

MEMBERS INTERESTS 2012

A Member with a disclosable pecuniary interest in any matter considered at a meeting must disclose the interest to the meeting at which they are present, except where it has been entered on the Register.

A Member with a non pecuniary or pecuniary interest in any business of the Council must disclose the existence and nature of that interest at commencement of consideration or when the interest becomes apparent.

Where sensitive information relating to an interest is not registered in the register, you must indicate that you have an interest, but need not disclose the sensitive information.

Please tick relevant boxes

Notes

	General		
1.	I have a disclosable pecuniary interest.	<input type="checkbox"/>	<i>You cannot speak or vote and must withdraw unless you have also ticked 5 below</i>
2.	I have a non-pecuniary interest.	<input type="checkbox"/>	<i>You may speak and vote</i>
3.	I have a pecuniary interest because it affects my financial position or the financial position of a connected person or, a body described in 10.1(1)(i) and (ii) 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 a connected person or, a body described in 10.1(1)(i) and (ii) 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"/> <input type="checkbox"/>	<i>You cannot speak or vote and must withdraw unless you have also ticked 5 or 6 below</i> <i>You cannot speak or vote and must withdraw unless you have also ticked 5 or 6 below</i>
4.	I have a disclosable pecuniary interest (Dispensation 16/7/12) or a pecuniary interest but 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. (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. (iii) Statutory sick pay where I am in receipt or entitled to receipt of such pay. (iv) An allowance, payment or indemnity given to Members (v) Any ceremonial honour given to Members (vi) Setting Council tax or a precept under the LGFA 1992	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<i>You may speak and vote</i> <i>You may speak and vote</i>
5.	A Standards Committee dispensation applies (relevant lines in the budget – Dispensation 20/2/13 – 19/2/17)	<input type="checkbox"/>	<i>See the terms of the dispensation</i>
6.	I have a pecuniary 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>

'disclosable pecuniary interest' (DPI) means an interest of a description specified below which is your interest, your spouse's or civil partner's or the interest of somebody who you are living with as a husband or wife, or as if you were civil partners and you are aware that that other person has the interest.

Interest

Prescribed description

Employment, office, trade, profession or vocation

Any employment, office, trade, profession or vocation carried on for profit or gain.

Sponsorship

Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M.

	This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to M's knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest.
Securities	Any beneficial interest in securities of a body where— (a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and (b) either— (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

"body in which the relevant person has a beneficial interest" means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest; "director" includes a member of the committee of management of an industrial and provident society;

"land" excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income; "M" means a member of a relevant authority;

"member" includes a co-opted member; "relevant authority" means the authority of which M is a member;

"relevant period" means the period of 12 months ending with the day on which M gives notice to the Monitoring Officer of a DPI;

"relevant person" means M or M's spouse or civil partner, a person with whom M is living as husband or wife or a person with whom M is living as if they were civil partners;

"securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

'non pecuniary interest' means interests falling within the following descriptions:

- 10.1(1)(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 (a) exercising functions of a public nature; (b) directed to charitable purposes; or (c) 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 easement, servitude, interest or right in or over land which does not carry with it a right for you (alone or jointly with another) to occupy the land or to receive income.
- 10.2(2) 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 connected 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 connected 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 10.1(1)(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) 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 HELD:26 NOVEMBER 2015

Start: 7.30pm

Finish: 8.50pm

PRESENT:

Councillors: Furey (Chairman)

Ashcroft	Mrs Houlgrave
Bullock	Kay
Cotterill	Mee
Davis	Nixon
Delaney	Owen
Devine	Pendleton
Forshaw	Westley
Greenall	

Officers: Deputy Assistant Director Housing & Regeneration (Mr I Gill)
Deputy Borough Treasurer (Mr M Kostrzewski)
Strategic Planning & Implementation Manager (Mr P Richards)
Property Services Manager (Mr P Holland)
Asset Manager (Mr W Berkley)
Assistant Solicitor (Mrs J Williams)
Principal Overview and Scrutiny Officer (Mrs C A Jackson)

In attendance: Assistant Solicitor (Mr N Astles)

22. APOLOGIES

There were no apologies for absence.

23. MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 2, Members noted the termination of membership of Councillors Savage and Whittington and the appointment of Councillors Owen and Mee respectively, thereby giving effect to the wishes of the Political Groups.

24. URGENT BUSINESS

There were no items of urgent business.

25. DECLARATIONS OF INTEREST

Councillors Delaney, Devine, Owen and Nixon declared a disclosable pecuniary interest in item 9(b) Pay to Stay: Fairer Rents in Social Housing – Consultation as tenants of the Council but by virtue of a dispensation, were able to remain to speak and vote on this item.

26. DECLARATIONS OF PARTY WHIP

There were no declarations of a Party Whip.

27. MINUTES

RESOLVED: That the minutes of the meeting held on 1 October 2015 be received as a correct record and signed by the Chairman.

28. RELEVANT MINUTES OF CABINET

Consideration was given to the minutes of the Cabinet held on 10 November 2015.

In relation to a query on the decision set down at Minute 53 (Local Government Declaration on Tobacco Control), that the Council become a signatory to the Declaration, the Deputy Assistant Director Housing and Regeneration made an undertaking to seek confirmation that this had taken place.

29. CALL IN ITEMS

There were no items under this heading.

30. ITEMS REFERRED BY CABINET

The following two items had been referred.

31. SALE OF HIGH VALUE COUNCIL HOUSES

Consideration was given to the report of the Borough Solicitor in relation to the report of the Assistant Director Housing and Regeneration entitled 'Sale of High Value Council Houses' attached at Appendix 1, considered by Cabinet at its meeting on 10 November, that had sought the direction of them to progress with sales of "high value" Council houses when they become empty, prior to legislation being introduced. The matter had also been considered by the Landlord Services Committee (Cabinet Working Group) on 4 November 2015.

Cabinet, in referring the item, requested the Committee to provide any agreed comments to be submitted to them prior to consideration at its next Cabinet meeting on 12 January 2016.

The Deputy Assistant Director Housing and Regeneration gave an overview of the proposals, provided clarification on issues raised and responded to questions.

In discussion comments and questions were raised in relation to:

- Properties adapted for the disabled – "exemption" definition / criteria.
- Acting prior to the Housing Bill's enactment – advantages/disadvantages.
- Identification of "high value" housing stock – numbers; properties affected; values applied;
- Sale / disposal of "identified" properties – criteria (restrictions / selection / community assets / other social uses / value); associated legal implications.
- Advertisement / Marketing - process; use of in-house / external agents.
- Voids – number / timescales.

EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE HELD:26 NOVEMBER 2015

The Assistant Solicitor (JW) and Property Services Manager also provided additional clarification on issues raised relating to community assets legislation and voids.

RESOLVED: As a consequence of the discussion on this item the agreed comments of the Committee to Cabinet be that:

1. the proposals are not supported at this time.
2. Cabinet reconsiders the lower values, in respect of the classification of “high value” properties, as set down at paragraph 4.3 of the report of the Assistant Director Housing and Regeneration.
3. Cabinet explore further the options for disposal of “high value” properties, including social uses.
4. properties identified for sale, are “properly marketed.”

32. PAY TO STAY - FAIRER RENTS IN SOCIAL HOUSING - CONSULTATION

Consideration was given to the report of the Borough Solicitor in relation to the report of the Assistant Director Housing and Regeneration entitled ‘Pay to Stay – Fairer Rents in Social Housing – Consultation’, considered by Cabinet at its meeting on 10 November, that gave details of the DCLG Consultation document ‘Pay to Stay: Fairer Rents in Social Housing’, and the draft response to that consultation. The matter had previously been considered by the Landlord Services Committee (Cabinet Working Group) on 4 November 2015.

Cabinet, in referring the matter, requested the Committee to refer any agreed comments by them to the Assistant Director Housing and Regeneration and the relevant Portfolio Holder, prior to the response being finalised.

The Deputy Assistant Director Housing and Regeneration gave an overview of the report referring to detail as set down in the consultation document and the draft response prepared by the Assistant Director Housing and Regeneration.

In discussion questions and comments were raised in relation to:

- Purpose of the legislation.
- Low income households – indirect impact of the proposals.
- “Household” Income – lack of clarity / identification/determination of “household” income; income thresholds; monitoring changes in circumstances; lack of flexibility;
- Self-employed / zero hours contracts – consequences.
- Administrative Costs – financial impact / mechanism to administer.
- Appeals Process – reinstatement of a ‘Fair Rents Council’

EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE HELD:26 NOVEMBER 2015

RESOLVED: That, as a consequence of the discussion on this item the following agreed comments of the Committee, be passed to the Assistant Director Housing and Regeneration, in consultation with the relevant Portfolio Holder for consideration of inclusion in the Council's response:

- (a) In relation to administering the policy, due to needing income data, "the system is unworkable" and
- (b) "include a reference to the effect on those people on zero hours contracts and the self-employed."

33. PREFERRED OPTIONS FOR THE PROVISION FOR TRAVELLER SITES DEVELOPMENT PLAN DOCUMENT

Consideration was given to the report of the Assistant Director Planning that gave details in relation to the preferred options for the provision of Traveller Sites Development Plan Document (Traveller Sites DPD) and sought agreed comments, following approval by Cabinet at its meeting on 10 November 2015 for consultation. The report had also been considered by the Planning Committee at its meeting on 12 November 2015.

The Strategic Planning and Implementation Manager attended the meeting and provided an overview of the Traveller Sites DPD, clarification on the issues raised and responded to questions, referring to details as set down in the report and Traveller Sites DPD.

In discussion, questions and comments were raised in respect of the following:

- Traveller accommodation needs.
- Proposed Preferred Options – Advantages / disadvantages of the 3 sites identified.
- Provision of suitable Traveller sites – work undertaken; liaison with landowners / neighbouring authorities; future identification; green belt (rules/ legal processes / definitions); availability of Council-owned land.

During the discussion reference was made to the allocated sites and disappointment was expressed at the insufficient number of sites that had come forward to meet Traveller accommodation needs, despite significant work to meet the target. It was, however, recognised that there could be opportunities in the future to re-visit this, when the process in relation to the next Local Plan, commenced.

Thanks was proffered to the Strategic Planning and Implementation Manager for the work undertaken to try to identify suitable sites and to bring the Traveller Sites DPD forward.

RESOLVED: That, as a consequence of the discussion on this item it was agreed that the following agreed comments be passed to the Assistant Director Planning for consideration, in consultation with the Portfolio Holder that:

1. "when looking at future plans for suitable traveller sites, consultation with travelling communities and other local authorities be undertaken, in order to learn from their experience and

EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE HELD:26 NOVEMBER 2015

2 concerns were expressed about the release of sites from the Green Belt to meet Traveller accommodation needs.”

34. REVISED CAPITAL PROGRAMME AND MID YEAR REVIEW 2015-2016

Consideration was given to the report of the Borough Treasurer that provided details on the Revised Capital Programme for 2015/16 and an overview on the progress against it at the mid-year point and sought the views of the Committee prior to consideration by Council on 16 December 2015.

The Deputy Borough Treasurer attended the meeting, provided a summary on progress at the mid-year point, responded to questions and provided clarification referencing details as set down in the report.

RESOLVED: That the Revised Capital Programme and progress against it at the mid-year point be noted.

35. HRA BUDGET MONITORING POSITION

Consideration was given to the report of the Borough Treasurer that provided a projection of the financial position on the Housing Revenue Account (HRA) and the Housing Capital Investment Programme to the end of the financial year that sought the view of the Committee prior to consideration by Council on 16 December 2015.

The Deputy Borough Treasurer attended the meeting, provided a summary of progress, responded to questions and provided clarification referencing details as set down in the report.

RESOLVED: That progress against the HRA and the Capital Investment Programme budgets be noted.

.....
Chairman

CABINET

HELD: 12 JANUARY 2016

Start: 7.30pm

Finish: 7.50pm

PRESENT:

Councillor: I Moran (Leader of the Council, in the Chair)

Councillors:

Portfolio

T Aldridge	Older People
Y Gagen	Deputy Leader of the Council & Leisure
J Hodson	Planning
J Patterson	Housing and Landlord Services
K Wilkie	Street Scene
K Wright	Health and Community Safety
C Wynn	Finance

In attendance: Pendleton
Councillor

Officers:
Managing Director (Transformation) (Ms K Webber)
Managing Director (People & Places) (Mrs G Rowe)
Assistant Director Community Services (Mr D Tilleray)
Assistant Director Housing & Regeneration (Mr B Livermore)
Assistant Director Planning (Mr J Harrison)
Borough Treasurer (Mr M Taylor)
Transformation Manager (Mr S Walsh)
Principal Member Services Officer (Mrs S Griffiths)

70. APOLOGIES

There were no apologies for absence

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

There were no items of special urgency.

72. DECLARATIONS OF INTEREST

The following interests were declared:

1. Councillor Patterson declared a disclosable pecuniary interest in items 5(a) 'Sale of High Value Council Houses' and 5(j) 'Housing Account – Revenue and Capital Programme' but she was entitled to speak and vote by virtue of an exemption as nothing in the report related particularly to her respective tenancy or lease. *

2. Councillor Aldridge declared an interest in relation to agenda item 5(h) 'General Revenue Account Budget 2016/17' and item 5(i) 'Medium Term GRA Capital Programme', as a Member of Lancashire County Council, as did Councillors Gagen as an employee of Lancashire County Council.*
3. Councillors Moran declared a non-pecuniary interest in item 5(c) 'Community Infrastructure Levy (CIL) Funding Programme 2016/17' and a pecuniary interest in item 5(h) 'General Revenue Budget 2016-17' and item 5(i) 'Medium Term GRA Capital Programme' in relation to Parish Council matters, in view of his membership of a Parish Council.*
4. Councillor Aldridge declared a disclosable pecuniary interest in relation to item 5(j) 'Housing Account – Revenue and Capital Programme' as a Tenant of a Council garage, but he was entitled to speak and vote by virtue of an exemption as nothing in the report related particularly to his respective tenancy or lease.*
5. Councillors Aldridge and Wright declared non-pecuniary interests in relation to 5(a) 'Sale of High Value Council Houses' and item 5(j) 'Housing Account – Revenue and Capital Programme' as they have a connected person who is a tenant of rented Council accommodation. Insofar as that interest becomes a pecuniary interest (as it would affect the financial position of their relative and a member of the public with knowledge of the relevant facts would reasonably regard this as so significant that it is likely to prejudice their judgement of the public interest) they declared that interest but considered that they were entitled to speak and vote by virtue of an exemption as nothing in these reports related particularly to their relevant tenancy or lease.*
6. Councillor Wynn declared an interest in relation to item 5(h) 'General Revenue Budget 2016-17' in relation to the reference to Policy Options, as he is employed by Essential Fleet Services Ltd to maintain Council vehicles and works at the Robert Hodge Centre and indicated he would not participate in any detailed discussions which affected his employer or employment.*

* By virtue of a dispensation granted by the Standards Committee all Councillors who have disclosable pecuniary or pecuniary interests in relation to relevant lines in the budget may participate and vote in the budget debates but not engage in detailed discussions about matters which affect those interests.

73. MINUTES

RESOLVED That the minutes of the Cabinet meeting held on 10 November 2015 be approved as a correct record and signed by the Leader.

74. MATTERS REQUIRING DECISIONS

Consideration was given to the report relating to the following matters requiring decisions as contained on pages 1397 – 1700 and 1719 – 1761 of the Book of Reports.

75. SALE OF HIGH VALUE COUNCIL HOUSES

Councillor Patterson introduced the report of the Borough Solicitor which advised Members of the comments that had been made by the Executive Overview and Scrutiny Committee at its meeting on 28 November 2015 in respect of the above-mentioned report, which had been referred to it by Cabinet at its meeting on 10 November 2015.

She went on to introduce the report of the Assistant Director Housing & Regeneration which provided an update on Government proposals to force Councils to sell "high value" Council houses upon them becoming empty and sought authority to progress with sales prior to the legislation being introduced. The Assistant Director Housing & Regeneration's response to the comments of the Executive Overview and Scrutiny Committee were also included within the report.

Minute no. 35 of the meeting of the Landlord Services Committee (Cabinet Working Group) on 7 January 2016 was circulated at the meeting.

A Motion from Councillor Patterson was circulated at the meeting.

In reaching the decision below, Cabinet considered the minute of the Landlord Services Committee (Cabinet Working Group), the motion from Councillor Patterson and the details set out in the report before it and accepted the reasons contained therein.

- RESOLVED
- A. That this item be deferred and a report be submitted to a future meeting of Cabinet following receipt of the detail of the levy within the Housing and Planning Bill. The report to include a range of options including the sale of property, other assets and raising necessary funds via other methods from within the Housing Revenue Account.
 - B. That the call-in procedure is not appropriate for this item as the report had been considered by the Executive Overview and Scrutiny Committee at its meeting on 28 November 2015.

76. FUNDING OF VOLUNTARY & OTHER ORGANISATIONS WORKING GROUP

This item had been withdrawn from the agenda by the Transformation Manager.

77. COMMUNITY INFRASTRUCTURE LEVY FUNDING PROGRAMME 2016/2017

Councillor Hodson introduced the report of the Assistant Director Planning which provided feedback on the consultation on the options for the CIL Funding Programme 2016/17 and proposed a final CIL Funding Programme for 2016/17 based on the CIL monies anticipated to have been collected by the Council by 31 March 2016.

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

- RESOLVED
- A. That the consultation feedback report and updated Infrastructure Delivery Schedule (IDS) provided at Appendices A and B be noted.
- B. That the allocation of CIL monies be approved for the delivery in 2016/17 of the following projects:
- New Allotments in Skelmersdale (£20,000)
 - Improvements to Public Open Space and associated car parking at Station Approach, Ormskirk (£15,000)
 - Haskayne Cutting Nature Reserve (£8,000)

78. SKELMERSDALE & UP HOLLAND (RE)CYCLE TO WORK SCHEME

Councillor Hodson introduced the report of the Assistant Director Planning which provided an update on the performance of the (re) Cycle to Work Scheme, and sought approval to increase the grant offered and to provide the scheme providers with a springboard grant to improve stock availability.

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

- RESOLVED
- A. That the report be noted.
- B. That the funding provided to the nominated supplier to cover the cost of each cycle together with associated safety equipment (helmet and lights) be increased in value from £50 to £100, and that a repayable springboard grant of £800 be provided to the nominated supplier to improve stock availability.
- C. That delegated authority be granted to the Assistant Director Planning to negotiate terms and enter into an agreement with the nominated supplier and, in consultation with the Portfolio Holder, to make any necessary further changes in the future to the value of the cycle grants.
- D. That delegated authority be granted to the Assistant Director Planning, in consultation with the Portfolio Holder, to decide whether to continue with the scheme should uptake remain low.

79. STATEMENT OF COMMUNITY INVOLVEMENT

Councillor Hodson introduced the report of the Assistant Director Planning which sought approval for consultation on the draft West Lancashire Statement of Community Involvement 2016.

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

- RESOLVED
- A. That the draft West Lancashire Statement of Community Involvement 2016 attached at Appendix A be approved for public consultation, subject to any amendments made by the Assistant Director Planning in consultation with the Portfolio Holder, following consideration of the Statement of Community Involvement by Planning Committee, as per resolution B. below.
 - B. That the Assistant Director Planning be authorised, in consultation with the Portfolio Holder, to make any necessary amendments to the Statement of Community Involvement in the light of agreed comments from Planning Committee, before the document is published for consultation.

80. QUARTERLY PERFORMANCE INDICATORS (Q2 2015-16)

Councillor Moran introduced the report of the Transformation Manager which presented performance monitoring data for the quarter ended 30 September 2015.

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

- RESOLVED
- A. That the Council's performance against the indicator set for the quarter ended 30 September 2015 be noted.
 - B. That the call-in procedure is not appropriate for this item as the report is being submitted to the next meeting of the Corporate & Environmental Overview & Scrutiny Committee on 18 February 2016.

81. REVISED EQUALITY OBJECTIVES 2015/18

Councillor Moran introduced the report of the Transformation Manager which sought approval of the new Equality Objectives 2015-18 which included plans for the future monitoring of these objectives.

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

- RESOLVED
- That the revised Equality Objectives for 2015-2018, as realigned to the Council Plan 2015-18, at Appendix 3 be approved.

82. GENERAL REVENUE ACCOUNT BUDGET 2016-17

Councillor Wynn introduced the report of the Borough Treasurer which provided a summary of the current General Revenue Account budget position.

The Appendix to the report was circulated by prior e-mail and at the meeting.

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

- RESOLVED
- A. That the financial position for 2016-17 and later years be noted.
 - B. That the Portfolio Holder for Finance be given delegated authority to submit firm proposals to Council on 24 February 2016 to enable the budget to be set.
 - C. 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 on 28 January 2016.

83. MEDIUM TERM GRA CAPITAL PROGRAMME

Councillor Wynn introduced the report of the Borough Treasurer which set out details on the GRA medium term capital programme position for the next 3 years.

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

- RESOLVED
- A. That the medium term financial position be noted.
 - B. That the Portfolio Holder for Finance be given delegated authority to submit firm proposals to Council on 24 February 2016 to enable the capital programme to be set.
 - C. That call-in is not appropriate for this item as it is to be submitted to the Executive Overview and Scrutiny Committee on 28 January 2016.

84. HOUSING ACCOUNT – REVENUE AND CAPITAL PROGRAMME

Councillor Patterson introduced the joint report of the Assistant Director Housing & Regeneration and Borough Treasurer which provided a summary of the budget position for the Housing Account for the next financial year.

Minute no. 37 of the meeting of the Landlord Services Committee held on 7 January 2016 was circulated at the meeting.

Appendix B to the report was circulated by prior e-mail and at the meeting.

In reaching the decision below, Cabinet considered the minute of the Landlord Services Committee (Cabinet Working Group), the details set out in the report before it and Appendix B to the report and accepted the reasons contained therein.

- RESOLVED
- A. That the financial position for 2016-17 be noted.
 - B. That the use of the delegated authority of the Assistant Director Housing & Regeneration in relation to rent and service charge changes be noted.
 - C. That this report be used for consultation purposes prior to the Council considering this matter in February 2016.
 - D. That the Housing Portfolio Holder be given delegated authority to submit firm proposals to Council on 24 February 2016 to enable the budget to be set.
 - E. 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 on 28 January 2016.

85. RICHMOND PARK

Councillor Gagen introduced the joint report of the Assistant Director Community Services and Assistant Director Housing & Regeneration which considered a request from Burscough Richmond Football Club for revised arrangements for the club's use of changing rooms and a football pitch at Richmond Park, Burscough.

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

- RESOLVED
- A. That the Assistant Director Community Services be authorised to enter into a new 25 year lease with Burscough Richmond Football Club in relation to the changing pavilion at Richmond Park, Burscough (shown edged red on the plan at Appendix 1 to the report).
 - B. That the existing licence with the club on the football pitch at Richmond Park be extended to run concurrently with the new lease.
 - C. That a community use agreement for the changing pavilion and pitch area be developed as part of the lease/licence process.

- D. That to give effect to the arrangements at A. B. & C. above, the Assistant Director Community Services be authorised to conclude the termination of the existing lease and negotiate the terms of, and complete, the grant of a new lease and community use agreement with Burscough Richmond Football Club, subject to any necessary statutory consultations being undertaken and consents being obtained. This authorisation to include the advertising of the disposal of the public open space to enable the licence to proceed.

86. COUNCIL TENANTS' FINANCIAL INCLUSION STRATEGY (HOUSING & REGENERATION)

Councillor Patterson introduced the report of the Assistant Director Housing & Regeneration which sought approval of the Council Tenants' Financial Inclusion Strategy.

Minute no. 36 of the Landlord Services Committee (Cabinet Working Group) was circulated at the meeting.

In reaching the decision below, Cabinet considered the minute of the Landlord Services Committee (Cabinet Working Group) and the details set out in the report before it and accepted the reasons contained therein.

- RESOLVED
- A. That the Council Tenants' Financial Inclusion Strategy at Appendix 1 be approved.
- B. That the results of the consultation exercise and the revisions to the draft Council Tenants' Financial Inclusion Strategy be noted.

87. LAND TRANSFERS IN HESKETH BANK

Councillor Moran introduced the joint report of the Assistant Director Community Services and Assistant Director Housing & Regeneration which gave consideration to a request from Hesketh with Beconsall Parish Council for the transfer of 3 areas of open space Borough Council land and a potential fourth area, should this be adopted by the Council in due course, to their ownership together with the transfer of any commuted sums negotiated from developers for the management of these sites.

The report also gave consideration to the sub-contracting of maintenance works on a further piece of land to the Parish Council.

Revised recommendations were circulated at the meeting by the Assistant Director Community Services.

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

- RESOLVED
- A. That the transfer of land at Ashbrook Close, Beconsall Gardens (when negotiations with the developer are completed) and Glen Park Drive in Hesketh Bank be approved as shown on the plans attached (Appendix 1) to Hesketh-with-Beconsall Parish Council subject to any necessary statutory consultations being undertaken and considered.
 - B. That negotiations be completed with the developers for the commuted sums of £35,000 for Ashbrook Close and £3,500 for Beconsall Gardens and these sums be transferred to the Parish Council subject to completion of the land transfers.
 - C. That negotiations continue with Morris Homes as developer of the Poppyfields site regarding the adoption of the open space and play area, and upon conclusion to the Council's satisfaction, the transfer of the facilities and commuted sum to the Parish Council be completed subject to any necessary statutory consultations being undertaken and considered.
 - D. That the request from the Parish Council for them to be sub-contracted to maintain land at Sydney Avenue be refused.

88. EXCLUSION OF PRESS AND PUBLIC

RESOLVED That under Section 100(A)(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 3 & 5 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.

89. MATTERS REQUIRING DECISIONS

Consideration was given to the report relating to the following matters requiring decisions as contained on pages 1701 – 1718 of the Book of Reports.

90. STRATEGIC ASSET PURCHASES FUND

Councillor Moran introduced the report of the Assistant Director Housing & Regeneration which sought authority to establish a Strategic Asset Purchasing Committee to purchase land and property for the Council if considered prudent to do so and the timeframe precludes the normal process.

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

- RESOLVED
- A. That the report be noted.
 - B. That the establishment of a Strategic Asset Purchasing Committee be agreed and supported.

91. SKELMERSDALE LAND AUCTION AND DELIVERING PUBLIC REALM IN THE TOWN CENTRE

Councillor Moran introduced the report of the Assistant Director Housing & Regeneration which gave consideration to the best approach in order to ensure the receipt of maximum return from the land auction sites at Whalleys, Skelmersdale and to develop proposals for the funding of public realm infrastructure for Skelmersdale Town Centre.

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

- RESOLVED
- A. That delegated authority be given to the Assistant Director Housing & Regeneration to enter into formal discussions about the purchase of the remaining land auction sites at Whalleys, Skelmersdale, from the HCA at the base values identified in the draft Memorandum of Understanding (MOU).
 - B. That delegated authority be given to the Assistant Director Housing & Regeneration, in consultation with the Borough Treasurer, Leader and Finance Portfolio Holder to determine whether there is a positive business case to purchase up to three of the remaining land auction sites, at Whalleys, Skelmersdale, (as shown at Appendix 1 to the report) prior to the 31st March 2018 deadline, and, if so, to proceed to purchase taking all necessary steps to do so.
 - C. That a future report be brought back to Cabinet and/or Council, as appropriate, to give consideration to how any Whalleys sites purchased by this Council will be brought forward for development and on any additional resources required to deliver this development.
 - D. That temporary borrowing be used, if necessary, to fund the delivery of public realm in Skelmersdale Town Centre alongside the St Modwen Scheme, should sufficient funds from the Land Auction not be in place at the relevant point in time.
 - E. That call-in is not appropriate for this item as the Council wish to be in a position to proceed urgently with development opportunities outlined in the report and the matter has been considered at a meeting of Council.

92. LEADER'S CLOSING REMARKS

The Leader announced that it was the last meeting to be attended by Gill Rowe, Managing Director (People & Places) and expressed his thanks for her long service to the Council.

.....
LEADER



AGENDA ITEM: 9

CABINET: 12th January 2016

**EXECUTIVE OVERVIEW AND
SCRUTINY: 28th January 2016**

Report of: Borough Treasurer

Relevant Managing Director: Managing Director (People and Places)

Relevant Portfolio Holder: Councillor C. Wynn

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

SUBJECT: GENERAL REVENUE ACCOUNT BUDGET 2016-17

Wards affected: Borough Wide

1.0 PURPOSE OF THE REPORT

1.1 To provide a summary of the current General Revenue Account budget position.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the financial position for 2016-17 and later years be noted, and consideration given to how a balanced budget can be achieved.

2.2 That the Portfolio Holder for Finance be given delegated authority to submit firm proposals to Council on 24th February 2016 to enable the budget to be set.

2.3 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 on 28th January 2016.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

3.1 That the budget position be considered and that any comments agreed by the Committee be submitted to the Portfolio Holder for Finance in advance of the Council meeting to be held on 24th February 2016.

4.0 BACKGROUND

- 4.1 The Council must set a budget before the start of each financial year, and this budget will set out the financial basis for the Council's corporate and service plans. The budget that is set must enable the Council's priorities to be delivered but must also be affordable. In addition it should comply with best practice requirements on budget setting, and must meet statutory and accounting regulations. The Council meeting on the 24th February will provide all Members with the opportunity to debate and agree this budget.
- 4.2 The Policy Options report to July Council estimated that there was a projected budget gap of £1,571,000 facing the Council in 2016-17. This budget gap figure reflects the difference between the spending that is required to maintain services at their agreed level and the resources that are expected to be available. At this meeting a number of income, efficiencies and other policy options with a total value of £312,000 were agreed. This then meant that the remaining budget gap that had to be bridged next year was £1,259,000.
- 4.3 The Policy Options report to October Council identified a further £563,000 of efficiencies and additional income that would not have a significant adverse service impact. This included further budget streamlining / base budget review savings, the Digital by Preference initiative, additional income from increasing fees and charges in line with inflation, and the use of a favourable budget variance from 2014-15. This then left a balance of £696,000 of savings to be found and a range of options were identified for consultation that would enable this budget gap to be closed.
- 4.4 The scale of the projected budget gap facing the Council was estimated earlier this year based on the information that was available at that time and after making assumptions about the level of government funding that would be provided. Now that the Local Government Finance Settlement has been published, and the work on producing detailed budget estimates for 2016-17 has been completed, a revised assessment of the budget gap has been calculated.

5.0 LOCAL GOVERNMENT FINANCE SETTLEMENT

- 5.1 The Local Government Finance Settlement was published in December and provided each local authority with details of the grant funding it would receive from the Government in the next financial year. As expected this settlement included very large reductions in funding, although the scale of these reductions was higher than the projections contained in the medium term financial forecast. The key features in this settlement for 2016-17 included:
- A £809,000 (34%) reduction in core revenue support grant funding to £1,576,000. This was above the £715,000 (30%) reduction that had been projected

- An increase of £345,000 in New Homes Bonus grant funding based on the net number of additional houses built in the Borough and long term empty properties brought back into use. While this provides significant additional funding it is less than the £443,000 increase that had been projected
- Additional funding will no longer be provided to Councils that freeze their council tax levels (council tax freeze grant). It had been assumed for planning purposes that the Council would freeze its council tax level next year and consequently would benefit from a grant of around £70,000.
- Most District Councils can increase their council tax levels by up to 2% without requiring a local referendum. Our Band D Council tax is currently £183.55, and consequently a 1.99% increase would equate to a rise of £3.65 for the year, and would generate an additional £123,000 of income.

5.2 The settlement also provided indicative grant details for future years, which show that further grant reductions can be expected in the period up to 2019-20. These figures show that the Council will no longer receive any Revenue Support Grant by 2019-20, and that levels of New Homes Bonus funding will also reduce (subject to consultation). This information will be used to update the Medium Term Financial Forecast and to produce revised estimates of the budget gap facing the Council in future years.

6.0 BUDGET POSITION FOR 2016-17

- 6.1 Draft estimates have been prepared for next year, and are included in the Appendix, that set out a provisional budget for the Council covering all areas of expenditure and income. These estimates are based on rolling forward existing budgets to enable agreed service levels to be maintained. These estimates also include a number of increases to cover standard budget factors including the impact of an estimated 1% national pay increase, contractual increments, and contract inflation in line with contractual agreements. These estimates also incorporate the £312,000 of policy options agreed at July Council and the £563,000 of policy options agreed at October Council that did not require consultation as they would not have a significant adverse service impact. The estimates do not however include the £696,000 of policy options that are currently subject to consultation.
- 6.2 The cost of the base budget uplift has come in lower than expected as a result of a number of factors including contractual inflation uplifts being relatively low as a result of current inflation rates, and a higher level of budget streamlining savings being achieved compared to the original projection. Taking into account all relevant factors, including the finance settlement and the draft estimates, the scale of the remaining budget gap is now £838,000, which is £142,000 more than originally anticipated. There are however a number of budget areas that have still to be finalised including:

- The level of the council tax base and the estimated council tax deficit / surplus position for the year will not be set until the 15th January statutory deadline
 - An estimate of the business rates income collectable for next year is currently being prepared based on a Government return (the NNDR1 form). This form was issued just before Christmas and does not have to be submitted until the 31st January
- 6.3 The draft estimates will be reviewed to ensure that they are robust for the purposes of the budget calculation in accordance with the requirements of the Local Government Act 2003, and the results of this review will be reported to the February Council meeting.
- 6.4 Through the budget process, Heads of Service have identified a range of new budget issues or pressures for next year that mainly relate to unavoidable cost increases or income reductions. Members will need to carefully consider these proposals (which have not been included in the draft estimates) and determine which items to include in the final budget to meet corporate and service objectives. In line with the approach adopted in the Medium Term Financial Forecast a provision of £125,000 has been allowed for this factor in 2016-17, but its final value will depend on Member decisions.
- 6.5 In looking at finalising the budget for next year consideration will need to be given to a number of different factors including:
- The challenging financial position facing local authorities over the medium term where any budget increases will need to be met by savings elsewhere in the budget
 - The public and stakeholder feedback on the policy options that are currently subject to consultation
 - The acceptance of new budget issues and pressures identified by Heads of Service
 - Changes to fees and charges and the level of the Council Tax
 - The projected favourable variance of £360,000 on the current year's budget identified in the mid year review
 - The scope for additional savings that could be achieved through Management Restructuring, Business Rates pooling, and the Solar PV scheme
 - The Council's Reserves policy
- 6.6 The Group leaders and their financial spokespersons are currently examining in detail various budget options, and the Council meeting in February will provide an opportunity for each Political Group to put forward proposals that combine both expenditure and the means of funding it and to set the Council Tax.

7.0 MEDIUM TERM FINANCIAL POSITION

- 7.1 Over recent years local authorities in general have met the financial challenges that they have faced due to grant funding reductions. However these challenges are set to increase as financial austerity is expected to continue into the medium term future, and consequently Councils will have to work harder to ensure they stay financially resilient. These ongoing funding reductions are expected to bite harder and deeper in the future, and some authorities may then find that they reach a tipping point in terms of their ability to provide services and meet their statutory duties.
- 7.2 In West Lancashire we are currently in a healthy financial position where there is a projected favourable budget variance in the current year and where proposals are being considered to balance next year's budget. However the medium term financial picture remains very challenging, and 2018-19 in particular looks like it could be an exceptionally difficult year. The Council's Medium Term Financial Forecast will be updated to reflect the details of the finance settlement and other recent developments. This forecast will then inform the Policy Option process, which will set out how these financial challenges will be addressed, including a report to the Council meeting in July 2016.

8.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 8.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder. The report has no significant links with the Sustainable Community Strategy.

9.0 RISK ASSESSMENT

- 9.1 The formal consideration and reporting of the budget estimates is part of the budgetary management and control framework that is designed to minimise the financial risks facing the Council. This process is resource intensive for both Members and Officers but ensures that a robust and achievable budget is set.
- 9.2 There are number of financial factors that will influence next year's budget that are unavailable at the time of producing this report. Estimates for these areas will be produced in January in line with statutory requirements, and will be included in the final budget setting report to Council in February.

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

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required. A formal Equality Impact Assessment will be produced when the Council agrees the budget at its meeting in February.

Appendices

Appendix A Draft GRA Estimates

Appendix B Minute of Cabinet – 12 January 2016 (Executive Overview and Scrutiny Committee only)

APPENDIX

GENERAL REVENUE ACCOUNT

***DRAFT ESTIMATES
2016/2017***

TABLE 1

**WEST LANCASHIRE BOROUGH COUNCIL
GENERAL REVENUE ACCOUNT ESTIMATES**

NET EXPENDITURE BUDGETS	2015/2016 BUDGET £	2016/2017 BUDGET £
SERVICE BUDGETS		
Community Services	4,441,830	4,452,420
Corporate Services		
- Borough Solicitor	1,116,660	1,135,060
- Borough Treasurer	1,647,810	1,752,640
- Transformation	1,646,630	1,469,410
Housing and Regeneration	169,920	-43,980
Planning Services	1,284,110	1,215,680
Street Scene	4,931,930	5,053,710
General and Unallocated Items	-554,503	-261,440
NON SERVICE ITEMS		
Treasury Management	-29,300	-44,300
Capital Charges	-1,420,110	-1,277,710
Minimum Revenue Provision	88,000	88,000
Transfer from Balances / Reserves	-110,390	-181,040
FUNDING ITEMS (all provisional or to be updated)		
General Government Grants	-4,619,811	-3,946,104
Retained Business Rate Income	-2,444,039	-2,351,558
Council Tax Deficit or Surplus	16,265	16,265
Council Tax Requirement	-6,165,002	-6,238,982
Bottom line budget position	0	838,071

COMMUNITY SERVICES

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2016/2017						
ENVIRONMENTAL HEALTH						
Health Management	309,100	42,060	-650	350,510	-327,750	22,760
Food Safety	330	18,910	-1,990	17,250	135,090	152,340
Health Promotion	26,940	4,770	-500	31,210	8,840	40,050
Health & Safety	169,880	8,310	-570	177,620	-66,920	110,700
Pollution Control	176,220	29,000	-13,640	191,580	78,230	269,810
Licensing	101,780	28,310	-245,200	-115,110	78,220	-36,890
Pest Control	66,410	33,390	-61,000	38,800	13,830	52,630
Criminal Records Bureau	0	10,000	-10,000	0	0	0
Public Health	103,210	76,170	-2,500	176,880	24,560	201,440
Sub total	953,870	250,920	-336,050	868,740	-55,900	812,840
COMMUNITY SAFETY						
Community Support Officers	0	88,000	0	88,000	0	88,000
Community Safety	34,040	26,810	-10,000	50,850	106,400	157,250
CCTV Running Costs	0	267,760	0	267,760	119,720	387,480
Crime & Disorder General	66,600	4,880	0	71,480	-71,480	0
Sub total	100,640	387,450	-10,000	478,090	154,640	632,730
TECHNICAL SERVICES						
Technical Services Employees	147,880	14,710	-60	162,530	-162,530	0
Town Centre Management	0	7,400	0	7,400	46,650	54,050
Bus Shelters	0	320	0	320	0	320
Car Parks	0	211,790	-630,500	-418,710	123,160	-295,550
Other Services	0	2,000	0	2,000	0	2,000
Festive Lighting	0	16,770	0	16,770	0	16,770
Shoreline Management	0	3,750	0	3,750	11,810	15,560
Street Nameplates, etc	0	20,000	0	20,000	15,830	35,830
Watercourses / Flooding	0	3,500	0	3,500	25,540	29,040
Methane Monitoring	0	37,000	0	37,000	19,360	56,360
Market Contribution	19,180	146,710	-255,380	-89,490	76,850	-12,640
Sub total	167,060	463,950	-885,940	-254,930	156,670	-98,260

COMMUNITY SERVICES

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2015/2016						
ENVIRONMENTAL HEALTH						
Health Management	186,820	45,500	-650	231,670	106,060	337,730
Food Safety	87,430	17,420	-700	104,150	1,420	105,570
Health Promotion	29,070	5,770	-1,500	33,340	710	34,050
Health & Safety	86,810	8,310	-640	94,480	1,060	95,540
Pollution Control	188,710	31,590	-13,890	206,410	17,360	223,770
Licensing	115,870	29,300	-245,200	-100,030	9,660	-90,370
Pest Control	62,560	33,380	-59,000	36,940	350	37,290
Criminal Records Bureau	0	10,000	-10,000	0	0	0
Public Health	105,920	77,200	-1,500	181,620	9,080	190,700
Sub total	863,190	258,470	-333,080	788,580	145,700	934,280
COMMUNITY SAFETY						
Community Support Officers	0	88,000	0	88,000	0	88,000
Community Safety	62,820	26,610	-10,000	79,430	34,150	113,580
CCTV Running Costs	0	262,550	0	262,550	116,600	379,150
Crime & Disorder General	64,930	4,870	0	69,800	-75,510	-5,710
Sub total	127,750	382,030	-10,000	499,780	75,240	575,020
TECHNICAL SERVICES						
Technical Services Employees	203,110	14,700	-60	217,750	-225,000	-7,250
Town Centre Management	0	8,400	0	8,400	29,980	38,380
Bus Shelters	0	300	0	300	0	300
Car Parks	0	223,360	-633,020	-409,660	232,830	-176,830
Other Services	0	0	0	0	0	0
Festive Lighting	0	22,870	0	22,870	0	22,870
Shoreline Management	0	4,000	0	4,000	33,440	37,440
Street Nameplates, etc	0	20,000	0	20,000	30,460	50,460
Watercourses / Flooding	0	3,500	0	3,500	76,660	80,160
Methane Monitoring	0	37,000	0	37,000	12,620	49,620
Market Contribution	17,150	145,810	-255,380	-92,420	46,440	-45,980
Sub total	220,260	479,940	-888,460	-188,260	237,430	49,170

COMMUNITY SERVICES

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2016/2017						
LEISURE, CULTURAL AND HOME CARE LINK						
Employee Account	266,760	21,910	0	288,670	-288,720	-50
Chapel Gallery	82,160	45,140	-45,640	81,660	211,640	293,300
Cultural Services	30,650	25,380	-12,440	43,590	99,710	143,300
Golf Centre	0	2,120	0	2,120	42,920	45,040
Park Pool	0	396,240	0	396,240	126,150	522,390
Nye Bevan Pool	0	258,450	0	258,450	94,930	353,380
Burscough Sports Centre	0	46,930	0	46,930	78,110	125,040
North Meols Comm. Leis Centre	0	154,080	0	154,080	67,560	221,640
Leisure Trust Support	0	15,500	0	15,500	74,920	90,420
Civic Hall	0	2,520	-2,390	130	14,390	14,520
Community Letting Facilities	0	940	-890	50	89,140	89,190
Skelmersdale Comm. Centres	0	4,230	-3,160	1,070	77,960	79,030
Sports Development Prog.	10,370	21,760	-15,000	17,130	15,850	32,980
Playgrounds Client A/c	0	94,520	0	94,520	89,430	183,950
Countryside Sites Client A/c	0	92,870	-19,940	72,930	23,370	96,300
Countryside Recreation	112,080	69,900	-10,040	171,940	65,710	237,650
Sports Fields Client A/c	7,790	134,090	-28,020	113,860	100,320	214,180
Parks	26,360	37,660	-27,000	37,020	1,660	38,680
Home Care Link	368,410	162,870	-474,280	57,000	-22,920	34,080
Sub total	904,580	1,587,110	-638,800	1,852,890	962,130	2,815,020
PRIVATE SECTOR HOUSING						
Housing Management	70,690	0	0	70,690	-70,690	0
Housing Advice	66,640	22,750	0	89,390	74,140	163,530
Housing Renewal	110,820	35,980	-90,810	55,990	70,660	126,650
Housing Schemes	0	43,880	-43,880	0	0	0
Sub total	248,150	102,610	-134,690	216,070	74,110	290,180
HEALTH & SAFETY						
Health & Safety	86,900	9,050	0	95,950	-96,040	-90
Sub total	86,900	9,050	0	95,950	-96,040	-90
Service Total	2,461,200	2,801,090	-2,005,480	3,256,810	1,195,610	4,452,420

COMMUNITY SERVICES

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2015/2016						
LEISURE, CULTURAL AND HOME CARE LINK						
Employee Account	200,600	23,890	0	224,490	-247,140	-22,650
Chapel Gallery	58,700	41,750	-34,350	66,100	99,560	165,660
Cultural Services	29,650	19,270	-12,440	36,480	91,800	128,280
Golf Centre	0	2,090	0	2,090	45,840	47,930
Park Pool	0	378,450	0	378,450	140,970	519,420
Nye Bevan Pool	0	250,160	0	250,160	102,770	352,930
Burscough Sports Centre	0	49,640	0	49,640	75,120	124,760
North Meols Comm. Leis Centre	0	147,160	0	147,160	66,400	213,560
Leisure Trust Support	0	15,500	0	15,500	74,920	90,420
Civic Hall	0	2,390	-2,390	0	4,000	4,000
Community Letting Facilities	15,050	4,210	-12,180	7,080	129,420	136,500
Skelmersdale Comm. Centres	0	20,670	-3,160	17,510	55,650	73,160
Sports Development Prog.	10,320	21,770	-15,000	17,090	19,830	36,920
Playgrounds Client A/c	0	98,240	0	98,240	80,050	178,290
Countryside Sites Client A/c	0	76,080	-4,000	72,080	26,480	98,560
Countryside Recreation	143,180	70,230	-6,680	206,730	-9,890	196,840
Sports Fields Client A/c	7,570	144,770	-27,860	124,480	113,560	238,040
Parks	27,270	24,800	-3,540	48,530	-8,550	39,980
Home Care Link	353,250	168,230	-474,080	47,400	-47,400	0
Sub total	845,590	1,559,300	-595,680	1,809,210	813,390	2,622,600
PRIVATE SECTOR HOUSING						
Housing Management	0	0	0	0	0	0
Housing Advice	110,690	16,500	0	127,190	26,910	154,100
Housing Renewal	126,310	18,970	-73,500	71,780	11,960	83,740
Housing Schemes	0	20,000	0	20,000	0	20,000
Sub total	237,000	55,470	-73,500	218,970	38,870	257,840
HEALTH & SAFETY						
Health & Safety	90,950	9,040	0	99,990	-97,070	2,920
Sub total	90,950	9,040	0	99,990	-97,070	2,920
Service Total	2,384,740	2,744,250	-1,900,720	3,228,270	1,213,560	4,441,830

CORPORATE SERVICES BOROUGH SOLICITOR

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2016/2017						
Legal & Member Services	773,890	60,720	-3,500	831,110	-824,970	6,140
Democratic Representation	1,500	2,800	0	4,300	452,370	456,670
Civic Admin	6,240	382,140	0	388,380	-50,110	338,270
Civic Expenses	1,410	28,480	-1,500	28,390	390	28,780
Civic Ceremonials	0	6,890	0	6,890	180	7,070
Land Charges	0	12,800	-70,790	-57,990	83,690	25,700
Procurement	53,420	3,420	0	56,840	-53,070	3,770
Administration Services	151,230	23,690	-10	174,910	-174,790	120
Elections	0	94,590	0	94,590	42,710	137,300
Register of Electors	15,670	35,240	-1,500	49,410	81,830	131,240
Service Total	1,003,360	650,770	-77,300	1,576,830	-441,770	1,135,060

BUDGET 2015/2016

Legal & Member Services	677,190	70,480	-3,500	744,170	-732,370	11,800
Democratic Representation	2,000	3,450	0	5,450	428,490	433,940
Civic Admin	6,700	380,040	0	386,740	-50,590	336,150
Civic Expenses	1,400	31,360	-1,500	31,260	6,510	37,770
Civic Ceremonials	0	6,540	0	6,540	200	6,740
Land Charges	0	13,150	-70,790	-57,640	83,280	25,640
Procurement	50,800	1,590	0	52,390	-53,960	-1,570
Administration Services	150,220	23,950	-10	174,160	-174,390	-230
Elections	0	94,990	0	94,990	42,350	137,340
Register of Electors	15,670	35,230	-1,500	49,400	79,680	129,080
Service Total	903,980	660,780	-77,300	1,487,460	-370,800	1,116,660

CORPORATE SERVICES BOROUGH TREASURER

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2016/2017						
Financial Services	641,750	31,280	-2,300	670,730	-671,370	-640
Corporate and Democratic Core	0	85,140	0	85,140	529,440	614,580
Non Distributed Costs	1,058,170	1,500	0	1,059,670	0	1,059,670
Parish Councils	0	74,310	0	74,310	4,720	79,030
Service Total	1,699,920	192,230	-2,300	1,889,850	-137,210	1,752,640

BUDGET 2015/2016

Financial Services	620,320	32,740	-2,360	650,700	-648,570	2,130
Corporate and Democratic Core	0	86,140	0	86,140	500,500	586,640
Non Distributed Costs	1,383,350	1,500	0	1,384,850	-404,790	980,060
Parish Councils	0	74,310	0	74,310	4,670	78,980
Service Total	2,003,670	194,690	-2,360	2,196,000	-548,190	1,647,810

CORPORATE SERVICES TRANSFORMATION

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2016/2017						
Communication & Consultation	90,320	13,930	0	104,250	-103,840	410
Partnership & Performance	68,880	10,950	0	79,830	-71,060	8,770
Grant to Voluntary Organisations	0	136,240	0	136,240	6,710	142,950
Community Chest	0	20,250	0	20,250	6,870	27,120
Customer Services & Transformation	540,030	20,170	-60	560,140	-701,500	-141,360
Revenues, Benefits & ICT Services	2,590,930	4,342,730	-4,223,160	2,710,500	-2,215,530	494,970
Housing Benefits	0	29,607,820	-29,992,910	-385,090	1,325,010	939,920
Human Resources and Payroll	260,140	90,610	0	350,750	-354,120	-3,370
Service Total	3,550,300	34,242,700	-34,216,130	3,576,870	-2,107,460	1,469,410

BUDGET 2015/2016

Communication & Consultation	87,810	13,930	0	101,740	-98,190	3,550
Partnership & Performance	40,140	10,850	0	50,990	-39,330	11,660
Grant to Voluntary Organisations	0	136,240	0	136,240	6,560	142,800
Community Chest	0	20,250	0	20,250	6,850	27,100
Customer Services & Transformation	525,040	21,160	-60	546,140	-546,820	-680
Revenues, Benefits & ICT Services	2,617,520	4,357,070	-4,149,800	2,824,790	-2,282,830	541,960
Housing Benefits	0	29,607,820	-30,057,610	-449,790	1,360,490	910,700
Human Resources and Payroll	233,260	92,040	0	325,300	-315,760	9,540
Service Total	3,503,770	34,259,360	-34,207,470	3,555,660	-1,909,030	1,646,630

PLANNING

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2016/2017						
Management Admin & Support	318,990	39,540	-2,850	355,680	-367,990	-12,310
Policy	242,360	76,880	-230,250	88,990	343,860	432,850
Heritage & Environment	154,500	19,030	-19,000	154,530	51,830	206,360
Development Control	566,650	92,730	-734,000	-74,620	564,410	489,790
Building Control	222,840	33,700	-194,610	61,930	37,060	98,990
Service Total	1,505,340	261,880	-1,180,710	586,510	629,170	1,215,680

BUDGET 2015/2016

Management Admin & Support	308,820	39,530	-2,850	345,500	-340,500	5,000
Policy	230,510	77,160	-540,250	-232,580	650,290	417,710
Heritage & Environment	203,130	21,920	-14,000	211,050	29,220	240,270
Development Control	544,030	92,650	-659,000	-22,320	545,650	523,330
Building Control	215,130	33,690	-194,610	54,210	43,590	97,800
Service Total	1,501,620	264,950	-1,410,710	355,860	928,250	1,284,110

HOUSING AND REGENERATION

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2016/2017						
PROPERTY MAINTENANCE						
Property Services	219,620	735,930	-65,000	890,550	-871,210	19,340
Bus/Rail Interchange	0	28,080	-3,000	25,080	8,890	33,970
Public Conveniences	35,080	35,230	0	70,310	1,510	71,820
War Memorial/Clocks/Sculptures	0	11,800	0	11,800	20	11,820
Sub total	254,700	811,040	-68,000	997,740	-860,790	136,950
REGENERATION, ESTATES & HOUSING						
Management Support	24,940	4,820	0	29,760	26,110	55,870
Economic Development Unit	274,910	170,190	0	445,100	-12,850	432,250
Estates	217,330	26,030	-11,000	232,360	-225,360	7,000
Burscough Industrial Estate	0	1,000	-31,280	-30,280	-2,740	-33,020
Westgate Depot	0	8,850	-29,320	-20,470	600	-19,870
Green Hey Place	0	5,500	-57,610	-52,110	3,430	-48,680
Burscough Old Stables	1,110	7,960	-5,000	4,070	16,020	20,090
CRA Management	0	196,440	-948,070	-751,630	79,800	-671,830
Industrial Portfolio	0	165,470	-323,660	-158,190	158,190	0
Investment Centre	130,610	443,170	-602,560	-28,780	28,780	0
Estates Management	0	0	0	0	13,760	13,760
Regeneration Projects Team	2,370	1,810	0	4,180	0	4,180
Housing Strategy	50,220	14,700	-100	64,820	-16,730	48,090
Women's Refuge	0	11,230	0	11,230	0	11,230
Sub total	701,490	1,057,170	-2,008,600	-249,940	69,010	-180,930
Service Total	956,190	1,868,210	-2,076,600	747,800	-791,780	-43,980

HOUSING AND REGENERATION

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2015/2016						
PROPERTY MAINTENANCE						
Property Services	221,610	737,980	-68,000	891,590	-862,380	29,210
Bus/Rail Interchange	0	27,890	-3,000	24,890	8,860	33,750
Public Conveniences	37,990	36,700	0	74,690	15,140	89,830
War Memorial/Clocks/Sculptures	0	16,750	0	16,750	20	16,770
Sub total	259,600	819,320	-71,000	1,007,920	-838,360	169,560
REGENERATION, ESTATES & HOUSING						
Management Support	25,340	10,060	0	35,400	19,200	54,600
Economic Development Unit	289,210	194,110	-7,520	475,800	-33,640	442,160
Estates	211,490	25,990	-10,000	227,480	-229,090	-1,610
Burscough Industrial Estate	0	1,000	-31,280	-30,280	-3,080	-33,360
Westgate Depot	0	10,420	-29,320	-18,900	810	-18,090
Green Hey Place	0	7,140	-57,610	-50,470	3,090	-47,380
Burscough Old Stables	2,330	7,850	-5,000	5,180	15,800	20,980
CRA Management	0	191,840	-922,070	-730,230	148,830	-581,400
Industrial Portfolio	0	185,880	-323,660	-137,780	137,780	0
Investment Centre	124,460	437,560	-590,560	-28,540	28,540	0
Estates Management	0	0	0	0	72,540	72,540
Regeneration Projects Team	30,870	1,780	0	32,650	0	32,650
Housing Strategy	48,690	14,950	-100	63,540	-15,500	48,040
Women's Refuge	0	11,230	0	11,230	0	11,230
Sub total	732,390	1,099,810	-1,977,120	-144,920	145,280	360
Service Total	991,990	1,919,130	-2,048,120	863,000	-693,080	169,920

STREET SCENE SERVICES

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
Depot	53,390	84,510	0	137,900	-137,900	0
Depot Support Services	308,040	48,860		356,900	-357,380	-480
Transport Section	41,650	1,972,820	0	2,014,470	-2,014,470	0
Street Cleansing	928,560	2,026,320	-38,400	2,916,480	-1,617,360	1,299,120
Refuse & Green Waste Collection	1,373,090	3,043,750	-1,224,260	3,192,580	-1,497,310	1,695,270
Recycling	663,010	452,850	-199,050	916,810	231,200	1,148,010
Environmental Officers	220,520	39,810	0	260,330	-260,330	0
Grounds Maintenance Officers	1,060	0	0	1,060	-1,060	0
Formal Parks Client A/c	0	96,000	-850	95,150	21,870	117,020
Public Open Spaces Client A/c	0	174,340	-260	174,080	210,400	384,480
Highways Landscape Maint.	0	513,060	-261,000	252,060	2,880	254,940
Housing Landscape Maint.	0	580,300	0	580,300	-582,300	-2,000
Cemeteries Client A/c	0	16,030	-6,250	9,780	2,340	12,120
CRA Landscape Maint. Client	0	190,090	0	190,090	3,210	193,300
Grounds Maint. Trading A/c	686,330	752,450	-74,550	1,364,230	-1,412,300	-48,070
Service Total	4,275,650	9,991,190	-1,804,620	12,462,220	-7,408,510	5,053,710

BUDGET 2015/2016

Depot	56,820	84,740	0	141,560	-162,230	-20,670
Depot Support Services	300,650	49,430	0	350,080	-350,080	0
Transport Section	40,390	1,931,170	0	1,971,560	-1,973,500	-1,940
Street Cleansing	970,400	2,090,440	-38,400	3,022,440	-1,722,700	1,299,740
Refuse & Green Waste Collection	1,132,700	2,786,040	-1,215,260	2,703,480	-1,275,560	1,427,920
Recycling	839,440	465,480	-199,050	1,105,870	211,260	1,317,130
Environmental Officers	223,230	39,930	0	263,160	-263,160	0
Grounds Maintenance Officers	1,060	0	0	1,060	-1,060	0
Formal Parks Client A/c	0	98,270	-850	97,420	24,890	122,310
Public Open Spaces Client A/c	0	171,150	-260	170,890	211,760	382,650
Highways Landscape Maint.	0	509,320	-261,000	248,320	2,760	251,080
Housing Landscape Maint.	0	577,670	0	577,670	-577,670	0
Cemeteries Client A/c	0	15,980	-6,250	9,730	2,340	12,070
CRA Landscape Maint. Client	0	188,700	0	188,700	3,700	192,400
Grounds Maint. Trading A/c	676,020	761,530	-74,550	1,363,000	-1,413,760	-50,760
Service Total	4,240,710	9,769,850	-1,795,620	12,214,940	-7,283,010	4,931,930

MINUTE OF CABINET – 12 JANUARY 2016

82. GENERAL REVENUE ACCOUNT BUDGET 2016-17

Councillor Wynn introduced the report of the Borough Treasurer which provided a summary of the current General Revenue Account budget position.

The Appendix to the report was circulated by prior e-mail and at the meeting.

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

- RESOLVED
- A. That the financial position for 2016-17 and later years be noted.
 - B. That the Portfolio Holder for Finance be given delegated authority to submit firm proposals to Council on 24 February 2016 to enable the budget to be set.
 - C. 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 on 28 January 2016.



AGENDA ITEM: 10

CABINET: 12 January 2016

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
28 January 2016**

Report of: Borough Treasurer

Relevant Managing Director: Managing Director (People and Places)

Relevant Portfolio Holder: Councillor C Wynn

**Contact for further information: Liz Fearn (Ext. 5605)
(E-mail: liz.fearn@westlancs.gov.uk)**

SUBJECT: MEDIUM TERM GRA CAPITAL PROGRAMME

Wards Affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To set out details on the GRA medium term capital programme position for the next 3 years.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the medium term financial position be noted, and consideration given to how a balanced capital programme can be achieved.

2.2 That the Portfolio Holder for Finance be given delegated authority to submit firm proposals to Council on 24th February 2016 to enable the capital programme to be set.

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 28th January 2016.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

3.1 That consideration be given to how a balanced capital programme can be set and that any comments agreed by the Committee be submitted to the Portfolio Holder for Finance in advance of the Council meeting to be held on 24th February 2016.

4.0 BACKGROUND

- 4.1 The Council has a medium term rolling capital programme, which is reviewed and updated on a regular basis. As part of the budget setting process, a programme covering the next three years will need to be agreed by Council at its meeting in February 2016. This report concentrates on the general capital programme and does not consider the HRA capital programme which is determined through a separate process.

5.0 CAPITAL RECEIPT FUNDING

- 5.1 The main source of Council funding available to support the general capital programme are receipts from the sale of assets, and at the start of this financial year there were £2.383m of receipts being held for this purpose. The number and value of assets sold each year can vary significantly depending on a range of factors. In particular Council House sales under Right to Buy (RTB) legislation can be volatile depending on the state of the economy and changes in government rules.
- 5.2 Table 1 shows details of sales by number and value in recent years. Part of the proceeds from the sale of Council Houses must be repaid to the Government, and the usable sale proceeds shown below reflect the amount available for new capital spending after taking these payments into account.

Year	Number of Sales		Usable Sale Proceeds £000	
	Council Houses	Other Assets	Council Houses	Other Assets
2007/08	91	4	1,181	8
2008/09	27	2	326	158
2009/10	12	2	174	43
2010/11	18	2	226	97
2011/12	10	0	123	0
2012/13	25	3	240	102
2013/2014	48	4	307	29
2014/2015	35	4	300	273
2015/2016 (mid year)	15	2	150	27

- 5.3 Taking this position into account and projecting forward on a prudent basis it is anticipated that there will be receipts of £1.080m generated from an estimated average 30 RTB Council House sales per year over the next 4 years, as well as £0.875m of receipts from land sales including the sale of the Westec House site.
- 5.4 In addition to the funding shown above the Council is also able to retain a further share of the proceeds from RTB sales under government regulations in relation to an “Allowable Debt” factor. Part of this funding is set aside for the repayment of Housing debt and the remaining element is then available for new capital spending. It is estimated that this should enable new spending of £0.84m over the next 4 years in addition to the figures shown above.

- 5.5 Taking all of these factors into account, it is anticipated that there will be capital receipts of £2.795m generated over the 4 year period 2015-16 to 2018-19 that will be available to fund new capital expenditure. These projections are potentially subject to significant variation as, for example, a single large asset sale could produce a large receipt and the level of future house sales is difficult to predict. However, in looking at medium term financial plans it is best practice to use a prudent approach when estimating future available resources. The assumptions underlying these projections have been based on discussions with colleagues in Housing and Estates and the estimates will be updated on a regular basis to ensure they take account of new developments.

6.0 SPENDING REQUIREMENTS

- 6.1 The Council's current 3 year programme covers the period 2015/2016 to 2017/2018. Consequently, in addition to current year budgets there are also indicative spending approvals in place for the following two years. It should be recognised, however, that as we operate a medium term capital programme, approvals that have been given for future years are indicative allocations only that are potentially subject to change.
- 6.2 The current value of spending approvals to be funded from capital receipts (based on decisions made at the Council meeting in December 2015) is £4.891m which is analysed in Appendix 1. In addition to the existing scheme approvals it is our normal practice in developing the rolling medium term programme to include provisional allocations for the next year of the programme (in this case 2018/2019). Consequently, Appendix 1 also contains provisional allocations of £0.802m for ongoing capital schemes which typically receive funding each year.

7.0 OVERVIEW

- 7.1 Table 2 overleaf summarises the current position in terms of estimated capital receipt funding and spending requirements, and the bottom line position is that there is an estimated funding shortfall of £515,000 over the programme period. There are a number of reasons for this shortfall including the fact that the level of RTB Council House sales has slowed down over the last 18 months. This funding shortfall is before any consideration is given to potential new capital schemes that have been identified by Heads of Service. Appendix 2 provides a summary of these policy options, which in total comes to £217,000.
- 7.2 Given this position there will be a need to review and realign the programme as has been the case in most recent budget rounds. However this can be done over a medium term time scale as there are sufficient receipts already held by the Council to fund the programme for a considerable period of time. There is though an ongoing problem in that capital spending has continued at historical levels while capital receipts have dropped considerably.

Table 2 –General Capital Receipts Funding Available	£000
Usable capital receipts held in April 2015	2,383
Estimate of receipts that will be generated between April 2015 and the end of the 2018/2019 financial year	2,795
Existing spending approvals covering period 2015/2016 – 2017/2018	-4,891
Provisional spending approvals for 2018/2019	-802
Total Funding Shortfall	-515

8.0 WAY FORWARD

- 8.1 There are a number of options that can be used to realign the programme that essentially involve either reducing the level of current and planned future spending to match the available resources, re-profiling schemes into later years, or finding alternative sources of funding. Members will need to carefully consider what proposals to include in the final budget to meet corporate and service objectives but also to ensure a balanced overall financial position.
- 8.2 There are a number of factors that can be considered or given regard through this process including:
- The Council has been very successful in attracting external capital investment over many years, although opportunities for government grant funding are now more limited than in the past
 - The Local Land Auction Pilot is actively being pursued, which should deliver sufficient funding to enable the Skelmersdale Town Centre Vision project to proceed
 - The priority that is attached to the potential new capital schemes set out in Appendix 2
 - Prudential borrowing could be assessed as a mean of providing additional capital resources. This type of borrowing can be used to finance investment in long term fixed assets where it is prudent, affordable and sustainable. If the Council was to borrow £1m for 25 years, it would increase revenue costs by £75,000 per annum as a result of interest and minimum revenue provision requirements. The costs associated with this borrowing would then need to be factored into the revenue budget, and this could be difficult to achieve given the GRA's challenging medium term financial position.
 - It would also be feasible to consider using part of the current year's projected favourable budget variance on the GRA as a potential funding source for new

capital schemes. This approach would though need to be considered in conjunction with the revenue budget position for next year.

- The review of Council reserves that is currently taking place may enable funding to be reallocated to new or existing capital schemes
- The scope to develop new capital schemes funded through Section 106 Agreements (where there was a balance of £1.865m in April 2015) or Community Infrastructure Levies (where there was a balance of £0.037m in April 2015), which are subject to separate processes
- The draft Leisure Strategy, which is currently subject to public consultation, may result in potential new additional capital spending requirements being identified
- Government proposals that may require local authorities to sell off their high value council house properties when they become empty

8.3 Officers will work with each Political Group during the budget process to review the available options. The Council meeting will then provide an opportunity for each Political Group to put forward proposals to produce a balanced capital programme.

9.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

9.1 The proper management of the Council's asset base enhances service delivery. Assets consume a high level of resources both in terms of capital investment and revenue maintenance and having a proper strategy in this area ensures that the capital base can shape the future direction of the Council.

10.0 RISK ASSESSMENT

10.1 The level of capital receipts generated by asset sales is a significant risk to the future development of the programme. If receipts exceed the projections contained in this report, it would enable additional schemes to be developed. However, if receipts are below the projections, it would require reductions to be made.

10.2 Some schemes in the Programme are dependent on external partner funding. To minimise the risk of funding not being available, such schemes will only begin once their funding details have been finalised.

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

The decision from this report does not have any direct impact on members of the public, employees, elected members and/or stakeholders. Therefore, no Equality impact assessment is required.

Appendices

Appendix 1 - Capital Receipt Funding Approvals

Appendix 2 – Potential new capital schemes

Appendix 3 – Minute of Cabinet 12 January 2016 (Executive Overview and Scrutiny Committee only)

APPENDIX 1 - CAPITAL RECEIPT FUNDING APPROVALS

SERVICE AND SCHEME	Current Allocations				Provisional Allocation
	2015/2016	2016/2017	2017/2018	Total	2018/2019
	£'000	£'000	£'000	£'000	£'000
<u>Corporate Services</u>					
Environment / Town and Village Centre Fund	287	100		387	
Unallocated Funding	384			384	
<u>Financial Services</u>					
Parish Capital Schemes	35	45	30	110	30
<u>Transformation</u>					
I C T Infrastructure	50	50	50	150	50
ICT Development Programme	395	100	100	595	100
Website Contract Management System	12	20		32	
<u>Community Services</u>					
Playground Improvements	129	65	30	224	30
Beacon Park	19			19	
Chapel Gallery	25			25	
Parks and open spaces	11			11	
Works to East Quarry Wall	75			75	
Skelmersdale Allotments	50			50	
Abbey Lane Playing fields	100			100	
Leisure Trust	228	228	228	684	228
CCTV	100	75		175	
Park Pool		150		150	
<u>Community Services - Housing</u>					
Housing Renewal Grants	65	100	100	265	100
Disabled Facilities Grants	89	100	100	289	100
<u>Planning Services</u>					
Free Tree Scheme	2			2	
Preservation of Buildings at risk	2			2	
Planning System Upgrade	15			15	
S106 / CIL Database	13			13	
Replacement Scanner	30			30	
Implementation of OR recommendations	29			29	
Skem Town Centre Vision	11			11	
<u>Corporate Property</u>					
Corporate Property Investment Programme	217	164	164	545	164
Improved facilities at Robert Hodge centre	40			40	
<u>Housing and Regeneration</u>					
Culvert Debris Screens	14			14	
Affordable Housing	70	395		465	
Total Programme	2,497	1,592	802	4,891	802

APPENDIX 2

POTENTIAL NEW CAPITAL SCHEMES	2016-17 £000	2017-18 £000	2018-19 £000
--------------------------------------	-------------------------	-------------------------	-------------------------

HIGH PRIORITY ITEMS			
Corporate Services			
1 Replacement Customer Relationship Management (CRM) System and Contact Centre telephony system - net funding requirement from capital receipts (with ongoing revenue impact)	130	0	0
Corporate Property / Street Scene			
1 Robert Hodge Centre works	13	0	0
Total	143	0	0

OTHER ITEMS			
Community Services			
1 Chapel Gallery 2nd Phase Improvements - total cost of £85,000 less £60,000 Arts Council grant (with ongoing revenue impact)	25	0	0
2 Beacon Park Footpath	10	0	0
3 Coronation Park Entrance Gates	15	0	0
4 Richmond Park Changing Rooms	15	0	0
Planning			
1 Free tree scheme (continuation of existing provision)	3	3	3
Total	68	3	3

GRAND TOTAL OVER 3 YEARS	217
---------------------------------	------------

MINUTE OF CABINET – 12 JANUARY 2016

83. MEDIUM TERM GRA CAPITAL PROGRAMME

Councillor Wynn introduced the report of the Borough Treasurer which set out details on the GRA medium term capital programme position for the next 3 years.

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

- RESOLVED
- A. That the medium term financial position be noted.
 - B. That the Portfolio Holder for Finance be given delegated authority to submit firm proposals to Council on 24 February 2016 to enable the capital programme to be set.
 - C. That call-in is not appropriate for this item as it is to be submitted to the Executive Overview and Scrutiny Committee on 28 January 2016.



AGENDA ITEM: 11

CABINET: 12th January 2016

**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:
28th January 2016**

**Report of: Assistant Director Housing and Regeneration
Borough Treasurer**

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor J. Patterson

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

SUBJECT: HOUSING ACCOUNT – REVENUE AND CAPITAL PROGRAMME

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To provide a summary of the budget position for the Housing Account for the next financial year.

2.0 RECOMMENDATIONS TO CABINET

2.1 That the financial position for 2016-17 be noted, and consideration given to the budget issues set out in this report.

2.2 That the use of the Assistant Director Housing and Regeneration's delegated authority in relation to rent and service charge changes be noted.

2.3 That this report be used for consultation purposes prior to the Council considering this matter in February 2016.

2.4 That the Housing Portfolio Holder be given delegated authority to submit firm proposals to Council on 24 February 2016 to enable the budget to be set.

2.5 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 on 28 January 2016.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

- 3.1 That the budget position be considered and that any comments agreed by the Committee be submitted to the Housing Portfolio Holder in advance of the Council meeting to be held on 24 February 2016.
-

4.0 BACKGROUND

- 4.1 The Council must set a budget for its Housing Account before the start of each financial year, and this budget will set out the financial basis for the delivery of services. The budget that is set must enable Council and tenant priorities to be delivered but must also be affordable. In addition it should comply with best practice requirements on budget setting, and meet statutory and accounting regulations. The Council meeting on the 24th February will provide all Members with the opportunity to debate and agree this budget.
- 4.2 A report was presented to the September Cabinet meeting that outlined the anticipated impact of recent Government announcements on rental policy and welfare reform. It was estimated that these changes would cause the HRA business plan position to deteriorate by £1.5m in 2016-17 and cumulatively by £11.3m over the next 4 years. This report also estimated a cumulative impact of £260m over the 30 year HRA business plan period, although subsequent work has identified that this figure was overstated. These projections have now been updated and this latest report contains a detailed set of budget estimates for next year as well as revised business plan estimates.

5.0 RENTAL INCOME

- 5.1 For a number of years it has been Government policy that authorities should aim to achieve what is known as target rents. Target rents were set to broadly bring Local Authority rent into line with Housing Associations so that tenants would pay a similar rent for similar properties within each locality. The target rent is based on the value of the property, the size of the property and the average regional earnings. The target rent level is now charged for most HRA properties but there are still a significant number of properties where this has not been achieved. It is the Council's policy to charge target rents on all re-let properties, and consequently all properties will eventually move to the target rent level, but this will take some time to achieve.
- 5.2 In the Summer the Government announced a change in its approach and that rent levels should reduce by 1% per year over each of the next 4 years. This is a significant change as the HRA business plan had assumed that rent levels would increase by around 3% per year (based on CPI inflation plus 1%). By the end of the 4 year period this would mean that rents will have reduced by 4% rather than increased by 12%, giving a 16% difference in rent levels compared to business

plan assumptions. This issue is the single most important factor in explaining the deterioration in the HRA business plan.

5.3 In line with our standard practices the Assistant Director Housing and Regeneration will use his delegated authority to reduce rent levels by 1% from April 2016 for all properties. For properties that are not currently at the target rent level, if they become empty during the year they will be re-let at target rent level less 1%.

5.4 There are a number of other factors that will also influence the rent income achieved going forward including:

- The HRA business plan assumes that 30 Right to Buy Council house sales will take place during the year, but that an additional 42 new houses will be built as part of the Firbeck Revival project
- Void levels and the time it takes to relet can have an adverse impact on income levels. It is estimated that void levels will continue at their existing 2% level into 2016/17
- The Welfare Reform agenda, including Universal Credit, will affect tenant's income and consequently their ability to pay their rents. This is likely to have a negative impact on collection rates and levels of bad debts, and consequently this is an area that will need to be monitored closely going forward to assess its impact
- It is anticipated that the Government will introduce measures that require the Council to sell off "high value" properties when they become vacant. It has not been possible to assess the impact of this issue at this time due to a lack of detail on how this will be implemented

6.0 OTHER CHARGES

6.1 A general principle is applied to service charges that they should be calculated to ensure that they are sufficient to recover the cost of services provided to tenants. In keeping with this principle it is proposed to increase the general level of service charges next year by 0.9% (based on the September CPI rate of -0.9% plus 1% in line with our standard practices) except as stated below.

6.2 Work is currently taking place to review service charges to ensure that they reflect the cost recovery principle as set out above. The work that has been completed to date has identified that there may be a number of areas where service charges are being under recovered including leaseholders, tenants in general needs flats and tenants living in sheltered accommodation. Consequently an issue that now needs to be given consideration is how a realistic process for recovering the cost of service provision can be introduced.

6.3 It has been recognised for some time that there is a relatively high level of garages that are empty and that are difficult to let, and to address this situation an investment programme for garages has been put in place. Given this position it is proposed to increase the charges on garages that have been improved by 0.9% next year in line with the general service charge increase, but to freeze the rent level for other garages.

6.4 The District Heating account is currently in surplus and consequently it is not proposed to make any changes in the level of heating charges at this time. In compliance with EU Directives the Council is installing, where possible, individual property heat meters and additionally we are continuously reviewing other energy efficiency measures that are available in the market place to drive down heating costs and lower carbon emissions. It is proposed to review District Heating charges during the course of the 2016/17 financial year in this context, and a report will be brought back to Cabinet when this work is completed.

7.0 DRAFT ESTIMATES AND CAPITAL INVESTMENT PROGRAMME

7.1 The base assumptions used in the HRA Business Plan and for the HRA Estimates are detailed in Appendix A. The HRA Business Plan sets out projections of expenditure and income over a 30 year period to enable forward planning and long term investment decisions to be made. The HRA Estimates for 2016-17 then provide more detailed information that sets out the financial basis for how HRA service objectives will be achieved.

7.2 The draft estimates for next year are set out in Appendix B and provide a provisional budget for the HRA revenue account covering all areas of expenditure and income. These estimates include increases in the base budget required to roll forward agreed service levels but do not allow for any service improvements. These figures also allow for the change in rents and other charges as set out above. These figures currently show that there is a budget gap of £1,396,000 based on the roll over budget position and the previously agreed capital programme. Longer term business plan projections are also included in this Appendix.

7.3 The draft estimates will be reviewed prior to the Council meeting in February to ensure that they are robust for the purposes of the budget calculation in accordance with the requirements of the Local Government Act 2003. The proposed rent and service charges will also be reviewed to ensure there will be no benefit subsidy implications.

7.4 In addition to the roll over budget in continuing services, it is also important to consider new budget issues and areas for development. Appendix C comprises a list of budget issues that Officers have identified and that should be considered as part of the budget process. Given the financial position facing the HRA though any new budget issues that are agreed will need to be funded by matching savings made in other service areas. Consequently Members will need to carefully consider those options, and any others that emerge through the budget process, and determine which proposals to include in the final budget to meet service objectives.

7.5 The Capital Investment Programme is agreed on a medium term multi year basis and consequently there is already a planned set of capital schemes in place for the 2016/17 year. The total value of these schemes is £13,433,000 as set out in Appendix D, and this will be funded by a revenue contribution of £9,250,000 and

by borrowing of £4,183,000. This appendix also identifies some proposed net nil changes to the capital programme to address electrical issues that have been identified during the course of the year.

8.0 TOWARDS A BALANCED BUDGET POSITION AND LONG TERM PROSPECTS

8.1 In considering the financial situation for next year it is essential that the identified budget gap of £1,396,000 is addressed. A draft set of proposals on how this could be achieved is set out in Appendix E, which would minimise the impact on services and tenants. Officers will work with Members from both political groups, and consult with tenants, to consider this position. These draft proposals have been provided to assist in setting the final version of the budget which is, however, a matter for Members to determine.

8.2 In looking at finalising the budget for next year consideration will need to be given to a number of different factors including:

- The deterioration in the financial position facing the HRA over the medium term
- Tenants comments and feedback on the budget position
- The acceptance of the new budget issues set out in Appendix C
- Potential changes to service charge levels
- How to proceed with the £2.996m Beechtrees Revival scheme which has previously been planned to be delivered over the next few years
- The profiling of capital expenditure across future financial years

8.3 It is proposed that detailed work on assessing potential policy options will be undertaken over the next six months to identify how the medium term financial position facing the HRA can be addressed. The results of this work will then be reported to the July Council meeting and will follow the established framework used for the GRA policy options process.

9.0 SUSTAINABILITY IMPLICATIONS / COMMUNITY STRATEGY

9.1 The Council with its Tenants wants to ensure that the future business plan allows properties to be brought up to a reasonable standard and that appropriate investment can be made at the appropriate time. The further modelling of the business plan will enable a well informed investment plan to be developed in keeping with the requirements of an effective asset management strategy. The community strategy has highlighted that local people should receive good quality homes for a fair and appropriate rent, and these issues are considered through the business plan process.

10.0 RISK ASSESSMENT

- 10.1 The formal consideration and reporting of the budget estimates is part of the overall budgetary management and control framework that is designed to minimise the financial risks facing the Council. This process is resource intensive for both Members and Officers but ensures that a robust and achievable budget is set.
-
-

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

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required. A formal Equality Impact Assessment will be produced when the Council agrees the budget at its meeting in February.

Appendices

Appendix A – HRA Business Plan Key Assumptions

Appendix B – Draft HRA Estimates

Appendix C - Budget Issues

Appendix D - Draft Investment Plan

Appendix E – Towards a Balanced HRA Budget Position

Appendix F - Minute of Landlord Services Committee (Cabinet Working Group) – 7 January 2016

Appendix G – Minute of Cabinet – 12 January 2016 (Executive Overview and Scrutiny Committee only)

APPENDIX A - HRA BUSINESS PLAN KEY ASSUMPTIONS

FACTOR	ASSUMPTION
GENERAL INFLATION	
CPI	-0.1% in 2016/17, 1% in 2017/18 and 2% from 2018/19 onwards in line with the government target for CPI
RPI	1% above the CPI in line with experience
INCOME	
Dwelling rents	1% reduction per year over each of the next 4 years and then reverts to previous government formula of CPI + 1% (3%) from 2020/21
Service charges	The general principle underlying service charges is that they should recover the cost of providing services and it is assumed that they will increase in line with CPI + 1%
Garage rents	No increases have been assumed to reflect issues with difficult to let garages
Heating charges	Freeze in 2016/17 and then increase in line with RPI in subsequent years
Void rates	2% in line with historical experience
Interest income	0.5% in 2016/17, and 1% in subsequent years
EXPENDITURE	
Employee related expenses	1% increase per year over each of next 4 years then CPI increases from 2020/21
National Insurance	Increase in NI rate from 10.4% to 13.8% in 2016/17 as a result of Government pension reforms
Pension Costs	Increase of £43,000 in 2016/17 as a result of last actuarial review
Repairs, Maintenance and Energy Costs	Increase in line with RPI
Bad debt provision	0.5% of income in line with historical experience but 1% in 2016/17 to 2018/19 to take into account the implementation of Universal Credit and other welfare reform changes
Funding for capital programme	Contribution based on asset management plan expenditure and resource requirements
Capital Financing	Interest rate on existing borrowing fixed at 3.47% and the rate on any new borrowing assumed to be 4.5%. Principal repayments increase each year by 3% in line with long term RPI assumptions
Other Expenditure	Increase in line with CPI

STOCK NUMBERS	
Right to Buy Sales	30 sales per year in line with current trend
Demolitions	16 demolitions in 2017/18 as part of the Beechtrees Revival project
New Build	42 new properties in 2016/17 as part of the Firbeck Revival project
Changes in stock numbers	Changes in stock numbers will affect the following areas: dwelling rents and service charges, repairs, maintenance and energy costs, and other expenditure
BALANCES	
HRA Balances	Increase in line with RPI

AREAS OF UNCERTAINTY WITHIN THE BUSINESS PLAN

- 1) It is difficult to accurately predict future inflation rates, interest rates and the level of Right to Buy sales. These will be kept under review and updated if required
- 2) The Welfare Reform agenda and the roll out of Universal Credits may potentially have a significant effect on the level of bad debts

FACTORS NOT BUILT INTO THE BUSINESS PLAN

- 1) The effect of the anticipated implementation of the Government's "Pay to Stay" arrangements from 2017/18
- 2) The effect of a new Government initiative requiring local authorities to sell high value properties when they become vacant
- 3) Future potential reductions in Supporting People funding
- 4) For historical reasons some properties are charged rents below the formula target level. However when these properties are re-let they will be charged at the target rent level minus 1%. This will tend to raise rent income but has not been factored into the business plan as it is difficult to accurately assess the pattern of voids

HOUSING REVENUE ACCOUNT

***DRAFT ESTIMATES
2016/2017***

HOUSING REVENUE ACCOUNT

	Employees	Running Expenses	External Income	Total Cash	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2016/2017						
<u>SUMMARY</u>						
General Expenses						
Premises Related Expenses	0	87,620	0	87,620	0	87,620
Bad Debts Provision	0	250,000	0	250,000	0	250,000
Capital Programme Contribution	0	0	0	0	9,250,000	9,250,000
Debt Charges	0	0	0	0	3,459,920	3,459,920
Sub-Total	0	337,620	0	337,620	12,709,920	13,047,540
Supervision, Management, Repairs & Maintenance						
Central Administration	925,030	219,520	-45,490	1,099,060	1,626,430	2,725,490
Performance Improvement Tm	327,560	195,910	0	523,470	44,790	568,260
Rents and Money Advice	488,350	39,480	0	527,830	246,610	774,440
Voids and Allocations	413,670	2,143,260	-216,060	2,340,870	10,730	2,351,600
Estates Management & TP	378,710	457,210	-6,630	829,290	66,500	895,790
Property Services	1,917,770	3,621,910	-361,330	5,178,350	-414,410	4,763,940
Elderly & Disabled Support	624,380	557,710	-925,330	256,760	241,240	498,000
Sub-total	5,075,470	7,235,000	-1,554,840	10,755,630	1,821,890	12,577,520
General Income						
Customer & Client Receipts	0	0	-24,192,020	-24,192,020	0	-24,192,020
Interest	0	0	0	0	-37,000	-37,000
Sub-Total	0	0	-24,192,020	-24,192,020	-37,000	-24,229,020
GRAND TOTAL	5,075,470	7,572,620	-25,746,860	-13,098,770	14,494,810	1,396,040

HOUSING REVENUE ACCOUNT

	Employees	Running Expenses	External Income	Total Cash	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2015/2016						
<u>SUMMARY</u>						
General Expenses						
Premises Related Expenses	0	126,810	0	126,810	0	126,810
Bad Debts Provision	0	125,000	0	125,000	0	125,000
Capital Programme Contribution	0	0	0	0	8,772,880	8,772,880
Debt Charges	0	0	0	0	3,449,210	3,449,210
Sub-Total	0	251,810	0	251,810	12,222,090	12,473,900
Supervision, Management, Repairs & Maintenance						
Central Administration	857,760	291,600	-45,490	1,103,870	1,597,600	2,701,470
Performance Improvement Tm	305,280	195,960	0	501,240	42,450	543,690
Rents and Money Advice	436,550	52,290	0	488,840	224,080	712,920
Voids and Allocations	374,080	2,132,420	-216,060	2,290,440	9,930	2,300,370
Estates Management & TP	379,800	448,490	-6,630	821,660	54,240	875,900
Property Services	1,896,450	3,576,970	-358,320	5,115,100	-397,020	4,718,080
Elderly & Disabled Support	660,110	560,060	-917,210	302,960	209,930	512,890
Sub-total	4,910,030	7,257,790	-1,543,710	10,624,110	1,741,210	12,365,320
General Income						
Customer & Client Receipts	0	0	-24,762,220	-24,762,220	0	-24,762,220
Interest	0	0	0	0	-77,000	-77,000
Sub-Total	0	0	-24,762,220	-24,762,220	-77,000	-24,839,220
GRAND TOTAL	4,910,030	7,509,600	-26,305,930	-13,886,300	13,886,300	0

HOUSING REVENUE ACCOUNT

	Employees	Running Expenses	External Income	Total Cash	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2016/2017						
<u>SUPERVISION, MANAGEMENT, REPAIRS & MAINTENANCE</u>						
Central Administration	925,030	219,520	-45,490	1,099,060	1,626,430	2,725,490
Performance Improvement Tm	327,560	195,910	0	523,470	44,790	568,260
Rents And Money Advice	488,350	39,480	0	527,830	246,610	774,440
Voids And Allocations						
Voids and Allocations Admin	413,670	58,690	-2,560	469,800	10,730	480,530
Furnished Homes	0	98,520	-160,630	-62,110	0	-62,110
Tenants Expenses	0	59,680	0	59,680	0	59,680
Housing Repairs Voids	0	1,926,370	-52,870	1,873,500	0	1,873,500
Sub total	413,670	2,143,260	-216,060	2,340,870	10,730	2,351,600
Estate Management and Tenant Participation						
Estates Administration	258,050	307,730	-30	565,750	50,260	616,010
General Community Facilities	0	360	-6,600	-6,240	0	-6,240
Estate Maintenance Services	0	69,940	0	69,940	0	69,940
Tenant Participation	120,660	79,180	0	199,840	16,240	216,080
Sub total	378,710	457,210	-6,630	829,290	66,500	895,790
Property Services						
Property Services Admin	1,689,930	193,390	-3,450	1,879,870	-411,410	1,468,460
Caretakers & Gardeners	218,230	147,360	-13,410	352,180	-3,000	349,180
Communal Areas	0	20	0	20	0	20
Maintenance of Grassed Areas	9,610	618,830	-5,900	622,540	0	622,540
TV Aerial Maintenance	0	18,510	-1,180	17,330	0	17,330
District Heating Service	0	337,390	-337,390	0	0	0
Housing Repairs & Maintenance	0	2,306,410	0	2,306,410	0	2,306,410
Sub total	1,917,770	3,621,910	-361,330	5,178,350	-414,410	4,763,940
Elderly And Disabled Support	624,380	557,710	-925,330	256,760	241,240	498,000
Grand Total	5,075,470	7,235,000	-1,554,840	10,755,630	1,821,890	12,577,520

HOUSING REVENUE ACCOUNT

	Employees	Running Expenses	External Income	Total Cash	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
BUDGET 2015/2016						
<u>SUPERVISION, MANAGEMENT, REPAIRS & MAINTENANCE</u>						
Central Administration	857,760	291,600	-45,490	1,103,870	1,597,600	2,701,470
Performance Improvement Tm	305,280	195,960	0	501,240	42,450	543,690
Rents And Money Advice	436,550	52,290	0	488,840	224,080	712,920
Voids And Allocations						
Voids and Allocations Admin	374,080	65,960	-2,560	437,480	9,930	447,410
Furnished Homes	0	97,670	-160,630	-62,960	0	-62,960
Tenants Expenses	0	59,600	0	59,600	0	59,600
Housing Repairs Voids	0	1,909,190	-52,870	1,856,320	0	1,856,320
Sub total	374,080	2,132,420	-216,060	2,290,440	9,930	2,300,370
Estate Management and Tenant Participation						
Estates Administration	238,070	300,560	-30	538,600	35,040	573,640
General Community Facilities	0	360	-6,600	-6,240	0	-6,240
Estate Maintenance Services	0	68,540	0	68,540	3,350	71,890
Tenant Participation	141,730	79,030	0	220,760	15,850	236,610
Sub total	379,800	448,490	-6,630	821,660	54,240	875,900
Property Services						
Property Services Admin	1,615,720	198,980	-3,450	1,811,250	-392,440	1,418,810
Caretakers & Gardeners	270,650	146,260	-13,410	403,500	-5,400	398,100
Communal Areas	0	20	0	20	400	420
Maintenance of Grassed Areas	10,080	592,620	-5,900	596,800	0	596,800
TV Aerial Maintenance	0	18,340	-1,180	17,160	0	17,160
District Heating Service	0	334,380	-334,380	0	0	0
Housing Repairs & Maintenance	0	2,286,370	0	2,286,370	420	2,286,790
Sub total	1,896,450	3,576,970	-358,320	5,115,100	-397,020	4,718,080
Elderly And Disabled Support	660,110	560,060	-917,210	302,960	209,930	512,890
Grand Total	4,910,030	7,257,790	-1,543,710	10,624,110	1,741,210	12,365,320

APPENDIX C - HRA BUDGET ISSUES

Budget Issue		2016/17 £000	2017/18 £000	2018/19 £000
	Capital Expenditure			
1	HRA contribution to corporate Customer Relations	112	0	0
	Management systems upgrade			
2	Pennington Avenue Sheltered Property	30		
	Sub total	142	0	0
	Revenue Expenditure			
1	Asbestos Management	30	30	30
	Sub total	30	30	30
	Total	172	30	30

APPENDIX D - HRA CAPITAL INVESTMENT PROGRAMME 2016/17

Scheme	Current Budget £000	Proposed Changes £000	Proposed Budget £000
Bathrooms	2175	0	2175
Electrical	129	284	413
Heating	1581	0	1581
Kitchen	2315	0	2315
Mains Water	795	0	795
Walls	248	-248	0
Windows and Doors	374	0	374
Firbeck revival	2176	0	2176
Investment to deliver Housing OR	25	0	25
Painting/Rendering 'No Fines' properties	15	0	15
Environmental Programme	100	0	100
Disabled Adaptations	697	0	697
Capital Contingency	147	0	147
General sheltered upgrades	518	0	518
Communal areas (CAT Budget)	168	0	168
Laundry equipment	18	0	18
General Structural	176	0	176
Gutters	12	-12	0
Gulleys	12	-12	0
Failed Double glazing	12	-12	0
Capital contingency voids	150	0	150
Garages	113	0	113
Beechtrees revival scheme	568	0	568
Professional Fees	909	0	909
Total	13433	0	13433

Notes

- The current budget was agreed by Council in December 2015
- The proposed amendments are to address electrical issues identified during the course of the current year, which has required some reprofiling of expenditure.

APPENDIX E
TOWARDS A BALANCED HRA BUDGET POSITION FOR 2016/17

	£000
Budget gap identified in draft estimates	1,396
Funding in reserves that is no longer required	
- HRA balances	-163
- TV aerial reserve	-35
One off reduction in borrowing requirement identified in mid year review report to Council in December 2015	-424
Initial budget streamlining / tightening savings - this is an illustrative figure and more work would be required to quantify the potential saving	-250
Reduction in fee costs for capital programme	-110
Balance of savings to be found from current year favourable HRA budget variance and re-profiling of capital expenditure into later years	<u>414</u>

MINUTE OF THE LANDLORD SERVICES COMMITTEE (CABINET WORKING GROUP) HELD ON 7 JANUARY 2016

37. HOUSING ACCOUNT - REVENUE AND CAPITAL PROGRAMME

Consideration was given to the joint draft report of the Assistant Director Housing and Regeneration and Borough Treasurer that provided a summary of the budget position in relation to the Housing Account for the next financial year.

The Assistant Director Housing and Regeneration gave an overview of his report making reference to factors / processes to take forward proposals in relation to setting the budget for next year.

RESOLVED: That the report be noted.

MINUTE OF CABINET – 12 JANUARY 2016

84. HOUSING ACCOUNT – REVENUE AND CAPITAL PROGRAMME

Councillor Patterson introduced the joint report of the Assistant Director Housing & Regeneration and Borough Treasurer which provided a summary of the budget position for the Housing Account for the next financial year.

Minute no. 37 of the meeting of the Landlord Services Committee held on 7 January 2016 was circulated at the meeting.

Appendix B to the report was circulated by prior e-mail and at the meeting.

In reaching the decision below, Cabinet considered the minute of the Landlord Services Committee (Cabinet Working Group), the details set out in the report before it and Appendix B to the report and accepted the reasons contained therein.

- RESOLVED
- A. That the financial position for 2016-17 be noted.
 - B. That the use of the delegated authority of the Assistant Director Housing & Regeneration in relation to rent and service charge changes be noted.
 - C. That this report be used for consultation purposes prior to the Council considering this matter in February 2016.
 - D. That the Housing Portfolio Holder be given delegated authority to submit firm proposals to Council on 24 February 2016 to enable the budget to be set.
 - E. 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 on 28 January 2016.