

# Executive Cabinet

## Minutes of meeting held on Thursday, 17 January 2013

**Present:** Councillor Alistair Bradley (Executive Leader in the Chair), Councillor Peter Wilson (Deputy Leader of the Council) and Councillors Beverley Murray, Terry Brown, Dennis Edgerley and Adrian Lowe

### Also in attendance

**Lead Members:** Councillors Julia Berry, Danny Gee and Marion Lowe

**Other Members:** Councillors Eric Bell, Henry Counce, John Dalton, Alison Hansford, Harold Heaton, Steve Holgate, Keith Iddon, Paul Leadbetter, June Molyneaux, Mick Muncaster, Geoffrey Russell, Rosie Russell and John Walker

**Officers:** Gary Hall (Chief Executive), Lesley-Ann Fenton (Director of Partnerships, Planning and Policy), Jamie Carson (Director of People and Places), Chris Moister (Head of Governance), Susan Guinness (Head of Shared Financial Services), Jamie Dixon (Head of Streetscene and Leisure Contracts), Victoria Willett (Partnership Officer), Andrew Daniels (Communications Manager) and Ruth Rimmington (Democratic and Member Services Officer)

**Members of the public:** None.

### 13.EC.1 APOLOGIES FOR ABSENCE

No apologies for absence were submitted.

### 13.EC.2 MINUTES

**RESOLVED - The minutes of the meeting of the Executive Cabinet held on 13 December 2012 be confirmed as a correct record and signed by the Executive Leader.**

### 13.EC.3 DECLARATIONS OF ANY INTERESTS

No Members declared an interest in respect of items on the agenda.

### 13.EC.4 PUBLIC QUESTIONS

The Executive Leader reported that there had been no requests from members of the public to speak on any of the meeting's agenda items.

### 13.EC.5 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY

The Executive Member for Resources, Policy and Performance presented a report which set out the budget position for 2013/14 and forecast for the following two years to 2015/16. The report also presented the relevant proposals in respect of potential investment in the Council's Corporate Strategy priorities in 2013/14, increasing budget resilience in the longer term and budget consultation.

The information provided for the budget consultation was more detailed than in previous years. The proposals aimed to provide a budget which was sustainable and took a long term view to take into account the uncertainty facing local government finance settlements. The proposals also delivered projects to achieve the priorities of the administration, in the Town Centre, within neighbourhoods and relating to jobs and investment.

The Medium Term Financial Strategy (MTFS) had been updated as there had been a number of significant changes locally, and within the public finance sector nationally during 2012/13. The main changes had been the election of a new administration in May 2012 and the first updated Local Government Finance Settlement since the

Comprehensive Spending Review 2010 which published confirmation of actual core funding levels for 2013/14 and 2014/15. In addition there had been wide ranging changes to fundamental public finance funding regimes, namely Council Tax Support and Business Rates Retention.

The recent Local Government Finance Settlement reductions had resulted in an anticipated increased budget deficit over the next three years (summarised in the report) despite the fact that early preparation for further funding reduction had realised budgetary savings totalling £0.816m during this year. The latest budget position was based on the key assumptions set out within the report.

In response to a query it was clarified that the New Homes Bonus had not been included within the base budget. This income was dependant on the number of houses built each year and it was not possible to forecast this. It was also not known how long the New Homes Bonus would remain as a funding stream. The New Homes Bonus was a one off payment per property but there was a year on year service delivery financial implication for the Council.

More detail would be available about specific projects within the report to be submitted to Council on 28 February, although some projects had already begun. This included the purchase of key Town Centre sites. The aim of this project was to have influence over the nature of the business to widen to variety of shops on offer. This was also an opportunity for the Council to generate a revenue income which was important. There were plans to include the private sector in the Town Centre masterplan and utilise expertise and resources where possible.

Members discussed the proactive hit team and noted that the team would focus on areas which required attention. There would be a proactive approach in relation to tree maintenance, in the hope that trees would not become unmanageable. There was a wish to involve as many agencies as possible with skip days, including Registered Social Landlords, to increase the positive impact of these events. There were links here to the work currently ongoing in relation to civic pride.

The Executive Leader stressed the importance of generating funding streams independently of grants from the Government, given the uncertainty regarding the future of local government finance. Other local authorities had become reliant on funding streams and were now struggling as the Government had withdrawn these streams. It was also important to create job opportunities for people and enable them to contribute.

Part of the consultation would include a demonstration of how services could be improved for a small cost. Consultation would invite responses from residents, partners, parish groups and other stakeholders through a variety of methods including a short survey (available both in hard copy and online) and events in the community such as the Flat Iron market. Feedback received from the consultation would inform the budget proposals put forward to Council in February.

#### **Decision made**

**Approval to start the Budget Consultation process based on the contents of the report.**

#### **Reason(s) for decision**

To progress the Council's 2013/14 Budget Setting process to achieve an approved and balanced budget.

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

Setting the budget is a statutory responsibility.

## 13.EC.6 CAPITAL PROGRAMME MONITORING 2012/13 AND 2013/14-2015/16 PROGRAMME

The Executive Member for Resources, Policy and Performance explained that the report updated the Capital Programme for 2012/13 to take account of proposed budget changes and the rephasing of expenditure between years. The report also updated capital budgets for 2013/14 and 2014/15 and added estimated budgets for 2015/16.

Executive Cabinet in November recommended the 2012/13 to 2014/15 Capital Programme should be increased in respect of additional refuse and recycling bins; Housing renewal, funded by a repaid grant; and minor improvements were transferred to the revenue budget.

The 2012/13 Capital Programme would now be reduced. The reduction consisted of £224,460 additional expenditure less £68,470 transferred to the revenue budget and £728,410 rephased to later years.

The 2013/14 Capital Programme would be increased to take account of the net rephasing of expenditure, and grossing up the Disabled Facilities Grants (DFGs) budget by to include costs funded by housing associations. The 2014/15 Capital Programme would be increased as a result of rephasing budgets and resources, and grossing up the DFGs budget.

The 2015/16 Capital Programme would consist of the regular commitments. These would be Asset Improvements, DFGs, Leisure Centre Improvements and Refuse and Recycling Bins.

### **Decision made**

- 1. That the Council be recommended to approve the proposed amendments to the Capital Programme for 2012/13, as presented in columns (2) and (3) of Appendix 1.**
- 2. That the Council be recommended to approve the proposed amendments to the Capital Programmes for 2013/14 to 2015/16, as presented in columns (2), (3), (6), (7), (10) and (11) of Appendix 2.**

### **Reason(s) for decision**

1. The 2012/13 Capital Programme should be increased to include the demolition of the Clayton Brook public house and landscaping of the site, at an estimated cost of £82,500. This would be financed with funds receivable on termination of the lease.
2. An additional allocation of £95,230 Government funding for Disabled Facilities grants has been awarded in 2012/13. In addition, the DFG budgets for 2012/13 to 2015/16 should be grossed up to include the estimated costs expected to be funded by housing associations.
3. The budget for the access road improvements at Duxbury Golf Course should be grossed up to £101,850 to include expenditure to be funded with an external contribution. A Play and Recreation Fund scheme at Longfield Avenue Coppull should also be increased by £11,000 to include external funding.
4. The Asset Improvements budget should be reduced by £68,470 to cover minor office improvements and furniture purchases charged to the revenue budget.
5. Other budgets in 2012/13 should be reduced by a net total of £728,410 due to rephasing of expenditure, as presented in column (2) of Appendix 1.
6. The Capital Programmes for 2013/14 to 2015/16 should be updated to take account of the rephasing of expenditure, and grossing up DFG budgets by £68,670 each year. In addition, the financing of the provisional budgets for 2015/16 should be considered. Apart from grants for housing expenditure

receivable in 2015/16 or rephased from 2012/13, the only source of funding assumed at present is prudential borrowing.

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

None.

**13.EC.7 CONSULTATION ON DELIVERING THE GOVERNMENT'S POLICIES TO CUT ALCOHOL FUELLED CRIME AND ANTI-SOCIAL BEHAVIOUR**

The Executive Member (Places) outlined the Council's draft response to the Government's consultation exercise to hear views on their proposals to cut alcohol fuelled crime and anti-social behaviour.

All measures in the consultation would require legislation. The consultation applied to England and Wales and the consultation ran for 10 weeks until 6 February 2013. The consultation covered:

- A minimum unit price for alcohol.
- A ban on multi-buy promotions in the off-trade.
- Reviewing the mandatory licensing conditions
- Health as a licensing objective for cumulative impact policies
- Freeing up responsible businesses

Members noted that this was a big problem and that any measures that would have a positive impact of this problem should be welcomed. However, information on how any measures would be administered and enforced would be required from the Government. These issues would be taken up by the Lancashire Licensing Officers group response to the Consultation.

**Decision made**

**Approval that the suggested responses in paragraphs 15, 16, 17, 18, 24, 25, 26, 27, 31, 32, 33, 34, 41, 42 and 43 form the Council's response to the consultation.**

**Reason(s) for decision**

If the recommendations are approved, it will ensure the Council's views are considered as part of the consultation exercise.

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

Not to respond to the consultation.

**13.EC.8 CHANGES TO THE LANCASHIRE WASTE MANAGEMENT COST SHARE AGREEMENT**

The Executive Member (Places) presented a report which informed Members that Lancashire County Council (LCC) were seeking to reduce the waste management cost share payment the Council received. The report set out other alternatives the Council had considered to reduce the financial impact of this.

Chorley Council was a waste collection authority whilst Lancashire County Council was a waste disposal authority. To encourage waste collection authorities to adopt the Lancashire Waste Strategy and provide kerbside recycling collection services LCC had offered a funding stream known as cost share. The agreement was for ten years and ends in March 2014.

The current cost share payment was based on property numbers provided the property had access to a fortnightly kerbside collection service for recyclable material, garden waste if the property had a garden and residual waste. The payment was uplifted each year by RPIX and grew in accordance with the number of new properties, typically 500 to 600 per year in Chorley. As part of the cost share agreement the Council also received a loss of income payment each year as material

was now delivered direct to Farington Waste Technology Park for processing. This payment was also subject to an annual uplift. The Council would receive a total of £ 1.02m in 2012/13 through cost share.

The cost share option offered greater financial certainty to the Council compared to recycling credits which were subject to fluctuation as they were calculated using the weight of recyclable waste collected.

Members expressed concern that Chorley appeared to be in a detrimental position because of the higher number of new homes being built in the Borough than other local authorities. There was concern that authorities were being treated differently and that the distribution mechanism was flawed as Chorley had excellent recycling rates where other authorities, receiving the same payment, did not. Negotiations on this matter would continue.

#### **Decision made**

- 1. Acceptance of Lancashire County Council's cost share proposal of a front loaded payment profile for five years until March 2018 totalling £ 4.8m.**
- 2. The acceptance was subject to the outcome of the recycling credit review LCC have indicated would take place after May 2013.**
- 3. Chorley Council to continue to press for an increase in payment related to annual property growth and to arrange a meeting with Councillors from both Authorities to discuss this issue.**

#### **Reason(s) for decision**

LCC have indicated that if the revised cost share payment is not accepted the current arrangement would run to March 2014 and then terminate. It is unclear what level of alternative payment would be offered. LCC are keen to establish if the Council wish to accept the offer so they can accommodate it into their budget planning process.

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

Recycling credits were considered as an alternative funding stream but as explained in the report this is not considered viable based on the uncertainty of the payment level.

### **13.EC.9 EXCLUSION OF THE PUBLIC AND PRESS**

**RESOLVED - To exclude the press and public for the following items of business on the ground that it involved the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

### **13.EC.10 APPROVAL FOR THE CONTRACT AWARD PROCEDURE AND EVALUATION CRITERIA FOR ALL SEASONS LEISURE CENTRE RESEALING OF ROOF BEAMS**

The Executive Member (Resources, Policy and Performance) advised the confidential report sought approval for the award procedure and evaluation criteria for the contract for resealing the roof beams in the swimming pool hall at All Seasons leisure centre.

Members noted that this was specialised work.

#### **Decision made**

- 1. Approval of the procurement approach of advertising tenders through the Chest e-tendering system using an open invitation.**
- 2. Tenders to be evaluated using a pre qualification questionnaire (PQQ) and then all bids that pass this stage to be evaluated to establish the most economically advantageous tender based on 70% cost, 30% quality.**

**Reason(s) for decision**

Under the Council's Contract Procedure Rules approval by the Executive Cabinet of contract award procedure and evaluation criteria for tenders greater than £75,000 in value is required.

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

To not agree contract award procedure and evaluation criteria would fail to comply with the Council Procurement rules.

**13.EC.11 GOVERNANCE BUSINESS TRANSFORMATION**

The Executive Member (Resources, Policy and Performance) presented a confidential report which updated Members on a business transformation review of Governance undertaken by the Head of Service. The report sought authority to implement changes to the Services Base Budget and commence the process for undertaking a re-structure of the staffing of the service.

**Decision made**

1. **Approval granted that the proposed changes to the Governance Base Budget be for implementation in 2013/14.**
2. **Approval granted for consultation on the staff structure proposed in Appendix 1.**
3. **Delegated authority granted to the Executive Member (Resources, Policy and Performance) to approve implementation of the structure following the consultation responses being received.**

**Reason(s) for decision**

The proposals will ensure the continuation of a high level of service from Governance and make budget savings in support of the Council's transformation strategy.

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

Not to undertake and changes. This neither meets the changing needs of the authority nor addresses the need to make budget savings.

Executive Leader