

MINUTES OF EXECUTIVE CABINET

MEETING DATE Thursday, 30 July 2020

MEMBERS PRESENT: Councillor Alistair Bradley (Chair), Councillor Peter Wilson (Vice-Chair) and Councillors Beverley Murray, Graham Dunn, Alistair Morwood and Adrian Lowe

OFFICERS: Gary Hall (Chief Executive), Chris Sinnott (Deputy Chief Executive), Asim Khan (Director (Customer and Digital)), Mark Lester (Director (Commercial Services)), Chris Moister (Director (Governance)), James Thomson (Deputy Director of Finance) and Ruth Rimmington (Democratic and Member Services Team Leader)

OTHER MEMBERS: Councillors Aaron Beaver, Julia Berry, Gordon France, Margaret France, Danny Gee, Tom Gray, Yvonne Hargreaves, Steve Holgate, Hasina Khan, Margaret Lees, Roy Lees, Marion Lowe, June Molyneaux, Paul Sloan, Kim Snape, John Walker, Paul Walmsley and Alan Whittaker

20.EC.196 Minutes of meeting Thursday, 18 June 2020 of Executive Cabinet

Decision: That the minutes of the Executive Cabinet meeting held on 18 June 2020 be confirmed as a correct record for signature by the Executive Leader.

20.EC.197 Declarations of Any Interests

Councillor Mark Clifford declared a personal interest in item 12: Approval for the terms of the lease for Whittle surgery, site of 239 Preston Road, Whittle le Woods.

20.EC.198 Public Questions

There were no public questions.

20.EC.199 Infrastructure Funding Statement and Allocation of Community Infrastructure Levy Funds

Councillor Alistair Bradley, Executive Leader, presented the report of the Deputy Chief Executive which seeks approval to delegate the update of the Infrastructure Funding Statement (IFS) and allocation of main Community Infrastructure Levy monies to infrastructure projects by an Executive Member Decision.

There is a risk in that the number of allocation requests received for CIL funding will exceed the amount of money collected in the Strategic CIL Portion. The total uncommitted CIL is £2.3m with known outstanding applications relating to Chorley Council projects of £4.3m.

Officers have requested that Lancashire County Council as the Local education authority provide a list of schools that require additional school places for consideration for inclusion on the Infrastructure Funding Statement by 31 July 2020, as this is an area of concern for members.

A query was raised in relation to assistance for community centres in sanitising in response to the Covid-19 pandemic. This is will be dealt with following the meeting.

Decision:

- 1. To approve the undertaking of a consultation process regarding the schemes on the IFS and allocation of strategic CIL funds.**
- 2. To approve that the decision to update the Infrastructure Funding Statement and the allocation of main CIL monies following the consultation, is delegated to the Executive Member for Economic Development and Public Sector Reform.**

Reasons for Recommendation(s):

To allocate the CIL Infrastructure Fund in the way it is intended and ensure the methodology of how it is allocated is transparent and to ensure the Infrastructure Funding Statement is updated following consultation.

Alternative Options Considered and Rejected:

None.

20.EC.200 Provisional Revenue and Capital Outturn 2019/20

Councillor Peter Wilson, Executive Member (Resources), presented the report of the Chief Finance Officer which presents the provisional revenue outturn figures for the Council as compared against the budgets and efficiency savings targets set for the financial year 2019/20 and the provisional outturn figures for the 2019/20 capital programme. The report also updates the capital programme for financial years 2020/21 to 2022/23 to take account of the re-phasing of expenditure from 2019/20 and other proposed budget changes.

The accounts are provisional at this stage and are also subject to final checking and scrutiny by the Council's external auditor. Should there be any significant changes to the outturn as a result of this process a further report will be submitted to Executive Cabinet.

In the 2019/20 budget the expected net income from Market Walk after deducting financing costs is £1.004m. The final outturn position shows an underspend of £29k that will be used to increase the Market Walk income equalisation reserve.

The potential medium-term impact of Covid-19 on the council's budget is a reduction in the retained business rates. Current estimates have the collection of business rates in 2020/21 6% lower than in 2019/20 even after accounting for the Government announcements regarding additional retail, hospitality and leisure reliefs. The council's share of such a reduction is approximately £400k per annum. The Government has

provisionally announced support by allowing councils to spread these losses over three years rather than one.

The Leader of the Opposition, Councillor John Walker, queried the impact of Covid-19 on the council's financial position going forwards. The grants given to businesses will be refunded back from the government, but there may be an impact in the future from a reduction in council tax and business rate retention. In light of this the council is proposing to set aside the remaining underspends in 2019/20 of £203k to increase the business rates retention reserve and help the council manage future uncertainty in this key funding stream.

Decision:

1. **Note the full year forecast position for the 2019/20 revenue budget and capital investment programme.**
2. **Note the slippage requests outlined in Appendix 2 of the report to finance expenditure on specific items or projects in 2020/21.**
3. **Approval for the contribution of £63k from in-year revenue underspends to the Change Management Reserve to finance one-off redundancy and pension strain costs arising from transformation and shared service strategies. This will bring the reserve to £250k.**
4. **Approval for the contribution of £100k from in-year revenue underspends to fund the revenue implications of future planning appeals. This will bring the reserve to £100k.**
5. **Approval for the contribution of £100k from in-year revenue underspends to fund crucial works to the council's CCTV operations centre.**
6. **Approval for the contribution of £203k from in-year revenue underspends to increase the business rates retention reserve.**
7. **Note the 2019/20 outturn position on the Council's reserves outlined in Appendix 4.**
8. **Note the impact of the final capital expenditure outturn and the re-phasing of capital budgets to 2020/21 and approve the adjustments to the capital programme outlined in paragraph 61.**
9. **Request Council approval of the financing of the 2019/20 capital programme to maximise the use of funding resources available to the Council.**

Reasons for Recommendation(s):

To ensure the Council's budgetary targets are achieved.

Alternative Options Considered and Rejected:

None.

20.EC.201 Quarter One Performance Report 2020/21

Councillor Peter Wilson, Executive Member (Resources), presented the report of the Deputy Chief Executive which sets out the performance against the delivery of the Corporate Strategy and key performance indicators during the first quarter of 2020/21, 1 April to 30 June 2020.

During quarter one the Covid-19 pandemic and associated lockdown has continued. There has been some impact on service delivery as parts of the organisation have been redeployed to co-ordinate the emergency response. The impact of the Covid-19

crisis will continue to have a significant operational and financial impact on the council, its partners and the communities it serves.

To mitigate the impact of the pandemic as far as possible, the council has developed comprehensive plans to facilitate the recovery of services most impacted by the Covid-19 crisis to ensure our communities, businesses and residents can continue to access our key services and be supported in the recovery from the Covid-19 crisis.

Additionally, new ways of working have been successfully deployed, with project managers utilising technology, such as remote working. This has ensured that services can continue to be delivered and progress be made under the lockdown restrictions.

For the overall performance of the key projects, there are 6 (46%) of the projects rated as green, and 7 (54%) rated as amber. The projects which have been rated as amber are on the whole due to the impact of Covid-19 on delivery and many have been rescoped to reflect reprofiled timescales going forward to ensure that project activity in quarter two will be realistic and achievable.

Performance of the Corporate Strategy indicators and key service delivery measures is excellent with 80% of Corporate Strategy measures and 100% of key service delivery measures performing on or above target or within the 5% threshold. All projects and indicators performing below target have action plans outlined with measures to improve performance.

Members discussed the need to continue to support residents in using technology to access council services.

Decision: That the report be noted.

Reasons for Recommendation(s):

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

Alternative Options Considered and Rejected:

None.

20.EC.202 Waste collection round changes

Councillor Adrian Lowe, the Executive Member (Customer Advice and Streetscene Services) presented the report of the Director (Customer and Digital) which seeks approval for changes to domestic waste collection rounds.

The FCC waste contract commenced in April 2019 and reduced the Council's waste collection costs by over £1m per year. The council agreed to more efficient collection rounds in the waste contract to contribute towards the savings.

FCC have now submitted plans to change collection rounds. A total of 20,804 households will be affected by the changes. Of these, 13,285 households will see a change to their waste collection day and 7,520 households a change to the order in which their bins are collected. 33,112 households are unaffected by the changes.

There will be no reduction in the waste collection service. Each household will still have one collection day per week. Residential waste collections one week, with recycling and garden waste collected the alternative week. Collection frequencies will remain the same: fortnightly blue, grey and green bins; and four-weekly brown bins.

Communications will include a targeted letter with bin collection dates, a bin sticker to give advance notice, a dedicated webpage with a new 'address checker' feature, a social media campaign, press releases and posters in areas affected by changes. A suggestion was made for a new calendar to be stuck on the inside of bin lids.

Members commented on the excellent service maintained during the Covid-19 pandemic.

Decision: To approve the approach and changes to waste collection rounds from September 2020.

Reasons for Recommendation(s):

1. To comply with the contract agreement reached with FCC to review collection rounds.
2. The benefits from changes to waste collection rounds are:
 - a. Improve efficiency of collections, performance and the quality of service to residents.
 - b. Reduce carbon impact.

Alternative Options Considered and Rejected:

To not proceed. However, this may leave the Council open to a challenge for a breach of contract and would also mean the benefits listed above could not be achieved.

20.EC.203 Exclusion of the Public and Press

Decision: To exclude the press and public for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

20.EC.204 Review of Procurement Route for Alker Lane

Councillor Alistair Bradley, the Executive Leader, presented the confidential report of the Director (Commercial Services) which provides an update on the progress associated with the Alker Lane Development.

Officers have reconsidered the site, particularly in light of COVID-19, and how the market may be affected going forward. Members noted the constraints plan, developments in the design, discussions with partners, and the financial model.

Members supported the reconfiguration of the scrub area to the North East corner of the site, to maximise the developable area, whilst retaining a 10m Ecology buffer.

Decision:

1. **To note the proposed masterplan option for the Alker Lane site.**
2. **To note the possible masterplan options for the wider Strawberry Fields site.**

3. To progress with the submission of a planning application for the Alker Lane site based on the proposed option.
4. To progress with the procurement of Quantity Surveyor/Project Manager services for the development of the Alker Lane site.
5. To progress with the procurement of a Contractor using an appropriate framework.
6. To continue dialogue with neighbours regarding the development of the entire site and to explore opportunities for synergy between the two sites.
7. To note the possible Lancashire Environment Partnership (LEP) grant funding available for the development.
8. To delegate the Project Manager and Quantity Surveyor contract award to Executive Member (Resources).
9. To delegate the Contractor appointment contract award to Executive Member (Resources).
10. To delegate the signing of the potential funding agreement with MHCLG to Executive Member (Resources).
11. To commence actively marketing the site supported by the in-house business engagement team, including installation of signage at the site.

Reasons for Recommendation(s):

1. To ensure continued progress of the development site and that the associated corporate priorities are delivered.
2. To generate employment opportunities within Chorley.
3. To generate additional revenue stream.

Alternative Options Considered and Rejected:

The council could choose not to bring forward the site at this time and rely on other employment landowners to create the supply of employment premises of which there is a shortage in Chorley now and in the future. However, there is no guarantee that other landowners will bring forward their sites and in action by the Council will only seek to exacerbate the situation.

20.EC.205 Stagecoach Bus Depot Demolition

Councillor Alistair Bradley, the Executive Leader, presented the confidential report of the Director (Commercial Services) which advises the options and benefits of early procurement and direct award of a contractor to complete the demolition of the existing Stagecoach bus depot, including asbestos removal and site remediation

Part funding has been secured through Homes England for the Tatton Recreation Ground project, which is dependent on completion of the assisted living element by March 2022.

Officers have been progressing with a design to RIBA Stage 3, in order to submit a planning application by August 2020 and ensure the programme is maintained.

Whilst, initially, it had been intended that the demolition of the existing Stagecoach Bus Depot, asbestos removal and remediation would be completed by the Principal Contractor as part of the main project award, it has proved necessary to expedite this element of the work. This is to mitigate the time risk associated and also to allow additional site investigation and geotechnical appraisals to be completed to inform the more detailed design in this area of the site

Decision: To approve the delegation of Contract Award to Executive Member (Resources).

Reasons for Recommendation(s):

1. To allow further and more detailed site investigation and geotechnical appraisal in this area of the site, to inform a more robust design and mitigate later cost risk.
2. To mitigate time risk due to the statutory notice periods required for asbestos removal and demolition.
3. To reduce the risk in the ground and the risk profile with the appointment Principal Contractor.

Alternative Options Considered and Rejected:

Allow the demolition to form part of the Principal Contractor award. Rejected because:

- This would prevent the additional site investigation and geotechnical appraisal and development of a more robust design.
- This would prevent the completion of the BREEAM pre-demolition audit and result in loss of BREEAM credits.
- This would put pressure on the programme as the demolition would not commence until 2021, subject to the statutory submissions discussed elsewhere in this report.

20.EC.206 Tatton Procurement

Councillor Alistair Bradley, the Executive Leader, presented the confidential report of the Director (Commercial Services) which seeks approval to utilise a 2-stage tender procure route to appoint a Principal Contractor for the Tatton Regeneration scheme.

Officers have been progressing the feasibility and outline design for the proposed Tatton Development which included an assisted living facility, GP surgery and potential pharmacy (relocating the GP surgery from Eaves Lane), new community centre, private residential properties, café, hairdressers and upgrade to the Tatton recreation ground.

It has become apparent that the market impact of COVID-19 and the pressures of the programme driven by Homes England funding milestones, make it impractical to secure a robust fixed price at RIBA Stage 3 thus preventing a significant risk to the Council.

Consequently, Officers have reflected on the originally intended single stage procurement method and propose the use of a 2-stage procurement method which will identify a preferred bidder who will work with the Council and the project team, on a limited appointment, to develop a Stage 4 design and a fixed price through a strict 'open book' process.

Members noted the range of consultation undertaken and supported this excellent development for the people of East Chorley.

Decision:

1. **To approve a 2-stage procurement route for the selection of a Principal Contractor for the Tatton Regeneration scheme.**
2. **To approve an evaluation criteria based on 50% cost and 50% quality.**

Reasons for Recommendation(s):

1. Given the market conditions and Contractor attitude to risk, the 2-stage process provides the best route to establish a fixed price and design at Stage 4. A single stage tender approach would inevitably lead to a reduced interest in the market and an inflated price to cover the risk profile at Stage 3.
2. The 2-stage process also allows Council the opportunity to directly influence the design at Stage 4 and be informed regularly as to the development of the budget. This flexibility is not afforded to the Client in the same way with a fixed single stage appointment at Stage 3.
3. The 2-stage process allows additional time for risk to be fully identified, managed and, where possible, mitigated in order that a fixed price can be agreed.
4. The 2-stage process puts a greater weighting on the quality/implementation evaluation criteria and therefore the evaluation criteria is proposed to be revised to 50% cost and 50% quality.

Alternative Options Considered and Rejected:

1. Continue with the procurement of a Principal Contractor using a single stage tender approach at RIBA Stage 3. Rejected as this would inflate the price and reduce the interest in the market, as a result of the risk profile at Stage 3.
2. Retain the design team directly through to RIBA Stage 4 and go to the market for a fixed price once the design has been fully developed. Rejected as this prevents the early engagement of a Contractor, who will feed positively into the development of the design and introduce efficiencies which the design team may not identify of their own accord. This approach also puts significant risk onto the Council as the ownership of the design does not sit with the Contractor in the same way as when the design is developed by them from RIBA Stage 3.

20.EC.207 Approval for the terms of the lease for Whittle surgery, site of 239 Preston Road, Whittle le Woods

Councillor Mark Clifford declared a personal interest in this item.

The Executive Leader, Councillor Alistair Bradley, presented the confidential report of the Director (Commercial Services) which reports Heads of Terms provisionally agreed for the occupation of the proposed GP Surgery at 239 Preston Road, Whittle Le Woods.

Decision:

1. **The terms reported are agreed to enable the drafting of Lease.**
2. **Authority be granted to instruct the Director of Governance to draft the Lease.**

Reasons for Recommendation(s):

To enable the negotiations to be concluded and instruct colleagues in the Legal team to draft a Lease to protect the interests of both parties ahead of the construction of the new Surgery Premises.

Alternative Options Considered and Rejected:

None.

20.EC.208 Any urgent business previously agreed with the Chair

a Proposed procurement arrangements for the supply, installation, servicing and maintenance of stairlifts and lifting equipment funded by Disabled Facilities Grant (DFG)

The Chair accepted this urgent item of business due to reasons of special circumstances.

The Executive Member (Homes and Housing) presented the confidential report of the Director (Early Intervention and Support) which proposes revised procurement arrangements for the supply, installation, servicing and maintenance of stairlifts and lifting equipment funded by Disabled Facilities Grant (DFG).

Decision: To endorse the recommendations made within the Executive Member Decision in May:

- 1. That the Council undertakes a collaborative joint procurement exercise for the above via the Northern Housing Consortium Framework (NHC) for a contract period of 5 years with the option to extend for a further two years. Whilst this will be a collaborative procurement exercise to achieve maximum advantage of combined volume, each authority will complete their own individual contract with the preferred provider at award stage.**
- 2. That the evaluation criteria outlined within this report of 60% quality weighting and a 40% pricing weighting are used.**
- 3. That South Ribble Borough Council undertake the role of lead body for the procurement in accordance with Contract Procedure Rule 32.3.**
- 4. That approval for the contract award decision is to be delegated to the Executive Member (Homes and Housing) once a preferred supplier has been identified using NHC's 'Further Competition Tender' facility.**

Reasons for Recommendation(s):

1. The proposed joint procurement with SRBC is likely to confer financial benefits in terms of achieving greater economies of scale. The two Councils share Procurement services and therefore it is a logical development to work collaboratively on this venture.
2. The total value of the Contracts to be awarded will exceed the EU threshold above which contracts must be advertised in OJEU in accordance with the Public Contracts Regulations. The NHC framework has been procured in accordance with EU rules and is therefore a compliant, streamlined and effective route to market.
3. Throughout 2020 the UK and the EU are adhering to an agreed transition period <https://www.gov.uk/transition> during which the current rules on trade, travel and business for the UK and EU will continue to apply. These arrangements will cease on 1st January 2021, and hence it is a requirement that the tender arrangements under consideration in this report must adhere to EU procurement rules.
4. The Council has a statutory duty to provide DFG funding to eligible applicants whose identified needs include stairlifts and other Lifting Equipment such as 'Through Floor' vertical lifts. The existing procurement arrangements via Lancashire County Council (LCC) will cease on 30th September 2020 and the Council needs to be able to ensure a seamless transition which will avoid causing any delays or distress for customers requiring such equipment.

Alternative Options Considered and Rejected:

An option of seeking quotes on each occasion that the Council receives a recommendation to provide stairlifts and/or lifting equipment was examined but was rejected on the basis of lack of economy, inefficiency and being inconvenient for customers..

20.EC.209 Local Government Reorganisation

The Chair accepted this urgent item of business as the issue had arisen since the publication of the agenda.

The Executive Leader, Councillor Alistair Bradley, reported that discussions were ongoing regarding the future of Local Government reorganisation. Members noted that discussions are ongoing with other Local Authorities in Lancashire.

The government is due to publish a white paper on devolution in September, which will include the subject of local government reorganisation.

Decision: To note the discussions.

Chair

Date