



MINUTES OF OVERVIEW AND SCRUTINY PERFORMANCE PANEL

MEETING DATE Thursday, 4 December 2014

MEMBERS PRESENT: Councillor John Walker (Chair), Councillor June Molyneaux (Vice-Chair) and Councillors Greg Morgan

OFFICERS: Lesley-Ann Fenton (Director of Customer and Advice Services), Dianne Scambler (Democratic and Member Services Officer), Chris Moister (Head of Governance) and Natalie Taylor-Proctor (Policy and Partnerships Officer)

APOLOGIES: Councillors Julia Berry, Mark Jarnell and Alistair Morwood

OTHER MEMBERS: Councillors Peter Wilson (Executive Member (Resources)), Charlie Bromilow and Doreen Dickinson

14.OSP.62 Minutes

RESOLVED – That the minutes of the Overview and Scrutiny Performance Panel meeting held on 25 September 2014 be confirmed as a correct record for signing by the Chair.

14.OSP.63 Declarations of Any Interests

There were no declarations of any interests.

14.OSP.64 Chorley Council Performance Monitoring - Second Quarter 2014/15

Members considered a report of the Chief Executive that set out performance against the Council's Corporate Strategy and key performance indicators for the second quarter of 2014/15, 1 July to 30 September 2014.

Overall performance of key projects was excellent, with the majority either completed or on track. Only two projects, deliver the Chorley Youth Zone and the Friday Street Health Centre were rated amber due to issues relating to timescales in delivering the initial actions, however work was underway to bring these projects back on track. Both of these projects would be contained within the Corporate Strategy for 2015/16.

Overall performance on the Corporate Strategy indicators and key service delivery measures was excellent, 71% of the Corporate Strategy indicators and key service delivery measures were performing above target or within the 5% tolerance.

Two indicators, the number of long term empty properties in the borough and percentage of customers dissatisfied with the way were treated by the Council were currently below target, however, work had been undertaken to address these figures and improvements were starting to be made.

The Home Office has introduced a new classification for the recording of crimes which is based on a positive outcomes framework. This has resulted in changes to the way Domestic Violence is measured with positive outcomes now being recorded rather than the number of detections. This has meant that the Council is no longer able to report on one of its key performance indicators within the corporate strategy; the percentage of domestic violence detections, target 70% and Members were informed that alternative measures for obtaining this indicator were currently being explored.

There was one indicator that was performing below target, the time taken to process new claims and change events for Housing and Council Tax benefit was currently performing at 10.5 days against a target of 12.5 day. The service was still impacted by the high work volumes which occurred during the first quarter and overtime had been and still continued to be offered to help manage the workload. Performance has been further impacted on due to the ongoing implementation of the single front office transformation programme approved by Members in January this year. Members were informed that the programme of staff training and mentoring in this area was a two year programme, and to assist in keeping reductions in performance to a minimum while the training was being delivered, the Council were temporarily using the Capacity Grid to process some housing benefit work.

Members were also informed that there had been a change to the way the processing of planning applications is now calculated, to align with the planning performance submitted through government returns to the DCLG and also to reflect the actual performance of the service in determining applications within agreed timescales. Performance would be reported under two measures from quarter 3 onwards, the number of applications where extensions had been agreed and the percentage of extended applications determined in the agreed time and it was expected that the service would perform well.

RESOLVED – That the report be noted.

14.OSP.65 Exclusion of Press and Public

RESOLVED - To exclude the press and public for the following item of business on the ground 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.

14.OSP.66 Performance Focus: Market Walk

The Panel received a report of the Chief Executive that provided contextual information and proposed initial questions to initiate discussions regarding the performance of the Corporate Strategy project, Market Walk.

The Executive Member for Resources, Councillor Peter Wilson and Head of Governance, Chris Moister attended the meeting to answer questions of the Panel about the information contained within the report.

The Market Walk shopping centre had been purchased by the Council on 29 November 2013 as the purchase supported the council's priorities in developing a vibrant town centre. The purchase enabled the Council to have greater control and influence over the future development of the town centre and would improve opportunities to implement Economic Development Strategies and the Town Centre Masterplan over the long term. In addition the purchase supported the council's medium term financial strategy by providing additional income stream which could the Council could use to further invest in the Town Centre.

The centre has 35 units with a good spread of tenants and the centre is not solely reliant on an anchor tenant. Vacancy rates are similar to the rest of the town centre in that they are low and at the time of purchase only four retail units were empty. The average footfall is 460,000 a month and is the highest concentration of footfall across the town centre.

Following the purchase the Council had entered into a 12 month agreement with Deloitte regarding the management of the site that consisted of the following arrangements:

- The day to day management of the centre, financial management, managing a database of tenant lease terms and working with letting agents to fill voids and providing regular maintenance reports on the performance of the centre in terms of footfall and rental income.
- Contract management arrangements which include regular meetings between the Council and Deloitte as well as monthly management reports.
- The development of a lettings strategy, which the Council plans to develop into a more comprehensive document
- The day to day operational works, including general maintenance and minor repair work and developing relationships with existing tenants

Following a review of the arrangements after the first 12 months, the Executive Cabinet agreed proposals to bring the operational and financial management of Market Walk in house at the end of the contract in 2015.

In addition, work has been undertaken to look at the feasibility of a range of options for extending market walk. This work is being considered by the Market Walk Steering Group who has selected one of the six available options as a preferred option and as a basis for further detailed design and consultation work. Consultation had been undertaken with the residents of Chorley and the Panel were informed of the feedback received.

The Panel asked if the Council were happy with the amount that they had paid for the shopping centre and if they were confident that they would be able to make the repayments in addition to achieving a reasonable income.

Councillor Wilson reported that it is expected that the income from the 35 units within the centre will not only cover the loan repayments, but also bring in additional income of at least £400,000 a year. Market Walk also has a marketing budget of £50,000 that is funded 50:50 from the landlord (the Council) and tenants (through the service charge).

The Council's Chief Financial Officer had been able to explore different options for financing centre that had resulted in the Council borrowing different amounts over differing lengths of time. The authority had also used some of its capital savings, to

borrow a lesser amount which had helped the Council to increase its margins of profit and had already seen greater income generation than had been previously expected.

The Market Walk centre has also been rebranded to demonstrate the change in ownership and the in the summer the Council took on full responsibility for the marketing and promotion work. Since then work has been undertaken to improve the number of events to increase footfall to the mall.

Currently 100% of the units are taken up in terms of rental income, although there appeared to be one not actually in operation and there are some contracts to be re-negotiated in the New Year.

There are no performance indicators against the centre at present but the Council does receive monthly monitoring reports that give information in relation to rent collections, works undertaken and insurance claims. The contract with Deloittes will end on 31 March 2015 and the Council will take over the monitoring of its performance at that time.

Overall the Council are happy with its decision to purchase the Market Walk shopping centre and have been pleased with the additional income that has been generated over the past 12 months. They have greater confidence going forward in facilitating the actual management of the centre and have plans in place to develop the asset in the future.

The Chair thanked Councillor Wilson and Chris Moister for attending the meeting.

RESOLVED – That the report be noted.

Chair

Date