

# Executive Cabinet

## Minutes of meeting held on Thursday, 30 March 2006

**Present:** Councillor J Wilson (Executive Leader in the Chair), Councillor D Edgerley (Deputy Leader of the Council) and Councillors K Ball, T Brown, A Gee, D Gee, C Hoyle, L Lennox, A Lowe and R Snape

**Also in attendance:** Councillors T Gray, J Walker and Mrs S Walsh

### 06.EC.59 DECLARATIONS OF ANY INTERESTS

Councillors D Edgerley and L Lennox declared a personal interest in Minute 06.EC.66 (Housing Stock Transfer Offer Document). Both Members left the meeting during the consideration and voting on the item.

### 06.EC.60 MINUTES

The minutes of the meeting of the Executive Cabinet held on 9 March were confirmed as a correct record for signature by the Executive Leader.

### 06.EC.61 ANNUAL AUDIT AND INSPECTION LETTER 2004/05

The Executive Cabinet received the Audit Commission's Annual Audit and Inspection Letter for 2004/05. The letter summarised the conclusions and significant issues arising from the Commission's recent audit and inspection of the Borough Council.

The letter highlighted the Auditor's opinion that the Council was consistently improving outcomes for local people and was strengthening its partnership arrangements, internal support systems and performance management frameworks. The weaknesses identified in the 2003/04 report were being addressed, but the letter pointed to other areas that also required attention.

Overall, the Council was performing well in its use of resources, particularly in relation to its value for money rating.

The letter also confirmed that the overall financial position of the Council was generally sound, with prudent levels of revenue reserves having been maintained against assumed financial risks.

#### **Decision made:**

**That the Annual Audit and Inspection Letter for 2004/05 be noted and referred to the Council meeting on 11 April 2006 for consideration.**

#### **Reason for decision:**

To enable the Council to comment on the Annual Audit and Inspection Letter.

#### **Alternative option(s) considered and rejected:**

None.

### 06.EC.62 EXECUTIVE CABINET COMMITTEE - WASTE RECYCLING ARRANGEMENTS

The Executive received and considered the minutes and recommendations of the Executive Cabinet Committee established by the Executive Leader to consider waste recycling arrangements from its meeting on 15 March 2006.

The Committee had been set up to review the recycling arrangements and agree short term measures to reduce the current littering problems associated with the use of the woven sacks. In addition, the Committee would be addressing the medium and longer term plans for waste recycling in preparation for the procurement arrangements at the expiry of the present contract in 2009.

**Decision made:**

**That the minutes of the Executive Cabinet Committee meeting be received and that following the successful trial of 1,000 weighted sacks in areas of the Borough, the Cabinet Committee's recommendation to implement the option that will provide for the use of weighted recycling sacks by all 43,000 households within the Borough, with the choice of two colour coded 55L container boxes as an alternative for an estimated 2,000 households, be approved.**

**Reason for decision:**

The proposals is aimed at further enhancing the waste recycling scheme and boosting customer satisfaction levels.

**Alternative option(s) considered and rejected:**

None.

**06.EC.63 CAPITAL PROGRAMME MONITORING**

The Executive Cabinet considered a report of the Director of Finance which recommended the reduction of the 2005/06 Capital Programme, the increase of the 2006/07 Programme and the expansion of the reserve list of Capital schemes for consideration for implementation in 2006/07.

The suggested revisions to the Capital Programme were detailed in four appendices to the submitted report.

**Decisions made:**

**That the Council be recommended:**

- (1) to add the Job Evaluation system to the 2005/06 Capital Programme at a cost of £10,550, to be financed from the existing Job Evaluation Reserve.**
- (2) to agree the reduction of the 2005/06 Capital Programme to £10,541,950 as outlined in Appendix 1 to the submitted report.**
- (3) to approve the addition of £112,490 for kerbside recycling expenditure to the 2006/07 Capital Programme.**
- (4) to amend the 2006/07 Capital Programme by the slippage of £4,609,600 from 2005/06 and the net reduction of £6,050 in the Other Changes column of Appendix 3.**
- (5) to approve the Reserve List of Capital schemes to be considered for implementation in 2006/07 being increased by £1,216,580 as presented in Appendix 4.**

**Reasons for decisions:**

The phasing of expenditure on schemes to be implemented during 2005/06 needs to be updated on the advice of external consultants and the Council's Projects Manager. The Capital Programme for 2006/07 needs to be updated to take account of slippage and other changes in the phasing of schemes.

The Executive Cabinet Panel on Waste Recycling arrangements on 15 March 2006 has requested the inclusion of budget provision for the acquisition of kerbside recycling containers in the 2006/07 Capital Programme.

**Alternative option(s) considered and rejected:**

None.

**06.EC.64 THE ROLE AND MEMBERSHIP OF THE AUDIT COMMITTEE**

The Director of Finance presented a report reviewing the role and membership of the Audit Committee in the light of new CIPFA guidance and recommendations contained within the Audit Commission's Use of Resources assessment.

The new CIPFA guidance pointed to the Audit Committee's role in monitoring the organisation's overall governance arrangements, including risk management and tracking the implementation of recommendations. In addition, the Audit Commission had suggested that Audit Committees should be independent of both the Executive and scrutiny functions.

As a consequence the Authority had been advised to review the remit, composition, membership, training and reporting lines of its Audit Committee.

**Decisions made:**

**That the Council be recommended to address the Audit Committee's remit, composition, membership, training and reporting issues by:**

- (a) adopting the new CIPFA model terms of reference for the Audit Committee;**
- (b) aligning the respective terms of reference of the Audit and Overview and Scrutiny Committees to provide greater clarity of remit and avoidance of overlap;**
- (c) implementing the actions necessary to ensure compliance with the new CIPFA guidance on Audit Committees; and**
- (d) consulting the Audit Commission to determine the flexibilities that may exist in terms of the Audit Committee's composition and membership.**

**Reasons for decision:**

In order to comply with new CIPFA guidelines and Audit Commission's advice.

**Alternative option(s) considered and rejected:**

None.

**06.EC.65 INTERNAL AUDIT PLAN, 2006/07**

The Director of Finance presented a report seeking endorsement of the proposed Internal Audit Plan for 2006/07 and the priority areas to be reviewed.

Appendix A to the report outlined the draft Annual Audit Plan for the forthcoming 12 months, which had been constructed on the basis of the CIPFA Code of Practice for Internal Audits. The Code recommended the compilation of an Audit Plan to review the key business risks that were pertinent to Authorities at the time. The Audit Plan has been structured around the following five principal sections:

Corporate Governance;  
Risk Management;  
Business Critical Systems;  
Financial Management;  
Contingency.

Appendix B to the report provided an outline of the scope and audit approach for each planned key review area.

**Decision made:**

**That the Internal Audit Plan for 2006/07 be approved and adopted.**

**Reason for decision:**

To ensure that the Council has in place an adequate and effective internal audit of its system of governance, risk management and internal control in accordance with best practice and professional standards.

**Alternative option(s) considered and rejected:**

None.

(Councillors D Edgerley and L Lennox left the meeting at this point).

**06.EC.66 HOUSING STOCK TRANSFER OFFER DOCUMENT**

The Executive Cabinet considered a report of the Head of Housing Services seeking approval of the Housing Stock Transfer Offer Document attached to the report.

The Council were statutorily required to consult with all secure and introductory tenants whose homes would be transferred to the new landlord. The offer document, which represented the Stage 1 Notice of the formal consultation process, set out the Council's promise to tenants of the consequences of transfer, and would form the basis of the legal agreement between the Council and Chorley Community Housing, the proposed new landlord.

The subsequent ballot of tenants was expected to commence immediately after the issue of the Stage 2 notice, and to run concurrently with that notice.

**Decisions made:**

- (1) That approval be given to the Housing Stock Transfer Offer Document as now presented.**
- (2) That the Head of Housing Services be granted delegated authority to make amendments to the text of the document which do not affect the substance of the offer, together with any factual corrections to the document arising from any changes to the composition of the Chorley Community Housing Shadow Board that may occur prior to publication.**

(Councillor D Edgerley and L Lennox returned to the meeting at this point).

#### **06.EC.67 CONSTITUTION OF THE CHIEF EXECUTIVE'S PERFORMANCE REVIEW PANEL**

The Head of Human Resources submitted a report recommending the appointment of a Member Panel to be responsible for undertaking the performance reviews of the Chief Executive, as there was currently no formal performance review system in place for the Council's Head of Paid Service.

##### **Decision made:**

**That the Council be recommended to approve the constitution of a Chief Executive Performance Review Panel comprising the following cross-party Members:**

**Councillor J Wilson (Chairman) and Councillors K Ball, Mrs P Case, D Edgerley, P Goldsworthy, C Hoyle and R Snape.**

##### **Reason for decision:**

The constitution of an all-party body to undertake the performance review of the Chief Executive will ensure that the process is carried out in a democratic and transparent manner.

##### **Alternative option(s) considered and rejected:**

None.

#### **06.EC.68 LOCAL PUBLIC SERVICE AGREEMENT - PROGRESS REPORT**

The Head of Corporate and Policy Services submitted a report on the progress towards the achievement of the 12 "stretch" targets contained within the Lancashire Local Public Service Agreement (LPSA) covering the period April 2003 to April 2006. The Agreement aimed to improve the life chances of young and older people through a partnership between the County Council, the 12 District Councils, the Government and other key partners.

Attainment of the 12 targets, in which the Council had a substantive involvement in 5 of the targets, would attract Performance Review Grant (PRG) from the Government. The report summarised the performance in respect of each of the 12 targets up to the end of the third quarter (2005/06) and projected the estimated level of PRG.

The report indicated that, overall, good progress was being made, predicting that the payment of the grant monies would be achieved in respect of 9 of the 12 targets, resulting in the LPSA receiving approximately £14.56m in Performance Reward Grant. Dependant on the final outcome, it was anticipated that the Council's proportion of the PRG would be between £150,000 and £200,000 which would be earmarked to fund the Council's pilot scheme for Community Support Officers authorised within the 2006/07 - 2008/09 Financial Strategy.

##### **Decision made:**

**That the progress report be noted.**

#### **06.EC.69 LANCASHIRE LOCAL AREA AGREEMENT - PROGRESS REPORT**

The Executive Cabinet received a report of the Head of Corporate and Policy Services on the progress in respect of the Lancashire Local Area Agreement (LAA), an

Agreement between the Government, the Local Authority and its partners to achieve an agenda for improvement over a 3 year period.

The LAA had been compiled around four priority areas (ie Safer and Stronger Communities; Children and Young People; Economic Development and Enterprise; and Healthier Communities and Older People). As with the preceding Local Public Services Agreement, 12 'stretch' targets had been identified, the achievement of which would attract Performance Reward Grant. The report summarised the respective outcomes expected from the four theme blocks.

The final LAA document had been signed by the respective partners and had been submitted to the Government Office for the North West for the final sign off in advance of the LAA becoming operative on 1 April 2006 and reviewed annually.

Action Plans for the delivery of the respective targets within each of the four LAA blocks were being drawn up by partner groups, which, when finalised, would be presented to the Lancashire County Council.

**Decision made:**

That the progress report be noted.

**06.EC.70 REVISED LOCAL DEVELOPMENT SCHEME, 2006-2009**

The Head of Development and Regeneration presented a report seeking endorsement of the revised Local Development Scheme (LDS) for the Local Development Framework (LDF) to run from 2006-2009.

Local Authorities were statutorily required to produce annual Local Development Schemes, which set out the planning documents to form the LDF and included a timetable of significant dates (ie 'milestones') to which the Council would be committed.

The report pointed out that the most significant change to the current LDS was the introduction in the proposed revised LDS of the new Householder Supplementary Planning Document, together with alterations to the dates of a number of the other listed documents.

**Decision made:**

**That the Council be recommended to approve the draft revised Local Development Scheme for 2006-2009 for submission to the Government Office for the North West for approval.**

**Reason for decision:**

To provide a clear and realistic timetable for the production of planning documents within the Local Development Scheme.

**Alternative option(s) considered and rejected:**

Continuation with the existing timetable set out in the Local Development Scheme for 2005-2008 would be impractical given the slippage in the production of the Regional Spatial Strategy and the opportunity for joint working with the Preston and South Ribble Councils.

**06.EC.71 CHILDREN'S PLAY INITIATIVE - BIG LOTTERY FUND BID**

The Executive Cabinet considered a report of the Director of Finance seeking endorsement of a proposal to develop and submit a bid for funding from the Big Lottery Fund's Children's Play Initiative in collaboration with the Chorley Play Partnership.

In November 2005, the Big Lottery Fund announced a new £155m 'Children's Play Initiative' programme to create, improve and develop play spaces for under 16s and to develop local play facility infrastructures to raise the importance, value and status of play.

The Council had been invited by the Big Lottery Fund to submit a bid to the value of £208,007 for funding of an appropriate 3 year project which would require no match funding. The bid was to be developed in partnership with local play providers and contain a portfolio of projects, aimed at reflecting the needs highlighted in a local play strategy.

The bid was to be developed by a small group of Council Officers working in close collaboration with the Play Partnership. The Partnership would aim to complete the play strategy by August 2006, from which appropriate projects could be selected to form the basis of the final bid submission by March 2007.

**Decision made:**

**That the proposals to support the development of a local play strategy by the Play Partnership in advance of the development of a bid for funding from the Big Lottery Funds 'Childrens Play Initiative' be approved.**

**Reasons for decision:**

Chorley's application for the Big Lottery funding can only be successful if it can demonstrate partnership working and the Play Partnership is ideally placed for the development of a local play strategy.

A successful bid will considerably increase Chorley's capacity to invest in play provision for the period 2007-2010.

**Alternative option(s) considered and rejected:**

None.

**06.EC.72 LOCAL GOVERNMENT STRUCTURES**

The Executive Leader reported, for the Executive Cabinet's information, that he had been invited to attend a meeting at County Hall the following day, 31 March, to be hosted by David Miliband MP (Minister for Communities and Local Government). The Executive Leader would be accompanied by the Leader of the Conservative Group and the Chief Executive.

The Minister would be meeting local authority and private sector representatives to obtain their views on the current two tier system of Local Government in Lancashire in advance of the publication of a White Paper in early Summer.

The Executive Cabinet would be kept informed of developments following the Minister's visit.

**06.EC.73 EXCLUSION OF THE PUBLIC AND PRESS**

**Decision made:**

**That the press and public be excluded from the meeting during consideration of the following items on the ground that they involve the likely disclosure of exempt information as defined in Paragraphs 6 and 1 of Schedule 12A to the Local Government Act 1972.**

#### **06.EC.74 LAND AT GILLIBRAND STREET, CHORLEY**

The Executive Cabinet considered a joint report of the Head of Development and Regeneration and the Head of Property Services on proposals to develop land at the junction of Gillibrand Street and Market Street, Chorley, with the assistance of the Borough Council in the assembly of the required land.

A Development Brief approved by the Council envisaged the comprehensive redevelopment of the site at the junction of Market Street and Gillibrand Street, including the former Graham's site, the vacant McDonalds property and the retail premises numbered 98 and 100 Market Street. While the potential developer had acquired both the former Grahams and McDonalds sites, negotiations with the owners of the Market Street premises had so far proved abortive. The developer's agents had, therefore, requested the Council to use its compulsory purchase powers, as suggested in the development brief.

The Head of Development and Regeneration addressed the Cabinet Members on the need for a comprehensive redevelopment of the corner plot, explaining the requirement for the use of compulsory acquisition procedures.

#### **Decision made:**

**That approval be given to the preparation and submission of a Compulsory Purchase Order under Planning Act provisions in respect of identified land required to implement the comprehensive redevelopment scheme of land at the junction of Gillibrand Street and Market Street, Chorley, envisaged by the development brief adopted on 30 September 2005, subject to:**

- **a partnership agreement with the owner of the former McDonalds and Grahams sites;**
- **submission of a successful planning application by the development partner in accordance with the development brief;**
- **a 'back to back' development agreement to allow the freehold interest to be passed on to the Council's development partner at cost;**
- **continued negotiations by the development partner's agent with the owners of 98 and 100 Market Street pending confirmation of the CPO;**
- **a presentation of a supporting case by the development partner at a Public Inquiry and the underwriting of costs incurred by the Council; and**
- **Lancashire County Council procedures relating to Whalley Street.**

#### **Reason for decision:**

To ensure the comprehensive redevelopment of the site in order to meet the aspirations of the development brief adopted by the Council.

#### **Alternative option(s) considered and rejected:**

Allow the private sector to continue unaided efforts to assemble and redevelop the site.

#### **06.EC.75 AFFORDABLE HOUSING INITIATIVES**

The Executive Cabinet considered a report of the Head of Development and Regeneration, the Head of Housing Services and the Head of Property Services



recommending the exploration of a number of affordable housing initiatives in the Borough.

The report identified three vacant properties and one vacant area of land within the Borough which offered a potential for redevelopment or conversion to affordable or community housing use. The proposals, if adopted, would assist the attainment of the objectives contained in the adopted Corporate and Housing Strategies.

**Decisions made:**

**(1) That the potential for partnership working to bring the following land/properties back into use be investigated with a development partner and the respective owners, subject to a 'back to back' development agreement with the partner which passes on to the partner all financial obligations:**

- **Site of Douglas House, Calder Avenue, Chorley**
- **22 Derwent Road, Chorley;**
- **2 Thirlmere Road, Chorley; and**
- **Coniston House, Tootall Street, Chorley.**

**(2) That, in the event of agreement not being reached with the property owners, a further report be presented to a future meeting to enable Members to consider the use of compulsory purchase powers.**

**Reason for decisions:**

In order to bring vacant property back into community use and to seek opportunities to provide additional affordable housing through partnership working.

**Alternative option(s) considered and rejected:**

To allow the properties to remain unoccupied.

**06.EC.76 MANAGEMENT RESTRUCTURE**

The Chief Executive submitted a report on the outcome of the consultation exercise on the draft proposals to revise the Council's corporate management structure agreed by the Executive Cabinet for consultation purposes on 23 February 2006.

**Decision made:**

**That the recommendations for the adoption of the revised management structure as set out in the report be approved.**

**Reason for decision:**

The new structure will ensure that the organisation is 'fit for purpose' in meeting the new challenges facing local authorities; is capable of delivering the Council's priority objectives; and is economically viable.

**Alternative option(s) considered and rejected:**

None.

Executive Leader