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| <b>MINUTES OF</b>          | <b>EXECUTIVE CABINET</b>   |
| <b>MEETING DATE</b>        | <b>Thursday, 17 November 2016</b>  |
| <b>MEMBERS PRESENT:</b>    | Councillor Alistair Bradley (Chair) and Councillors Beverley Murray, Paul Walmsley, Adrian Lowe and Graham Dunn  |
| <b>MEMBER RESPONSIBLE:</b> | Councillors Matthew Lynch and Alistair Morwood   |
| <b>COUNCIL CHAMPIONS:</b>  | Councillors Gordon France, Jean Cronshaw and Margaret France   |
| <b>OFFICERS:</b>           | Gary Hall (Chief Executive), Chris Sinnott (Director (Policy and Governance)), Asim Khan (Director (Customer and Digital)), Chris Moister (Head of Legal, Democratic & HR Services), Cath Burns (Employment Skills and Business Support Manager), James Thomson (Principal Management Accountant) and Vanessa Fitzgerald (Policy and Engagement Assistant) |
| <b>APOLOGIES:</b>          | Councillor Peter Wilson  |
| <b>OTHER MEMBERS:</b>      | Councillors Charlie Bromilow, Tom Gray, Marion Lowe, June Molyneaux, Richard Toon, Paul Leadbetter and John Walker   |

#### **16.EC.23 Minutes of meeting Thursday, 25 August 2016 of Executive Cabinet**

**Decision:** The minutes of the Executive Cabinet meeting held on 25 August 2016 were confirmed as a correct record for signing by the Executive Leader.

#### **16.EC.24 Declarations of Any Interests**

There were no declarations of any interests.

#### **16.EC.25 Public Questions**

There were no questions received from any member of the public.

#### **16.EC.26 Chorley Council Performance Monitoring Report - Second Quarter 2016/17**

The report of the Director of Policy and Governance was presented by the Executive Leader. The monitoring report set out the Council's performance against the delivery of the Corporate Strategy and key performance indicators during the second quarter of 2016/17, 1 July to 30 September.

Overall performance remained good, with 88% of the projects on track or complete. Only two projects are currently rated as off track. The delivery of the Chorley Skills framework, was rated amber, although actions had already been identified and implemented to improve this target and the progressing of the delivery of Friday Street Health Centre, continued to be rated as red due to external factors outside the Council's control.

Performance of the Corporate Strategy indicators and key service delivery measures also remained good with 83% of the Corporate Strategy indicators and 80% of the key service measures performing about target or within the 5% tolerance. The Corporate Strategy indicators performing below target were the percentage increase in the number of volunteering hours earned and the percentage of 16-18 year olds who are not in education, employment or training (NEET). The latter indicator, usually spiked at this time of the year as it took some time to gather all the relevant placement information about this age group, more so this year with the reduction in LCC staffing available to collate this. Members were confident that performance would improve.

**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.

**16.EC.27 Revenue and Capital Budget Monitoring Report 2016/17 Report 2 (end of September 2016)**

The report of the Chief Executive was presented by the Executive Leader and Executive Member (Economic Development and Public Service Reform). The report set out the provisional return and capital outturn figures for the Council as compared against budgets and efficiency saving targets set for the 2016/17 financial year.

Although no action was required at this stage, the project revenue outturns currently showed a forecast underspend of £237,000 against budget. The expected net income from Market Walk after the deduction of financing costs is £0.942m, with the latest projection showing a forecast outturn of £1.002m.

The Council had set an overall savings target of £150k in 2016/17 from the management of the establishment. Excellent progress had been made in this area and it was reported that the full savings target for 2016/17 had already been achieved.

The Council's Medium Term Financial Strategy proposed that working balances were to reach £4.0m over the three year lifespan of MTFS to 2018/19 due to the financial risks facing the Council. A budgeted contribution into General Balances of £500k was contained within the new investment package for 2016/17. The current forecast to the end of September showed that the General Fund balance could be around £3.422m by the end of the financial year and following approval of the recommendations contained within the report, the forecast balance would be £3.212m and broadly in line to achieve the target of £4.0m by 2018/19.

As part of the recommendations, Full Council was being asked to approve additions to the capital programme that included a £200,000 increase in the Chorley Youth Zone budget to underwrite the shortfall in funding in 2017/18. In response to Members, the Leader explained that this was due to higher than anticipated building costs and not wanting to scale down the scheme, the Council were being asked to underwrite some of the extra funding required to proceed. Once the development had commenced, the developer was confident that the scheme would attract more funding from private investors that would reimburse these costs.

The Council was also being requested to approve the use of £100,000 from in-year revenue underspends for investment in the Retail Grant Programme. This scheme had been extremely successful in the town centre and had recently been expanded to receive applications from across the borough. The additional funding would allow those applications that were already underway to be realised, although it was intended to review the scheme in subsequent years, with more of a focus on helping to regenerate empty shops in line with its original mandate. Members commented on the success of the scheme and how it had helped to generate employment opportunities across the borough.

**Decision:**

1. That the full year forecast position for the 2016/17 revenue budget and capital investment programme be noted.
2. That the forecast position on the Council's reserves be noted.
3. That full Council be requested to approve the use of £60,000 from the 2016/17 forecast revenue surplus on Market Walk to invest in the Public Realm works capital scheme.
4. That full Council be requested to approve the transfer of £50,000 from in-year revenue underspends to the Local Development Framework (LDF) reserve to finance costs anticipated in 2017/18 and 2018/19.
5. That full Council be requested to approve the use of £100,000 from year-in revenue underspends to invest in the Retail Grants Programme.
6. That full Council be requested to approve the use of £307k of LCC Transition Reserve to fund the Chorley Employment Inclusion Project (CEIP).
7. That the request made to DCLG to reimburse the Council for its contribution to the Croston Flood Risk Management Scheme be noted.
8. That full Council be requested to approve the following additions to the capital programme:
  - £200,000 increase in the Chorley Youth Zone budget to underwrite the shortfall in funding in 2017/18
  - £189,000 increase in Disabled Facility Grants budget, 100% grant funded, to bring in line with 2016/17 grant funding levels.
  - £8.1m Digital Office Park capital budget be added to the capital programme with the £4.05m Chorley Borough Council match funding to be financed through prudential borrowing. As per the the report approved by full Council on 19 July 2016
9. That full Council be requested to note the changes to the capital programme to reflect delivery 2016/17 to 2018/19.

**Reasons for recommendation(s)**

To ensure the Council's budgetary targets are achieved.

**Alternative options considered and rejected**

None.

## **16.EC.28 External Events Policy**

The Director of Policy and Governance submitted a report setting out a new events policy that would process and approve events held on council land that are organised by individuals, groups and organisations external to the Council.

The report set out the aim of the policy and explained how it would clearly outline the role of Chorley Council in external events by providing a comprehensive structured framework for use when delivering events across the borough.

**Decision:**

**Approval of the External Events Policy**

**Reason for recommendation(s)**

To formalise and adopt a process for managing external event requests, to protect the council's assets to ensure they can be used and enjoyed for future generations and to mitigate the risk and liability to the council against health and safety

**Alternative options considered and rejected.**

None.

**16.EC.29 Exclusion of the Public and Press**

Approval that the press and public be excluded for the following items of business on the grounds that they involve the likely disclose of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government act 1972.

**16.EC.30 Chorley Employment Inclusion Project**

The report of the Chief Executive was presented by the Executive Leader and Executive Member (Economic Development and Public Service Reform). The report updated Members of the Chorley Employment Inclusion Project (CEIP) which is being developed as part of the Council's employability service and subject to an application submitted by Chorley Council from the European Social Fund (ESF) for 60% of its cost.

Members were being asked to approve a revenue contribution from Chorley Council of £307k (40% of costs) over a three year period from 1 January 2017 to 31 December 2019 to be funded from the uncommitted expenditure in the LCC transition fund in 2016/17 and 2017/18 as per recommendations made in the Revenue and Capital Monitoring 2016/17 report included on this agenda.

The report highlighted the success of the exiting Chorley Works project, now managed by the Employment Skills, Business Support service at Chorley Council that supports unemployed residents of Chorley. The new project would build upon this scheme which aims to reduce economic activity by providing disadvantaged target groups resident in Chorley, with access to a programme of support measures to help them to progress towards and/or into employment and be 'Chorley Works' ready.

**Decision:**

**Recommendations approved.**

**Reasons for recommendation(s)**

The Chorley Employment Inclusion Programme CEIP supports the delivery of the 2014 Economic Regeneration Strategy and the Chorley Skills Framework by:

- Supporting Chorley residents in becoming economically active and making a full contribution to the economic success of Chorley
- Realising Chorley's forecasted strong economic growth by supporting employers in Chorley who are facing challenges when filling job vacancies.

**Alternative Options Considered and Rejected.**

None

**16.EC.31 Proposed Disposal of Land at Northgate Drive Chorley**

The report of the Chief Executive was presented by the Executive Leader and Executive Member (Economic Development and Public Service Reform). The report sought approval of the sale of land comprising 1.85 acres to Scorpion Automotive on the terms outlined in the report. The disposal will potentially create a development of 32 new low cost homes and allow expansion of the business within their own site.

The sale of this land will result in the major redevelopment of a vacant site bringing much needed investment and economic growth to the neighbourhood and in the long term potentially creating

further job opportunities for local residents. The company will also be creating additional resident parking and retain a provision of open space on site.

The ward Councillors had been consulted upon and kept fully informed throughout the process and accepted that the proposals were favourable for the local community. They urged the developer to consider preconstruction consultation with residents ahead of the planning application to ensure a smooth transition.

**Decision:**

**Recommendations approved.**

**Reasons for recommendation(s):**

1. The sale of land at Northgate Drive located at the edge of Chorley North Business Park will allow the rapid expansion of the company for tracker and security devices on a larger scale than present. The sale of the council's land will result in 32 new homes being built on the site for all or the majority as low cost housing.
2. Homes that may be classed as private sales without transfer to the Registered Provider are still expected to be within the description of low cost as the sales prices are anticipated as low as £115,000 per unit and will attract CIL liability.
3. The sale of land will potentially result in a capital receipt of £208,000 (two hundred and eight thousand pounds) plus VAT
4. The sale of land will result in the major redevelopment of a vacant site bringing much needed investment and economic growth to this neighbourhood and long term potentially creating further job opportunities for local residents. It is anticipated that at least the 68 staff employed will continue to be employed in the new premises.
5. Scorpion Automotive will be creating more residents parking and providing open space on site as a result of their proposals.

**Alternative options considered and rejected:**

1. A decision not to support Scorpion Automotive to purchase the adjoining Council land will not allow them to continue their further growth expansion activities, thereby not encouraging further economic growth or job opportunities on their redeveloped site and by the inclusion of a small parcel of land from the Council's land.
2. By not selling the land primarily for redevelopment there would be a missed opportunity to create up to 32 new homes for the locality.
3. The Council would not benefit from a capital receipt.

## **16.EC.32 Insurance Procurement Exercise 2017**

The report of the Chief Executive was presented by The Executive Leader and Executive Member (Economic Development and Public Service Reform). The report updated members on a joint procurement exercise that had recently been undertaken with South Ribble Council for a renewal of insurance covers in place at both Councils under existing Long Term Agreements that were due to expire on 31 December 2016.

A detailed Tender Evaluation document had been provided by the Council's recently appointed, common insurance broker AON Risk Services and the report provided a summary of the evaluation results and recommendations regarding a suitable appointments from 1 January 2017.

**Decision:**

**Recommendation approved.**

**Reasons for recommendation(s)**

It is essential that the Council has quality, cost effective insurance covers in place beyond 31 December 2016 when the current Long Term Agreement's lapse.

**Alternative Options Considered and Rejected**

1. This exercise involved the use of a procurement framework for the first time with regard to insurance, having considered this approach alongside the traditional direct tendering method previously adopted.
2. There are significant benefits in using a procurement framework for both the Council and suppliers, including reduced timescales, costs and resources, professional advice of the collaborative partners, mitigation of risk, template documentation, assured suppliers standards and pre-defined terms and conditions.
3. Contract Procedure Rules also encourage the use of procurement frameworks where suitable ones exist.

Chair

Date