



MINUTES OF

EXECUTIVE CABINET

MEETING DATE

Thursday, 18 January 2018

MEMBERS PRESENT:

Councillor Peter Wilson (Deputy Executive Leader in the Chair), Councillor Alistair Bradley (Vice-Chair) and Councillors Beverley Murray, Paul Walmsley and Adrian Lowe

OFFICERS:

Gary Hall (Chief Executive), Mark Lester (Director (Business, Economic and Growth)), Rebecca Huddleston (Director (Policy and Governance)), Chris Moister (Head of Legal, Democratic & HR Services), James Thomson (Principal Management Accountant), Andrew Daniels (Communications and Events Manager) and Ruth Rimmington (Democratic and Member Services Team Leader)

APOLOGIES:

Councillor Graham Dunn

OTHER MEMBERS:

Councillors Jane Fitzsimons, Gordon France, Danny Gee, Tom Gray, Marion Lowe, Richard Toon, Alan Cullens, June Molyneaux, Greg Morgan and Alistair Morwood

18.EC.1 Minutes of meeting Thursday, 14 December 2017 of Executive Cabinet

Decision: That the minutes of the Executive Cabinet held on 14 December be confirmed as a correct record for signing by the Chair.

18.EC.2 Declarations of Any Interests

There were no declarations of interest received.

18.EC.3 Public Questions

There were no public questions received.

18.EC.4 Draft budget and summary position over the medium term 2017/18

At the request of the Chair this item was considered first.

The Executive Member (Resources) presented the report of the Chief Finance Officer which set out the budget position for 2018/19 including the forecast for the following

two years to 2020/21, the relevant proposals in respect of the use of forecast resources identified in 2018/19 and budget consultation.

The budget forecasts over the next three years have been updated to take account of council tax to be increased by 2.99% in 2018/19, this is the equivalent of a £5 increase per year for an average band D property or about 10p per week. In addition, the council will bring into its budget forecasts a 2.99% increase in 2019/20 and 2% increase in 2020/21. The final decisions on Council Tax increases will be made as part of the annual budget setting process. Additional investment of £673k will deliver corporate strategy priorities. Progress against the current Medium Term Financial Strategy (MTFS) budget efficiency objectives including staffing reviews, contract savings and base budget reviews. Budget forecasts also take account of policy decisions taken to reduce the budget deficit and the movement to specific reserves to help the council manage change and invest in future income generation and strategies to reduce the budget deficit in the medium term.

The report set out the budget pressures and funding cuts that the council face in bridging the budget gap over the next 3 years, including the reduction in Revenue Support Grant from the Government and income from the New Homes Bonus and Lancashire County Council. The council has experienced expansion of the council tax base, but the additional income is insufficient to meet the inflationary pressures placed on the council's budget. In addition, the expansion of the council tax base has resulted in a faster reduction in the council's grant funding. Unfortunately, there is no further clarity on how the reforms to the business rates regime will affect Chorley Council in 18/19 to 20/21.

A key influencing factor on the forthcoming budget is the effective management of the budget in the preceding financial year. The council recognised that reductions in funding and ongoing expenditure budget pressures have resulted in a budget gap of £0.870m in 2018/19. To bridge this immediate budget gap the Executive Cabinet has achieved and identified proposals for immediate budget savings in preparation for 2018/19. This is in addition to a total of £3.229m savings already achieved in previous years, and includes productivity savings, a review of contracts and the base budget. A review of income streams and financing and Lancashire Business Rates Retention Pooling have also been undertaken.

The report set out that through savings achieved to date, additional income identified, a review of net financing, the use of unutilised reserves and increases in council tax the council is able to set a balanced budget in 2018/19 with some resources available to invest.

Consideration was given to the estimated Medium Term Financial Strategy cumulative budget deficit and cumulative savings, which included the renegotiation of contracts, productivity gains and shared services, and income generation, via delivering the Market Walk extension, council owned housing stock and council owned employment land.

Through setting this budget and utilising underspends in 2017/18 the council has achieved, a year earlier than budgeted, its MTFS target of having £4m set aside in general balances. A part of the budget strategy is to ensure that the council maintains robust reserves to cater for uncertainties it faces.

Members noted that potential incomes streams, including the delivery of the Market Walk Extension, are based on assumptions.

Members discussed that the council is exploring the strategy of delivering and managing its own housing stock with the view to increasing and improving the quality of housing within Chorley Borough whilst generating a sustainable net income stream for the council. The council is also modelling a potential approach to entering the energy industry through setting up an energy supply company. The proposal requires huge investments with subsequent large rewards and potential large risks. To deliver the energy supply company the council will require a collaborative approach with investments from other councils. Further modelling is being undertaken as to how this collaborative approach would work and what the returns to Chorley Council could potentially be.

Members highlighted that savings through the renegotiation of contracts, such as the waste contract are assumed and higher savings are possible.

Decision:

Approval granted to start the budget consultation process on the proposals contained within the report and noted in particular:

- **That council tax be increased by 2.99% in 2018/19, equivalent of a £5 increase per year for an average band D property or about 10p per week. In addition that the council will bring into its budget forecasts a 2.99% increase in 2019/20 and 2% increase in 201/21**
- **The resourcing of corporate priorities for 2018/19**
- **The forecasted budget for 2018/19**
- **The forecast budget position in 2019/20 and 2020/21**

Reasons for recommendation(s):

To progress the council's 2018/19 budget setting process to achieve an approved and balanced budget.

Alternative options considered and rejected:

Setting the budget is a statutory responsibility.

18.EC.5 Allocation of Community Infrastructure Levy Funds

The Executive Leader presented the report of the Director of Business, Development and Growth. The report sought approval for the allocation of main CIL monies to highways and infrastructure (the provision of access to and within the site) to support the delivery of the employment allocation at the Digital Health Park, Euxton Lane, Chorley which is on the Regulation 123 List.

A report approved by Executive Cabinet in November 2017 allocated £365,000 community infrastructure monies to the Digital Health Park project for spend in 2017/18 and 2018/19 in accordance with the methodology for assessing projects.

This project has now been superseded by a wider infrastructure scheme which will service the whole allocated Euxton Lane site including the Digital Health Park; with the wider village site now being sold on and being progressed to completion. This new scheme continues to support the corporate priority on economic growth and will create jobs and private sector investment.

This project meets the criteria as set out in the policy for the Allocation of CIL Infrastructure as it is strategic, deliverable and has match funding.

Members noted that there were issues with the topography of the land and that that the provision of the CIL will enable match funding.

Decision:

Approval granted for the allocation of £900,000 capital infrastructure monies to the Digital Health Park project for spend in 2017/18 and 2018/19.

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.

Alternative options considered and rejected:

None.

18.EC.6 Fees and Charges Policy and a Review of Fees and Charges

The Executive Member (Resources) presented the report of the Director of Policy and Governance which created a fees and charges for Chorley Council. This creates a framework for revising current fees and charges as well as guide to introducing new charges.

The aims of the new fees and charges policy are to provide a consistent framework for the review of the council's current fees and charges as well as guidance to introducing new charges.

The policy introduces some key principles of which two principles are not always achievable simultaneously:

1. Fees and charges should be set to assist the Council in achieving its strategic priorities. Services must raise income wherever there is a duty to do so, and should raise income wherever there is a power to do so, unless the introduction of a charge would prohibit the achievement of specific corporate and service objectives.
2. In line with legislation, fees and charges should be set to recover full costs including overheads. Where the service user is subsidised by tax payer this should be transparent and the reasons for this subsidy is made explicit.

It is proposed that a review of fees and charges will be taken annually to Executive Cabinet in January alongside the draft budget report. This will be after the approval of the Council's Corporate Strategy therefore ensuring that fees and charges are consistent with the strategy.

Members highlighted the possibility that charges for bulky items could increase fly tipping. This will be kept under review.

Decision:

To recommend Council approve:

1. **A fees and charges policy for the Council's discretionary fees and charges.**

- 2. Amendments to the Council's current fees and charges be implemented as at 1 April 2018**
- 3. Increases in the Council's 2018/19 income budgets**

Reasons for recommendation(s):

The council requires a framework for reviewing and amending fees and charges so that reviews are conducted frequently and consistently. A new framework will also assist the council when considering the introduction of new charges.

The council should endeavour, when it is legal and feasible to do so, to charge users to meet the full cost of providing services.

Alternative options considered and rejected:

To continue without a fees and charges policy could result in fees and charges not being regularly reviewed such that services are over or under charged for.

Without a regular review of fees and charges, new opportunities to introduce new services and charges may be missed.

18.EC.7 Water Safety Policy Adoption

The Executive Member (Customer, Advice and Streetscene Services) presented the report of Director (Customer and Digital) which formalised the Council's procedures for risk management and water safety at council-owned water features (reservoirs, lodges, ponds).

At the request of Chorley Council, in September 2013 Zurich Risk Engineering UK presented an independent external assessment of pre-agreed water and open space sites. The purpose was to provide risk management recommendations with regard to the Council's responsibilities under public and occupiers liability and relevant associated statutory duties.

The Council has undertaken the recommended improvement actions, which have been recorded on the internal audit system. This includes the creation of a water safety policy document, based upon a detailed risk assessment process and sound risk management practices. The only outstanding action is to formally adopt the new policy.

Members suggested that information be included on the noticeboards relating to the location of first aid equipment and to provide this, and a defibrillator at Birkacre Reservoir. The Policy will be circulated to Town and Parish Councils for their information.

Decision:

Approval of the new Water Safety Policy in accordance with recommendations made by the council's insurers and internal audit.

Reasons for recommendation(s):

The council's insurers have requested the adoption of a formalised water safety policy that includes agreed procedures for risk assessment, regular inspections and management of water bodies.

Alternative options considered and rejected:

To not formally adopt the policy could leave the council exposed to financial and reputational risk associated with claims made against the council arising from incidents at council-owned water bodies.

18.EC.8 Exclusion of the Public and Press

Decision: To exclude the press and public for the following items 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.

18.EC.9 Central Lancs Local Plan Review Resourcing and Programme Proposals

The Executive Leader presented the confidential report of the Director of Business, Development and Growth which sought approval for the proposals to undertake a review of the Central Lancashire Local Development Plan (currently known as the 'Core Strategy' of the Local Development Framework) including the allocation of a budget and commitment to continue to work as part of Central Lancashire partnership.

Decision:

- 1. Approval granted to work in collaboration as Central Lancashire (Preston, Chorley and South Ribble) to develop and submit for approval to Secretary of State, a shared Central Lancashire Local Development Plan (or 'Local Plan').**
- 2. Approval granted to a budget of at least £234,000 for Chorley Councils share of the total anticipated costs over the two year period.**
- 3. Approval granted to be lead of the three councils on the project including the recruitment and management of the temporary staff and coordination of the overall programme and examination in public.**

Reasons for recommendation(s):

To ensure the Local Plan review is undertaken and a new local development plan adopted, which will inform future development in the borough and ensure it is sustainable and meets local needs.

Alternative options considered and rejected:

Do nothing. Should the council decide not to progress the review of the Local Development Plan, the policies will become out of date and this means that the weight to be attached to policies in the plan would be significantly reduced and that policies within national policy framework (NPPF) including 'the presumption in favour of sustainable development' would take precedence. It would be more difficult to defend applications which are not in accordance with policy such as safeguarded land or greenbelt.

Chair

Date