Strategy proposed that working balances are to reach £4.0m over the 3 year lifespan of the MTFs to 2018/19. Should the recommendations in this report be accepted, the level of balances at 31 March 2016 will be £2.684m. With further budgeted contributions of £1.259m planned to be made over the next three years, the target of £4.0m by 2018/19 is forecast to be achievable.
18. Balances in the Change Management Reserve and Buildings Maintenance Fund have been fully committed during 2015/16 and as such it is recommended that contributions of £150k and £50k are made to these reserves from the surplus on Market Walk and other provisional 2015/16 underspends for use in 2016/17.

Confidential report Please bold as appropriate	Yes	No
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Key Decision? Please bold as appropriate	Yes	No
Reason Please bold as appropriate	1, a change in service provision that impacts upon the service revenue budget by £100,000 or more	2, a contract worth £100,000 or more
	3, a new or unprogrammed capital scheme of £100,000 or more	4, Significant impact in environmental, social or physical terms in two or more wards

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

19. To ensure the Council's budgetary targets are achieved.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

20. None.

CORPORATE PRIORITIES

21. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	√
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	√

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

BACKGROUND

22. The last report to the Executive Cabinet on 18th February contained a projected outturn for 2015/16 which showed a forecast underspend of £103k based on information to the end of December and that the level of General Balances at year-end would be £2.741m.
23. The previous forecast underspend reported to Executive Cabinet excluded the following special items:
- Underspends on committed items which are expected to be carried forward into 2016/17.
 - Investment items included in the budget for 2015/16.
 - Any surplus/deficit relating to Business Rates Retention.
24. A full schedule of the investment budgets carried forward from 2014/15 and the new (non-recurrent) investment budgets introduced in the 2015/16 budget are shown in Appendix 3 together with expenditure to date against these projects and any balances carried forward for use in future years.
25. The Council's approved revenue budget for 2015/16 included target savings of £150,000 from the management of the staffing establishment
26. The previous forecast for capital expenditure in 2015/16 was £5.415m
27. A report on the Council's Management Structure Review was presented to Council in January of this year and detailed the estimated total costs of early retirement and severance packages to be around £614k. These one-off costs were to be financed by use of the Change Management Reserve and various uncommitted reserves.

SECTION A: CURRENT FORECAST POSITION – REVENUE

28. The net expenditure at the end of the financial year shows a provisional underspend against the Council's budgets of around £187,000 (after taking requests for slippage and other special items into account). Details of the revenue outturn position are shown in Appendix 1 and requests for slippage and the transfer of resources to reserves are outlined in Appendix 2. The main variances over and above those previously reported in quarter 3 monitoring are shown in table 1 below. Further details are contained in the service unit analysis available in the Members' room.

ANALYSIS OF MOVEMENTS**Table 1 – Significant Variations from the Cash Budget**

Note: Savings/Underspends are shown as ()

	£'000	£'000
Expenditure:		
Staffing costs	(22)	
Meals on Wheels Service	(19)	
Telephony - Rental/Maintenance charges	(14)	
Utilities (Gas/Electricity)	(14)	
Local Development Framework	<u>(13)</u>	
		(82)
Income:		
Planning Fee Income	66	
Cemetery Income	(17)	
S106 Maintenance of Public Open Spaces	(16)	
Surplus on IHIS Minor Adaptations	(15)	
Various Government Grants	<u>(15)</u>	
		3
Other:		
Net Financing Transactions	(84)	
Other minor variances	<u>(20)</u>	
		(104)
Net Movement		(183)

29. The forecast additional saving of £22,000 on staffing costs shown in the table above are predominantly from the Public Protection, Streetscene & Community Directorate. The majority of these staffing savings are as a result of vacant posts in the Planning Team from January through to March.
30. In 2014/15 the Council introduced a new mainstream investment budget of £30k for the Meals on Wheels service to deliver hot meals to older vulnerable people. For 2015/16, the service offered 5 meals per week at a subsidised rate with an introductory offer of 2 weeks at half price. Take up of the service has been lower than anticipated in the first 2 years of the scheme, with expenditure of around £6k in 2014/15, increasing to around £11k in the second year, resulting in an underspend against the 2015/16 budget of £19k. The provider is undertaking additional marketing and promotion including targeted leaflet drops, taster sessions and working with other organisations to raise awareness. It's likely that a further evaluation and assessment of the market for meals on wheels will be carried out in coming

months. As this is a recurrent budget a further £30k is available in 2016/17 and this should be sufficient to cover any costs over the next 12 months.

31. There have been further underspends of around £14,000 in 2015/16 against the Council's telephony budgets as a result of various factors. Savings have been achieved against the telephony maintenance budget for the main phone system and contact centre software following contract negotiations with Unify Enterprise Communications, although it should be noted that an element of the savings are one-off reductions relating to the previous contract. There has also been a reduction in the cost of rental and calls with British Telecommunications over the past 12 months. A budget provision was also made in 2015/16 for an increase in data charges in anticipation of the continued roll-out of mobile devices. Costs in 15/16 were lower than anticipated but are expected to increase in 16/17 as further mobile devices are issued.
32. The Council's annual costs for utilities have been lower than budgeted in 2015/16 as the energy industries wholesale charges for gas and electrical supply have continued to fall over the last 12 months. This has resulted in a saving to the Council of around £14,000 for the year.
33. One issue highlighted in previous monitoring reports was the legal costs associated with the Chorley Local Plan 2012-26 and work on the Community Infrastructure Levy (CIL) review to be commissioned as part of the LDF joint working with Preston and South Ribble Councils. Although the Community Infrastructure Levy review was in the programme of works for 2015/16, the timetable has slipped and this review will now take place sometime in the new financial year. The cost of the work is £30k and will be shared between each of the three authorities. The previous forecast in December was for total costs of around £41,000 in 2015/16 but this has reduced by around £13,000 at year-end, predominantly as a result of the CIL review being delayed to 2016/17.
34. One area where forecast income levels have fallen in recent months is for Planning Application fees. This has resulted in a final income figure of £484,000 for the year, £166,000 below budget and £66,000 lower than anticipated in the December forecast. Income received for the final quarter was again lower than budgeted levels for 2015/16 as a number of the larger planning applications that were anticipated to be realised in quarter four have now been received in the new financial year. The December forecast included four applications in particular, with total fee income of £55.5k, which have now been received in 2016/17.
35. Income levels received from funeral directors for burial and interment fees have seen a significant increase over the final quarter of the year compared to budget, predominantly in relation to Chorley Cemetery. This has resulted in additional income of around £17,000 compared to the forecast reported in December.
36. The Council occasionally receives S106 contributions from property developers in the form of commuted sums for maintenance of adopted public open space and recreation facilities. Once a site has been adopted by the Council, the relevant income can be allocated or amortised over a number of years to contribute to the Council's annual maintenance costs. Total income of around £16,000 has been allocated to 2015/16 but as the work involved on the new sites has been absorbed into the existing Streetscene staffing rota, there are no additional costs involved.
37. The Council has entered into a 3 year collaboration agreement with Lancashire County Council named Integrated Home Improvement Service to provide handyperson and minor repairs work which came into effect from 1st July 2015. The minor repairs/adaptions are carried out by Mobility Care on behalf of Chorley and we then claim a fixed rate cost back from LCC based on the type of work. The mix and volume of works is not known beforehand which makes it difficult to accurately forecast any potential surplus, and as this was a relatively new scheme, a conservative surplus of £2,000 was forecast in December

2015. The scheme has proved to be popular with volumes of work at a high level and as a result, an additional £15,000 income has been generated for the Council in 2015/16.

38. The Council has received further income of around £15,000 in the final quarter in the form of various Government Grants. A Transparency Code New Burdens Grant of £8,103 was awarded by the DCLG in February, and the DWP awarded minor benefits related grants for Information Data Matching, Removal of Family Premium, and Universal Credit.
39. The Council's budget for 2015/16 included a provision of £100k for a local poll to seek the views of residents if the Council decided to seek unitary status. Following a report to Council in November 2015 on future governance models, it was approved that up to £70k of this provision could be used to provide the necessary resource to continue the delivery of work pending the completion of the Council's management structure review. A total sum of around £40k was used to continue this work in 2015/16, leaving a balance of £60k available. As the Council is not currently seeking unitary status following recommendations made in the report, it is not appropriate at this point to hold a local poll and the remaining £60k can be transferred to general balances.

COMMITTED ITEMS/SLIPPAGE REQUESTS

40. 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.
41. A full schedule of the budget carry forward (slippage) requests for 2015/16 is outlined in Appendix 2.

MARKET WALK

42. The final outturn resulted in a saving of £227k and is detailed in Table 2 below. From this saving, a sum of £72k has been transferred to the Council's Change Management Reserve to finance some of the one-off redundancy and pension strain costs arising from the Management Structure Review as approved by Council on 19th January 2016. In addition £75k has been allocated to the extension of the Retail Grants Programme as approved by Council on 19th January 2016. It is recommended that the remaining surplus of around £80k is transferred to the Council's Change Management Reserve to fund additional one-off costs of the new management structure.
43. The 2015/16 income forecast has not changed since the December report. Income was £30k under budget due to a unit being vacant and lower than budgeted concession and advertising income.
44. The approved budget made provision for a £50k transfer to reserve to fund asset maintenance costs outside of the service charge agreement and a £50k transfer to an equalisation account to build up a reserve to fund any future reduction to income levels. These transfers have been actioned. The income equalisation reserve now stands at £200k and the asset maintenance reserve is £86k.

Table 2: Market Walk (March 2015)

	2015/16 Budget	2015/16 Outturn	2015/16 Variance
	£	£	£
<i>Income Budget</i>			
Gross Income	(1,893,790)	(1,863,160)	30,630
<i>Expenditure Budget</i>			
Operational costs (excluding financing)	180,400	173,021	(7,379)
	(1,713,390)	(1,690,139)	23,251
<i>Commitments</i>			
Market Walk Extension costs	101,780	0	(101,780)
Net Income before Financing Costs	(1,611,610)	(1,690,139)	(78,529)
Financing Costs within Net Financing	756,880	607,800	(149,080)
Net Income after Financing Costs	(854,730)	(1,082,339)	(227,609)
<i>Transfers to/(from) reserves</i>			
Equalisation Reserve (annual contribution)	50,000	50,000	0
Asset Management re Market Walk	50,000	50,000	0
Market Walk Reserve re Extension costs	(26,780)	(26,780)	0
Total transfers to/(from) reserves	73,220	73,220	0
Net Income	(781,510)	(1,009,119)	(227,609)
Virement to Retail Improvement Programme	(75,000)		75,000
Virement to Change Management Reserve	(72,000)		72,000
Remaining Market Walk Surplus	(928,510)	(1,009,119)	(80,609)

45. The Council's budget for 2015/16 was prepared on the assumption that £5m extra 25-year PWLB borrowing would be taken to replace the use of internal cash balances by the end of 2014/15. The reason being to secure cash at a lower interest rate than might be available in the future. The extra borrowing was not taken, so this accounts for most of the one-off saving in Financing Costs in Table 2. Should the Council be advised that PWLB rates are due to rise, additional borrowing could be taken and the impact would be reflected in budget monitoring. Additional borrowing would be taken only when longer term budget savings could be achieved by avoiding interest rate increases.

2015/16 INVESTMENT AREAS

46. The budget for 2015/16 saw the addition of a new budgeted investment package funded from available surplus of New Homes Bonus. The total revenue investment programme for 2015/16, including balances from investment budgets carried forward from 2014/15, totalled £1.7m and the progress to date with regard to spend is detailed in Appendix 3.

47. Due to the scale of the investment, delivery of these projects will be made over more than one year and any unspent balances at the end of the 2015/16 financial year will be transferred to specific project reserves. The reserves will be matched to expenditure as it is incurred during 2016/17.

GENERAL FUND RESOURCES AND BALANCES

48. With regard to working balances, and as per Appendix 1, the Council started the year with a balance of £2.287m. The approved MTFS proposes that working balances are to reach £4.0m over the 3 year lifespan of the MTFS to 2018/19 given the budgetary challenges facing the Council. The impact of the initial provisional underspend, together with the in-year transfers to and from reserves, is a closing balance of £2.884m for working balances.
49. There are a number of items, however, that will impact on this position that should be considered by Cabinet, these being:
- Carrying over £171k into 2016/17 via slippage requests (outlined in Appendix 2)
 - Transfer of £150k to the Change Management Reserve.
 - Transfer of £50k to the Buildings Maintenance Fund.
50. The Council's Change Management Reserve has been fully utilised in 2015/16 to finance £636k of one-off costs arising from the recent Management Structure Review. Following the restructure and recruitment to the second and third tier of management, further redundancies have arisen with costs anticipated to be in the region of £179k. It is therefore recommended that a sum of £150k is transferred from the provisional 2015/16 underspends to the Change Management Reserve to contribute to the financing of these additional one-off costs.
51. A further restructure of the Streetscene team has taken place in 2016/17 agreed as an Executive Members Decision 13th April 2016. This generated £36k savings per annum and one-off ERVS costs of £111k. Resultantly throughout 2016/17 potential underspends will be identified and balances created to manage these costs and the potential costs of other restructures, this includes using a potential surplus from the Market Walk account in 2016/17.
52. The balance in the Council's Buildings Maintenance Fund has also been fully committed during 2015/16 and as a result it is recommended that a contribution of £50k is made from 2015/16 underspends to cover one-off asset improvements in 2016/17.
53. The provisional outturn position (after taking requests for slippage and the above recommendations into account) shows that the General Fund closing balance will be around £2.684m as detailed in the table below.

Table 3 – Movement in General Fund Balance

General Balances	£m
Opening Balance 2015/16	2.287
Budgeted contribution to General Balances	0.350
Balance of Local Referendum budget to balances	0.060
Revenue budget underspend	0.187
General Fund Balance	2.884

Change Management Reserve	(0.150)
Buildings Maintenance Fund	(0.050)
Final General Fund Balance	2.684

54. Appendix 4 provides further information about the specific earmarked reserves and provisions used throughout 2015/16, and those that would be available for use in 2016/17 if the recommendations of this report are approved.
55. The medium term financial strategy approved at Full Council in March 2016 set a target for general fund balances to reach £4m by the end of 2018/19. Budgeted contributions will be made to the general fund of £500k (16/17), £500k (17/18) and £260k (18/19). Based on these budgeted contributions the general fund balance will approach £4m by 2018/19.

BUSINESS RATES RETENTION (BRR)

56. The BRR regime has been in existence since 2013/14. The rationale of this scheme being that the local retention of Business Rates income incentivises Local Authorities to generate additional income by growing the tax base. The scheme does indeed provide a vehicle to generate additional receipts, however, it also transfers the financial risk associated with maintaining and growing the tax base, and the collection of monies due, from Central Government to Local Government.
57. The amount of BRR income collected reduced in 2015/16 in the final quarter of the year. This was due to reductions in the tax base as a result of appeals and also a decision by the Valuation Office Agency (VOA) to reduce the amount due to be paid by the M6 Charnock Richard Service Station outside of the usual appeals process. The Rateable Value was reduced from £1.680m to £1.300m. This adjustment was also backdated for a further 5 years to an effective implementation date of 1st April 2010, equating to a total refund circa. £0.170m per annum. This action amplifies the risk profile of this particular income stream as this reduction was made with no prior notice and outwith the decision making processes, and therefore control, of the council.
58. On a positive note, more tax base growth than was originally estimated was achieved within the Borough, however, the benefit of this growth has been off-set in 2015/16 by the financial impact of VOA decisions. The process by which the income was forfeited from the M6 Service Station is currently being queried and challenged in order to assess future risk of similar negative significant movements with no prior notification or opportunity to appeal.
59. The table below compares the budget for 2015/16 with the out-turn position. It is important to note that the financial implications of this out-turn position has a multi-year effect and impacts, both positively and negatively on the revenue account from 2015/16 through to 2017/18.

BRR	Budget 2015/16 £m	Actual Out-turn 2015/16 £m	Variation to Budget 2015/16 £m	Comments
Chorley Local Share of BRR Income	(11.352)	(11.352)	-	This amount is fixed earlier in the year and will still be paid in 2015/16. The income shortfall in 2015/16 will be charged to the revenue account in 2017/18
Tariff Paid to Central Government	7.792	7.792	-	
Levy Payment due to Central Government	0.801	0.385	0.416	Reduced levy payment due in 2015/16
Impact of Collection Fund Balance in 2015/16 (based on prior year performance)	0.358	0.358	-	
Sub Total – CBC Income	(2.401)	(2.817)	0.416	
Grants Receivable	(0.770)	(0.763)	(0.007)	
Total – CBC BRR Income	(3.171)	(3.580)	0.409	
Transfer TO BRR Equalisation Reserve		0.415	(0.415)	Transfer of underspend to BRR Equalisation Reserve
Transfer (FROM) BRR Equalisation Reserve	(0.092)	(0.092)	-	
Total – CBC BRR Income (including Transfers To/(From) Equalisation Reserves)	(3.263)	(3.257)	(0.006)	

60. The vagaries of the system mean that this reduction in income performance within the BRR Collection Fund results in a beneficial budget underspend as the amount payable to Central Government via the Levy Payment element is reduced. The impact of the actual reduced level of receipts is delayed by two years and hits the Council's budget in 2017/18. It is recommended therefore that this budget underspend, in the sum of £0.415m, is transferred into the BRR Equalisation Reserve to help off-set this subsequent potential charge to the Council's revenue account in 2017/18.
61. As indicated above the financial 'cost' implications for this 2015/16 out-turn position impact on the revenue account in 2017/18. If nothing at all changes between now and 2017/18 the charge to the Council's revenue account will be £0.778m and will be funded, in part, from a transfer out of the BRR Equalisation Fund totaling £0.615m leaving an in-year commitment to be paid in 2017/18 of £0.163m. That said, we do know that the Business Rates environment **will** indeed change before then and any new growth achieved will off-set this temporary charge. A reducing adjustment to the Provision for Appeals in 2016/17, if applicable, would also provide an offsetting increase in total BRR receipts.
62. It should be noted that the balance within this earmarked reserve may at this point be minimal and its planned maintenance will form part of the budget review and setting process for the 2017/18 to 2019/20 Medium Term Financial Strategy (MTFS).

BRR Appeals

63. The primary cause of this current position is the VOA appeals process. The current status of the backlog waiting to be processed by the VOA is therefore very much worthy of mention and consideration in the approach to be followed to cover the negative impact as described above. As at 31/03/16 the total Rateable Value (RV) subject to appeal totaled £30.3m (circa £14.6m in actual annual gross cash terms). When the total tax base RV within the borough totals £71.15m the scale of potential risk is evident. Clearly a proportion of these appeals will be either withdrawn or dismissed and will not be successfully in their challenged.
64. To cover this potential pending liability the Collection Fund contains a provision that must be maintained by either topping it up or releasing funds from it when it is considered appropriate. This assessment is carried out by taking into account the total RV subject to appeal and applying historical trends in past years' appeal outcomes in an attempt to place a an estimated cash value on the risk exposure for the Council. This includes estimating the percentage of successful appeals that will be successful and also estimating the percentage reduction in RV.
65. It is the VOA's responsibility to assess appeals and ideally make sure that the total pending potential liability, and therefore risk profile, is kept to a minimum. Within 2015/16 the VOA's throughput of processed appeals was very much reduced when compared to previous years, (it has been reported that VOA resources are being assigned to the current national re-valuation exercise), and therefore in 2015/16 we have increased the provision for appeals within the Collection Fund. It should be noted, however, that a reassessment of outstanding appeals during 2016/17 may conclude that this top up could be reversed if the VOA clears some of the backlog from 2015/16. Should the provision be reduced in this way during 2016/17 this is also a potential additional unbudgeted financial benefit that could be applied to fund the £0.163m potential revenue charge in 2017/18 (as per paragraph 62 above).
66. With regard to the move into the Lancashire Pooling Arrangements in 2016/17 the impact of adjustments to the Collection Fund Provision for Appeals also changes. Within the pool arrangements, the Council will receive 90% of any funds released from the provision (10% are passed to LCC) which is an increase from the 50% receivable outside a pooling agreement.

SECTION B: CURRENT FORECAST POSITION – CAPITAL

67. Amendments to the 2015/16 to 2017/18 capital programme have been reported to Executive Cabinet through the quarterly in-year monitoring reports
68. The Capital Budget for 2016/17 to 2018/19 was reported to Special Council in March 2016 as well as the latest forecast expenditure in 2015/16. The capital programme was as follows:
- 2015/16: £5.208m
 - 2016/17: £21.540m
 - 2017/18: £11.643m
 - 2018/19: £4.287m

69. Capital expenditure in 2015/16 was £4.019m. Appendix 5 gives a summary of the capital schemes undertaken as well as the requests for carry forwards and additions resulting in an updated capital programme for 2016/17 to 2018/19 budgets.

Asset Management, Regeneration and Governance – £1.360m

70. There has been £163k of capital works at the **town hall** in 2015/16. Works include the replacement and enhancement of windows, doors, flooring and lighting and works to the roof access walkway.
71. In 2015/16 the Council began to invest in the extension to the **Market Walk Shopping Centre** as part of the £12.9m budget agreed in September 2015 Council. Total expenditure of £613k has been incurred in 2015/16 including £42k for constructing the High St Car Park, £108k professional fees for the final design of the extension and £463k relating to the purchase of Eaves Lane depot site. This is £171k lower than forecast in quarter 3 as the purchase of Apex House has not yet been finalised, this budget will be re-phased into 2016/17. It must be noted that the £108k professional fees and any other professional fees incurred would be written back to revenue if the project were to not go ahead.
72. The refurbishment of **Market St** was predominantly completed in 2014/15 however there were additional costs incurred in 2015/16 totalling £56k relating to continued works to the street as well as street furniture. The final forecast was £10k lower than that assumed in quarter 3 due to negotiated reductions in LCC fees.
73. As per the quarter 3 monitoring report, the £1m identified for **public realm works** has been re-phased into 2016/17. The works relating to this budget are being appraised and costed. Enabling works relating to the extension of market walk, such as the works to Fazarkerley St, will be charged to the market walk extension budget.
74. The extension of **Clayton Brook Village Hall** was completed in 2015/16 at a cost of £225k.
75. The new **Buckshaw Community Centre** is being constructed under a design and build contract. The initial £150k deposit was paid in 2015/16 with the final payment to be made when the asset is completed by the contractor and handed over to the Council in 2016/17. The final payment is scheduled to be £476k bringing the total cost to £626k.
76. Forecast preliminary capital expenditure of £100k relating to the **Chorley East Health Centre** did not go ahead in 2015/16. The total project cost is £7.036m and has now been re-phased as part of the budget setting process across 2017/18 & 2018/19.
77. The Council in partnership with Onside, LCC and other contributors are constructing a new **Youth Zone** in Chorley town centre. The original 15/16 budget was £1.118m including £118k demolition fees. As a result of the capital contribution from LCC increasing, in return for a lower revenue contribution, CBC total capital contribution has been reduced to £0.918m. Chorley Council made a £150k capital grant contribution to the project in 2015/16, the remaining budget to be carried forward into 2016/17 and 2017/18 is therefore £0.768m. This is a £200k reduction in the carry forward approved in the quarter 2 budget monitoring report.
78. There is £3.6k remaining of the **Climate Change Grant**, a potential applicant has come forward to claim against this pot of money in 2016/17.

Housing - £0.432m

79. The Council contributed £420k in 2015/16, funded from government grant and contributions from registered providers, to the **disabled facilities programme** for work to adapt homes for disabled occupants
80. The works to improve **Cotswold House** were predominantly finalised in 14/15 however a final payment of £12k was made in 2015/16. Further works and the extension of the facility are due to begin in 2016/17.
81. The purchase of two sites at **Fleet Street** were due to be completed in 2015/16 as part of enabling the construction of the new extra care facility. One site has now been purchased however this was finalised in April 2016. The £250k budget will be re-phased into 2016/17 to supplement the budget of £9.1m approved by Council on the 19th May 2015. The final cost of the purchases is forecast to be £362k, as such a request to increase the re-phased 2016/17 budget will be made to Council (see paragraph 98).
82. The final phase of the extension and improvements at **Cotswold House** will take place in 2016/17. As per the budget report agreed in March 2016, the £200k contribution from CBC in addition to the £658k HCA grant will be committed in 2016/17.

People and Places - £2.225m

83. The £110k outturn for **leisure centre improvements** includes £70k repairs of the All Season's pool and £35k replacement pump as well as £5k for a new boiler at Brinscall pool. The budget for 16/17 is £200k including approved carried forward budgets from the 15/16 programme.
84. The final outturn for **recycling receptacles** was £133k, £20k of which is funded by charges to residents. The forecast in quarter 3 was £116k however this increased towards year end due to demand being higher than previously anticipated. The budget for 2016/17 is set at £115k and it is anticipated this will be sufficient to meet demand however if the growth in housing developments continues at 15/16 rates additional resources made be required to meet demand.
85. The forecast preliminary scoping of works to **Buckshaw Village Railway Station** was not undertaken in 2015/16. The S106 agreement that funds this budget is being reviewed with the potential outcome of investing in alternative transport related expenditure. The remaining £30k budget will be carried forward into 2016/17 to supplement the £696k budget already carried forward.
86. **Eaves Green play development** is section 106 funded and the final outturn expenditure was £48k including £34k for the Community Centre Play Area. The total approved budget for the project is £106k. The remaining £57k will be re-profiled into 2016/17 and committed to additional community centre play area equipment and landscaping.
87. The expenditure for the **Play, Recreation and Open Space Projects** in 2015/16 was £42k. Works and installations at Amber Drive are complete however the Knowley Brow and Union St projects have been partially completed and the works to Abbey Village play area will begin in 16/17. They were all expected to be completed in 15/16 but the time from order of equipment to delivery of play equipment was longer than forecast and so the projects slipped slightly into early 2016/17, all of these projects are due to be spent to budget.
88. The total budget for works at **Rangletts Recreation Ground** was £454k but was re-profiled to £384k 15/16 and £70k 16/17. The £70k budget is to be spent on access roads surrounding the park. The final 15/16 outturn was £391k of this £10k is funded by the

Veteran's Allotment grant and the remainder is funded through S106 contributions. There is still anticipated to be £70k of works to access roads in 2016/17.

89. The S106 funded works at the **Puffin Crossing Collingwood Rd** have not been completed, the total budget of £47k is to be re-phased into 2016/17.
90. The original budget for **Astley Hall & Park Development** was £675k however £320k was re-phased into 2016/17 as per the quarter 3 monitoring report leaving £355k in 2015/16. Expenditure in 2015/16 was £280k including £100k works to Astley Hall, £138k for the completion of the destination play area and £24k of works to the glasshouse. In addition, £30k for the costs of signage was charged to revenue resulting in an underspend of £45k in 2015/16. Further commitments will be made in 2016/17 including the completion of the glasshouse and £100k match funding for a HLF bid if the bid is successful.
91. The Council's contribution to the **Croston Flood Prevention** scheme was not made in 2015/16 however subject to a meeting held with the Environment Agency a contribution of £1m is forecast to be made 2016/17. The agreement with the agency states that the payment was to be made upfront, as such the £1m has been charged to the 2015/16 accounts. The scheme is forecast to be completed in the autumn of 2016.
92. The **Carr Brook Trim Trail** is funded from a S106 receipt. The expenditure in 15/16 was £72k with the remaining £11k of works expected to be completed in 2016/17.
93. Works to **Yarrow Valley Car Park** are scheduled to begin in 2016/17. £215k of the £225k was re-phased into 2016/17, only £5k of the forecast £10k budget was spent in 2015/16 resulting in a 2016/17 budget of £220k.
94. The **Recreation Strategy** budget of £170k was £105k underspent at year end. £65k was paid for financial support to Cuerden Valley Visitors Centre. A further £55k has been committed to Wymott Bowling Club including £35k to purchase the site from HM Prison Service and £20k grant to demolish the building on the land. Due to the government review of its prisons and other buildings, this project has not finalised in 2015/16. The remaining budget of £105k has been re-phased into 2016/17.
95. The total budget for the delivery of the **CCTV** programme in 2015/16 was £335k. The quarter 2 monitoring report re-phased this to £263k (2015/16) and £71k (2016/17). The final capital expenditure in 2015/16 was zero as the control room the CCTV equipment was scheduled to be delivered to was not ready to receive the equipment. The equipment was delivered in April 2016. The full budget is profiled to be spent in 2016/17.

CAPITAL PROGRAMME 2015/16 ADDITIONS

96. An Executive Member Decision on 11/01/16 approved the purchase of a refuse collection vehicle, one skip wagon and three ride on mowers. A total value of £71k additional expenditure was incurred during 2015/16 to fund the purchase of the three mowers. The purchase was expected to take place in 2016/17 however the current vehicles were unreliable. An exercise to determine the best way to finance the vehicles, for example through leasing, will be carried out during 2016/17. It is requested that Council approve this addition to the 2015/16 capital budget.
97. In addition the estimated costs of the remaining vehicles yet to be purchased are £73k for the skip wagon and £93k for the refuse vehicle. It is requested that Council approve this addition of £166k to the 2016/17 capital budget.

98. The budget for the purchase of the two sites at **Fleet St** was £250k however due to a better bargaining position of the sellers the forecast costs of these purchases is £362k. It is requested that Council approve this addition of £112k to the 2016/17 capital budget.

CAPITAL PROGRAMME 2015/16 DELETIONS

99. The final contribution to the Croston Flood Prevention scheme was £1m against a £1.1m budget. It is requested that Council approve the deletion of the remaining £100k budget from the capital programme. The cost of the scheme is funded through prudential borrowing.

CAPITAL PROGRAMME FINANCING 2015/16

Table 4: Capital Financing as at 31st March 2016

Fund	Quarter 1 2015/16 £'000	Quarter 2 2015/16 £'000	Quarter 3 2015/16 £'000	Outturn 2015/16 £'000
External Contributions	2,190	1,238	922	736
Grants	500	449	456	389
New Homes Bonus	637	637	322	246
Earmarked Reserves	1,862	1,942	842	600
Revenue	9	94	114	29
Capital Receipts	676	435	501	184
Borrowing	4,333	1,707	2,257	1,835
Capital Financing 2015/16	10,210	6,502	5,415	4,019

100. External Contributions

- Developer contributions totalled **£695k** in 2015/16 and were used as follows:
 - £382k - Rangleetts Recreation Ground
 - £150k – Buckshaw Community Centre
 - £49k – Eaves Green Play Development
 - £41k - Play, Recreation and Open Space Projects
 - £72k – Carr Brook Trim Trail
- £40k from registered providers was used to fund disabled facility adaptations

101. Grants

- £9k Veterans Allotment grant towards works at Rangleetts Recreation Ground
- £369k Disabled Facility Grant (DFG) to fund the 2015/16 disabled facility adaptations
- £11k from the Regional Housing Pot Fund was used to fund disabled facility adaptations

102. New Homes Bonus

- £640k New Homes Bonus was to be allocated to the Astley Hall and Park Development, of this £245k has been allocated to the capital project and £30k for signage leaving £365k to be carried forward into 2016/17.

103. Earmarked Reserves

Several revenue reserves have been earmarked to fund capital expenditure in 2015/16 onwards these include the following use of reserves.

- £80k VAT shelter income was fully utilised to fund leisure centres improvements in 15/16
- £169k of the building maintenance reserve was earmarked to fund capital expenditure in 15/16. This was fully utilised and allocated as follows:
 - £81k to fund town hall asset improvements
 - £19k to fund expenditure relating to the improvements at Market St
 - £68k to fund expenditure at Clayton Brook Village Hall Extension
- £69k from a lease surrender payment relating to Clayton Brook public house was placed in a reserve in 2013/14. This was earmarked to part fund the works at Clayton Brook Village Hall and was fully utilised in 2015/16.
- In 2013/14 a reserve was created from the reimbursement of empty property and small business rate relief grants over and above budgeted levels. This was earmarked for capital expenditure to reduce the impact of the capital programme on borrowing. The balance brought forward in 20115/16 was £146k of which £113k was allocated to fund the purchase of recycling receptacles leaving £33k to be allocated in 2016/17
- The reserve for non-recurrent expenditure has been earmarked for capital expenditure and had an opening balance in 2015/16 of £1.750m relating to the former earmarked pension reserve. The total use of this reserve was £167k relating to the following financing:
 - £30k leisure centre improvements
 - £35k Astley Hall & Park Development
 - £25k Clayton Brook Village Hall & Extension
 - £4k to fund the final retention at the Astley Hall Farmhouse
 - £5k to fund the works at Yarrow Valley Car Park
 - £65k to fund the expenditure at Cuerdon Valley Visitors Centre as part of the Council's Recreation Strategy

The remaining balance of £1.6m will be used to fund projects in the Council's approved 2016/17 to 2018/19 capital budget, including the £1m public realm works and £335k investment in CCTV.

104. Revenue

- In year underspends of £85k were agreed to contribute toward the cost of CCTV expenditure in 2015/16. As no costs have been incurred the £85k underspend has been moved into the Non-Recurrent Expenditure Reserve to be used to fund the CCTV programme in 2016/17.
- £20k of charges for replacement bins were used as contribution to the total cost of purchasing recycling receptacles.
- In year underspends of £9k were approved to contribute toward extension of Clayton Brook Village Hall

105. Capital Receipts

Capital receipts brought forward totalled £530k with an additional £766k received in 2015/16, this included the £500k sale of land at Ackhurst Rd, Chorley.

Of this, £185k was utilised on the following schemes:

- £82k towards the cost of the Town Hall improvements

- £12k to fund the remaining costs of improvements to Cotswold House
- £36k towards the remaining costs of the regeneration of Market St
- £53k towards the cost of Clayton Brook Village Hall Extension

106. Prudential Borrowing

Capital expenditure of £1.835m was financed from external borrowing compared to the forecast in quarter 3 of £2.257m. The reduction in the 2015/16 borrowing requirement is due to re-phasing of the Chorley East Health Centre project and the £170k cost of Apex House not being incurred until 2016/17.

Prudential borrowing is being used to finance the following projects:

- £1m contribution to the Croston Flood Prevention scheme
- £613k Market Walk Extension
- £150k Chorley Youth Zone
- £71k purchase of 3 mowers

An exercise to determine the best funding approach between borrowing and leasing for the additional mowers will be undertaken during 2016/17. In order to best plan for the future use of the Council's own resources, long term investment such as the Market Walk Extension and Youth Zone have been financed through borrowing which allows capital receipts and reserves to fund short term assets, which would be more costly to finance through borrowing, in future years.

IMPLICATIONS OF REPORT

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

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal	✓	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

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

COMMENTS OF THE MONITORING OFFICER

109. The Monitoring Officer has no comments.

GARY HALL
CHIEF EXECUTIVE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Dave Bond/James Thomson	5488/5025	26/05/16	Provisional Revenue

			and Capital Outturn 2015-16
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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
General Fund Revenue Budget Monitoring Provisional Outturn 2015/16	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
	£	£	£	£	£	£	£	£	£	£	%
Chief Executive	4,628,940	(420,180)	(35,680)	(474,920)	3,698,160			3,698,160	3,640,720	(57,440)	-1.6%
Customer & Advice Services	2,221,980		39,050	477,750	2,738,780	(100,000)		2,638,780	2,324,738	(314,042)	-11.9%
Public Protection, Streetscene & Community	6,939,880	484,780	(3,370)	(80,140)	7,341,150	(50,000)		7,291,150	7,531,425	240,275	3.3%
Directorates Flood Related Expenditure 2015/16	-				-			-	99,059	99,059	-
Directorate Total	13,790,800	64,600	-	(77,310)	13,778,090	(150,000)	-	13,628,090	13,595,942	(32,148)	-0.2%
Budgets Excluded from Directorate Monitoring:											
Pensions Account	235,560				235,560			235,560	225,908	(9,652)	-4.1%
Pensions Deficit Recovery (Fixed Rate)	831,900				831,900			831,900	831,900	-	-
Benefit Payments	(33,470)			(51,000)	(84,470)			(84,470)	(107,507)	(23,037)	27.3%
Market Walk	(1,042,000)	(64,600)		(722,840)	(1,829,440)			(1,829,440)	(1,832,960)	(3,520)	0.2%
Corporate Savings Targets											
Management of Establishment	-			(150,000)	(150,000)	150,000		-	-	-	-
Total Service Expenditure	13,782,790	-	-	(1,001,150)	12,781,640	-	-	12,781,640	12,713,283	(68,357)	-0.5%
Non Service Expenditure											
Contingency - Management of Establishment	(150,000)			150,000	-			-	-	-	
Revenue Contribution to Capital	557,820			316,800	874,620			874,620	874,462	(158)	
Net Financing Transactions (general capital expenditure)	464,410			(128,390)	336,020			336,020	237,002	(99,018)	
Net Financing Transactions (Market Walk)	-			684,160	684,160			684,160	607,800	(76,360)	
Parish Precepts	532,960				532,960			532,960	532,962	2	
Total Non Service Expenditure/Income	1,405,190	-	-	1,022,570	2,427,760	-	-	2,427,760	2,252,226	(175,534)	
Total Expenditure	15,187,980	-	-	21,420	15,209,400	-	-	15,209,400	14,965,509	(243,891)	-1.6%
Financed By											
Council Tax	(6,654,350)				(6,654,350)			(6,654,350)	(6,654,355)	(5)	
Grant for freezing Council Tax 2014/15	(65,000)				(65,000)			(65,000)	(68,069)	(3,069)	
Revenue Support Grant	(2,132,380)				(2,132,380)			(2,132,380)	(2,132,385)	(5)	
Retained Business Rates	(2,759,370)				(2,759,370)			(2,759,370)	(3,175,906)	(416,536)	
Government S31 Grants (Small Business Rate Relief)	(769,780)				(769,780)			(769,780)	(763,483)	6,297	
Government S31 Grants - Flood Related Issues	-			(131,480)	(131,480)			(131,480)	(205,716)	(74,236)	
Government S31 Grants - Council Tax Discount Family Annexes Grant	-				-			-	(4,210)	(4,210)	
Business Rates Retention Reserve	(91,830)				(91,830)			(91,830)	323,118	414,948	
New Homes Bonus	(3,379,070)				(3,379,070)			(3,379,070)	(3,387,725)	(8,655)	
New Burdens Grant	-			(88,040)	(88,040)			(88,040)	(117,124)	(29,084)	
Collection Fund (Surplus)/Deficit	222,960				222,960			222,960	222,958	(2)	
Use of Earmarked Reserves - capital financing	-			(80,140)	(80,140)			(80,140)	(80,144)	(4)	
Use of Earmarked Reserves - revenue expenditure	90,840			335,420	426,260			426,260	426,240	(20)	
Community Infrastructure Levy (CIL)	-			(57,180)	(57,180)			(57,180)	(57,180)	-	
Other Misc. Balances	-				-			-	(410)	(410)	
Budgeted Contribution to General Balances	350,000				350,000			350,000	350,000	-	
Total Financing	(15,187,980)	-	-	(21,420)	(15,209,400)	-	-	(15,209,400)	(15,324,391)	(114,991)	0.8%
Net Expenditure	-	-	-	-	-	-	-	-	(358,882)	(358,882)	
General Balances Summary Position									Less Slippage to 2016/17	171,290	
				Target	Forecast				Forecast Underspend	(187,592)	
				£	£						
General Fund Balance at 1 April 2015				2,000,000	2,287,660	Less use of in-year underspend					
Budgeted Contribution to General Balances					350,000	Change Management Reserve (from Market Walk)			80,000		
Balance of Local Referendum budget transferred to General Balances					59,570	Change Management Reserve (from other savings)			70,000		
Provisional (Over)/Under Spend					(12,408)	Buildings Maintenance Fund			50,000		

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Slippage Requests to 2016/17

Directorate/Service	Details of Request	Amount £
Chief Executive		
Human Resources	Extension to HR & OD Advisor post 01/04/16 to 30/09/16 for implementation of HR systems	16,000
Human Resources	Training & Development in 2016/17	12,000
Policy & Performance	Extension to Policy Officer post 01/04/16 to 30/06/16 to cover restructure period.	8,790
Communications	Funding for additional staffing capacity in communications and events team in 2016/17	13,500
Governance	Councillor Community Grants. 2015/16 grant allocations to be awarded in 2016/17	1,000
Shared Financial Services	Business Improvement Plan project for member and staff training towards self-serve functionality.	5,000
Customer & Advice Services		
Customer & ICT Services	Software-Maintenance - New Time Management System. 80% balance due to pay in 2016/17	16,000
Customer & ICT Services	Estimated cost for replacement of the projector and screen in the Lancastrian.	10,000
Customer & ICT Services	TV's for 3 Director offices	3,000
Customer & ICT Services	Commitment already made for extra Call Centre hours as agreed with Cllr Dunn.	20,000
Customer & ICT Services	Further IDOX training required during major system upgrade.	5,000
Customer & ICT Services	Expenditure is already committed for eforms engine.	10,000
Customer & ICT Services	HR online training module for ISF.	6,000
Customer & ICT Services	Cost of HP server for hosting IDOX if Oracle decline proposed VM set-up.	10,000
Customer & ICT Services	Expenditure is already committed for Esri software.	5,000
Customer & ICT Services	Contribution to ICT Infrastructure reserve for major review in 2016.	30,000
Total		171,290

Transfer to Specific Reserves for use in 2016/17

Directorate/Service	Details of Request	Amount £
Chief Executive		
Policy & Performance	Public Service Reform funding to reserve for use in 2016/17	17,820
Policy & Performance	Transformation Challenge Award funding to reserve for use in 2016/17	227,070
Policy & Performance	Balance of Local Referendum budget transferred to General Balances	59,570
Governance & Property Services	Balance of reverse assignment income for Royal Oak Public House for redevelopment use in 2016/17.	692,240
Shared Financial Services	Balance of NWIEP funding to reserve for Shared Financial Systems project 2016/17	19,710
Customer & Advice Services		
Customer & ICT Services	Transfer Council Tax Summons/Liability income to reserve as agreed in September budget monitoring report.	40,000
Housing	LCC Affordable Warmth Grant received in 2015/16. This grant is allowed to be used in subsequent years.	17,430
Housing	New Burdens Grant - Right to Move. For use in 2016/17.	3,040
Public Protection, Streetscene & Community		
Streetscene	British Army Civil engagement grant re Sacrifice Scheme.	17,560
Streetscene	British Army Civil engagement grant re Chorley Veterans Allotments Garden.	6,830
Streetscene	British Army Civil engagement grant re Fron Somme To Some Other Land.	17,000
Streetscene	Section 106 reserve for Buckshaw Youth and Community Projects	1,370
Planning	CIL Admin not applied in year: transferred to earmarked reserve	33,020
Health, Environment and Neighbourhoods	Neighbourhoods Pump Priming Budget (Buttermere scheme)	66,710
Health, Environment and Neighbourhoods	Schools Income funding to reserve for use in 2016/17.	9,500
Health, Environment and Neighbourhoods	Doorstep Sports Club funding to reserve for use in 2016/17.	2,200
Health, Environment and Neighbourhoods	Warm Home Healthy People funding to reserve for use in 2016/17.	14,820
Health, Environment and Neighbourhoods	Empty Homes Officer funding to reserve for post extension with 16/17 investment.	12,510
People & Places Management	Chorley Youth Zone budget to reserve for use in 2017/18.	25,000
Total		1,283,400

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Investment Projects 2015/16

Investment Area (Revenue)	Investment Budgets c/fwd from 2014/15 to 2015/16	2015/16 New Investment	2015/16 Budget Virements	2015/16 Total Investment Budget	2015/16 Expenditure	2015/16 Investment Budgets c/fwd to 2016/17	Committed to Date	Budget Remaining
Deliver Neighbourhood Priorities/Environmental Clean-ups	53,350	50,000		103,350	79,320	24,030	10,520	13,510
16/17 year old drop in scheme	2,000	19,000	(2,000)	19,000	19,000	-	-	-
Connecting Communities through food	10,260	-		10,260	1,820	8,440		8,440
Support to the VCFS Network	-	15,000		15,000	15,000	-	-	-
Extension & improvement of street furniture	3,950	-		3,950	3,950	-	-	-
Play and Open Space Strategy	10,930	-		10,930	10,930	-	-	-
Mediation service for Anti-Social Behaviour disputes	7,000	7,000		14,000	6,600	7,400	-	7,400
Chorley Council energy advice switching service	15,000	-		15,000	-	15,000	-	15,000
Inward investment delivery	244,500	50,000	9,960	304,460	113,940	190,520	86,900	103,620
Town Centre Masterplan	35,000	-	(5,000)	30,000	30,000	-	-	-
Support the expansion of local businesses (BIG grant)	79,100	40,000	30,000	149,100	35,100	114,000	101,800	12,200
Business Start-up (Grant and Loan)	49,680	-	(24,670)	25,010	22,610	2,400	-	2,400
Town Centre & Steeley Lane Pilot Action Plans	83,650	100,000		183,650	53,380	130,270	63,223	67,047
British Cycling tour of Lancashire	-	45,000		45,000	45,000	-	-	-
Unify Credit Union	9,000	50,000	(9,000)	50,000	50,000	-	-	-
Community development and volunteering	25,530	70,000		95,530	74,090	21,440	-	21,440
Employee Health scheme	-	20,000		20,000	20,000	-	-	-
Support the food bank	-	15,000		15,000	15,000	-	-	-
Free Swimming	-	8,000		8,000	8,000	-	-	-
Private Property Improvement Scheme	38,230	-		38,230	33,050	5,180	-	5,180
Joint employment initiative with Runshaw College	6,870	10,000		16,870	11,870	5,000	-	5,000
Digital access and inclusion	-	25,000		25,000	19,480	5,520	86	5,434
Investigate opportunities to expand Chorley Markets	-	30,000	(4,960)	25,040	20,870	4,170	-	4,170
Supporting communities to access grant funding	-	20,000		20,000	11,700	8,300	8,300	-
Increase visitor numbers to Chorley	-	35,000		35,000	-	35,000	-	35,000
Chorley Public Service Reform Board work plan	-	15,000		15,000	15,000	-	-	-
Campaigns and events	-	65,000	(3,640)	61,360	61,360	-	-	-
Disabled and dementia online venue access guides	-	20,000		20,000	5,140	14,860	-	14,860
Accommodation finding service	-	6,000		6,000	-	6,000	-	6,000
Development and delivery of community action plans	-	200,000		200,000	-	200,000	-	200,000
Chorley Flower Show	-	50,000	13,040	63,040	63,040	-	-	-
North West in Bloom	-	45,000		45,000	45,000	-	-	-
Town and Country Festival	-	10,000	(10,000)	-	-	-	-	-
Additional events in Astley Hall and Park	-	14,000	3,640	17,640	17,640	-	-	-
TOTALS	674,050	1,034,000	(2,630)	1,705,420	907,890	797,530	270,829	526,701

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Analysis of Reserves and Provisions 2015/16

Reserve or Provision	Purpose	Opening Balance 01/04/15 £	Other Transfers 2015/16 £	Use in 2015/16 £	Closing Balance 31/03/16 £	Notes
Reserves						
General Fund Balance						
		2,287,660	397,160	0	2,684,820	(1)
Change Management Reserve	From Market Walk net income 2013/14	382,770	460,310	(691,680)	151,400	
VAT Shelter Income	Capital/revenue financing	91,510		(75,140)	16,370	
Non-Recurring Expenditure	Revenue resources for capital financing	1,929,500	472,030	(257,740)	2,143,790	(2)
Market Walk	Income Equalisation Reserve	150,370	50,000		200,370	
Market Walk	Asset Management	50,000	50,000	(14,140)	85,860	
Market Walk	Extension feasibility and planning	101,780		(101,780)	0	
Market Walk	Market Walk Project Work- Service Charge	0	115,830	0	115,830	
S31 Grant	Empty property/small business rate relief	146,670		(113,700)	32,970	
Business Rates Retention	Business Rates Retention - Equalisation Reserve	383,600	765,210	(442,090)	706,720	(3)
Non-Directorate Reserves		3,236,200	1,913,380	(1,696,270)	3,453,310	
Chief Executive						
	Slippage from 2014/15	23,670	(23,670)	0	0	
Chief Executive's Office						
		23,670	(23,670)	0	0	
	Slippage from 2014/15	41,660		(41,660)	0	
	PRG - uncommitted	29,350	(29,350)		0	
	Public Service Reform funding	36,430		(18,610)	17,820	
	Transformation Challenge funding	0		227,070	227,070	
	2013/14 New Investment Projects	9,000	(9,000)	0	0	
	2014/15 New Investment Projects	10,260		(10,260)	0	
	2015/16 New Investment Projects	0	60,460		60,460	
	Slippage from 2015/16	0	22,290		22,290	(4)
Policy & Performance						
		126,700	44,400	156,540	327,640	
	Retail Grants Programme	88,250	105,970	(88,250)	105,970	
	Town Centre Reserve (Revenue)	22,680		(22,680)	0	
	New Investment Projects	498,800		(52,440)	446,360	
	Slippage from 2014/15	2,070		(2,070)	0	
	2015/16 Investments	0	10,000		10,000	
	External Funding Officer budget for 2016/17	0	9,200		9,200	
Economic Development						
		611,800	125,170	(165,440)	571,530	
	Legal Case Mgt System	1,520		0	1,520	
	Capital financing	69,380		(69,380)	0	
	2013/14 New Investment Projects	38,230		(33,050)	5,180	
	New Burdens Funding	32,500	(32,500)		0	
	Slippage from 2014/15	11,900		(11,900)	0	
	Redevelopment Fund - Oak House Site	0	692,240		692,240	(5)
	Slippage from 2015/16	0	1,000		1,000	(4)
	Buildings Maintenance Fund	224,520	50,000	(213,350)	61,170	
	Elections	58,000		(29,000)	29,000	
Governance						
		436,050	710,740	(356,680)	790,110	
	Slippage from 2014/15	15,000		(15,000)	0	
	NWIEP grant for Shared Financial Systems project	0	19,710		19,710	
	Slippage from 2015/16	0	5,000		5,000	(4)
Shared Financial Services						
		15,000	24,710	(15,000)	24,710	
	Slippage from 2014/15	13,100		(13,100)	0	
	HR Reserve for maternity cover	20,000	(20,000)		0	
	Impact of 2014/15 Pay Policy	10,000	10,000	0	20,000	
	Additional external NEETs (Econ Dev)	39,000		(39,000)	0	
	Slippage from 2015/16	0	28,000		28,000	(4)
Human Resources & OD						
		82,100	18,000	(52,100)	48,000	
Chief Executive						
		1,295,320	899,350	(432,680)	1,761,990	
Customer & Advice Services						
	Slippage from 2014/15	10,000		(10,000)	0	
	Government Grants (Housing)	214,370	(70,350)	(106,350)	37,670	
	Handyperson Scheme	43,870		(2,480)	41,390	
	Employability Officer Funding	30,000		(30,000)	0	
	2014/15 New Investment Projects	17,000	(2,000)		15,000	
	2015/16 Investments	0	29,520		29,520	
	New Burdens Grant - Right to Move	0	3,040		3,040	
	Disabled Facility Contribution	0	12,810		12,810	
Housing						
		315,240	(26,980)	(148,830)	139,430	
	ICT Projects	146,880	(7,500)	(32,070)	107,310	
	Slippage from 2013/14	26,540		(26,540)	0	
	Slippage from 2014/15	288,000	(156,000)	(91,280)	40,720	
	Single Front Office	40,000		(40,000)	0	
	2015/16 Investments	0	25,000		25,000	
	ICT Contract Renewal Reserve	0	80,000		80,000	
	ICT Infrastructure Reserve	0	300,170		300,170	(6)
	Single Front Office Apprentices 2016/17 to 2017/18	0	104,220		104,220	
	Council Tax Summons/Liability Order Bad Debts	116,000	40,000		156,000	

Analysis of Reserves and Provisions 2015/16

Reserve or Provision	Purpose	Opening Balance 01/04/15 £	Other Transfers 2015/16 £	Use in 2015/16 £	Closing Balance 31/03/16 £	Notes
Reserves						
	Land Charges litigation - legal costs	0	41,000		41,000	
	Capital financing	8,450			8,450	
	Slippage from 2015/16	0	85,000		85,000	(4)
	ICT Services	625,870	426,890	(189,890)	947,870	
	Customer & Advice Services	941,110	399,910	(338,720)	1,087,300	
Public Protection, Streetscene & Community						
	Buckshaw Youth Development Grants	1,370		0	1,370	
	Neighbourhood Working (pump priming)	71,270		(4,560)	66,710	
	2014/15 New Investment Projects	85,880		(85,880)	0	
	Disability Shortbreaks Funding	10,580	(10,580)		0	
	Slippage from 2014/15	18,500		(18,500)	0	
	S106 Contribution re: Carr Brook Trim Trail	15,000		(15,000)	0	
	2015/16 Investment Budgets	0	261,310		261,310	
	External Funding	0	26,520		26,520	
	Empty Homes Officer	0	12,510		12,510	
	Chorley Youth Zone	0	25,000		25,000	
	Health, Environment & Neighbourhoods	202,600	314,760	(123,940)	393,420	
	2014/15 New Investment Projects	14,880		(14,880)	0	
	North West in Bloom	40,000		(40,000)	0	
	Redrow Funding for Gas Cowls at Gillibrands	16,830	(16,830)		0	
	British Army Civil Engagement Grant	0	41,390		41,390	
	Astley Hall Works of Art	5,880	(5,880)		0	
	Maintenance of Grounds	72,200	10,000	(25,000)	57,200	
	Streetscene & Leisure Contracts	149,790	28,680	(79,880)	98,590	
	Planning Appeal Costs	39,130		(8,040)	31,090	
	Community Infrastructure Levy	0	33,020		33,020	
	Planning	39,130	33,020	(8,040)	64,110	
	Public Protection, Streetscene & Community	391,520	376,460	(211,860)	556,120	
	Directorate Reserves	2,627,950	1,675,720	(983,260)	3,405,410	
	Earmarked Reserves	5,864,150	3,589,100	(2,679,530)	6,858,720	
	Total Reserves - General and Earmarked	8,151,810	3,986,260	(2,679,530)	9,543,540	
Provisions						
Insurance Provision	Potential MMI clawback	19,540			19,540	
Other Provisions	Asda re: land at Bolton Street	10,000		0	10,000	
	Total Provisions	29,540	0	0	29,540	

Notes

- (1) Closing General Fund Balance as at 31 March 2016.
- (2) Closing balance includes £360k NHB carried forward for Astley 2020, £1m for public realm works and £335k to fund CCTV Upgrade
- (3) Equalisation reserve is used to smooth the impact of fluctuations in the level of business rates retained year-on-year
- (4) Slippage from 2015/16 total £171,290. Please see Appendix 2 for itemised list.
- (5) Premium received relating to Royal Oak Public House from the former tenant, reserve to be utilised to purchase further sites
- (6) Includes review and upgrade of council wide network, replacement of desktop thin client devices and touch screen technology.

Capital Programme 15/16 - 18/19

Appendix 5

	Qtr. 3 Forecast 15/16	Outturn 15/16
Asset Improvements	161,000	163,114
Market Walk Extension	784,646	613,225
Regeneration Projects - Market Street Redevelopment Phase 1	66,562	55,870
Regeneration Projects - Public Realm Works Phase 2	0	
Clayton Brook Village Hall Extension	230,308	225,361
Buckshaw Community Centre	150,000	150,000
Thin Client Implementation	8,450	0
Electoral Management System	4,160	0
Chorley East Health Centre	100,000	0
Chorley Youth Zone	150,000	150,000
Climate Change Pot	6,680	3,000
Total Asset Management, Regeneration & Governance	1,661,806	1,360,570

Disabled Facilities Grant	417,333	420,197
Cotswold House Improvements	24,910	12,664
Land Assembly Extra Care	250,000	0
Cotswold House Improvements Final Phase - CBC Funded	200,000	0
Total Housing	892,243	432,861

Big Wood Reservoir	0	0
Leisure Centres Improvements	108,950	110,004
Recycling receptacles	116,900	133,703
Buckshaw Village Rail Station	30,000	0
Eaves Green Play Development	105,149	48,971
Play, Recreation and Open Space Projects	80,400	42,620
Rangletts Recreation Ground	384,779	391,788
Puffin Crossing Collingwood Rd	47,820	0
Astley Hall & Park Development	356,931	280,772
Astley Farmhouse - Final Retention	3,610	3,837
Croston Flood Prevention Scheme	1,100,000	1,000,000
Carr Brook Trim Trail	83,174	72,036
Yarrow Valley Car Park	10,000	4,835
Recreation Strategy	170,000	65,000
Delivery of CCTV 15/16 - 17/18	263,466	0
People & Places Vehicles & Plant	0	71,826
Total People & Places	2,861,179	2,225,393

New Investment

Extra Care Facility		
Astley 2020		
Westway		
Cotswold House Improvements Final Phase - HCA Funded		
Total Capital Expenditure	5,415,228	4,018,823

(1)	(2)	(3)	(1) + (2) + (3)		
Approved 16/17 budget	Qtr. 4 Carry Forward Request	Qtr. 4 Additions Requested	16/17 Budget	17/18 Budget	18/19 Budget
105,000			105,000	200,000	200,000
12,078,324	171,421		12,249,745		
0			0		
1,000,000			1,000,000		
0			0		
476,000			476,000		
0	8,450		8,450		
0	4,160		4,160		
0			0	3,517,800	3,517,800
325,000	118,000		443,000	325,000	
0	3,680		3,680		
13,984,324	305,711	0	14,290,035	4,042,800	3,717,800

414,087			414,087	369,561	369,561
0			0		
	250,000	112,000	362,000		
200,000			200,000		
614,087	250,000	112,000	976,087	369,561	369,561

86,100			86,100		
200,000			200,000	85,000	85,000
115,000			115,000	115,000	115,000
696,000	30,000		726,000		
0	56,178		56,178		
860,538	37,780		898,318	440,000	
70,000			70,000		
	47,820		47,820		
315,283	45,975		361,258		
0			0		
0			0		
0	11,138		11,138		
215,000	5,165		220,165		
0	105,000		105,000		
71,534	263,466		335,000		
0		116,000	116,000		
2,629,455	602,522	116,000	3,347,977	640,000	200,000

2,519,529			2,519,529	6,590,821	
350,000			350,000		
785,000			785,000		
658,000			658,000		
21,540,395	1,158,233	228,000	22,926,628	11,643,182	4,287,361

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Scrutiny Reporting Back

Chorley Council's Annual Report on Overview and Scrutiny in 2015/16



CONTENTS

1. Membership
2. Introduction by the Chair and Vice Chair of the Overview and Scrutiny Committee
3. Challenging Performance
4. Key messages from Scrutiny Task Groups in 2015/16
5. Crime and Disorder Scrutiny
6. Challenging the Executive
7. Call-in
8. Financial Scrutiny
9. Conclusion and the year ahead

1. MEMBERSHIP OF OVERVIEW AND SCRUTINY COMMITTEE 2015/16



Councillor John Walker
Chair of Overview and Scrutiny Committee 2015/16



Councillor Hasina Khan
Vice Chair of Overview and Scrutiny Committee 2015/16

Councillors Aaron Beaver, Eric Bell, Paul Clark, Margaret France, Mark Jarnell, Margaret Lees, Matthew Lynch, June Molyneaux, Greg Morgan. Alistair Morwood, Debra Platt and Kim Snape

2 INTRODUCTION BY THE CHAIR AND VICE CHAIR OF OVERVIEW AND SCRUTINY COMMITTEE

The Overview and Scrutiny Committee has had another busy year undertaking a varied and extensive Work Programme and two Task Group reviews. Councillor John Walker was appointed Chair of the Committee for another year and Councillor Hasina Khan was welcomed as Vice Chair. There were also several new members welcomed to the Overview and Scrutiny Committee. As the year came to a close, the Committee said goodbye to Lesley-Ann Fenton, Director of Customer and Advice Services who retired in April 2016, she had taken a lead director role in the work of the Committee for a number of years. Other changes included Cathryn Filbin replacing Dianne Scambler, Democratic and Members Services Officer as support officer to the Overview and Scrutiny Committee.

The Overview and Scrutiny Performance Panel, consisting of six members met quarterly to monitor the Council's Business Plan performance, along with a focus on a number of different service issues.

This year the Overview and Scrutiny Committee established Task Groups to undertake two reviews–

- The Single Front Office
- Staff Sickness Absence

The Committee continued to receive six monthly monitoring reports following the Executive's response on the implementation of outcomes and measure success from past scrutiny reviews:

Select Move Review - reducing the waiting list was a desired objective of the review and this had been achieved. The implementation of the majority of recommendations required the willingness and cooperation of partners, particularly the Registered Providers of Social Housing (RPs).

Adoption of Estates - the Committee was made aware of adoptions of estates which had been fully and partly complete. However, a number of factors resulted in progress not being made as anticipated against some recommendations which included internal staffing issues and Lancashire County Council not being able to provide pre-application and transport related advice. Members of the Committee had welcomed the progress made but raised concern about the length of time it was taking from some areas to be adopted. The Committee welcomed the fact that there was willingness from all parties involved to work together to progress adoptions of estates faster.

CCTV Provision and Infrastructure – following a procurement exercise undertaken in 2015 a contractor was appointed to carry out the necessary upgrade due to be delivered within three years. Recent progress had focussed on the relocation and equipping of the monitoring suite at Chorley Police Station, and by the end of 2016 it is envisaged that the majority of CCTV camera heads would have been replaced with upgrade units. In addition, the upgrade was seeking to utilise low cost wi-fi camera communication and this has been achieved where sight lines and connectivity allowed.

Neighbourhood Working – the majority of the recommendations had either been implemented or were in the process of being implemented. However, the recommendation that the Council explore with the Voluntary, Community and Faith Sector (VCFS) as to how the VCFS could use resources provided by the Council to improve networking, needed to be progressed.

Public Transport Issues in Chorley – the Task Group presented the groups findings and drew the Overview and Scrutiny Committee attention to the 15 recommendations that would highlight to the Executive the importance of considering all transport needs for its residents when undertaking all relevant Council projects as good transport links were extremely important for both residents of the borough and visitors to Chorley.

3 CHALLENGING PERFORMANCE

The Overview and Scrutiny Performance Panel focused on the performance elements of scrutiny, and considered all monitoring information. Scrutinising performance is a key role for scrutiny and one of the benefits to the dedicated resources was that a smaller number of members were able to drill down to the detail in key areas and adopt some consistency in approach.

The Performance Panel for 2015/16 consisted of the following membership -
Councillor John Walker (Chair)
Councillor Hasina Khan (Vice Chair)
Councillor Paul Clark
Councillor June Molyneaux
Councillor Alistair Morwood
Councillor Debra Platt

The Panel met four times within the last twelve months, considering the Council's Corporate Strategy, key projects and monitoring, and the Council's Organisational Improvement Plan that captured all the directorate and service level business improvement plans.

Each meeting also considered an additional performance focus, where the Panel looked at particular areas of concern or poor performance, with the relevant Executive Member being invited to attend.

3.1 TIME CREDITS

(Councillor Beverley Murray, Executive Member (Community Services) was in attendance)

Members of the Panel were reminded that the Time Credits initiative was a three year programme funded by the Council as a positive and proactive means of encouraging and developing a volunteer culture to benefit local communities.

In the first year the focus was on existing groups to build up the service and encourage already established organisations to sign up. Year two concentrated on embedding the process into service delivery, and encouraging new organisations and volunteers to engage. Although growth had slowed in the second year, performance had consistently been good and exceeded targets, particularly when compared to the national scheme with Chorley being notably higher. It was reported that 72% of Chorley Time Credit volunteers gave their time up at least once a week.

It was explained that there was an element of trust when awarding the Time Credits. However, checks had been put in place to stop abuse of the system, with the Council auditing the hours that volunteers claim to have worked with the organisations. In addition, the spend uptake was also monitored.

The Panel felt that all elected members should be encouraged to take an active part in the scheme, and to help promote engagement within their neighbourhoods. To this end a Member Learning Session was delivered the purpose of which was to inform members about Chorley Time Credits and the benefits to the community and those individuals taking part who not only were rewarded for their time but had also developed their own life skills.

3.2 DELIVERY OF THE PLAY, OPEN SPACE AND PLAYING PITCH STRATEGY

(Councillor Beverley Murray, Executive Member (Community Services) was in attendance)

The Executive Cabinet had approved and formally adopted the Play, Open Space and Playing Pitch Strategy 2013-2018 in September 2014. The Strategy detailed a five year action plan to protect, manage, enhance and secure sites as well as identifying where there were deficiencies and future priorities.

The Strategy highlighted sites that were both low quality and low value. It was reported that almost £1 million pounds collected from S106 payments had been identified to support the strategy although the majority of this fund had been allocated to specific projects. Most of the Strategy would be funded by future development in the borough as well as Council and external funding.

Through discussion about the absence of bowling-green provision, members of the Panel were informed that bowling greens had not been included with the strategy as they were mainly privately owned. However, there had been an acceptance for the Council to do more and officers would be asked to work with existing clubs to prevent closure and produce a register of bowling facilities.

Members of the Panel also discussed allotment provision across the borough and the amount of work that had been undertaken to address the demand. The Panel welcomed the fact that Chorley was one of the top performing providers of allotments in Lancashire.

3.3 PLANNING CONTEXT

(Councillor Paul Walmsley, Executive Member (Public Protection) was in attendance at the meeting)

The Panel received a report on planning performance and an overview of the different types of planning applications that the Council processed. It was highlighted that the Scheme of Delegation with the Council's Constitution was a major factor in the amount of applications that had to be determined by the Development Control Committee. A few years ago, in response to the number of developments being built on garden land across the borough, the constitution was changed so that applications for developments of three houses above required approval by the Development Control Committee. This was in contrast to other authorities which dealt with those types of applications under delegated powers. However, there was a consensus between members and officer that there was scope for the 'Scheme of Delegation' to be reviewed. This would ease the large volume of applications referred to the Development Control Committee for determination; it would also result in a cost saving for the Council and increase efficiencies.

In addition, it had been reported that advice issued by the government within the National Planning Guidance on S106, had meant that delegated powers to officers to determine applications of one or two dwellings had been removed adding to the increase of applications being referred to Development Control Committee.

The performance of the Planning Service was also scrutinised, with members of the Panel being informed that statistics stated that at the end of 2014/15 figures, for 'major' applications were above target. For 'minor' and 'other' applications were off track but within threshold. This pattern continued into the first quarter of 2015/16 figures, for 'major' applications which remained excellent. However, the performance for 'minor' and 'other' applications were 5% off target. As a result, an action plan had been prepared setting out all the issues and action to be taken to improve performance.

3.4 WELFARE REFORMS

(Councillor Graham Dunn, Executive Member (Customer and Advice Services) was in attendance)

It had been reported that the Council was in a good place for dealing with the continuing changes that the reform had brought. The work that the authority was undertaking went beyond any statutory requirements and had incurred some additional costs that the Council were committed to providing to ensure that the support work was being carried out was cost effective. It was expected that around 330 people would be affected by further welfare reform changes with average losses of £2,576 per annum. Those cuts would affect families already on a low income, and who may end up presenting themselves to the Council in the future for support.

A Welfare Reform Partnership had been created which included representatives from local registered providers, Department for Work and Pensions and third sector organisations along with officers from the Council. It would be responsible for contributing to the delivery of the Welfare

Reform Action Plan that has been developed to mitigate the impact of the initial welfare reform changes.

The action plan identified four areas for focus as the main challenges identified for the authority -

- Tackling worklessness and removing barriers to employment
- Promoting social and financial inclusion
- Promoting digital inclusion
- Creating and sustaining affordable homes

3.5 TOWN CENTRE

(Councillor Alistair Bradley, Executive Leader and Executive Member (Economic Development and Partnerships) and Councillor Danny Gee, Chair of the Town Centre Team were in attendance)

The Panel was informed that the majority of key indicators for the town centre were performing above target at the end of quarter 3, 2015/16 (December 2015). Performance for floor space improved/created and vacant town centre floor space was excellent. The percentage occupancy of the covered market had decreased slightly compared to last year (95.7% against almost full occupancy of 99% for 2014/15) but remained above the target of 95%.

Performance of Market Walk across September, October and November 2015, had been comparable to previous years. However, there had been a significant increase in footfall in December 2015 of 13.5%, which was likely to be a result of a successful programme of creative marketing and PR over the Christmas period.

Since coming under Council management in 2015, Market Walk had continued to generate revenue above anticipated levels and provided an additional income stream for the Council. A recent management report highlighted one vacant unit out of 35 which equates to 97% occupancy. The Committee was informed of the initiatives undertaken by the Council to improve the aesthetics of Market Walk and town centre. It was reported that rent arrears totalled approximately £25,000, which equated to an average of just over 5 days of late payments. The Panel was reassured that none of the tenants were in arrears due to hardship; it was more because of internal workings of the bigger companies as to when they make their payments.

The Panel were informed that the Council was making £150,000 more than the £1 million per annum anticipated.

It was also highlighted that a number of retailers/landlords with premises located towards the Pall Mall side of Market Street had successfully secured Council grants to make improvements to shop floor and shop fronts. This has improved the look and feel of that part of Market Street substantially. It is reported that the night-time economy has also increased without any interventions from the Council.

Discussion at the meeting also included details of where tenants are making strides to improve their area of the town centre and other areas that require substantial investment by Lancashire County Council for highways repairs. The Committee was also informed of the consultation processes used to ascertain what residents and shoppers of Chorley wanted in the town centre.

4 Key Messages from Scrutiny Task Groups

4.1 Single Front Office – Chaired by Councillor Alistair Morwood

The Overview and Scrutiny Committee requested this review following the decision by the Council for the creation of a Single Front Office. The Council needed to ensure that it was able to respond to continued changes and challenges in delivering high quality services against a backdrop of drastically reduced resources and increased demand, the creation of a single front office had therefore become crucial. The proposals built on the Council's Customer Access Strategy already

implemented by the authority that would lead to significant changes in staffing arrangements and service delivery.

The Task Group felt that although the Single Front Office was only part way through its implementation, at the time the review took place, it had already demonstrated improved efficiencies and impacted on productivity. The Task Group supported the continued development, implementation of and migration to accessible services online.

The Executive Cabinet was asked to consider the following recommendations:

- So that members got a better understanding of what the Council was trying to achieve, the Task Group recommended a the Single Front Office as a topic for a future Member Learning Session, and that the training be made available to parish/town councils.
- For the Council to continue to engage with those residents who need additional support to access services online and that online tutorials be made available for residents to help them make effective use of the My Account system.
- That the dialogue on the My Account system be improved at the necessary stages, to provide better information to residents regarding assurances on the status of jobs and the transfer of requests to other partner organisations.
- That the process for requesting the addition of an asset to the Council's Asset Register, be better promoted to residents using the My Account system.
- That an option be considered on the My Account system that will allow customers to enter service request details when that specific option is not available to select.
- That a 'suggestion box' be considered on the My Account system that will allow customers to feedback and promote ownership of the system by the residents of the borough.
- That the Task Group supports the Council's review of all its correspondence with the aim of improving this method of communication to its residents and details of how to register on the My Account system be incorporated into its design.
- For the Council to explore ways to improve the process of customer call backs by officers across the authority.

The Overview and Scrutiny Committee will receive the Executive Cabinet's response to the review in July 2016.

4.2 Staff Sickness Absence – Chaired by Councillor John Walker

Chorley Council had historically performed well in terms of attendance management, particularly in 2011/12 which saw the least number of days lost per employee (5.44) compared with other local authorities in the North West. Despite this, and a solid health and wellbeing and attendance management policy, unprecedented sickness absence figures have been recorded in December 2015 for both short-term and long-term absences. In response to this increase, a Task Group was formed to investigate the reasons for the increase in absence and to ascertain if there was a pattern that could be identified to those absences. The Task Group also wanted to gain an understanding of what employees felt about the Council's sickness policy and how it is implemented. The Task Group received both written and verbal information from the Council's Human Resources and Occupational Development team as well as representatives from Unison and the Staff Matters meeting.

Once the Task Group had reviewed all the information, they felt satisfied that the reported increase in the level of sickness absence for 2015/16 did not suggest any underlying cause for concern. The

Task Group also felt that the Council's current Sickness Absence Policy and approach to both short and long term staff sickness absence was fair and proportionate to manage staff sickness effectively. The range of health and wellbeing initiatives and interventions available to employees to help maintain a healthy workforce was also welcomed.

It was acknowledged that a lot of work has taken place to reassure employees that the Sickness Absence Policy was there to help and support employees suffering short or long term sickness absences. However, as employees were not surveyed about their experience of how the policy was implemented for them, there was no data available to identify any issues or possible improvements. Questions were also raised about the benchmarked figure that was based on the previous years' figures which, in the Task Group's opinion, was very low. It was felt that a more realistic benchmarking figure should come from data available prior to the policy being implemented.

The Task Group was encouraged that reports from those employees who had been through the processes generally felt supported. However, it was accepted that employees may consider the Staff Sickness Absence Policy relating to the trigger points somewhat harsh, especially to those employees who have previously had very few instances of sickness absence, although these concerns were unsubstantiated. It also became apparent that employees' experience of the Staff Absence Sickness Policy varied quite significantly depending on how the policy was implemented by managers. The Task Group agreed it was important to have a consistent approach throughout the Council.

The Executive Committee was asked to consider the following recommendations:

- Employees to complete a survey, a minimum of three weeks following their return to work after a period of absence to provide feedback to HR on their experience of the application of the Sickness Absence Policy.
- Managers to receive refresher training on applying the Sickness Absence Policy to ensure a consistent approach across the Council.
- Review the wording in the letter that employees receive when the Sickness Absence Policy is triggered.
- To review the current performance measure for sickness absence monitoring and establish a range of measures using figures prior to the policy being introduced when compared with current information.

5 CRIME AND DISORDER: PCSO DEPLOYMENT IN THE NEIGHBOURHOOD POLICING ARENA

This year the scrutiny for crime and disorder focused on PCSO deployment within Chorley. Members of the Committee were given the background to the current funding arrangements for PCSO's and made aware of the financial constraints being placed on Lancashire Constabulary. As a result of those constraints a review of PCSO numbers across Lancashire had been undertaken based on risk, and threat.

The outcome of the recent restructure of PCSOs resulted in the number of PCSO's for Chorley would be reduced to 19 from 21. Of that number, eight had been deployed to deal with early action intervention initiatives. They would be responsible for delivering the majority of projects and initiatives including working with schools, working with vulnerable callers and the cadet system all of which was previously the responsibility of all the PCSOs. The Committee was informed that by having a dedicated team dealing with early intervention work, allowed more consistency in approach while continuing to link in with neighbourhood officers. The change also allowed the remaining PCSOs to concentrate on working in their neighbourhood and being more visible to the community.

The Committee was informed that each of the neighbourhood areas had been indexed based on risk, threat and vulnerability. This calculation determined how many PCSOs would be allocated to each neighbourhood. The majority of incidents which occur would still be attended by PCSOs for that area. However, if the PCSO was not available or if it is felt the situation would be better attended by a different PCSO who was more specialised, a deployment would be made accordingly. It was acknowledged that from time to time resources may need to be increased in an area based on risk and threat. Although this meant taking some PCSOs away from their beat, the Committee was reassured that it would not be for more than one day at a time.

The Committee was reassured that all money provided by the residents of Chorley was being spent in Chorley. It was reported that in previous years, any days lost due to vacancies or staff sickness of PCSOs had resulted in the Council receiving a refund of monies or a reduction for the following year for the difference. However, in the last two years, there had been no overall loss.

The Committee was informed about the recruitment process. Any PCSO vacancies would be filled once the new recruits have completed the necessary training. Discussion also led to the value of PACT meetings, and the need for PCSOs to be more visible in their neighbourhood area, which could also include them attending community events and parish/town council meetings.

6 CHALLENGING THE EXECUTIVE

In addition to challenging the Executive Members through the Performance Panel the Committee worked together positively with the Executive Leader and his Cabinet in scrutinising the delivered of their proposals.

The following areas are additional areas that the Overview and Scrutiny considered in 2015/16 –

- Waste Contract update
- Unrecoverable Council Debts

7 CALL IN OF AN EXECUTIVE DECISION – COMMUNITY ACTION PLANS

(Councillor Alistair Bradley, Executive Leader and Executive Members (Economic Development and Partnerships) and Councillor Beverley Murray, Executive Member (Community Services) were in attendance)

The Committee considered a call-in request regarding the decision made by the Executive Cabinet on 18 February 2016 in relation to Community Action Plans.

The application was made on the grounds that the Community Action Plans, overall, failed to be consistent in its approach or fairness. It also stated that the Community Action Plan for Astley Village had missed an opportunity to make a serious impact on the community and the lives of individuals in the area. The proposed Action Plan/Proposals for resources was sufficient to make a real impact on long standing issues.

The Executive Member (Community Services) reminded the Committee that this was the first year that the Action Plans had been piloted and it had been important that each area was allowed to develop them in different ways to see what worked best. The process would be reviewed to find out how successful the pilot was and what lessons could be learnt for the future.

In conclusion, the Committee was satisfied with the explanation put forward in the development of the Action Plans and the call-in request was dismissed.

8 FINANCIAL SCRUTINY

The Executive Member (Resources) attended the meeting to give an overview of the draft budget proposals for 2016/17. It included a forecast for the following two years to 2018/19 and presented

relevant proposals in respect of potential investment in the Council's Corporate Strategy priorities in 2016/17 that would increase draft budget resilience in the longer term, providing funding to support the transitional period of the fundamental service review being undertaken by Lancashire County Council, along with information about the budget consultation.

This was the fourth consecutive year that Council Tax would not be increased. Due to the successful implementation of the MTFs, budget efficiency savings totalling £0.214m had been applied to achieve a balanced budget position for 2016/17. This had mainly been achieved by the Council entering into a Business Rates Retention Pooling agreement within Lancashire effective from 1 April 2016.

In addition, contributions to the New Investment Packages for 2016/17, totalling £2.845m for both Revenue and Capital projects and the New Homes Bonus provided an opportunity for the Council to invest in other areas to protect public services within the borough and increase financial resilience, given the revolutionary funding changes ahead.

A budget of £0.500m was to be made available for the next two years to assist in the transactional period public services currently provided for and funded by Lancashire County Council and a £0.500m provision per annum to increase General Balances to mitigate against the financial risk of a core grant income shift to 100% local taxation sources. £0.603m was also available to be used to invest in projects that would provide income streams to the Council. In regards to potential investment proposals; funding had been achieved by not building all the New Homes Bonus income received since 2013/14 into the base budget. An approach taken to enable the Council flexibility and resilience in order to address the volatile and variable nature of future core funding which continued to be under review by central government. The latest round of projects will bring the total new investment on the Council's corporate priorities to £12.008m since 2013/14.

Consultation on the proposed budget focused on obtaining feedback in key areas in order to help prioritise activity. It had also highlighted the impact of a reduction in Council funds and asked for residents' views on the proposed budget, the result of which were analysed and published for consideration as part of the budget finalisation.

The Committee asked a variety of questions which included the reasoning behind not reducing the forecast for Market Walk Extension in light of the reduction of units available, and the 3% overspend in respect of Chorley Flower Show and what lessons had been learnt for the future.

9 CONCLUSION AND THE YEAR AHEAD

2015/16 had been an interesting year for scrutiny, resulting in some key recommendations on topics of concern to members and the public. Challenges ahead are to continue to scrutinise areas of interest for members and their constituents; to follow up on the implementations of scrutiny recommendations, to work more effectively with our partners on scrutiny and to continue to challenge the Executive in a constructive way with recommendations that result in positive outcomes for the residents in Chorley.

The Council will hold four meetings of the Overview and Scrutiny Committee and four meetings of the Overview and Scrutiny Performance Panel. This year Councillor John Walker, as Chair of the Committee will be joined by Councillor Roy Lees as Vice Chair as well as some new members to the Committee.

The topic for the first Task Group has already been agreed and will be on the subject of Child Sexual Exploitation and Safeguarding Issues.

REPORT OF GOVERNANCE COMMITTEE

1. This report summarises the business transacted at the Governance Committee meeting held on 22 June 2016.

GOVERNANCE COMMITTEE – 22 JUNE 2016**Draft Statement of Accounts 2015/16**

2. The Chief Finance Officer presented the Committee with the draft Statement of Accounts (SOA) for 2015/16 before they were signed and authorised for issue by the end of June 2016. The SOA could not be signed until the Executive Cabinet approved transfers to reserves and financing of the capital programme at its next meeting. The report also advised about the process leading up to the formal submission of the SOA for approval by Members following completion of the external audit and new statutory requirements arising from the Accounts and Audit Regulations 2015.
3. The Accounts and Audit Regulations 2015 came into force on 1 April 2015. The main impact of the regulations are changes to the year-end closedown process and external audit arrangements that are required to enable the Council's audited accounts to be published two months earlier than they are currently. The deadline applies from 2017/18 onwards, with 2015/16 and 2016/17 being transition years.
4. The Committee expressed concern over what action would be taken differently this year to ensure that these audited set of accounts would be signed off by the end of June 2017. Members were informed that reviews had taken place and action logs created to mitigate any difficulties faced last year reoccurring and granted assurance that the Council would deliver on this target. The report was noted.

Treasury Management annual Report 2015/16

5. The Committee received the Treasury Management Annual Report detailing the Council's performance and compliance with Prudential Indicators for the financial year ended March 2016. The return on investments for the year was 0.44% which, although not high. Exceeded the benchmark of 0.396%. The report also detailed the Council's borrowing and investments as at 31 March 2016. The current regulatory environment concerning treasury management places a greater onus on members to scrutinise treasury policy and activity. To enable this, each year the Council is required to consider, as a minimum, three treasury reports. These consist of an annual strategy statement in advance of the year, a mid-year review of that strategy, and an out-turn report.
6. Revised Prudential and Treasury Indicators for 2015/16 were included in the report "Treasury Strategies and Prudential Indicators 2016/17 to 2018/19", presented to Special Council of 1 March 2016. Where relevant, comparisons with 2015/16 indicators in this report were to those approved most recently. In order to ensure that local authorities borrow only for capital purposes, the Prudential Code requires that borrowing net of investments should not exceed the Capital Finance Requirement for the preceding year plus any anticipated increase in the current and the next two years.
7. Total borrowing at 31 March 2016 was £14.300m (excluding accrued interest), £12.800m of which was from PWLB, and £1.500m was a temporary loan from another local authority. Cash balances (net of bank overdraft) invested at year-end were £0.822m, which meant that borrowing net of investments was £13.478m. This was a lower than estimated net figure of £15.022m because additional PWLB loans to finance new capital investment or to replace internal borrowing were not

taken. The net borrowing figure is £20.019 less than the Capital Financing Requirement quoted above this figure representing the use of the Council's own cash to finance capital expenditure rather than taking additional external loans.

8. It was explained to the committee that the current strategy had allowed the Council to take out more loans however, rather than rushing to borrow this would be deferred and an update provided in the mid-year report. Members were informed that the internal cash balances being utilised for borrowing would soon be depleted and external borrowing would have to replace this in future, although this had not occurred in 2015/16. The report was noted.

Governance Committee Update

9. The authority's External Auditors provided the Committee with a report on progress made in delivering their responsibilities to the council. The report also included a summary of relevant emerging national issues and development. It was reported that everything was on track with regards to the 'progress against plan' and 'outputs delivered'. Works being undertaken on the audit of the 2015/16 final accounts and Value for Money (VfM) conclusion were also on track and scheduled to be reported to Committee in September 2016. The Committee discussed this date moving forwards and it was suggested that a report be issued prior to the meeting.
10. The Committee's attention was drawn to the article regarding Joint Venture Companies (JVC) which was considered to be evolving the way in which local government protects front-line services. It was advised that the new breed of JVC's between public sector bodies could be more successful at staying and working together. It was reported that there was an increased number being set up between councils and wholly-owned commercial subsidiaries that can provide both the commercialism required and the understanding of public culture. The Committee queried how the partnerships transpire and were informed that this is variable depending on the desired outcome of the venture. The report was noted.

Chorley Council Audit Plan 2015/16

11. The External Auditors provided the Committee with an overview of the planned scope and timing of the audit. The report allowed the Committee to understand what the External Auditors consider as the requirements to bring the plan together and outlined the risks and consequences of the work being carried out. Members were notified of a recent session held with finance staff at which Oldham audit were invited to share advice on how to obtain an earlier closedown.
12. Members were informed that the Value for Money (VfM) criteria was no longer set by the audit commissions, but was now set by the Audit office. It was reported that following the initial Value for Money risk assessment there were no significant risks identified. Grant Thornton would continue to review this arrangement, including a review of the Annual Governance Statement before the issue of the auditor's report.
13. The results of the interim audit work produced positive conclusions in which the internal audit service provided an independent and satisfactory service to the Council. The review of the internal audit's reports did not identify any material weaknesses which impact the audit approach or which would be likely to adversely impact the Council's financial statements.
14. With regards to business rate comparisons it was expressed that local authorities are in consultation regarding what we would like to see introduced in the system and a Lancashire-wide discussion would be taking place in the upcoming weeks. Officers granted assurance over concerns regarding

the potential risks in relation to the unknown and ensured that plans would be in place to mitigate the reduction of loss between plans and implementation. The report was noted.

Draft Annual Governance Statement

15. The Director of Policy and Governance provided a report reminding the Committee of regulatory framework requiring the Council to continuously review its system of governance and to formally publish an annual statement alongside its annual finance statements. The Committee considered the draft statement which had been produced in accordance with guidelines issued by the Chartered Institute of Public and Financial Accountancy (CIPFA) and the Society of Local Authority Chief Executive (SOLACE).
16. Agreed improvements were detailed within the report that would build and strengthen the Council's corporate governance arrangements in relation to three themes, staff/member development, information management and equality and diversity. The Committee were informed that the self-assessment assurance had been amended to make it more user friendly to subsequently increase transparency. Members drew attention to the theme of Information Management regarding the incompatibility of Sharepoint and were informed that due to the lack of functionality the Council requires from the system, alternative feasible programs were being pursued.
17. The Committee agreed for the Annual Governance Statement to be formally signed off by the Leader, Chief Executive and Chair of Governance Committee before being submitted for external audit alongside the 2015/16 financial statements.

Changes to Arrangements for Appointment of External Auditors

18. The Committee received a report of the Head of Shared Assurance Services that provided an update on the work in progress to establish arrangements for the appointment of the Council's External Auditor beyond the 2017/18 financial year when the current contract with Grant Thornton ended.
19. The report indicated that in 2017 the Council needed to make a choice between various options for appointing its external auditor that were detailed in the report. Although the Council has until December 2017 to make an appointment, in practical terms this means one of the options would need to be in place by the spring in order that the contract negotiation process could be carried out during 2017. The report was noted.

Compliance with International Auditing Standards

20. The Head of Shared Assurance Services submitted a report to enable the Committee, as those "charged with governance" and the Chief Executive on behalf of "management" to provide a range of assurances sought by the external auditors, as part of the Council's 2015/16 accounts. The specific assurances sought by Grant Thornton were set out in two letters appended to the report.
21. Given that the assurances requested were similar to the evidence being collated by Internal Audit to support the Annual Governance Statement (AGS) and in the interests of transparency, it was agreed with Grant Thornton that response to their letters would be provided following consideration at this meeting.
22. Clarification was sought on the 'matter' referred to in relation any actual or potential litigation or claims that would affect the financial statements and were informed that this related to the recent

land searches claim which have now been completed subject to the finalisation of costs. It was agreed that the Chair of Governance Committee and the Chief Executive sign the assurance letters requested by Grant Thornton.

Internal Audit annual report 2015/16

23. The Committee received a report of the Head of Shared Assurance Services that summarised the work being undertaken by the Internal Audit Service during the 2015/16 financial year. The report also gave an opinion on the adequacy and effectiveness of the Council's framework of governance risk management and control and gave an appraisal of the Internal Audit services performance. An appendix to the report provided a detailed account of the individual audits undertaken and showed the approach that had been taken, the controls assurance rating that had been awarded and a summary of any action that had been agreed with management to further improve controls with the areas audited.
24. The variation (42 days) between the planned (345 days) and actual time (387 days) spent on the audits undertaken and contingency is due to a substantive investigation relating to Community Infrastructure Levy/Section 106. The reviews of the key financial systems were in the main, completed with the remaining work finalised in quarter one of 2016/17. During 2015/16 a total of 19 systems/areas were reviewed, 15 of which were critical and 4 which were major systems. Members observed that the vast majority of areas reviewed were awarded an amber assurance rating, with 13 out of the 15 critical systems reviewed during 2015/16 receiving a score of 6 (substantial assurance). It was also noted that the red controls assurance ratings awarded only one audit, Community Infrastructure Levy/Section 106, which received a score of 9 (limited assurance). Therefore, it was concluded that the Council continues to operate within a strong control environment.
25. Members were informed that the Council would participate with the Lancashire District Councils Audit Group in undertaking reciprocal peer reviews. This entailed that over the next twelve months Chorley Council would be participating in a review of the Internal Audit Services of Fylde Council and Preston City Council. It is planned that the two above Councils will carry out the review of our compliance with the Standards in March 2018. The report was noted.

Strategic Risk Register Update Report

26. The Committee received a report of the Chief Executive that provided an update of the Strategic Risk Register which included 15 strategic risks to the Council, including actions in progress and details of new actions planned to further mitigate identified risks. The risk register is continually reviewed and currently, the majority of risk categories remain stable with five identified as 'high risk', six as 'medium risk' and four 'low risk'. One risk had reduced following successful work to manage high profile consultations that have now progressed to delivery stages.
27. One risk had been increased to the highest level to reflect the impact of recent budget cuts to partner services. Members queried how these 'new risks' were defined and sought assurances on what action the Council was taking to mitigate these risks. Members were reassured that Chorley Council had responded to the cuts, particularly from Lancashire County Council by allocating funding, an example of this being the revised bus routes. Members also indicated reservations over the risks of reorganisation which exceeded the risks surrounding the mitigation of cuts and stressed the importance of good performance. The report was noted.

Governance Committee Skills and Knowledge Report

28. The Committee received a report of the Chief Executive that informed the Committee of the results of the Skills and Knowledge questionnaire that had recently been undertaken with members of the Committee to identify what level of understanding the membership was perceived to have. The questionnaire was completed individually and was a self-assessment approach.
29. An evaluation of the results revealed that Members felt that their level of understanding gained by current training methods was not sufficient for them to fulfil their role on Governance Committee effectively and that their overall level of understanding of the Committee's roles and functions could be improved upon. Subsequently it was considered that current in-house training methods could be revised. There was a general acceptance that a frequently changing membership, largely down to changes in line with Council elections and political group appointments made the consistency of knowledge within the Committee difficult to maintain.
30. The Committee provided feedback on previous sessions, gave suggestions for improvements and agreed to undertake a number of training sessions that would take place a few weeks prior to Committee meeting throughout the year.

Section 106 agreement/Community Infrastructure Levy Update

31. The Committee received a report of the Head of Shared Assurance Services that provided an update on the current position regarding Section 106 agreements and Community Infrastructure Levy (CIL) following a substantive investigation undertaken by Internal Audit following the identification of missed trigger points within the process. The report highlighted the work that had been undertaken, outlined current arrangements and actions that had been taken to ensure robust systems were now in place and operating effectively.
32. It was reported that to date, 50 out of the 65 agreements have been invoiced, totalling £1,016,660. The remaining 15 agreements could not be pursued for a variety of differing reasons that included; non-progression of the original planning application, the replacement of supplemental agreements which did not contain commuted sums, or developments that had not yet commenced. With regards to CIL, to date, 38 of the 54 CIL Liability Notices had been issued to developers, with invoices subsequently raised for £145,000. Further work confirmed that the remaining 16 planning applications were not liable for CIL and therefore a notice was not required.
33. Officers granted assurance to the Committee that they were confident that effective systems of control such as, appropriate checks and balances to avoid an absence of due process were now in place and would be monitored closely going forwards.

Recommendation

34. That the report be noted.

COUNCILLOR PAUL LEADBETTER
CHAIR OF GOVERNANCE COMMITTEE

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