

DECLARATION OF INTEREST - CHECKLIST FOR ASSISTANCE OF MEMBERS – 2007 OVERVIEW AND SCRUTINY

Name: Councillor

Overview and Scrutiny Committee: Executive Overview and Scrutiny

Date: 4/12/08

Item No: Item Title:

Nature of Interest:

A Member with a personal interest in any business of the Council must disclose the existence and nature of that interest at commencement or when interest apparent except:

- Where it relates to or is likely to affect a person described in 8(1)(a)(i) or 8(1)(a)(ii)(aa), you need only disclose the existence and nature when you address the meeting on that business.
- Where it is a personal interest of the type mentioned in 8(1)(a)(viii), you need not disclose the nature or existence of that interest to the meeting if the interest was registered more than three years before the date of the meeting.
- Where sensitive information relating to it is not registered in the register, you must indicate that you have a personal interest, but need not disclose the sensitive information.

A Member with a prejudicial interest must withdraw, **either** immediately after making representations, answering questions or giving evidence where 4 or 6 below applies **or** when business is considered and must not exercise executive functions in relation to that business and must not seek to improperly influence a decision.

Please tick relevant boxes

Notes

	Overview and Scrutiny only		Notes
1.	I have a personal interest* but it is not prejudicial.	<input type="checkbox"/>	<i>You may speak and vote</i>
2.	I have a personal interest* but do <u>not</u> have a prejudicial interest in the business as it relates to the functions of my Council in respect of:		
(i)	Housing where I am a tenant of the Council, and those functions do not relate particularly to my tenancy or lease.	<input type="checkbox"/>	<i>You may speak and vote</i>
(ii)	school meals, or school transport and travelling expenses where I am a parent or guardian of a child in full time education, or are a parent governor of a school, and it does not relate particularly to the school which the child attends.	<input type="checkbox"/>	<i>You may speak and vote</i>
(iii)	Statutory sick pay where I am in receipt or entitled to receipt of such pay.	<input type="checkbox"/>	<i>You may speak and vote</i>
(iv)	An allowance, payment or indemnity given to Members	<input type="checkbox"/>	<i>You may speak and vote</i>
(v)	Any ceremonial honour given to Members	<input type="checkbox"/>	<i>You may speak and vote</i>
(vi)	Setting Council tax or a precept under the LGFA 1992	<input type="checkbox"/>	<i>You may speak and vote</i>
3.	I have a personal interest* and it is prejudicial because it affects my financial position or the financial position of a person or body described in 8 overleaf and the interest is one which a member of the public with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice my judgement of the public interest or it relates to the determining of any approval consent, licence, permission or registration in relation to me or any person or body described in 8 overleaf and the interest is one which a member of the public with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice my judgement of the public interest	<input type="checkbox"/>	<i>You cannot speak or vote and must withdraw unless you have also ticked 4 or 7 below</i> <i>You cannot speak or vote and must withdraw unless you have also ticked 4 or 7 below</i>
4.	I have a personal and prejudicial interest in the business but I can attend to make representations, answer questions or give evidence as the public are also allowed to attend the meeting for the same purpose	<input type="checkbox"/>	<i>You may speak but must leave the room once you have finished and cannot vote</i>
5.	I must regard myself as having a personal and prejudicial interest in the business because it relates to a decision made (whether implemented or not) or action taken by the Cabinet or another of the Council's committees or sub-committees and, at the time the decision was made or action was taken, I was a member of the Cabinet, committee or sub-committee and I was present when that decision was made or action was taken	<input type="checkbox"/>	<i>You cannot speak or vote and must withdraw unless you are a Cabinet member attending under section 21(13) of the LGA 2000 when you may speak to answer questions</i>

6.	I must regard myself as having a personal and prejudicial interest in the business because it relates to a decision made (whether implemented or not) or action taken by the Cabinet or another of the Council's committees or sub-committees and, at the time the decision was made or action was taken, I was a member of the Cabinet, committee or sub-committee and I was present when that decision was made or action was taken, however I am attending the meeting for the purpose of making representations, answering questions or giving evidence relating to the business as the public are also allowed to attend the meeting for this purpose, whether under a statutory right or otherwise	<input type="checkbox"/>	<i>You may make representations, answer questions or give evidence but must leave the room once you have finished and cannot vote</i>
7.	A Standards Committee dispensation applies.	<input type="checkbox"/>	<i>See the terms of the dispensation</i>

* **“Personal Interest”** in the business of the Council means either it relates to or is likely to affect:

- 8(1)(a)(i) any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
- (ii) any body -
- (aa) exercising functions of a public nature;
 - (bb) directed to charitable purposes; or
 - (cc) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union),
- of which you are a member or in a position of general control or management;
- (iii) any employment or business carried on by you;
- (iv) any person or body who employs or has appointed you;
- (v) any person or body, other than a relevant authority, who has made a payment to you in respect of your election or any expenses incurred by you in carrying out your duties;
- (vi) any person or body who has a place of business or land in your authority's area, and in whom you have a beneficial interest in a class of securities of that person or body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital (whichever is the lower);
- (vii) any contract for goods, services or works made between your authority and you or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi);
- (viii) the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £25;
- (ix) any land in your authority's area in which you have a beneficial interest;
- (x) any land where the landlord is your authority and you are, or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi) is, the tenant;
- (xi) any land in the authority's area for which you have a licence (alone or jointly with others) to occupy for 28 days or longer.

or

A decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward, as the case may be, affected by the decision.

“a relevant person” means

- (a) a member of your family or any person with whom you have a close association, or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in sub-paragraph 8(1)(a)(i) or (ii).

“body exercising functions of a public nature” means

Regional and local development agencies, other government agencies, other Councils, public health bodies, council-owned companies exercising public functions, arms length management organisations carrying out housing functions on behalf of your authority, school governing bodies.

A Member with a personal interest who has made an executive decision in relation to that matter must ensure any written statement of that decision records the existence and nature of that interest.

NB Section 21(13)(b) of the LGA 2000 overrides any Code provisions to oblige an executive member to attend an overview and scrutiny meeting to answer questions.

**EXECUTIVE OVERVIEW AND SCRUTINY
COMMITTEE**

**AGENDA ITEM: 6
HELD: 2 OCTOBER 2008
START: 7.30PM
FINISH: 9.15PM**

PRESENT:

Councillor Bailey (Chairman)

Councillors	Baldock	Mawdsley
	Mrs. Blake	Nolan
	Cotterill	O'Toole
	Cropper	Pope
	Mrs. Evans	Rice
	Furey	G.M. Roberts
	Gartside	Vickers
	Griffiths	

In Attendance Councillors:	Grant	Leader of the Council
	Forshaw	Planning and Transportation
	Westley	Finance and Performance Management
	R A Pendleton	

Officers Executive Manager Housing and Property Maintenance Services
Interim Policy Services Manager
Head of Leisure & Cultural Services
Principal Solicitor
Assistant Member Services Manager

Also Present Representatives from the Leisure Trust:
Councillor Hammond
Bill Lloyd – Chairman
Ian Bryan – Vice Chairman

21. APOLOGIES

Apologies for absence were submitted on behalf of Councillor Fowler.

22. MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, Members noted the termination of membership of Councillor Rice and the appointment of Councillor Hennessy for this meeting only, thereby giving effect to the wishes of the Political Groups.

23. URGENT BUSINESS, IF ANY, INTRODUCED BY THE CHAIRMAN

There were no items of urgent business.

24. DECLARATIONS OF INTEREST

It is noted that the Code of Conduct in relation to personal and prejudicial interests of Cabinet Members when they have taken a decision is overridden by Section 21(13) of the Local Government Act 2000.

1. Councillor Hennessy declared a personal interest in Item 7 on the agenda, 'Leisure Trust Update'.
2. Councillor Hammond declared a personal and prejudicial interest in item 7 on the agenda, 'Leisure Trust Update' as the Council's representative on the Leisure Trust but remained in the meeting as the representative and not a member of the committee.

25. DECLARATIONS OF PARTY WHIP

There were no declarations of a party whip.

26. MINUTES

RESOLVED That the minutes of the meeting of the Committee held on 3 July 2008 be approved as a correct record and signed by the Chairman.

27. LEISURE TRUST UPDATE

The Chairman introduced representatives from the Leisure Trust who gave a presentation on the following:

- The History of Serco and its Mission Statement
- Support Officers and Directors
- Awards received
- An overview of the contract which runs to 31 March 2020
- Facilities at Nye Bevan, Park Pool, Skelmersdale, Burscough and Banks Leisure
- Progress with commitments given in 2006
- Income and patronage for 2007
- Capital Investments in Park Pool Health Suite, All weather pitch at Banks Leisure, Squash Court at Burscough, DDA at Banks and Female and Disabled changing rooms at Nye Bevan
- Improvements undertaken in 2007 including the price review, U3 Swimming, Leisure Card Membership increased, community group work, utility consumption savings
- Quest Accreditation at Burscough and Park Pool
- CMP funded programme
- Increased patronage of 5.4% from 2004

**EXECUTIVE OVERVIEW AND SCRUTINY HELD: 2 OCTOBER 2008
COMMITTEE**

- Challenges ahead such as energy costs, patronage, improving from 'Good' to 'Great', 'Skill Pledge by realising potential, make a difference to the community, engage with partners and stakeholders, improve customer relations, 2012 legacy and links with Sports Development, '5 hour' offer for sport funded through Sport England and Lottery, maximise PCT links and wider health agenda, assist club development, family participation and reduce the environmental impact.
- The way forward with regard to increased patronage, continuous improvement, closer links with community groups, engage key partners, Skelmersdale Town Centre development, reduce carbon footprint, closer links with Sports Development and 60+ free swimming.

Comments and questions were raised in respect of the following:

- That the facilities were excellent and that the Trust should be congratulated on the progress made.
- The timetable for the development of new facility to be developed as part of Skelmersdale Town Centre regeneration and that the Trust had not received a formal approach from the Council.
- That the 60+ free swim was welcomed and should be encouraged.
- Concerns raised regarding the lack of funding for under 16 swimming.
- The improved services provided to children during the school summer holidays.
- Attention should be given to lockers in changing rooms to ensure that are in working order.
- The reduction in patronage in the Skelmersdale area and the reasons for it.
- That the web-site required some work which was being undertaken.
- Concerns regarding the future of Skelmersdale Sports Centre and Nye Bevan should the timetable for the Town Centre Regeneration slip.
- That a programme of overnight deep clean for the pools had been introduced to improve facilities cleanliness.
- That there was quality sports delivery.
- That improvements were being made to outdoor facilities.
- That thanks be given in respect of the reduced marketing in Sun Beds.
- Responsibility for the leaking roof at Skelmersdale Sports Centre and relevant funding.

RESOLVED: A. That the representatives from the Leisure Trust be thanked for their presentation and for their attendance.

B. That the comments raised be noted

28. CALLED IN ITEMS

Consideration was given to the following two called in items as circulated and contained on pages 387 – 404 of the Book of Reports:

29. FORMER TENANT DEBT ANNUAL PERFORMANCE REPORT

Consideration was given to the report of the Council Secretary and Solicitor which provided details of a decision of the Cabinet called in by 5 Members of this Committee

**EXECUTIVE OVERVIEW AND SCRUTINY HELD: 2 OCTOBER 2008
COMMITTEE**

on the performance of the Rent Recovery and Money Advice Team for 2007/2008 (minute no. 45 of Cabinet, 16 September 2008 refers).

Members noted the reason for the decision being called in and went on to debate the alternative decision included with the notice of call in, namely that the status quo should pertain in respect of performance monitoring rather than it be monitored via the Members Update.

During the ensuing debate the Committee was advised that monitoring reports were not normally taken to Cabinet and that the monitoring report would be produced twice yearly and also that the Portfolio Holder received a monthly report and should there be any concerns raised a report would be submitted to the next available Cabinet meeting.

RESOLVED: That the Committee do not wish to ask for an alternative decision.

30. MARKET TOWNS INITIATIVE

Consideration was given to the report of the Council Secretary and Solicitor which provided details of a decision of the Cabinet called in by 5 Members of this Committee in relation to the Market Towns Initiative (minute no. 50 of Cabinet, 16 September 2008 refers).

Members noted the reasons for the decision being called in and went on to debate the alternative decision included with the notice of call in, namely that consideration be given to funding in house the development work planned for transfer to the CVS or alternatively funding be made to the CVS commensurate to the initial development work to be undertaken.

During the ensuring debate the Committee was advised that the Council for Voluntary Services (CVS) had been consulted and understood that additional funding could not be made available in this respect other than officer support and that the CVS were confident that they could obtain the relevant funding.

RESOLVED: That the Committee do not wish to ask for a different decision.

31. RELEVANT MINUTES OF CABINET

Consideration was given to the minutes of the Cabinet meeting held on 16 September 2008 as circulated and contained on pages 405 – 418 of the Book of Reports.

Min No. 39 – Local Strategic Partnership – Constitution and Membership Review

A question was raised regarding the chairmanship of the Funding Management Group and if this group was classed as a thematic group – The Lead Officer, the Executive Manager Housing and Property Maintenance Services, gave an undertaking to raise this issue with the Assistant Chief Executive.

RESOLVED: That the minutes of Cabinet held on 16 September 2008 be noted.

32. KEY DECISION FORWARD PLANS - 1 AUGUST - 30 NOVEMBER, 1 SEPTEMBER - 31 DECEMBER AND 1 OCTOBER 2008 - 31 JANUARY 2009

There were no items placed on the agenda from the above-mentioned key decision forward plans.

33. REVIEW OF COUNCIL HOUSING FINANCE

Consideration was given to the report of the Executive Manager Housing and Property Maintenance Services as circulated and contained on pages 499 – 508 of the Book of Reports in which is sought the views of the Committee on the Government's consultation into the review of Council Housing Finance.

During the ensuing discussion Members suggested that a Working Group may be appropriate to discuss a response to the Government's consultation into the review of Council Housing Finance.

RESOLVED: That the report be noted.

34. COMMUNITIES IN CONTROL: REAL PEOPLE, REAL POWER - IMPROVING LOCAL ACCOUNTABILITY CONSULTATION

Consideration was given to the report of the Council Secretary and Solicitor as circulated and contained on pages 419 – 468 of the Book of Reports on which she sought the views of the Committee on a consultation document which included proposals for developing and strengthening overview and scrutiny; new powers to hold officers to account and facilitating the work of councillors.

During the ensuing discussion Members highlighted the following issues:

- That the District Council role should be strengthened.
- That there are too many consultation papers being circulated at present.

RESOLVED: A. That the consultation paper attached at Appendix 1 to the report be noted.

B. That the views expressed by Members be noted.

C. That the Council Secretary and Solicitor, in consultation with the Leader, to respond to the consultation paper.

35. CAPITAL PROGRAMME OUTTURN 2007-08

Consideration was given to the report of the Council Secretary and Solicitor as circulated and contained on pages 469 – 480 of the Book of Reports which provided a summary of the capital outturn for the 2007/2008 financial year.

RESOLVED: A. That the final position on the Capital Programme for the 2007/2008 financial year, be noted.

36. CAPITAL PROGRAMME MONITORING 2008/2009

Consideration was given to the report of the Council Secretary and Solicitor as circulated and contained on pages 481- 486 of the Book of Reports which provided an overview of the current progress on the capital programme.

RESOLVED: A. That the current progress of the capital programme be noted.

37. REVENUE OUTTURN 2007-08

Consideration was given to the report of the Council Secretary and Solicitor as circulated and contained on pages 487 – 494 of the Book of Reports which provided a summary of the outturn position and balances for the General and Housing Revenue Accounts at the end of the 2007-2008 financial year.

Members raised the questions and comments in respect of the following:

- Favourable variances – increases in various departments since April 2008 outturn figures
- The favourable review from the Audit Commission

RESOLVED: A. That the outturn position as presented including contributions to and from balances, be noted.

38. REVENUE MONITORING 2008-2009

Consideration was given to the report of the Council Secretary and Solicitor as circulated and contained on pages 495 – 498 of the Book of Reports which provided an assessment of the financial position on the revenue accounts in the new financial year.

RESOLVED: That the financial position of the Revenue Accounts be noted.

THE CHAIRMAN



AGENDA ITEM: 7(1)

**EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE:
4 DECEMBER 2008**

Report of: Council Secretary and Solicitor

Relevant Portfolio Holder: Councillor Mrs Hopley

**Contact: Mrs. Jacky Denning (Extn. 5384)
(E-mail: jacky.denning@westlancsdc.gov.uk)**

**SUBJECT: CALL IN ITEM – TRANSITIONAL HOUSING CAPITAL RECEIPTS AND
AFFORDABLE HOUSING**

District Wide Interest

1.0 PURPOSE OF THE REPORT

1.1 To advise the Executive Overview and Scrutiny Committee of the reason for the call in of the decision on the above item, as set out in Minute No. 70 of the meeting of Cabinet held on 18 November 2008.

2.0 RECOMMENDATIONS

2.1 That the Committee determines whether it wishes to ask for a different decision.

2.2 That if the Committee does wish to ask for a different decision, the Committee indicates which of the options set out at paragraph 4.1 below, it wishes to pursue.

3.0 BACKGROUND

3.1 The report attached as an Appendix to this report was considered at Cabinet held on 18 November 2008.

3.2 The following decision of Cabinet is contained at minute no. 70:-

“70. TRANSITIONAL HOUSING CAPITAL RECEIPTS AND AFFORDABLE HOUSING

Councillor Mrs Hopley introduced the report of the Executive Manager Housing and Property Maintenance Services on issues relating to the use of Transitional Housing Capital Receipts (THCR) funding for affordable housing purposes and suggesting the establishment of a Cabinet Panel to shape, monitor and approve the Council’s approach so that there is a viable affordable housing policy to meet housing need, deal with other associated issues and assist wider regeneration proposals.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: A. That an Affordable Housing Cabinet Panel comprising 3 Cabinet members together with co-opted members with no voting rights be established to:

- drive forward the Council’s work on developing affordable housing by ensuring that the local affordable housing policy is conducive to realising positive affordable housing outcomes;
- ensure appropriate housing need and housing market information is available to support need for affordable housing interventions, including LDF policy formulation;
- explore delivery mechanisms that will enable maximum benefit of THCR and any other funding that is levered in to West Lancashire;
- commission appropriate research to further the affordable housing agenda; and
- consider how to use THCR to invest in appropriate affordable housing schemes,

and to report back to Cabinet with recommendations as appropriate.

- B. That the Cabinet Panel agree a spending plan for the use of THCR funds, subject to any decisions made by Council during the budget process on the future Capital Programme.
- C That the Executive Manager Housing and Property Maintenance Services be given delegated authority to agree the terms of reference of the Cabinet Panel after consultation with the Leader.
- D. That it be noted that the Leader will advise officers of the names of the Cabinet and co-opted members to serve on the Panel.”

3.3 The following reason for call in was given in the requisition:

“That the Cabinet Panel will have insufficient information or expertise to take decisions on these matters.”

3.4 The requisition also provided an alternative decision which was:

“ That a Council Sub-Committee be formed with appropriate co-optees, to consider these matters.”

3.5 The following Members of the Executive Overview and Scrutiny Committee signed the requisition for call-in in accordance with the provisions of Overview and Scrutiny Committee Procedure Rule 15:

Councillor Mawdsley
Councillor Rice
Councillor Furey
Councillor Nolan
Councillor Cotterill

4.0 CONCLUSION

4.1 Following consideration of the decision of Cabinet and the requisition for call in, the Executive Overview and Scrutiny Committee can decide if it wishes to ask for a different decision. If the Committee does not wish to ask for a different decision then the decision of Cabinet takes immediate effect. If the Committee does wish to ask for a different decision, it may:

- a. refer the decision back to Cabinet (as the decision making body) for reconsideration, setting out the different decision, or
- b. refer the matter to Council. If the matter is referred to Council and Council does not object then the decision of Cabinet will take effect immediately from that Council meeting date. If the Council does object, then the decision and the objection will be referred back to Cabinet (as the decision making body) for reconsideration.

4.2 The Secretary of State in his Guidance recommends that Overview & Scrutiny Committees should only use the power to refer matters to the full Council if they consider that the decision is contrary to the policy framework or contrary to or not wholly in accordance with the budget.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices

Report of the Executive Manager Housing and Property Maintenance Services



AGENDA ITEM: 5(b)

**CABINET:
18 NOVEMBER 2008**

Report of: Executive Manager Housing and Property Maintenance Services

Relevant Portfolio Holder: Councillor Val Hopley

**Contact for further information: Jonathan Mitchell (Extn 5244)
Steve Jones (Extn 5208)**

**SUBJECT: TRANSITIONAL HOUSING CAPITAL RECEIPTS AND
AFFORDABLE HOUSING**

JM/SAJ/BC/2.865cab
5 November 2008

District wide interest

1.0 PURPOSE OF THE REPORT

- 1.1 To propose governance, monitoring and delivery options in relation to providing affordable solutions for the District.
- 1.2 To outline proposed options to utilise the available Transitional Housing Capital Receipts [THCR] funding earmarked for affordable housing purposes.

2.0 RECOMMENDATIONS

- 2.1 That Cabinet establish an Affordable Housing Cabinet Panel to:
 - Drive forward the Council's work on developing affordable housing by ensuring that the local affordable housing policy is conducive to realising positive affordable housing outcomes
 - Ensure appropriate housing need and housing market information is available to support need for affordable housing interventions, including LDF policy formulation
 - Explore delivery mechanisms that will enable maximum benefit of THCR and any other funding that is levered in to West Lancashire

- Commission appropriate research to further the affordable housing agenda
 - Consider how to use THCR to invest in appropriate affordable housing schemes
- 2.2 That the Cabinet Panel agree a spending plan for the use of THCR funds, subject to any decisions made by Council during the budget process on the future Capital Programme.
- 2.3 That the Executive Manager Housing and Property Maintenance Services be given delegated authority to agree the terms of reference of the Cabinet Panel after consultation with the Leader.
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3.0 BACKGROUND

- 3.1 One of the Council's Corporate Priorities is "Improving housing and ensuring that there is affordable housing available for local people". This priority is at the heart of the Council's Housing Strategy Update 2004-2009 and the recently approved Affordable Housing Strategy 2008 – 2013.
- 3.2 Achieving success against this priority and associated housing need priorities is dependent on a number of practical factors, some of which are beyond the direct control of the Council.
- 3.3 Identifying appropriate land opportunities, designing a financially viable scheme that meets identified housing need and contribute to balancing housing markets along with satisfying planning requirements, are just some of the principle challenges of delivering successful affordable schemes.
- 3.4 Due to the complex nature of introducing affordable housing products, it should be noted that the provision of funding alone will not guarantee positive outcomes unless appropriate support, policy, evidence and administrative structures are in place.
- 3.5 A typical scenario when trying to develop new build affordable housing is one whereby a landowner, a land agent or Registered Social Landlord approaches the Housing Strategy Unit with a plot of land, which cannot be developed by virtue of planning policy into residential market housing, but could possibly be used as an affordable housing site. What follows is generally a great deal of work, in establishing:
- If a need for affordable housing exists in any given location
 - An appropriate tenure mix
 - How to pay for the land and scheme construction
 - How to keep scheme costs down, yet deliver high quality housing that is "affordable"
 - Obtaining local community support for the scheme
 - Obtaining planning permission

- Overcoming hurdles such as design considerations, conservation issues, and meeting Lancashire County Council Highway requirements to name a few.
 - Dispelling misconceptions about the development and who can access it.
- 3.6 The above work is often resource intensive and, therefore, if an enquiry does not result in new affordable housing units, then the work can be regarded as abortive. In addition, the process is reactive in nature, very time consuming, expensive and does not guarantee that any affordable housing will be achieved.
- 3.7 The Affordable Housing Strategy 2008 – 2013 picks up on the issue mentioned in the above paragraph and aims to change our approach from “reacting” to land opportunities to being “proactive” and seeking out land opportunities within a “Commissioning Framework”, which adopts a strategic and ranking approach to identifying acceptable affordable housing development opportunities.
- 3.8 Clearly, for any type of intervention, an appropriate understanding of housing need, housing demand and local housing markets is required, not only in terms of an evidence base but also in definition terms. In that regard, this would mean establishing a mutual understanding of what affordable housing is regarded to be at a local level, from both an officer and Elected Member perspective. At the present time the Council has a definition of what constitutes affordable housing in tenure terms but not in financial terms.
- 3.9 As part of the Council’s commitment to its affordable housing Corporate Priority, Council approved a programme of spend for the THCR at their meeting on the 4th October 2006 and a sum of £2.3m was set aside to support affordable housing delivery across the District. The financial programme was revised by Council on 12 December 2007 and the total spent for affordable housing provision was set at £2.2m, a reduction of £100,000.
- 3.10 This THCR allocation was profiled on an indicative basis over five years from 2006/07 onwards covering an initial two phases of work activity.
- 3.11 The phases involve:

Phase I - Detailed Housing Needs Survey

- Aim – to identify housing need at both District and Parish/settlement level.

This would help us to target a development programme in areas of most housing need, once site availability was known through the phase II process. It would also help shape other affordable housing and housing need interventions required.

Phase II - Affordable Housing Land Availability Assessment

- Aim - identify land and buildings, which may be appropriate for the development of affordable housing

- Aim - assess the level of housing provision that could be created on the identified site
- Aim - assess the developability of the sites by identifying constraints and sustainability issues that might make the site unavailable and/or unsuitable for development

The above approach is intended to help shape a rank order of sites in relation to housing need and in terms of the sites potential to be developed.

- 3.12 It was anticipated that once a list of sites was established, through Phase II, then a transparent assessment process would be required to determine not only the rank order of sites but whether, and how, the Council should use its THCR fund to resource proposed development on the identified sites, as well as determine if there were other affordable housing delivery methods, that may achieve our aim. Additionally, the Cabinet Panel will wish to consider wider regeneration issues which could benefit from investment. A Cabinet Panel could then consider the various issues so that there is advised and informed debate across the complexity of the agenda. In that regard the assessment process would need to determine economic viability of developing sites, as well as being mindful of any other funding streams that could contribute, such a Registered Social Landlord reserves and/or Housing Corporation funding to regenerating areas and helping mixed development within sustainable communities.

Important Note – identifying sites does not mean that a landowner is prepared to sell at a price that will make a scheme economically viable for affordable housing.

4.0 CURRENT POSITION AND PHASING PROGRESS

- 4.1 The total financial programme of £2.2m is made up of Revenue of £149,000 and the Capital element is shown below:

YEAR	Total £(000)
2008/09	751
2009/10	675
2010/11	600
2011/12	25
	2,051

- 4.2 The original programme of two phases is shown on the attached Composite Ranking report, which formed the Transitional Capital Receipts Programme 2006/7 – 2011/12 Bid Analysis. This is shown in Appendix A.
- 4.3 Preliminary work has taken place to date on both Phase I and II, however progress has not been as quick as first anticipated. This has not been due to

lack of effort to progress the issue. To the contrary, Officers have been considering how best to:

- Dovetail emerging external work programmes, in relation to housing market assessment and housing market area identification. In short, there has been a great deal of housing market research across Liverpool City Region, North West Region and Lancashire. Officers did not want to commission work which had the potential to either be out of kilter or duplicate elements of that regional work. In addition there was also the potential for the Council to benefit, in evidence base terms, from the work that was being undertaken and paid for by others, particularly work around identifying housing markets. This has had an impact on Phase I of the programme and how best to frame a consultants brief for local housing needs and housing market assessment work. These are very important activities as they also underpin our planning colleagues evidence base for Local Development Framework purposes. The regional work also underpinned Regional Spatial Strategy formulation.
- Dovetail existing internal work programmes, between the Planning and Housing Division in order to avoid duplication of work, confusion amongst members of the public and provide a consistent approach to similar work items. For example, planning colleagues have a requirement to undertake SHLAA – Strategic Housing Land Availability Assessments and Housing need to undertake research into land availability for affordable housing. This has had an impact on Phase II of the programme.

4.4 Other relevant factors to being able to make progress on Phase I and II, surround the availability of revenue funding. A transfer to revenue was made to reflect the nature of the expenditure as referenced in Quarter 1 Capital Monitoring Report , presented to Cabinet in September 2008.

4.5 Phase II work has been deferred further as a consequence of changes in the SHLAA timetable, the work being undertaken by planning colleagues. Their original timetable saw closure of the “call for sites” exercise in December 2007, however this was later re-opened and extended to end of July 2008. A first draft report from their consultants was scheduled for Autumn 2008, but is now unlikely to be ready until early 2009. That report will provide a preliminary assessment of the submitted sites. At that time the Housing Strategy and Development Section will be able to start making headway on identifying, along with planning colleagues, potential affordable housing site opportunities, although, further assessment may be required to determine developability of the sites by identifying constraints and sustainability issues that might make the site unavailable and/or unsuitable for development.

5.0 THCR SPEND OPTIONS

5.1 There are a number of interventions that can be introduced that would require THCR funding. Not all relate to building new affordable housing. Spend options include:

- Introducing financial products that help facilitate the purchase of a home for first time buyers or other client groups
- Introducing financial incentives to RSL partners to ensure all RSL new build dwellings meet Lifetime Home Standards or other quality standards over and above current requirements
- Provide grant to RSL's to support new build development, in such a way that the level of grant requested from the Housing Corporation is reduced, thus making a scheme more appealing to the Housing Corporation
- Utilise for special projects such as developing housing for special needs groups – Learning or physical disability
- Purchase property for, and rent back to, special need clients
- Buy land as part of land assembly in line with Commissioning Framework priorities
- Buy existing houses, even through auction, to renovate and rent to residents, perhaps as part of bringing empty homes back into use
- Embark on an improvement for sale programme. This could also start off as rent and perhaps convert to sale at a later date
- Purchase property from those in mortgage arrears and lease/rent back or enter into arrangements with local banks, so as to avoid repossession scenarios
- Directly fund new build housing
- Look to find RSL partners who will enter in partnership and provide match funding for any Capital investment
- For use as capital funding as part of a Local Housing Company which could assist wider regeneration and associated affordable housing development
- Self build schemes
- Shared ownership subsidy – a fund that could be used to reduce rent requirements of new shared ownership dwellings, eg, every 10k provided would reduce monthly rent outgoings by £22
- Commuted sum fund – a fund that would be targeted at RSL's only developing affordable housing. The Council would pay the commuted sum liability up to a fixed sum for RSL's, thus reducing their grant requirement
- Purchase land as part of wider regeneration activity

- Build houses on land owned or acquired by the Council and then lease the property but attach to it a lease ingoing premium equivalent to multiplier of average household income. A model would then be used to restrict future resale prices, yet afford some benefit to the ingoing lessee
- Infrastructure works to support a strategically relevant scheme, such as relocation of existing car park facilities

5.2 In order to give Members a flavour of how a programme may look, attached at Appendix B is a draft two-year programme of work along with indicative costs. The programme reflects our Affordable Housing Strategy Action plan and also includes direct spend type items. The appendix does not attempt to balance the books in relation to the amount of THCR currently available. A steer would be required from Elected Members in relation to their delivery preferences and the amount of spend they feel is appropriate against those delivery types, although in accordance with usual practice the decision will be exercised by the Executive Manager Housing and Property Maintenance Services. Members will also need to consider the difficult financial situation facing the Council, as set out in the Budget Prospects report elsewhere on this agenda, and the need to produce a balanced Capital Programme.

5.3 While Elected Members may wish to commit the THCR funding, at this time, to one or a combination of the spend options shown in appendix B before doing so, they may wish to understand further, the wider theme based issues and approaches that can be adopted for the following:

- Definition of Affordable Housing
- Evidence Base - Housing Needs and Housing Market Assessment
- Commissioning Framework
- Land Assembly and Site Assessment
- Financial Packages to Support Affordable Housing Products
- Delivery Mechanisms
- Interim Measures

The above can further influence the way in which the THCR should be applied.

Appendix C touches on some of the issues relevant to the above.

6.0 VALUE FOR MONEY

6.1 The original indicative spend profile for the THCR funding was framed around direct spend type activity, with some Officer and Member discussions centred on land buying activity. While this would be a way of securing sites, it may or may not represent value for money. Additionally, Members will be aware that there have been significant and fundamental changes in the housing market and

funding availability since the initial indicative programme was collated. It seems an appropriate time for the Cabinet Panel to modify this and reflect current market issues in terms of deliverability, scope and pace of work proposed.

- 6.2 In considering how best to use THCR funding earmarked for affordable housing purposes, this may be an opportune time, given the current housing market landscape, to consider if the fund can be utilised in such a way that it could lever in additional funds, match funding or whether there are opportunities to use some or all of the fund to create a recycled pot, which enables the current THCR to “stretch” and therefore achieve greater benefits for residents of West Lancashire. A mix and match of financial approaches could be considered.
- 6.3 The Housing Green Paper, issued late in 2007, and the Housing and Regeneration Act 2008, provide emphasis on trying to develop affordable housing, but also provide some flexibility that local authorities could explore in order to achieve their own local affordable housing objectives, for example that of establishing a local housing company. Members may wish to explore this option, as part of the wider THCR spend discussions.
- 6.4 The following gives a general indication of what would be provided as direct spend. Each bullet point line represents full THCR spend. (*Not all delivery scenarios are catered for*).

- 27 x 3 bed houses at 85 square metres suitable for rent
- The following is a combination of property types for rent. A total of 36 units

11 x 2 bed bungalow	55 square metre
11 x 2 bed flat	55 square metre
5 x 2 bed house	65 square metre
7 x 3 bed house	75 square metre
2 x 4 bed house	85 square metre
- 51 x 3 bed houses at 85 square metres suitable for shared ownership
- 44 x £50,000 Equity Purchase Loans – in this instance the loans would be repaid at some point in the future and therefore a capital return would be realised. The nature of the financial return and the timing would all be dependant on the terms and conditions established for the scheme.

The property examples above are based on **build costs only** at £850 per square metre. No consideration is given to land purchase costs, any other associated design, commuted sums, legal fees, professional fees or complex financial modelling.

7.0 GENERAL CONSIDERATIONS

- 7.1 Any project that tries to deliver affordable housing products tend to have a long lead in and delivery timetable, hence a quick turnaround of spend is unlikely.

7.2 From an accounting perspective the THCR funds may appear uncommitted, yet from a strategic delivery perspective, the funds actually underpin and form part of a long-term programme of affordable housing interventions and preparation activity.

8.0 CABINET PANEL

8.1 Members will have noted that there are a number of interconnected issues which all have an impact on how best to utilise and spend the TCHR. With that in mind Members may wish to form a Cabinet Panel, to shape, monitor and approve our affordable housing framework in such a way that it:

- Produces viable affordable housing policy
- Meets Members affordable housing expectations
- Meets Members expectations in respect of data evidence base
- Meets housing need
- Deals with any other associated issues
- Assists wider regeneration proposals

8.2 A general process flowchart is shown at Appendix D

9.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

9.1 Affordable housing is a corporate priority and as such compliments the Council's and LSP Sustainable Community Strategy objectives, particularly, *to provide more appropriate and affordable housing to meet the needs of local people..*

9.2 The recently agreed Local Area Agreement contains targets to be achieved in respect of affordable housing. Appropriate structures and spend of the THCR will help the Council achieve its LAA targets.

9.3 Statutory Guidance issued in July 2007, by Department of Communities and Local Government covering Community Strategy development, "Creating Strong, Safe and Prosperous Communities" places increased emphasis on Community Strategies ensuring synergy with Housing Strategy objectives, such as affordable housing. Again establishing appropriate structures and spend of the THCR will help the Council achieve affordable housing objectives and thus demonstrate synergy between our Sustainable Community Strategy 2007 - 2017 and Housing Strategy Update 2004-09.

10.0 FINANCIAL AND RESOURCE IMPLICATIONS

10.1 The THCR are identified as available to fund capital expenditure and the Cabinet Panel needs to agree capital expenditure plans within the totality of the THCR budget, subject to the Council reviewing the overall Capital Programme as part of

the budget process, so that funding can be applied to meet objectives and maximise the delivery of affordable housing across the District.

11.0 RISK ASSESSMENT

- 11.1 There is a clear need for Member ownership of this agenda and the approval mechanism to apply funding in a measured and informed manner.
- 11.2 Additionally, failure to demonstrate some real progress on this agenda would be reflected adversely in both achievement of a key Corporate priority, in meeting Government targets and in accessing available Regional and central funding streams as they become available.

12.0 CONCLUSIONS

- 12.1 The THCR, represents a huge opportunity to make a difference to many local people, in that it can help produce or facilitate the development of affordable housing products, particularly if applied in a way that stretches the value of the initial capital sum.
- 12.2 It would be very easy to spend the THCR in a very short period of time, however by adopting a more patient and long term strategy of evidence based action, then our interventions are likely to benefit a larger number of people.
- 12.3 The THCR is a significant sum, but in the development world, where land values and development costs are high, there is a risk that the sum would be quickly swallowed up if due thought and diligence were not applied to understanding the whole development process along with how our own existing affordable housing policies could impact on us having more positive outcomes.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices

Appendix A - Composite Ranking report for the Transitional Capital Receipts Programme 2006/7 – 2011/12 Bid Analysis

Appendix B - Draft Two-Year Programme of Spend

Appendix C - Theme Based Issues

Appendix D – General Process Flowchart.

COMPOSITE RANKING

TRANSITIONAL CAPITAL RECEIPTS PROGRAMME 2006/7 - 2011/12 BID ANALYSIS

COMPOSITE RANK	TENANT & RESIDENT FORUM RANK	OVERVIEW & SCRUTINY RANK	OVERALL SCORE RANK	OVERALL SCORE	NAME OF SCHEME	RESOURCES TO BE ACCOUNTED FOR BY COUNCIL						TOTAL COST OF SCHEMES £'000	TOTAL RESOURCES FROM OTHER PARTNERS £'000	CUMULATIVE TOTAL SPEND (Excludes Total Resources from other Partners) £'000
						2006/7 £'000	2007/8 £'000	2008/9 £'000	2009/10 £'000	2010/11 £'000	2011/12 £'000			
1	4	2	6	72	Affordable Housing Phase I	150	150	-	-	-	-	300	-	300
2	4	3	6	72	Affordable Housing Phase II	-	-	800	600	-	-	2,200	-	2,500
3	1	5	31	59	Disabled Adaptations	200	200	-	-	-	-	400	-	2,900
4	6	44	15	68	Environmental Improvements to Cat II Sheltered Housing Schemes	115	403	154	196	224	94	1,186	983	4,086
5	44	6	3	80	Access West Lancs (Best use of specially adapted property)	-	50	50	-	-	-	100	-	4,186
6	9	44	5	75	Sustainable energy initiatives	-	200	200	200	200	200	1,000	-	5,186
7	2	44	25	62	New windows/Doors	-	262	262	262	262	266	1,314	-	6,500
7	44	7	10	71	Reduce shrubbed/grass areas	-	200	200	200	200	200	1,000	-	7,500
9	11	44	22	63	Phase I Clearance Programme	-	100	-	-	-	-	100	-	7,600
9	11	44	22	63	Phase II Clearance Programme	-	-	250	250	-	-	500	-	8,100
9	44	1	20	67	Improvements to Communal areas of flats	-	400	400	400	400	400	2,000	-	10,100
12	13	44	10	71	Environmental Improvements - Skelmersdale	-	1,400	1,400	1,400	1,400	1,400	7,000	-	17,100
13	10	44	20	67	Initiatives to reduce fuel poverty	-	200	200	200	200	200	1,000	-	18,100
14	44	44	1	93	New office accommodation	-	-	1,000	1,000	-	-	2,000	-	20,100
15	7	44	33	53	Energy efficiency projects	-	200	200	200	200	200	1,000	-	21,100

COMPOSITE RANKING

TRANSITIONAL CAPITAL RECEIPTS PROGRAMME 2006/7 - 2011/12 BID ANALYSIS

COMPOSITE RANK	TENANT & RESIDENT FORUM RANK	OVERVIEW & SCRUTINY RANK	OVERALL SCORE RANK	OVERALL SCORE	NAME OF SCHEME	RESOURCES TO BE ACCOUNTED FOR BY COUNCIL						TOTAL SPEND	TOTAL RESOURCES FROM OTHER PARTNERS	TOTAL COST OF SCHEMES	CUMULATIVE TOTAL SPEND (Excludes Total Resources from other Partners)
						2006/7	2007/8	2008/9	2009/10	2010/11	2011/12				
15	44	4	34	52	Convert bed-sit units to 1/2 bed flats	-	-	700	800	-	-	1,500	-	1,500	22,600
17	44	44	2	82	Contribution to SSCF initiatives	-	300	300	400	-	-	1,000	-	1,000	23,600
18	44	44	3	80	Empty Homes Strategy	-	50	50	-	-	-	100	-	100	23,700
18	8	44	38	45	Provision of Youth facilities	-	200	200	200	200	200	1,000	-	1,000	24,700
20	44	44	6	72	Equity Release Scheme	-	400	400	400	400	400	2,000	-	2,000	26,700
20	44	44	6	72	Affordable Financing	-	200	200	200	200	200	1,000	-	1,000	27,700
22	44	44	10	71	Environmental Improvements - Other West Lancs	-	400	400	400	400	400	2,000	-	2,000	29,700
23	44	44	25	62	Loan Scheme to replace some Housing Grants	-	100	150	200	250	300	1,000	-	1,000	30,700
24	15	44	35	50	Replacement kitchens	-	262	262	262	262	266	1,314	-	1,314	32,014
24	14	44	36	48	Upgrading electric central heating to gas central heating	-	200	200	200	200	200	1,000	-	1,000	33,014
26	44	44	13	69	West Lancs Crisis Centre	-	200	-	-	-	-	200	-	200	33,214
26	44	44	13	69	Provision of Gypsy & Traveller Site	-	100	150	-	-	-	250	-	250	33,464
28	44	44	15	68	Handyman Service	-	100	-	-	-	-	100	-	100	33,564
28	44	44	15	68	Homesafe Scheme	-	100	100	-	-	-	200	-	200	33,764
28	44	44	15	68	Retirement Village Initiative	-	1,000	1,000	-	-	-	2,000	-	2,000	35,764
28	44	44	15	68	Home Improvement Agency	-	100	100	100	-	-	300	-	300	36,064

COMPOSITE RANKING

TRANSITIONAL CAPITAL RECEIPTS PROGRAMME 2006/7 - 2011/12 BID ANALYSIS

COMPOSITE RANK	TENANT & RESIDENT FORUM RANK	OVERVIEW & SCRUTINY RANK	OVERALL SCORE RANK	OVERALL SCORE	NAME OF SCHEME	RESOURCES TO BE ACCOUNTED FOR BY COUNCIL											TOTAL SPEND	TOTAL RESOURCES FROM OTHER PARTNERS	TOTAL COST OF SCHEMES	TOTAL SPEND (Excludes Total Resources from other Partners)
						2006/7	2007/8	2008/9	2009/10	2010/11	2011/12	£'000	£'000	£'000	£'000	£'000				
32	44	44	22	63	Provision of Wheelie Bins	400	-	-	-	-	-	-	-	400	-	400	36,464			
33	44	44	25	62	Improved Rent Deposit Scheme	-	10	-	-	-	-	-	-	10	-	10	36,474			
34	44	44	29	61	Graffiti removal machine	-	15	-	-	-	-	-	-	15	-	15	36,489			
35	44	44	29	61	Upgrade Home Care Link equipment	-	500	500	-	-	-	-	-	1,000	-	1,000	37,489			
36	44	44	31	59	Energy efficient Building	-	100	100	-	-	-	-	-	200	-	200	37,689			
37	44	44	32	54	Choice Based Lettings - Web Site	-	100	-	-	-	-	-	-	100	-	100	37,789			
38	44	44	36	48	Replacement bathrooms	-	262	262	262	262	266	-	1,314	-	1,314	39,103				
39	44	44	38	45	2nd Lift Marlborough Court	-	250	-	-	-	-	-	250	-	250	39,353				
40	44	44	40	42	Asbestos Software	-	15	-	-	-	-	-	15	-	15	39,368				
41	44	44	41	23	Renewal of corridor link Marlborough Court	-	75	-	-	-	-	-	75	-	75	39,443				
42	44	44	42	0	Improved Accreditation Scheme for Private Sector Landlords	-	100	-	-	-	-	-	100	-	100	39,543				
43	44	44	42	0	Annual Private Sector Stock Condition Survey	-	50	50	50	50	50	-	250	-	250	39,793				
44	44	44	42	0	Improved neighbour services	-	50	100	100	-	-	-	250	-	250	40,043				

YEAR 1 – 2008/09

Governance Arrangements

- Establish Officer / Member Cabinet Panel

- To consider affordable housing definition
- To establish process to determine intervention priorities and intervention areas
- To consider interim affordable housing approach
- To consider acceptable build quality standards / property sizes
- To consider acceptable evidence base
- To consider local connection criteria and cascade arrangements
- To consider LDF affordable housing policy review
- To consider sustainability issues in relation to sites and location to amenities
- Establish affordable housing delivery targets

Research Activity	Indicative Cost	TYPE
Detailed Housing Need Survey Work	85,000 – 100,000	Revenue
Private Sector Stock Condition Survey	64,000	Revenue
Review Best Practice for Section 106	5,000	GRA
Review need to undertake Strategic Housing Market Assessment.	3,000	GRA
Design Detailed Housing Need Survey Brief	2,500	GRA

Review Activity	Indicative Cost	TYPE
Housing Green Paper – freedoms and flexibilities and existing delivery options *	2,500	Revenue
Affordable housing definition and viability testing *	8,000	Revenue
Establish Core Monitoring Structure for housing market monitoring	2,500	Revenue
Further review of land site viability from development control perspective *	10,000	Revenue

* Will merge these elements of work into one single project

Delivery Activity	Indicative Cost	Possible Outcome
PILOT - Provide grant to RSL's to support new build development, in such a way that the level of grant requested from the Housing Corporation is reduced, thus making a scheme more appealing to the Housing Corporation. Dwellings MUST achieve lifetime home standard.	200,000	20 houses @10k each

YEAR 2 – 2009/10

Delivery Activity	Indicative Cost	Possible Outcome
Introducing financial products that help facilitate the purchase of a home for first time buyers or other client groups.	1,000,000	20 Equity Loans @ 50k each
Introducing financial incentives to RSL partners to ensure all RSL new build dwellings meet Lifetime Home Standards or other quality standards over and above current requirements.	80,000	40 houses @ 2K each
Provide grant to RSL's to support new build development, in such a way that the level of grant requested from the Housing Corporation is reduced, thus making a scheme more appealing to the Housing Corporation. Dwellings MUST achieve lifetime home standard.	400,000	40 houses @10k each
Utilise for special projects such as developing housing for special needs groups – Learning or physical disability.	80,000	2 schemes @ 40k each
Purchase property for and rent back to special need clients.	600,000	2 schemes @ 300k each
Buy land as part of land assembly in line with Commissioning Framework priorities	2,000,000	As described
Buy existing houses, even through auction, to renovate and rent to residents, perhaps as part of bringing empty homes back into use.	1,000,000	10 houses @ 100k each
Embark on an improvement for sale programme. This could also start off as rent and perhaps convert to sale at a later date.	1,000,000	Could improve localised spots & provide affordable housing
Purchase property from those in mortgage arrears and lease/ rent back or enter into arrangements with local banks, so as to avoid repossession scenarios.	2,000,000	Provide valuable & timely assistance to avoid repossession
Directly fund new build housing.	2,000,000	See Para 6.4 of main report
Look to find RSL partners who will enter in partnership and provide match funding.	1,000,000	Could stretch our THCR pot
Establish a Local Housing Company	250,000-2,000,000	As described
Shared ownership subsidy – a fund that could be used to reduce rent requirements of new shared ownership dwellings. Eg, every 10k provided would reduce monthly rent outgoings by £22.	200,000	S.O. Properties which are more affordable
Committed sum fund – a fund that would be targeted at RSL'S only developing affordable housing. The Council would pay the commuted sum liability up to a fixed sum for RSL's, thus reducing their grant requirement	300,000	Might make West Lincs a more attractive development opportunity

Build houses on land owned or acquired by the Council and then lease the property but attach to it a lease ingoing premium equivalent to multiplier of average household income. A model would then be used to restrict future resale prices, yet afford some benefit to the ingoing leasee.	1,000,000	May enable more control over future affordability issues for a scheme of that type
Infrastructure works to support a strategically relevant scheme, such as relocation of existing car park facilities.	200,000	May make an unworkable scheme viable
Self Build Option	500,000	An alternative option

THEME BASED ISSUES

In order to make progress on developing a workable affordable housing framework, linked to THCR, then consideration needs to be given to the various approaches that can be adopted for:-

- Definition of Affordable Housing
- Evidence Base - Housing Needs and Housing Market Assessment
- Commissioning Framework
- Land Assembly and Site Assessment
- Financial Packages to Support Affordable Housing Products
- Delivery Mechanisms
- Interim Measures

A steer from elected members would be welcome on the above and associated issues.

- **Definition of Affordable Housing – affordability model**

At the present time the Council has a definition of what constitutes affordable housing in tenure terms but not in financial terms. While tenure definition is helpful, further work on what elected members find acceptable in financial terms against different affordable housing product types needs to be considered.

This would assist Council Officers, in that they can try to develop affordable housing products that meet with Elected Members expectations while also meeting housing need. This would also be of benefit to Planning Committee Members as planning applications supported by the Housing Strategy and Development Team, will in the main, meet Elected Members, previously agreed requirements, thus removing the need of discussion at Planning Committee about the “affordability” aspect of a planning application. Potential affordable housing developers will also benefit, as they will have a greater understanding our requirements from the outset.

Please be aware that within this context, our preferred requirements may actually result in developments not being viable. For example on a simple shared ownership development, the Council may prefer to see the properties sold at a substantial discount below open market value, as the true open market value of the properties may be considered too high. If the development is funded by the Housing Corporation, then the Housing Association is governed by Housing Corporation Capital Funding rules, which generally constrains such practice. This could kill the project. Clearly, a balance would have to be reached between what is regarded as an affordable product, compared to what is actually achievable.

Specific consideration would have to be given to the different delivery products. Members may have a specific view as to what they regard affordable housing to be in relation to different type of affordable housing product such as:

- Rent
- Open Market Housing for Sale but at a discount
- Shared Ownership / intermediate products
- Intermediate Rent.

Alternatively, Members may support a simple expression of 2/3 times household income for accessing affordable housing to buy and a statement that relates to renting, over and above more complex methods to support shared equity models etc.

There are cost implications as to how complex a model is and how costly it is to maintain and how it could be applied to any Commissioning Framework, including THCR spend.

- **Evidence base**

The Affordable Housing Strategy 2008 – 2013 identified a clear need for better justification of developments.

Under Section 8 of the Housing Act 1985, every local housing authority has a statutory duty to consider the accommodation needs in its district and to undertake a periodic review of accommodation needs in its area. In practice this has normally meant that local authorities undertake housing needs surveys every three to five years. Since 1999 we have undertaken Surveys in 1999, 2003 and 2005.

In terms of meeting the duty and commissioning such work at the current time, the study would cost approximately £60,000. This cost would deliver a product that does not meet the expectations of robust data evidence at a local level, such as Parish. To do so would increase the cost of the study significantly. This is principally because, generic housing needs surveys provide an indication of District housing need, broken down into broad sub areas. The sub areas are generally larger than our recognised settlements, and as such, do not help provide confidence in supporting a specific development in a specific settlement.

Officers undertook a pilot study based on the Parish of Scarisbrick, which delivered a more detailed picture of housing need and was also sponsored and supported by the local Parish Council. This local ownership and acceptance of survey findings is an important factor in delivering affordable housing in village/rural areas.

A programme of detailed locally focussed need assessments will commence in 2008, financed through THCR – Revenue allowance and will link to the Commissioning Framework, determined as part of Phase II activity. This may also need to link to any Private Sector Stock Condition Survey.

Officers have recently commissioned Philip Leather of Nevin Leather Associates to undertake a broad assessment of existing housing market reports across the Liverpool and Lancashire City regions also taking into account North West Regional Assembly and Government Office assessments. This work aimed to determine whether the Council needed to simply concentrate on undertaking detailed local housing needs assessment or whether we also need to commission a Strategic Housing Market Assessment

A draft report was issued on 7 August 2008 and we now know that we need to undertake a detailed local housing needs survey supplemented with a West Lancashire sub market housing assessment.

- **Commissioning Framework**

Following completion of Phase I and II, referred to in section 3 of the main report, a Commissioning Framework will need to be developed which produces a rank order of sites in relation to housing need and in terms of the sites potential to be developed.

Any such assessment process would need to determine economic viability of developing sites, as well as being mindful of any other funding streams that could contribute, such a Registered Social Landlord reserves and/ or Housing Corporation funding.

The Commissioning Framework will aim to deliver specific numbers of units at specific locations and over an agreed timeframe. This will form the basis of any negotiation with developers as to the Councils expected development priorities and drive our own affordable housing interventions.

This turns our current reactive approach to one that states clearly where the Council will actively support development in favour of other sites. Members will note that within the Councils Affordable Housing Strategy 2008 – 2013 such targets were not introduced. This was to allow appropriate research to take place in relation to housing need and land site availability to influence the development of a Commissioning Framework and spend profile for THCR.

- **Land assembly and site assessment**

As mentioned in main report, the LDF process will identify a range of sites across the district that may be suitable for housing purposes. This does not mean “affordable” housing, but housing development in its broadest sense.

Consultants commissioned by our planning colleagues, White Young Green are aiming to produce a draft Strategic Housing Land Availability Assessment (SHLAA) report by the end of August, which they intend to consult on during September. This will identify sites.

To date approximately 270 sites have been submitted by the public, and planning policy colleagues have identified another 370. They have carried out initial assessment of all these sites, taking into account factors such as whether sites have access, and how far they are from local services. It is important to note that not every site will be considered suitable for development.

The Housing Strategy and Development Section may need to commission further work to tease out which sites from the larger list could be appropriate for affordable housing purposes. In that regard we would look to ensure, if not already undertaken by the SHLAA exercise, an additional assessment by development control consultants, as to the likely development control type issues, that may adversely constrain delivery.

We would also need to consider how sites could be best used in relation to their capacity (number of dwellings able to fit on to the site). In that regard we would be considering whether to split sites and partially land bank them or others, in order to develop sites in such a way that it matches any financial packages used to bring the sites to fruition and help maximise delivery. Some of this hinges on the land price, space standards and location of the development and existing planning policy.

- **Financial Packages to Support Affordable Housing Products**

Whilst there are related costs to the activities outlined above, the bulk of the capital expenditure will be on financial support to facilitate the delivery of affordable housing products, such as the building of new housing or financial products that help households purchase property on the open market, or indeed avoid repossession.

Within this context we need to consider:

- Do we wish to stretch the THCR receipt by adopting a range of approaches that perhaps lever in match funding or do we want to simply spend the THCR as quickly as we can.
- Is there a preferred approach on how to use the THCR - for example, to support new build housing or renovate former empty properties or land banking or create financial equity products to help people buy or indeed a range of approaches.
- Are we concerned about the level of deferment. For example if we were to land bank or part equity stake this capital could be released at a later date to support requirements at that time. This contrasts with models that are expenditure hungry and will show no return for example subsidising market price access housing.

In addition to the above considerations we would need to understand the level of risk for each approach and if there is a low or high risk to the expenditure? This may relate to issues such as land values and likelihood of receiving planning permission at a later date or on equity based products the risk of default by the homeowner or period of time before we realise a return on the equity stake.

If we use the THCR to purchase land then we need to ensure that we understand the whole site economics and deliverability issues and not simply focus on the land purchase cost. This is more important now as the market is adjusting than it may have been perceived a number of years ago when property and land was king.

- **Delivery mechanisms**

Delivery methods need to be considered, to ensure that the best approach is adopted to meet our Corporate and Housing affordable housing priorities.

There are many options for delivery and each has its attractions.

Special Purpose Vehicle (SPV) Independent

- The local authority could establish a SPV or Local Housing Company to build affordable homes outside of the Housing Revenue Account constraints. Such a new Body would have sole ownership by the Council to provide additional homes, including affordable homes in the District and to link to wider regeneration proposals.

Special Purpose Vehicle (SPV) with Partner

- The local authority could establish, along with a RSL partner a SPV or Local Housing Company to build affordable homes in the District. In this instance the partner RSL would be expected to bring capital funding and expertise to the table in order to significantly stretch the initial value of the THCR pot and to link to wider regeneration proposals.

Partnership Framework

- At present the Council has six non-contractual RSL development partners. The Council could undertake a formal partnership exercise that seeks to identify RSL partners who along with relevant affordable housing development expertise will bring capital sums to the table.

Normal Housing Association Development

- The Council could simply provide grant funding towards new affordable housing developments in such a way that the level of grant requested from the Housing Corporation is reduced, thus making a scheme more appealing to the Housing Corporation.

Special Scheme Commissioning

- The Council is aware of the needs of special needs groups, such as Learning Disability, Older people, Physical disability etc. The Council may wish to contribute towards capital cost of particular schemes.

Private Sector Sponsorship

- The Council may wish to use some of the THCR to help bring empty dwellings back to use, accommodation over shops and RSL underused accommodation

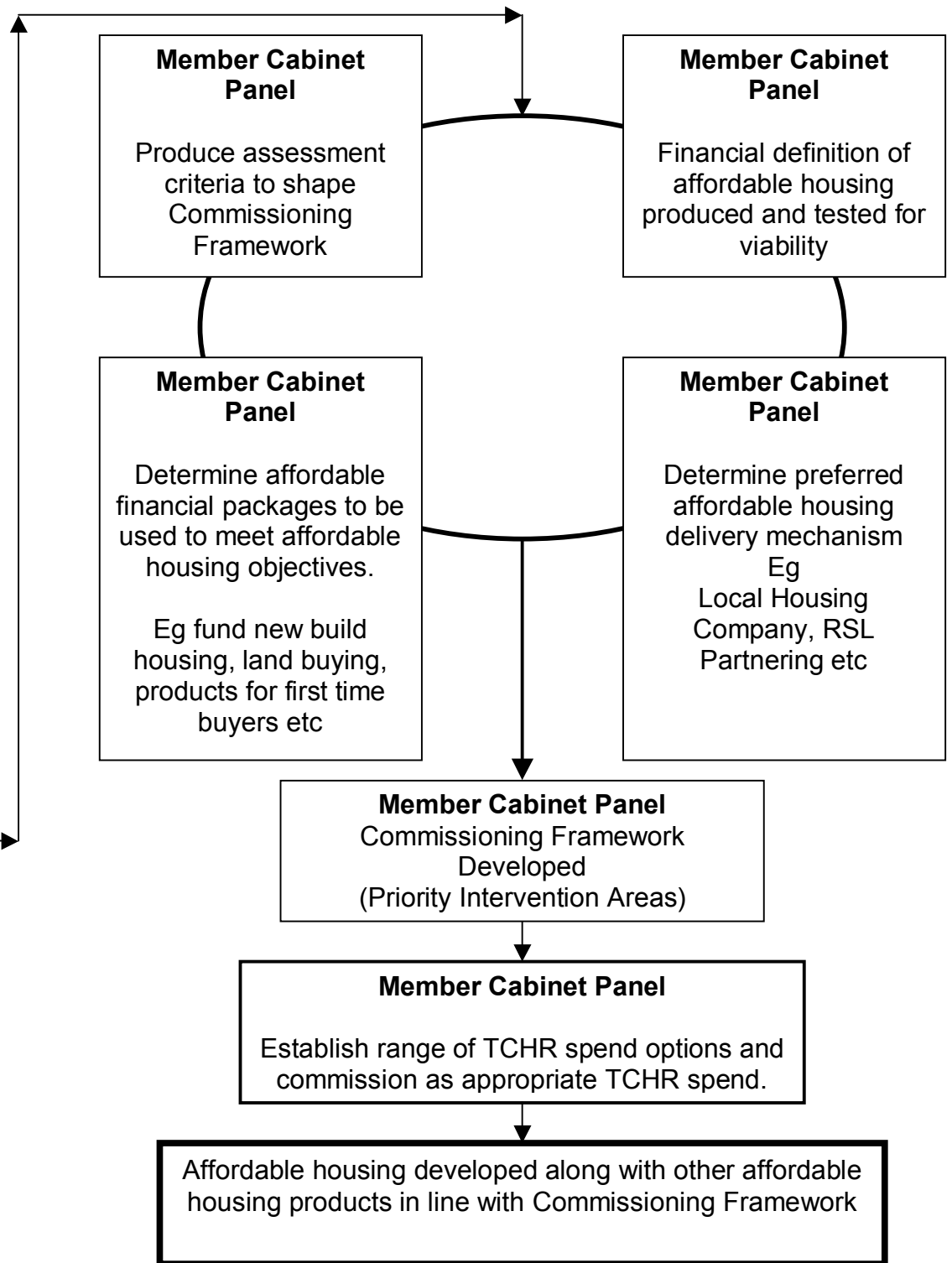
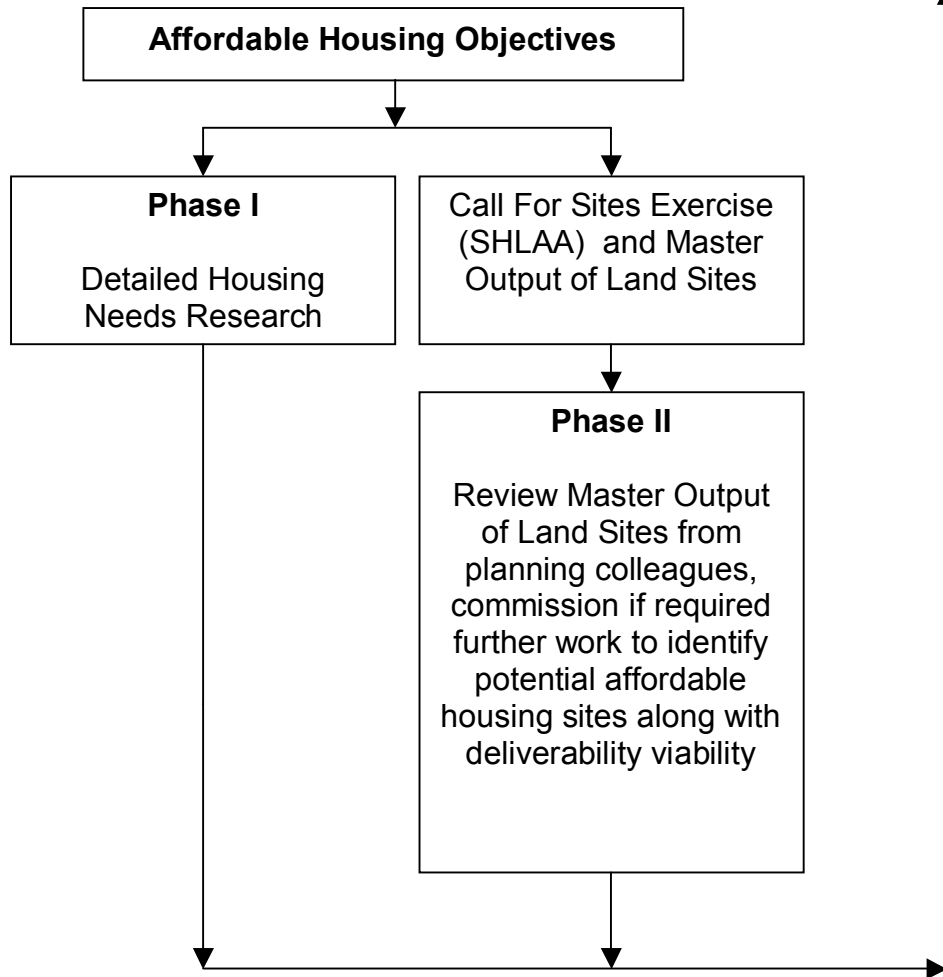
Local Authority Build

- This is an alternative delivery mechanism.

Elected Members may wish to explore the above options and any other options that may help facilitate the provision of affordable housing products.

- **Interim Arrangements**

As work progresses on shaping our Commissioning Framework, the Housing Strategy and Development Section will still be required to consider sites that are brought to their attention. In view of that an interim core value statement could be issued, so that private developers and RSL's understand our broad affordable housing requirements, both from an affordable definition in financial terms perspective and in relation to build standard requirements.



Appendix D – General Process Flowchart.

AGENDA ITEM: 8

CABINET

HELD: 18 NOVEMBER 2008

Start: 7.30pm

Finish: 8.50pm

PRESENT: Councillor Grant (Leader – in the Chair)

Councillors: Ashcroft Mrs Hopley
Forshaw Owens
Greenall Westley
Hammond

Officers: Chief Executive
Deputy Chief Executive
Council Secretary and Solicitor
Assistant Chief Executive
Chief Accountant
LDF Project Manager
ICT and e-Government Manager
Strategic Housing Manager
Economic Regeneration Manager
Technical Services Manager
Member Services Manager

In attendance:
Councillors Furey R A Pendleton
Mawdsley Swiffen
McKay

64. APOLOGIES

There were no apologies for absence.

65. SPECIAL URGENCY (RULE 16 ACCESS TO INFORMATION PROCEDURE RULES)/URGENT BUSINESS

No items of urgent business were taken at the meeting.

66. DECLARATIONS OF INTEREST

1. Councillor Forshaw declared a personal and prejudicial interest in item 5e (New Standards for private rented accommodation), as he owns properties for rent, and withdrew from the meeting during consideration of that item.
2. Councillor R A Pendleton declared personal interests in relation to items 5(k) (Second Homes Council Tax), 5(p) (Highway Consultation Procedures) and 8(b) (Residual Highways Agreement) in view of his membership of Lancashire County Council.

67. MINUTES

RESOLVED: That the minutes of the meeting held on 16 September 2008 and of the Special meeting held on 15 October 2008 be received as correct records and signed by the Leader.

68. MATTERS REQUIRING DECISIONS

Consideration was given to reports relating to matters requiring decisions, as contained on pages 929 to 1083 to of the Book of Reports.

69. QUARTERLY PERFORMANCE INDICATORS

Councillor Grant introduced the report of the Council Secretary and Solicitor drawing Cabinet's attention to the request of the Internal Overview and Scrutiny Committee following that Committee's consideration of the Quarterly Performance Indicators for the period ended 30 June 2008. The Committee had asked that consideration be given to ceasing the inclusion of WL78 (Right to Buy offers issued in time) and the inclusion of an appropriate indicator in relation to property maintenance.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: That the Internal Overview and Scrutiny Committee's recommendations to cease the inclusion of Performance Indicator WL78 (Right to Buy Offers issued in time) and include an appropriate property maintenance performance indicator to "monitor repairs completed on time", be incorporated within the 2009/10 Business Planning Cycle.

70. TRANSITIONAL HOUSING CAPITAL RECEIPTS AND AFFORDABLE HOUSING

Councillor Mrs Hopley introduced the report of the Executive Manager Housing and Property Maintenance Services on issues relating to the use of Transitional Housing Capital Receipts (THCR) funding for affordable housing purposes and suggesting the establishment of a Cabinet Panel to shape, monitor and approve the Council's approach so that there is a viable affordable housing policy to meet housing need, deal with other associated issues and assist wider regeneration proposals.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: A. That an Affordable Housing Cabinet Panel comprising 3 Cabinet members together with co-opted members with no voting rights be established to:

- drive forward the Council's work on developing affordable housing by ensuring that the local affordable housing policy is conducive to realising positive affordable housing outcomes;
- ensure appropriate housing need and housing market information is available to support need for affordable housing interventions, including LDF policy formulation;
- explore delivery mechanisms that will enable maximum benefit of THCR and any other funding that is levered in to West Lancashire;
- commission appropriate research to further the affordable housing agenda; and
- consider how to use THCR to invest in appropriate affordable housing schemes,

and to report back to Cabinet with recommendations as appropriate.

- B. That the Cabinet Panel agree a spending plan for the use of THCR funds, subject to any decisions made by Council during the budget process on the future Capital Programme.
- C. That the Executive Manager Housing and Property Maintenance Services be given delegated authority to agree the terms of reference of the Cabinet Panel after consultation with the Leader.
- D. That it be noted that the Leader will advise officers of the names of the Cabinet and co-opted members to serve on the Panel.

71. REGENERATION OF THE TANHOUSE ESTATE

Councillor Mrs Hopley introduced the report of the Executive Manager Housing and Property Maintenance Services apprising Cabinet of the current position in relation to proposals for the regeneration of Tanhouse and advising that due to conditions in the housing market these proposals were not considered by developers with whom the Council had been in dialogue to be viable. The report went on to suggest that the matter could be referred to the Affordable Housing Cabinet Panel established at Minute 70 above could.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED:
- A. That the Executive Manager Housing and Property Maintenance Services conclude the dialogue with developers.
 - B. That no further action be taken on the pilot until the market conditions are favourable on the basis set out at paragraph 5.1 of the report.
 - C. That the Affordable Housing Cabinet Panel be asked to consider, as part of its remit, whether it would be beneficial to purchase land on the Tanhouse Estate to facilitate the pilot regeneration process.
 - D. That the Executive Manager Housing and Property Maintenance Services be authorised to take matters forward, in line with the resolution of 23 May 2006, at the appropriate time.

72. REVIEW OF REDECORATION ALLOWANCES

Councillor Mrs Hopley introduced the report of the Executive Manager Housing and Property Maintenance Services reminding members of the decision at Council on 27 February 2008 that Cabinet should review the Council's Redecoration Allowances Policy. The report advised that the review had now been undertaken and had shown that whilst the scheme reflected current good practice and a financially prudent approach, it did not provide for an element of annual uplift in line with inflation.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED:
- A. That the current Redecoration Allowance Policy remains unchanged, subject to B below.
 - B. That redecoration values be uplifted annually in line with inflation as part of the normal revenue estimate cycle, subject to any decisions made by Council in its consideration of the budget estimates.

73. NEW STANDARDS FOR PRIVATE RENTED ACCOMMODATION

Councillor Mrs Hopley introduced the report of the Executive Manager Housing and Property Maintenance Services providing details of new standards for private rented accommodation and suggesting that the Council adopt guidance relating to fire safety and enter into a protocol with Lancashire Fire and Rescue Service to require owners to improve fire safety in private rented accommodation.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: A. That the duties and powers given to the Council under the Housing Act 2004 and associated regulations to improve standards in private rented housing be noted.
- B. That the guidance entitled "Housing – Fire Safety" and described in Section 4.5 to the report be adopted by the Council and delegated authority be given to the Executive Manager Housing and Property Maintenance Services to apply the guidance, in accordance with the relevant legislation.
- C. That the Executive Manager Housing and Property Maintenance Services be authorised to sign a protocol on behalf of the Council setting out joint working arrangements with the Lancashire Fire and Rescue Service in relation to improving fire safety in housing.

(Note: Councillor Forshaw, having declared a personal and prejudicial interest, left the room during consideration of the above item).

74. CHANGES IN THE PROVISION OF DISABLED FACILITIES GRANTS

Councillor Mrs Hopley introduced the report of the Executive Manager Housing and Property Maintenance Services in relation to changes in the legislation relating to the provision of Disabled Facilities Grants (DFGs) and giving details of new powers available to the Council in recovering a proportion of such grants in the event of the sale of a property in respect of which a grant had been made.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: A. That the changes made by Government in the provision of Disabled Facilities Grants as detailed in Section 4 of the report be noted.
- B. That consideration be given to how best to provide financial support to meet the adaptation needs of disabled residents in West Lancashire through the DFG Programme as part of the process for setting the Capital Programme.
- C. That delegated authority be given to the Executive Manager Housing and Property Maintenance Services to seek the recovery of a proportion of DFG where the property subject to the DFG adaptations is sold, in accordance with paragraph 4.5 of the report.
- D. That the Executive Manager Housing and Property Maintenance Services be instructed to make any necessary amendments to existing Council Policy governing the way disabled adaptations are provided through Council funding to reflect the changes detailed in this report.

75. REVIEW OF COUNCIL HOUSING FINANCE

Councillor Mrs Hopley introduced the report of the Executive Manager Housing and Property Maintenance Services reminding members that the Executive Overview and Scrutiny Committee had considered at its meeting on 2 October 2008 a report relating to a consultation on the Government's review of housing finance. In this respect the Executive Manager advised that he had drafted a response to the Government which he had based on the discussion at the Executive Overview and Scrutiny Committee and at a related Workshop session.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: A. That the response contained as Appendix 2 to the report be submitted as the Council's response to the Government's Review of Council Housing Finance.
- B. That call in is not appropriate for this item, as it has already been considered by the Executive Overview and Scrutiny Committee.

76. WEST LANCASHIRE INSPIRE - PROJECT UPDATE

Councillor Owens introduced the report of the Executive Manager Regeneration and Estates giving a progress report on schemes under the West Lancashire Inspire project. In relation to a number of schemes the report advised that these were unable to be progressed due to financial or technical reasons.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED A. That the contents of the Report, including the remarkable success of the grant schemes under the Inspire themes Building Development Grant; Restyle for Rural and Secure Business Initiative be noted.
- B. That the work already undertaken on a number of the schemes under the various themes be noted, including works to several Gateways across the District, the many improvements undertaken in Ormskirk Town Centre such as new paving and lighting columns, the variety of work undertaken through the Employment Area Remodelling theme such as the Fairey Firefly fighter plane 'wings' estate makers at Burscough Industrial Estate and the partnership development through the Secure Business Initiative.
- C. That it be noted that the proposed scheme for Banks Shopping Centre, under the Town and Village Centre Enhancements theme, cannot go ahead due to technical reasons, and that the additional schemes put forward for possible implementation (including two

additional, alternative schemes) cannot go ahead due to technical and/or financial reasons.

- D. That, under the Employment Area Remodelling theme, it be noted that the proposed feasibility study for Pikelaw Place industrial units is not to be undertaken, the proposed scheme at Burscough Industrial Estate to improve business signage cannot now go ahead due to financial reasons and the two proposed schemes in Gillibrands will not go ahead unless an underspend is identified towards the end of the project.
- E. That delegated authority be given to the Executive Manager Regeneration and Estates, in consultation with the Portfolio Holder for Regeneration and Estates and the Council Secretary and Solicitor, to negotiate and enter into all necessary legal agreements in connection with the Hesketh Bank village improvement scheme and the Booths supermarket development, to enable the project to go ahead and to spend and defray its expenditure commitment before January 2010 to enable the final claim for the West Lancashire Inspire project to be submitted in a timely manner before the end of the Investing in Business Programme in March 2010.
- F. That delegated authority be given to the Executive Manager Regeneration and Estates to prioritise the implementation and scale of schemes in relation to funds available towards the end of the project.
- G. That, given the need for urgent action to ensure full implementation of the remaining Inspire schemes within very limited timescales, the call in procedure shall not apply in relation to this item.

77. COMPLAINTS MONITORING

Councillor Grant introduced the report of the Assistant Chief Executive presenting the latest available data on complaints received by the Council for the period 1 April 2007 to 31 March 2008. The report noted that the number of complaints (as defined in the report) had reduced by 70% when compared with the previous year.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED:
- A. That the dramatic fall in the level of official complaints to the Council in 2007/08 be noted.
 - B. That call in is not appropriate for this item as it is being considered at the next meeting of the Internal Overview and Scrutiny Committee.

78. CORPORATE PRIORITIES 2009/10

Councillor Grant introduced the report of the Assistant Chief Executive seeking approval of the draft Corporate Priorities Statement for 2009/10, (a copy of which was appended to the report) prior to its submission to Council on 17 December 2008. Members noted that the Executive Overview and Scrutiny Committee would be considering the report at its meeting on 4 December 2008..

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED:
- A. That the draft Corporate Priorities Statement 2009/10, attached as Appendix A to the report, be approved,
 - B. That the draft Statement be forwarded to the Executive Overview and Scrutiny Committee for consideration.
 - C. That the draft Statement be forwarded to Council with a recommendation that it be agreed and adopted as the Council's Corporate Priorities Statement 2009/10.
 - D. That the Vision and Priorities be used to inform the budget setting process and the corporate and service planning processes for April 2009 to March 2010.
 - E. That call-in is not appropriate for this item as it is being considered at the next meeting of the Executive Overview and Scrutiny Committee.

79. SECOND HOMES COUNCIL TAX

Councillor Grant introduced the report of the Assistant Chief Executive reminding members of arrangements whereby income generated by charging Council Tax on second homes would be passed to the Local Strategic Partnership (LSP) to assist in achieving the Sustainable Community Strategy and the Lancashire Local Area Agreement.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: That decisions to allocate Second Homes Funding in accordance with the recommendation of the West Lancashire Local Strategic Partnership be delegated to the Assistant Chief Executive in consultation with the Leader.

80. ANNUAL REVIEW OF SERVICE LEVEL AGREEMENTS AND MINUTES OF THE MEETING OF THE FUNDING OF VOLUNTARY AND OTHER ORGANISATIONS CABINET COMMITTEE - 10 NOVEMBER 2008

Councillor Hammond introduced the report of the Assistant Chief Executive in relation to the annual review of the Council's funding for voluntary bodies and other organisations, which had been conducted by the Working Group, whose recommendations had been endorsed by the Cabinet Committee appointed for that purpose. Members noted that the recommendations would be subject to consideration in the budget for 2009/10.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: A. That it be noted that the Funding of Voluntary Bodies and Other Organisations Cabinet Committee held on 10 November 2008, supported and endorsed the recommendations of the Funding of Voluntary Bodies and Other Organisations Working Group of 9 October 2008 and these minutes be approved.
- B. That the recommendations within minute no. 11 of the Funding of Voluntary Bodies and Other Organisations Cabinet Working Group held on 9 October 2008 be supported in principle and determined when the budget is set on 25 February 2009.

81. REVISED CAPITAL PROGRAMME AND MID YEAR REVIEW 2008/2009

Councillor Westley introduced the report of the Council Secretary & Solicitor giving an overview of the progress in relation to the Revised Capital Programme for 2008/09 and giving details of suggested changes to the programme to reflect changes in circumstances since the Programme was approved.

Members noted that the report was to be submitted to the Executive Overview and Scrutiny Committee and the Council.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: A. That the Revised Capital Programme, including the virements contained within it, be approved for consideration by Council.
- B. That the progress against the Revised Capital Programme at the mid-year point be noted.
- C. That call in is not appropriate for this item as it is being referred to Executive Overview and Scrutiny Committee and Council.

82. REVENUE BUDGET MID YEAR REVIEW

Councillor Westley introduced the report of the Council Secretary and Solicitor giving an indication of the projected position on the General and Housing Revenue Accounts at the end of the financial year.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED:
- A. That the financial position of the Revenue Accounts together with the levels of working balances be noted.
 - B. That call in is not appropriate for this item, as it is to be submitted to the next meeting of the Executive Overview and Scrutiny Committee.

83. BUDGET PROSPECTS 2009-2010

Councillor Westley introduced the report of the Council Secretary & Solicitor providing members with an initial assessment of the Council's budget position for 2009/10. In relation to revenue budgets the report drew attention to the low level of grant assistance in the next two years and the effect of this in the light of the current inflation rate and the uncertain financial markets throughout the world. In relation to capital expenditure the report drew attention to the significant decrease in the number of Council house sales and the impact this could have on the resources available for capital projects.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED:
- A That the Council's difficult budget prospects for the next financial year, including the combination of limited resources and spending pressures, be noted.
 - B. That call in is not appropriate for this item as it is to be submitted to the next meeting of Executive Overview and Scrutiny Committee.

84. HIGHWAY CONSULTATION PROCEDURES

Councillor Forshaw introduced the report of the Technical Services Manager seeking approval of arrangements for responding to consultation in relation to various highways and rights of way issues, such as the provision of disabled persons parking bays and footpath diversion orders.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: That the Executive Manager Planning and Development Services, in consultation with the Portfolio Holder for Planning and Transportation and relevant Ward Members, be authorised to respond on behalf of the Council to consultations from LCC in respect of highway and public rights of way matters.

85. SAVING THE POLICIES OF THE WEST LANCASHIRE REPLACEMENT LOCAL PLAN

Councillor Forshaw introduced the report of the LDF Project Manager reminding Members that the Council's current Local Plan was under review as part of the establishment of the new Local Development Framework (LDF). In this respect the LDF Project Manager reported that the Council was unlikely to have the new arrangements in place by July 2009, which was when the existing Local Plan would cease to have effect. He therefore went on to suggest arrangements for securing the protection of policies in the Local Plan beyond the expiry date and advised that these needed to be completed by 5 January 2009.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED:
- A. That the LDF Project Manager be authorised, in consultation with the Planning and Transportation Portfolio Holder, to submit draft proposals for the saving of policies within the West Lancashire Replacement Local Plan to the Executive Overview and Scrutiny Committee at its meeting on 4 December 2008, to enable that Committee to submit agreed comments for consideration by Council on 17 December 2008.
 - B. That the Planning and Transportation Portfolio Holder, in consultation with the LDF Project Manager, be given delegated authority to submit firm proposals to Council on 17 December 2008 to enable the list of Local Plan policies intended for saving to be finalised, and in this respect the Portfolio Holder take into account any comments agreed by the Executive Overview and Scrutiny Committee.
 - C. That call in is not appropriate for this item as it is to be submitted to the Executive Overview and Scrutiny Committee on 4 December 2008.

86. REVIEW OF MEMBERS' ICT NETWORK

Councillor Westley introduced the report of the Assistant Chief Executive in relation to the review of procedures and protocol for the use of ICT by Members of the Council. The report reminded members that the current arrangements had been introduced in April 2008, with a commitment to review them after 6 months and in this respect drew attention to the issues arising from the review and the resultant recommendations.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

- RESOLVED: A. That the policy agreed by Council on 23 April 2008 be confirmed, viz: -
- i. That the policy of offering the MPLS enabled broadband line to Members, together with a laptop PC and associated hardware and software be confirmed.
 - ii. That in the event of a Member rejecting the offer of an MPLS line, the policy be: that they have Council emails redirected to their own personal email accounts on their own computer or mobile device where appropriate; that they will not be provided with a Council laptop PC and associated hardware and software; that they be emailed a copy of the Council's email address book each month.
 - iii. That Members who are provided with an MPLS line, laptop PC and associated hardware and software can also have Council emails redirected to their own personal email accounts.
 - iv. That the Council continue to offer a mobile device to Members of the Cabinet.
 - v. That Members who are also Lancashire County Councillors have the option of accessing the secure Council network through the Lancashire County Council network using a Council laptop
 - vi. That Members not currently operating within the above choices, be advised of the options and they be invited to choose one of these options.
 - vii. That Members note that for security reasons, personal PCs can no longer be permitted to have access to the MPLS line.
- B. That arrangements be made for Members who do not use their MPLS line for connection to the WLDC network, to have their line discontinued.
- C. That the Protocol in the Constitution on the use of ICT by Members be reissued to all Members.

87. PARTNERSHIP WORKING - WLDC AND EXTERNAL ORGANISATIONS/AGENCIES

Councillor Owens introduced the report of the Executive Manager Regeneration and Estates in relation to potential arrangements with external organisations, such as the Primary Care Trust, whereby they would occupy a desk space within the Regeneration and Estates Division, located within the West Lancashire Investment Centre.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: That the Executive Manager Regeneration and Estates, in consultation with the Portfolio Holder Regeneration and Estates and Council Secretary and Solicitor, be authorised to negotiate and enter into necessary agreement(s), to provide a desk space within the WLDC Regeneration and Estates Division, in the West Lancashire Investment Centre to external organisations and agencies, such as the PCT, to enable the delivery of shared projects and initiatives for the benefit of the West Lancashire community.

88. SKELMERSDALE TOWN CENTRE REGENERATION PROJECT: FACILITATION BUDGET

Councillor Owens introduced the report of the Deputy Chief Executive in relation to the Facilitation budget used in connection with the regeneration of Skelmersdale Town Centre. Members noted that the initial budget of £50,000 had now been expended and that the provision of additional funding would enable the Council to continue work on the project.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: That the Facilitation Budget for the Skelmersdale Town Centre Regeneration Project be increased by £25,000, funded from Usable Working Balances and that the Deputy Chief Executive continue to have authority to use this budget.

89. KEY DECISION FORWARD PLAN - QUARTERLY REPORT ON SPECIAL URGENCY DECISIONS - 1 JULY-30 SEPTEMBER 2008

The Leader introduced the report of the Council Secretary and Solicitor, as contained on pages 1085 and 1086 of the Book of Reports, advising Cabinet that no decisions had been made during the last quarter in accordance with Access to Information Procedure Rule 16 (Special Urgency).

RESOLVED That it be noted that Procedure Rule 16, Special Urgency, was not exercised during the period ending 30 September 2008.

90. EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1, 2 and 3 of Part 1 of Schedule 12A of that Act and as, in all the circumstances of the case, the public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

91. MATTERS REQUIRING DECISIONS

The Cabinet gave consideration to reports in relation to matters requiring a decision, as contained on pages 1087 to 11094 of the Book of Reports.

92. REVIEW OF PLUMBING/MULTITRADE AND ELECTRICAL IN-HOUSE SERVICES

Councillor Owens introduced the report of the Executive Manager Housing and Property Maintenance Services in relation to arrangements for the in-house provision of plumbing, multi-trade and electrician services for the repair and maintenance of the Council's corporate buildings.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: A. That the principle of tendering Plumbing and Multitrade Corporate Building Services be agreed.

- B. That the Executive Manager Housing and Property Maintenance Services, in consultation with the Portfolio Holder for Regeneration and Estates, be authorised to determine the timescales in relation to the tendering exercise.
- C. That the electrical maintenance arrangements continue and be reviewed periodically.
- D. That the Executive Manager Housing and Property Maintenance Services be instructed not to prepare an in-house bid.

93. RESIDUAL HIGHWAYS AGREEMENT

Councillor Forshaw introduced the report of the Technical Services Manager advising Cabinet of the forthcoming termination of arrangements with Lancashire County Council in relation to grass cutting, tree maintenance, street furniture, road signs etc and seeking authority to enter into a new agreement with effect from 1 July 2009.

Officers noted the County Council's intention to discontinue making a contribution towards this Council's costs in dealing with telephone calls etc in relation to services provided by that authority and in this respect officers undertook to seek to negotiate continuation of this contribution.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: That the Technical Services Manager be given delegated authority, in consultation with the Street Scene Manager and relevant Portfolio Holders, to negotiate and enter into a new Agreement for the residual highways function.

.....
- LEADER OF THE COUNCIL -



AGENDA ITEM: 10

CABINET: 18 November 2008

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
4 December 2008**

Report of: LDF Project Manager

Relevant Portfolio Holder: Cllr Martin Forshaw

**Contact: Ian Gill (Extn. 5192)
(E-mail: ian.gill@westlancsdc.gov.uk)**

**SUBJECT: SAVING THE POLICIES OF THE WEST LANCASHIRE REPLACEMENT
LOCAL PLAN**

District wide interest

1.0 PURPOSE OF THE REPORT

1.1 To inform Cabinet of the need to apply to the Secretary of State for a Direction to save the policies of the West Lancashire Replacement Local Plan beyond July 2009, and to seek Cabinet approval for the LDF Project Manager, in consultation with the Planning and Transportation Portfolio Holder, to decide which policies of the West Lancashire Replacement Local Plan need to be saved beyond 2009, for consideration by the Executive Overview and Scrutiny Committee and full Council in December 2008.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the LDF Project Manager be authorised, in consultation with the Planning and Transportation Portfolio Holder, to submit draft proposals for the saving of policies within the West Lancashire Replacement Local Plan to the Executive Overview and Scrutiny Committee at its meeting on 4 December 2008, to enable that Committee to submit agreed comments for consideration by Council on 17 December 2008.

2.2 That the Planning and Transportation Portfolio Holder, in consultation with the LDF Project Manager, be given delegated authority to submit firm proposals to Council on 17 December 2008 to enable the list of Local Plan policies intended for saving to be finalised, and in this respect the Portfolio Holder take into account any comments agreed by the Executive Overview and Scrutiny Committee.

2.3 That call in is not appropriate for this item as it is to be submitted to the Executive Overview and Scrutiny Committee on 4 December 2008.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

3.1 That the draft proposals to be submitted by the LDF Project Manager in accordance with the decision of the Cabinet be considered and that any comments agreed by the Committee be submitted to the Portfolio Holder for Planning and Transportation in advance of the Council meeting to be held on 17 December 2008 to enable him to make recommendations on behalf of the Cabinet (see 2.2 above).

4.0 BACKGROUND

4.1 The Planning and Compulsory Purchase Act 2004 introduced a new planning system in England whereby local plans and structure plans were to be replaced with Local Development Frameworks (LDFs), sets of documents that would shape the future development of local authority areas.

4.2 To help secure a smooth transition from the old “development plan system” to the new “LDF system” in England, Schedule 8 of the Planning and Compulsory Purchase Act 2004 made provision for a transitional period of three years during which old style plans would continue to have statutory effect. Thus policies in old style plans which were already adopted at the time the new planning system came into effect were able to be saved for three years after the date the new system was implemented (i.e. from September 2004 until September 2007). During this three year period, it was expected that new-style LDFs would be prepared and adopted, to supersede the older plans’ policies.

4.3 The transitional arrangements also allowed for draft old-style plans which were at an advanced stage of preparation at the date the new system came into being to be progressed towards adoption. In these cases, the plans’ policies could be saved for three years from the date of their adoption.

4.4 In the event of a need to save policies beyond the three year period (for example, if replacement policies in the new LDF had not yet been adopted during this time), it would be necessary to obtain a Direction from the Secretary of State under Schedule 8 paragraph 1(3) of the 2004 Act (such Directions being issued by regional Government Offices, usually with a covering letter).

4.5 Planning Policy Statement 12 (PPS12) sets out the government’s position regarding saving policies beyond the statutory three year period. Local authorities need to demonstrate that the policies they wish to save reflect the principles of LDFs, are consistent with national policy, and that it is not feasible or desirable to replace the policy within the three year period.

- 4.6 PPS12 lists six criteria which policies should meet if they are to be saved:
- (1) Where appropriate, there is a clear central strategy;
 - (2) The policies have regard to the Sustainable Community Strategy;
 - (3) The policies are in general conformity with the Regional Spatial Strategy;
 - (4) The policies are in conformity with the adopted LDF Core Strategy (if it exists);
 - (5) There are effective policies for any parts of the authority's area where significant change in use or development of land or conservation of the area is envisaged;
 - (6) The policies are necessary and do not merely repeat national or regional policy.
- 4.7 In addition, the government will have particular regard to policies that support the delivery of housing, policies showing Green Belt boundaries, policies supporting economic development and regeneration (including retailing and town centres), and policies that reduce impact on climate change or safeguard water resources.
- 4.8 In order to ensure that policies are saved beyond the three year period, local planning authorities need to write to the appropriate Government Office at least six months before the three year period expires. After the three year period, any policies in old-style plans will cease to be part of the development plan for the area, unless their "saved period" has been extended by the Secretary of State.

5.0 CURRENT POSITION

- 5.1 When the 2004 Planning Act came into force, West Lancashire District Council was at a relatively advanced stage in preparing the West Lancashire Replacement Local Plan ("the Replacement Plan"). Under the transitional arrangements, we proceeded to progress this plan to its adoption, which took place on 5 July 2006. Therefore the policies of the Replacement Plan are saved until 5 July 2009.
- 5.2 It had originally been envisaged that LDF documents superseding the Replacement Plan would be adopted by July 2009, before the end of the three year saved policies period. However, this has not turned out to be possible, with the adoption of the LDF Core Strategy not anticipated until at least 2011. (The situation whereby LDFs are taking much longer to prepare than originally envisaged is a national phenomenon, being experienced by local planning authorities throughout England.)
- 5.3 Given the above, it will be necessary to apply to the Government Office for the North West (GONW) for a Direction to save the policies of the Replacement Plan beyond July 2009. As this application needs to be made at least six months in advance of three year saved policies period ending, the deadline for writing to GONW is 5 January 2009.

6.0 ISSUES

- 6.1 The Replacement Plan contains 49 policies, each of which needs to be assessed against the six criteria contained in PPS12 (and listed in paragraph 4.6 above).
- Criterion (1) refers to a clear central strategy. The Replacement Plan, which was written bearing in mind the new planning system, contains a section (Chapters 2 and 3) entitled “Core Strategy” and including the Development Strategy and General Development policies. It is considered that this section of the Plan constitutes a clear central strategy, and that as each of the policies in the Replacement Plan conforms to and supports this central strategy, they therefore satisfy the first criterion.
 - Criterion (2) relates to the Sustainable Community Strategy. The Replacement Plan as a whole has regard to the 2003-2006 Community Strategy. Although the Replacement Plan policies do not refer explicitly to the Community Strategy, the Plan as a whole has regard to this document. The Planning Policy Manager was involved in the drafting of the Sustainable Community Strategy (which has replaced the Community Strategy), and ensured that this was in accordance with the Replacement Plan.
 - Criterion (3) requires general conformity with the Regional Spatial Strategy (RSS). The Replacement Plan was in conformity with the previous (2003) RSS. It is expected that in most cases, the policies remain in general conformity with the recently adopted 2008 RSS.
 - Criterion (4) refers to the Core Strategy, where adopted. The West Lancashire Core Strategy is currently at a very early stage of preparation, with adoption not expected before 2011, and thus this criterion does not apply.
 - Criterion (5) requires that there be effective policies for those parts of the District where significant change is envisaged. This includes Skelmersdale Town Centre, and possibly other smaller allocated sites. It is considered that Replacement Plan policies for such areas will be found to be effective.
 - The final criterion requires that policies be necessary and do not merely repeat national or regional policy. This criterion is expected to necessitate the most work in terms of examining Replacement Plan policies. If a policy is found to simply repeat higher-level policy, then it is superfluous, and does not need to be saved. However, certain policies which define areas on the Proposals Map (for example the Green Belt policy) may be saved, even if the text of the policy does in fact repeat national or regional policy.

7.0 PROPOSALS

- 7.1 A template has been drawn up, to be used by officers in assessing each policy of the Replacement Plan. Each policy will be measured against the criteria referred to above, taking into account any other relevant considerations. This will result in a draft list of policies proposed to be saved beyond July 2009, and policies proposed not to be saved after July 2009.
- 7.2 The list of policies proposed for saving or not saving will be discussed with Development Control (DC) officers within the Council, who have day-to-day experience of using the Replacement Plan’s policies. Consultation with DC will refine the list of policies, and provide more robust reasoning for the policies’

saving or otherwise. GONW are willing to look at this draft list of policies on an informal basis, and to provide any relevant advice at an early stage.

- 7.3 Following consideration by Executive Overview and Scrutiny Committee and Council, as per the recommendations in Section 2 above, the finalised list of saved policies will be formally submitted for consideration to GONW to meet their statutory deadline of 5 January 2009.

8.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 8.1 Sustainable development is a key principle at the heart of the new planning system. One of the considerations used by GONW when assessing whether policies should be saved or not is whether the policies reflect the principles of local development frameworks.

- 8.2 Another criterion being used in assessing whether or not policies should be saved is whether they have regard to the Sustainable Community Strategy for the area.

9.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 9.1 There are no significant direct financial or resource implications arising from this report.

10.0 RISK ASSESSMENT

- 10.1 There is a possibility that GONW could decide not to save certain policies that the District Council recommend be saved beyond the three year period 2006-2009. However, the reason GONW ask for the list of proposed saved policies six months in advance of the end of this three year period is to allow time for dialogue and negotiation over policies. A careful assessment of each policy by District Council officers against the criteria set out in PPS12 before the list of policies is submitted to GONW should minimise the risk of GONW disagreeing that certain policies should be saved.

- 10.2 Failure to meet the deadline of 5 January 2009 for submitting to GONW the list of proposed saved policies could result in the policies of the West Lancashire Replacement Local Plan no longer being counted as part of the development plan for the District. This could potentially leave a "void" in local development plan policy until the LDF Core Strategy and other related documents are adopted. By ensuring that the list of proposed saved policies is agreed in time by Council, the threat of such a void in policy can be minimised.

11.0 CONCLUSIONS

- 11.1 Following the adoption of the West Lancashire Replacement Local Plan in 2006, and the impracticability of adopting the necessary LDF documents by July 2009, it will be necessary to apply to GONW for a Direction to save the policies of the Replacement Plan beyond July 2009. The policies will be assessed against a number of criteria set out by central government in Planning Policy Statement

12. It is expected that the majority of the Replacement Plan's policies will be recommended for saving beyond July 2009.

Background Documents

The following background documents (as defined in Section 100D (5) of the Local Government Act 1972) have been relied on to a material extent in preparing this Report.

<u>Date</u>	<u>Document</u>	<u>File Ref</u>
June 2008	Planning Policy Statement 12: Creating strong, safe and prosperous communities through local spatial planning (DCLG)	
August 2006	Protocol for handling proposals to save adopted Local Plan, – Unitary Development Plan and Structure Plan policies beyond the three year saved period	

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices

None



AGENDA ITEM: 11

CABINET:
18 November 2008

**EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE:**
4 December 2008

COUNCIL:
17 December 2008

Report of: Assistant Chief Executive

Portfolio Holder: Councillor Westley

Contact for further information: Peter Hamlin (Ext 5268)
(E-mail: peter.hamlin@westlancsdc.gov.uk)

SUBJECT: CORPORATE PRIORITIES 2009/10

District wide interest

1.0 PURPOSE OF THE REPORT

1.1 To seek Cabinet's approval for the draft Corporate Priorities Statement 2009/10 to be forwarded to Council for adoption as the Council's Corporate Priorities for 2009/10.

2.0 RECOMMENDATIONS TO CABINET

2.1 That Cabinet consider the draft Corporate Priorities Statement 2009/10 (attached, Appendix A), giving particular thought to the suitability of the Key Measures and Initiatives identified as being most important in terms of achieving the Council's Vision and Priorities.

2.2 That Appendix A be forwarded to the Overview and Scrutiny Committee for consideration, following any amendments agreed at this meeting having been made.

2.3 That Appendix A be forwarded to Council with a recommendation from Cabinet that it should be agreed and adopted as the Council's Corporate Priorities Statement 2009/10.

2.4 That the Vision and Priorities should inform the budget setting process and the corporate and service planning processes for April 2009 to March 2010.

2.5 That call-in is not appropriate for this item as it is being considered at the next meeting of the Overview & Scrutiny Committee.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

- 3.1 That the Committee considers the Vision and Priorities set out in Appendix A and comments as appropriate to Council.

4.0 RECOMMENDATIONS TO COUNCIL

- 4.1 That, subject to consideration of any views from the Overview and Scrutiny Committee, the Vision and Priorities set out in Appendix A be approved and adopted as the Council's Corporate Priorities Statement for 2009/10.
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5.0 BACKGROUND

- 5.1 Each year, the Council publishes a set of Corporate Priorities that make explicit the vision and key aims of the Council and how it will go about achieving them. They set the strategic direction for all the work that will be undertaken across the Divisions for that year.
- 5.2 The draft statement of Corporate Priorities for 2009/10 has been developed following policy discussions with members, consideration of the Council's performance in recent years, detailed statistic analysis of the needs of the district and the outcome of Comprehensive Performance Assessment. A Policy & Performance Unit Research Paper, providing detailed statistical analysis of the needs of the District and other contextual information, is available for reference.
- 5.3 The draft Corporate Priorities 2009/10 have also been developed in line with the aims and objectives of the West Lancashire Sustainable Community Strategy 2007-17 and the countywide Local Area Agreement.
- 5.4 The statement identifies the Council's draft Corporate Priorities and outlines a range of initiatives and measures that are recognised as key to achieving them. Members are invited to review the range of suggestions in the context of the resources likely to be available in 2009/10.
- 5.5 It is proposed that indicators for key measures are agreed as the "Corporate Performance Priority Actions" are set at the next cycle of meetings then portfolio holders and executive managers should agree targets after the available resources are known. It is suggested that the "priority indicators" should form the basis of the 2009/10 quarterly reports providing a "golden thread" between the identification of priorities and monitoring arrangements.

6.0 CURRENT POSITION

- 6.1 In order to allow Cabinet to compare the 2008/09 draft corporate priorities with those for 2009/10, where amendments have been made to the 2009/10 priorities, these are underlined on the Corporate Priorities 2009/10 document (Appendix A1). In addition, the statement of priorities for 2008/9 is given in Appendix B.

- 6.2 Following the approval of the Corporate Priorities 2009/10, Service Action Plan Guidance for Managers will be updated, and the action plans will then in turn inform individual work programmes. In doing so, the Council ensures that there is a 'golden thread' between the Corporate Priorities and the day-to-day running of the authority. It also helps staff to understand how what they do contributes towards achieving the Corporate Priorities.
- 6.3 The draft Corporate Priorities 2009/10 statement also contains key measures and initiatives to be undertaken/achieved in 2009/10. These initiatives are those recommended by OMB as being the most important in terms of achieving the Corporate Priorities. There are also some longer-term initiatives that have been identified as priorities in previous years that progress should continue to be monitored against until their completion.
- 6.4 Once agreed, the Corporate Priorities 2009/10 will inform all budget, action planning and decision-making processes for 2009/10.
- 6.5 The Corporate Priorities 2009/10 including the full statement incorporating targets against measures and key initiatives, will be published on the Council's website and officially 'launched' through press releases and a public leaflet in April 2009, to coincide with the launch of Divisional Service Action Plans for the new financial year.

7.0 ISSUES

- 7.1 There is a need to agree the Corporate Priorities 2009/10 as soon as possible so that they inform the budget setting process and work can commence on drafting the Service Action Plans that will support their delivery.

8.0 PROPOSALS

- 8.1 Appendix A provides the draft statement of Corporate Priorities 2009/10. It is proposed that this draft statement be approved and adopted by Council.

9.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 9.1 The draft Corporate Priorities 2009/10 have been developed in line with the aims and objectives of the draft Sustainable Community Strategy 2007-17. As such, the Council will contribute/lead wherever possible and appropriate, in terms of the key aims and projects contained within the Strategy. An example of this would be the Affordable Housing Strategy, which is identified as a priority in both the Corporate Priorities 2009/10 and Sustainable Community Strategy 2008-17. In doing so, the Council is proactively assisting the LSP to achieve the aims of the Sustainable Community Strategy.

10.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 10.1 Financial and resource implications arising from the Corporate Priorities will be highlighted and addressed through the budget and service action planning processes.

11.0 RISK ASSESSMENT

11.1 The most significant risks associated with this report would be the non-achievement of the Council's Corporate Priorities and the needs of the District not being met through the priorities. To mitigate against these risks, the priorities are informed by detailed statistical analysis of the state and needs of the District. The Corporate Priorities are also supported by a robust corporate and service planning system, which is aligned to the budget setting process. A strong performance management system ensures that any potential barriers to achievement are identified at the earliest possible stage.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices (TO FOLLOW)

Appendix A: Draft Corporate Priorities Statement 2009/10

Appendix A1 Corporate Priorities Statement 2009/10

Appendix B: Corporate Priorities Statement 2008/09

Appendix C: Production Timetable – Corporate Priorities & CPP 2009/10

**WEST LANCASHIRE DISTRICT COUNCIL
CORPORATE PRIORITIES 2009/10**

Our vision is:

‘Putting SERVICES FIRST – building a District second to none’

As an excellent Council our aim is to make the best use of resources to deliver the best possible services at the lowest possible cost.

OUR VALUES

We will deliver this by being an ambitious organisation which:

- Puts residents and frontline services first;
- Ensures local services offer the best possible value;
- Listens to, informs and consults local people;
- Is open and accountable in the way we make decisions;
- Embraces innovation and partnership as a way of bringing about improvement in our services;
- Promotes equality of opportunity and values the diversity of our communities;
- Values and develops our employees.

OUR PRIORITIES

Our values are at the heart of the way we deliver our six priorities. In partnership we will:

- Deliver cost effective services that are accessible to all;
- Protect and improve the environment and keep our streets clean and tidy;
- Combat crime and the fear of crime;
- Work to create and retain good quality jobs for local people;
- Improve housing and strive to achieve affordable housing that is available for local people;
- Provide opportunities for leisure and culture that together with other council services contribute to healthier communities.

ACHIEVING OUR PRIORITIES

Over the next few years, our targets and key initiatives for achieving these priorities are:-

Deliver cost-effective services that are accessible to all:

Key Measures:-

- Further improve the efficiency and effectiveness of services;
- Achieve year-on-year affordable Council Tax rises, in line with inflation, and with targeted investment in key corporate priorities;
- Achieve an improvement in the satisfaction of residents with the overall service provided by the Council (as measured through the Place survey);
- Reduce staff sickness;
- Seek to achieve annual cash savings in line with government targets;
- Increase the proportion of people who transact business with the Council via the website;
- To maximise the level of income due to the authority.

Key Initiatives:-

- Investigate a range of shared service initiatives with other Councils and partners in the public and private sector;
- Commence to deliver the Customer Relations and Access Strategy, including the development of integrated approaches to service access with public sector partners;
- Improve the quality and accessibility of accommodation which customers use. Including the provision of new Council offices within a package of mixed development by 2011;
- Deliver a rolling programme of Value for Money and Organisational re-Engineering reviews of the Council's services.
- Further improve accountability and transparency of work undertaken in partnership with other bodies;

Protect and improve the environment and keep our streets clean and tidy:

Key Measures:-

- To increase recycling/composting to 50% by March 2010;
- To decrease the proportion of land with significant deposits of litter and detritus
- To increase public satisfaction with street cleanliness.

Key Initiatives:-

- Review service delivery across waste and recycling, looking for improved working methods and ways of increasing productivity while driving down fuel usage.

Combat crime and the fear of crime:**Key Measures:-**

- To assist in sustaining the the number of crime incidents per 1,000 population below the regional average;
- To assist in maintaining a high proportion of people feeling that West Lancashire is a safe and secure place to live.

Key Initiatives:-

- To deliver the Crime and Disorder Reduction Strategy in partnership with other organisations and agencies;
- Lead on the Strategic Crime Reduction Board.
- To deliver the Domestic Violence Strategy in partnership with other organisations and agencies

Work to create good quality jobs for local people:**Key Measures:-**

- Help to reduce unemployment to below the national average;
- To assist in the creation of new jobs;
- To assist in the provision of skills for the local workforce.

Key Initiatives:-

- Commence implementation of 'Vision for Skelmersdale' plan;
- Deliver Year 6 of the Investing in Business Programme.

Improve housing and strive to achieve affordable housing that is available for local people:

Key Measures:-

- Reduce the proportion of non-decent Council homes from 14.97% as at 1st April 2006, to Zero by December 2010;
- To assist in increasing the number of affordable homes delivered;
- To assist in increasing the proportion of private sector housing stock meeting the decent homes standard.

Key Initiatives:-

- Deliver the Affordable Housing Strategy in partnership with others;
- Deliver the Private Sector Housing Strategy in partnership with others.

Provide opportunities for leisure and culture:

Key Measures:-

- Increase satisfaction with sports and leisure facilities;
- Increase satisfaction with parks and open spaces;
- Increase the number and proportion of playgrounds meeting our local policy;
- Carry out a food hygiene Inspection at all food businesses due to be inspected.

Key Initiatives:-

- Continue the refurbishment of our formal parks
- Deliver the "Recipe 4 Health" Award Scheme for local food businesses;
- Help develop and implement the Local Strategic Partnership's Health Inequalities Strategy.

**WEST LANCASHIRE DISTRICT COUNCIL
CORPORATE PRIORITIES 2008/9**

Our long-term vision is:

‘Putting CUSTOMER SERVICES FIRST – building a community second to none’

As an excellent Council our aim is to strive for even further improvement to deliver the excellent services West Lancashire deserves.

OUR VALUES

We will deliver this by being an ambitious organisation which:

- Puts customers and frontline services first;
- Listens to, informs and consults local people;
- Is open and accountable in the way we make decisions;
- Embraces innovation and partnership as a way of bringing about step change improvement in our services;
- Promotes equality of opportunity and values the diversity of our communities;
- Values and develops our employees;
- Ensures local services offer the best possible value.

OUR PRIORITIES

Our values are at the heart of the way we deliver our six priorities:

- Protecting and improving street scene and the environment;
- Combating crime and the fear of crime;
- Working to create and retain good quality jobs for local people;
- Improving housing and ensuring that there is affordable housing available for local people;
- Delivering cost-effective services that delight the customer and are accessible to all;
- Providing opportunities for leisure and culture that contributes to healthier communities.

ACHIEVING OUR PRIORITIES

Over the next few years, our targets and key initiatives for achieving these priorities are:-

Protecting and Improving Street Scene and the Environment:

Key Targets:-

- To increase recycling/composting from 38% in 2006/7 to 50% by March 2010. Our ultimate aim is to be top quartile for recycling and composting in relation to our family group by March 2009;
- To decrease the proportion of land with significant deposits of litter/detritus from 14% in 2006/7 to 9% by March 2010. Our goal is to be in the top quartile of Councils within our family group in terms of street cleansing by March 2009;
- To be close to the average in terms of the cost of these services by March 2009;
- To achieve 74% and be in the top quartile of Councils in terms of satisfaction with street cleanliness by March 2010.

Key Initiatives:-

- Review service delivery across waste and recycling, looking for improved working methods and ways of increasing productivity while driving down fuel usage.

Combating crime and the fear of crime:

Key Targets:-

- Reduce the number of crime incidents per 1,000 population from 66 in 2006/7 to 65 in 2008/9, and in the longer term sustain this performance;
- Ensure that the percentage of people feeling that West Lancashire is a safe and secure place to live is maintained at a minimum of 78%.

Key Initiatives:-

- To deliver the Crime and Disorder Reduction Strategy in partnership with other organisations and agencies; and
- Lead on the Strategic Crime Reduction Board.

Working to create good quality jobs for local people:

Key Targets:-

- Help to reduce unemployment from 2.7% in 2006/7 to below the national average by March 2009.

Key Initiatives:-

- Commence implementation of 'Vision for Skelmersdale' plan;
- Deliver Year 6 of the Investing in Business Programme.

Improving housing and ensuring that there is affordable housing available for local people:**Key Targets:-**

- Reduce the proportion of non-decent Council homes from 14.97% as at 1st April 2006, to Zero percent by December 2010 and our aim is to maintain the Decent Homes Standard at Government target levels for the future;
- Seek to ensure that at least 30% of homes allowed in Ormskirk/Aughton and Burscough to be subsidised low cost and RSL homes, in line with the Local Plan.

Key Initiatives:-

- Deliver the Affordable Housing Strategy;
- Deliver sustainable housing regeneration projects in Skelmersdale, commencing the Tanhouse Estate Regeneration Pilot Scheme by 2009.

Delivering cost-effective services that delight the customer and are accessible to all:**Key Targets:-**

- Achieve year-on-year affordable Council Tax rises, in line with inflation, and with targeted investment in key corporate priorities;
- Achieve top quartile performance (60%) in relation to the satisfaction of residents with the overall service provided by the Council (as measured through the BVPI survey) by 2010;
- Reduce staff sickness from 10.76 days per annum in 2006/7 to 8.29 days per annum (top quartile) by March 2010 and in the longer-term, maintain top quartile performance;
- Achieve annual cash savings in excess of 3% in line with government targets;
- Increase the percentage of customers who normally contact the Council via the website to 30% by March 2009 (measured through Citizen's Panel Survey. The percentage of people who normally contact the Council via the website in 2004/5 was 6.1%).

Key Initiatives:-

- Investigate a range of shared service initiatives with other Councils and partners in the public and private sector;
- Publish and deliver an updated Customer Relations and Access Strategy, including the development of integrated approaches to service access with public sector partners;
- Provide new Council offices within a package of mixed development by 2009/10;
- Deliver a rolling programme of Value for Money and Organisational re-Engineering reviews of the Council's services.
- Improve accountability and transparency of work undertaken in partnership with other bodies.

Providing opportunities for leisure and culture:**Key Targets:-**

- Increase satisfaction with sports and leisure facilities from 55% in 2006/7, with the aim of being above average, achieving 65% by March 2010;
- Increase satisfaction with parks and open spaces from 62% in 2006/7, with the aim of being top quartile, achieving 78% by March 2010;
- Increase the percentage of playgrounds meeting our local policy from 18.64% in 2006/7 (11 of 59) to 38.78% by March 2009 (19 of 49).

Key Initiatives:-

- Continue the refurbishment of our formal parks including considering the results of a feasibility study into a new visitors' centre at Beacon Country Park.

APPENDIX C : CORPORATE PERFORMANCE PLAN 2009/10– PRODUCTION PROCESSES

Bold text indicates Member involvement.

CORPORATE PLANNING PROCESS		PERFORMANCE INDICATOR & TARGET SETTING PROCESS
OCTOBER 2008	<ul style="list-style-type: none"> ○ Divisions begin production of mid-year progress review on 2008/09 DSAPs (section 2) 	
NOVEMBER 2008	<ul style="list-style-type: none"> ○ 04 November: OMB DSAP update and timetable for drafting full DSAPs ○ 18 November: OMB mid-year CPP progress ○ 18 November: Cabinet agrees draft Corporate Priorities 2009/10D ○ From 19 November Divisions continue drafting pre-budget DSAPs on basis of confirmed Corporate Priorities, key measures and initiatives. 	
DECEMBER 2008	<ul style="list-style-type: none"> ○ From 01 December: Policy Unit available upon invite to attend and advise DMTs on production of DSAPs. ○ Divisions begin finalising drafts of pre-budget DSAPs ○ 16 December: OMB - Draft Corporate Performance Priority Indicators and Actions (CPPAs) considered. (NB No targets at this stage) ○ 17 December: Council approves Corporate Priorities 2009/10 	02 December: OMB Report – outlining initial proposals & seeking suggestions for 2009/10 suite of indicators
JANUARY 2009	<ul style="list-style-type: none"> ○ 20 January – Cabinet agrees draft “Corporate Performance Priority Actions” and draft suite of indicators for 2009/10 ○ Policy Unit reconciles priority actions, performance indicators & targets from pre-budget DSAPs with the draft CPPA’s ○ 27 January: OMB first full drafts of pre-budget DSAPs 	*

**FEBRUARY
2009**

- 10 February: OMB - Submit final pre-budget DSAPs
- **25 February – Council approves “Corporate Performance Priority Actions” and suite of indicators for 2009/10**
- **Executive Managers in negotiation with Portfolio holders to approve CPPA targets in their DSAPs.**

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**MARCH
2009**

- OMB: Post-budget finalised DSAPs
- **Divisions to get relevant Portfolio holders to approve final versions**
- **24 March – Cabinet agree targets for “Corporate Performance Priority Actions” as within DSAPs.**

- **Executive Managers confirm targets with their Portfolio Holders for all the indicators within the (to be) published suite**

**APRIL
2009**

- DSAPs published on the web

- Policy Unit begins to gather outturn figures for 08/09 and the targets for future year/s – deadline of end of April unless exceptional circumstances (e.g. closure of accounts)

**MAY
2009**

- Mid May: Policy Unit concludes gathering information on key projects from 08/09 CPP and proposed projects for 09/10 and submits draft 2009/10 CPP to OMB.
- End May: Include 2008/09 NI/PI results in Draft CPP and submit “final” draft to OMB.
- **End May/June: discuss targets and overall plan with Senior Members**

- 2nd week May: Policy Unit provide PI outturns and targets to Exec Managers and chases up any missing figures

**JUNE
2009**

- **Mid-June: Cabinet approves Draft 2009/10 Corporate Performance Plan**

- **Mid-June: Cabinet note the 2007/08 NI/PI Results and confirm targets for 2009/10.**

- Submit returns to Government by end of June and publish on WLDC website

**JULY
2009**

- **Mid July: Council Agree 2009/10 Corporate Performance Plan**
- Mid July: 2009/10 Corporate Performance Plan Published on Council Website

End July: CDs produced/circulated containing 2009/10 Corporate Performance Plan and 2007/08 PI Results.



AGENDA ITEM: 12

**EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE**

4 DECEMBER 2008

Report of: Council Secretary and Solicitor

Contact: Mrs. S. Griffiths (Extn. 5017)
(E-mail: susan.griffiths@westlancsdc.gov.uk)

**SUBJECT: LEADER AND PORTFOLIO HOLDER ATTENDANCE AT EXECUTIVE
OVERVIEW AND SCRUTINY COMMITTEE MEETINGS**

District wide interest

1.0 PURPOSE OF THE REPORT

1.1 To consider the attendance of the Leader and Portfolio Holders at meetings of Overview and Scrutiny Committees.

2.0 RECOMMENDATIONS

2.1 That the Committee's instructions are requested.

3.0 BACKGROUND

3.1 The issue of the Leader and Portfolio Holder attendance at Overview and Scrutiny Committee meetings has been raised.

4.0 CURRENT POSITION

4.1 The Constitution

In accordance with longstanding arrangements set out in the Constitution the Leader and Portfolio Holder routinely attend Overview and Scrutiny Committees. This position has previously been reviewed by Members.

4.2 Code of Conduct/Local Government Act 2000

The Code of Conduct states that a Member has a prejudicial interest in any business before an overview and scrutiny committee where that business relates to a decision made (whether implemented or not) or action taken by Cabinet or Committee, sub-committee, joint committee or joint sub-committee and at the time the decision was made or action taken you were a member of the Cabinet, committee, sub-committee, joint committee etc.. and you were present when that decision was made or action taken.

However, the view is taken that the Code of Conduct is overridden by Section 21(13) of the Local Government Act 2000 which provides that an overview and scrutiny committee of a local authority or a sub-committee of such a committee:-

- a) may require members of the executive, and officers of the authority, to attend before it to answer questions, and
- b) may invite other persons to attend meetings of the committee

Section 21(13)(a) obliges an executive member to attend an overview and scrutiny meeting to answer questions so this over-rides any code provision which might prevent that happening.

Section 21(13)(b) also allows an overview and scrutiny committee to invite any person to attend to answer questions. Where such a committee extend such an invitation to a members who is on a committee and was involved in making a decision which is being scrutinised, and that member is asked to attend a private session to answer questions about that decision, the Standards Board for England is not likely to be interested in any complaint made about that member having a prejudicial interest by so doing.

5.0 ISSUES

- 5.1 Members may wish to consider again whether the presence of the Leader and Portfolio holders at Overview and Scrutiny Committees is appropriate.

6.0 PROPOSALS

- 6.1 Any proposals the Committee may have would have to be considered by Council.

7.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 7.1 Enhanced Overview and Scrutiny arrangements can give a greater level of involvement for non-cabinet members in the decision making process.

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 8.1 There are no significant financial or resource implications arising from this report.

9.0 RISK ASSESSMENT

9.1 There are no significant risk assessment implications.

10.0 CONCLUSIONS

10.1 Member guidance as to the future involvement of the Leader and Portfolio Holders is requested.

10.2 Any amendments to the Constitution will require a report to Council.

Background Documents

*There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices

None



AGENDA ITEM: 13

CABINET: 18 November 2008

**EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE:
4 December 2008**

COUNCIL: 17 December 2008

Report of: Council Secretary and Solicitor

Relevant Portfolio Holder: Councillor D Westley

**Contact: Mrs K Samosa (Ext. 5038)
(E-mail: karen.samosa@westlancsdc.gov.uk)**

SUBJECT: REVISED CAPITAL PROGRAMME AND MID YEAR REVIEW 2008/2009

District Wide Interest

1.0 PURPOSE OF THE REPORT

1.1 To agree the Revised Capital Programme 2008/2009 and provide Members with an overview on the progress against the Revised Capital Programme at the mid-year point.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the Revised Capital Programme, including the virements contained within it, be considered and approved for consideration by Council.

2.2 That the progress against the Revised Capital Programme at the mid-year point be noted.

2.3 That call in is not appropriate for this item as it is being referred to Executive Overview and Scrutiny Committee and Council.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

3.1 That the Revised Capital Programme, including the virements contained within it, and progress against it at the mid-year point be considered and noted.

4.0 RECOMMENDATIONS TO COUNCIL

4.1 That the Revised Capital Programme, including the virements contained within it be agreed.

- 4.2 That progress against the Revised Capital Programme at the mid-year point be noted.
-
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5.0 BACKGROUND

- 5.1 The Capital Programme is set on a three-year rolling basis and the Programmes for 2008/2009, 2009/2010 and 2010/2011 were approved at Council in February, 2008.
- 5.2 In accordance with the Capital Strategy, the Capital Programme is subject to revision around the mid-year point to ensure that it is based on the latest available information and to make monitoring of the Programme more meaningful. It enables Managers to review their schemes with the most up to date information and to review the resources available. It also provides a base upon which to build future Capital Programmes.
- 5.3 Members are kept informed of the financial position of the Capital Programme through regular monitoring reports. The last such report was presented to Cabinet in September 2008 and to Executive Overview and Scrutiny in October 2008 and reported on a Capital Programme of £13.927m for 2008/2009.

6.0 REVISED CAPITAL PROGRAMME

- 6.1 Divisional Managers have reviewed their respective schemes and have made changes as a result of more up to date information that has become available. The review incorporated a number of considerations including:
- re-profiling the phasing of schemes
 - changes to external funding availability
 - levels of anticipated funding required
- 6.2 Divisional Managers have also made budget virements to enable the Programme to progress and to re-align schemes to reflect spending profiles.
- 6.3 The Revised Capital Programme totals £11.993m for 2008/2009 and is analysed by Division in Appendix A along with a summary of the revised capital resources available. Changes made to the Programme show an overall reduction from Quarter 1 of £1.934m. This is due to a combination of factors including reprofiling of approvals into 2009/2010 of £1.483m. The changes do not include any cuts to schemes and are analysed in Appendix B.

7.0 CAPITAL RESOURCES

- 7.1 There are sufficient resources identified to fund the Revised Capital Programme as shown in Appendix A.
- 7.2 A proportion of the resources to fund capital expenditure are based on government allocations that have been confirmed. Other resources come from external funding and schemes that are heavily dependent on this source are not able to start until after the funding has been confirmed. A further source of funding is capital receipts.

- 7.3 The main area of the capital resources budget that is subject to variation is in relation to capital receipts. These are the useable proceeds from the sale of Council assets (mainly houses under Right to Buy legislation) that are available to fund capital expenditure. These receipts can vary significantly depending on the number and value of assets sold.
- 7.4 The previous capital monitoring report identified that at the end of July the level of capital receipts that had been generated was 50% of the target for that point in the year. This reflected a significant reduction in the level of Council house sales. Members were advised that the reasons for this slow down included the impact of the credit crunch and the general slow down in the housing market. Both factors are outside the direct control of the Council.
- 7.5 This slow down has continued and receipts generated in this manner are now slightly under 50% of their original target at the mid-year point. Consequently, the original estimate of £1m to be generated from Council House Sales has now been revised down to £0.45m for the year.
- 7.6 The reduction in levels of capital receipt funding is expected to continue over the medium term. This issue will have a significant impact on the capital programme in future years and further details are provided in the Budget Prospects report included elsewhere on the Agenda.

8.0 CAPITAL EXPENDITURE

- 8.1 Generally, capital expenditure is profiled with relatively low spending, compared to budget, in the early part of the financial year and increased spending as the year progresses. This reflects the fact that many schemes have considerable lead in times, for example, because of the need to undertake tenders and award contracts at the start of the scheme. Most schemes will then progress and spend in line with their approval by the year-end.
- 8.2 This pattern has been repeated in the current year and at the mid-year point capital expenditure totalling £3.448m has been incurred. This is analysed in Appendix A and represents 29% of the Revised Programme for the year. This level of spend is in line with the comparable figure in both of the previous two financial years.
- 8.3 The Divisional Managers' comments on the progress of schemes against the Revised Programme are included in Appendix C.

9.0 SUSTAINABILITY AND COMMUNITY STRATEGY LINKS

- 9.1 The Capital Programme identifies investment schemes that the Council plans to implement to enhance service delivery and its assets. Each Capital scheme is the subject of an individual project plan that addresses sustainability, crime and disorder, and Community Strategy issues. The Capital Programme itself contributes to sustainability by focusing on the Council's use of assets by linking them directly to the Council's overall priorities through the option appraisal process. It also achieves the objectives of the Prudential Code for Capital

Finance in Local Authorities, i.e. that capital investment plans are affordable, prudent, and sustainable.

10.0 RISK ASSESSMENT

10.1 Capital assets shape the way services are delivered for the long term and, as a result, create financial commitments. As part of the arrangements to ensure adequate control over its asset base the Council prepares a Capital Programme. Schemes within the Programme that are reliant on external contributions or decisions are not started until funding is secured. Other resources that are subject to fluctuation are monitored closely and positive action is taken to ensure the funding is available before expenditure is incurred.

11.0 CONCLUSIONS

11.1 The Capital Programme is subject to revision around the mid-year point to ensure that it is based on the latest available information and to make monitoring of the Programme more meaningful. It provides the opportunity of reviewing available resources and a basis upon which to build future Programmes.

11.2 The Capital Programme has been revised to £11.993m for 2008/2009. Members are asked to consider and approve the Revised Capital Programme, including the virements contained within it, as a new basis against which Capital Schemes can be monitored.

11.3 Expenditure against the Revised Capital Programme at the mid-year point is £3.448m. This represents 29% of the Programme for the year and is in line with previous years' comparable figures.

11.4 It is expected that sufficient capital resources will be available to fund the current year's programme. However, the significant reduction in capital receipts being generated from asset sales means that the medium term capital programme will need to be reviewed in depth as part of the budget setting process.

Background Documents:

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices:

- A 2008/2009 Revised Capital Programme Expenditure and Resource Budgets and Mid Year Performance
- B Summary of Changes to 2008/2009 Capital Programme
- C Divisional Manager Comments at Mid-Year

2008/2009 CAPITAL PROGRAMME
SUMMARY OF CHANGES

SCHEME	Previously Reported Programme	Amendment to Approval	Revised Approval	Reason for Revision
	£'000	£'000	£'000	
Budget Reported to Cabinet 16th September 2008	13,927			
Reprofile to 9/10				
Abbotsford Regeneration	1,423	-673	750	Delay in development negotiations.
Skelmersdale Town Centre Project	230	-200	30	Contingency nature of Nye Bevan re-roofing.
SIMDELL Replacement System	180	-180	0	Pending completion of tendering process.
TV Aerials	150	-149	1	Pending decision on system to be available as part of digitalisation.
Corporate Property Investment Programme	762	-134	628	Various issues including redevelopment of the Abbotsford site.
Gorsey Place Regeneration	162	-80	82	Tenant negotiations.
E-Government	249	-27	222	Future years contingency approved at Cabinet.
Town Centre Management - Christmas Lights	16	-16	0	Various issues including assessing the suitability of masonry on adjacent buildings for supporting brackets.
Contaminated Land Works	25	-15	10	Awaiting new Central Government guidance.
Conservation Area Enhancements	42	-9	33	Demand led grants due to be paid early 2009/2010.
		-1,483		

2008/2009 CAPITAL PROGRAMME
SUMMARY OF CHANGES

SCHEME	Previously Reported Programme	Amendment to Approval	Revised Approval	Reason for Revision
	£'000	£'000	£'000	
Other Adjs				
Electronic Document Managing and Workflow	48	41	89	Additional Housing and Health implementation approved at Cabinet.
Investing in Business Programme	1,077	-977	100	Original budget included Inspire projects.
Internal Scheme Adjustment	0	-50	-50	Accounting adjustment to remove double counting from internal schemes funded through IIB.
Inspire Project	617	251	868	Reappraisal of demand led project.
Skelmersdale Town Centre Project	30	-30	0	Grant no longer required as this particular element of the scheme complete.
Greenhey Place	0	66	66	New Re-roofing scheme approved at Cabinet and Council.
New Personnel System and Upgrade to the Payroll System.	3	-3	0	Timing of implementation unknown.
Environmental Health Computerised System	23	13	36	Transfer of expenditure from revenue to capital to reflect the nature of the expenditure.
Ormskirk Market	20	20	40	Funding Balance approved at Cabinet.
Playground Improvements	480	-130	350	Grant received for revenue expenditure.
Disabled Facilities Grants	598	75	673	Additional grant secured. Matched from funding not committed within the Clearance Programme.
Replacement Bin Stores	0	85	85	New scheme following Health and Safety issue.
Adaptations for the Disabled	258	188	446	Additional demand for adaptations to properties.
		-451		

2008/2009 CAPITAL PROGRAMME
SUMMARY OF CHANGES

SCHEME	Previously Reported Programme	Amendment to Approval	Revised Approval	Reason for Revision
	£'000	£'000	£'000	
Virements				
Replacement UPVC Windows	731	-77	654	Framework saving transferred to fund additional electrical re-wiring works.
Re-roofing Works	403	-18	385	
Kitchen & Bathrooms Renewals	639	-5	634	
Electrical Upgrades	529	100	629	Additional essential works identified.
Clearance Programme, Skelmersdale	163	-50	113	Non-committed funding transferred to match DFG additional grant.
Disabled Facilities Grants	548	50	598	Match funding for additional grant secured.
		0		
Total Amendments		-1,934		
Revised Capital Programme			11,993	

**2008/2009 REVISED CAPITAL PROGRAMME
EXPENDITURE AND RESOURCE BUDGETS
AND MID-YEAR PERFORMANCE**

	Budget Approval	Actual	
	£'000	£'000	%
<u>Divisional Expenditure</u>			
Non-Divisional Items	57	0	0%
Financial Services	106	6	5%
Assistant Chief Executive	361	38	11%
Corporate Property	628	238	38%
Regeneration and Estates	2,039	379	19%
Community Services	1,008	266	26%
Planning & Development Services	297	25	8%
Housing Private Sector	2,115	543	26%
Housing Public Sector	5,382	1,953	36%
<u>Expenditure Total</u>	11,993	3,448	29%
<u>Financed by:</u>			
Capital Receipts			
General	2,231		
Transitional Pooling	2,466		
Specific Capital Grants	1,551		
Housing Allocation	742		
Major Repairs Allowance	3,989		
Internal Contributions			
Housing Revenue Account	427		
General Revenue Account	587		
<u>Resources Total</u>	11,993		

CAPITAL PROGRAMME 2008/2009
DIVISIONAL MANAGER COMMENTS
AT MID-YEAR

Non Divisional Items
The Capital Contingency is a fund held to cover urgent unforeseen expenditure. To date there has been no call on this fund.
Financial Services
No changes have been made to this budget which is allocated to Parishes who manage projects themselves. Progress is dependent on Parishes completing individual projects.
Assistant Chief Executive
Cabinet have approved a programme of individual projects along with a contingency for future years which has been reprofiled. Schemes are progressing in line with this Programme.
Corporate Property
Reprofiling is due a range of issues including the proposed Abbotsford Redevelopment. Other schemes are progressing and will be completed within 2008/2009.
Regeneration and Estates
Reprofiling on Abbotsford Regeneration is due to a delay in the development negotiations and reprofiling on Gorseley Place is due to on-going tenant negotiations causing delay. An element of the Skelmersdale Town Centre scheme has been reprofiled due to the contingent nature of Nye Bevan Roof and the externally funded balance on this approval is no longer required as this element has been completed. Cabinet approved a new re-roofing scheme at Greenhey Place and the budget for Whitemoss Car Park will need to be reviewed during quarter 3 following the tender results. The Inspire project has increased as a result of the reappraisal of demand. IIB has reduced and Internal Scheme Adjustments have been introduced as a result of an accounting adjustment to reflect operational arrangements rather than a reduction in demand. All schemes should continue to conclusion against their revised budget in the current financial year.

CAPITAL PROGRAMME 2008/2009
DIVISIONAL MANAGER COMMENTS
AT MID-YEAR

Human Resources

The remaining funding approval for the final module on the new Personnel and Payroll Upgrade System has been returned to the capital pot as the timing of the implementation is unknown. A subsequent bid will be made at a later date as necessary.

Community Services

Several Contaminated Land schemes are in the pipeline but reprofiling is due to new Central Government guidance that is awaited. Accounting adjustments have been made to reflect the revenue nature of a grant received for Playgrounds and the capital nature of the Environmental Health System. Coronation Park Bowling Green, Chapel Gallery (refurbishment), Play Area (consultation), and Beacon Park Driving Range Fencing and Portacabin are all complete. Work has commenced on Play Engagement and a bid response is awaited from the OWLS for the Model Boat Lake contribution. All other approvals are committed and progressing.

Planning & Development

Reprofiling on Conservation Area Enhancements is due to the demand led nature of the scheme and on Christmas Lights due to a variety of issues. Funding has not yet been committed against the Appley Bridge Station, East Quarry Appley Bridge, Burscough Appraisal, and Church Street schemes. The balance on Aughton Street Pedestrianisation has been added to the Clock Tower to fund further works identified and expressions of interest have been invited for Ormskirk Market. Delivery of the new pay and display machines is awaited and there are commitments against the remaining approvals.

Housing Private Sector

An additional grant has been awarded by Central Government for DFGs and this has been matched by a virement from the Clearance Programme budget that remains uncommitted. All of the Renewal Grant Budget is committed and the Home Loan Scheme Tender closes in November. A report on Affordable Housing is included elsewhere on this agenda. The revised approvals are now on target to be met in 2008/2009.

CAPITAL PROGRAMME 2008/2009
DIVISIONAL MANAGER COMMENTS
AT MID-YEAR

Housing Public Sector

The Disabled Adaptations programme has increased in size due to increased demand and the Replacement Bin Stores at New Church Farm has been added following a Health and Safety issue. Both increases have been funded from the HRA. The TV Aerial budget has been reprofiled into 2009/2010 pending a decision on the digital system requirements and the Replacement Simdell System has been reprofiled pending the outcome of the tender process. The remaining schemes are progressing in line with their approvals which should be fully spent by the end of the year allowing for necessary retentions.



AGENDA ITEM: 14

CABINET: 18th November 2008

**EXECUTIVE OVERVIEW AND
SCRUTINY:
4th December 2008**

Report of: Council Secretary and Solicitor

Relevant Portfolio Holder: Councillor D. Westley

**Contact: Marc Taylor (Extn. 5092)
(E-mail: Marc.Taylor@westlancsdc.gov.uk)**

SUBJECT: REVENUE BUDGET MID YEAR REVIEW

District wide interest

1.0 PURPOSE OF THE REPORT

1.1 This report provides a projection on the financial position on the General and Housing Revenue Accounts to the end of the financial year.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the financial position of the Revenue Accounts together with the levels of working balances be considered and noted.

2.2 That call in is not appropriate for this item as it is to be submitted to the next meeting of the Executive Overview and Scrutiny Committee.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

3.1 That the financial position of the Revenue Accounts be noted.

4.0 BACKGROUND

4.1 In February 2008 the Council approved budgets for the Housing and General Revenue Accounts for the 2008-2009 financial year. It is good practice that monitoring reports are produced on a regular basis to ensure that Members are

kept informed of the financial position of these accounts. This is the second monitoring report for the year and is based on information available in October 2008.

5.0 GENERAL REVENUE ACCOUNT

- 5.1 The Council has set a revenue budget of £16.258m for the financial year. In total current projections forecast that net expenditure will be around £30,000 above this target, which represents a small variance of around 0.2%.
- 5.2 The projections have been calculated on a prudent basis, and experience from past years suggests that the overall position is likely to improve over the remainder of the year. Consequently it can be confidently expected that the Council will achieve a surplus by the year end. This will continue our strong track record of managing our financial performance to ensure that the outturn position is in line with the budget.
- 5.3 The budget contains a corporate target for staff efficiency savings of £251,000. The active management of staffing levels by divisional managers combined with the interim management arrangements, and the impact of the strike action earlier this year, mean that this target will be significantly exceeded.
- 5.4 The national pay award for the year has still not been finalised and will be subject to binding arbitration through ACAS in the near future. The projections assume that the pay award will be determined in accordance with the Employers final offer of 2.45% plus additional increases for the lowest paid staff.
- 5.5 In 2007-08 there was a strong performance in generating external income across a range of areas including planning applications, treasury management, commercial assets, and housing benefit overpayment recovery. In all of these areas budget targets were significantly exceeded. To a large extent this performance reflected market conditions, and the downturn in the economy that has subsequently taken place means that overall income levels in the current year will be significantly lower.
- 5.6 In particular the slow down in the housing market and the credit crunch have reduced income levels for Planning Application and Building Regulation Fees, together with Local Searches. These factors are not within the direct control of the Council. Treasury Management income for the first 6 months of the year though has exceeded budget targets, but future performance will depend on whether any further interest rate cuts take place.
- 5.7 The re-tendering of the insurance contract has produced a significant cost saving this year. Effective procurement practices have also helped to minimise the cost increases for new gas and electric contracts, in the face of steep rises in world energy prices.
- 5.8 The projected variances reflect current estimates of the likely difference between spending / income and budget for the full financial year. These estimates are based on current data and are subject to change during the remainder of the

year as new information becomes available. In particular external income levels are at risk from any further down turn in the economy.

- 5.9 The Appendix to this report provides further details on the performance of individual divisions.

6.0 HOUSING REVENUE ACCOUNT

- 6.1 The council set a budget for the Housing Revenue Account based on generating income of £20.040m.
- 6.2 Due to a collapse in Council House Right to Buy sales, management action to control void levels, and changes in levels of service charges it is likely that this will generate a positive budget variance for the HRA. The continued active management of staffing levels and vacancies are also likely to generate a favourable variance for the HRA.
- 6.3 Members will be aware that the Organisational Reengineering of Property Services is nearing completion. In addition to which the approval to invest in Repairs diagnostic software that integrates with the Council's Customer Relationship Management System is likely to provide further savings. However, health and safety issues continue to place pressure on the Housing Repairs and Programme Maintenance Budgets.
- 6.4 The budget included a provision for the termination of leases for boilers serving our Residents Heating Service. Due to critical failures of the heating boilers it has been necessary to utilise this investment to replace failed heating units.
- 6.5 At this point in time there is every expectation that the HRA will generate a small positive variance against budget

7.0 BALANCES

- 7.1 The Council's GRA balances at the start of the year consisted of core balances of £900,000 and usable balances of £887,000. The budget did not contain any planned use of balances during the year but the final position will only be known at the year-end. However given the current projection on the GRA it is expected that we will maintain our healthy overall financial position.
- 7.2 HRA Working Balances at the start of the year were £917,000. In its budget the Council approved the use of £235,600 from balances to support the HRA's financial position, on the basis that this will still leave the balances above the minimum requirement for prudent financial management. The positive projection on HRA finances for the current year means that this position should be achieved.
- 7.3 The opening balance on the Unspecified Contingency Fund at the start of the year was £77,000. Cabinet have agreed a number of uses for this Fund including the new Place Survey and Leisure development through the Trust arrangement. This, together with a number of other uses, is likely to mean that the Fund will be fully committed at the year end.

8.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

8.1 There are no direct sustainability implications arising from this report.

9.0 RISK ASSESSMENT

9.1 The formal reporting of performance on the General and Housing Revenue Accounts is part of the overall budgetary management and control framework that is designed to minimise the financial risks facing the Council.

10.0 CONCLUSIONS

10.1 Both the GRA and the HRA are on course to achieve their budget targets. The level of balances also continues to be satisfactory and above the minimum levels required for prudent financial management. This continues the trend of strong financial performance achieved by the Council over many years.

10.2 The downturn in the economy that has recently taken place together with the credit crunch has reduced external income levels. However the Council is well placed to deal with these challenges.

10.3 Where the financial issues that have been identified in this mid year review are expected to persist into the future they will be taken into account in the budget setting process for 2009-10.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices

Appendix 1 – General Revenue Account Projected Outturn Position

GENERAL REVENUE ACCOUNT PROJECTED OUTTURN POSITION

Budget area	Net Budget £000	Variance from Budget £000	Variance %
Assistant Chief Executive	204	-30	-14.7%
Community Services	5,090	-65	-1.3%
Financial Services	4,259	-25	-0.6%
Housing and Property Maintenance	856	-25	-2.9%
Human Resources	6	0	0%
Legal & Member Services	1,297	55	4.2%
Planning & Development Services	1,828	75	4.1%
Regeneration and Estates	-232	-40	-17.2%
Street Scene	5,850	-55	-0.9%
Divisional Subtotal	19,158	-110	-0.6%
Central Budget Items	-2,900	140	4.8%
TOTAL BUDGET REQUIREMENT	16,258	30	0.2%

Table Notes

The budget figures for each Division have been updated to include capital accounting adjustments and the allocation of central budget items to divisions. These are technical accounting adjustments that do not affect the bottom line budget requirement, which has remained unchanged during the year at £16.258m.

The Assistant Chief Executive and Human Resources divisions have relatively small net budget requirements because they contain support services and consequently recharge most of their costs to other service areas. The Regeneration and Estates division has a negative budget as it contains the Community Related Assets portfolio, which makes a substantial contribution to the overall running costs of the authority.

General

It should be recognised that some areas of the budget are within the Council's control, for example the filling of vacant posts to achieve salary savings. However other areas such as external income can be volatile where we are exposed to market forces. In addition some service areas are demand led where it can be difficult to directly control expenditure.

Assistant Chief Executive Division – Favourable variance £30,000

The main variance for the division relates to savings on staffing costs. There are a number of other minor favourable variances covering a range of budget headings.

Community Services Division – Favourable variance £65,000

There is a significant favourable variance on the Environmental Health service. The biggest single contributory factor to this position is savings on staffing, while non-staffing costs and income levels are broadly on target.

Leisure and Cultural Services are also on course to achieve a favourable budget variance. This including a saving in relation to the Leisure Trust due to the effect of actual contract inflation being below that previously estimated.

Financial Services Division – Favourable variance £25,000

The Council will pay out around £27m in Council Tax and Housing Benefit this year. However as this is a demand led service it is not within the direct control of the Council and it is difficult to predict the final outturn position. Subsidy is claimed on the payments that are made according to a complex formula, and the way in which the system works means that the Council cannot recover all of its costs. Benefit payments showed a significant adverse variance against budget in 2007-08, and it is expected that this situation will be repeated again in the current year.

Travel concessions are also a demand led service area that is not within the direct control of the Council. A new national free bus pass scheme for the elderly and disabled has been introduced from April 2008, and this area will be kept under close review to identify any financial issues at an early stage.

The division has achieved an overall favourable variance through making savings on employee costs through the interim management arrangements and by the active management of staff vacancies. A significant saving has also been achieved through the re-tendering of the insurance contract.

Housing and Property Maintenance Division – Favourable variance £25,000

The active management of staffing levels and vacancies has generated a favourable variance on Housing Services. There have also been significant savings made on non-staffing expenditure, which could be used towards the costs of a future private sector housing stock survey that is a statutory requirement.

Property Services covers a large part of the Council's utilities budgets, and costs in this area have increased as a result of external market factors. However effective procurement practices have helped to minimise the increases in gas and electric costs that the Council faces.

Human Resources Division – Net nil variance

There is a high level of demand for HR services with work on job evaluation, harmonisation, and other issues. Although this will put the small HR team under considerable strain it is anticipated that service levels will be maintained and key targets met. There are likely to be a number of minor variances within the Division but it is expected that the budget target for the year will be achieved.

Legal and Member Services Division – Adverse variance £55,000

The main area causing this adverse variance is the significant reduction in income from Local Searches, which is not within the direct control of the Council. Salary savings have been achieved to date, mainly through delays in filling vacant posts, and various other minor net savings are anticipated based on current levels of expenditure.

Planning and Development – Adverse variance £75,000

There have been significant savings on staff costs within the division due to the late or non-filling of vacant posts. However, the level of income from both Planning Application and Building Regulation Fees is significantly below budget at this present time. However this deficit could be substantially offset if, as expected, three major developments under active discussion with developers are submitted within the next couple of months.

Regeneration and Estates – Favourable variance £40,000

The active management of staff vacancies will produce a significant favourable variance against the budget for the year. There are also a number of savings against non-staffing costs. External income levels have started to come under pressure from the economic down turn and credit crunch. However it is expected that the income targets for the year will still be achieved but this will need to be monitored closely.

Street Scene – Favourable variance £55,000

Significant savings have been achieved within the Grounds Maintenance Trading Account, in particular employee costs and equipment. Additional income has also been received from the County Council.

However the division has been adversely affected by the world price increase in fuel with diesel costs being significantly above the budget. Recycling rates have improved dramatically in recent times, but this positive performance has then led to an increased demand on resources.

Central budget items

This heading covers a range of corporate budgets including savings targets, treasury management, and capital charges.

Central savings targets for staff efficiency, Gershon efficiency improvements and savings from Organisational Re-engineering are all held in this area. The actual savings that are made in relation to these items are contained within Divisions. Consequently savings made elsewhere will help to offset the adverse variances on these budget items.

There is a significant favourable variance on treasury management, with investment income exceeding the budget target. This continues the trend of strong treasury management performance achieved in recent years, but any further interest rate cuts would have a detrimental effect.



AGENDA ITEM: 15

CABINET: 18 November 2008

**EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE:**

4 December 2008

Report of: Council Secretary and Solicitor

Relevant Portfolio Holder: Councillor D. Westley

**Contact for further information: Marc Taylor (Extn.5092)
(E-mail: marc.taylor@westlancsdc.gov.uk)**

SUBJECT: BUDGET PROSPECTS 2009-2010

District Wide Interest

1.0 PURPOSE OF THE REPORT

1.1 To provide Members with an initial assessment of the budget prospects for the next financial year.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the Council's difficult budget prospects for the next financial year are considered and noted, including the combination of limited resources and spending pressures.

2.2 That call in is not appropriate for this item as it is to be submitted to the next meeting of Executive Overview and Scrutiny Committee.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

3.1 That the Council's budget prospects are considered and noted.

4.0 BACKGROUND

4.1 This report sets out an initial summary assessment of the Council's budget prospects for the next financial year given the information that is currently available. At this early stage in the budget process there is still a lot of unknowns

and work to be completed and further reports will be made to Members as the position becomes clearer.

4.2 The Council will set its budgets for 2009-10 at its meeting in February 2009.

5.0 GENERAL REVENUE ACCOUNT PROSPECTS

5.1 It is likely that there will be only a small increase in the resources that are available to the Council over the next two years. It is expected that the Council's main government grants will increase by just 0.5% in 2009-10 and by 0.6% in 2010-11. When inflation is currently running at over 5% this represents a significant real terms cut in funding. Details of the Council's actual grant allocations will not be known until December when the Government is expected to publish its provisional financial settlement for 2009-10.

5.2 The economic downturn and credit crunch will also have a direct impact on the external income the Council can generate. Reductions in Planning and Local Searches income have taken place in the current year and are likely to persist for the foreseeable future. This factor is outside the direct control of the Council but will have a significant impact. Similarly if interest rates reduce further this could have a considerable adverse impact on Treasury Management income.

5.3 Unfortunately while resources are likely to be strictly limited over the next few years the Council will face a number of spending pressures at the same time. Employee costs will increase significantly as a result of national pay awards that will be significantly in excess of the Council's grant increases. These are also likely to be increases in employer superannuation rates following an actuarial review of the pension fund and additional costs from job evaluation and harmonisation of staff terms and conditions.

5.4 A further issue for next year relates to world-wide volatility in fuel and energy prices. These unavoidable factors could lead to increased spending, but effective procurement practices will help to ensure that any rises will be kept to a minimum. Spending pressures on Benefits Payments in the current year will also need to be considered in the budget.

5.5 The difficult financial position that the Council will face in setting next year's budget largely reflects national or global issues that are not within its direct control. Most local authorities will also find themselves facing similar issues.

5.6 However the Council has a strong track record of delivering council taxes increases at or below inflation and making targeted investment in key priorities while minimising any service reductions. Officers will work closely with Members over the next few months to ensure that the best possible budget can be set given the financial constraints. However it is likely that there will be very limited opportunities for growth and that a significant level of savings will be required.

5.7 Over the last 3 years the Council has significantly exceed the Gershon efficiency target to make 2.5% savings per annum. Every effort will continue to be made to achieve efficiency savings and these initiatives will be co-ordinated through our Value for Money Strategy.

6.0 CAPITAL PROGRAMME PROSPECTS

- 6.1 For many years the main source of internal funding to support the capital programme has been capital receipts generated by Council House sales. The pattern of these sales has meant that it could be anticipated that at least £1m of funding would be generated by this method each year. Other asset sales (most noticeably land sales) also contributed resources to the programme but this has not been a regular element in the past.
- 6.2 Over the past several months the number of Council House sales has decreased rapidly. The reduction in sales is probably due to a combination of factors including the economic downturn, credit crunch, limits on the maximum discount, and possibly that the majority of tenants that want to buy their homes have already done so.
- 6.3 At current levels it is forecast that the level of receipts generated this year will fall to an estimated £0.45m. However if the Housing market deteriorates further, then it is possible that not even this figure would be achieved. Economic forecasts indicate that this down turn is set to continue for at least a couple of years.
- 6.4 The Capital Programme Mid Year Review report included elsewhere on this agenda identifies that there should be sufficient capital receipts to fund the required element of the 2008/09 Capital Programme. However to deal with the scenario of reduced capital receipt funding, consideration will need to be given to reducing the scale of current and future spending to match the expected resources available and / or to seek alternative sources of funding for the programme.
- 6.5 There are several options open to address this situation and officers will be reviewing each of them in conjunction with Members during the budget process. Despite the anticipated reduction in capital receipt funding available in the future, the Council will still be able to provide a substantial Capital Programme albeit on a slightly lesser scale than in recent years.

7.0 SUSTAINABILITY IMPLICATIONS / COMMUNITY STRATEGY

- 7.1 There are no direct sustainability implications arising from this report.

8.0 RISK ASSESSMENT

- 8.1 The budget setting process is part of the overall budgetary management and control framework that is designed to minimise the Council's financial risks.

9.0 SUMMARY

- 9.1 The early indications are that 2009-10 and beyond are likely to be financially more difficult than the position the Council has faced in recent years.

Background Documents

There are no background documents (as defined in section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices

None



Item at the request of a Member – Executive Overview and Scrutiny Committee

This form must be received by Member Services, 52 Derby Street, Ormskirk before 12 noon on Tuesday 25 November 2008.

Any forms sent by fax should be sent to 01695 585082.

Members Update Issue: 3

Executive Overview and Scrutiny Committee: 4 December 2008

Item No	1a
Subject	COMMUNITY CHEST GRANTS

If more information is required in relation to this item, please contact the officer indicated on the first page of the related report.

Please advise Member Services if at any time you wish to withdraw this item following receipt of further information.

<p>Reasons for requesting the item be put on the agenda:</p> <p>my point is that the beneficiaries set out in the guidelines are human beings</p>	<p>What recommendations would you like the Committee to make to Cabinet/Council?</p>
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Name (please print)	Signature
Councillor Cotterill	

FOR MEMBER SERVICES USE ONLY

Received by: Sue Griffiths	Date of Committee: 4 December 2008
Date: 24 November 2008 Time: 13.42	Divisional Manager informed <input type="checkbox"/> ✓
Contact Officer informed <input type="checkbox"/> ✓	Portfolio Holder informed: <input type="checkbox"/> ✓



ARTICLE NO: 1A

**EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE**

MEMBERS UPDATE 2008/09

Article of: Assistant Chief Executive

Issue 3: November

Relevant Portfolio Holder: Councillor G. Hammond

**Contact: Mrs. J. Jones (Extn.5017)
(E-mail: jill.jones@westlancsdc.gov.uk)**

SUBJECT: COMMUNITY CHEST GRANTS

District wide interest/The following wards are affected:-

1.0 PURPOSE OF ARTICLE

1.1 To inform Members of the mechanism for dealing with grant applications from the Community Chest and of the grants awarded in the 3rd tranche in the current financial year.

2.0 BACKGROUND

2.1 Applications for grants from the Community Chest are dealt with through delegation procedures. The delegation is to the relevant Portfolio Holder.

3.0 CURRENT POSITION

3.1 Applications were considered on 22 October 2008 by Councillor G. Hammond Portfolio Holder (Community Services and Health).

3.2 The following grants were awarded

	£
Edge Hill Junior Football Club	400
Freshfields Animal Rescue	1,000
Mahir Hiranandani	175
Lathom Park Trust	500
Little Saints Playgroup	750
Methodist Church Hesketh Bank	650
1439 (Skelm) Squadron A.T.C.	300
Sporting Challenge	750
West Lancs Carers Centre	300
West Lancs Friends of Spartac	750
West Lancs & Southport Breathe Easy	500

3.3 The balance remaining in the Community Chest is £6,075.

3.4 The applications received from North Meols Parish Council, Ormskirk Parish Church and Vitalise were refused on this occasion.

3.4 The application received from Yewdale Counselling Services was deferred.

4.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

4.1 Applications involve proposals that will promote existing leisure and recreation facilities and provide information and training. Also to encourage people to get involved in decisions which affect their lives.

5.0 RISK ASSESSMENT

5.1 There are no significant risks arising from this report.

Background Documents

The following background documents (as defined in Section 100D (5) of the Local Government Act 1972) has been relied on to a material extent in preparing this article.

Document (application form)

Date

File Ref.

Edge Hill Junior Football Club	02.09.08
Freshfields Animal Rescue	30.09.08
Mahir Hiranandani	13.08.08
Lathom Park Trust	18.09.08
Little Saints Playgroup	29.09.08
Methodist Church Hesketh Bank	20.10.08
North Meols Parish Council	17.09.08
1439 (Skelm) Squadron A.T.C.	22.02.08
Sporting Challenge	30.09.08
Vitalise	25.09.08
Yewdale Counselling Services	21.07.08
West Lancs Carers Centre	03.10.08
West Lancs Friends of Spartac	27.08.08
West Lancs & Southport Breathe Easy	05.09.08

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices

None



AGENDA ITEM: 17

**EXECUTIVE OVERVIEW AND
SCRUTINY COMMITTEE:
4 DECEMBER 2008**

Report of: Council Secretary and Solicitor

Relevant Portfolio Holder: Councillor Forshaw

**Contact: Mrs. Jacky Denning (Extn. 5384)
(E-mail: jacky.denning@westlancsdc.gov.uk)**

SUBJECT: CALL IN ITEM – RESIDUAL HIGHWAYS AGREEMENT

NOT FOR PUBLICATION BY VIRTUE OF
PARAGRAPH 3 OF PART 1 OF SCHEDULE 12A TO
THE LOCAL GOVERNMENT ACT 1972

District Wide Interest

1.0 PURPOSE OF THE REPORT

1.1 To advise the Executive Overview and Scrutiny Committee of the reason for the call in of the decision on the above item, as set out in Minute No. 93 of the meeting of Cabinet held on 18 November 2008.

2.0 RECOMMENDATIONS

2.1 That the Committee determines whether it wishes to ask for a different decision.

2.2 That if the Committee does wish to ask for a different decision, the Committee indicates which of the options set out at paragraph 4.1 below, it wishes to pursue.

3.0 BACKGROUND

3.1 The report attached as an Appendix to this report was considered at Cabinet held on 18 November 2008.

3.2 The following decision of Cabinet is contained at minute no. 93:-

“93. RESIDUAL HIGHWAYS AGREEMENT

Councillor Forshaw introduced the report of the Technical Services Manager advising Cabinet of the forthcoming termination of arrangements with Lancashire County Council in relation to grass cutting, tree maintenance, street furniture, road signs etc and seeking authority to enter into a new agreement with effect from 1 July 2009.

Officers noted the County Council’s intention to discontinue making a contribution towards this Council’s costs in dealing with telephone calls etc in relation to services provided by that authority and in this respect officers undertook to seek to negotiate continuation of this contribution.

In reaching the decision set out below, the Cabinet considered the details set out in the report before it and accepted the reasons contained in it.

RESOLVED: That the Technical Services Manager be given delegated authority, in consultation with the Street Scene Manager and relevant Portfolio Holders, to negotiate and enter into a new Agreement for the residual highways function”

3.3 The following reason for call in was given in the requisition:

“That delegated powers are insufficient for this negotiation of re-entering into of any new agreement.”

3.4 The requisition also provided an alternative decision which was:

“ That a Working Group be set up to consider the negotiation of any new agreement.”

3.5 The following Members of the Executive Overview and Scrutiny Committee signed the requisition for call-in in accordance with the provisions of Overview and Scrutiny Committee Procedure Rule 15:

Councillor Nolan
Councillor Furey
Councillor Rice
Councillor Mawdsley
Councillor Cotterill

4.0 CONCLUSION

4.1 Following consideration of the decision of Cabinet and the requisition for call in, the Executive Overview and Scrutiny Committee can decide if it wishes to ask for a different decision. If the Committee does not wish to ask for a different

decision then the decision of Cabinet takes immediate effect. If the Committee does wish to ask for a different decision, it may:

- a. refer the decision back to Cabinet (as the decision making body) for reconsideration, setting out the different decision, or
- b. refer the matter to Council. If the matter is referred to Council and Council does not object then the decision of Cabinet will take effect immediately from that Council meeting date. If the Council does object, then the decision and the objection will be referred back to Cabinet (as the decision making body) for reconsideration.

4.2 The Secretary of State in his Guidance recommends that Overview & Scrutiny Committees should only use the power to refer matters to the full Council if they consider that the decision is contrary to the policy framework or contrary to or not wholly in accordance with the budget.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices

Report of the Technical Services Manager