

## **COUNCIL**

TUESDAY, 23RD JANUARY 2018, 6.30 PM  
COUNCIL CHAMBER, TOWN HALL, CHORLEY

### **AGENDA**

#### **APOLOGIES**

1 **MINUTES OF MEETING TUESDAY, 21 NOVEMBER 2017 OF COUNCIL**

(Pages 5 - 12)

2 **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.

3 **MAYORAL ANNOUNCEMENTS**

4 **PUBLIC QUESTIONS**

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

5 **EXECUTIVE CABINET**

(Pages 13 - 18)

To consider a general report of the meetings of Executive Cabinet held on 5 October, 16 November and 14 December.

6 **REVENUE AND CAPITAL BUDGET MONITORING REPORT 2017/18 REPORT 2 (END OF SEPTEMBER 2017)**

(Pages 19 - 40)

To consider a report of the Director (Policy and Governance) agreed by Executive Cabinet on 16 November and requiring Council approval.

7	<b>OVERVIEW AND SCRUTINY COMMITTEE AND TASK AND FINISH GROUPS</b>	(Pages 41 - 44)
	To consider the general report of the Overview and Scrutiny Committee held on 12 October, the Special Overview and Scrutiny Committee considering the Council's Waste Contract on 24 October and 30 November, the Overview and Scrutiny Performance Panel held on 21 September and 30 November and task group update.	
8	<b>GOVERNANCE COMMITTEE</b>	(Pages 45 - 48)
	To consider the general report of the Governance Committee held on 20 September 2017.	
9	<b>COUNCIL APPOINTMENTS</b>	
	To appoint one substitute Member per group for the Appointments Panel.	
10	<b>ELECTORAL REVIEW UPDATE</b>	(Pages 49 - 56)
	To consider a report of the Director (Policy and Governance).	
11	<b>MARKET WALK UPDATE</b>	
	To consider a report of the Director (Business, Development and Growth) (to follow).	
12	<b>QUESTIONS ASKED UNDER COUNCIL PROCEDURE RULE 8 (IF ANY)</b>	
13	<b>TO CONSIDER THE NOTICES OF MOTION (IF ANY) GIVEN IN ACCORDANCE WITH COUNCIL PROCEDURE RULE 10</b>	

14 **EXCLUSION OF THE PUBLIC AND PRESS**

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

By Virtue of Paragraph 1: Information relating to any individual.

Condition:

Information is exempt to the extent that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information is not exempt if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to Regulation 3 of the Town & Country Planning General Regulations 1992(a).

By Virtue of Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Condition:

Information is not exempt if it is required to be registered under-

The Companies Act 1985

The Friendly Societies Act 1974

The Friendly Societies Act 1992

The Industrial and Provident Societies Acts 1965 to 1978

The Building Societies Act 1986 (recorded in the public file of any building society, within the meaning of the Act)

The Charities Act 1993

Information is exempt to the extent that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information is not exempt if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to Regulation 3 of the Town & Country Planning General Regulations 1992(a).

15 **CHORLEY COMMUNITY HOUSING (CCH) UPDATE**

To consider a report from Chorley Community Housing (to follow).

16 **SHARED SERVICES UPDATE**

To consider the attached report and recommendations of the Shared Services Joint Committee meeting on 11 January (to follow).

17 **MARKET WALK UPDATE**

To consider a report of the Director (Business, Development and Growth) (to follow).

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

GARY HALL  
CHIEF EXECUTIVE

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**MINUTES OF SPECIAL COUNCIL**

**MEETING DATE Tuesday, 21 November 2017**

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

**OFFICERS:** Gary Hall (Chief Executive), Chris Sinnott (Director (Early Intervention and Support)), Mark Lester (Director (Business, Development and Growth)), Rebecca Huddleston (Director (Policy and Governance)), Chris Moister (Head of Legal, Democratic & HR Services) and Carol Russell (Democratic Services Manager)

**APOLOGIES:** Councillors Mark Perks, Eric Bell, Sheila Long, Matthew Lynch, Joyce Snape, Ralph Snape and Richard Toon

**17.C.467 Minutes of meeting Tuesday, 19 September 2017 of Council**

**RESOLVED – That the minutes of the last Council meeting held on 19 September 2017 be approved as a correct record for signature by the Mayor.**

**17.C.468 Declarations of Any Interests**

There were no declarations of interest received.

**DEPUTY MAYOR ANNOUNCEMENTS**

The Deputy Mayor, Councillor Margaret Lees reported that she was chairing the Council meeting this evening as the Mayor, Councillor Mark Perks was unwell. All Councillors joined in wishing the Mayor a very speedy recovery.

The Deputy Mayor referred to the forthcoming retirement of Carol Russell, Democratic Services Manager as this would be her last Council meeting. Along with Councillors Alistair Bradley, Alan Cullens and Anthony Gee, the Deputy Mayor thanked Carol for her work and support for Councillors over the years and wished her well for her retirement.

Councillor Alan Cullens referred to Remembrance Sunday on 12 November and thanked all those involved on the day. The numbers present at the Cenotaph Service in Astley Park were larger than ever, and in 2018 were likely to be even greater.

#### **17.C.469 Public Questions**

**The following public question was submitted by Malcolm Allen on behalf of the Chorley Traders Alliance:**

“Following the closure of Woolworths and having attended various meetings over a 15 year period organised by the council with consultants, reports were published and then nothing happened. I called a meeting of all the traders in the town and from that the CTA was formed, one of the first things we wanted was the north end of Market Street reopened with limited parking for customers which took us 5yrs to get and was a great success with town centre customers which helped get back to feeling like a market town.

But with the building of Buckshaw Village and all the new houses in the borough over the last few years our town centre has not expanded to meet there needs.

As Chair of Chorley Trader’s Alliance I wish to comment on recent coverage regarding the re-development of Market Walk in the town. Whilst the recent news of Marks & Spencer’s decision to review all of their planned store openings nationwide and including Chorley is a set-back, I believe that Town Centre Traders wish to see the overall scheme continue to be developed out to make our Town Centre fit for the future. We have a thriving town centre and work closely with the Council to ensure that shoppers can have the best facilities that Chorley has to offer. At the moment there are several false stories with regard to phase 2 doing the rounds in the town and on social media which is not helping trade in the town centre.

Whilst I appreciate that some people can find change challenging and will always find reasons not to do things, the members I have consulted are encouraging Chorley Council to carry on with the development. Can I ask on behalf of Chorley Traders Alliance that we do just that? The development is necessary if we want to see Chorley prosper in the future but do not want to take as long as the reopening of Market St.”

**Councillor Alistair Bradley, Executive Leader** responded to this question saying that the debate on Market Walk would be held later in the meeting in public, and would address many of these issues. The Council was working with groups in the town centre to make sure that Chorley did thrive and prosper into the future. However change did mean just that and there would be inevitable disruption to achieve the longer term aim of developing the town centre.

## 17.C.470 Market Walk Update

Councillor Alistair Bradley, Executive Leader presented a report of the Director of Business, Development and Growth updating Members on Market Walk.

The report summarised the decisions the Council had made regarding the development of the Market Walk Extension in terms of agreed leases and the recent decision by Marks and Spencer to review all proposed new Simply Food stores following a change in senior personnel at the company. All proposed new sites would be subject to re-appraisal including Chorley and so despite having a signed agreement in place with Reel Cinema, the Council could not currently progress with the scheme under the existing terms for approval for delivery.

To minimise the Council's financial exposure on the scheme and mitigate against any short term negative impacts the construction work might have, Eric Wright Construction had been instructed to:

- Complete the drainage and service diversion works that are already underway.
- To complete the final design works as already commissioned.
- Cancel the order for piling and piling mat
- To not confirm any orders that would commit the Council to further expenditure including structural steel and cladding system.
- To move back the fixed hoarding line by 15.11.17 to make existing hard standing available for 24 public parking spaces
- To lay an area of temporary tarmac surface to create c.30 car parking spaces to be available for public use by the afternoon of 18.11.17
- To lay an area of temporary tarmac surface to create an additional c.30 car parking spaces to be available for public use by the afternoon of 25.11.17
- To further condense the area of the site to the minimum required to enable delivery of remaining scheduled works.

Reel Cinema had been made aware of the situation and had responded positively. There was also interest from a major chain restaurant which was being pursued. To date £2.6m had been approved and committed and the report contained a number of options going forward:

**Option 1** – Continue with the extension at the earliest opportunity and that may include seeking a partner to mitigate some of the costs/risks and/or possibly amending the current scheme.

**Option 2** – Retain the temporary car park surface and site infrastructure and continue to seek alternate tenants for the existing design.

**Option 3** – Consider a redesign of the scheme or other financial models.

**Option 4** – Stop and reinstate the Flat Iron Car Park to a high quality permanent finish.

In presenting the report, the Executive Leader referred to a 200 signature petition he had received opposing the development and stated that this would be taken into account, however there was other evidence to be considered:

- The existing Market Walk units were all fully occupied with other interest from businesses
- The Council needed a revenue stream going forward to help meet the increasing budget gap

- Meetings were taking place with traders to listen to their concerns, but ultimately it was for everyone to work together to demonstrate Chorley was open for business now and into the future
- The public would like to see the delivery of a cinema and also food/restaurant opportunities in the evenings when smaller independent businesses didn't necessarily want to trade.

In conclusion Councillor Bradley felt the Council needed to pause, to work up further options that would benefit the interests of the town residents and traders and recommended that those proposals be submitted to the Market Walk Steering Committee and then to the Council meeting in January 2017.

Councillor Peter Wilson, Executive Member for Resources supported the proposal to pause the scheme, referring to the need to consider the bigger picture and the Council's achievements in reducing parking fees, bringing former sites back into use, holding major events and purchasing Market Walk with an income to the Council of £1m a year. The review of the provision of an M&S Simply Food store was a setback but it was important not to lose sight of the value that a cinema would bring to the night time economy of Chorley.

Councillor Alan Cullens, Leader of the Opposition, was pleased the debate on Market Walk was being held in public and supported looking at other schemes, however he stated that his group was wholly opposed to any further development on the Flat Iron which would reduce car parking. He referred to the petition and the impact on business and traders from the loss of car parking and requested:

- That all work related to the scheme be halted, that it be confirmed that no scheme will go ahead by the end of January, and car parking be fully reinstated
- Remove existing hoardings so that the town centre looks open for business; and
- Consider compensation for the loss of business during this time.

Councillor Bradley agreed to consider these proposals and seek to make improvements where possible but the timetable in place had not been just to suit M & S but also Reel Cinema and discussions needed to continue with them as they were keen to come to Chorley. Car parking was the main concern of traders at the current time and work was taking place with them to maximise parking space in the centre.

Other councillors referred to the availability of other car parking which was just a few more minutes walk from the centre; the new park and ride facility at both Morrisons and Woodlands; and comparisons with other larger towns where parking was always considerably further away from the shops. Councillors Paul Walmsley and Peter Wilson reiterated the need to pause the work on the Market Walk extension to evaluate the options. It was essential to generate more income for the Council and whilst the M & S stance was disappointing there was still a great deal of confidence in the scheme and the ability to let all units.

## **RESOLVED -**

- 1. That the Council agrees to pause and suspend operations on the site until the end of January with a view to doing a more detailed analysis of the various options going forward, being presented to Market Walk Steering Group and Council in January.**



2. That Council approves an additional £54,200 expenditure incurred in creating temporary parking, suspend the site and continuing professional fees until the end of January 2018.

### **17.C.471 Chorley Council Corporate Strategy 2017/18 - 2018/19**

Members considered a report of the Director of Policy and Governance, presented by Councillor Peter Wilson, Executive Member for Resources and seeking approval to the refresh of the Council's Corporate Strategy for 2017/18 and 2019/20.

The report provided a summary of the performance of the Corporate Strategy in 2016/17 and the changes proposed as part of the Corporate Strategy refresh for 2018/19. A comprehensive review of the strategy had been undertaken by the administration which incorporated ongoing major projects like Market Walk and Primrose Gardens but included new projects to reflect the increasingly challenging national context and with a focus on meeting the fundamental needs of local residents like health, housing and employment.

There had been minor changes to the Corporate Strategy key priorities which were now:

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

The presentation of the new Corporate Strategy had been refreshed with a new design to clearly set out the commitments of the Council for 2017/18 to 2018/19 and the following projects would be included:

1. Improve the look and feel of local neighbourhoods across the borough
2. Develop Astley Hall and park as a visitor destination
3. Support people from across the borough to be digitally included
4. Deliver the Primrose Gardens retirement village
5. Deliver the Youth Zone
6. Develop a strategy for housing in Chorley and implement a programme of work
7. Bring forward key sites for development
8. Deliver the Market Walk extension
9. Deliver a borough wide programme to help people overcome barriers to employment
10. Transform the way the Council delivers services
11. Deliver a borough wide programme of improvements to street services
12. Integrate public services through the Chorley Public Service Reform Partnership

Before taking a decision on these proposals, Members considered alternative proposals put forward by the Conservative Group in the following agenda item.

### **Alternative Corporate Strategy**

Councillors Alan Cullens and Martin Boardman, Leader and Deputy Leader of the Opposition, presented the Conservative Group's Alternative Corporate Strategy for 2017/18 which was guided by the six themes of:

1. **Health and wellbeing** – making Chorley a place where people start well, live well and age well
2. **Town centre and retail** – making Chorley a better place to shop
3. **Education** – making Chorley a better place to be educated
4. **Business** – making Chorley a better place to do business
5. **Tourism and leisure** – making Chorley a better place to enjoy and visit
6. **Housing** - Making Chorley a better place to live

The projects to be delivered under those headings were proposed as follows:

- Create an additional Digital Inclusion Officer Post
- Establish a community connectivity and inclusion fund
- Develop targeted wellbeing schemes
- Establish a community projects lead
- Reinvigorate Chorley's retail offer
- Establish and deliver independent retail grants
- Deliver a programme of improvements to the Chorley Markets
- Improve the look and feel of the town centre streetscene
- Undertake a needs analysis of educational requirements in Chorley
- Undertake a borough-wide land usage assessment
- Appoint an Inward Investment Officer
- Develop and deliver a Chorley apprenticeship scheme
- Establish a Tourism Manager post
- Improve the borough-wide leisure offer for young people
- Develop an action plan and programme of work to establish Lifetime Homes Standards in Chorley
- Establish a strategic housing delivery board with local stakeholders, housing providers and developers
- Review options to accelerate alternative housing delivery across the borough
- Undertake initial feasibility work to improve borough wide connectivity

Members debated the Alternative Corporate Strategy and noted it in the development and approval of the Council Corporate Strategy for 2017/18 to 2019/20.

**RESOLVED - That the Corporate Strategy for 2017/18 – 2019/20 as submitted by the Director of Policy and Governance be approved.**

#### **17.C.472 Polling Station Update**

The Chief Executive submitted a report as Returning Officer on suggested changes to polling station premises.

Following the last elections there had been a small number of requests to change polling station premises in the Euxton North, Adlington and Anderton and Chorley South West wards. However since the announcement of the Borough Ward Boundary Review, it was proposed that two of the three requests for alternative premises be deferred until the Boundary Review was complete in 2020 at which point all premises would need to be appraised. The third request was more straightforward and was a

proposal to use the new Buttermere Community Centre as a replacement for Gillibrand Primary School to allow the school to continue to remain open.

Councillor Alan Cullens asked that the use of the Primrose Hill Primary School be reconsidered, however Councillor Danny Gee reported that the head teacher felt that in 2018 the school would be able to remain open during election day.

**RESOLVED –**

- 1. That Buttermere Community Centre is designated as a replacement polling station to Gillibrand Primary School within the Chorley South West Ward.**
  
- 2. That any other polling station reviews be suspended and dealt with as part of the forthcoming borough ward boundary review.**

**17.C.473 Adoption of Model Procedures**

Members considered a report of the Director of Policy and Governance on the adoption of model procedures to deal with any grievance or disciplinary action in relation to the Chief Executive and Chief Officers of the Council. These were as set out in the Joint Negotiating Committee conditions of employment for both Chief Executives and Chief Officers and if approved, would be incorporated into the existing Employment Procedure Rules contained with the Constitution.

The model procedures, should they need to be implemented, required a number of committees/panels to be established and it was proposed that these be drawn from the existing membership of the Appointments Panel and HR Appeals Committee.

**RESOLVED –**

- 1. That the model procedures for dealing with grievance procedures and disciplinary action be adopted as set out in the Joint Negotiating Committee for Local Authority Chief Executives Conditions of Service and the Joint Negotiating Committee Chief Officer Conditions of Service.**
  
- 2. That the Committees and Panels which are required to be established when dealing with grievance and disciplinary action, be established and appointed as set out in paragraph 8 of the report.**
  
- 3. That the Officer Employment Procedure Rules contained in Appendix 3 of the Constitution be amended accordingly to incorporate these changes.**

Mayor

Date

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**EXECUTIVE CABINET**

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

**GENERAL REPORT OF MEETING HELD ON 5 OCTOBER 2017****Electoral Review**

2. The Executive Member (Resources) presented the report of the Chief Executive that informed on the Local Government Boundary Commission for England's (LGBCE) decision to hold an electoral review of Chorley Council and the proposed timetable of implementation.
3. The review will commence in June 2018 and is expected to be completed by March 2019. Elections on the new electoral arrangements will take place in 2020 when it will be a whole-council election.

**Public Spaces Protection Order Consultation**

4. The Executive Member (Public Protection) presented the report of the Director (Early Intervention and Support). Following the introduction of anti-Social Behaviour, Crime and Policing Act 2014, the Council's current Dog Control Orders (DCO's) and Designated Public Place Order (DPPO's) are required to be replaced by Public Space Protection Order (PSPO's) by October 2017.
5. Information was provided on a recent consultation relating to the current arrangements that showed strong support for the new arrangements. Approval was granted for PSPO's to replace Dog Control Orders and Designated Public Place Orders with delegated authority given to the Head of Legal, Democratic and HR Services to amend as appropriate the wording of the orders.

**Select Move Policy Update**

6. The Executive Member (Homes and Housing) presented the confidential report of the Director (Early Intervention and Support) and approval was granted to amend the Select Move Policy to allow Registered Providers to advertise 25% of their stock outside the Select Move Scheme.

**GENERAL REPORT OF MEETING HELD ON 16 NOVEMBER 2017****Executive Cabinet Response to the Overview and Scrutiny Task Group on the Rollout of Superfast Broadband**

7. The Executive Leader presented the report of the Director (Business, Development and Growth) that responded to the recommendations of the

Overview and Scrutiny Task Group that had been chaired by Councillor Kim Snape.

8. The Review looked at the rollout of superfast broadband across the borough and had presented their final report to the Executive in August 2017. The report contained the Cabinet's response to each of the recommendations and updated on action already taken.

### **Allocation of Community Infrastructure Levy Funds**

9. The Executive Leader presented the report of the Director (Business, Development and Growth) that sought approval for the allocation of £365,000 capital infrastructure monies to be allocated to the Digital Office Park project for spend in 2017/18 and 2018/19. Approval was granted.
10. The report also formalised the implementation of a system for allocating the main CIL monies to infrastructure projects that are on the CIL 123 list and detailed how the CIL expenditure was allocated, including the methodology used for assessment and projects funded.

### **Chorley Council Performance Monitoring Report – Quarter Two**

11. The Executive Member (Resources) presented the report of the Director (Policy and Governance) setting out the Council's performance against the Corporate Strategy and key performance indicators during the second quarter 2017/18, 1 July to 30 September 2017.
12. It was noted that overall performance of the key projects was good with eight (57%) of the projects rated as green or complete and four (29%) rated as amber. Two (14%) projects had been closed with a full explanation provided. Action plans for all projects were contained within the report.
13. Performance of the Corporate Strategy indicators and key service delivery measures was also good, with 58% of Corporate Strategy measures and 70% of the key service delivery measures performing on, above or within the 5% threshold. Action plans were contained for those indicators performing below target that outlined the measures to be taken to improve on performance.
14. Although the number of homelessness preventions and reliefs was underperforming against target, the Executive was not unduly concerned as the indicator is demand driven and indicative of the current situation.
15. A recent resident's survey had gathered views about satisfaction with the Council, their local area and community involvement. Overall performance was good with five of the nine indicators performing above target.

16. Four indicators were performing under target, the percentage of people who feel they cannot influence decision making in their local area, satisfaction with street cleanliness, percentage of people who regularly participate in volunteering and percentage of residents who feel that Chorley Council provides value for money. Although performance is on a par better than the average compared to national trends there is acceptance by the Cabinet that performance needs to improve.

### **Coronation Recreation Ground and Harpers Lane Recreation Ground Update and Approval for Improvements**

17. The Executive Leader presented the confidential report of the Director (Business, Development and Growth) that provided an update on the planned improvements for both Coronation and Harpers Lane Recreational Grounds approval was granted to commence the works detailed within the report using the Section 106 monies that had been allocated to the schemes.
18. Approval was also granted for funding to be allocated from Council reserves to deliver CCTV installation on both recreation grounds, should external funding bids be unsuccessful.

### **Enforcement restructure proposals**

19. The Executive Member (Public Protection) presented the confidential report of the Director (Policy and Governance) that proposed the creation of a new enforcement team aimed at strengthening and improving the Council's approach to enforcement by bringing different teams together into one team within the Customer and Digital directorate.
20. Approval of the proposed structure was granted for formal consultation along with the request for an Early Retirement Voluntary Severance application.

Delegated authority was also granted to the Executive Member (Public Protection) to approve the final structure following its consultation, subject to there being no significant changes proposed within the report.

### **GENERAL REPORT OF MEETING HELD ON 14 DECEMBER 2017**

#### **Play, Open Space and Playing Pitch Strategy**

21. The Executive Leader presented a report of the Director (Business, Development and Growth) that updated on the delivery of the Play, Open spaces and Playing Pitch Strategy and sought approval for the allocation of existing Section 106 money to schemes identified within the Strategy and in accordance with site assessments and policy.

22. The existing Strategy is a five year plan from 2014 – 2019 and with the fourth year nearing completion; the Council are working towards delivery of year five and plan for future years.
23. The report provided an update on completed schemes to date and approval was granted for the next round of schemes that had been identified, following a 'light touch' assessment and strategy refresh by officers, pending publication of the new Open Space and Sports Recreation Strategy 2020 – 2025 which is expected by spring 2019, along with approximate budgets required and the amounts of funding that had already been receipted against each scheme.
24. Approval was granted for the commission of a new Open Spaces, Playing Pitches and Recreation Strategy to be undertaken in partnership with South Ribble and Preston Councils that would link to the upcoming Local Plan review to provide the Council new Strategy from 2020 to 2025 at an estimated cost of £30,000. The information provided in the rest of the report was noted.
25. Consultation with Members and the public will be carried out by external consultants throughout 2018 in order to capture suggestions for site not already included in the existing Strategy.
26. Delegated authority was granted to the Executive Member for the detailed project and associated tender exercise that would follow. Members discussed the provision of play equipment for older children and adults and were informed that schemes like Trim Trails to promote healthier lifestyles have been earmarked for inclusion at Coronation Recreational Ground and the Westway Campus.

**Approval for the contract award procedure and evaluation criteria for the procurement of a new waste and recycling contract.**

27. The Executive Member (Resources) presented the confidential report of the Director (Customer and Digital) that sought approval for the contract award procedure and evaluation criteria for the waste and recycling contract for households in the Borough. The report also sought approval for waste collection service options and ancillary service that would form part of the tender.
28. The Council's current contract expires on 31 March 2019 and is the largest contract that the Council procures. It is also a high profile service that is provided to all residents of the Borough.



29. The Council has significant targets to achieve for the 2019/20 budget with a 2017/18 MTFS target saving of £250,000 for this contract. Approval was granted that the service continued to be outsourced and for the waste tender to be based on current service and bidders asked to price for Option 2, the four weekly collection of plastic, bottles, can and glass (blue bin) with other waste collection remaining as current. The Council's Overview and Scrutiny Committee had also supported this option.
30. Approval was also granted for the recommended ancillary services detailed within the report, the contract period to be ten years with an option of a two year extension and the cost quality ratio for the tender evaluation to be 60:40.
31. Approval was granted for the Council to consider the purchase or leasing of the waste vehicles if deemed to be a cost effective option for the authority. It was accepted that there was an element of risk to these proposals that would need to be explored fully.
32. The new contract would include a review of the current waste collection rounds within the first year to ensure a high level of productivity and efficiency is achieved. This review would be undertaken by the service provider and would form part of the tender. Members conveyed their disappointment with current recycling rates across the country and asked of Chorley could look at making any improvements where possible. This could prove difficult in light of Lancashire County Council not wishing to discuss recycling rates further at present and it was considered that rates would only improve when the incineration of recycled goods was a viable option.
33. The details of the tender exercise and awarding of the contract would be submitted to Executive Cabinet and full Council in July 2018.

### **Business, Development and Growth Restructure**

34. The Executive Leader presented the report of the Director (Business, Development and Growth) that presented a proposal for restructuring the Business, Development and Growth Directorate.
35. The directorate wide review follows on from the review of senior management in 2016 and subsequent appointment of a new Director in 2017. The Business, Development and Growth directorate is key to delivering the Council's priority of a strong local economy and the aim of the restructure was to develop a fit for purpose structure which will have the right skills and capacity to deliver existing services and drive forward economic growth through ambitious projects such as the digital health park and bringing forward employment sites.

36. Approval was granted for consultation on the proposed restructure and the Executive Leader given delegated authority for approval of the final structure following the period of formal consultation, subject to their being no significant changes proposed within the report.

**Recommendation**

37. That the report be noted.

COUNCILLOR ALISTAIR BRADLEY  
Executive Leader

DS



Report of	Meeting	Date
Chief Finance Officer (Introduced by the Executive Member for Resources)	Executive Cabinet	16 November 2017

## **REVENUE AND CAPITAL BUDGET MONITORING 2017/18 REPORT 2 (END OF SEPTEMBER 2017)**

### **PURPOSE OF REPORT**

1. This report sets out the provisional revenue and capital outturn figures for the Council as compared against the budgets and efficiency savings targets set for the financial year 2017/18.

### **RECOMMENDATION(S)**

2. Note the full year forecast position for the 2017/18 revenue budget and capital investment programme.
3. Note the forecast position on the Council's reserves.
4. Request Council approval for the use of £25,000 from in-year revenue underspends to enable the Council to meet the requirements of the General Data Protection Regulation.
5. Request Council approval for the use of £50,000 from in-year revenue underspends to enable the Council to fund the Local Government Boundary Commission for England's electoral review of Chorley Council
6. Request Council approval for the use of £50,000 from in-year revenue underspends to fund the revenue implications of the Council's Worksmart project.
7. Request Council approval for the use of £120,000 from in-year revenue underspends to allow the Council the flexibility to continue funding local bus services in 2017/18.
8. Request Council approval for the use of £30,000 from in-year revenue underspends to fund the revenue implications of recent planning appeals.
9. Request Council approval for the use of £60,000 from in-year revenue underspends to create a project director post with sole responsibility to deliver the Market Walk extension, Primrose Gardens and the Digital Health Park.
10. Request Council note the capital programme to be delivered in 2017/18 to 2019/20.

### **EXECUTIVE SUMMARY OF REPORT**

11. The projected revenue outturn currently shows a forecast underspend of £392,000 against budget. No action is required at this stage in the year.
12. The latest forecast excludes any variation to projected expenditure on investment items added to the budget in 2017/18. These projects are forecast to fully expend in 2017/18 and

should there be any balances remaining at year end they will be transferred into specific reserves and matched to expenditure in future years.

- 13. In the 2017/18 budget the expected net income from Market Walk after deducting financing costs is £0.998m. The latest projection shows a break-even position including £40k of revenue expenditure relating to the Market Walk Extension project.
- 14. The forecast of capital expenditure in 2017/18 is £22.925m.
- 15. The Council's Medium Term Financial Strategy proposed that working balances are to reach £4.0m over the 3 year lifespan of the MTFS to 2018/19 due to the financial risks facing the Council. A budgeted contribution into General Balances of £500k is contained within the budget for 2017/18. The current forecast to the end of September shows that the General Fund balance will be £4.004m by the end of the financial year and be on target to achieve £4m a year early.

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

**REASONS FOR RECOMMENDATION(S)**

**(If the recommendations are accepted)**

- 16. To ensure the Council's budgetary targets are achieved. Ensuring cash targets are met maintains the Council's financial standing.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

- 17. None

**CORPORATE PRIORITIES**

- 18. 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**

- 19. The latest net revenue budget is £17.476m. This has been amended to include approved slippage from 2016/17 and any transfers to/from reserves.

20. Appendix 3 provides further information about the specific earmarked reserves and provisions available for use throughout 2017/18.
21. A full schedule of the investment budgets carried forward from 2016/17 and the new (non-recurrent) investment budgets introduced in the 2017/18 budget are shown in Appendix 2 together with expenditure to date against these projects (for capital items see Appendix 4).
22. The Council's approved revenue budget for 2017/18 included target savings of £150,000 from management of the staffing establishment. The full savings of £150k have been achieved for the year.
23. Following the recommendation made in the June 2017 budget monitoring report, a contribution of £259,000 from 2017/18 in-year revenue underspends has been made to General Balances. This will replace the budgeted contribution to balances in 2018/19 and will put the Council on target to achieving the goal of increasing general fund balances to £4m, achieving this one year earlier than set out in the Medium Term Financial Strategy.
24. Set out in Appendix 1 is the provisional outturn position for the Council based upon actual spend in the first six months of the financial year and adjusted for future spend based upon assumptions regarding vacancies and service delivery.
25. The latest forecast of capital expenditure in 2017/18 is £22.925m. The latest capital forecast is detailed in Appendix 4 based upon actual and committed expenditure during the first six months of the financial year and adjusted for future spending based upon the latest timescales for project delivery.

#### **SECTION A: CURRENT FORECAST POSITION – REVENUE**

26. The projected outturn shown in Appendix 1 forecasts an underspend compared to budget of around £392k. The quarter 1 monitoring report forecast an underspend, net of a £259k contribution to the general fund, of £62k. The forecast underspend has increased by £330k since the last monitoring report to Executive Cabinet, the reasons for these changes are shown in the table 1 below.

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

Note: Overspends/shortfalls in income are shown as ( ).

	£'000	£'000
<b>Expenditure:</b>		
Staffing Costs	87	
Vandalism repairs	11	
Chorley Little Theatre	(22)	
Park and Ride	<u>(12)</u>	
		64
<b>Income:</b>		
DFG Administration	50	
LCC Public Realm Agreement	14	
Hire of Community Centres	14	
New Burdens Grant - Small Business Relief Scheme	<u>10</u>	
		88
<b>Other:</b>		
Housing Benefits	24	
Financing	150	
Other minor variances	<u>4</u>	
		178
<b>Net Movement</b>		<b>330</b>
Quarter 1 Net Forecast Underspend		62
<b>Total Forecast Underspend at Quarter 2</b>		<b>392</b>

*Expenditure*

27. The additional savings on staffing costs of £87,000 shown in table 1 above reflects the changes made from the position reported to the end of June in the last monitoring report. The main changes are predominantly as a result of vacant posts, a number of which have remained vacant pending the introduction of new departmental structures later this year.
28. The Council's budget for 2017/18 included a provision of £17,000 to cover the cost of graffiti removal and other vandalism repairs under a previous contract based on a fixed monthly charge. A new contract has since been adopted based on actual call out and workload requests and this has significantly reduced the costs to the Council. The actual costs for 2017/18 are currently forecast to be around £6,000 giving a potential saving of £11,000 for the year.
29. On 25th July 2017 the Trustee Meeting for Avondale Road Former Free Library Trust Fund agreed that the sum of £17,929 be distributed to Chorley Little Theatre Company Limited to support the provision of new flooring. The total cost of the works to flooring was £18,220 and the contribution of £17,929 was made to Chorley Little Theatre on 9th October 2017.
30. The original specification of the works to the theatre included the replacement of pipes under the flooring. On closer inspection it became apparent that replacing the pipes would be prohibitively expensive and instead the leaking pipes were decommissioned and the heating replaced with an air conditioning unit. The total cost of these works was £42k and Chorley Little Theatre has since requested that the Council contribute an additional £22,071

to bring its total contribution to £40k. This has since been agreed by Delegated Executive Member Decision on 12th October and the additional contribution will be met from in-year revenue underspends.

31. The Council has recently introduced a free park and ride service to help alleviate the pressure on the town centre car parks on peak days. The service will operate between Morrison's car park on Brooke Street and the town centre on Tuesdays and Saturdays and will run for a period of 6 months. The anticipated cost of the scheme is around £12,000 and will be funded by in-year revenue underspends. Revenue income from car parking fees are currently forecast to be broadly in line with budgeted levels but the free park and ride scheme may impact on future income levels. This will be monitored closely over coming months and members updated accordingly.

#### *Income*

32. Earlier this year the Council adopted the revised Private Sector Housing Assistance Policy which included the introduction of a 10% administration fee applicable to each Disabled Facilities Grant and Chorley Adaptation Grant the Council provides. The Council's DFG grant allocation has been set at £665k for 2017/18 and any administration fees are to be included within this allocation. The actual revenue income stream generated by this fee will be dependent on the level of demand and the total grants awarded but is anticipated to be in the region of £50,000 in 2017/18 and this can be utilised to offset the administrative costs of delivering the service.
33. Each year the Council receives an agreed sum from Lancashire County Council under the Public Realm Agreement for grass cutting, verge maintenance, weed control and sign cleaning. The Council has recently been notified of an increased allocation for 2017/18 and for a further 3 years to allow for additional flail and grass cutting works and a further contribution towards the control of weed growth. The Council will receive additional income of £13,620 in 2017/18 and £34,270 for each of the following 3 years.
34. Additional income is forecast for 2017/18 from the hire of rooms at the Council's various community centres. It is estimated that around £63,000 will be received this year compared to the budget of £49,000 giving a surplus of £14,000 with the majority of this coming predominantly from the Lancaster Way Community Centre, the newest of our community centres situated in Buckshaw Village.
35. A further new burdens grant of £12,000 has been awarded by the DCLG in respect of the additional administration and IT related costs of administering the new business rate relief schemes, established following the 2017 business rates revaluation. The external costs of IT software changes and printing and postage are estimated to be around £2,000 with the administrative costs being maintained within existing staffing resources.

#### *Other Items*

36. The housing benefits payments budget is one area that historically has a significant impact on the Council's year-end financial position due to the nature of the costs being demand driven and the uncertainty over the level of overpayments recovered and their associated bad debts. The demand for housing benefits has fallen by around 4% over the course of 2016/17 and that trend has continued in the first six months of the current year. The forecast net effect of the latest figures is a further reduction in costs of around £24,000 for 2017/18.
37. The Council's budget for 2017/18 was prepared on the assumption that additional PWLB borrowing would be taken to replace the use of internal cash balances used to finance previous capital investment, and to finance major capital projects in the year. The reason

being to secure cash at a lower interest rate than might be available in the future. The extra borrowing is likely to be not taken until later in 2017/18 than estimated originally, and so a one-off saving of £150k has been included in the forecast. The saving would increase if borrowing was less than now assumed, or was taken at shorter maturities with lower average interest rates. However due to the possibility of an increase in interest rates, additional borrowing could be taken before year-end and therefore additional borrowing has been included in the forecast. Additional borrowing would be taken only when longer term budget savings could be achieved by avoiding interest rate increases.

#### *Requests from Underspends*

38. The General Data Protection Regulation (GDPR) was adopted by the European Parliament in April 2016 and becomes enforceable from 25 May 2018. Under GDPR, companies that collect data on citizens in European Union (EU) countries will need to comply with strict new rules around protecting customer data. The first major change under GDPR is the recognition that the data held by the council belongs to the data subject not the Council. The data subject is therefore entitled to control how that data is processed subject to legal requirements. There are significant penalties which can now be imposed should data be processed without consent (consent either by legal right or specific permission). These penalties can be as high as 20 million euros or 4% of the organisation's annual worldwide turnover (whichever is greater) for each offence.
39. Whilst the Council has established policies in place for maintaining data and information security and clear processes for processing that data, there will need to be a complete reconsideration of these policies to ensure their compliance with the GDPR. There will also need to be a programme of training for staff for some as data processors and others as data controllers to ensure a full understanding of the roles and obligations. The works will also include a data deletion exercise to ensure that current data retention policies are complied with before as subsequent consideration of the data held to ensure compliance with the new GDPR policies.
40. To enable the Council to fully comply with the new regulations it is proposed to establish the new temporary post of GDPR Compliance Officer to cover the implementation period. The cost of this post will be around £25,000. As a result, it is requested that the sum of £25,000 is set aside from in-year revenue underspends to enable the Council to meet the requirements of GDPR.

As per the report to Executive Cabinet on 5<sup>th</sup> October 2017 the Local Government Boundary Commission for England's (LGBCE) will hold an electoral review of Chorley Council. The review is due to commence in June 2018 and expected to be completed by March 2019. It is proposed that £50k is set aside from 2017/18 underspends to fund the staffing costs relating to this review in 2018/19.

41. As a council we want our staff to deliver high quality services, using the latest technology, working in modern and well-designed offices and with flexible working practices. Work smart is a key element of the Council's Digital Strategy which aims to further develop the Council's internal approach to improving the environment, tools and skills which staff have to enable them to work smarter. Very simply working smarter is about, creating the right working environment; making sure staff have the right tools and technology; and are encouraged and enabled to working in smarter and more efficient ways.



42. The term work smart has been used since the development of the Council's first digital strategy in 2014 in relation to actions within the strategy which impacted on the way staff work, access information and deliver services. Similar approaches to work smart are being widely implemented in other public and private sector organisations.
43. Over the years numerous work smart improvements have already been delivered, many services now have dual screen, iPads have been rolled out and continue to be to those staff who need it, printing has been reduced, meetings are conducted electronically using iPads and large screens in meeting rooms and a programme of office upgrades has started. However there is still more to do. New technology will ensure staff have the right tools to do the job and provide staff with the freedom and flexibility to work in an agile way, for example the implementation of VOIP will support staff to be agile, not restricted to a particular desk or building, but able to log to IT and phone systems to work in any Council office.
44. The 2017/18 budget report set aside £100k revenue reserves towards the maintenance of its assets. It is forecast that up to £70k of the reserve will be spent commissioning a review of the Council's reservoirs in line with changes to the UK reservoir safety legislation. It is proposed that £50k is requested from underspends to continue funding the Worksmart programme to improve the working environment for staff, ensuring staff have the correct tools and technology and to encourage working in smarter and more efficient ways.
45. The remaining LCC Transition Fund in 2017/18 was £272k to fund bus services and contributions to library services as well as a contribution to Coppull Children's Centre. In July of this year, approval was granted by Executive Member Decision for the Council to extend the arrangements for the subsidy of the 109A/24A and 6/6A bus services until October 2017. Discussions with Lancashire County Council over future funding of the services are still ongoing and it is proposed at this stage that an additional £120k is set aside from in-year underspends to allow the Council the flexibility to continue funding the bus services until March 2018 if required.
46. The Council has created a specific earmarked reserve set up to cover the revenue cost implications of local planning appeals. The balance held in this reserve is currently £31,000 but it is anticipated that this will not be sufficient to cover the costs relating to the recent Pear Tree Lane appeal. It is proposed therefore that an additional £30k is set aside from this year's revenue underspends to contribute to these costs.
47. We are now reaching a critical stage in delivering of a number of asset development activities which will require a significant amount of senior management overview. This has proven to be the case during the development of these projects to date and has resulted in progress being delayed on a number of other important activities including the development of our employment land and the refreshing of the Council's local plan amongst others. In order to expedite these important pieces of work it is proposed to set aside £60k from in year underspends to create a project director post with sole responsibility to deliver the Market Walk extension, Primrose Gardens and the Digital Health Park.

**MARKET WALK**

48. The budgeted net rental income from Market Walk after taking account of financing costs in 2017/18 is £0.998m. The latest forecast indicates a break-even position. The budget in 2017/18 includes an increase in the income budget of £50k due to the full occupancy of the shopping centre.

**Table 2: Market Walk Income Forecast (Sep 2017)**

	<b>2017/18 Budget £</b>	<b>2017/18 Forecast £</b>	<b>2017/18 Variance £</b>
Rental & Insurance Income	1,774,100	1,774,100	0
Operational Costs (excluding financing)	147,200	117,200	40,000
Market Walk Extension Revenue Expenditure	0	40,000	(40,000)
<b>Net Income (excluding financing)</b>	<b>1,626,900</b>	<b>1,626,900</b>	<b>0</b>
Financing Costs	628,830	628,830	0
<b>Net Income (including financing)</b>	<b>998,070</b>	<b>998,070</b>	<b>0</b>
Income Equalisation Reserve (Annual Contribution)	50,000	50,000	0
Asset Management Reserve (Market Walk)	50,000	50,000	0
<b>Net Income</b>	<b>898,070</b>	<b>898,070</b>	<b>0</b>

49. The operational expenditure is forecast to underspend by at least £40k in 2017/18. The underspend comes from a number of budgets including general maintenance and professional fees. The Council is chasing its letting agents to ensure the billing is up to date, however it is still assumed that the professional fees budget will underspend.
50. It is forecast that there will be £40k of revenue expenditure relating to the Market Walk Extension project. This relates to a town centre car park feasibility study, a demographic data report and town centre improvement project support. This will be funded through underspends from market walk operating expenditure budgets described in the previous paragraph.
51. The approved budget makes a provision for a £50,000 transfer to reserve to fund asset maintenance costs outside of the service charge agreement and a £50,000 transfer to an equalisation account to build up a reserve to fund any future reduction to income levels. The forecast balances at the end of 2017/18 are as follows:

	<b>Income Equalisation £</b>	<b>Asset Maintenance Market Walk £</b>
<b>Opening Balance 2017/18</b>	<b>250,366</b>	<b>135,860</b>
In year budgeted contributions	50,000	50,000
Renewal of the walkway at the covered market	0	(50,000)
Upgrading of covered market lighting	0	(24,000)
<b>Forecast Closing Balance 2017/18</b>	<b>300,366</b>	<b>111,860</b>

52. The flooring at the covered market was looking tired and was becoming a health and safety issue evidenced by an increase in slips, trips and falls. The walkway has been replaced at a cost of £40k. In combination with the walkway, works to the drains in the covered market totalling £10k were also required to be completed. These costs can be met from the asset maintenance reserve for market walk as this reserve is separate to the sinking fund that is for works specifically related to the market walk units.
53. Additional lighting is required to be installed in the covered markets to illuminate areas that are not sufficiently lit. Whilst this work is being completed existing lighting will be replaced with LEDs to enable a better lit and more environmentally friendly covered market. The current estimated cost is £24k however quotes are being sought in line with the Council's procurement regulations.

## GENERAL FUND RESOURCES AND BALANCES

54. With regard to working balances, and as per Appendix 1, the Council started the year with a balance of £3.188m. The approved MTFS proposes that working balances are to reach £4.0m over the 3 year lifespan of the MTFS to 2018/19 given the budgetary challenges facing the Council. The current forecast to the end of September shows that the initial General Fund closing balance could be around £4.339m. Should the recommendations in this report be approved, the forecast balance would reduce to £4.004m as detailed in table 3 below and would be in line to achieve £4.0m by 2018/19.

**Table 3 – Movement in General Fund Balance**

<b>General Balances</b>	<b>£m</b>
Opening Balance 2017/18	3.188
Budgeted contribution to General Balances	0.500
Additional in-year contribution to General Balances	0.259
Forecast revenue budget underspend	0.392
<b>Initial General Fund Closing Balance 2017/18</b>	<b>4.339</b>
Use of in-year underspends for GDPR	(0.025)
Use of in-year underspends for Boundary Review	(0.050)
Use of in-year underspends for Worksmart	(0.050)
Use of in-year underspends for LCC Transition	(0.120)
Use of in-year underspends for Planning Appeals	(0.030)
Use of in-year underspends for Major Projects	(0.060)
<b>Forecast General Fund Closing Balance 2017/18</b>	<b>4.004</b>
Budgeted contribution to General Fund 18/19	0.000
<b>Forecast General Fund Closing Balance 2018/19</b>	<b>4.004</b>

55. Appendix 3 provides further information about the specific earmarked reserves and provisions available for use throughout 2017/18.

**SECTION B: CURRENT FORECAST POSITION – CAPITAL**

56. Table 4 below summarises:

- Capital budget (1) – the capital budget agreed by Special Council in February 2017 including amendments as per the 2016/17 outturn report agreed by Council in June 2017 and amendments as per the quarter 1 monitoring report to Executive Cabinet on 3<sup>rd</sup> Aug 2017.
- Capital budget (2) - the 3 year capital budget following adjustments and re-profiling as described below

**Table 4: Profiling of the Capital Budget 2017/18 to 2019/20**

Year	Capital Budget (1) £'000	Capital Budget (2) £'000	Changes £'000
2017/18	31,605	22,925	(8,680)
2018/19	10,106	22,406	12,301
2019/20	1,096	1,096	0
<b>Total</b>	<b>42,808</b>	<b>46,428</b>	<b>3,621</b>

57. An update on the Directorate's major capital projects are outlined below:

*Customer & Digital*

58. Included in the capital programme are £140k (17/18) and £77k (18/19) budgets for the renovation of paths at the Council's cemeteries. Work has begun at Chorley cemetery and all work is forecast to be complete in 2018/19.

*Policy & Governance*

59. The Council's capital contribution to **Chorley Youth Zone**, part-funded through a £1.1m contribution from LCC, is £2.155m and profiled as follows. The Youth Zone is forecast to open in February 2018.

Expenditure	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
Demolition (CBC Contribution)	0	55	0	<b>55</b>
Chorley Contribution	150	450	400	<b>1,000</b>
LCC Contribution via CBC	0	0	1,100	<b>1,100</b>
<b>Total Contributions from CBC</b>	<b>150</b>	<b>505</b>	<b>1,500</b>	<b>2,155</b>

60. The carried forward **Astley 2020** budget is £474k. The programme for this budget is under review and is expected to be allocated across investments in events infrastructure, footpath lighting, parking and £200k match funding for a £1.8m HLF grant bid. The £20k expenditure to date relates to works to the morning room that began last year and are now complete. The outcome of the HLF bid is expected in December 2017.

*Early Intervention*

61. The extension and final refurbishment of **Cotswold House** was completed in June 2017. The total budget was £858,000 funded by a £658k HCA grant and £200k contribution from CBC. The final refurbishment was split into two phases, the first being the original grant funded

specification to upgrade 15 rooms and the common areas. These works were completed in March 2017. However as the tender for these works came in £200k under budget the council proceeded with a second phase for additional works including further upgrades to bathrooms, toilets and insulation as well as further landscaping works. The total project budget is expected to be £30k underspent and the HCA have been contacted to discuss how this underspend is to be dealt with.

62. The budget for **leisure centre improvements** is £90k in 2017/18. Expenditure to date relates to pool controls kit and further works have been identified for internal and external lighting. In addition, £47k has been committed for the renovation and replacement of playing pitches at Clayton Green, work is scheduled to begin in mid-November.
63. The remaining **CCTV** budget of £26k will be utilised on further works including additional cameras at Tatton Recreation Ground and Steeley Lane. In addition, new CCTV equipment is proposed at Coronation and Harpers recreation grounds. An assessment of the costs of these works is being carried out. Where possible the works will be contained within the remaining budget however additional budget may be required and requested accordingly.

#### *Business Development and Growth*

64. The **Asset Improvement** budget for 2017/18 is £355k and includes an additional £100k agreed as part of the 2017/18 budget setting process. Expenditure to date is £125k with approximately £90k of works to Union St offices. Further works to Council assets are expected in 2017/18 including the renewal of the walkways and lighting in the covered market at an estimated cost of £75k to be funded through the Market Walk asset maintenance reserve.
65. The total approved budget for **Market Walk Extension**, as agreed at Full Council on 25 July 2017, is £16.353m. The capital programme has been revised and re-profiled across 2017/18 and 2018/19 based upon cash flow estimates provided by the main build contractor. The budget for public realm works has also been brought into the extension project budget as per the Council report.
66. In 2016/17 £700k was spent on preliminary costs relating to the build of the **Digital Office Park**. This included £615k on the purchase of the site and £70k on design, engineering and consultancy fees. The design and build contract is currently out to tender and work is forecast to begin in December 2017. The budget has been re-profiled based on this new estimated start on site.
67. The report to Full Council on 19th Sep 2017 approved a £910k capital budget for enabling works at the Digital Office Park site. The works will include expenditure on highways and infrastructure including the provision of access and services to and within the site to support the delivery of the employment allocation at the Digital Health Village. The works are forecast to be funded through a request from CIL and the use of s106 contributions from the Group 1 development. Following further scrutiny of the proposed works it has become clear that works totalling £260k for water drainage and substation power connection are ineligible for CIL funding and as such only £365k will be requested from CIL.
68. Since this approval, the owner of the land surrounding the Digital Office Park site has agreed to sell to a new developer. The new party has indicated that they would be willing to deliver the enabling works, including the water drainage and substation power connections, within

the required timescale. It is recommended, however, that the current allocation is left within the capital programme until a formal agreement has been reached with the new developer.

*Capital Financing*

69. The capital programme is financed using different sources of funding. The table below shows the latest proposed financing based on the forecast of expenditure in 2017/18. This is in line with budget and will be reviewed at year-end to best manage the Council’s own resources.

**Table 5: Forecast Capital Financing 2017/18**

Fund	Original Budget 2017/18 £'000	Quarter 1 2017/18 £'000	Quarter 2017/18 £'000	Variance
External Contributions	7,217	7,259	6,695	(564)
Grants	7,794	8,046	6,823	(1,224)
New Homes Bonus	326	326	326	0
Earmarked Reserves	2,247	2,250	1,318	(932)
Revenue	20	20	20	0
Capital Receipts	1,226	1,226	1,231	5
Borrowing	12,730	12,478	6,513	(5,965)
<b>Capital Financing 2017/18</b>	<b>31,560</b>	<b>31,605</b>	<b>22,925</b>	<b>(8,680)</b>

70. The majority of the changes in the funding levels are the result of the re-profiling of the Council’s major capital projects from 2017/18 to 2018/19.

**IMPLICATIONS OF REPORT**

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

**IMPLICATIONS OF REPORT**

72. 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**

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

**COMMENTS OF THE MONITORING OFFICER**

74. Much of the spending proposed is discretionary. However the expenditure on ensuring compliance with the General Data Protection Regulation will reduce the risk of reputational damage from any action against the Council for non-compliance and associated fines. Expenditure on planning appeals is an inevitable consequence of making planning decisions which are adverse to applicants or objectors.

GARY HALL  
CHIEF EXECUTIVE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Dave Bond/James Thomson	5488/5025	02/11/17	Revenue and Capital Budget Monitoring 2016-17 Report 2

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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
<b>General Fund Revenue Budget Monitoring 2017/18 Forecast to end of September 2017</b>	<b>Original Cash Budget</b>	<b>Impact of Council Restructure</b>	<b>Agreed Changes (Directorates)</b>	<b>Agreed Changes (Other)</b>	<b>Amended Cash Budget</b>	<b>Contribution to Corp. Savings (Staffing)</b>	<b>Contribution to Corp. Savings (Other)</b>	<b>Current Cash Budget</b>	<b>Forecast Outturn</b>	<b>Variance</b>	<b>Variance</b>	
	£	£	£	£	£	£	£	£	£	£	%	
Customer & Digital	5,981,210	-	122,070	(265,280)	5,838,000	(70,000)		5,768,000	5,629,630	138,370	2.4%	
Policy & Governance	3,985,140	-	44,450	597,390	4,626,980	(10,000)		4,616,980	4,613,135	3,845	0.1%	
Early Intervention	2,450,660	-	(129,240)	219,610	2,541,030	(10,000)		2,531,030	2,396,120	134,910	5.3%	
Business Development & Growth	1,291,130	-	(37,280)	432,510	1,686,360	(56,010)		1,630,350	1,740,760	(110,410)	-6.8%	
<b>Directorate Total</b>	<b>13,708,140</b>	<b>-</b>	<b>-</b>	<b>984,230</b>	<b>14,692,370</b>	<b>(146,010)</b>	<b>-</b>	<b>14,546,360</b>	<b>14,379,645</b>	<b>166,715</b>	<b>1.1%</b>	
Budgets Excluded from Directorate Monitoring:												
Pensions Account	230,300	-	-	-	230,300	-		230,300	220,000	10,300	4.5%	
Pensions Deficit Recovery (Fixed Rate)	790,500	-	-	-	790,500	-		790,500	790,500	-	-	
Benefit Payments	28,550	-	-	(67,570)	(39,020)	-		(39,020)	(64,520)	25,500	-65.4%	
Market Walk	(1,752,200)	-	-	-	(1,752,200)	-		(1,752,200)	(1,752,200)	-	-	
Transition Fund	100,000	-	-	172,680	272,680	-		272,680	272,680	-	-	
Primrose Gardens Retirement Living	30,300	-	-	-	30,300	-		30,300	30,300	-	-	
<b>Corporate Savings Targets</b>												
Management of Establishment	-	-	-	(146,010)	(146,010)	146,010		-	-	-	-	
<b>Total Service Expenditure</b>	<b>13,135,590</b>	<b>-</b>	<b>-</b>	<b>943,330</b>	<b>14,078,920</b>	<b>-</b>	<b>-</b>	<b>14,078,920</b>	<b>13,876,405</b>	<b>202,515</b>	<b>1.4%</b>	
<b>Non Service Expenditure</b>												
Contingency - Management of Establishment	(150,000)	-	-	150,000	-	-		-	-	-	-	
Investment Properties	(67,490)	-	-	-	(67,490)	-		(67,490)	(67,493)	3	-	
Revenue Contribution to Capital	400,000	-	-	1,159,455	1,559,455	-		1,559,455	1,559,455	-	-	
Net Financing Transactions (general capital expenditure)	392,100	-	-	-	392,100	-		392,100	392,100	-	-	
Net Financing Transactions (Market Walk)	870,480	-	-	-	870,480	-		870,480	720,480	150,000	-	
Parish Precepts	642,990	-	-	-	642,990	-		642,990	642,990	-	-	
<b>Total Non Service Expenditure/Income</b>	<b>2,088,080</b>	<b>-</b>	<b>-</b>	<b>1,309,455</b>	<b>3,397,535</b>	<b>-</b>	<b>-</b>	<b>3,397,535</b>	<b>3,247,532</b>	<b>150,003</b>	<b>-</b>	
<b>Total Expenditure</b>	<b>15,223,670</b>	<b>-</b>	<b>-</b>	<b>2,252,785</b>	<b>17,476,455</b>	<b>-</b>	<b>-</b>	<b>17,476,455</b>	<b>17,123,937</b>	<b>352,518</b>	<b>2.2%</b>	
<b>Financed By</b>												
Council Tax	(7,145,540)	-	-	-	(7,145,540)	-		(7,145,540)	(7,145,540)	-	-	
Revenue Support Grant	(734,340)	-	-	-	(734,340)	-		(734,340)	(734,340)	-	-	
Retained Business Rates	(2,929,530)	-	-	-	(2,929,530)	-		(2,929,530)	(2,929,530)	-	-	
Business Rates Pooling	(716,610)	-	-	-	(716,610)	-		(716,610)	(716,610)	-	-	
Government S31 Grants (Small Business Rate Relief)	(676,140)	-	-	-	(676,140)	-		(676,140)	(676,140)	-	-	
Government S31 Grants (Other Grants)	(7,700)	-	-	-	(7,700)	-		(7,700)	(7,700)	-	-	
Business Rates Retention Reserve	(538,510)	-	-	-	(538,510)	-		(538,510)	(538,510)	-	-	
New Homes Bonus	(4,006,650)	-	-	-	(4,006,650)	-		(4,006,650)	(4,006,650)	-	-	
New Burdens Grant	-	-	-	(2,000)	(2,000)	-		(2,000)	(12,000)	10,000	-	
Collection Fund (Surplus)/Deficit	405,740	-	-	-	405,740	-		405,740	405,740	-	-	
Use of Earmarked Reserves - capital financing	-	-	-	(1,109,455)	(1,109,455)	-		(1,109,455)	(1,109,455)	-	-	
Use of Earmarked Reserves - revenue expenditure	625,610	-	-	(1,400,330)	(774,720)	-		(774,720)	(804,365)	29,645	-	
Conts in CGUA Reclassified as Revenue	-	-	-	-	-	-		-	-	-	-	
Budgeted Contribution to General Balances	500,000	-	-	-	500,000	-		500,000	500,000	-	-	
In-Year Contribution to General Balances	-	-	-	259,000	259,000	-		259,000	259,000	-	-	
<b>Total Financing</b>	<b>(15,223,670)</b>	<b>-</b>	<b>-</b>	<b>(2,252,785)</b>	<b>(17,476,455)</b>	<b>-</b>	<b>-</b>	<b>(17,476,455)</b>	<b>(17,516,100)</b>	<b>39,645</b>	<b>-0.2%</b>	
<b>Net Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(392,163)</b>	<b>392,163</b>	<b>-</b>	
<b>General Balances Summary Position</b>				<b>Target</b>	<b>Forecast</b>				<b>Budget request for GDPR</b>	25,000		
				£	£				<b>Budget request for Boundary Review</b>	50,000		
<b>General Fund Balance at 1 April 2017</b>				3,740,000	3,187,536				<b>Worksmart</b>	50,000		
Budgeted contribution to General Balances					500,000				<b>LCC Transition Reserve</b>	120,000		
In-year contribution to General Balances					259,000				<b>Planning Appeals</b>	30,000		
<b>Provisional (Over)/Under Spend</b>					<b>57,163</b>				<b>Major Projects</b>	60,000		
<b>Forecast General Fund Balance at 31 March 2018</b>				<b>3,740,000</b>	<b>4,003,699</b>				<b>Forecast Underspend</b>	<b>57,163</b>		

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## Investment Projects 2017/18

Investment Area (Revenue)	Investment Budgets c/fwd to 2017/18	Investment Agreed 2016/17	Investment Agreed 2017/18	In-Year Changes 2017/18	Total Budget 2017/18	2017/18 Spend to Date	Committed to Date	2017/18 Balance	Forecast Outturn 2017/18	Forecast Balance Remaining
North West in Bloom	-		20,000		20,000	11,347	1,160	7,493	16,267	3,733
<b>Customer &amp; Digital</b>	-	-	20,000	-	20,000	11,347	1,160	7,493	16,267	3,733
Support to the VCFS Network	-		15,000		15,000	-	-	15,000	15,000	-
Support the food bank	-		15,000		15,000	7,500	-	7,500	15,000	-
Supporting communities to access grant funding	5,300				5,300	5,300	-	-	5,300	-
Chorley Public Service Reform Board work plan	21,900		15,000		36,900	5,644	-	31,256	36,900	-
Disabled and dementia online venue access guides	9,700				9,700	5,077	-	4,623	9,700	-
Develop Chorley's town and rural tourism economy	22,310				22,310	5,656	4,060	12,594	22,310	-
<b>Policy &amp; Governance</b>	59,210	-	45,000	-	104,210	29,177	4,060	70,973	104,210	-
Empty Homes Officer	9,540				9,540	-	-	9,540	-	9,540
Mediation service for Anti-Social Behaviour disputes	16,750				16,750	1,717	-	15,033	16,750	-
Development and delivery of community action plans	190,580			(5,720)	184,860	3,717	1,950	179,193	184,860	-
Replacement of CBC's Control Orders with Public Space Protection Orders	20,000				20,000	-	-	20,000	20,000	-
Connecting Communities through food	6,340				6,340	-	-	6,340	6,340	-
Community development and volunteering (Spice)	-	40,000			40,000	-	40,000	-	40,000	-
Free Swimming	-		7,000		7,000	-	-	7,000	-	7,000
16/17 year old drop in scheme	-		15,000		15,000	11,250	-	3,750	15,000	-
<b>Early Intervention</b>	243,210	40,000	22,000	(5,720)	299,490	16,684	41,950	240,856	282,950	16,540
Investigate opportunities to expand Chorley Markets	3,620				3,620	-	-	3,620	3,620	-
Town Centre & Steeley Lane Pilot Action Plans	126,210				126,210	-	126,210	-	126,210	-
Support the expansion of local businesses (BIG grant)	96,420		30,000		126,420	15,949	44,949	65,522	126,420	-
Business Start-up (Grant and Loan)	15,880		15,000		30,880	12,087	7,361	11,432	30,880	-
Choose Chorley Grants	179,400		37,000		216,400	25,250	61,645	129,505	216,400	-
Joint employment initiative with Runshaw College	15,000				15,000	(4,578)	-	19,578	15,000	-
Inward Investment delivery (Euxton Lane - Digital Health)	24,000				24,000	-	2,000	22,000	24,000	-
Deliver the Skills Framework	30,000		15,000		45,000	-	-	45,000	45,000	-
Vulnerable families employment project	3,250				3,250	-		3,250	3,250	-
Furthering Key Employment Sites	57,940				57,940	13,434	14,250	30,256	57,940	-
Choose Chorley Campaign	34,680				34,680	1,216	184	33,280	34,680	-
<b>Business Development &amp; Growth</b>	586,400	-	97,000	-	683,400	63,358	256,599	363,443	683,400	-
<b>TOTALS</b>	<b>888,820</b>	<b>40,000</b>	<b>184,000</b>	<b>(5,720)</b>	<b>1,107,100</b>	<b>120,566</b>	<b>303,769</b>	<b>682,765</b>	<b>1,086,827</b>	<b>20,273</b>

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**Analysis of Reserves and Provisions 2017/18**

<b>Reserves</b>	<b>Opening Balance 01/04/17 £</b>	<b>Other Transfers 2017/18 £</b>	<b>Forecast Use in 2017/18 £</b>	<b>Forecast Balance 31/03/18 £</b>	<b>Notes</b>
<b>General Fund Balance</b>	<b>3,187,536</b>	816,163		<b>4,003,699</b>	(1)
Change Management Reserve	53,512	200,000	(70,410)	183,102	
VAT Shelter Income - Capital/revenue financing	9,281		0	9,281	
Non-Recurring Expenditure - Revenue resources for capital financing	1,904,842		(928,961)	975,881	(2)
Market Walk - Income Equalisation Reserve	250,366	50,000		300,366	
Market Walk - Asset Management	135,860	50,000	(74,000)	111,860	(8)
Market Walk - Project Work funded through Service Charge	154,430	38,600	(74,000)	119,030	(8)
Section 31 Grant - Empty property/small business rate relief	32,495		(32,495)	(0)	
Business Rates Retention - Surplus on levy payment	627,138		(538,510)	88,628	(3)
Investment Fund - Invest-to-earn Projects	401,990	300,000		701,990	
LCC Transition Fund	358,590	100,000	(458,590)	0	
Chorley Employment Inclusion Programme	0	295,390		295,390	
<b>Non-Directorate Reserves</b>	<b>3,928,503</b>	<b>1,033,990</b>	<b>(2,176,966)</b>	<b>2,785,527</b>	
<b>Policy &amp; Governance</b>					
Investment Projects	56,810		(56,810)	0	(4)
British Army Civil Engagement Grant	16,902		(16,902)	0	
<b>Communications &amp; Events</b>	<b>73,712</b>	<b>0</b>	<b>(73,712)</b>	<b>0</b>	
Slippage from 2016/17	5,880		(5,880)	0	(5)
Transformation Challenge funding	135,000		(135,000)	0	
Public Service Reform funding	21,900		(21,900)	0	(4)
Funding for Graduate Policy Officer post 2017/18	32,220		(32,220)	0	
<b>Performance &amp; Partnerships</b>	<b>195,000</b>	<b>0</b>	<b>(195,000)</b>	<b>0</b>	
Slippage from 2016/17	80,730		(54,410)	26,320	(5)
Elections	0	90,000		90,000	
Corporate/Professional Training	26,300	9,000	(3,000)	32,300	
Apprenticeship Levy	0	27,000	(27,000)	0	
Legal Case Mgt System	1,522		(1,522)	0	
<b>Legal, Democratic &amp; H.R.</b>	<b>108,552</b>	<b>126,000</b>	<b>(85,932)</b>	<b>148,620</b>	
Slippage from 2016/17	69,030		(53,030)	16,000	(5)
<b>Shared Financial Services</b>	<b>69,030</b>	<b>0</b>	<b>(53,030)</b>	<b>16,000</b>	
<b>Policy &amp; Governance</b>	<b>446,294</b>	<b>126,000</b>	<b>(407,674)</b>	<b>164,620</b>	
<b>Business Development &amp; Growth</b>					
Community Infrastructure Levy (CIL Admin)	22,898		(22,898)	0	(6)
Government Grants - Single Homeless Initiative	20,250		(18,000)	2,250	
Local Development Framework	50,000		(50,000)	0	
Slippage from 2016/17	26,000		(26,000)	0	(5)
<b>Development &amp; Regeneration</b>	<b>119,148</b>	<b>0</b>	<b>(116,898)</b>	<b>2,250</b>	
Retail Grants Programme	111,498		(111,498)	0	(4)
Investment Projects	456,570		(456,570)	0	(4)
<b>Employment Skills &amp; Business Support</b>	<b>568,068</b>	<b>0</b>	<b>(568,068)</b>	<b>0</b>	
Investment Projects	129,830		(129,830)	0	(4)
<b>Markets &amp; Town Centre</b>	<b>129,830</b>	<b>0</b>	<b>(129,830)</b>	<b>0</b>	
Buildings Maintenance Fund	72,352	100,000	(172,352)	0	
Redevelopment Fund - Oak House Site	615,850		(30,000)	585,850	(7)
Slippage from 2016/17	4,000		(4,000)	0	(5)
<b>Property Services</b>	<b>692,202</b>	<b>100,000</b>	<b>(206,352)</b>	<b>585,850</b>	
<b>Business Development &amp; Growth</b>	<b>1,509,248</b>	<b>100,000</b>	<b>(1,021,148)</b>	<b>588,100</b>	
<b>Customer &amp; Digital Services</b>					
New Investment Projects 2016/17	17,440		(17,440)	0	(4)
Single Front Office Apprentices 2016/17 to 2017/18	64,450		(12,050)	52,400	
Council Tax Summons/Liability Order Bad Debts	89,020			89,020	
Land Charges litigation - legal costs	15,820			15,820	
Funding for Debt Recovery Officer post (April to Oct 2017)	13,460		(13,460)	0	
Slippage from 2016/17	1,400		(1,400)	0	(5)
<b>Customer Transformation</b>	<b>201,590</b>	<b>0</b>	<b>(44,350)</b>	<b>157,240</b>	
Slippage from earlier years	46,860		(46,860)	0	

**Analysis of Reserves and Provisions 2017/18**

	Opening Balance 01/04/17 £	Other Transfers 2017/18 £	Forecast Use in 2017/18 £	Forecast Balance 31/03/18 £	Notes
<b>Reserves</b>					
Slippage from 2016/17	30,000		(30,000)	0	(5)
ICT Projects	108,190		(108,190)	0	
ICT Infrastructure Reserve	300,170		(300,170)	0	
Capital financing	8,450		(8,450)	0	
<b>ICT Services</b>	<b>493,670</b>	<b>0</b>	<b>(493,670)</b>	<b>0</b>	
Maintenance of Grounds	29,017	10,000	(20,000)	19,017	
Yarrow Meadows Project, Environment Agency grant	10,000		(10,000)	0	
<b>Waste &amp; Streetscene Services</b>	<b>39,017</b>	<b>10,000</b>	<b>(30,000)</b>	<b>19,017</b>	
Planning Appeal Costs	31,089		(31,089)	0	
New Burdens Grants - S31 Government Grants	29,645		(29,645)	0	
<b>Planning Services</b>	<b>60,734</b>	<b>0</b>	<b>(60,734)</b>	<b>0</b>	
<b>Customer &amp; Digital Services</b>	<b>795,011</b>	<b>10,000</b>	<b>(628,754)</b>	<b>176,257</b>	
<b>Early Intervention</b>					
Investment Budgets	86,340		(46,340)	40,000	(4)
External Funding	23,530		(23,530)	0	
Home Improvements - Housing Affordable Warmth Grant	41,176			41,176	
Home Improvements - Handyman Scheme	41,390			41,390	
Home Improvements - Disabled Facility Contribution	24,660			24,660	
Buckshaw Youth Development Grants	1,367			1,367	
Slippage from 2016/17	5,000		(5,000)	0	(5)
<b>Health and Wellbeing</b>	<b>223,463</b>	<b>0</b>	<b>(74,870)</b>	<b>148,593</b>	
Investment Budgets - Empty Homes Officer	81,540		(45,540)	36,000	(4)
<b>Regulatory Services</b>	<b>81,540</b>	<b>0</b>	<b>(45,540)</b>	<b>36,000</b>	
Neighbourhood Working (pump priming)	63,090		(63,090)	0	
Investment Budgets	227,330		(227,330)	0	(4)
Dog Fouling Campaign	5,300		(5,300)	0	
Chorley Youth Zone	0		0	0	
<b>Neighbourhoods</b>	<b>295,720</b>	<b>0</b>	<b>(295,720)</b>	<b>0</b>	
Investment Budgets	0			0	
New Burdens Grant - Right to Move	0			0	
<b>Housing Options and Support</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Early Intervention</b>	<b>600,723</b>	<b>0</b>	<b>(416,130)</b>	<b>184,593</b>	
<b>Directorate Reserves</b>	<b>3,351,275</b>	<b>236,000</b>	<b>(2,473,705)</b>	<b>1,113,570</b>	
<b>Earmarked Reserves</b>	<b>7,279,778</b>	<b>1,269,990</b>	<b>(4,650,671)</b>	<b>3,899,097</b>	
<b>Total Reserves - General and Earmarked</b>	<b>10,467,314</b>	<b>2,086,153</b>	<b>(4,650,671)</b>	<b>7,902,796</b>	
<b>Provisions</b>					
Insurance Provision - Potential MMI clawback	13,116		(13,116)	0	
Other Provisions - Asda re: land at Bolton Street	0			0	
<b>Total Provisions</b>	<b>13,116</b>	<b>0</b>	<b>(13,116)</b>	<b>0</b>	

**Notes**

- (1) Provisional Outturn as at 31 March 2018.
- (2) Capital Financing - £200k to part-fund the ICT Refresh, £160k Astley and £290k towards play and open space, £200k asset improvements
- (3) Equalisation reserve is used to smooth the impact of fluctuations in the level of business rates retained year-on-year
- (4) Investment projects are often budgeted over a number of years and therefore carried forward in reserves. Full details are given in appendix 3
- (5) Slippage from 2016/17 total £222,040.
- (6) The Council is permitted to set aside 5% of the CIL income charged to developers. This income covers expenditure the Council incurs in administering the CIL charges.
- (7) Premium received relating to Royal Oak Public House from the former tenant, reserve to be utilised to fund Market Walk Extension Public Realm
- (8) £74k of costs have been identified for the renewal of the path ways and lighting at the covered market  
Another £74k is committed against the Market Walk service charge for painting of the Market Walk Shopping Centre

**Appendix 4 - Capital Monitoring 2017/18**

	Actual	Commitment	Total	17/18 Budget	Qtr 2 Adjustments	Current 17/18 Budget	2017/18 Forecast	2017/18 (Under)/Over	18/19 Budget	Qtr 2 Adjustments	18/19 Budget	19/20 Budget	Qtr 2 Adjustments	19/20 Budget	TOTAL BUDGET
<b>Customer &amp; Digital</b>															
Recycling receptacles	44,020	0	44,020	55,000		55,000	55,000	0.00	45,000		45,000	30,000		30,000	130,000
Recycling receptacles - Garden Waste	157,661	5,423	163,084	244,731		244,731	244,731	0.00			0			0	244,731
Puffin Crossing Collingwood Rd	0	0	0	47,820		47,820	47,820	0.00			0			0	47,820
ICT Modernisation	0	0	0	750,000		750,000	750,000	0.00			0			0	750,000
Bank Hall Restoration	0	0	0	2,200,000		2,200,000	2,200,000	0.00			0			0	2,200,000
Path Works to Cemeteries	46,453	949	47,402	140,576		140,576	140,576	0.00	77,000		77,000			0	229,500
	<b>248,134</b>	<b>6,372</b>	<b>254,506</b>	<b>3,438,128</b>	<b>0</b>	<b>3,438,128</b>	<b>3,438,128</b>	<b>0</b>	<b>122,000</b>	<b>0</b>	<b>122,000</b>	<b>30,000</b>	<b>0</b>	<b>30,000</b>	<b>3,602,051</b>
<b>Policy &amp; Governance</b>															
Chorley Youth Zone	450,186	1,025,000	1,475,186	1,500,000		1,500,000	1,500,000	0.00			0			0	2,005,000
Astley 2020	19,252	19,471	38,723	474,175		474,175	474,175	0.00			0			0	654,570
	<b>469,438</b>	<b>1,044,471</b>	<b>1,513,909</b>	<b>1,974,175</b>	<b>0</b>	<b>1,974,175</b>	<b>1,974,175</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,659,570</b>
<b>Early Intervention</b>															
Chorley Adaptation Grant (Formerly DFG)	173,850	0	173,850	824,404		824,404	824,404	0.00	665,945		665,945	665,945		665,945	2,156,294
Cotswold House Improvements Final Phase	142,019	233	142,251	259,797		259,797	259,797	0.00			0			0	858,000
Leisure Centres Improvements	2,846	47,126	49,972	90,000		90,000	90,000	0.00	30,000		30,000	100,000		100,000	220,000
Delivery of CCTV 15/16 - 17/18	0	4,410	4,410	26,768		26,768	26,768	0.00			0			0	355,000
	<b>318,715</b>	<b>51,769</b>	<b>370,483</b>	<b>1,200,969</b>	<b>0</b>	<b>1,200,969</b>	<b>1,200,969</b>	<b>0</b>	<b>695,945</b>	<b>0</b>	<b>695,945</b>	<b>765,945</b>	<b>0</b>	<b>765,945</b>	<b>3,589,294</b>
<b>Regeneration &amp; Inward Investment</b>															
Asset Improvements	125,915	50,996	176,911	355,207	0	355,207	355,207	0.00	280,000		280,000	300,000		300,000	935,207
Market Walk Extension & Public Realm Works	1,606,663	352,700	1,959,363	11,617,227	(6,039,643)	5,577,584	5,577,584	0.00		9,707,239	9,707,239			0	16,353,837
Regeneration Projects - Public Realm Works Phase	12,203	26,363	38,565	956,984	(956,984)	0	0	0.00			0			0	43,016
Steeley Lane Gateway	119,246	0	119,246	114,000		114,000	114,000	0.00	160,000		160,000			0	274,000
Car Parks Pay & Display Ticket Machines	39,335	3,648	42,983	38,412		38,412	38,412	0.00			0			0	38,412
Big Wood Access Improvements	17,596	41,421	59,017	83,102		83,102	83,102	0.00			0			0	83,102
Buckshaw Village Rail Station	0	0	0	726,000		726,000	726,000	0.00			0			0	726,000
Eaves Green Play Development	0	0	0	53,195		53,195	53,195	0.00			0			0	56,178
Play, Recreation and Open Space Projects	158,610	35,206	193,816	1,105,492		1,105,492	1,105,492	0.00			0			0	1,105,492
Rangletts Recreation Ground	86,647	352	86,999	97,592		97,592	97,592	0.00			0			0	102,447
Yarrow Valley Car Park	200,526	500	201,026	212,555		212,555	212,555	0.00			0			0	212,555
Recreation Strategy	0	0	0	105,000		105,000	105,000	0.00			0			0	105,000
Primrose Retirement Village	1,658,317	8,289,797	9,948,114	3,572,278	(145,942)	3,426,336	3,426,336	0.00	6,397,958	145,942	6,543,900			0	10,591,531
Westway Playing Fields Sports Campus	1,977	1,250	3,227	950,517		950,517	950,517	0.00			0			0	950,517
Digital Office Park	123,068	137,316	260,384	4,964,527	(2,447,395)	2,517,132	2,517,132	0.00	2,450,000	2,447,395	4,897,395			0	8,120,250
Digital Office Park Enabling	0	0	0	0	910,000	910,000	910,000	0.00			0			0	910,000
Buckshaw Bus Stops	0	0	0	40,000		40,000	40,000	0.00			0			0	40,000
	<b>4,150,101</b>	<b>8,939,549</b>	<b>13,089,651</b>	<b>24,992,089</b>	<b>(8,679,964)</b>	<b>16,312,125</b>	<b>16,312,125</b>	<b>0</b>	<b>9,287,958</b>	<b>12,300,575</b>	<b>21,588,533</b>	<b>300,000</b>	<b>0</b>	<b>300,000</b>	<b>40,647,544</b>
<b>TOTAL</b>	<b>5,186,388</b>	<b>10,042,162</b>	<b>15,228,549</b>	<b>31,605,360</b>	<b>(8,679,964)</b>	<b>22,925,397</b>	<b>22,925,397</b>	<b>0</b>	<b>10,105,903</b>	<b>12,300,575</b>	<b>22,406,478</b>	<b>1,095,945</b>	<b>0</b>	<b>1,095,945</b>	<b>50,498,460</b>

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## **REPORT OF THE OVERVIEW AND SCRUTINY COMMITTEE**

This report summarises the business considered at the meeting of the Overview and Scrutiny Committee held on 12 October, the special Overview and Scrutiny Committees which considered the Council's Waste Contract, the Overview and Scrutiny Performance Panel held on 21 September, and includes an update on the task group review.

### **OVERVIEW AND SCRUTINY COMMITTEE – THURSDAY, 12 OCTOBER 2017**

#### **Crime and Disorder Scrutiny - Counter Terrorism**

Within the Counter Terrorism Act 2015, there was a specific requirement for all local authorities to give due regard to the need for people being radicalised and drawn into terrorism. The Prevent duty commenced for local authorities on 1 July 2015. This new area of responsibility for the Council, required new ways of working, data sharing, processes and training which had been developed in partnership with other councils and Lancashire Police.

Members of the Committee sought an update on how the council was meeting its obligations of the Prevent duty and a report was presented before the Committee. The report provided information on the work of the council, and included the findings of a recent internal audit of the service, and recommendations for future improvements to the council's response.

Resulting analysis of the Prevent work undertaken at the end of March 2016 concluded that the council's future Prevent action plan in Chorley over the next eighteen months would focus on four key areas –

- Increased partnership and community awareness;
- Community cohesion and tolerance;
- Internet security in public buildings;
- Review of child and adult safeguarding.

The Committee was informed that three key members of staff had been trained to deliver the Prevent Home Office Training. They have now gone on to deliver the same training to 114 colleagues across the council and partner services. Other training delivered included a Member Learning Session in which 11 members attended and an online training course which was mandatory for all employees. Reference to Prevent was also contained in the council's adult and child safeguarding revised policies.

Debate focused on –

- Council policies that conflict with the Prevent duty (ie the Digital Inclusion Strategy which encourages more open access, had the potential to create issues in relation to internet security);
- emergency plans in place between partner organisations, headed up by the emergency services in the case of a terrorist attack (or any other disaster);
- confirmation, that the building design for three of the council's major building projects (Market Walk extension; Primrose Gardens, and the Youth Zone) would incorporate security measures as part of the planning and design stage and not following their completion.

## **Communications**

Members of the Committee had, for some time, indicated that they wished to hold a review on the topic of communications. To aid the Committee in deciding what aspect of communications they wanted to review a report was presented which provided information on the role and responsibilities of the Council's Communications and Events team and the role other services had to play in communicating both internally and externally.

Following a debate it was agreed that a report be prepared to consider a broader review of how members are kept informed about key areas of work being delivered by officers' to be presented at the next Committee meeting on 25 January 2018.

## **Overview and Scrutiny Task Group: Child Sexual Exploitation - response of Executive Cabinet**

At its meeting on the 3 August, the Executive Cabinet agreed to the recommendations put forward by the Overview and Scrutiny Task Group in to Child Sexual Exploitation (CSE). The 10 recommendations had been broken down into 5 key areas –

- Training and awareness raising for elected members and officers
- Taxi trade and licensing community training
- Work with partners in producing appropriate materials/delivering events to raise CSE awareness amongst parents and guardians, improve links and maintain links with secondary and primary school
- Elected members personal safety guidance
- The council to continue to raise awareness within the community

These areas and the actions required have formed the CSE Action Plan for 2017/18.

It was reported that the majority of the taxi trade had been trained in identifying the signs of CSE. A further session would be arranged for those drivers who had yet to be trained. Once all taxi drivers (licensed through Chorley Council) have been trained, it is intended that the training will be rolled out to other licensing trades.

## **OVERVIEW AND SCRUTINY WHOLE COMMITTEE REVIEW OF THE COUNCIL'S WASTE CONTRACT – THURSDAY, 24 OCTOBER AND THURSDAY, 30 NOVEMBER 2017**

In advance of the Council's Waste Contract with Veolia expiring on 31 March 2019, consultant, Ricardo AEA was appointed to provide consultancy support and model a number of options for the new contract. The consultant's findings were presented to the Executive Cabinet, at its meeting on 14 December.

On the Chair's proposal, it was agreed that the whole Committee would review the Council's waste contract and the consultant's findings in advance of a report being considered by the Executive Cabinet.

The review was conducted over two meetings to which the Executive Member for Customer, Advice and Streetscene Services, Director of Customer and Digital and the Waste and Streetscene Manager were present.

The first meeting looked at the financial saving required in the MTFS, and risks relating to the contract (financial and reputational). Details of the service delivery models, waste collection service options and the procurement timetable was also discussed.

At the second meeting, members of the Committee considered the findings and proposed model options of the appointed consultant as well as the recommendations that the Executive Cabinet would be asked to consider.

After careful consideration, the Committee agreed to support the following recommendations

1. That the outcome of the modelling work be included in the report to the Executive Cabinet on 14 December 2017.
2. For the waste collection service to remain outsourced, with tender documents to be prepared on the existing service and to extend the blue bin collection cycle to four weekly.

## **OVERVIEW AND SCRUTINY PERFORMANCE PANEL – 21 SEPTEMBER 2017**

### **Performance Focus: Customer and Digital Context**

Members of the Performance Panel considered a report by the Director of Policy and Governance which provided contextual information in regards to an update on Waste and Streetscene performance and the delivery of the Digital Strategy 2017/20. The Chair welcomed the Executive Member for Customer, Advice and Streetscene and the Director of Customer and Digital.

The Performance Panel was informed on the modernisation improvements that had been implemented and changes to working arrangements in the areas of –

- Waste
- Streetscene
- Digital Strategy

## **OVERVIEW AND SCRUTINY PERFORMANCE PANEL – 30 November 2017**

### **Performance Focus - Council's Communications and Events Team.**

The Performance Panel considered a report which provided information on the events being delivered by the Council's Communications and Events Team.

Since 2009, the Council's events delivery had significantly increased from two annual events (Picnic in the Park and the Christmas lights switch on), to a yearlong programme of activities designed for people of all ages which included –

- What's your story, Chorley?
- Chorley Grand Prix
- Theatre in the Park x 2
- Picnic in the Park
- Taste of Chorley
- Chorley Live

The report also included a summary of the financial cost in delivering each event, the revenue generated, and the number of attendees.

As part of its work, the Communications and Events Team was also responsible for internal and external communications including press enquires, social media, branding and website development.

During debate, members of the Performance Panel discussed many aspects of the events which included –

- Customer satisfaction surveys being used to gather information on the economic and social aspect of the event,
- Marketing methods and promotions; particularly in rural areas
- Chorley Grand Prix – sponsorship
- Chorley Live to increase the number of venues in light of its popularity

## **OVERVIEW AND SCRUTINY TASK GROUP**

### **Council's Leisure Contract**

In addition to the Council's Waste Contract expiring in the next few years, so too is the Council's Leisure Contract. The contract is due to expire in 2020, with a formal review being conducted in 2018. Pulse Regeneration was appointed consultant to review the current contract, carry out research into leisure provision both nationally and locally, and provided model options for the Executive Cabinet approval. The Overview and Scrutiny Committee considered that it was timely to undertake a Task Group review to study the findings of the consultant and that of officers of the council.

The Task Group, Chaired by Councillor Alistair Morwood met five times, and gathered evidence from Active Nation, Lancashire Care Foundation Trust, and officers from the Council's Early Intervention and Support, Legal and Human Resources teams. The Task Group also considered the findings and recommendations of Pulse Regeneration.

The final report of the Task Group will be considered by the Overview and Scrutiny Committee on 25 January 2018, before being submitted to the meeting of the Executive Cabinet on 15 February for their consideration and implementation.

**COUNCILLOR JOHN WALKER**

**CHAIR OF THE OVERVIEW AND SCRUTINY COMMITTEE**

**REPORT OF GOVERNANCE COMMITTEE**

1. The report summarises the business transacted at the Governance Committee meeting held on 20 September 2017.

**GOVERNANCE COMMITTEE – 20 SEPTEMBER 2017****External Audit Findings Report 2016/17**

2. The Committee received a report of the External Auditor on their findings for the authority for the year ending 31 March 2017, that highlighted the key matters arising from the Council's financial statements and appreciation of the finance team and associated officers for their assistance during the audit. The Auditor intended to issue an unqualified opinion on the financial Statements and Value for Money conclusion by 30 September 2017.
3. One adjustment had been identified that amended the Council's reported financial position. However, this was essentially a timing issue and did not reduce the level of resources available in 2017/18 and therefore the Council decided to not amend as officers concluded that it did not have a material impact on the understanding of the financial statement. The External Auditors required a representation as to why Chorley Council chose not to amend the identified issue. This was addressed in the Letter of Representation.
4. The key messages arising indicated that a £2.4m grant was incorrectly credited to the Comprehensive Income and Expenditure Statement (CIES) in 2016/17 as the conditions set out in the agreement with the Homes and Communities Agency (HCA) had not been met. One issue was identified as above and a small number of disclosure issues were also amended, however it was considered overall that the Council had a good set of accounts.
5. Members expressed concern with regards to the time taken to be in the position as reported considering the SOA had been completed on 12 June 2017. Officers recognised a number of external and internal issues that had affected working towards meeting the deadline. Reassurances were made that discussions would be held following the deadline to assess this process and suggest improvements. It was agreed that this would be brought back to the next scheduled Governance Committee to ensure that this be mitigated for the next financial year. The report was noted.

**Statement of Accounts 2016/17**

6. The Governance Committee received a report that sought approval of the audited Statement of Accounts (SOA) for its publication on 30 September 2017, under the requirement of the Accounts and Audit Regulations 2015. Once approved, the signed statement would be published on the Council's website.
7. Members were informed of material changes to the SOA from the draft version published on 23 June 2017. The main adjusted misstatement was in respect of the accounting treatment of a capital grant from the HCA, for the financing of the Primrose Gardens Retirement Living Capital project. The £2.404m HCA grant was accrued in the 2016/17 accounts, the cash having been received in early April 2017. Other changes included the netting off the Bank Overdraft from Cash and Cash equivalents in Current Assets; and restating the 2015/16 figures for receivable rents in the Leases note.

8. Members were advised that at the time of preparing the report and the current version of the SOA, the auditors were still undertaking a limited amount of checks. Due to the audit not having been finalised, it was possible that further changes to the SOA could be required. As a consequence it was agreed that the Chief Finance Officer approve the 2016/17 Statement of Accounts in consultation with the Chair of the Governance Committee and sign of the Letter of Representation. It was agreed that the AGS included within the SOA be updated to include any changes to the AGS as approved at the meeting. In the event that the Chief Finance Officer was of the opinion that the amendments were considered material, the Governance Committee would be reconvened to approve the new SOA.

#### **Treasury Management Activity Mid-Year Review 2017-18**

9. The Governance Committee received a report detailing the Treasury Management performance and compliance with Prudential Indicators in the financial year 2017/18 to the end of July. Compared to 2016/17, the main change had been the lower balance available to invest, which meant it had not been possible to invest for longer periods in order to achieve higher interest rates. There were no changes proposed to the current list of Financial Institutions and Investment Criteria. Officers were also not proposing changes to any prudential indicators at present.
10. It was reported that the average interest earned to the end of July 2017 was 0.18% which exceeded the target of 0/13%. The average interest earned had not exceeded the Capita suggested earnings rate of 0.25% for 2017/18. As in 2016/17, cash balances had been used as a source of internal borrowing to minimise external borrowing at higher rates of interest, thereby achieving revenue budget savings. Internal borrowing was the most effective use of the Council's cash balances while available, and so far in 2017/18 no new long term external borrowing had been taken.
11. Compared to the previous interest rates forecast, PWLB borrowing rates were slightly lower than expected. Gradual increases through to March quarter of 2020 were still forecast.
12. Members were informed that to continue using regulated products such as money market funds (MMF's), Chorley Council would have to opt-up to Professional Client status. It was estimated that the Council would fail the minimum financial instrument portfolio size test of £10m and therefore would not be able to use MMF's from January 2018.
13. There had been proposed changes to CIPFA's Treasury Management Code and Prudential Code. Overall, it was understood that the proposed changes would not affect Chorley Council and the existing capital expenditure plans. It was agreed that training would be provided to address these changes.
14. Following queries, Members were reassured that the use of Capita was of benefit to the Council. Members discussed other alternatives to PWLB borrowing; it was agreed that Officers would continue to assess the alternative options available for the council to gain the best value for money. The report was noted.

#### **Annual Governance Statement – Amendment**

15. The Monitoring Officer presented a report informing Members of the proposed amendments to the Annual Governance Statement (AGS) which had been suggested after consideration by

external audit. The Governance Committee previously approved the draft AGS which formed part of the council's Statement of Accounts.

16. The suggested amendments, as outlined in the report, did not affect the conclusions of the AGS but enhanced the document by providing additional supporting evidence which demonstrated the council's compliance with our governance framework. The AGS as drafted satisfied the requirements of the CIPFA SOLACE Framework, but the amendments would make it clearer how the Council discharged its obligations.
17. External audit made the following recommendations;
  - a) Greater information should be provided concerning the role of the Section 151 Officer and Head of Shared Assurance Service;
  - b) The Council's arrangements for counter fraud and anti-corruption should be given greater prominence;
  - c) More information should be provided as to the communication between the Council and external audit;
  - d) It should be made clear that the Governance Committee fulfils the functions of an Audit Committee;
  - e) Greater reference should be made to partnership working;
18. In other areas it was suggested to provide additional examples of compliance to give a fuller picture of the steps the Council take. It was advised that if approved, the amended AGS would be appended to the SOA. The report was noted.

#### **Internal Audit Progress Report as at 28 July 2017**

19. The Principal Auditor presented a report advising the Committee of work undertaken in respect of the Internal Audit Plans for Chorley Council and Shared Services for the period April to July 2017. The report also detailed the outcomes of the audits undertaken and gave an appraisal of the Internal Audit service's performance to date.
20. Members were informed that Internal Audit had been supporting the AGS by proactively providing advice and guidance. The report demonstrated that at this stage the Audit Plans were on target to be achieved and the majority of performance indicators had either been achieved or exceeded.
21. Since the implementation of the GRACE system in April 2017, Internal Audit had delivered training to 72 Chorley Council and Shared Services Officers. In addition, a further 10 external consultants who were assisting with the population of key project risk registers were also trained. Officers were in the process of delivering training to all members of the Senior Management Team (SMT) and developing the reporting arrangements at both corporate and service level.
22. It was agreed with SMT that Internal Audit would provide support with the development/enhancement of key risk registers including; the Corporate Risk Register, Corporate Plan Projects and Key Partnerships. Whilst these risk registers were at various stages of development, there were over 190 individual risks being continuously reviewed and monitored by the risk owners. The committee was assured that good progress was being made. Members were informed that controls had been put in place to mitigate a previous issue

regarding the CIL and had subsequently improved significantly in the past year. The report was noted.

**RIPA Application Update**

23. The Monitoring Officer reported that no RIPA applications had been made.

**Recommendation**

24. That the report be noted.





Report of	Meeting	Date
Director of Policy and Governance	Council	23 January 2018

## ELECTORAL REVIEW UPDATE

### PURPOSE OF REPORT

1. To provide elected members with an update on the electoral review of Chorley Council and the formulation of an Electoral Review of Chorley Council Committee to oversee the review process and implementation of the recommendations.

### RECOMMENDATION(S)

2. To note the arrangements and timetable for the Electoral Review.
3. Appoint to the Electoral Review of Chorley Council Committee and approve the attached draft terms of reference (appendix A).
4. To consider and make recommendations to the frequency of local elections for Chorley Council and whether to continue to undertake elections by thirds, or to opt for whole-council elections every four years.
5. To consider and make recommendations to whether the Council wishes to defer its 2019 local government elections in response to whole-council elections in 2020 on the new ward arrangement. If agreed, a formal request will be made to the Secretary of State for a deferment of the 2019 local elections by Order under section 87 of the Local Government Act 2000, setting out the reasons for requiring the change.

### EXECUTIVE SUMMARY OF REPORT

6. In preparation for the Local Government Boundary Commission for England's (LGBCE) electoral review of Chorley Council, this report considers the need to convene a new committee to oversee the review process and the implementation of recommendations.
7. The report also considers the implications that the electoral review may have on the election cycle following the review, and the process involved in postponing the 2019 local government elections in light of the 2020 whole council election.

<b>Confidential report</b> Please bold as appropriate	Yes	No
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### CORPORATE PRIORITIES

8. This report relates to the following Strategic Objectives:

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

**BACKGROUND**

9. The last electoral review conducted by the Local Government Commission for England was in 1999/2000, with the final recommendations being published in September 2000. The outcome of that review resulted in a reduction in the number of Councillors from 48 to 47, and the number of wards from 22 to 20.
10. Since then, the LGBCE has been formed and is now responsible for conducting electoral reviews under Section 56, of the Local Democracy, Economic Development and Construction Act 2009 (Act). This Act requires an electoral review to be carried out from ‘time to time’. It was therefore timely that in 2017, Chorley Council was informed of the LGBCE’s decision to carry out an electoral review of the council size (number of elected councillors), the number of wards and their boundaries.
11. By law, the LGBCE have to take account of three main considerations when conducting an electoral review as set out in Schedule 2 of the Act:
  - Improve electoral equality by equalising the number of electors each councillor represents
  - Reflect community identity
  - Provide for effective and convenient local government
12. Electoral reviews are initiated primarily to improve electoral equality. This means ensuring as far as is reasonable, that for any principal authority the ratio of electors to councillors in each electoral ward or division is approximately the same.
13. Under the criteria adopted by the LGBCE, there are two conditions considered to warrant a review, if the imbalance is unlikely to be corrected by foreseeable changes to the electorate within a reasonable period:
  - Any local authority with an electoral division or ward that has an electoral variance of 30% or over. This means a division or ward having 30% more or fewer electors per councillor than in average for the council as a whole, and;
  - Any local authority where more than 30% of divisions or wards have an electoral variance of over 10% from the average for that authority.
14. Based on the electoral date given to the LGBCE by this authority, both of the above conditions have been met:
  - 6 of the electoral wards have a variance greater than 10%
  - 1 of the electoral wards has a variance of over 30%
15. On 23 October 2017, the Chair and Chief Executive of the LGBCE met with the council’s Executive Leader and Chief Executive to discuss the review process. This was followed up by a series of briefings held on 6 December for the council’s political group leaders, councillors, parish and town council representatives and relevant officers of the council.

**ELECTORAL REVIEW PROCESS**

16. The electoral review, which is due to commence in June 2018, will have two distinct parts:

- **Council size** – before the LGBCE re-draws ward boundaries, it will come to a view on the total number of councillors to be elected to the council in future. A conclusion on council size will be drawn after hearing the council's (and/or councillors') views during the preliminary phase.
- **Ward boundaries** – the LGBCE will re-draw ward boundaries so that they meet their statutory criteria. The council will have the opportunity to put forward its ideas in two phases of public consultation.

17. A timetable for the review is detailed below:

Stage Starts	Description
June 2018	Number of Councillors decided.
June 2018	Start consultation seeking views on new wards
September 2018	End of consultation; LGBCE analyse submission and form draft recommendations
November 2018	Publication of draft recommendations, start of second consultation
January 2019	End of consultation; LGBCE begin analysing submissions and forming final recommendations
March 2019	Publication of final recommendations
Ordinary day of elections 2020	Election on new electoral arrangements.

18. The majority of the work for the electoral review will be conducted by the LGBCE; although the overall process is a collaborative one with the council. The council is expected to provide information/data, to consider electorate forecasts five years after the completion of the review, and put forward its own preferred recommendations to assist with the process. It is worth noting that any organisation or individual may make proposals to the LGBCE about the whole borough or part of it. The LGBCE is not duty bound to accept a proposal in whole or part from the council, but will make a judgement based on the best evidence available to it.
19. As part of the review the LGBCE will also conduct their own independent site visit of the borough, the purpose of which is to gain a practical understanding of natural boundaries and issues raised as part of the consultation.
20. In 2020, the first local government election on the new electoral arrangements will be a whole-council election based on the new wards, and will bring the review to a close.
21. Unless the council decides otherwise, it is anticipated that elections will return to elections by thirds as soon as practicable afterwards. Those members who poll lowest will serve 2 years, those who poll second will serve 3 years and those who poll the highest will serve 4 years.
22. There is an additional option for local government elections to take place biennially. This is when half of the council is elected every two years.

## COUNCIL SIZE

23. Prior to the commencement of the review, the LGBCE requires the council to submit its preferred size based on the number of councillors it considers is needed for effective and efficient governance. Once the figure has been approved by the LGBCE, the review process will commence. The council size needs to be considered carefully. In reaching its figure, the council will need to consider its executive arrangements, scrutiny functions. and the role of councillors on external bodies and within the community.

- 24. When considering the council size, the figure agreed may also have an impact in the frequency of its local government elections. The maximum number of councillors per ward the LGBCE would agree too is three. However, should the council wish to continue to elect by thirds (the fourth year being a fallow year for local government elections) the figure agreed must be divisible by 3. Should the council wish to change its election pattern to whole-council elections every four years the LGBCE is able to propose any pattern of wards that it believes best meets its statutory criteria. This is usually a mixture of single, two and three member wards. Biennial elections would require an even number of councillors, two member wards.

**NEXT STEPS**

- 25. To co-ordinate and oversee the review process, and implement any decisions, it is proposed that an Electoral Review Committee is formed. This politically balanced committee should consist 8 members (4 Labour, 3 Conservative and 1 National Health Action Party). The draft ‘terms of reference’ for the committee is attached to this report (appendix A) for approval. An officer working group has been formed, the purpose of which is to gather evidence to support the council’s submission and will present its findings to the committee for consideration. Recommendations of the committee will be referred to the next available council meeting for approval.
- 26. Members may recall from the report presented at the Executive Cabinet meeting on 5 October 2017, that there was an intention for this committee to be formed at the council’s annual meeting in May 2018. However, since that report was presented, the authority took receipt of the LGBCE’s timetable for the review (paragraph 17), after which it was considered that the committee should be formed as soon as practical.

**2019 ELECTION**

- 27. With a whole council election taking place on the new ward boundaries in 2020, the reality for those members elected in 2019 is that they would only serve a 1 year term.
- 28. Since being informed of the review, there have been a number of enquires by members as to the possibility of postponing the 2019 local elections. As a result, advice was sought from the Department for Community and Local Government (DCLG). In response, the DCLG advised that for the council to defer its 2019 local government elections, a formal request would need to be made to the Secretary of State setting out its reasons for requiring the change. The Secretary of State would then decide whether to proceed, and if he chose to do so would begin the formulation of the necessary Order.
- 29. Members are asked to debate whether they wished to proceed with the formal request being made to the Secretary of State and the reasons for the change.

**IMPLICATIONS OF REPORT**

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

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

**COMMENTS OF THE STATUTORY FINANCE OFFICER**

31. There are no direct financial implications resulting from this report however the outcomes of the boundary review are likely to have financial implications for the Council's revenue budget.

**COMMENTS OF THE MONITORING OFFICER**

32. No Comments.

**REBECCA HUDDLESTON  
DIRECTOR OF POLICY AND GOVERNANCE**

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Cathryn Filbin	5123	***	***

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**DRAFT TERMS OF REFERENCE****ELECTORAL REVIEW OF CHORLEY COUNCIL COMMITTEE**

Chorley Council has received notification of the Local Government Boundary Commission for England's intention to conduct an electoral review of Chorley Council.

The suggested remit and terms of reference for the operation of the Committee are as follows:

**The Committee is tasked to:**

- **Oversee the electoral review process**
- **Make recommendations to Council on the**
  - **preferred Council size (number of councillors)**
  - **preferred Ward patterns**
- **Implement the recommendations of the Local Government Boundary Commission for England.**

**23 January 2018**

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