

OVERVIEW AND SCRUTINY COMMITTEE

THURSDAY, 26TH JANUARY 2017, 6.30 PM
COMMITTEE ROOM 1, 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.

MINUTES

2 MINUTES OF THE OVERVIEW AND SCRUTINY COMMITTEE, 6 OCTOBER 2016

(Pages 5 - 10)

To confirm the minutes of the Overview and Scrutiny Committee held on the 6 October 2016 as a correct record for signature by the Chair.

3 MINUTES OF THE OVERVIEW AND SCRUTINY PERFORMANCE PANEL HELD ON 1 DECEMBER 2016

(Pages 11 - 14)

To note the minutes of the Overview and Scrutiny Performance Panel meeting held on 1 December 2016 (enclosed).

4 PUBLIC QUESTIONS

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

SCRUTINY OF THE EXECUTIVE CABINET

5 EXECUTIVE CABINET MINUTES

To consider the Executive Cabinet minutes of the meeting held on 17 November 2016, 8 December 2016 (enclosed) and 19 January 2017 (to follow).

A	MINUTES OF THE EXECUTIVE CABINET, 17 NOVEMBER 2016 (ENCLOSED)	(Pages 15 - 20)
B	MINUTES OF THE EXECUTIVE CABINET, 8 DECEMBER 2016 (ENCLOSED)	(Pages 21 - 28)
C	MINUTES OF THE EXECUTIVE CABINET, 19 JANUARY 2017 (TO FOLLOW)	
6	NOTICE OF EXECUTIVE DECISIONS	
	To view the latest notice of Executive Decisions click here .	
7	HEALTH SCRUTINY	(Pages 29 - 32)
	To note the work plan for Lancashire County Council's Health Scrutiny Committee (enclosed)	
8	BUDGET SCRUTINY - 2017/18 DRAFT BUDGET AND SUMMARY POSITION OVER THE MEDIUM TERM	(Pages 33 - 52)
	Report of the Chief Executive (enclosed).	
	The Executive Member for Resources will be present at the meeting to answer any questions of the committee.	
9	PSCO DEPLOYMENT AND FUNDING	(Pages 53 - 56)
	A report of the Director of Policy and Governance (enclosed).	
10	FINAL REPORT OF THE CRIME AND DISORDER SCRUTINY TASK GROUP REVIEW - CHILD SEXUAL EXPLOITATION (CSE)	(Pages 57 - 68)
	To review the final report of the inquiry (enclosed).	
11	OVERVIEW AND SCRUTINY WORK PROGRAMME	(Pages 69 - 70)
	To consider the Scrutiny work programme for 2016/17 (enclosed) and identify a topic for a task group review.	
12	ANY URGENT BUSINESS PREVIOUSLY AGREED WITH THE CHAIR	

GARY HALL
CHIEF EXECUTIVE

Electronic agendas sent to Members of the Overview and Scrutiny Committee Councillor John Walker (Chair), Councillor Roy Lees (Vice-Chair) and Councillors Charlie Bromilow, Paul Clark, Jane Fitzsimons, Gordon France, Margaret Lees, Matthew Lynch, June Molyneaux, Greg Morgan, Alistair Morwood, Mark Perks, Debra Platt and Kim Snape.

If you need this information in a different format, such as larger print or translation, please get in touch on 515151 or chorley.gov.uk

To view the procedure for public questions/ speaking click here

<https://democracy.chorley.gov.uk/documents/s67429/Appendix%203%20Standing%20Orders%20Aug%2016.pdf> and scroll to page 48

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MINUTES OF	OVERVIEW AND SCRUTINY COMMITTEE
MEETING DATE	Thursday, 6 October 2016
MEMBERS PRESENT:	Councillor John Walker (Chair), and Councillors Charlie Bromilow, Paul Clark, Jane Fitzsimons, Gordon France, Margaret Lees, Matthew Lynch, June Molyneaux, Greg Morgan, Alistair Morwood, Mark Perks, Debra Platt and Kim Snape
OFFICERS:	Chris Sinnott (Director (Policy and Governance)), Asim Khan (Director (Customer and Digital)), Jane McDonnell (HR Services Manager) and Cathryn Filbin (Democratic and Member Services Officer)
APOLOGIES:	Councillor Roy Lees
OTHER MEMBERS:	Councillor Hasina Khan and Steve Holgate (Chorley West Division, Lancashire County Council)

16.OS.56 Declarations of Any Interests

There were no declarations of interest received.

16.OS.57 Health Scrutiny

At the invitation of the Chair and Vice Chair of the Committee, County Councillor Steve Holgate, Chair of Lancashire County Council's Health and Adult Social Care Scrutiny Committee and Chorley Council's representative from that committee, Councillor Hasina Khan, attended the meeting to talk about the outcome of a recent scrutiny review on the topic of the temporary closure of the Accident and Emergency Department at Chorley hospital.

Since the Health and Adult Social Care Scrutiny Committee review had been completed further development had taken place.

In response to public pressure, an independent report had been commissioned by NHS England and NHS Improvement on the temporary closure of the Accident and Emergency Department. The report's findings concluded that the department could re-open on a part-time basis from mid-January once the Urgent Care Unit was fully operational.

During debate, members of the Committee were asked to support the request for an early occupation of the Urgent Care Unit to allow staff redeployment to the Accident and Emergency Department. This would allow the re-opening of the department to be brought forward to November 2016.

AGREED – That the Chair, on behalf of the Overview and Scrutiny Committee write to the Governing Body of Chorley and South Ribble's Clinical Commissioning Group seeking the

re-opening of the Accident and Emergency Department being brought forward to November 2016.

16.OS.58 Minutes of the Overview and Scrutiny Committee, 7 July 2016 (enclosed)

Councillor Lynch referred to minute 16.OS.51 on PCSO deployment and confirmed that the drop in event had taken place since the last meeting.

AGREED – That the minutes of the last meeting of the Overview and Scrutiny Committee held on 7 July 2016 be approved as a correct record for signature by the Chair.

16.OS.59 Minutes of the Overview and Scrutiny Performance Panel, 22 September 2016 (enclosed)

AGREED – That the minutes of the Overview and Scrutiny Performance Panel on 22 September 2016 be noted.

16.OS.60 Public Questions

There were no public questions for consideration.

16.OS.61 Executive Cabinet Minutes

AGREED - That the minutes of the Executive Cabinet meeting held on 30 June 2016 and 25 August 2016 be received.

16.OS.62 Notice of Executive Decisions

Members considered the Notice of Executive Decisions published on 6 October 2016 which gave notice of key and other major decisions which the Executive Cabinet and Executive Members expected to take.

AGREED – That the Notice of Executive Decisions be noted.

16.OS.63 Flooding issues across the borough

The Director of Customer and Digital presented a report which had been considered at a recent meeting of the Senior Management Team.

A total of 426 properties in the borough had been confirmed as flooded as a result of Storm Eva on 26 December 2015. Following guidance and criteria issued by DCLG and Lancashire County Council to help those people affected, the council was required to set up its own Flood Relief Scheme. The council's scheme was made up of a number of different elements based upon the guidance and criteria issued.

The breakdown financial assistance awarded to those properties affected was as follows –

- 386 domestic properties confirmed flooded were awarded community grants worth £500. The total amount of community grants awarded by the council was £193,000 of which £191,500 had been refunded by DCLG via Lancashire County Council. The remaining £1,500 had been included as part of a final claim made by Lancashire County Council in early September.
- Of the 32 businesses confirmed flooded. 22 businesses had received business grants awarded of £2,500 each. The total amount of business grants awarded amounted to £75,083 which was delivered by BOOST Business Lancashire
- 491 properties qualified for Council Tax Flood Discount worth £182,328, and 10 properties qualified for business rates relief worth £18,362. The majority of the financial assistance

monies had already been refunded by the DCLG. The remaining amount of monies awarded by the council, which amounted to £59,059 in total, would be claimed for as part of a reconciliation submitted via the flood portal when the discounts ceased.

As the DCLG had previously acknowledged that interim payments may be required to help councils manages cash flow, the council had requested an interim payment in September.

214 residents also applied to the government for a Property Level Resilience Grant worth up to £5,000 per property. As part of the application process a survey of each property was carried out to ascertain the most effective form of prevention work appropriate.

The surveys were carried out by Pell Frischmann who had been appointed through a joint procurement exercise with South Ribble Borough Council. It was reported that there had been elements of disconnect between what some residents wanted, and the recommendations of the experts. On those occasions, a compromised had been reached.

It was reported that Lancashire County Council was in the process of undertaking a Section 19 investigation to ensure that their legal obligations was met and that affected communities had been identified and appropriate county-wide prioritised actions put in place. Although Lancashire County Council was aware of a number of areas within the borough prone to flooding, those areas would not necessarily be treated with the highest priority when the whole of the county footprint was taken into consideration.

During debate, the Committee raised a number of issues, which included –

- the criteria required to qualify for financial assistance,
- types of work undertaken repair damage caused due to flooding, and the resilience work taken place,
- flooding due to blocked drains,
- deadline for applications to be received in respect of the Property Level Resilience Grant.

In response to an enquiry from Councillor Kim Snape, the number of farms that had been affected by flooding was unknown, but that the figure would be obtained and reported back.

On behalf of the Committee, the Chair thanked the Director of Customer and Digital for his attendance and contribution to the meeting.

AGREED – That the report be noted.

Since the meeting, the Director of Customer and Digital had confirmed that the council had received one report of a farm being flooded due to Storm Eva. After initial contact was made with the resident, further approaches from the council had proved unsuccessful.

16.OS.64 Section 106 update

The Director of Policy and Governance provided a verbal update on the position regarding Section 106 Agreements and Community Infrastructure Levy (CIL) following an Internal Audit investigation in to the identification of missed Section 106 trigger points.

To date, 50 of the 65 agreements had been invoiced totalling over £1 million pounds. The remaining 15 agreements, totalling over £100 thousand pounds could not be pursued for various reasons.

At a meeting of the Governance Committee held in June, members received a report which provided an update of work undertaken following the identification that trigger points had been missed and to minimise the loss of income to the Council. The report also highlighted current arrangements and actions taken to ensure that a robust system was now in place and operating effectively.

Members of the Committee were informed that that the Governance Committee was monitoring this activity to ensure the process was delivered correctly.

AGREED - That the verbal report be noted.

16.OS.65 Final Monitoring Report - Overview and Scrutiny Task Group (Neighbourhood Working)

The Committee received a second monitoring report from the Director of Early Intervention and Support which provided an update of progress made against the recommendations of the Task Group review in to Neighbourhood Working which was undertaken in 2014.

Members of the Committee raised a number of concerns that centred round the lack of information which was being communicated to members against each recommendation. This was supported by reports that information was not forthcoming from lead officers about the progress of neighbourhood area projects and that members had been unaware of the initiatives and events which were detailed in the progress for recommendations seven, eight and nine. The Director of Policy and Governance acknowledged that better communication was required and that the matter would be addressed.

AGREED – That the report be noted, and that communication issues raised be addressed.

16.OS.66 First Monitoring Report - Overview and Scrutiny Task Group (Public Transport Issues)

Members of the Committee received a report from the Chief Executive which provided an update on progress in delivery against the recommendations made at the Overview and Scrutiny Task Group review of public transport issues in Chorley.

The position of Lancashire County Council (LCC) subsidised bus services operating in Chorley now differed to when the review took place. It was reported that unless the service was commercially viable, no subsidised bus service would operate in Chorley. However, Chorley Council had temporarily agreed to subsidise two services whilst a sustainable solution was identified.

Members of the Committee were informed that the newly appointed Director of Business, Development and Growth would be responsible for transport issues in the future.

The Committee discussed the report and was satisfied with the progress made to date.

AGREED – That the report be noted, and that the progress made against the recommendations be reviewed at its meeting on 30 March 2017.

16.OS.67 Overview and Scrutiny Task Group: Review of the Single Front Office - Response of Executive Cabinet

Members of the Committee considered the response from the Executive Cabinet to the Overview and Scrutiny Task Group review of the Single Front Office.

All the recommendations put forward from the Task Group had been accepted and the report outlined the actions which would be taken to address each recommendation and also any progress made to date.

Members of the Committee were satisfied with the progress made to date.

AGREED – That the report be noted, and that the progress made against the recommendations be reviewed at the Overview and Scrutiny Committee meeting on 30 March 2017.

16.OS.68 Overview and Scrutiny Task Group: Staff Sickness Absence - Response of Executive Cabinet

The Committee considered a report of the Director of Policy and Governance which confirmed that all the recommendations of the Overview and Scrutiny Task Group review on the topic of staff sickness absence had been accepted by the Executive Cabinet, and detailed the progress made to date.

Jane McDonnell, HR Service Manager attended the meeting to answer questions on the report and progress so far.

It was reported that 30 questionnaires had been completed by employees a minimum of three weeks following their return to work after a period of absence. A full analysis had not been carried out as HR was waiting for more responses. However, initial feedback received indicated that employees were satisfied with the council's procedures for managing sickness absences.

The figure for quarter one showed an increased level of staff sickness absence which totalled 2.01 days lost per employee compared to the target figure of 1.75 days lost per employee. However, there had been a reduction in the number of days lost when compared with the previous years which totalled 2.19. It was confirmed that the figures for quarter 2 were reducing slowly.

Members of the Committee expressed their satisfaction with progress made so far.

The Chair, on behalf of the Committee, thanked the HR Service Manager for attending the meeting and responding to questions raised.

AGREED – That the report be noted, and that the progress made against the recommendations be reviewed at the Overview and Scrutiny Committee meeting on 30 March 2017.

16.OS.69 Report from the Overview and Scrutiny Task Group - Child Sexual Exploitation

Members of the Committee received a verbal report on the work undertaken by the Overview and Scrutiny Task Group looking in to Child Sexual Exploitation (CSE).

There had been two meetings to date. At the first meeting, the Task Group received a presentation on CSE; how it differed from other forms of child abuse and the Council's responsibility in regards to intelligence gathering, reporting and preventing CSE in Chorley.

Detective Inspector Steve Ryder from Lancashire Constabulary's Deter Team attended the second meeting and gave an overview of the work his team did, the multi-agency approach used to gather intelligence and share information and with other partners to help support the victims of CSE and their families. The Committee was informed that educating young people about CSE and how to identify signs of grooming was vital to prevent them or their friends from becoming victims of this type of abuse. As a result the team was working closely with schools to inform and educate pupils, staff and parents about the signs of CSE and grooming.

At the next meeting, representatives from the education sector will be interviewed to find out what schools are doing to educate pupils on the dangers of CSE and encourage better working relations with the Deter Team.

AGREED – That the verbal update be noted.

16.OS.70 Overview and Scrutiny Work Programme

Members of the Committee considered the work programme for the Overview and Scrutiny Committee, Performance Panel and Task Group topic areas for 2016/17.

AGREED – That the suggested work programme for the Committee, Performance Panel and Task Groups for 2016/17 be confirmed with the following additions -

1. Water Rates being charged to schools
2. Communications

16.OS.71 Overview and Scrutiny Training

The Chair reminded the Committee that an Overview and Scrutiny Training Member Learning Session was taking place on Monday 24 October 2016 at 5.30pm-8pm.

AGREED – That the training be noted.

Chair

Date



MINUTES OF OVERVIEW AND SCRUTINY PERFORMANCE PANEL

MEETING DATE Thursday, 1 December 2016

MEMBERS PRESENT: Councillor John Walker (Chair), Councillor Roy Lees (Vice-Chair) and Councillors Matthew Lynch, June Molyneaux, Alistair Morwood and Mark Perks

OFFICERS: Chris Sinnott (Director (Policy and Governance)), Victoria Willett (Performance and Partnerships Manager) and Cathryn Filbin (Democratic and Member Services Officer)

16.OSP.25 Minutes of meeting Thursday, 22 September 2016 of Overview and Scrutiny Performance Panel

AGREED – That the minutes of the Overview and Scrutiny Performance Panel held on 22 September 2016 be confirmed as a correct record.

16.OSP.26 Declarations of Any Interests

There were no declarations of interest.

16.OSP.27 Performance Focus - Review of PCSOs

The Director of Policy and Governance submitted a report which provided background information on the council's investment in Police Community Support Officers (PCSOs).

Members of the Performance Panel were reminded that the council had supported the provision of PCSOs by providing funding to Lancashire Police for a number of years. The council's contribution was currently £297,000 per year which equated to 27 part funded PCSOs.

The Overview and Scrutiny Committee had previously considered the work of the PCSOs, and questioned police representatives on the matter to establish if the council was receiving value for money

Members of the Performance Panel were referred to a table within the report which had been presented to the Joint Management Board of the Constabulary and the Police and Crime Commissioner in August, which considered the HR establishment of the police. The table clearly demonstrated that Chorley Council made the highest contribution to part-funding PCSO posts across the county, and was significantly higher than other district councils.

It was reported that for the southern division (Chorley, South Ribble, Preston and West Lancashire), there were 47 part-funded posts, 27 of those being funded by Chorley Council. Lancashire Police also had 51 PCSO fully-funded posts across the division. However, information suggests that none of those posts were provided to Chorley. It was therefore suggested that the fully funded posts were deployed elsewhere where partner contributions were lower. The Deputy Chief Executive has since raised this query with Lancashire Police.

The report concluded that any change would need to be undertaken through negotiation with the police, with the potential for the council to suggest that the police should identify the number of PCSOs that should be deployed to the borough through their risk and threat analysis. The council would then be able to choose to 'top-up' the provision if it was determined that it supported its priorities.

The Performance Panel raised concern about the report's findings and it was their view that Chorley Council was not receiving value for money on its investment.

AGREED –

- 1. That the report be noted.**
- 2. That the report be included for discussion at the next meeting of the Overview and Scrutiny Committee on 26 January 2017.**
- 3. That the report be circulated to all elected members in advance of the budget setting meeting at Special Council on 28 February 2017.**
- 4. That clarification be sought from Lancashire Police on the deployment arrangements of fully funded PCSO in the south divisions and;**
- 5. The deployment arrangements of Lancashire County Council's part-funded PCSO in the south division.**

16.OSP.28 Performance Focus - Shared Services

Members of the Performance Panel considered a report of the Director of Policy and Governance which provided contextual information about the current performance of shared services.

The report explained how that the Shared Services Joint Committee for Chorley and South Ribble operated to a Service Level Agreement that set out key outputs required of the Partnership and the individual performance measures against which would be judged. The Business Improvement Plan translated those output and measures into specific deliverables and targets which needed to be achieved during 2016/17. The report related to performance presented to the joint committee in September 2016 and covered the period to the end of July 2016.

The plan included 21 projects and 28 performance measures across both assurance and financial services. At the end of July performance was mainly rated green, with the exception of –

- % planned time used – CBC (red)
- Payment Card Industry – Data Security Standard PCI-DSS (version 1) Compliance (Chorley) (red)
- Closures of Accounts – review to reduce timetable and facilitate tested and successful completions by 20 May 2018 (amber)

The Business Improvement Plan also covered the shared procurement service which continued to perform strongly, which recently supported a range of high value and high profile projects included the Digital Health Park, purchase of Refuse Collection Vehicles and the Extra Care Scheme development.

A number of other smaller shared service arrangements existed, which included the Chorley and South Ribble Joint Community Safety Partnership.

To address the challenges facing local government it had been agreed that the council would pursue an ambition to achieve integrated public services for the borough which would need to include further sharing of back office functions under different structures. The council's Transformation Strategy also included an action to proactively investigate shared service opportunities.

During discussion, members of the Performance Panel were informed -

- Significant savings had been achieved through joint procurement
- Shared Services are monitored by the Governance Committee
- The procurement team tests the market for best value for money

The Director of Policy and Governance informed the Performance Panel that there was a potential for more shared services in the future with South Ribble Borough Council, as both councils employed broadly the same number of people, and the performance and demographics were also similar.

AGREED – That the report be noted.

16.OSP.29 Chorley Council Performance Monitoring - Second Quarter 2016/17

Members of the Performance Panel considered a monitoring report of the Director of Policy and Governance which set out the performance against the delivery of the Corporate Strategy, and key performance indicators during the second quarter of 2016/17 (1 July to 30 September 2016).

It was reported that overall performance of 2015/16 key projects was good, with 88% of the projects on track or complete. The project to 'Deliver the Chorley Skills Framework' was rated amber. Actions to address the issues had been identified and were being implemented. One project was rated red, 'Progress the delivery of Friday Street Health Centre'; the cause for which was due to external factors.

Performance of the Corporate Strategy indicators and key service delivery measures was also good. 83% of the Corporate Strategy indicators and 80% of the key service measures were performing above target or within the 5% tolerance.

The Corporate Strategy indicators performing below target included –

- The percentage increase in the number of volunteering hours earned
- The percentage of 16-18 year olds who were not in education, employment or training (NEET)

The report outlined the actions being taken to improve performance.

It was also reported that the key service delivery measures performing below target were –

- Time taken to process all new claims and change events for Housing Benefit and Council Tax benefit
- The average working days per employee per year lost through sickness absence

Action plans had been developed which outlined actions to be taken to improve performance.

Members of the Performance Panel discussed various aspects of the report included the number of people presenting themselves as homeless. It was reported that the annual Rough Sleepers count had been undertaken recently, which resulted in no rough sleepers being recorded. It was also reported that a lot of early intervention work had been carried out with those who were vulnerable to becoming homeless. Although the figures for those presenting themselves as being homeless may not seem high, the intention of the measure is to monitor trends and reasons why people are presenting themselves as homeless so that we can respond proactively.

AGREED – That the report be noted.

Chair

Date

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MINUTES OF	EXECUTIVE CABINET
MEETING DATE	Thursday, 17 November 2016
MEMBERS PRESENT:	Councillor Alistair Bradley (Chair) and Councillors Beverley Murray, Paul Walmsley, Adrian Lowe and Graham Dunn
MEMBER RESPONSIBLE:	Councillors Matthew Lynch and Alistair Morwood
COUNCIL CHAMPIONS:	Councillors Gordon France, Jean Cronshaw and Margaret France
OFFICERS:	Gary Hall (Chief Executive), Chris Sinnott (Director (Policy and Governance)), Asim Khan (Director (Customer and Digital)), Chris Moister (Head of Legal, Democratic & HR Services), Cath Burns (Employment Skills and Business Support Manager), James Thomson (Principal Management Accountant) and Vanessa Fitzgerald (Policy and Engagement Assistant)
APOLOGIES:	Councillor Peter Wilson
OTHER MEMBERS:	Councillors Charlie Bromilow, Tom Gray, Marion Lowe, June Molyneaux, Richard Toon, Paul Leadbetter and John Walker

16.EC.23 Minutes of meeting Thursday, 25 August 2016 of Executive Cabinet

Decision: The minutes of the Executive Cabinet meeting held on 25 August 2016 were confirmed as a correct record for signing by the Executive Leader.

16.EC.24 Declarations of Any Interests

There were no declarations of any interests.

16.EC.25 Public Questions

There were no questions received from any member of the public.

16.EC.26 Chorley Council Performance Monitoring Report - Second Quarter 2016/17

The report of the Director of Policy and Governance was presented by the Executive Leader. The monitoring report set out the Council's performance against the delivery of the Corporate Strategy and key performance indicators during the second quarter of 2016/17, 1 July to 30 September.

Overall performance remained good, with 88% of the projects on track or complete. Only two projects are currently rated as off track. The delivery of the Chorley Skills framework, was rated amber, although actions had already been identified and implemented to improve this target and the progressing of the delivery of Friday Street Health Centre, continued to be rated as red due to external factors outside the Council's control.

Performance of the Corporate Strategy indicators and key service delivery measures also remained good with 83% of the Corporate Strategy indicators and 80% of the key service measures performing about target or within the 5% tolerance. The Corporate Strategy indicators performing below target were the percentage increase in the number of volunteering hours earned and the percentage of 16-18 year olds who are not in education, employment or training (NEET). The latter indicator, usually spiked at this time of the year as it took some time to gather all the relevant placement information about this age group, more so this year with the reduction in LCC staffing available to collate this. Members were confident that performance would improve.

Decision:

That the report be noted.

Reasons for recommendation(s)

To facilitate the on-going analysis and management of the Council's performance in delivering the Corporate Strategy

Alternative options considered and rejected.

None.

16.EC.27 Revenue and Capital Budget Monitoring Report 2016/17 Report 2 (end of September 2016)

The report of the Chief Executive was presented by the Executive Leader and Executive Member (Economic Development and Public Service Reform). The report set out the provisional return and capital outturn figures for the Council as compared against budgets and efficiency saving targets set for the 2016/17 financial year.

Although no action was required at this stage, the project revenue outturns currently showed a forecast underspend of £237,000 against budget. The expected net income from Market Walk after the deduction of financing costs is £0.942m, with the latest projection showing a forecast outturn of £1.002m.

The Council had set an overall savings target of £150k in 2016/17 from the management of the establishment. Excellent progress had been made in this area and it was reported that the full savings target for 2016/17 had already been achieved.

The Council's Medium Term Financial Strategy proposed that working balances were to reach £4.0m over the three year lifespan of MTFS to 2018/19 due to the financial risks facing the Council. A budgeted contribution into General Balances of £500k was contained within the new investment package for 2016/17. The current forecast to the end of September showed that the General Fund balance could be around £3.422m by the end of the financial year and following approval of the recommendations contained within the report, the forecast balance would be £3.212m and broadly in line to achieve the target of £4.0m by 2018/19.

As part of the recommendations, Full Council was being asked to approve additions to the capital programme that included a £200,000 increase in the Chorley Youth Zone budget to underwrite the shortfall in funding in 2017/18. In response to Members, the Leader explained that this was due to higher than anticipated building costs and not wanting to scale down the scheme, the Council were being asked to underwrite some of the extra funding required to proceed. Once the development had commenced, the developer was confident that the scheme would attract more funding from private investors that would reimburse these costs.

The Council was also being requested to approve the use of £100,000 from in-year revenue underspends for investment in the Retail Grant Programme. This scheme had been extremely successful in the town centre and had recently been expanded to receive applications from across the borough. The additional funding would allow those applications that were already underway to be realised, although it was intended to review the scheme in subsequent years, with more of a focus on helping to regenerate empty shops in line with its original mandate. Members commented on the success of the scheme and how it had helped to generate employment opportunities across the borough.

Decision:

1. That the full year forecast position for the 2016/17 revenue budget and capital investment programme be noted.
2. That the forecast position on the Council's reserves be noted.
3. That full Council be requested to approve the use of £60,000 from the 2016/17 forecast revenue surplus on Market Walk to invest in the Public Realm works capital scheme.
4. That full Council be requested to approve the transfer of £50,000 from in-year revenue underspends to the Local Development Framework (LDF) reserve to finance costs anticipated in 2017/18 and 2018/19.
5. That full Council be requested to approve the use of £100,000 from year-in revenue underspends to invest in the Retail Grants Programme.
6. That full Council be requested to approve the use of £307k of LCC Transition Reserve to fund the Chorley Employment Inclusion Project (CEIP).
7. That the request made to DCLG to reimburse the Council for its contribution to the Croston Flood Risk Management Scheme be noted.
8. That full Council be requested to approve the following additions to the capital programme:
 - £200,000 increase in the Chorley Youth Zone budget to underwrite the shortfall in funding in 2017/18
 - £189,000 increase in Disabled Facility Grants budget, 100% grant funded, to bring in line with 2016/17 grant funding levels.
 - £8.1m Digital Office Park capital budget be added to the capital programme with the £4.05m Chorley Borough Council match funding to be financed through prudential borrowing. As per the the report approved by full Council on 19 July 2016
9. That full Council be requested to note the changes to the capital programme to reflect delivery 2016/17 to 2018/19.

Reasons for recommendation(s)

To ensure the Council's budgetary targets are achieved.

Alternative options considered and rejected

None.

16.EC.28 External Events Policy

The Director of Policy and Governance submitted a report setting out a new events policy that would process and approve events held on council land that are organised by individuals, groups and organisations external to the Council.

The report set out the aim of the policy and explained how it would clearly outline the role of Chorley Council in external events by providing a comprehensive structured framework for use when delivering events across the borough.

Decision:

Approval of the External Events Policy

Reason for recommendation(s)

To formalise and adopt a process for managing external event requests, to protect the council's assets to ensure they can be used and enjoyed for future generations and to mitigate the risk and liability to the council against health and safety

Alternative options considered and rejected.

None.

16.EC.29 Exclusion of the Public and Press

Approval that the press and public be excluded for the following items of business on the grounds that they involve the likely disclose of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government act 1972.

16.EC.30 Chorley Employment Inclusion Project

The report of the Chief Executive was presented by the Executive Leader and Executive Member (Economic Development and Public Service Reform). The report updated Members of the Chorley Employment Inclusion Project (CEIP) which is being developed as part of the Council's employability service and subject to an application submitted by Chorley Council from the European Social Fund (ESF) for 60% of its cost.

Members were being asked to approve a revenue contribution from Chorley Council of £307k (40% of costs) over a three year period from 1 January 2017 to 31 December 2019 to be funded from the uncommitted expenditure in the LCC transition fund in 2016/17 and 2017/18 as per recommendations made in the Revenue and Capital Monitoring 2016/17 report included on this agenda.

The report highlighted the success of the exiting Chorley Works project, now managed by the Employment Skills, Business Support service at Chorley Council that supports unemployed residents of Chorley. The new project would build upon this scheme which aims to reduce economic activity by providing disadvantaged target groups resident in Chorley, with access to a programme of support measures to help them to progress towards and/or into employment and be 'Chorley Works' ready.

Decision:

Recommendations approved.

Reasons for recommendation(s)

The Chorley Employment Inclusion Programme CEIP supports the delivery of the 2014 Economic Regeneration Strategy and the Chorley Skills Framework by:

- Supporting Chorley residents in becoming economically active and making a full contribution to the economic success of Chorley
- Realising Chorley's forecasted strong economic growth by supporting employers in Chorley who are facing challenges when filling job vacancies.

Alternative Options Considered and Rejected.

None

16.EC.31 Proposed Disposal of Land at Northgate Drive Chorley

The report of the Chief Executive was presented by the Executive Leader and Executive Member (Economic Development and Public Service Reform). The report sought approval of the sale of land comprising 1.85 acres to Scorpion Automotive on the terms outlined in the report. The disposal will potentially create a development of 32 new low cost homes and allow expansion of the business within their own site.

The sale of this land will result in the major redevelopment of a vacant site bringing much needed investment and economic growth to the neighbourhood and in the long term potentially creating

further job opportunities for local residents. The company will also be creating additional resident parking and retain a provision of open space on site.

The ward Councillors had been consulted upon and kept fully informed throughout the process and accepted that the proposals were favourable for the local community. They urged the developer to consider preconstruction consultation with residents ahead of the planning application to ensure a smooth transition.

Decision:

Recommendations approved.

Reasons for recommendation(s):

1. The sale of land at Northgate Drive located at the edge of Chorley North Business Park will allow the rapid expansion of the company for tracker and security devices on a larger scale than present. The sale of the council's land will result in 32 new homes being built on the site for all or the majority as low cost housing.
2. Homes that may be classed as private sales without transfer to the Registered Provider are still expected to be within the description of low cost as the sales prices are anticipated as low as £115,000 per unit and will attract CIL liability.
3. The sale of land will potentially result in a capital receipt of £208,000 (two hundred and eight thousand pounds) plus VAT
4. The sale of land will result in the major redevelopment of a vacant site bringing much needed investment and economic growth to this neighbourhood and long term potentially creating further job opportunities for local residents. It is anticipated that at least the 68 staff employed will continue to be employed in the new premises.
5. Scorpion Automotive will be creating more residents parking and providing open space on site as a result of their proposals.

Alternative options considered and rejected:

1. A decision not to support Scorpion Automotive to purchase the adjoining Council land will not allow them to continue their further growth expansion activities, thereby not encouraging further economic growth or job opportunities on their redeveloped site and by the inclusion of a small parcel of land from the Council's land.
2. By not selling the land primarily for redevelopment there would be a missed opportunity to create up to 32 new homes for the locality.
3. The Council would not benefit from a capital receipt.

16.EC.32 Insurance Procurement Exercise 2017

The report of the Chief Executive was presented by The Executive Leader and Executive Member (Economic Development and Public Service Reform). The report updated members on a joint procurement exercise that had recently been undertaken with South Ribble Council for a renewal of insurance covers in place at both Councils under existing Long Term Agreements that were due to expire on 31 December 2016.

A detailed Tender Evaluation document had been provided by the Council's recently appointed, common insurance broker AON Risk Services and the report provided a summary of the evaluation results and recommendations regarding a suitable appointments from 1 January 2017.

Decision:

Recommendation approved.

Reasons for recommendation(s)

It is essential that the Council has quality, cost effective insurance covers in place beyond 31 December 2016 when the current Long Term Agreement's lapse.

Alternative Options Considered and Rejected

1. This exercise involved the use of a procurement framework for the first time with regard to insurance, having considered this approach alongside the traditional direct tendering method previously adopted.
2. There are significant benefits in using a procurement framework for both the Council and suppliers, including reduced timescales, costs and resources, professional advice of the collaborative partners, mitigation of risk, template documentation, assured suppliers standards and pre-defined terms and conditions.
3. Contract Procedure Rules also encourage the use of procurement frameworks where suitable ones exist.

Chair

Date



MINUTES OF	EXECUTIVE CABINET
MEETING DATE	Thursday, 8 December 2016
MEMBERS PRESENT:	Councillor Alistair Bradley (Chair), Councillor Peter Wilson (Vice-Chair) and Councillors Beverley Murray, Paul Walmsley, Adrian Lowe and Graham Dunn
MEMBER RESPONSIBLE:	Councillors Danny Gee, Kim Snape and Alistair Morwood
COUNCIL CHAMPIONS:	Councillors Gordon France, Margaret France, Margaret Lees and Marion Lowe
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 Dianne Scambler (Democratic and Member Services Officer)
APOLOGIES:	None
OTHER MEMBERS:	Councillors Jane Fitzsimons, Tom Gray, Roy Lees, June Molyneaux, Richard Toon, Paul Leadbetter, Greg Morgan, Sheila Long and John Walker

16.EC.33 Minutes of meeting Thursday, 17 November 2016 of Executive Cabinet

Decision: The minutes of the Executive Cabinet meeting held on 17 November 2016 were confirmed as a correct record for signing by the Executive Leader.

16.EC.34 Declarations of Any Interests

There were no declarations of any interest.

16.EC.35 Public Questions

A number of questions were submitted on behalf of the Protect Chorley Hospital from Cuts and Privatisation against Item 3a on the agenda: NHS Sustainability and Transformation Plans.

A written response to each of the thirteen questions was provided by The Executive Leader and circulated at the meeting as follows:

It is important to note through the responses to all of the questions that Chorley Council does not have a formal role in the development or agreement of Sustainability and Transformation Plans, nor any of the plans that could be associated with them (such as commissioning strategies)

They are primarily NHS documents – requested from health economies from NHS England. The focus in the NH England planning guidance states that the NHS should take a system wide view of change (including local government). However, its focus is then on social care when it refers to working with local government. This means that attention is focussed on the county council, particularly through the health and wellbeing board, which is managed and led by the county council.

However, even with these caveats, Chorley Council has stated that it wants to protect the interests of its residents through any changes to public services. This means that we will and have lobbied other organisations where we think change is needed.

Also it should be noted that the responses to these questions are based on the agreed position of the entire Council, and not representative of any individual Councillor or Group. Some points raised have not been subject to decisions of the full Council and the attendant due process, and are proffered in a spirit of openness and transparency. Therefore some current Council answers and position may be subject to change by future due process.

1. When did you first become involved in the Commissioning, Sustainability, and Transformation plans?

Chorley Council's Chief Executive has acted as the representative of the Lancashire district councils in the development of the STP. As such, he was first involved in the STP process in January 2016. He has been involved as a representative of district councils, but without any decision making power, with a particular focus on the prevention work stream.

Councillors have not had any direct involvement in the sustainability and transformation plans, other than to be invited and attend engagement events for Our Health, Our Care in November 2016.

2. What Health and Social Care meetings are the Council involved in and could you please list the organisations, and how often they meet?

The Council is represented on the county council's health scrutiny committee in a non-voting capacity by Councillor Hasina Khan. She also took part in the recent review undertaken by the committee into the closure of the Emergency Department at Chorley Hospital. The membership of the Committee can be found on the county council's website:

<https://council.lancashire.gov.uk/mgCommitteeDetails.aspx?ID=182>

The Chief Executive chairs the health and wellbeing partnership for central Lancashire. This partnership meets on a quarterly basis. The organisations represented on the partnership are; Chorley Council, South Ribble Borough Council, Preston City Council, Ribble Valley Borough Council, Lancashire County Council Chorley and South Ribble and Greater Preston CCGs, Lancashire Care Foundation Trust and Lancashire Teaching Hospitals.

The Chief Executive of Chorley Council sits on the Lancashire Health and Wellbeing Board as a representative of Lancashire district council Chief executives. The membership of the board can be found on the county council's website:

<https://council.lancashire.gov.uk/mgCommitteeDetails.aspx?ID=825>

The Council Leader was appointed as the Council representative on the LTHTR Board of Governors in ay this year after we lobbied to have District Council representation across central Lancashire reinstated after it was removed a number of years ago.

3. Where can we find the minutes of these meetings?

The minutes of the county council's health scrutiny committee can be found on the county council website.

The minutes of the central Lancashire health and wellbeing partnership are not published, but we can make them available if you would like.

The minutes of the central Lancashire health and wellbeing board can be found on the county council's website.

The minutes of the Lancashire Teaching Hospitals council of governors are available here: <http://www.lancsteachinghospitals.nhs.uk/council-of-governors-papers>

4. Who attends on behalf of the council and what is their remit?

The representation of the council is set out in the answer to the earlier question.

Where the Chief Executive represents other district council Chief executives, his remit is to provide representation for other district Chief Executives, and to provide them with updates on the work being undertaken. In this capacity, he is not representing Chorley Council as a single organisation.

5. Is your role to help develop publicly owned and democratically accountable and controlled Health and Social Care facilities?

As a district council, Chorley Council does not have any role in the control, commissioning or provision of health and social care facilities.

However, the council has been proactive in giving its views on health and social care facilities, most notably the closure of the Emergency Department at Chorley Hospital and the letting of the contract for the Urgent Care Centre.

In addition, the council continues to work towards wider public service reform, including seeking to work towards changed local government structures to make services more sustainable. In that decision, the council was clear that the reason for wanting change is to make public services sustainable, while retaining community identity and local accountability.

6. Does the Council have a plan or policy for the future of Health and Social Care?

No, although the council has set out its broad ambitions in its future governance models work and at its recent full council meeting.

7. Does the Council intend to be involved in co-commissioning?

Chorley Council doesn't have any role in commissioning. This lies with the county council.

8. Where is the money to invest in new facilities coming from?

The council is not involved in the provision of new facilities for health and social care.

9. Which cabinet member is responsible for overseeing and communicating with other Health and Social Care organisations and the public?

The Executive Leader has responsibility for Public Service Reform. The report to the Executive Cabinet tonight recommends that Councillor Hasina Khan will continue to take a role in representing the council with regard to health and wellbeing matters.

10. Do you intend to hold public meetings to inform the public of your policy, role and the changes that are proposed?

While the council is committed to engaging with the public, we have not got a role in the changes proposed within the STP. We will continue to make our buildings available to facilitate engagement events, and to support our residents in campaigns to protect their services.

11. Are your discussions part of the future devolved Governance of Local Government across Lancashire and south Cumbria?

Chorley Council is involved in the combined authority for Lancashire. This may involve a devolution proposal to government, but it is not yet at this stage. Any proposals will require the agreement of a meeting of full council.

12. Will these devolution plans be put before the public on whether they want devolution or not?

We would expect significant engagement of the public in respect of any devolution proposals before they were agreed.

13. At what point would you say you are unwilling to be involved in the STP's?

As a council, we are not currently involved in the STP process. We will continue to work to ensure plans achieve changes that need to happen, but this also means making public services better at meeting the needs of our residents and more democratically accountable to local areas.

A spokesperson for the Protect Chorley Hospital from Cuts and Privatisation who was present at the meeting spoke of their concerns of the STP process and provided a background of the main issues before the Cabinet debated the responses given.

16.EC.36 NHS Sustainability and Transformation Plans

The Executive Leader presented the report of the Director of Policy and Governance that provided an update on the recently published Sustainability and Transformation Plan (STP) for Lancashire and South Cumbria. It was this item that questions had been submitted against by a representative of the Protect Chorley Hospital from Cuts and Privatisation

The STP sets out the collective challenges facing health and social care across Lancashire and South Cumbria in the coming years. As previously reported to Council, the challenges are significant and relate to budgetary constraints against an increasing demand for services. The funding gap will reach £572 million by 2021 unless changes are made to the system.

The plan identifies the following key objectives that it aims to respond to:

- To set out a clear direction of travel for the unified health and care system in Lancashire and South Cumbria as the Five Year Forward View has across England.
- To achieve fundamental and measurable improvements in health outcomes.
- To reduce health inequalities across Lancashire and South Cumbria
- To achieve parity of esteem for mental health and physical health across Lancashire and South Cumbria.
- To ensure greater focus on ill-health prevention, early intervention and self-care where this improves outcomes.
- To ensure change is supported by a clear evidence base or an evaluation structure where evidence is not available
- To remove organisational or professional boundaries that get in the way of progress.
- To make maximum use of new technology when this will improve the quality of care provided.

The plan identifies a series of priority areas for 2016 to 2021 and much of the focus of the STP appears to have similar ambitions to the work that the Council undertook on future governance models, particularly around improving on prevention, early intervention and improving community resilience.

The local Our Health, Our Care programme will be the key vehicle for changes within the local health economy, and Councillors along with the Chief Executive have been invited and have attended engagement events that have provided updates on the programme. It is however

important to note that the Council has no role in approving the STP and that the plans are part of the NHS planning guidance.

The Council had recently reviewed and reiterated its position on public service reform and governance models at its Special Council meeting in November and is clear in its desire to maintain and protect public services and ensuring that they retain a local identity and improve democratic accountability. The Council through its Executive Leader and Public Services Reform Board would continue to press for public service reform that maintains and improves locally accountable public services.

Decision:

- 1. The contents of the report were noted.**
- 2. Approval that the Chair of Equalities and Well Being (in her role as Lead Member for Health and Wellbeing, Equality and Diversity) will provide updates to the Executive Cabinet and Council as the Sustainability and Transformation Plan develops further and the local Our Health, Our Care programme is published.**
- 3. Approval that the Executive Cabinet will continue to support local residents in their campaign to protect local health services.**

Reasons for Recommendation(s)

Development and changes in the local health economy affects Chorley's residents, and impact upon the Council's ambitions with regard to future governance models. It is therefore important that the Executive Cabinet receives updates on the STP.

Alternative options considered and rejected.

To not receive an update, would mean the Council not engaging in wider public service reform.

16.EC.37 Botany Bay Masterplan

The Executive Leader presented the report of the Chief Executive updating Members on the progress of the Council project to develop an Economic Masterplan for the Botany Bay Area.

The adopted Chorley Local Plan for 2012-2026 allocated the Botany Bay/Great Knowley Area as a sub-regional employment and mixed use site under policy EP2. Changes with that policy required the site to have a Masterplan, an acceptability of other forms of development to secure the delivery of the wider allocation including retail and housing. This was the second time that this area had been allocated in the Local Plan and if the site did not come forward in this plan period, it would have to be deallocated.

The project was listed as a corporate priority and has now been progressed with stakeholders. The report updated Members on the progress that had been made and presented a final draft for information. The Masterplan was policy and evidence led and reflected the aspirations of those Stakeholders that had signed up to a Memorandum of Understanding (MoU).

The Masterplan would be used to support any future planning application as evidence and would show how all the parcels of land within the allocation will contribute to the Local Plan. The costs of the Masterplan would be met from the site's various stakeholders and the carried forward investment budget. Any additional works regarding the improvements to the highway network would be met from the furthering key employment sites budget.

Members had concerns that current highways issues would increase if this site was developed and assurances were given that Highways England had already engaged with the Council to identify possible solutions to address these issues.

Officers were also asked to consider other issues that included the development of a Public Transport Plan to ease congestion and parking pressures, a park and ride facility, improvements to the Canal to provide a much improved leisure offer for the area and the undertaken of market testing should a retail development application be received as Members had concerns that any such development would affect the growth of the Town Centre.

Decision:

The report and draft illustrative Masterplan document at Appendix A was noted.

Reason(s) for recommendations:

Members cannot approve the proposed Masterplan as this will be a key consideration for any Planning Application and the Council should not do anything that may give the appearance of fettering any future decision.

Alternative options considered and rejected.

To take no action on progression of the Corporate Project.

16.EC.38 Elections and Electoral Registration Printing Procurement

The Executive Leader presented the report of the Chief Executive that sought approval of the proposed process for appointing a supplier for the printing of elections and electoral registration stationary. The report sought a departure for the Council's contract procedure rules by asking for permission to approach four suppliers directly.

A market testing exercise had been undertaken three years previously that had demonstrated best value and a waiver granted each subsequent year to reappoint the successful bidder

The quotes would be assessed in terms of both quality and cost for printing both elections and electoral registration printing and that the decision to award the contract would be taken by the Chief Executive in his role as Returning Officer.

Decision:

1. **The intention of the Elections and Electoral Registration Manager to seek a waiver from the Council's Contract Procedure Rules was noted.**
2. **Approval for a market testing exercise to be undertaken to enable the Council to demonstrate best value in retention to supply contracts for printing for elections and electoral registration.**
3. **Approval that the assessment of any quotations received for elections printing to be assessed on the basis of 70% quality and 30% cost.**
4. **Approval that the assessment of any quotations received for electoral registration printing be assessed on the basis of 60% quality and 40% cost.**
5. **Approval that the authority to award the contract be delegated to the Chief Executive in their role as Returning Officer.**

Reasons for recommendation(s)

It is necessary to undertake a market testing exercise to demonstrate best value. There are few experienced elections printers and so it is appropriate to approach them directly rather than do an open process.

Alternative options considered and rejected.

To continue with the current provider.

16.EC.39 Draft decision in response to proposal by BT to remove payphones

The Executive Member (Public Protection) presented the report of the Director of Customer and Digital that presented Members with the council's draft decision in response to the proposal by British Telecom (BT) to remove a number of public call boxes in the borough.

The Council had prepared the draft response to BT after a 90 day consultation period undertaken with the authority and local community and a response was given against each payphone as to whether to agree with its removal, object to the removal or whether the local community wished to adopt the box.

As part of the consultation process, BT is giving communities the opportunity to adopt a traditional red 'heritage' phone box and make them an asset that people will benefit from, such as a book store or a defibrillator station.

There are 30 payphones in the borough proposed for removal and a list of their location and usage over the past 12 months was appended to the report along with informed responses.

Decision:

1. **The report was noted.**
2. **Approval that the preparation and issuing of the Final Notification to BT and the Secretary of the State be delegated to the Director of Customer and Digital in consultation with the Executive Member with the portfolio for planning.**

Reasons for recommendation(s)

None

Alternative options considered and rejected

None

16.EC.40 Appointment of Consultants For Primrose Gardens and authorisation for the purchase of the St John ambulance building

The Executive Member (Customer and Advice Services) presented the report of the Chief Executive to provide an update on the commission of professional consultancy services for Primrose Gardens retirement living (extra care) scheme on Fleet Street and sought approval to award the contract to Pick Everard.

The report also confirmed the outcome of the negotiations regarding the sale of the St John Ambulance building to the Council as part of the land assembly for the development of Primrose Gardens Retirement living scheme.

Decision:

1. **Approval to award the contract for project management and quantity surveyor service for Primrose Gardens to Pick Everard under the Scape framework to a contract value of £144,000.**
2. **Approval of the acquisition of the St John Ambulance Hall with vacant possession for the capital sum of £188,500.**
3. **Authorisation be delegated to the Head of Legal, Democratic and Human Resources to prepare and execute the necessary legal documentation to complete the purchase of the St John ambulance Hall**
4. **Approval for the payment of £770 stamp duty plus the legal fees for St John on the condition that the sale is completed within eight weeks.**

Reasons for recommendation(s)

To enable the Primrose Gardens Project to continue and be delivered to timescales ensuring Eric Wright Construction deliver a high quality development with value engineering throughout the process to ensure costs are contained within budget.

Alternative options considered and rejected

None

16.EC.41 Exclusion of the Public and Press

Approval that the press and public be excluded for the following items of business on the grounds that they involve the likely disclose of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government act 1972.

16.EC.42 24-26 Gillibrand Street, Chorley

The Executive Member (Resources) presented the report of the Chief Executive that sought approval to the surrender of the existing lease of the above premises and the grant of a new 25 year lease to the Chorley Surgery Practice on terms provisionally agreed.

The surgery is now well established and has plans to improve the facility including the creation of a dispensing pharmacy within the property that will be open to patients and the general public.

Decision:

Recommendations approved.

Reasons for the recommendation(s)

The Council will secure occupation of the building until January 2042

Alternative options considered and rejected

The Council could continue with the existing lease; however the agreement does not offer the security of tenure required by the tenant to carry out alterations and investment in the property.

Chair

Date

Health Scrutiny Committee – 2016/2017 Work Plan

Updated – 22.11.16

Health Scrutiny Committee	
Date	Topic
26 April	Lancashire Teaching Hospitals Trust (Chorley A&E) - investigation into temporary replacement of A&E Department with an Urgent Care Centre. Explanation from the Trust
24 May	Lancashire Teaching Hospitals Trust (Chorley A&E) - investigation into temporary replacement of A&E Department with an Urgent Care Centre. Recruitment issues
14 June	Lancashire Teaching Hospitals Trust (Chorley A&E) - investigation into temporary replacement of A&E Department with an Urgent Care Centre. Sustainability issues
26 July	Meeting cancelled
20 September	<ul style="list-style-type: none"> • NHS England Specialised Commissioning – proposals for in-patient services for adults with learning disabilities. • Report on the emergency care crisis in Chorley
18 October	<ul style="list-style-type: none"> • Healthier Lancashire & South Cumbria Change Programme – Case for Change • NHS Improvement
22 November	<ul style="list-style-type: none"> • Response to the Emergency Care Crisis – Chorley report from LTHT • Health & Wellbeing Partnerships – role of influence

10 January	<ul style="list-style-type: none"> • Health & Wellbeing Board – annual review • Healthwatch – annual review • Sustainable Transformation Plans - update
28 February	<ul style="list-style-type: none"> • Care in the home and suitability of housing
11 April	<ul style="list-style-type: none"> • Mental Health services – focus on The Harbour

Steering Group	Progress
Occupational Therapy	Update on service under new structure arrangements
Southport & Ormskirk Hospital Trust	Outcome of senior management suspensions
Care Home sector	Regular updates from Lancashire Care Association
SOHT – retendering of Community Services	Updates on the procurement of services
Rosendale Task Group report on NWS	Update on response to recommendations
Update on Adult Social Care issues	Periodic updates provided by Tony Pounder
Mental Health Services	Met with officers to discuss service issues
Adults with Learning Disabilities	Met with officers from the CCG and then NHSE Specialised Commissioning Team
Improved access to GP services in East Lancashire	Met with CCG
Our Health, Our Care – Chorley South Ribble and Greater Preston CCG	Met with officers from CCG and LTHT

ongoing design of new models of care	
Lancashire Care Association	Regular meetings with Paul Simic
North West Ambulance Service	Meeting with Trust to discuss data sources and information sharing

Task Groups:

- Shortage of Nurses – request presented to Scrutiny Committee 13 November. Approved.

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Report of	Meeting	Date
Chief Finance Officer (Introduced by the Executive Member for Resources)	Executive Cabinet	19 January 2017

2017/18 DRAFT BUDGET AND SUMMARY BUDGET POSITION OVER THE MEDIUM TERM

PURPOSE OF REPORT

To set out the budget position for 2017/18 including the forecast for the following 2 years to 2019/20 and also present the relevant proposals in respect of:

- The use of forecast resources identified in 2017/18
- Budget Consultation.

RECOMMENDATION(S)

That Members agree the contents of this report in order to start the budget consultation process and note the following proposed budget items, in particular:

- Council tax to be increased by 2% in 2017/18, 2018/19 & 2019/20
- The resourcing of corporate priorities for 2017/18
- The changes to the waste and recycling service including a charge for garden waste
- The forecast balanced budget for 2017/18
- The movement to earmarked reserves including:
 - £120k set aside to fund one-off projects to further deliver the Council's corporate strategy priorities
 - £200k to increase the change management reserve to allow the Council to manage the changes outlined in the Transformation Strategy.
 - £100k set aside for the maintenance of Council assets
 - £317k to fund future investment that will realise the income generating potential of employment sites acquired by the Council.
- The forecast budget position in 2018/19 and 2019/20.

A detailed breakdown of the 3 year budget is provided in Appendix 1

EXECUTIVE SUMMARY OF REPORT

3. The budget forecasts over the next 3 years have been updated to take account of the following:
 - Council tax to be increased by 2% in 2017/18, 2018/19 and 2019/20.
 - The Draft Local Government Finance Settlement 2017/18 to 2020/21 published on 15 December 2016.

- Progress against the current Medium Term Financial Strategy (MTFS) budget efficiency objectives including staffing reviews, contract savings and base budget reviews.
 - Policy decisions taken to reduce the budget deficit and the movement to specific reserves to help the Council manage change and invest in future income generation
 - Strategies to reduce the budget deficit in the medium term
4. The Council has experienced significant reductions in funding since 2010/11. The funding received through the finance settlement has fallen from £8.5m in 2010/11 to £5.7m in 2016/17 with a forecast settlement of £4.221m in 2019/20. This excludes the New Homes Bonus grant that has recently been reduced by approximately £1.6m per year from 18/19 onwards. In addition the Council will experience reductions of over £1m in LCC support from 2018/19 onwards. Despite this unprecedented decline in funding the Council has maintained effective budgetary planning so as to continue delivering investment in Council priorities and maintain low council tax levels.
 5. The Local Government Finance Settlement 2016 included core grant allocations for the forthcoming four years, from 2016/17 to 2019/20. To aide its medium term budget planning the Council opted to accept the government's offer of four year RSG allocations. In accordance with Government requirements an Efficiency Plan was agreed at Full Council in September 2016. This document is published on the Council's [website](#) and outlines its approach to meeting the budgetary challenges it faces in the coming years. This MTFS further develops the themes outlined in the efficiency plan.
 6. Following on from government consultation the Council's allocation of New Homes Bonus (NHB) will fall from 6 years to 4 years with a transitional 5th year in 2017/18. In addition from 2017/18 onwards the Council will not receive NHB for the first c150 homes it builds. This has resulted in a £1.6m fall in NHB forecast to be received in 2018/19 onwards.
 7. The Council continues to experience reductions in its core spending power whether through reductions in Revenue Support Grant (RSG) or New Homes Bonus (NHB). As outlined in the 2016/17 MTFS the Council will build all uncommitted NHB into the base budget to support the objective of meeting the budget deficit.
 8. The revaluation of business rates in 2016 has resulted in a 6% increase in rateable values on average across the country. However Chorley Council's valuations reduced by 7%. As a result, the government has reduced Chorley Council's tariff to create a budget neutral effect of the revaluations. The full effects of this tariff reduction are not yet quantifiable as the DCLG has not issued the relevant documentation. At this moment it is assumed that the implications of any adjustment to the tariff will be budget neutral.
 9. The Council will build £339k of budget investments into the base budget from 2017/18 onwards including £110k for the provision of PCSOs, £70k for retail improvement grants and £159k to continue support the Council's successful events programme.
 10. Budget efficiency savings totalling £416k have been achieved and identified for 2017/18. In addition Chorley Council continues to realise the benefit of being part in the Lancashire wide Business Rate Pooling Agreement which has been extended to cover 2017/18.

11. The Council proposes that the remaining £325k balance of the LCC transition fund is used to resource the 2017/18 budget and create some headroom for additional investment and increases in earmarked reserves.
12. In readiness for the significant loss of income from Lancashire County Council following the conclusion of the waste cost-share agreement, alongside the reductions in funding set out above, the Council is proposing changes to the waste and recycling collection services. These proposals will be set out in more detail as part of a separate report on this agenda.
13. The reductions in Central Government funding announced in the Draft Local Government Finance Settlement 2016 were made with the assumption that Councils would reduce the impact of grant reductions by increasing council tax by at least 2%. The Council is proposing a 2% increase in council tax in 2017/18, 2018/19 and 2019/20.
14. The current Medium Term Financial Strategy (MTFS) sets out options that attempt to effectively address the budget deficit position over the longer term to secure financial resilience and sustainability. This 3 year timeframe is considered the maximum period whereby reasonable forecasts can be made. Options that will be considered over the next three year MTFS period are as follows:-
 - Reviewing and re-tendering the Council’s major contracts
 - Achieving savings related to the Council’s Transformation Strategy including:
 - Redefining the way services are delivered by working closely with the Council’s partners and changing working cultures to create efficiencies
 - Exploring the increased delivery of shared services with neighbouring Councils.
 - Exploiting the Council’s access to low interest finance and the greater flexibilities offered by the Localism Act 2011 by investing in income generating projects
15. Consultation on the proposed budget for 2017/18 will commence following approval of the proposals by Executive Cabinet. The consultation will focus on obtaining feedback on key proposals within the budget. The consultation will invite responses from residents, partners, parish groups and other stakeholders through a variety of methods including a short survey (available both in hard copy and online). Results will be analysed and published in February for consideration as part of budget finalisation.

Confidential report	Yes	No
Key Decision?	Yes	No
Reason	(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 un-programmed capital scheme of £100,000 or more.	(4) Significant impact in environmental, social or physical terms in two or more wards.
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REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- 16. To progress the Council’s 2017/18 budget setting process to achieve an approved and balanced budget.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 17. Setting the budget is a statutory responsibility.

CORPORATE PRIORITIES

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

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

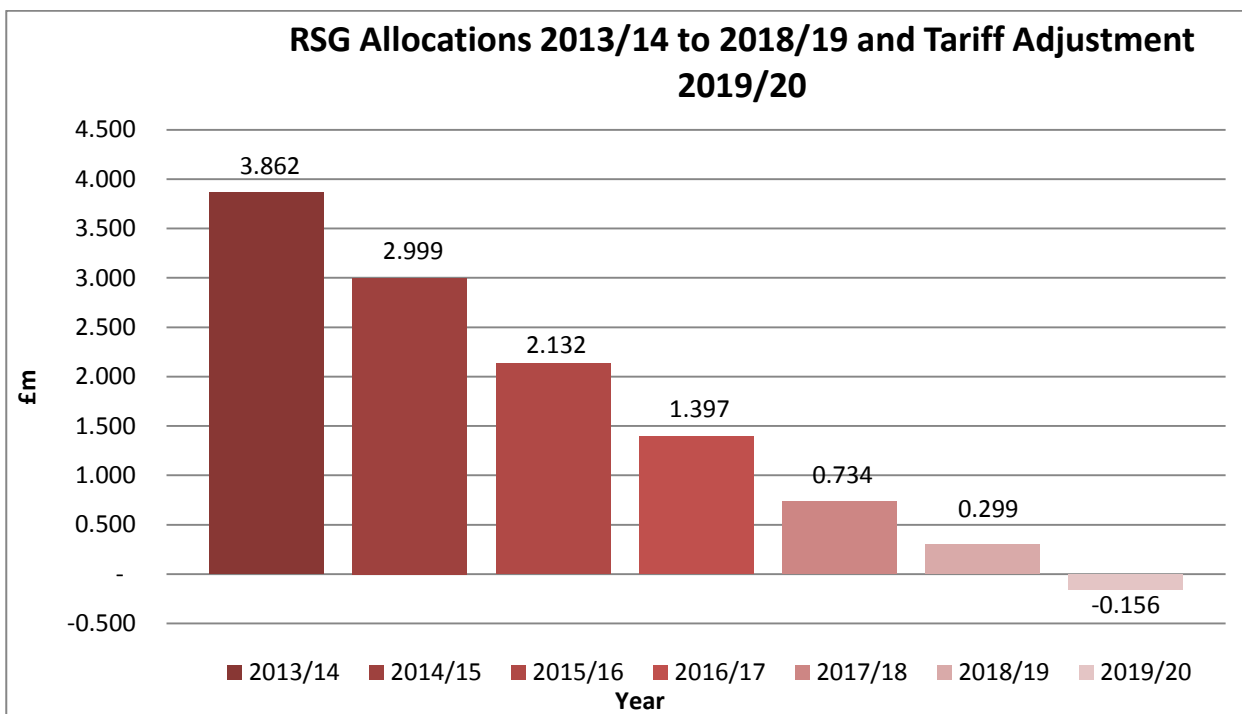
THE BUDGET – REDUCTIONS IN FUNDING SOURCES

19. Chorley Council has experienced large reductions in its major funding sources. Three of the largest funding sources are outlined below.

Revenue Support Grant (RSG)

20. The Local Government Finance Settlement 2016/17 offered all Councils a four year Revenue Support Grant (RSG) settlement from 2016/17 to 2019/20. In accordance with Government requirements an Efficiency Plan was agreed at Full Council in September 2016. This document is published on the Council's [website](#) and outlines its approach to meeting the budgetary challenges it faces in the coming years. On 16 November 2016 the Council received confirmation from DCLG on its four year RSG settlement. As such the figures reported below have been included in the Council's forecast budget position.

21. The graph below illustrates the removal of RSG over the coming years and the introduction of a tariff in 19/20. This reduction in funding is based upon a government comparison of the Council's total level of assumed resources and total assumed level of spending needs.



New Homes Bonus

22. The allocation of NHB was subject to consultation with the announcement regarding its future not made until the draft finance settlement on 15 December 2016. The allocation has been reduced from 6 to 4 years with a 5th transitional year in 2017/18. In addition the allocation in 2017/18 onwards will be reduced using a 'deadweight adjustment'. This assumes that the Council should at least expand the housing base by 0.4% per annum; any growth below this level would not receive funding. For Chorley this is approximately 150 band D equivalents per year. It is possible this deadweight adjustment will be adjusted further in future years.

23. The table below outlines the forecast NHB allocations using figures prior to the changes in funding and the forecast allocations announced in December 2016.

	16/17 £m	17/18 £m	18/19 £m	19/20 £m
Forecast NHB Allocation – prior to changes	(4.455)	(4.753)	(4.610)	(4.471)
Forecast NHB Allocation – Draft Local Government Finance Settlement 2017	(4.455)	(4.006)	(2.982)	(2.797)
Reduction in Funding	0.000	0.747	1.628	1.674

The cuts to NHB allocation are in the region of £1.6m a year representing a **13% reduction in total funding available to Chorley Council.**

24. Despite the large reductions in NHB allocations the grant still represents a significant source of income for Chorley Council. As approved in the 2016 MTFs any uncommitted new homes bonus will now be built into the revenue base budget. Budget strategies outlined later in this report will be used to meet the medium term budget gap. The forecast NHB allocations and allocations that will be assumed against it are outlined below:

	17/18 £m	18/19 £m	19/20 £m
Forecast New Homes Bonus Allocation Available	(4.006)	(2.982)	(2.797)
Capital Financing	0.400	0.400	0.400
Increase in Reserves to Bring Working Balances to £4.0m	0.500	0.259	
Forecast (Uncommitted) New Homes Bonus to be built into the base budget	(3.106)	(2.323)	(2.397)

Lancashire County Council

25. Lancashire County Council's MTFs identifies a budget shortfall of £262m by 2020/21. It is expected that existing income received by the Council from LCC will be removed in future years. Chorley Council is currently in a 'Cost Share' arrangement with Lancashire County Council whereby the County pay over to District Councils sums via the Lancashire Waste Partnership. This represents compensatory payments for loss of income from when the previous recycling credits system was revised. The arrangement will expire in March 2018 and therefore if no replacement agreement is available, this income stream will be withdrawn as at that date. This represents a £930k fall in income and is reflected in the 2018/19 deficit in Table 1.
26. In addition LCC will withdraw Supporting People funding from September 2017. This grant of circa £130k per year is used to help fund sheltered housing at Cotswold House in Chorley. The scheme will continue with Chorley Council making up the deficit in funding from mid-2017/18 onwards.

Summary of Year-on-Year Reductions in Funding Sources

Funding Source	17/18 £m	18/19 £m	19/20 £m	Total £m
----------------	-------------	-------------	-------------	-------------

Reduction in RSG	0.663	0.435	0.455	1.553
Reduction in NHB	0.449	1.025	0.184	1.658
Reduction in LCC Income	0.070	1.003	0.000	1.073
Total Year-on-Year Loss of Funding	1.182	2.463	0.639	4.284

27. The Council faces enormous reductions in its funding sources over the MTFS period. The large reductions summarised above emphasise the size of the task the Council faces to bridge the gap, in particular the Council faces a £2.4m reduction in funding in 2018/19.
28. The Council's gross budget deficit is summarised in table 1 and is based upon the reductions in funding described above and the following key budget assumptions. It should be noted that some of the assumptions are still potentially subject to change that may impact positively or negatively on the budget.

Key Assumptions	2017/18	2018/19	2019/20
Increase in Council tax	0%	0%	0%
Growth in Council tax Base	2.1%	1.0%	1.0%
Growth in Retained Business Rates	0%	0%	0%
Reduction in Revenue Support Grant	£0.663m	£0.435m	£0.455m
Profiled Reduction in Grant Settlement	-31.08%	-20.40%	-41.77%
Total Forecast New Homes Bonus	(£4.007m)	(£2.982m)	(£2.798m)
Total Forecast Uncommitted New Homes Bonus Built Into the Base Budget	(£3.106m)	(£2.323m)	(£2.397m)
Net Financing of Market Walk	£0.881m	£0.863m	£0.863m
Future Service Pension Rate	14.4%	14.4%	14.4%
Additional Business Rates - Lancashire Pooling Arrangement	(£0.726m)	(£0.726m)	(£0.726m)
Lancashire Waste Partnership Income	(£0.933m)	0	0
Pension Fund deficit recovery	£0.791m	£0.841m	£0.966m
Supporting People Income from LCC	(£0.069m)	0	0
Pay Award	1%	1%	1%

Other Budget Assumptions

29. As part of a **triennial pension review** the Lancashire County Pension Fund announced an increase in employer pension contributions to meet the future costs of the scheme. The contributions have increased from 11.1% to 14.4% resulting in an increase in Council's contribution of approximately £250k per annum.

- 30. The **revaluation of business rates** in 2016 has resulted in a 6% increase in rateable values on average across the country however Chorley Council's valuations reduced by 7%. As a result the government has reduced Chorley Council's tariff to create a budget neutral effect of the revaluations. The full effects of this tariff reduction are not yet quantifiable as the DCLG has not issued the relevant documentation. At this moment it is assumed that the implications of any adjustment to the tariff will be budget neutral.
- 31. If the Council were to benefit from a tariff reduction, any potential surplus in 2017/18 will be moved to a reserve for the following reasons:
 - a. The DCLG consultation regarding the tariff adjustments suggests there will be other adjustments in 2018/19 to ensure the effects are budget neutral
 - b. As part of the reductions in the RSG the Council will experience a 'tariff adjustment' in 2019/20 that will presumably increase the tariff by £156k
 - c. A large risk associated with business rates income relates to two applications for mandatory charitable relief received from Lancashire Teaching Hospitals NHS Foundation Trust. If successful the application would be back dated to 2010 and therefore have a significant impact on the Council's revenue budget. A headline figure is a potential £1.3m impact on the Council's general fund and a further c£200k reduction in ongoing retained business rates.
- 32. For the reasons highlighted above the Council will also assume no inflation in its retained business rates budget. Although the Council will continue to focus resources on expanding local businesses, there are still large uncertainties that may erode progress on retained business rates income.
- 33. A detailed breakdown of the 3 year budget including the gross budget deficit is provided in **Appendix 1**. Included in this appendix are the revenue budget implications regarding the Council's large capital projects, as with other assumptions it should be noted that the profile of expenditure and income is potentially subject to change. Risks surrounding these budget assumptions will be managed through the use of general reserves as outlined at the end of this report.

Table 1: Cumulative Gross Budget Deficit as at January 2017

	2017/18 £m	2018/19 £m	2019/20 £m
Gross Budget Deficit	0.656	2.472	3.187

- 34. All deficits and savings identified in the table 1 and in the remainder of this report are cumulative. For example the deficit of £2.472m in 2018/19 identified above is the result of a £0.656m deficit in 2017/18 and further budget pressures of £1.816m identified for 2018/19.

BRIDGING THE BUDGET GAP – WHAT HAS BEEN ACHIEVED & IDENTIFIED

- 35. The Council recognises that due to decreases in NHB allocation and the reduction in RSG the Council faces a budget deficit in 2017/18. To bridge this immediate budget gap the Executive Cabinet has achieved and identified proposals for immediate budget savings.

Savings Achieved and Savings to be Achieved for 2017/18

36. Budget efficiency savings and increased income of £0.416m have been achieved and identified and will be delivered to help reduce the budget deficit in 2017/18. This excludes changes to the waste collection service. The 2017/18 savings are attributable to the following key areas:-

Savings achieved

- Review of Contracts (£59k) - The re-procurement of the Council's insurance contract has achieved an annual saving of £59k per annum. Cost efficiencies were achieved by appointing a common insurance broker and undertaking joint procurement exercise with South Ribble Borough Council.
- Review of Income Streams (£50k) - The continued success of the Chorley's Market Walk Shopping Centre has led to full occupancy of its units in 2017/18. As a result an additional £50k has been built into the Council's income budget in 2017/18 onwards.
- Base Budget Review (£100k) – The management accounts team in conjunction with service managers have identified £100k of budgets that are underutilised or no longer required moving forward.
- A review of the Management Structure (£67k) – A review of the management structure was undertaken and reported to Council in January 2016 to create a structure that enables implementation of the future governance models and public service reform. Savings are profiled as follows: £229k (2016/17); £295k (2017/18) and £347k (2018/19).

Savings to be achieved in 2017/18

- Productivity gains (£140k) - there are changes that need to be made to some staffing structures to ensure that the Council's organisation remains fit for purpose and able to deliver the Council's priorities. Therefore, prior to the start of the 2017/18 financial year, there are a number of reviews planned that will result in changes to structures that are forecast to result in cumulative savings of approximately £140k. This will be updated between January Executive Cabinet and February Full Council to identify the relevant posts. Many of these posts are vacant and will therefore not lead to a reduction in service provision

USE OF THE LCC TRANSITION FUND

37. In 2016/17 it was agreed to create a £1.0m transition fund to support the implementation period of LCC's service reductions to address its own budget deficit position. To date the fund has been used to:
- enable the continued 6/6a & 109a/24a bus services until March 2017
 - enable the continued library provision Adlington, Coppull and Eccleston until March 2018
38. In addition to these commitments, November 2016 Executive Cabinet approved that £307k of the £1m LCC transition reserve will fund Chorley Council's match funding of the Chorley Employment Inclusion Project (CEIP). The project, if approved, will provide intensive one to one mentoring and guidance via specialist key case workers targeting specific beneficiary groups to identify barriers to training and employment, and plan an individually tailored programme of interventions to move beneficiaries closer to the labour

market. It will be 60% funded through European funds. As an employment support project it will target a cohort who should previously have been potentially able to access support though the County Council. As this is no longer available this project will fill that gap.

- 39. It is proposed that £60k is left in the reserve in 2017/18 for potential future commitments that address LCC reductions in service provision.
- 40. After taking into account these commitments **the remaining balance on the fund is £325k**, it is proposed that this is used to cover the remaining 2017/18 budget deficit and create some headroom for additional investment and increases in earmarked reserves. The Council will re-use this remaining reserve because the key elements of transition support needed, for example to maintain library provision, will continue to the end of 2017/18 with the funding already allocated.

RESHAPING THE WASTE COLLECTION SERVICE

- 41. From April 2018 the Council will no longer receive waste cost share funding from LCC, currently £930k per year. Fundamental changes to the waste collection service will need to be undertaken and the Council proposes three key approaches to mitigate this substantial loss of income:
 - 1. A charge for all new and replacement wheeled bins is introduced in April 2017
 - 2. A subscription based garden waste collection service is introduced in May 2017
 - 3. Co-mingled paper and card collections are introduced in July 2017 with collection every four weeks resulting in a potential saving in the current waste and recycling contract

These proposals will be set out in more detail as part of a separate report on this agenda. The additional income and savings that are forecast to be generated from these schemes are £525k in 2017/18 and £720k from 2018/19 onwards.

INCREASE IN COUNCIL TAX

- 42. The Council is proposing a 2% increase in council tax in 2017/18, 2018/19 & 2019/20. An increase, together with further savings options, would not only help to address the budget deficit but also be used to invest in projects that support delivery of the Council’s corporate priorities.
- 43. Importantly, the reductions in Central Government funding announced in the Draft Local Government Finance Settlement 2016 were made with the assumption that not only would Councils expand the council tax base by building more homes but in addition, Councils would reduce the impact of grant reductions by increasing council tax by at least 2%. The funding mechanisms from central government will effectively penalise councils for freezing council tax, through a reverse tariff payment in 2019/20.
- 44. In addition, through freezing or reducing council tax over the past 7 years, Chorley Council has one of the lowest precepts (excluding Parish precepts) in Lancashire as per the table below.

District Council	2015/16	2016/17	Increase
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			2016/17
Chorley	177.41	177.41	0.00%
Pendle	240.38	245.16	1.99%
Preston	285.06	290.73	1.99%
South Ribble	208.38	208.38	0.00%
West Lancashire	183.55	186.76	1.75%
Wyre	180.16	183.31	1.75%

45. Increases in council tax do have a significant, cumulative and permanent effect on the budget deficit even over a short term period. Cumulative additional income the Council could generate from increases in council tax is shown in Table 2.

Summary of Proposals

46. Table 2 illustrates that through savings achieved to date and identified for 2017/18, the use of the unutilised LCC transition reserve and increases in council tax the Council is able to set a balanced budget in 2017/18 with some headroom. The next section of this report describes what investments are included in the figures above and what is proposed for the use of the forecast resources available in 2017/18.

Table 2: Updated Cumulative Budget Deficit as at January 2017

	2017/18 £m	2018/19 £m	2019/20 £m
Gross Budget Deficit	0.656	2.472	3.187
Savings Achieved	(0.276)	(0.327)	(0.327)
Productivity Savings to be Achieved for 2017/18	(0.140)	(0.163)	(0.163)
Use of Remaining LCC Transition Reserve	(0.325)		
Reshaping the Waste Collection Service	(0.525)	(0.720)	(0.720)
2% Increase Council Tax 2017/18, 2018/19 & 2019/20	(0.128)	(0.260)	(0.398)
Adjusted Budget Deficit/(Available Resources)	(0.738)	1.001	1.579

SUPPORTING COPORATE STRATEGY PRIORITIES

47. The budget figures summarised in Table 2 includes budgets that will deliver the corporate strategy priorities through a programme of activities designed to achieve sustainable local growth and reform in the way that the Council delivers services. A list of the projects supporting each priority is shown below:

Involving residents in improving their local area and equality of access for all	
Progress delivery of the Westway integrated sport facility	Capital Programme
Improve the look and feel of local neighbourhoods across the	Base Budget

borough	
Develop new ways to deliver services with communities	16/17 Investment Project Funded 16/17 to 18/19
Clean safe and healthy communities	
Deliver the Primrose Gardens Retirement Village	Capital Programme
Deliver the enabling phase of integrated community wellbeing	Base Budget
Deliver a project to get people ready for work	Remaining LCC Transition Fund
A strong local economy	
Deliver the Steeley Lane Gateway project	Capital Programme
Deliver economic opportunities at Botany	Base Budget
Deliver street level improvements to the town centre	Capital Programme
Develop activity to promote Chorley as a visitor destination including the Chorley Flower Show	Continued investments 17/18 onwards
Deliver the extension to Market Walk	Capital Programme
An ambitious council that does more to meet the needs of residents and the local area	
Improve access to council services by making services more efficient	Base Budget
Integrate public services through the Chorley Public Service Reform Partnership	Base Budget
Deliver the Chorley Youth Zone	Capital Programme

48. In order to continue the delivery of the corporate priorities **£339k of investment funding** is now included in the base budget figures identified in Table 1 from 2017/18 onwards.

Police Community Support Officers - £110k

49. The Council will make a contribution of £110k towards part-funding PCSO posts in the borough, although further discussions and agreements need to be reached with the police and crime commissioner. The Executive Cabinet will be expecting the police to allocate fully funded posts to the borough according to their risk and threat analysis.

Retail Improvement Grants - £70k

50. The retail improvement grants scheme has been successful in regenerating the Council's shopping areas, creating jobs and reducing the number of void units. Budget of £70k will be built into the base budget to continue these achievements.

Chorley Council Events Programme - £159k

51. The Council's events programme continues to go from strength-to-strength attracting record numbers of visitors and increased interest from corporate sponsorship. This budget will continue to enable the Council to deliver and improve the events programme.
52. In addition to these investments the figures in Council's base budget illustrated in Table 1 include the following one off allocations:
- For 2017/18 a one-off allocation of £60k for continued support during the implementation period of LCC's service reductions.
 - Subject to European funding approval the Council will match fund £307k towards the Chorley Employment Inclusion Project that will identify barriers to training and

employment, and plan an individually tailored programme of interventions to move beneficiaries closer to the labour market.

UTILISING RESOURCES AVAILABLE IN 2017/18

Increase in Earmarked Reserves for 2017/18

53. As well as the £339k of investment funding built into the base budget, the Council has identified a one-off provision to fund projects that will further deliver the Council's corporate strategy priorities in the next financial year. A **£120k investment project fund** will be created for 2017/18 to meet the funding requirements of projects to be identified before the final budget is set in February 2017.
54. The following section of this report will make it clear that there are very large budget deficits that will need to be addressed in 2018/19 & 2019/20. Significant upfront costs are likely to be incurred in order for the Council to successfully implement the necessary net expenditure reduction strategies. As such it is proposed that reserves are created to meet these future costs.
55. It is proposed that the **change management reserve is increased to £200k**. This reserve has been fully utilised in 2016/17 for costs relating to restructures undertaken during that period including the senior management review. Further staffing changes will take place as part of the transformation and shared services strategies and so this reserve will need to be resourced for the Council to fund these changes.
56. As part of the 2016/17 budget setting process the Council set aside £600k in a reserve to fund investment in income generating schemes that would create net income for the Council in order to bridge its budget deficit. To date £250k has been committed against this budget for the preliminary costs of bringing the Digital Office Park to the planning stage and for procurement support. In order to deliver future reductions in net expenditure it is important for the Council to continue to set aside resources to enable investments that will generate future income streams.
57. In particular the agreed acquisition of HCA employment land as part of a £2.8m land swap will mean Chorley Council acquire 20.73 acres of land including Cowling Farm and Eaves Green. As a result of these large investments **it is proposed that the Council set aside £317k of reserves in 2017/18 to realise the income generating potential from these employment sites**. This will result in the reserve being brought back to over £600k in 2017/18.
58. Finally, it is expected that the Council will incur one off expenditure in 2017/18 relating to the maintenance of its assets. This could include works to the Councils offices that will prepare for changes implemented through the transformation strategy. It could also include continued works to land affected by flooding and maintenance of the Councils reservoirs. These works will be in addition to the Council's annual maintenance budget and so **it is proposed that in 2017/18 £100k is set-aside for these works**.

Table 3: Cumulative Budget Deficit after Proposed Transfers to Reserves

	2017/18 £m	2018/19 £m	2019/20 £m
Adjusted Budget Deficit/(Available Resources)	(0.738)	1.001	1.579
Creation of an Investment Project Fund	0.120		
Increase in Change Management Reserve	0.200		
Increase in Income Generating Investment Fund	0.317		
Increase in Maintenance Reserve	0.100		
Adjusted Budget Deficit	0.000	1.001	1.579

THE BUDGET – HOW THE FINANCIAL CHALLENGE WILL BE MET

	2018/19 £000s	2019/20 £000s
Cumulative Budget Deficit	1.001	1.579

59. Despite the budget savings identified in this report there remain large forecast budget deficits in 2018/19 and 2019/20. To achieve a sufficient reduction in net expenditure the Council’s Strategy will be to:

- 1. To realise savings through the procurement of its contracts**
- 2. To identify the efficiencies through shared services and alternative delivery models that will enable the Council to balance the budget whilst seeking to minimise the impact on front line service users**
- 3. To make the Council more financially self-sufficient with specific emphasis on creating investment that generates income. This includes identifying future uncommitted resources and commits the balances to support income generating schemes.**

REALISING SAVINGS THROUGH PROCUREMENT OF CONTRACTS

60. During the end of the MTFs period the Council will undertake large procurement exercises on its contracts that are coming to the end of the contract agreement periods. The ambition for the Council is that through these procurement exercises it will transform its delivery of key services whilst generating cost savings and continuing to provide excellent service delivery. The Council encourages an innovative approach to service delivery and therefore various options will be considered including the utilisation of existing Council premises and vehicles, expanded shared procurement with other Councils and the consideration of bringing some services in-house.

TRANSFORMATION STRATEGY

Shared Services

61. Shared services continue to be a significant method by which councils generate savings and generate capacity in service delivery. Nationally, there are many examples of shared services, ranging from individual posts and services to full shared management teams. South Ribble Council would appear to be the most obvious potential partner for developing a shared service relationship. The cost savings achieved by other district councils would suggest that a 10% saving would be achievable by sharing officer structures and key contracts.

Productivity Gains

62. The transformation strategy covers many aspects of change both within the Council and in partnership with other organisations. At this stage the main strands of the strategy that could generate savings are outlined below:
- The Transformation Strategy will facilitate a greater integration of public services. In partnership with Lancashire Care NHS Foundation Trust (LCFT) the Council is implementing an Integrated Community Wellbeing Service. The proposal is to integrate public services that relates to promoting health and wellbeing of individuals or communities and are aimed particularly around prevention and early intervention. The service will consist of functions drawn from both LCFT and Chorley Council and will include around 45 FTE from Chorley Council. The partnership is currently in the enabling phase but when implemented is anticipated to generate opportunities for savings over the long-term.
 - The Transformation Strategy will develop and implement the 'WorkSmart' programme. This will facilitate a shared culture of smarter working, maximising the use of technology and digital information. Cost savings are expected through process/productivity improvements and consolidation of office space.
 - The Transformation Strategy will develop a Council approach to community-action and co-production. Communities and residents will be empowered to take an active role in their community, realising the value of key local assets. Residents will be engaged, communities more resilient with increased customer satisfaction and improved long term outcomes.

INCOME GENERATION

63. The Council has already been successful in income generation through the purchase of Market Walk shopping centre as well as the expected income streams from the extension of Market Walk and the development of the Digital Office Park. The Council realises that further work must be undertaken to recognise fully the potential revenue streams the Council is able to create.
64. Through external professional advice the Council will undertake an analysis of the financing of income generating investments that will generate new income streams. The Council's strategy is to make resourceful investments that will generate significant net income in the latter stages of the MTFS period. To do this, as proposed in this report, reserves must be set-aside to fund the initial costs of these projects.

Table 4: Estimated Medium Term Financial Strategy Cumulative Budget Deficit and Cumulative Savings

	2018/19 £m	2019/20 £m
Forecast Budget Deficit	1.001	1.579
Renegotiate Contracts	(0.051)	(0.350)
Transformation – Productivity Gains	(0.300)	(0.400)
Transformation – Shared Service	(0.650)	(0.750)
Transformation - Income Generation		(0.079)
Forecast Adjusted Medium Term Budget Deficit	0.000	0.000

GENERAL BALANCES

65. Through setting this budget and utilising underspends in 2016/17 the Council is on track to meet its MTFS target of £4m general balances by 2018/19.
66. The Council recognises that use of the general reserve may be required during the MTFS period. The transition to the new 2020/21 100% business rates retention regime may require the use of the balances to meet transitional budget deficits. In addition, the profiling of income generating projects may result in net income not being realised until later in the MTFS period.
67. As outlined in this report there is a £1.3m risk to general balances associated with two applications for mandatory charitable relief received from Lancashire Teaching Hospitals NHS Foundation Trust.

CAPITAL PROGRAMME 2017/18 to 2019/20

68. This report has dealt, in the main, with the Council's revenue budget. Implicit in the investment programme set out above, however, are financial implications for the Capital Programme. The latest three year Capital Programme can be found in the Revenue and Capital Budget Monitoring Report 2016/17 Report 2 approved at November Executive Cabinet 2016. Any further changes to the capital programme will be brought into the 2017/18 final budget report in February Special Council.

BUDGET CONSULTATION

69. Consultation on the proposed budget for 2017/18 will commence following approval of the proposals by Executive Cabinet. The consultation will focus on obtaining feedback on key proposals within the budget. The consultation will invite responses from residents, partners, parish groups and other stakeholders through a variety of methods including a short survey (available both in hard copy and online). Results will be analysed and published in February for consideration as part of budget finalisation.

IMPLICATIONS OF REPORT

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

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

COMMENTS OF THE STATUTORY FINANCE OFFICER

71. The financial implications of the above report are all contained in the text above but to clarify all proposals are funded and can be accommodated within the 2017/18 Budget. It should be noted that the report does contain a number of assumptions on some future budget elements and also what the final out-turn position will be for 2016/17. Should any of these change due to unforeseen circumstances arising before 31st March 2017, this will be reviewed and reported.

COMMENTS OF THE MONITORING OFFICER

72. There are no legal implications in adopting the Budget proposals for consultation.

GARY HALL
CHIEF FINANCE OFFICER

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
James Thomson	5025	11/01/17	

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Analysis of Budget Variations 2017/18 - 2019/20

	2017/18 ESTIMATE £'000	2018/19 ESTIMATE £'000	2019/20 ESTIMATE £'000
CASH BASE BUDGET REQUIREMENT	14,059	14,222	15,057
Cash Movements:			
Other Virements (Transfer below the line)			
Inflation			
Pay	116	99	96
Pensions	273	12	13
Pensions Rate Adj.	(165)	50	126
Non-Pay	12	61	51
Contractual	210	161	78
Income	202	16	(104)
Increments	43	21	9
Volume Expenditure	49	32	(7)
Volume Income	(24)	137	25
Loss of Income - LCC waste/recycling agreement	18	933	0
Market Walk Extension	0	(463)	72
Retirement Village	50	92	117
Digital Park	65	(7)	(76)
Chorley Employment Inclusion Programme	300	(300)	0
Chorley Youth Zone - Additional Contribution	0	50	0
Transformation Strategy Savings 2016/17	24	0	0
New Revenue Investment 2016/17	(1,408)	0	0
LCC Transition Fund	60	(60)	0
New Revenue Investment 2017/18	339	0	0
DIRECTORATE CASH BUDGETS	14,222	15,057	15,456
Contingency:			
- Management of the Establishment	(150)	(150)	(150)
Directorate & Corporate Budgets	14,072	14,907	15,306
Net Financing Transactions:			
- Net Interest/Premiums/Discounts	127	127	127
- Minimum Revenue Provision (MRP - capital financing)	384	395	395
- MRP £23m & Borrowing £13m for Market Walk	520	506	506
- Additional interest on £11m Borrowing not initially taken	361	358	358
sub total	1,393	1,386	1,386
TOTAL EXPENDITURE	15,465	16,292	16,692
Financed By:			
Council Tax - Borough	(6,375)	(6,439)	(6,503)
Parish Precepts	533	533	533
Council Tax Parishes	(533)	(533)	(533)
Revenue Support Grant	(734)	(299)	156
Retained Business Rates	(2,977)	(2,977)	(2,977)
Business Rates Pooling	(726)	(726)	(726)
Government Section 31 Grants	(583)	(583)	(583)
Business Rates Retention Reserve	(92)	(92)	(92)
Use of NHB for Capital Investment (Future Years)	(400)	(400)	(400)
Use of NHB for contribution to General Balances	(500)	(259)	0
Use of uncommitted NHB	(3,107)	(2,323)	(2,398)
Council Tax Discount Family Annexes Grant	(5)	0	0
Collection Fund (Surplus)/Deficit - Council Tax 17/18 onwards	(80)	0	0
Transfers to/(from) Earmarked Reserves	130	18	17
Proposed Transition Fund - Transfer to Reserve	140	0	0
Transfer to/(from) General Balances	500	259	0
TOTAL FINANCING	(14,808)	(13,821)	(13,505)
Budget Deficit/(Surplus)	656	2,472	3,187
Savings Achieved	(276)	(327)	(327)
Staffing Changes	(140)	(163)	(163)
Use of Uncommitted LCC Transition Fund	(326)	-	-
Reshaping the Waste Collection Service	(525)	(720)	(720)
2% Increase in Council Tax	(128)	(260)	(398)
Adjusted Budget Deficit/(Surplus)	(738)	1,001	1,579
Creation of an Investment Project Fund	120	-	-
Increase in Change Management Reserve	200	-	-
Increase in Income Generating Investment Fund	318	-	-
Increase in Maintenance Reserve	100	-	-
Adjusted Budget Deficit/(Surplus)	(0)	1,001	1,579
Future Savings/Income Generation			
Renegotiate Major Contracts	-	(51)	(350)
Transformation – Productivity Gains	-	(300)	(400)
Transformation – Shared Service	-	(650)	(750)
Transformation - Income Generation	-	-	(79)
Forecast Adjusted Medium Term Budget	(0)	0	(0)

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Report of	Meeting	Date
Director of Policy and Governance	Overview and Scrutiny Performance Panel	1 December 2016

PCSO DEPLOYMENT AND FUNDING ARRANGEMENTS

PURPOSE OF REPORT

- To provide the performance panel with background information to consider when discussing the council's investment in Police Community Support Officers (PCSOs)

RECOMMENDATION(S)

- That the panel consider the report and discuss the implications.
- That the panel consider what, if any, recommendations they make to the Executive Cabinet and Council in terms of the council's approach to investing in PCSO provision in the borough.

Confidential report Please bold as appropriate	Yes	No

CORPORATE PRIORITIES

- 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

- The council has supported the provision of PCSOs by providing funding to Lancashire Police since for a number of years. The aim of PCSOs is to provide a link between the police and communities, and to also support the council's work in community safety, reassurance and environmental crime.
- The council currently makes a contribution of £297,000 a year for the PCSO provision in the borough. The funding is drawn from the New Homes Bonus funding the council receives. This investment decision is taken on an annual basis at the budget setting council meeting.
- The overview and scrutiny committee have previously considered the work of PCSOs, and have questioned representatives from the police on the matter. The most recent meeting was in October 2016. A summary of that discussion is provided below.

PCSO ACTIVITY AND PREVIOUS UPDATES

8. Overview and Scrutiny received an update report in October 2015 that outlined the contribution the council made to PCSO provision and the approach being taken by the Police to their deployment. At that time, the report outlined:
- The Police's threat and risk analysis indicated that the optimum number of PCSOs for the borough was 14. However, given the council's contribution, they would continue to support a total of 27 PCSOs.
 - That the funding at that point the funding of £11,000 per PCSO amounted to around 33% of the total cost of each post.
 - That the police had agreed to direct some of the PCSO resource toward prevention and early intervention, and they would support the police's early action team.
9. Overview and Scrutiny received a further update at their meeting in March this year. During that discussion, the Police answered questions around the deployment and use of PCSOs:
- There are 19 PCSOs working within the neighbourhood policing teams within the borough, and eight working on early action.
 - The deployment of PCSOs is on the basis of risk, threat and vulnerability.
 - That the money provided by the council is used in resources deployed within the borough.

LANCASHIRE POSITION

10. In August, the Joint Management Board of the Constabulary and the Policy and Crime Commissioner considered a report on the HR Establishment of the Police. It included information about the PCSO posts that receive part funding.
11. The table in that report is set out below

Div	Partnership	Staff Details	FTE	Commitment
West	Blackpool Borough Council	Town Centre, Priority Wards	9	£103,500
West	Blackpool Borough Council	Blackpool Transport	1	£11,500
West	Aspire Academy (formerly Bispham High School)	School PCSO	1	£11,500
West	Blackpool and Fylde College	School PCSO	1	£11,500
West	Montgomery High School	School PCSO	1	£11,500
West	St Marys Catholic College	School PCSO	1	£11,500
West	Pupil Referral Unit	School PCSO	1	£11,500
West	Lancaster University	1 x PCSO	1	£11,000
West	Morecambe Town Council	3 x PCSO	3	£33,804
West	Morecambe High School	1 x PCSO	1	£11,568
South	Chorley Borough Council	27 x PCSO	27	£297,000
South	West Lancs District Council	8 x PCSO	8	£88,000
South	South Ribble Borough Council	4 x PCSO	4	£44,000
South	Community Gateway	1 x PCSO	1	£11,000
South	Cardinal Newman College	1 x PCSO	1	£11,000
East	Blackburn with Darwen Borough Council	16 x PCSO	16	£178,240
East	Ribble Valley Borough Council	2 x PCSO	2	£22,000
East	The Mall Limited Partnership	1 x PCSO	1	£11,000
East	Newground CIC - Blackburn Town Centre	2 x PCSO	2	£22,000
East	Burnley Borough Council	8 x PCSO	8	£88,000
East	Pendle Council	6 x PCSO	6	£66,000
East	Rossendale Borough Council	3 x PCSO	3	£33,000
East	Sir John Thursby Community College	1 x PCSO	1	£11,000
HQ (N)	LCC NIMROD - LDAAT	2 x PCSO	2	£16,814

West(N)	Lancashire County Council	2 x PCSO	2	£264,000
South (N)	Lancashire County Council	6 x PCSO	6	
East (N)	Lancashire County Council	7 x PCSO	7	
HQ (N)	Lancashire County Council	2 x Safer Travel (Corp Dev)	2	
Totals:			119	£1,391,926

12. Of particular note in the table is that Chorley Council makes the largest contribution to part-funding PCSO posts across the county. The contribution is significantly higher than other district councils (West Lancashire making the next nearest at £88k).
13. The main body of the report in August also set out the total number of PCSO posts for each division.
14. For the Southern division (Chorley, South Ribble, Preston and West Lancashire), there are 47 part-funded posts (with 27 of these being funded by Chorley Council). However, there are also 51 fully-funded posts across the division. This information would appear to suggest that Lancashire Police do not provide any fully-funded PCSO posts to Chorley, and they must be deployed elsewhere where partner contributions are lower.
15. The Deputy Chief Executive has raised this query with the Police.
16. Although any changes would need to be undertaken through negotiation with the Police, there is a potential that the council could argue that the Police should identify the number of PCSOs who should be deployed to the borough through their risk and threat analysis. The council could then choose to 'top-up' the provision if it determined it supported its priorities, rather than part funding every PCSO deployed in the borough.

IMPLICATIONS OF REPORT

17. 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

18. No comments

COMMENTS OF THE MONITORING OFFICER

19. No comments

CHRIS SINNOTT
DIRECTOR (POLICY AND GOVERNANCE)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Chris Sinnott	5337	23 November 2016	PCSO deployment and funding – performance panel

Report of the Overview and Scrutiny Task Group – Child Sexual Exploitation

December 2016



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Introduction

The topic of child sexual exploitation has been in the media spotlight for the last few years due to many high profile cases. Many of the investigations into child sexual exploitation identified significant failings in local authorities and other public bodies across the country. The Overview and Scrutiny Committee wanted to review the council's own policies and procedures to ensure they were robust and fit for purpose.

A task group was established and met five times between August and November 2016. This report details information about the witnesses with whom the task group met; the information the task group received and the conclusions that the task group reached. It also includes a list of recommendations that the task group wishes to put forward to the Executive Cabinet for their consideration and implementation.

I would like to thank my fellow members of the task group for their dedication and contributions to what has been a challenging and difficult review to undertake due to the nature of the topic. The evidence put forward by the witnesses at times was distressing for the task group to hear, particularly when case studies were disclosed.

I would also like to thank those partners and officers of the council who gave presentations and information at the meetings. Their contribution allowed the task group to gain a greater understanding of the topic, and the important role that the council, working in partnership with other agencies, has in the early identification and prevention of this type of child abuse.



Councillor Roy Lees – Chair of the Overview and Scrutiny Task Group

Membership of the Task Group

The following members serviced on the task group -

- Councillor Roy Lees (Chair)
- Councillor John Dalton
- Councillor Mark Jarnell
- Councillor Hasina Khan
- Councillor Margaret Lees
- Councillor Sheila Long
- Councillor Alistair Morwood
- Councillor Kim Snape
- Councillor Richard Toon

Officer Support:

Lead Officers

Louise Elo Head of Early Intervention and Support

Democratic Services

Cathryn Filbin Democratic and Member Services Officer

Scoping the review

At its first meeting the task group received a presentation from officers of the Early Intervention and Support directorate. The purpose of the presentation was to identify the council's role and responsibility in regards to the prevention and identification of Child Sexual Exploitation. Review was subsequently scoped as follows -

Objectives:

1. To understand the definition and issues surrounding Child Sexual Exploitation;
2. To gain an understanding of the Council's policies and procedures and how they complement those of our partners;
3. Identify those services that were most likely to receive intelligence about service users who were potentially at risk or those perpetrating the abuse and understand the reporting mechanisms officers use to report such intelligence.

Desired Outcomes

1. An understanding of the Council's policies and procedures and how they complement those of our partners;
2. To make recommendations on any changes to the Council's process and procedures to ensure they are as robust as possible;
3. An understanding of the role of the Councillor in the future management and control of services;

4. For all Councillors to undertake on-line Child Sexual Exploitation and Safeguarding training.

Terms of reference

1. To understand the Council's requirements in protection of those children and young people who are being/or at risk of being sexually exploited.
2. To identify key services that have the potential to receive intelligence about those children and young people who were being sexual exploited or at risk of being so, and possible perpetrators of the exploitation either directly or indirectly.
3. To ensure that the Council's policies and procedures are robust and ensure that any gaps identified were adequately addressed.
4. To ensure all Councillors are made aware of their responsibilities when it comes to identifying and reporting Child Sexual Exploitation.

Witnesses

The following witnesses met with the task group and shared information –

Partners

Detective Inspector Steve Ryder, Deter Team, Lancashire Police
 Hayley Bentley, Rebecca Gardiner and Sarah Ainsworth, Child Sexual Exploitation Intensive Support Officers, Children's Society
 Natalie Fairhurst, Safeguarding and Intervention Manager, Parklands Academy

Chorley Council Officers

Louise Elo, Head of Early Intervention and Support
 Rachel Austen, Intervention and Prevention Officer
 Chris Moister, Head of Legal, Democratic and HR Services
 Graeme Walmsley, Senior HR & OD Consultant

Websites

The Children's Society - <http://www.childrenssociety.org.uk/>

The Safe and Sound Group (Fighting CSE) - <http://safeandsoundgroup.org.uk/about/about-safe-and-sound/>

NSPCC - <https://www.nspcc.org.uk/preventing-abuse/child-abuse-and-neglect/child-sexualexploitation/legislation-policy-guidance/>

Department for Education (Keeping Children safe in Education) – https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/550511/Keeping_children_safe_in_education.pdf

HM Government (Working Together to Safeguard Children) – https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/419595/Working_Together_to_Safeguard_Children.pdf

BACKGROUND

Safeguarding is everyone's responsibility and as such it was suggested that this task group review should be based on the council's roles and responsibilities to safeguarding which would include child sexual exploitation.

However, the task group established that the topic of safeguarding would become a far reaching review and would require a significant amount of time being allocated to it to ensure the review was conducted thoroughly, as the term 'safeguarding' encompasses many different topic areas, all of which require the same attention. However, it is important to stress that the task group did agree that safeguarding as a whole should be considered for a future review.

On this occasion, it was agreed the focus of the review should be on the topic of child sexual exploitation.

WHAT IS CHILD SEXUAL EXPLOITATION (CSE)?

The term explains what happens when abusers encourage children and young people under 18 into exploitative situations, contexts and relationships. These often involve the young person being given such things as food, accommodation, drugs, affection, gifts or money in return for performing sexual activities.

CSE can occur through the use of technology without the child/young person's immediate recognition e.g. being persuaded to post sexual images on the internet/mobile phone without immediate payment/gain.

In all cases those exploiting children/young people have power over them by virtue of their age, gender, intellect, physical strength and/or economic or other resources.

Frequently CSE is associated with physical and/or mental abuse. Violence, coercion and intimidations are common. Involvement in exploitative relationships are characterised in the main, by the child/young person's limited availability of choice resulting from their social/economic and or emotional vulnerability.

CSE can affect any child or young person under the age of 18 regardless of their social or religious background or their ethnicity. It is important that victims are supported and treated with respect and sensitivity. They must also feel safe in the knowledge that any disclosures will be kept confidential.

Perpetrators can be an adult or another young person regardless of gender or ethnicity and can be visible in everyday life.

It is imperative that the child or young person's welfare is of paramount concern. Therefore if there is the slightest suspicion that CSE is taking place, those suspicions should be reported to the appropriate authorities as a matter of urgency.

WITNESSES

The task group was keen to gain an understanding of what other organisations did to safeguard children and young people from CSE. For that purpose interviews were set up with representatives from Lancashire Police, The Children's Society and Parklands Academy.

Police perspective

Detective Inspector Steve Ryder from the Deter team gave an overview of the work that Lancashire Police were doing to detect and prevent CSE.

Lancashire Police has three teams dealing with different areas of Lancashire

- Awaken (Blackpool, Fylde, Lancaster, Morecambe and Wyre)
- Engage (Blackburn with Darwen, Hyndburn, Ribble Valley, Pendle and Rossendale), and
- Deter (Preston, Chorley, South Ribble, West Lancashire)

Since April, the Deter team had received 271 referrals. The referrals range from incidents of children posting naked pictures of themselves online to rape. All referrals would be investigated, but not all investigations would result in a prosecution as it was dependent on individual cases. The welfare of the victim was the team's main priority. If a child or young person was in danger of abuse, the Deter team would remove the individual from that situation even if it compromised an investigation.

The Task Group received disturbing (anonymised) examples of case studies that were under current investigation in Lancashire. In each case, the young people involved did not consider themselves as victims. When this happens, the offender can be remanded in prison while further evidence is gathered and the victim given the support they needed to come to terms with what had happened and recognise it as abuse.

The police led a multi-agency response to prevent CSE. Organisations from across all sectors met regularly to discuss cases and share intelligence about possible victims and offenders of abuse as it was important that support was offered by the most appropriate agency, which could differ from case to case.

The Deter team also work with other partners including PACE (Parents Against Child Sexual Exploitation) as it was recognised families of those abused needed support during such a difficult time.

Other work carried out by the police included a trial which had taken place with taxi drivers receiving literature on CSE and how to prevent it which they could keep, and distribute. Due to its success, it was intended that the trial be rolled out to other licence holders.

The Task Group wanted to know how the police tackled CSE from an enforcement point of view. Detective Inspector Ryder explained that

- All referrals are investigated.
- The police gather intelligence about possible victims or offenders
- They place offenders on the Sex Offenders Register

- Representatives from the Deter team join partners such as Environmental Health on unannounced visits to suspected food establishments.
- The team visit swimming pools and the sites of other leisure activities to educate staff and for surveillance purposes
- Facebook and other social media sites are scrutinised for signs of potential grooming.
- Issuing of Community Protection Warning (CPW)/Community Protection Notice (CPN) to those people who harbour children who may have absconded from home without the child's parents/guardians knowing.

The task group were keen to find out what the council could do better in the prevention of CSE. Detective Inspector Ryder explained that education was key to fighting this type of abuse and the task group were asked if elected members could be encouraged to go out in to their community and highlight the dangers. CSE can affect any young person regardless of background or ethnicity. Members are also asked to refer any suspicions they, or their constituents, have without hesitation to the Deter team, even if those suspicions are proved unfounded.

Charitable service perspective

Hayley Bentley, Rebecca Gardiner and Sarah Ainsworth from The Children's Society attended and gave an overview of the work that The Children's Society carried out to support young people who had been subject to CSE.

The task group were informed that the Society had identified issues relating to CSE over 13 years ago; this was a long time before any other organisation recognised it as being a problem.

Street Safe is a pilot project set up by the Society which is aimed at delivering help and support to those young people who had been subjected to CSE between the ages of 16 to 18. This age group was targeted specifically as they were not protected by children safeguarding laws, due to them being over the age of consent, but were not yet considered an adult.

The Street Safe initiative included –

- 1-2-1 direct work
- Group work
- Targeted work
- Awareness raising and training
- Participation
- Consultancy

Street Safe consisted of six case workers, and a manager. The society had charitable status and was funded by donations and grants. Two case workers represented the society on each of the three specialist CSE multi-agency teams across Lancashire Constabulary (Awaken/Deter/Engage) set up to share information on high risk cases.

As part of the project, caseworkers work with individuals offering them the support they need for as long as is required. The timescale spans from the initial referral, support for

court hearings, and beyond. Each caseworker is able to support young people in all aspects of their life and not just focus on CSE support. At the first meeting the young person would be advised that if a safeguarding issue was disclosed, the relevant agency would need to be informed, otherwise the service was completely confidential.

The direct work was extremely time intensive, and to this end each caseworker usually dealt with a maximum of 12 cases at any one time, with meetings taking place wherever the young person felt most comfortable.

The pathway for the young person's referral to the Street Safe project was via a variety of different means which included the police, social workers, teachers, parents and self-referrals

Education perspective

Natalie Fairhurst, the Safeguarding and Intervention Manager for Parklands Academy gave an insight in to the work done in regards to raising awareness of CSE in schools and the help and support offered to those who had suffered CSE.

The task group were informed that Parklands Academy had a comprehensive approach to tackling CSE, which included –

- A term of Personal, Social Health and Economic lessons, was dedicated to CSE, including the dangers of sexting
- Targeted sessions with vulnerable groups
- Feeling safe sessions
- Workshops for both pupils and parents (Chelsea's Choice)
- Safer internet sessions
- Work in partnership with the Deter team, Children's Society and other relevant partners
- Work with partners to deliver training to staff
- Regular meetings with other schools
- Liaise with other schools
- Ensure all schools policies were reviewed annually
- To act as a supportive body, and work with pupils to reassure them that they had not done anything wrong.

For those families who were hard to reach, staff would use a variety of methods to get in contact with parents or guardians, which included house visits. Community drop-ins also taking place at a local supermarket for those parents/guardians who wanted to meet on neutral ground. It was important for the Academy to make their pupils feel cared for and protected, and that they could confide in any member of staff without fear of ridicule or not being believed.

The task group was also informed that every high school had a legal requirement to have a safeguarding designated person and a back-up designated person, although their general day to day role could be different in each high school.

DISCLOSURE AND BARRING SERVICE (DBS) CHECKS

To demonstrate how seriously safeguarding is regarded by elected members and the council, the task group felt that it would be good practice for elected members to undertake a DBS check and commissioned a report which looked at the legal requirements to enable disclosure applications to be made.

However, information contained within the report indicated that for a disclosure application to be accepted, the applicant needs to demonstrate they meet the strict criteria for a disclosure check to be carried out. In terms of elected members, it was considered that in their role as a councillor they would not meet the criteria and as such it would not be lawful to apply for disclosures through the DBS. An alternative provision does exist through Disclosure Scotland, though this would not provide as much information or level of check, and is unlikely to be recognised as being comparable to a DBS Disclosure certificate.

In conclusion, the task group agreed not to put forward a recommendation for elected members to undertake a DBS check as the applications would likely fall outside the legislative framework relating to DBS disclosures. In respect of the basic disclosure applications' through Disclosure Scotland; due to the disclosures only providing details of unspent convictions, which elected members are legally obliged to disclose anyway, it was felt that applications made through Disclosure Scotland would be of no value. In addition, there would also be no mechanism to enforce elected members to complete applications.

THE COUNCIL'S ROLES AND RESPONSIBILITIES

As previously mentioned in this report, safeguarding is everyone's responsibility.

At its penultimate meeting, the task group was given an overview of the council's roles and responsibilities.

- As part of a partnership approach (Community Safety Partnership, Lancashire Children and Young People's Trust, Lancashire Safeguarding Children and Young People's Trust Board) the council is a major contributor to plans and protocols.
- Raise awareness about CSE with elected members and officers
- Raising awareness about CSE in the community (targeted delivery)
- Supporting national and local initiatives
- Ensure relevant officers of the council undertake regular training on CSE prevention
- Ensuring that the reporting pathway for suspected CSE cases is widely known.

In addition, the council had introduced a requirement that those people applying for/ or renewing a taxi drivers licence had to undergo regular CSE training as part of the application/renewal process.

Officers from the Early Intervention and Support Directorate had also undergone train the trainer courses which would allow them to train other members of staff on a regular basis.

The task group was informed that as a representative of the Chorley and South Ribble Community Safety Partnership Task and Finish Group on CSE, the Early Intervention and Prevention Officer also played an important role liaising with other partners trying to raise awareness with parents and guardians as well as the children and young people.

At this meeting, it was reported that the council's safeguarding policies and procedures had been recently audited by the council's own audit team who recommended a number of actions to take place.

CONCLUSION

The Task Group is encouraged with the work already undertaken by the council to raise awareness of this type of child abuse. However, it was felt that the council could play a bigger role in raising awareness with elected members, officers of the council, other organisations, and individuals. It is felt that the recommendations detailed below will keep CSE awareness at the forefront of people's minds and that the checks and balances suggested will ensure that the council does not become complacent about its responsibilities and role in the community.

RECOMMENDATIONS

The Executive Cabinet is asked to consider and implement the following recommendations:

1. That the Council should raise awareness with elected members and officers,
 - by continuing to support campaigns raising awareness of CSE and other safeguarding issues;
 - by continuing to deliver training programmes to elected members and officers of the council in regards to CSE; and
 - by working with partners to produce an appropriate package of training specifically relating to CSE to be delivered to the targeted officers who already receive safeguarding training.
2. Ensure both members and officers have an understanding of the partnership approach adopted and the key early intervention opportunities, whereby every contact with a child or young person matters.
3. Ensure both members and officers have an understanding of the referral pathway in place for suspected cases of CSE or where there is a potential risk of CSE taking place.
4. That the Licensing and Public Safety Committee be requested to extend the CSE training beyond the taxi trade to the wider licensing community. To ensure a successful roll out, a distinct and comprehensive action plan should be first drawn up to include resource implications.
5. The council should work with, and support partners in producing appropriate

material/delivering events to raise CSE awareness amongst parents and guardians.

6. That a representative from Parklands Academy and a primary school be invited to join the CSE Task and Finish Group to put forward recommendations to the Chorley and South Ribble Community Safety Partnership.
7. The council should improve links with all schools to ensure that the list of relevant contacts for each school is accurate and kept up to date.
8. In raising awareness about CSE, elected members be informed about those circumstances where CSE exists or where there is a potential for CSE to develop, so that they can ensure they follow personal safety guidance in carrying out their ward councillor role. This matter to be referred to the Member Support Working Group for their consideration and guidance.
9. The council should support and help develop a CSE awareness campaign with partnership agencies and the public using social media.
10. The Council should continue to raise awareness within the community, for example, by developing best practice toolkits used by fellow local authorities for voluntary community and faith sector organisations and licensees (taxi's and others).



OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME 2016/17

	16 Jun OSPP	7 Jul OSC	22 Sep OSPP	6 Oct OSC	1 Dec OSPP	26 Jan OSC	9 Mar OSPP	30 Mar OSC
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To be considered:

Panel Meeting (OSPP) to consider Council and related performance in addition to scrutiny of key service areas	*		*		*		*	
Overview and Scrutiny Performance Panel minutes		*		*		*		*
Executive Cabinet Minutes		*		*		*		*
Notice of Executive Decisions		*		*		*		*
Flooding issues across the Borough				*				
Budget Scrutiny						*		
Health Scrutiny		*		*		*		*
Section 106 update				*				
Annual Reporting Back Report		*						
Overview and Scrutiny Work Programme for the year		*		*		*		*

Scrutiny Reviews:

Neighbourhood Working				2M				
Public Transport Issues				1M				2M
Single Front Office				R				1M
Staff Sickness Absence				R				1M

Potential topics for future reviews

Counter Terrorism Act								
Communications								
Community Racial Integration								
Flooding								
Rollout of Superfast Broadband by BT								
Waste Management Contract								

Crime and Disorder Scrutiny:

Community Safety Partnership – Child Sexual Exploitation				*		FR		
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Key:**Task Group Reviews:**

- S Scoping of the review
- C Collecting and considering evidence
- FR Final report of the review
- R Feedback and response from the Executive Cabinet
- M Monitoring Reports, 1 2 and 3 (if required)
- V Verbal update from the Chair
- ML Member Learning Session

Acronyms

- OSC Overview and Scrutiny Committee
- OSPP Overview and Scrutiny Performance Panel

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