

# Cabinet

Wednesday, 17th November, 2021, 6.00 pm

Shield Room, Civic Centre, West Paddock, Leyland, PR25 1DH

This meeting will be available to view live on [You Tube here](#).

If you have any queries, please contact [democraticservices@southribble.gov.uk](mailto:democraticservices@southribble.gov.uk)

## Agenda

### **1 Apologies for Absence**

### **2 Declarations of Interest**

Members are requested to indicate at this stage in the proceedings any items on the agenda in which they intend to declare an interest. Members are reminded that if the interest is a Disclosable Pecuniary Interest (as defined in the Members' Code of Conduct) they must leave the room for the whole of that item. If the interest is not a Disclosable Pecuniary Interest, but is such that a member of the public could reasonably regard it as being so significant that it is likely that it would prejudice their judgment of the public interest (as explained in the Code of Conduct) then they may make representations, but then must leave the meeting for the remainder of the item.

### **3 Minutes of the Last Meeting**

Minutes of the last meeting held on 13 October 2021 attached to be signed as a correct record.

(Pages 5 - 10)

### **Items of the Leader of the Council and Cabinet Member (Strategy and Reform)**

### **4 Notice of Executive Decisions / Cabinet Forward Plan**

The Notice of Executive Decisions / Cabinet Forward Plan is available on the Council's website for the period [1 November 2021 – 31 October 2021](#).

### **5 Corporate Strategy Quarterly Performance Monitoring Report, Quarter Two 2021/22**

Report of the Deputy Chief Executive attached.

(Pages 11 - 26)

### **Items of the Cabinet Member (Planning, Business Support and Regeneration)**

### **6 Infrastructure Funding Statement**

(Pages 27 - 42)

Report of the Director of Planning and Development attached.

**Items of the Cabinet Member (Communities, Social Justice and Wealth Building)**

**7 Social Justice Programme 2021/22 Update** (Pages 43 - 54)

Report of the Deputy Chief Executive attached.

**Items of the Deputy Leader and Cabinet Member (Health and Wellbeing)**

**8 Low Carbon Skills Funding, Public Sector Decarbonisation Scheme and Air Quality Grant** (Pages 55 - 62)

Report of the Director of Communities attached.

**Items of the Cabinet Member (Finance, Property and Assets)**

**9 Revenue and Capital Budget Monitoring** (Pages 63 - 94)

Report of the Director of Finance / Section 151 officer attached.

**10 West Paddock Extra Care - Procurement Strategy** (Pages 95 - 110)

Report of the Director of Commercial attached.

**11 Refurbishment of The Holme Playground, Bamber Bridge** (Pages 111 - 116)

Report of the Director of Customer and Digital attached.

**12 Exclusion of Press and Public**

To consider the exclusion of the press and public for the following items of business on the ground that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

By Virtue of Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Condition:

Information is not exempt if it is required to be registered under-  
The Companies Act 1985

The Friendly Societies Act 1974

The Friendly Societies Act 1992

The Industrial and Provident Societies Acts 1965 to 1978

The Building Societies Act 1986 (recorded in the public file of any building society, within the meaning of the Act)

The Charities Act 1993

Information is exempt to the extent that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information is not exempt if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to Regulation 3 of the Town & Country Planning General Regulations 1992(a).

### **13 Joint Insurance Procurement**

(Pages 117 - 122)

Report of the Director of Governance and Monitoring Officer attached.

Gary Hall  
Chief Executive

Electronic agendas sent to Members of the Cabinet Councillors Paul Foster (Chair), Michael Titherington (Vice-Chair), Aniela Bylinski Gelder, Bill Evans, Matthew Tomlinson, Damian Bretherton, Carol Chisholm, Mary Green, Michael Green, Jon Hesketh, Caroline Moon, John Rainsbury, Margaret Smith, Phil Smith, Karen Walton and Barrie Yates

The minutes of this meeting will be available on the internet at [www.southribble.gov.uk](http://www.southribble.gov.uk)

Forthcoming Meetings

6.00 pm Wednesday, 15 December 2021 - Shield Room, Civic Centre, West Paddock, Leyland, PR25 1DH

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# Agenda Item 3



<b>Minutes of</b>	<b>Cabinet</b>
<b>Meeting date</b>	<b>Wednesday, 13 October 2021</b>
<b>Members present::</b>	Councillors Paul Foster (Chair), Michael Titherington (Vice-Chair), Aniela Bylinski Gelder, Bill Evans and Matthew Tomlinson
<b>Officers:</b>	Gary Hall (Chief Executive), Chris Moister (Director of Governance), Asim Khan (Director of Customer and Digital), Jennifer Mullin (Shared Director of Communities), Jonathan Noad (Director of Planning and Development), Emma Marshall (Service Lead - ICT), Darren Cranshaw (Shared Services Lead - Democratic, Scrutiny & Electoral Services), Ruth Rimmington (Democratic Services Team Leader), Matthew Pawlszyn (Democratic and Member Services Officer) and Clare Gornall (Democratic and Member Services Officer)
<b>Other members and officers:</b>	Councillors Adams, Bretherton, Flannery, Mary Green, Michael Green, Lomax, Moon, Martin, P Smith, Mrs Smith, Sharples, C Tomlinson, Walton and Watson
<b>Public:</b>	9

## 41 Welcome and Introduction

The Leader of the Council welcomed everyone in attendance, particularly members of the public and thanked the staff and volunteers of Bamber Bridge Methodist Church for providing the venue and facilitating this meeting.

He explained that this “Cabinet in the Community” meeting was part of an initiative for Cabinet to be held in local communities, in order to make the Cabinet more visible and accessible to the public and to encourage greater public participation in the decision making process.

He then introduced members of the Cabinet and officers.

## 42 Public Question Time

The Leader of the Council invited members of the public in attendance to ask questions of any member of the Cabinet for up to one hour.

The following issues were raised by Ms Bernadette Loffler from the local Neighbourhood Watch Scheme:

1) Withy Trees Avenue –

Whilst the planned development of a Sports Hub is a superb initiative, there is an issue with HGVs cutting through above the 20mph speed limit. The road is very narrow at the entrance and I am concerned about the risk to children from the speed of HGV vehicles.

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Arising from the debate the following other areas of concern were identified:

Brindle row – new developments  
Level crossing at Hospital Inn

The Leader fully supported the concerns raised and gave assurances that the Council would write to and engage with Lancashire County Council, the Highways Authority on these matters.

County Councillor Couperthwaite, representing Lostock Hall and Bamber Bridge was also in attendance. He acknowledged the historical issues in the area and agreed with the matters raised and the need to for both Councils to work together on traffic calming measures and enforcement.

It was also agreed the Director of Planning and Development would check planning conditions regarding development of the Sports Hub and ensure that any council owned HGVs are diverted.

2) Withy Grove Park – request that this be designated a Green Flag Park as it is an excellent park and would raise the profile of the Borough.

The Leader of the Council supported the request and it was agreed that the Council progress this.

3) Shortage of bins in Withy Grove Park and Council wardens/officers

The Leader of the Council indicated that officers would address this issue.

The Cabinet Member (Communities, Social Justice and Wealth Building) also indicated that there was to be an audit of all litter bins in the area in order assess and respond to changing needs.

## Decision made

1. That the Director of Planning and Development:-
  - a) writes to Lancashire County Council Highways expressing concerns regarding the traffic issues below, expressing a willingness to work together to resolve the issues with traffic calming measures and enforcement:-
    - Withy Trees Avenue - Issues re HGVs driving down a narrow road exceeding 20 mph speed limit. HGVs should be prohibited
    - Brindle row – new developments concerns about increased traffic
    - also Level crossing at Hospital Inn – concerns about increased traffic
  - b) check planning conditions regarding development of the Sports Hub and ensure that any council owned HGVs are diverted
2. That the Council works towards achieving Green Flag status for Withy Grove Park and report back on progress as soon as possible

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3. That the Council install additional litter bins in Withy Grove Park and send officers to the park as necessary.

## **43 Apologies for Absence**

There were none.

## **44 Declarations of Interest**

There were none.

## **45 Minutes of the Last Meeting**

### **Decision made**

That the minutes of the meeting of Cabinet held on 15 September 2021 be approved and signed as a correct record.

## **46 Notice of Executive Decisions / Cabinet Forward Plan**

The Notice of Executive Decisions (Cabinet Forward Plan) for the period 1 October 2021 - 30 September 2022 was presented for information.

### **Decision made**

That the Notice of Executive Decisions (Cabinet Forward Plan) for the period 1 October 2021 - 30 September 2022 be noted.

## **47 Peer Challenge 2021**

The Leader of the Council and Cabinet Member (Strategy and Reform) presented a report of the Deputy Chief Executive to share the final report of the Local Government Association (LGA) Peer Challenge 2021.

The Cabinet Member (Communities, Social Justice and Wealth Building) referred the action plan which outlined the Council's response to the matters raised by the Peer Review. She further indicated that she had met with the Panel three times and with Chairs of Community Hubs. She also announced that she had been invited to give a presentation to Strasbourg next year.

One member referred to pages 38 and 39 regarding the growth of capital programme from £3m in 2019 -20 to £24.4m and the Treasury Management Strategy, (which highlighted that the Council had a risk averse strategy following the collapse of Icelandic Banks), suggesting that the Council discuss alternative investments. It was highlighted that the growth of the capital programme indicated a substantial increase in borrowing, and that given a forecasted rise in inflation (under which circumstances interest rates tend to go up), cash balances will effectively give a negative return.

The Cabinet Member (Finance, Property and Assets) agreed that the Council needed to review its investments. He indicated, however, that in the case of projects such as the Extra Care Scheme, an income stream will be linked to the capacity of

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flats which ensures that the loan can be repaid. In addition, the Council has now completed its Asset Review which in appropriate cases may lead to sales to generate capital receipts.

Concern was expressed regarding affordability in that if the cost of borrowing increases, income streams may not cover the cost. The Leader of the Council agreed that every project must be viable and that hopefully by bringing a number of planned projects to Cabinet in near future, they would not be adversely affected by rising interest rates.

## **Decision made**

1. That the final report be accepted;
2. That the action plan is approved for delivery;
3. That the recommendations of the Scrutiny Committee be approved as follows:

The Scrutiny Committee:

1. welcomes the report and the outcome of the Peer Review and looks forward to working together on delivering the action plan;
2. is grateful for the commitment to develop clear measures and that progress monitoring reports would be presented to Cabinet and the Scrutiny Committee;
3. asks that recommendation 3 be strengthened to reflect that capacity requirements will be assessed and put in place to ensure delivery of the corporate projects;
4. is grateful for the offer of the employee survey results being made available to the Scrutiny Committee once completed; and
5. suggests that examples of best practice adopted across both South Ribble and Chorley Councils as a result of shared services be presented to a future Shared Services Joint Committee meeting.

## **Reasons for decision**

To ensure the ongoing improvement of the Council in response to the findings of the Peer Team.

## **Alternative options considered and rejected**

None, as the Council is expected to review, acknowledge and respond to the recommendations made by the Peer Team.

## **48 South Ribble Annual Performance Report 2020/21**

The Leader of the Council and Cabinet Member (Strategy and Reform) presented a report of the Deputy Chief Executive providing a summary of the Council's achievements during 2020/21 and an overview of the challenges and opportunities facing the Council in 2021/22.



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## **Decision made**

That the report be noted.

## **Reasons for decision**

The Annual Report is for information only; it forms part of the Council's performance management framework and supports the Council in reflecting on its performance over the previous year.

## **Alternative options considered and rejected**

Not applicable.

## **49 Business Recovery Post COVID Member Working Group update**

The Cabinet Member (Planning, Business Support and Regeneration) presented a report of the Director of Planning and Development summarising the activity and actions of the Member Working Group following their final meeting in August 2021.

The Leader thanked the Group for its work over the course of the pandemic.

## **Decision made**

1. That Cabinet note the contents of the report and congratulates the Group on their work over the past 18 months.
2. That Cabinet support the recommendations arising from the Group which will be the subject of future discussions and reports for key decisions.

## **Reasons for decision**

The Group has met regularly during the COVID Pandemic and served as an extremely useful vehicle to shape business support. Given that we are emerging from the pandemic now it was felt that the group's business is done but could be reconvened should the need arise in the future.

The Cabinet supports the recommendations made by the Working Group outlined at paragraph 21 of the report.

## **Alternative options considered and rejected**

None, for the reasons given above.

## **50 Progress on Climate Emergency and Air Quality Work**

The Deputy Leader of the Council and Cabinet Member (Health and Wellbeing) presented a report of the Director of Communities providing an update on the actions and progress that has been around the Climate Emergency and Air Quality work streams.

A query was raised with regard to paragraph 44 of the report which made reference to contributions towards replacing a new heating system. It was requested that

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officers be requested to provide clarification that the Council is expected to contribute an amount **equivalent to the cost** of replacing a like for like fossil fuel heating system, rather than actually replacing a fossil fuel heating system.

A query was raised in relation to progress on the actions in the Air Quality Action Plan.

There were some minor errors in the text identified on the Decarbonisation Plans document. It was agreed these would be corrected for the public document on the website.

The Deputy Leader also announced that the Council will be applying to join the UK:100 which is a network for UK local leaders to focus on climate, clean energy and clean air policy.

## **Decision made**

1. To note the progress that has been achieved towards the Council's net-zero goal and completion of the air quality and Climate Emergency Action Plans;
2. That officers be requested to provide detail on which of the actions in the Air Quality Action Plan have been completed and which are outstanding;
3. That with regard to paragraph 44 of the report, officers be requested to provide clarification that the Council is expected to contribute an amount **equivalent to the cost** of replacing a like for like fossil fuel heating system, rather than actually replacing a fossil fuel heating system.

## **Reasons for decision**

The report is for information only and provides members with an understanding of the work that has been achieved to date.

## **Alternative options considered and rejected**

Not applicable.

Chair

Date

Report of	Meeting	Date
Deputy Chief Executive (Introduced by Leader of the Council)	Scrutiny Budget and Performance Panel  Cabinet	Monday, 15 November 2021  Wednesday, 17 November 2021
Is this report confidential?	No	
Is this decision key?	No	

## **Corporate Strategy Quarterly Performance Monitoring Report, Quarter Two 2021/22**

### **Purpose of the Report**

1. To provide Cabinet with a position statement for the Corporate Strategy for quarter two (July – Sept) 2021/22.

### **Recommendations to Cabinet**

2. The Scrutiny Budget and Performance Panel are asked to consider the report and make comments and recommendations to the Cabinet
3. Cabinet is asked to note the report.

### **Reasons for recommendations**

4. The Council's performance framework sets out the process for reporting progress against the objectives of the Corporate Strategy. Robust monitoring ensures that the Council continues to deliver its priorities and achieves the best outcomes for residents.

### **Other options considered and rejected**

5. N/A

### **Corporate priorities**

6. The report relates to the following corporate priorities:

<b>An exemplary council</b>	<b>Thriving communities</b>
<b>A fair local economy that works for everyone</b>	<b>Good homes, green spaces, healthy places</b>

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## Executive summary

7. This report presents the performance of the Corporate Strategy at the end of quarter two (1 July – 30 September 2021). This report provides an update on the current position for the 14 projects, 24 Corporate Strategy performance measures and 13 key organisational performance measures.
8. Of the 14 projects in the strategy: 14% (two) are complete, 79% (11) are rated green and on-track; 7% (one) is rated amber.
9. Of the 24 performance indicators used to monitor the Corporate Strategy, eight can be reported at the end of the quarter. Three are rated green, three are rated red and two are yet to be baselined.
10. Of the 13 key organisational performance measures; nine can be reported at the end of the quarter. Six are performing better than target; one is performing worse than target but within a 5% tolerance of the target; and two are worse than target and outside the 5% tolerance.




## Background to the report

11. At Council on 30 September 2020, the Corporate Strategy was updated and refreshed to ensure that the Council can continue to meet the needs of the borough.
12. The four priorities identified in the strategy are:
  - An exemplary council,
  - Thriving communities,
  - A fair local economy that works for everyone,
  - Good homes, green spaces, healthy places.
13. Activity and resources are targeted towards 14 priority projects which are delivered over a period of 12-18 months and measured using 24 performance indicators. This report provides the status of the projects and measures at the end of quarter two, 2021-22.
14. A colour rating system is used to indicate status whereby:

### Projects

<b>RED</b>	Off track
<b>AMBER</b>	Forecast delays or concerns, an early warning of issues
<b>GREEN</b>	On track and progressing as planning

### Performance Indicators

	Worse than target, outside threshold
	Worse than target but within threshold (5%)
	Performance is better than target



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## AN EXEMPLARY COUNCIL

### A COUNCIL THAT:

**Delivers high performing services that represent value for money**

**Understand the community and work with partners to make things better**

**Is open and transparent in its activities**

### **Achievements this quarter**

15. The Annual Governance Statement (AGS) action plan project has been completed with all key milestone being delivered. The project has delivered an updated constitution; refreshed governance, performance management and human resources policies; a consistent approach to community engagement and consultation through the Consultation Framework and Community Engagement Strategy; and a robust approach to managing strategic contracts and partnerships through the Partnership Framework. Overall, the actions in place will ensure that the council is a transparent, accountable organisation with an improved governance culture and environment.
16. Shared Services has progressed this quarter with the development of a shared Customer Service between South Ribble and Chorley Councils. The consultation for the customer services management structure has been completed and the initial review has been approved. The shared management structure has been implemented since September. Work has commenced on the development of the second stage of the customer service review, which will seek to implement a shared team structure. The shared ICT service review proposals were presented to the Shared Services Joint Committee in August 2021. However, there has been slight delays as the consultation period was extended to allow the team more opportunity to provide feedback. The final proposals for the ICT review will be signed off in October 2021 and the implementation of the review is to be completed by December 2021.
17. Despite resourcing challenges, the delivery of the joint digital strategy has progressed in quarter two. The progress made includes the implementation of a document management system for the Planning service, providing efficiencies and improved digital security to the service. A review to automate processes for both Planning and Building Control and the alignment and adoption of best practice has commenced as part of Shared Services to drive improvements and efficiency in the way the service operates. Throughout the quarter, weekly drop-in sessions have been delivered to support the move towards deploying SharePoint (cloud-based storage system). The sessions have been aimed at providing users with the skills and knowledge as it is rolled out across the authorities. The impact of the changes will be to enhance the way officers work and collaborate across both councils will be able to share data seamlessly as well as with third parties.
18. The programme of activity to work with partners to design and deliver better public services has now completed. On 15 September, the newly established Chorley and South Ribble Partnership met for the first time, with new governance arrangements, a defined strategy and action plan. The strategy had been developed over a period of nine months, and represents a consensus across partners on where there should be a collective focus. The Partnership will be developing with partners a locality model which shapes the way services work with each other as well as continuing to build on the benefits of sharing data to improve performance and the application of resources. The first major piece of work being undertaken is a summit in November 2021 on the economy which will see a number of key leaders and experts brought to together to

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identify the recommendations that the Partnership should take forward to support the economy as it recovers from the impact of the pandemic.

19. Of the four projects within this priority, two are complete, one is rated green and one is rated amber.

Projects	2021-22 Quarter 2 (July– Sept)
Deliver the Annual Governance Statement Action Plan	COMPLETE
Transform the way the council operates	GREEN
Work with partners to design and deliver better public service:	COMPLETE
Deliver year one of the joint digital strategy	AMBER

<b>Deliver year one of the joint digital strategy:</b>		<b>AMBER</b>
The strategy focuses on harnessing the potential of new technologies, whilst maximising the use of existing technologies to provide a customer focused approach to service delivery.		
<b>Issue:</b>	This project has been rated amber due to resourcing issues. There are existing vacancies within the ICT service across both authorities resulting in gaps in the essential skills and knowledge required to support the delivery of the Joint Digital Strategy. The recruitment to these vacant posts was expected to take place in quarter two, however this has been delayed due to the extension of the formal consultation period of the shared service ICT review.	
<b>Actions Plan - What will be done:</b>	To ensure that there is the necessary capacity, resources and skills in place to deliver the Digital Strategy. Recruitment to the vacant posts will be conducted in December as part of the shared ICT restructure to address the capacity issues.  A full costing exercise will be undertaken to identify any additional capacity costs. The year one action plan for the Joint Digital Strategy is to be reprofiled as a result of the above and is expected to be complete in February 2022. This will ensure successful delivery of the Joint Digital Strategy as planned in March 2024.	

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## Key Performance Indicators

20. Of the five performance measures reported under this outcome, one is due to be reported this quarter and is rated red. A full list of the performance indicators is included in Appendix 1.

The red rated measure is:

- ▶ At least 40% of service requests will be received via self-service channels

Key Performance Indicator	Target	Comparable Period	Quarter 2 2021/22	Symbol	Trend
At least 40% of service requests will be received via self-service channels	40%	32.5% (Q1 2021/22)	<b>25.3%</b>	▲	Worse than Q2 2020/21
<b>Commentary:</b>	<p>Previous performance had shown an increase in the use of online self-service. The upward trend is likely to have been due to Covid and the impact of social restrictions. This has now begun to decrease, but current performance still presents as an improvement when compared to the same period pre-covid (21%, 2019/20).</p> <p>Maintaining and growing a shift to digital self-serve requires a number of actions in order for the council to meet its target. The following actions are to be taken to improve and encourage channel shift to online self-serve. The below represent long term actions to sustain change and include:</p> <ul style="list-style-type: none"> <li>• the delivery of digital skills programmes to enable residents to use digital services to access council functions;</li> <li>• a review of the online services to ensure that they are simple, provide an end to end resolution, and represent all council self-serve channels;</li> <li>• a communications campaign will be launched to promote the benefits of online services to customers.</li> </ul>				

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## THRIVING COMMUNITIES

### A PLACE WHERE:

Residents have positive mental health

People get involved and have a sense of belonging

Communities can access services and support when they need them

### Achievements this quarter

21. Developing mental health support for young people has moved forward within the quarter, with the initial actions to provide internal staff with an accredited Mental Health First Aider training. The course has been delivered through Lancashire Mind, and has been completed by 48 members of staff. Those employees were identified as individuals that are more likely to come into contact with young people who may be vulnerable. The course provides officers with the skills and knowledge to recognise mental health needs, support young people with empathy and understand how to direct individuals to the appropriate professional support. This is one initiative in a programme of support that will continue to be developed over the coming months. During the next quarter, the council will continue in its efforts to raise the awareness for the benefits of mental health first aid by providing awareness sessions to identified partner organisations that work directly with vulnerable young people.
22. The Youth Council programme has progressed this quarter with the commission of Shoutout UK, a young people's advocacy service that builds political literacy skills with young people to provide support and confidence to take part in the Youth Council. The commission includes a national look to politics and the political system, local politics (e.g. voting/local issues), developing public speaking, debating exercises and future engagement and development programme. Shoutout UK will deliver sessions to up to 30 young people, who will design and create the structure of the Youth Council which will be delivered as part of the planned programme in January 2022. The recruitment of the 30 young people commenced in September via active engagement with two schools and through the use of social media.
23. The Community Hubs has made progress in quarter two with hub action plans being delivered and monitored through regular Community Hub planning meetings and hub chair briefings. Examples of the progress made within the action plans include; the installation of a community defibrillator at Walton le Dale Junior football club; Brownedge Christians Together foodbank received new and sustainable premise at St Aiden's Church supported by the Hubs Boost Fund, successful delivery of South Ribble in Bloom with 37 entries and 42 people attending the celebration event; resocialisation/social isolation interventions such as chatty cafes have been delivered within all Community Hub areas to build confidence due to increased social anxiety caused by the pandemic. Each hub area has had meetings to provide insight and autonomy on the way each hub area will operate going forward. Workshops will take place with Cabinet, Community Hub Chairs and Vice Chairs to discuss and agree the terms of reference for each hub area in quarter three. A report is to be presented to Cabinet in November 2021, which will review the achievements and progress of the Community Hubs over the last twelve months.



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24. Of the three projects within this priority, all three are rated green.

Projects	2021-22 Quarter 2 (July– Sept)
Establish South Ribble Together Hubs	GREEN
Deliver a mental health support programme for young people	GREEN
Establish a Youth Council	GREEN

## Key Performance Indicators

25. Of the eight performance measures reported under this outcome, two are due to be reported this quarter. Both measures are to be baselined.

- ▶ Number of residents benefiting from opportunities created by the communities team,
- ▶ Number of meals provided to school age children through holiday hunger offer.

A full list of the performance indicators is included in Appendix 1.



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## A FAIR LOCAL ECONOMY THAT WORKS FOR EVERYONE

### A COUNCIL THAT:

**Increases access to training and jobs**

**Grows and supports sustainable businesses**

**Invests in improving the borough**

### Achievements this quarter

26. The Community Wealth Building programme has made good progress in the quarter with the council formally achieving the Living Wage Accreditation. The accreditation recognises employers that chose to pay staff above the government’s minimum wage. There has been agreement to implement the Social Value Portal (SVP) and staff training sessions have been delivered. A draft social value portal policy has been established and shared with stakeholders for input. The social value portal will measure the council’s procurement outcomes and the benefits to the community.
27. The council continues to support local businesses, reduce the potential for business failures, and support economic recovery through the administration of Covid government support grants and wider advice or assistance. Proposals for the grant scheme have been presented to the Covid Business Support Member working group and have been approved. The Council has received further funding from Central Government, a total of £706k because of meeting key targets over the past months as part of the grants programme provided throughout the Covid pandemic. This Additional Restrictions Grant (ARG3) tranche of government funding will be amalgamated with a further £150k as part of the corporate strategy project to support businesses. The support that will be provided includes mental health support, recruitment, bringing empty properties back in to use, sector skills (e.g. hospitality and care), start-up grants and summer grants for market traders. Approval for grant criteria and authority to spend has taken place through an Executive Member Decision.
28. The Leyland Town Deal has progressed with the commencement of the business case development for all three project areas in Leyland, which are town centre transformation, the market improvements and the development of ‘Base 2 Business’ hub. Professional consultants have been appointed to form the design team which will support the development of the business cases. Stakeholder engagement and consultations events are to take place next quarter to develop the project brief. The submission of the business cases to the funding body is programmed for submission in March 2022.
29. Of the three projects within this priority, all three are rated green.

Projects	2021-22 Quarter 2 (July– Sept)
<b>Implement the community wealth building action plan</b>	<b>GREEN</b>
<b>Establish a business support programme</b>	<b>GREEN</b>
<b>Deliver year 1 of the Town Deal</b>	<b>GREEN</b>

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## **Key Performance Indicators**

30. Of the four performance measures reported under this priority, one measure is due to be reported this quarter and is rated green:

- ▶ Overall employment rate greater than north west average.



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## GOOD HOMES GREEN SPACES HEALTHY PLACES

### A BOROUGH WITH:

A choice of decent,  
affordable housing

Commitment to protecting  
the local environment

A choice of quality  
recreational activities

### Achievements this quarter

31. As part of the ongoing commitment to the environment and to help tackle climate change, the council has delivered 1.2km of new cycle and pedestrian routes alongside the river Lostock between Dunkirk lane and Longmeanygate. There has also been 8km of improvements delivered to footpaths across the green links network. The green link network aims to encourage cycling and walking across the borough. Solar panels have been installed at the Civic Centre which will produce clean renewable energy, reducing the Council's energy costs and lowering carbon emissions. In quarter three, work will be undertaken to promote home energy saving schemes through the Council's website to encourage residents to consider their own energy consumption. The installation of four electric vehicle charging points is to be completed in Leyland, Bamber Bridge, Lostock Hall and Penwortham.
32. Progress has been made in quarter two for the development of the McKenzie Arms, with a contractor appointed and progression of the design to deliver the scheme and development of a funding bid to Homes England as part of the Affordable Homes Programme. The McKenzie Arms development will provide 15 new quality affordable homes in Bamber Bridge. The Extra Care scheme will provide apartments and extra care and support for older residents and at the same time allowing them to live independent lives as part of the local community. The Extra Care scheme has moved forward with a team of consultants being appointed to deliver a feasibility study and initial options appraisals. Cabinet has approved the use of the land on West Paddock next to the Civic Centre for the proposed Extra Care facility. Looking ahead to next quarter, work on site is to commence for the McKenzie Arms Development and the funding bid to Homes England will be submitted. A public consultation is to commence for the Extra Care scheme and work will begin to progress stage two of the design.
33. Improvements to the Council owned leisure facilities has progressed with the submission of a report to Full Council in July 2021. The report sought the approval of the leisure centre decarbonisation plans, allowing their submission as part of current and future grant applications for funding to assist in significantly reducing the Council's carbon footprint and providing good quality leisure facilities. The decarbonation grant applications totalling £3.4 million for projects such as solar panels, replacement of boilers where possible, window insulation and the installation of an energy management systems at all four of the council owned leisure centres been complete and will be submitted to the funding body in quarter three. The tendering process has been complete, and a contract has been awarded for the Tennis Centre car park extension. The painting and cladding work for the leisure centres is to commence on site in quarter three.

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34. The development to bring Worden Hall back into use as a flexible community and event space has progressed with a contractor being appointed to deliver the project. The refurbishment works began on site in August and a public drop-in engagement event has been held at Worden Hall with 30 people attending. The event gave the public the opportunity to review and ask questions about the refurbishment plans. Completed refurbishment works to the buildings include, the outbuilding and the old conservatory have been demolished under the supervision of an archaeologist; the infill of the old basement has also been completed to allow for the foundations for the new lift shaft and toilet block to be installed. In quarter three, further refurbishment works will be undertaken to the hall's windows, roof, drainage, lift shaft, toilets and new plant room buildings.

35. Of the four projects within this priority, three are rated green and one is rated as amber.

Projects	2021-22 Quarter 2 (July– Sept)
Bring Worden Hall back into use	GREEN
Deliver a project to support the green agenda	GREEN
Deliver a leisure improvement project	GREEN
Commence building of affordable homes within the borough	GREEN

## Key Performance Indicators

36. Of the seven performance measures reported under this outcome, four performance measures are due to be reported at the end of this quarter. Two are rated green and two are rated red. A full list of the performance indicators is included in Appendix 1.

The green rated measures are as below:

- ▶ 27,500 Trees will be planted in the borough this year (Cumulative),
- ▶ Total number of young people's physical activity courses delivered.

The red rated measure is as below:

- ▶ Number of affordable homes delivered,
- ▶ The number of people who are prevented from becoming homeless is increased.

# Agenda Item 5

Key Performance Indicator	Target	Comparable Period	Quarter 2 2021/22	Symbol	Trend
Number of affordable homes delivered	40 (Annual – 80)	12 (Q2: 2020/21)	27	▲	Better than Q2 2020/21
<b>Commentary:</b>	<p>This indicator has been affected by economic pressures that are largely outside of the Council's control. The impact of the uncertainty from Brexit and Covid-19 has placed pressure on the supply chain and labour force. Large housing sites have not come forward as quickly as anticipated, and some of the Government affordable housing initiatives have not been successful.</p> <p>As the economy recovers from the pandemic and Brexit is negotiated it is expected that the impact on affordable homes from the lack of workforce availability and supply chain issues will ease. Additionally, the Council will aim to continue to pursue its own affordable home developments, utilising payments generated from other sites.</p>				

Key Performance Indicator	Target	Comparable Period	Quarter 2 2021/22	Symbol	Trend
The number of people who are prevented from becoming homeless is increased	90 (Q2:2020/ 21)	83 (Q1:2021/22)	75	▲	Worse than Q2 2020/21
<b>Commentary:</b>	<p>There has been a decrease in the number of people prevented from becoming homelessness this quarter when compared to the same time last year. This is due to an increase in complex cases, where those presenting have complex or multiple needs. Examples of complex needs include substance misuse, mental and physical health issues, tenancy failures and those leaving custody. These have resulted in creating barriers to accessing and sustaining tenancies. In addition, the waiting times for social housing in South Ribble has been impacted and increased by 11% in the past 3 months.</p> <p>To support the service, additional capacity has been provided with the prevention of rough sleepers' co-ordinator who is now in post. The prevention of rough sleepers' co-ordinator in collaboration partner agencies is working directly with clients who have multiple complex needs to establish pathways into accommodation and provide financial support. This additional resource should have a positive impact on the number of successful interventions.</p>				

# Agenda Item 5

## Key organisational performance measures

37. At the end of quarter two, there are nine key organisational performance measures due to be reported. A full list of the performance indicators is included in Appendix 2.

38. Of the nine key organisational performance measures, six are rated as green:

- ▶ Number of households in temporary accommodation at the end of the quarter,
- ▶ % planning applications decided within 13 weeks (major applications),
- ▶ The average number of working days from Disabled Facilities grant referral received from LCC to application approved,
- ▶ Percentage of Council Tax collected (Cumulative YTD),
- ▶ % of telephone calls answered within 90 seconds,
- ▶ % of calls abandoned before being answered in a quarter.

39. One performance measure is rated blue and is performing below target but within threshold:

- ▶ % planning applications decided within 8 weeks (minor / other applications).

40. Two performance measures are rated red and are performing worse than target, outside threshold:

- ▶ Percentage of Business Rates (Cumulative YTD),
- ▶ Average days to process a new Housing Benefit claim.

Key Performance Indicator	Target	Comparable Period	Quarter 2 2021/22	Symbol	Trend
Percentage of Business Rates (Cumulative YTD)	55.16%	30.96% (Q1:2021/22)	<b>51.97%</b>	▲	Worse than Q2 2020/21
<b>Commentary:</b>	<p>This indicator has performed worse than target and has been impacted by an increase in the net debt collectable debit due to the reduction of Expanded Retail Discount from 100% to 66% relief which came into effect from 1 July 2021.</p> <p>Improved performance is anticipated month on month as the net collectable debit is repaid by monthly instalments until March 2022. The recommencement of statutory recovery action alongside the recovery of the local economy will also support an improvement in performance.</p>				

Key Performance Indicator	Target	Comparable Period	Quarter 2 2021/22	Symbol	Trend
Average days to process a new Housing Benefit claim	16 days	15.46 Days (Q1:2021/22)	<b>21.24 days</b>	▲	Not reported Q2 2020/21
<b>Commentary:</b>	<p>This indicator has performed worse than target this quarter and has been impacted by a number reasons, including an increased caseload.</p> <p>The Customer Service and Revenues and Benefits review will ensure the service is effectively resourced and will make the best use of technology to improve performance. Until the review</p>				

# Agenda Item 5

	is finalised and efficiencies can be achieved in early 2022 performance will continue to be closely monitored. Processes will be reviewed to ensure they are streamlined and where possible automated. Additional hours will also be made available to bring performance back on track.
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## Climate change and air quality

41. N/A

## Equality and diversity

42. Equality and Diversity is embedded within the corporate strategy and how the Council acts. An equality impact assessment was undertaken as part of the corporate plan refresh and each individual project will have its own equality impact assessment which are being revised and reassessed during quarter three.

## Risk

43. Risk registers are being completed for each project which will inform the wider risk assessment on an ongoing basis for the corporate strategy.

44. In considering the risk to the overall corporate strategy programme, the number of green rated projects provides a positive outlook and confidence in delivery. Proactive management of risks around budgets and the impact of Covid recovery remain a focus of the programme board when reviewing progress each quarter.

## Comments of the Statutory Finance Officer

45. The delivery of Corporate Priority Projects are supported by budgets included within the Medium-Term Financial Strategy.

## Comments of the Monitoring Officer

46. There are no concerns to raise from a Monitoring Officer perspective. The report is for noting. It is part of our commitment to act in an open and transparent manner.

## Background documents

- ▶ Corporate Plan, approved 30th September 2020

## Appendices




- ▶ Appendix 1 - Performance of the Corporate Strategy Measures
- ▶ Appendix 2 - Key Organisational Performance Measures







Report Author:	Email:	Telephone:	Date:
Howard Anthony (Shared Service Performance and Partnership Team Leader), Michael Johnson (Shared Service Performance and Policy Officer)	<a href="mailto:Howard.anthony@southribble.gov.uk">Howard.anthony@southribble.gov.uk</a> , <a href="mailto:Michael.johnson@southribble.gov.uk">Michael.johnson@southribble.gov.uk</a> ,	01772 625546	13/10/2021



# Agenda Item 5

## Appendix 1 – Performance of the Corporate Strategy Measures

 Worse than target, outside threshold	 Worse than target but within threshold (5%)	 Performance is better than target
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Indicator Name	Polarity	Target	Comparison	Quarter 2 2021/22	Symbol	Trend
<b>An Exemplary Council</b>						
At least 40% of service requests will be received via self-service channels	Bigger is better	40%	32.5 (Q1:2021/22)	<b>25.3%</b>		Worse than Q2 2020/21
<b>Thriving Communities</b>						
Number of meals provided to school age children through holiday hunger offer	Smaller is better	To be baselined 2021/22	10823 (Q1:2021/22)	<b>9050</b>	-	-
Number of residents benefiting from opportunities created by the communities' team	Bigger is better	To be baselined 2021/22	4257 (Q1:2021/22)	<b>3884</b>	-	-
<b>A fair local economy that works for everyone</b>						
Overall employment rate greater than north west average	Bigger is better	73.1%	79.5 (Q1:2021/22)	<b>80.8%</b>		Worse than Q2 2020/21
<b>Good homes green spaces healthy places</b>						
Total number of young people's physical activity courses delivered (Academic Year)	Bigger is better	Target to improve trend	198 (Q1:2021/22)	<b>212</b>		Not reported Q2 2020/21
27,500 Trees will be planted in the borough this year (Cumulative)	Bigger is better	27,500 (Annual)	0 (Q1:2021/22)	<b>10</b>		Worse than Q2 2020/21
The number of people who are prevented from becoming homeless is increased	Bigger is better	90 (Q2:2020/21)	<b>83</b> (Q1:2021/22)	<b>75</b>		Worse than Q2 2020/21
Number of affordable homes delivered	Bigger is better	40 (Annual -80)	12 (Q2: 2020/21)	<b>27</b>		Better than Q2 2020/21

<sup>1</sup> There was no tree planting programmed for quarter two, the tree planting season will commence from quarter three.

# Agenda Item 5

## Appendix 2 – Key Organisational Performance Measures

Indicator Name	Polarity	Target	Comparison (Q1:2021/22)	Quarter 2 2021/22	Symbol	Trend
Number of households in temporary accommodation at the end of the quarter	Smaller is better	Target to improve trend	45	<b>44</b>	★	Not reported Q2 2020/21
The average number of working days from Disabled Facilities grant referral received from LCC to application approved	Smaller is better	Target to improve trend	149	<b>127</b>	★	Not reported Q2 2020/21
% planning applications decided within 13 weeks (major applications)	Bigger is better	80%	75%	<b>100%</b>	★	Not reported Q2 2020/21
% planning applications decided within 8 weeks (minor / other applications)	Bigger is better	85%	85.7%	<b>84.1%</b>	●	Not reported Q2 2020/21
% of telephone calls answered within 90 seconds	Bigger is better	40%	71.4%	<b>62.4%</b>	★	Not reported Q2 2020/21
% of calls abandoned before being answered in a quarter	Smaller is better	15%	9.3%	<b>9.9%</b>	★	Not reported Q2 2020/21
Average days to process a new Housing Benefit claim	Smaller is better	16 days	15.46 days	<b>21.24 days</b>	▲	Not reported Q2 2020/21
Percentage of Council Tax collected (Cumulative YTD)	Bigger is better	56.48%	28.83%	<b>56.5%</b>	★	Better than Q2 2020/21
Percentage of Business Rates (Cumulative YTD)	Bigger is better	55.16%	30.96%	<b>51.97%</b>	▲	Worse than Q2 2020/21

Report of	Meeting	Date
Director of Planning and Development (Introduced by Cabinet Member (Planning, Business Support and Regeneration))	Cabinet	Wednesday, 17 November 2021

Is this report confidential?	No
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Is this decision key?	Yes
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Savings or expenditure amounting to greater than £100,000	<b>Significant impact on 2 or more council wards</b>
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## Infrastructure Funding Statement

### Purpose of the Report

1. The approval of the infrastructure funding statement and its publication onto our Council website. This is to replace the previous regulation 123 list that has been in place since the adoption of Community infrastructure Levy (CIL) in July 2013.

### Recommendations to Cabinet

2. Approval of the infrastructure funding statement to be displayed on the Council website for the next year.

### Reasons for recommendations

3. The infrastructure funding statement is a requirement of the CIL Regulations 2010 (as amended) Regulation 121A. It is a requirement to publish an infrastructure funding statement annually by 31st December.

### Other options considered and rejected

4. No alternatives were considered as this is a requirement of CIL Regulations 2010 (as amended) Regulation 121A.

# Agenda Item 6

## Corporate priorities

5. The report relates to the following corporate priorities:

<b>An exemplary council</b>	<b>Thriving communities</b>
<b>A fair local economy that works for everyone</b>	<b>Good homes, green spaces, healthy places</b>

## Background to the report

6. Previously the Regulation 123 List was a requirement in the CIL Regulations whereby a Charging Authority was required to display a list of projects that would be either funded in part or wholly by CIL. The list we have been using was compiled at the CIL Examination in 2012 to demonstrate a clear short fall in funding for these projects needed to support delivery of the Core Strategy development.
7. The CIL regulation 123 list has been applicable since 2013, however, the legislation changed in September 2019 which now requires us to prepare an infrastructure funding statement per the CIL Regulations 2010 (as amended) Regulation 121A.
8. The infrastructure funding statement is a summary of developer contribution receipts, allocations, expenditure and any unspent or unallocated receipts collected from section 106 agreements and community infrastructure levy (CIL) within the financial year 2020/21.
9. Those projects that were on the regulation 123 list that have not yet come forward are now included in the infrastructure funding statement.
10. These projects in the whole were the projects required to assist in delivering the amount and distribution of development envisaged in the core strategy.

## Climate change and air quality

11. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place.

## Equality and diversity

12. Not applicable.

## Risk

13. To not display the infrastructure funding statement would mean not complying with the CIL Regulations 2010 (as amended) Regulation 121A.

## Comments of the Statutory Finance Officer

14. The figures in the infrastructure spending statement have been reviewed and are consistent with the reporting requirements.

# Agenda Item 6

## Comments of the Monitoring Officer

15. There are no issues to raise from a legal perspective. What is proposed here is designed to comply with our legal obligations.

## Background documents

[16 December 2020 Cabinet Report - Infrastructure Funding Statement](#)

[2019/20 Infrastructure Funding Statement](#)

[Regulation 123 List](#)

## Appendices

Appendix 1 – South Ribble Borough Council Infrastructure Funding Statement 2020/21

Report Author:	Email:	Telephone:	Date:
Shannon Hill (CIL and S106 Officer)	shill@southribble.gov.uk	01772 62xxxx	

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# South Ribble Borough Council Infrastructure Funding Statement

1<sup>st</sup> April 2020 - 31<sup>st</sup> March 2021

## Introduction to Infrastructure Funding Statement (IFS)

Following the Community Infrastructure Levy Regulations 2010 (as amended) Regulation 121A, it is now a requirement to publish an Infrastructure Funding Statement annually by 31st December. This report is a summary of developer contribution receipts, allocations, expenditure and any unspent or unallocated receipts collected from section 106 agreements and community infrastructure levy (CIL) within the financial year 2020/21.

In addition, it is a requirement to publish an infrastructure list detailing any infrastructure projects or types of infrastructure which we intend will be, or may be, wholly or partly funded by CIL. The infrastructure list will replace the CIL Regulation 123 list.

## Developer Contributions

### Community Infrastructure Levy (CIL)

CIL was introduced by South Ribble Borough Council on 1<sup>st</sup> September 2013. The levy is a charge on development involving new or additional gross internal area for residential and non-residential buildings, including extensions, annexes and new dwellings.

Its purpose is to help deliver infrastructure that is needed to meet the future growth needs of the borough. CIL can be used to fund a wide range of infrastructure including transport, flood defences, schools, hospitals and other health and social care facilities. It does not cover the delivery of affordable housing, which will still require a planning obligation under S106.

### Section 106 Agreements

S106 agreements (as known as planning obligations) are legal obligations made between local authorities and developers to make a development acceptable which would otherwise be unacceptable in planning terms.

Planning obligations must be directly relevant to the proposed development, necessary to make the development acceptable in planning terms and fairly and reasonably related in scale and kind to the development.

S106 contributions can either be provided on-site, for example through the provision of affordable housing and public open space or off-site in the form of financial payments.



## SHEDULE 2 Matters to be included in the annual infrastructure funding statement (Regulation 121 schedule 2)

Community Infrastructure Levy (CIL) Report		
Requirement		Amount
1.	The matters to be included in the CIL report are—	
a	the total value of CIL set out in all demand notices issued in the reported year;	£2,155,066.80
b	the total amount of CIL receipts for the reported year;	£1,343,796.83
c	the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year but which have not been allocated;	£796,681.37
d	the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year and which have been allocated in the reported year;	£0.00
e	the total amount of CIL expenditure for the reported year;	£1,076,497.14
f	the total amount of CIL receipts, whenever collected, which were allocated but not spent during the reported year;	£2,334,946.17
g	in relation to CIL expenditure for the reported year, summary details of—	
	i the items of infrastructure on which CIL (including land payments) has been spent, and the amount of CIL spent on each item;	See below table

Infrastructure Item	Amount of CIL spent
Lancashire County Council – City Deal	£1,076,497.14
	<b>£1,076,497.14</b>

g	ii	the amount of CIL spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part);	£0.00
	iii	the amount of CIL spent on administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation;	£67,189.84 5.00%
h		in relation to CIL receipts, whenever collected, which were allocated but not spent during the reported year, summary details of the items of infrastructure on which CIL (including land payments) has been allocated, and the amount of CIL allocated to each item;	See table below

Infrastructure Item	Amount allocated
Lancashire County Council - City Deal	£1,834,946.17
Green Link Penwortham to Howick	£250,000.00

Worden Hall Project	£250,000.00
	<b>£2,334,946.17</b>

A proportion of our CIL collected is passed onto Lancashire County Council as part of our City Deal Partnership. Through City Deal, Lancashire County Council provide highway infrastructure and local community infrastructure such as schools and health facilities which are required to support new development in our Borough.

	the amount of CIL passed to—	
i	i any parish council under regulation 59A or 59B; and	£0.00
	ii any person under regulation 59(4)	£0.00
	summary details of the receipt and expenditure of CIL to which regulation 59E or 59F applied during the reported year including—	
j	i the total CIL receipts that regulations 59E and 59F applied to;	£0.00
	ii the items of infrastructure to which the CIL receipts to which regulations 59E and 59F applied have been allocated or spent, and the amount of expenditure allocated or spent on each item;	£0.00
	summary details of any notices served in accordance with regulation 59E, including—	
k	i the total value of CIL receipts requested from each parish council;	£0.00
	ii any funds not yet recovered from each parish council at the end of the reported year;	£0.00
	the total amount of—	
	i CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied;	£200,109.85
l	ii CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied;	£3,272,288.27
	iii CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year;	£0.00
	iv CIL receipts from previous years to which regulation 59E or 59F applied retained at the end of the reported year.	£0.00
2	For the purposes of paragraph 1—	
a	CIL collected by an authority includes land payments made in respect of CIL charged by that authority;	£0.00
b	CIL collected by way of a land payment has not been spent if at the end of the reported year—	
	i development (within the meaning in TCPA 1990) consistent with a relevant purpose has not commenced on the acquired land; or	n/a

	ii	the acquired land (in whole or in part) has been used or disposed of for a purpose other than a relevant purpose; and the amount deemed to be CIL by virtue of regulation 73(9) has not been spent;	n/a
c		CIL collected by an authority includes infrastructure payments made in respect of CIL charged by that authority;	£0.00
d		CIL collected by way of an infrastructure payment has not been spent if at the end of the reported year the infrastructure to be provided has not been provided;	£0.00
e		the value of acquired land is the value stated in the agreement made with the charging authority in respect of that land in accordance with regulation 73(6)(d);	£0.00
f		the value of a part of acquired land must be determined by applying the formula in regulation 73(10) as if references to N in that provision were references to the area of the part of the acquired land whose value is being determined;	£0.00
g		the value of an infrastructure payment is the CIL cash amount stated in the agreement made with the charging authority in respect of the infrastructure in accordance with regulation 73A(7)(e).	£0.00

## CIL Infrastructure List

<b>Infrastructure Project</b>
<b>Public Transport</b>
Leyland transport hub
Leyland railway station minor improvements
Midge Hall new railway station
<b>Cycle Schemes</b>
River Lostock to Lancashire business park
Cycle paths connecting Lostock Hall / Walton Park / Capitol Centre / Browndedge Road / Factory Lane to railway / Tram Road links
Links around the Penwortham area
Cycle ways around Bamber Bridge and links to Preston
Moss Side to Leyland
Longton loop
<b>Highway Improvements</b>
Highway improvements to connect Cuerden Strategic site to highway network and A582 improvements
Cuerden site transport network
Churchill Way improvement scheme
<b>Health</b>
New Leyland medical centre
New primary care facility at Penwortham / Lostock Hall
Redevelopment and relocation of Bamber Bridge clinic
Hoghton Lane defibrillator
<b>Education</b>
Penwortham / Lostock Hall 2 form entry primary school with site
Leyland / Farington 2 form entry primary school with site
<b>Green Infrastructure/public realm</b>
Towngate Leyland junction improvements and museum enhancements
Upgrading Hough Lane Leyland
Central Park, Lostock Hall
Town centre development and investment
Penwortham to Howick green link
Leyland town deal
<b>Community Facilities</b>

Community and neighbourhood centres
Worden Hall
<b>Environmental</b>
Air quality action plan
<b>Leisure</b>
Borough and local leisure provision

<b>S106 Obligations Report</b>		
<b>Requirement</b>		<b>Amount</b>
3	The matters to be included in the section 106 report for each reported year are—	
a	the total amount of money to be provided under any planning obligations which were entered into during the reported year;	£352,481.00
b	the total amount of money under any planning obligations which was received during the reported year;	£998,719.56
c	the total amount of money under any planning obligations which was received before the reported year which has not been allocated by the authority;	£119,130.43
	summary details of any non-monetary contributions to be provided under planning obligations which were entered into during the reported year, including details of—	
d	i in relation to affordable housing, the total number of units which will be provided;	37
	ii in relation to educational facilities, the number of school places for pupils which will be provided, and the category of school at which they will be provided;	n/a
e	the total amount of money (received under any planning obligations) which was allocated but not spent during the reported year for funding infrastructure;	£7,291,587.48
f	the total amount of money (received under any planning obligations) which was spent by the authority (including transferring it to another person to spend);	£1,294,493.96
g	in relation to money (received under planning obligations) which was allocated by the authority but not spent during the reported year, summary details of the items of infrastructure on which the money has been allocated, and the amount of money allocated to each item;	See table below

<b>Infrastructure Item</b>	<b>Amount allocated</b>
To be paid to LCC for Transport / Highways	£842,689.19
Transport & Travel	£56,931.21
Affordable Housing	£5,114,290.14
Green Infrastructure	£132,400.00
Open Space & Leisure	£856,357.72
Other - Public Infrastructure	£288,919.22
	<b>£7,291,587.48</b>

h	in relation to money (received under planning obligations) which was spent by the authority during the reported year (including transferring it to another person to spend), summary details of—	
	i the items of infrastructure on which that money (received under planning obligations) was spent, and the amount spent on each item;	See table below

Infrastructure Item	Amount Spent
Affordable Housing	£518,298.51
Open Space & Leisure	£659,891.90
Green Infrastructure	£116,303.55
	<b>£1,294,493.96</b>

h	ii	the amount of money (received under planning obligations) spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part);	£0.00
	iii	the amount of money (received under planning obligations) spent in respect of monitoring (including reporting under regulation 121A) in relation to the delivery of planning obligations;	£0.00
i		the total amount of money (received under any planning obligations) during any year which was retained at the end of the reported year, and where any of the retained money has been allocated for the purposes of longer-term maintenance ("commuted sums"), also identify separately the total amount of commuted sums held.	£0.00
4		The matters which may be included in the section 106 report for each reported year are—	
a		summary details of any funding or provision of infrastructure which is to be provided through a highway agreement under section 278 of the Highways Act 1980 which was entered into during the reported year,	N/A - These services are provided by Lancashire County Council
b		summary details of any funding or provision of infrastructure under a highway agreement which was provided during the reported year.	N/A - These services are provided by Lancashire County Council
5		For the purposes of paragraph 3—	
a		where the amount of money to be provided under any planning obligations is not known, an authority must provide an estimate;	
b		a non-monetary contribution includes any land or item of infrastructure provided pursuant to a planning obligation;	
c		where the amount of money spent in respect of monitoring in relation to delivery of planning obligations is not known, an authority must provide an estimate."	



## 2020/21 Completed projects funded from S106 contributions



Leadale Green  
Playground –  
Funded by S106  
public open space  
contributions



Seven Stars  
Playground –  
Funded by S106  
public open  
space  
contributions.



Hurst Grange Playground – Funded by S106 public open space contributions.





Bellis Way Playground – Partly funded by S106 public open space contributions.



Tarn Wood, Penwortham - Replacement of a woodchip track with a stone path and improvements to the pond overflow drainage system funded by S106 green infrastructure contributions.



S106 affordable housing contributions funded the Tom Hanson House in Bamber Bridge which has been converted into nine energy efficient apartments for social rent.



Report of	Meeting	Date
Deputy Chief Executive  (Introduced by the Cabinet Member (Communities, Social Justice and Wealth Building))	Cabinet	17 November 2021

## Social Justice Programme 2021/22

### Purpose of the Report

1. To present Cabinet with the Social Justice Programme. This includes the progress achieved so far.

### Recommendations to Cabinet

2. That the report be noted.

### Reasons for recommendations

3. To recognise the Council's commitment to social justice through the delivery of the Corporate Strategy.

### Other options considered and rejected

4. No other options have been considered or rejected.

### Corporate priorities

5. The report relates to the following corporate priorities: (please bold all those applicable):

<b>An exemplary council</b>	<b>Thriving communities</b>
<b>A fair local economy that works for everyone</b>	<b>Good homes, green spaces, healthy places</b>

### Background to the report

6. In February 2021, the Cabinet Member for Communities, Social Justice and Wealth Building along with the Lead Member for Social Justice and Equality set a commitment to work proactively to further social justice within South Ribble.

# Agenda Item 7

7. This evolved into the creation of a plan of activity with the aim of improving outcomes in our communities. The Social Justice Programme 2021/22 includes the following three key priorities:
- a) Enabling social justice through council services,
  - b) Raising awareness and celebrating diversity in South Ribble,
  - c) Supporting access and participation within our communities.
8. This report presents the priorities, objectives, actions, and initial progress achieved as well as the long-term ambitions of the programme.

## Climate change and air quality

9. There are currently no identified climate change or air quality implications identified with the Social Justice Programme 2021/22.

## Equality and diversity

10. This report concerns the Social Justice Programme 2021/22, which actively seeks to further equality and improve outcomes in our communities. Therefore, the programme will have a positive impact on equality and diversity.

## Risk

11. The key risks to this programme are primarily the need for partnership working and wider engagement across the community. Internally, delivery will be dependent on cooperation and support from a range of council services as identified in the action plan.

## Comments of the Statutory Finance Officer

12. The Social Justice Programme 2021/22 currently has no impact on the budget with all activity to be contained within existing resources or requested as needed.

## Comments of the Monitoring Officer

13. The Social Justice Programme 2021/22 will support us in further fulfilling our duties as a local authority under the Equality Act 2010. There are no other legal implications.

Chris Sinnott  
Deputy Chief Executive

Report Author:	Email:	Telephone:	Date:
Jon-James Martin	<a href="mailto:jon-james.martin@southribble.gov.uk">jon-james.martin@southribble.gov.uk</a>	01257 516141	22/10/2021





# SOCIAL JUSTICE PROGRAMME

# Agenda Item 7

## Introduction



**Councillor Jacky Alty**

**Lead Member for Social Justice and Equality**

South Ribble Council has set a vision to achieve “A healthy and happy community, flourishing together in a safer and fairer borough that is led by a council recognised for being innovative, financially sustainable and accountable”.

It is at the heart of our council and everything we do. It means a relentless focus on creating the conditions, partnerships, and services that support improvements in the lives of our residents, ensuring they have opportunities to succeed and thrive.

Social justice is about ensuring that each individual is given the opportunity to fulfil their potential and the provision to have individual needs recognised. Giving those who have been marginalised, a voice and therefore building a South Ribble that works for everyone.

As a local authority, the Council has an incredibly important and unique position to spearhead equality through its role as a service provider, employer, and community leader. The Social Justice Programme 2021/22 is determined to promote equality both within our organisation as well as in our local community. In my role as Lead Member for Social Justice and Equality, it is my aim to raise our profile and develop a reputation for tackling inequality and injustice.



A strong commitment to equality does not only have a compelling moral argument, but it also makes good business sense. By considering the needs and aspirations of a diverse community, it ensures we deliver high quality and accessible services. It will also ensure that those communities can enjoy increasingly fulfilling lives.

“It is vital that we place accessibility in the heart of everything that we do to ensure that South Ribble works for everyone and that everyone can fulfill their potential”.

# Agenda Item 7

## Our Strategy

### Background and Context

In February 2021, the Cabinet Member for Communities, Social Justice and Wealth Building along with the Lead Member for Social Justice and Equality set a commitment to work proactively to further social justice within South Ribble.

This evolved into the creation of the Social Justice Programme, which establishes a set of priorities and actions what we will be delivering in order to improve outcomes in our communities and foster a fairer society within South Ribble.

The programme exists within a context of ever changing communities, who have a diverse set of needs. These unique needs must be accounted for if we are to continue to deliver effective and high-quality services and support residents to live happy and healthy lives.



### Priorities

As part of the Social Justice Programme 2021/22, we have established a set of three priorities. These priorities outline what will be delivered as part of the programme and include the following:

#### Priority One: Enabling social justice through council services

As a community leader with responsibility for designing and delivering services, the council has a fundamental role to play in promoting social justice to achieve better outcomes for individuals and families right across the borough.

As those that work closely with communities, it is our staff, councillors and partners that can influence participation and collaboration so that decisions are shaped by the borough, for the borough.

To do this, we will need to have a collective understanding of the challenges, opportunities and priorities for action. We also need to set out what to do, and how to do it, with some clear guidelines and expectations.

#### Objectives:

- Set out equality and diversity priorities and objectives for South Ribble for the next 3 years,
- Ensure clear processes and policies are in place and consistently applied through training and development of officers and members,
- Review and monitor our performance at least annually.



# Agenda Item 7

## Priority Two: Raising awareness and celebrating diversity in South Ribble

South Ribble is a diverse borough made up of new and old, urban and rural, young and old. Recognising the role of difference and diversity is vital to achieving cohesive and inclusive communities.

To do this we need to highlight the value of individual perspectives and contributions, challenging negative behaviour and promoting positive examples of action to overcome injustice.

### Objectives:

- Celebrate difference and raise awareness of social justice within our communities by recognising national awareness days and promoting them through our external communications channels, including through our website and social media,
- Take a proactive approach to accessibility when organising events and activities in the community to ensure that all groups can participate equally.

## Priority Three: Supporting access and participation within our communities

We want everyone in South Ribble to live life to its full potential.

To do this we need to remove the barriers that lead to isolation and exclusion. These barriers are often hidden or unintended and it's our role to seek them out by engaging, understanding and taking action. As a council we should set the standard for accessibility through the development of our projects, events, plans and policies.

### Objectives:

- Engage with our community and when barriers or issues are identified, act upon concerns promptly,
- Consult widely and seek advice from those with real lived experience when preparing new plans and policies,
- Make our buildings, streets and open spaces 'friendly' environments for every resident through our plans, policies and projects.



# Looking Ahead Agenda Item 7

## Opportunities in Year One

Within year one of the Social Justice Programme, the following will be delivered:

### Priority One: Enabling social justice through council services



#### Create an Equality Framework

To create an Equality Framework that defines our equality policy so that we have the right processes to support our social justice ambitions. This will aim to improve how we monitor equality and as well as embed equality into everything we do.



#### Deliver training to staff and members

To provide staff and elected members with equality training so that they are equipped with the skills necessary to deliver our social justice ambitions. This will support them in understanding their roles and responsibilities.

### Priority Two: Raising awareness and celebrating diversity in South Ribble



#### Establish a calendar of events

To produce a calendar of events that marks key equality related dates for us to promote. This will aim to raise the profile of key issues and facilitate engagement and discussion with residents on equality issues, making the best use of social media.



#### Ensure Music in the Park is inclusive

To work with the events team to ensure Music in the Park is accessible to all groups and communities. This will make sure that our events are inclusive and reflective of the vibrant and diverse communities throughout the borough.

### Priority Three: Supporting access and participation within our communities



#### Make the Town Deal as accessible as it can be

To aspire for the highest accessibility standards as part of the future Town Deal developments by consulting and engaging with key stakeholders to achieve a flagship town centre for the borough.



#### Launch a Community Toilet Scheme

To explore a Community Toilet Scheme in partnership with local businesses that can provide access to toilet facilities in the town centre. This will aim to enhance visitors' quality of life by ensuring that accessible toilet facilities are easily available.

# Agenda Item 7



## Review unadopted streets

To address the issue of unadopted streets. This will aim to improve the information available to residents of unadopted streets and support them in transforming neglected areas into vibrant community spaces.



## Consider how new developments can accommodate all needs

To consider how we can ensure that new developments are well designed for all needs with access to community facilities and amenities.

## Action Plan

There are further actions that we will be delivering as part of the Social Justice Programme 2021/22 going forward. These actions will continue be based around the three priorities that underpin the programme.

Action	End Date
Develop Member learning hour (Town Deal accessibility)	December 2021
Publish Equality Framework and Impact Assessment	February 2022
Present options for community toilets	February 2022
Launch equality engagement and advice forum	March 2022
Develop Adopt an Alley initiative	March 2022
Deliver Music in the Park	June 2022
Analyse Census 2021 (no confirmed publication date)	TBD 2022

A summary of actions delivered to date is included in Appendix A.

## Moving to Action

Essential to the delivery of the programme will be the support of our key partners, communities, staff, and Councillors. This includes:

- Local charities and organisations to provide advice and support,
- Residents and communities to understand individual needs,
- Councillors to utilise their platform to back and promote the programme,
- Staff to deliver and coordinate the actions,
- Policies and processes to provide the structure to secure and measure equality outcomes.

# Agenda Item 7

## Appendix A – Progress Update

### Progress Update Table

The table presents the actions delivered so far as well as the progress achieved as of October 2021:

Action	Status	Update	End Date
<b>Priority One: Enabling social justice through council services</b>			
Create an Equality Framework	The framework has been drafted and will be presented to the Shared Senior Management Team in November 2021 ahead of presentation to Cabinet in February 2022 for final approval.	Ongoing	<b>February 2022</b>
Deliver training to staff and members	Two new equality and diversity e-learning modules have been launched on the Learning Hub for staff and members. This includes 'Equality in the Workplace' and the 'Equality Act 2010', which now form part of our mandatory training package. A performance indicator has been created in order to closely monitor the uptake of the module quarterly to ensure it is implemented effectively, with a target set at 80%. This module will ensure that staff are equipped with the knowledge necessary to support our equality ambitions and future actions.	Ongoing	<b>TBD</b>
<b>Priority Two: Raising awareness and celebrating diversity in South Ribble</b>			
Establish a calendar of events	A calendar of events has been produced, identifying dates to promote via our external communication channels. This aims to increase the profile of equality issues, stimulating discussions and community engagement. The dates in the calendar have been selected as they signify equality related dates that link with our corporate and service level projects.	Completed	<b>August 2021</b>
Ensure Music in the Park is inclusive	This action has not yet started.	Not Started	<b>June 2022</b>
<b>Priority Three: Supporting access and participation within our communities</b>			
Make the Town Deal as accessible as it can be	Four local equality organisations have been invited to review the plans and provide feedback on key aspects such as accessibility. These plans will be ready for review ahead of December 2021 once they have been finalised by the architects.	Ongoing	<b>December 2021</b>

# Agenda Item 7

	<p>The feedback provided by the groups will be used to develop a Member Learning Hour in early 2022 in order to present the feedback.</p>		
<p>Launch a Community Toilet Scheme</p>	<p>Research has been conducted to investigate how we can improve the provision of accessible toilets in the town centre through working more closely with local businesses, including sources of advice and funding.</p> <p>A survey will be conducted over August and September to gauge the views of local business, who will be asked whether they would support a proposed Community Toilet Scheme in order to assess the initial reception.</p>	<p>Ongoing</p>	<p><b>March 2022</b></p>
<p>Review unadopted streets</p>	<p>An information webpage has been created, which provides up-to-date information on unadopted streets. This includes how to find out if your street is unadopted, links to relevant resources and services, and how to get an unadopted street adopted.</p> <p>As part of long-term delivery, an Adopt an Alley scheme has been proposed. This will be an initiative aimed at encouraging communities to take ownership of their unadopted street and transform them into healthy and vibrant communal spaces, with residents invited to nominate their neglected backstreet alleyways and volunteers recruited to upgrade the selected spaces</p>	<p>Ongoing</p>	<p><b>March 2022</b></p>
<p>Consider how new developments can accommodate all needs</p>	<p>This action has not yet started.</p>	<p>Not Started</p>	<p><b>March 2022</b></p>



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Report of	Meeting	Date
Director of Communities Introduced by Deputy Leader and Cabinet Member (Health and Wellbeing)	Cabinet	Wednesday, 17 November 2021

Is this report confidential?	No
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Is this decision key?	Yes
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<b>Savings or expenditure amounting to greater than £100,000</b>	<b>Significant impact on 2 or more council wards</b>
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## Low Carbon Skills Funding, Public Sector Decarbonisation Scheme and Air Quality Grant

### Purpose of the Report

- To provide members with an update to the latest air quality and decarbonisation grant bids.
- To grant approval for the council to make the necessary contributions towards grant funding, should the council be successful with the grant bids, namely;

Grant	Total Grant (excluding contribution)	Council Contribution
Air Quality	£254,270	£28,241
Public Sector Decarbonisation Scheme, Phase 3	£3,568,200	£203,000

### Recommendations to Cabinet

- That should the Council be successful in its phase 3 Public Sector Decarbonisation Scheme (PSDS) grant application, approval is granted to provide a contribution of £300,000, comprising the required 'like for like' fossil fuel replacement contribution of £203,000 and a contingency of £97,000.
- Note that should the Council be successful in its 2021 Air Quality grant application match funding contribution of £28,241 will be required of which £11,995 will be existing budgeted officer time and £16,246 from the existing Climate Emergency & Air Quality Budget.

# Agenda Item 8

## Reasons for recommendations

5. In September 2021, Full Council approved the submission of a PSDS, phase 3 grant application, including a capital contribution of up to £500,000. The exact sum to be approved by the Cabinet member for Health and Wellbeing.
6. At the same September meeting it was also agreed that the Council would submit an application as part of the DEFRA Air Quality Grant Scheme. Following final release of the scheme it was found that the scheme had been divided into two lots. The grant application submitted covered works under 'Lot 1' and are largely capital works. These require a contribution of 10% of the total grant application.

## Other options considered and rejected

7. The Council do not agree to contribute the required sums. This will result in the grant bids not being accepted, no decarbonisation works being undertaken to the 'Big 6' buildings and no air quality improvements being undertaken. It is also likely to jeopardise any future grant application bids.

## Corporate priorities

8. The report relates to the following corporate priorities: (please bold all those applicable):

<b>An exemplary council</b>	<b>Thriving communities</b>
<b>A fair local economy that works for everyone</b>	<b>Good homes, green spaces, healthy places</b>

## Background to the report

### Public Sector Decarbonisation Scheme

9. The Council has made a commitment to becoming net carbon zero by 2030. This is detailed within the Climate Emergency Declaration in 2019, the Climate Emergency Strategy and Action Plan 2021 and the UK100 Net Zero pledge.
10. To achieve this the council needs to decarbonise its estate among other measures. The PSDS grant scheme will, if successful, allow a significant step towards this goal.
11. Following Council approval in September 2021 and utilising the previously produced decarbonisation plans a grant application has been submitted for Phase 3 of the PSDS.
12. The grant application covers decarbonisation works to the largest energy using buildings within the Council's estate, named the 'Big 6' and consist of;
  - The Civic Centre
  - Moss Side Depot
  - Leyland Leisure Centre
  - Bamber Bridge Leisure Centre
  - Penwortham Leisure Centre



# Agenda Item 8

## South Ribble Tennis Centre

13. The identified works to these buildings include the replacement of fossil fuel heating systems with Air Source Heat Pumps (ASHP's), Solar PV cells, LED lighting and replacement pumps for the swimming pools.
14. The total grant application is for £3,771,300, of which the Council must contribute the equivalent of the replacement costs for the fossil fuel heating system, calculated at £203,000.
15. At the September Council meeting it was agreed that the PSDS bid could be made with up to £500,000 contribution from the Council, with final approval given to the Cabinet member for Health and Wellbeing, prior to acceptance of any grant offer.
16. The sum requested is therefore significantly below that approved by Full Council.
17. The grant application has, given the significant tight timescales and grant rules, been submitted with the assistance of a specialist contractor but full costings have not been obtained at this time for the works.
18. It is been agreed that the contribution to the grant will be made for the previously approved Leisure Refurbishment budget, in which the initial £500,000 has been set aside for decarbonisation works.
19. It is requested that a contingency of £97,000 is set aside from the initial £500,000 approved budget to cover any unforeseen expenses during the decarbonisation works to give a total contribution of £300k. This safety margin will allow the decarbonisation works to proceed within the time timescale should any issues be encountered without incurring further delays, particularly towards the end of the project.

## Air Quality Grant

20. Poor air quality is one of the biggest health concerns of modern times, affecting everyone in society but particularly the young, elderly and immunocompromised.
21. The Council has five declared areas of poor air quality, known as Air Quality Management Areas, for which there is a legal duty to take action to try and improve the air quality within these areas.
22. The Council have made a committed to improving air quality across the borough within the published Air Quality Action Plan 2018.
23. Following approval at the September Council meeting, a grant bid application has been submitted to DEFRA, under Lot 1 of the grant scheme.
24. This covers largely capital works and as such a contribution of 10% is required. The total grant application is for £282,412 or which the Council will need to contribute £28,241.

# Agenda Item 8

25. The grant application consists of:

- Traffic Monitoring Systems (automatic number plate recognition cameras),
- Age related cycle training for high schools and community groups within the vicinity of Leyland and Lostock AQMA's, including the purchase of bikes and safety equipment,
- Four cycle hubs to be located at Lostock Hall, Leyland Train Station, Leyland Leisure Centre, King Street car park. The cycle hubs are to be fitted with solar panels, security doors, cameras, pumps – see images Appendix 1
- A case Study looking at HGV reduction within Leyland
- A case study looking at where improvements are required to the cycle network in South Ribble

26. As part of the grant, officer time has been included for the management, co-ordination of the grant work and the delivery of the bike ability programme. This totals £11,995, therefore reducing the Council's actual non-committed contribution to £16,246.

27. The £16,246 is to be sourced from the existing Climate Emergency & Air Quality Budget.

## **Climate change and air quality**

28. The works detailed within this report have a direct and significant benefit on both the Climate Emergency Agenda and the Air Quality work being undertaken by the Council.

## **Equality and diversity**

29. The work to the leisure centres, will assist in the provision of carbo neutral facilities for all residents of the borough.

30. While the provision of bicycles for bike ability training and secure cycle storage will encourage a cheap, healthy mode of transport accessible to all. Improvements to air quality will assist everyone but particularly those within society who are young, elderly, or immunocompromised.

## **Risk**

31. If the council are not successful with the grant applications no contribution will be required, although works to secure the decarbonisation of the buildings will at some point need to be undertaken to achieve the Council's net-zero goal.

32. If successful, the grant awards contain several conditions which must be met. The most significant of these is the timescales in which work must be completed, especially for the decarbonisation works. Failure to achieve the timescales may result in grant funding being reclaimed.

## **Comments of the Statutory Finance Officer**

33. The match funding for these projects are from existing approved budgets. The capital programme will be updated to reflect the grant award values should we be successful.

## **Comments of the Monitoring Officer**

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34. There are no concerns from a legal perspective. The importance of the project is self-evident. Clearly any grant conditions will need to be fully complied with.

## **Background documents**

Climate Emergency Declaration,

Climate Emergency Strategy,

Climate Emergency Action Plan,

'Big 6' Decarbonisation Plans

Air Quality Action Plan

## **Appendices**

Appendix 1

Report Author:	Email:	Telephone:	Date:
Neil Martin (Senior Environmental Health Officer)	nmartin@southribble.gov.uk	01772 625336	28/10/21

# Agenda Item 8

## Appendix 1



# Agenda Item 8





# Agenda Item 8



Report of	Meeting	Date
Director of Finance and Section 151 Officer (Introduced by Cabinet Member (Finance, Property and Assets))	Scrutiny Budget and Performance Panel	15 <sup>th</sup> November 2021
	Cabinet	17 <sup>th</sup> November 2021

Is this report confidential?	No
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Is this decision key?	Yes
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<b>Savings or expenditure amounting to greater than £100,000</b>	<b>Significant impact on 2 or more council wards</b>
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## 2021/22 Corporate Revenue Budget Monitoring Report and Reserves – position as at 30th September 2021

### Purpose of the Report

1. This report sets out the revenue and reserves forecast for the Council as at 30th September 2021.

### Recommendations to Cabinet

2. Note the forecast position for revenue and reserves as at 30th September 2021.
3. Note the virements to the revenue budget made during the period, as detailed in **Appendix 2** of the report.

### Executive summary

4. Based on the position as at 30<sup>th</sup> September 2021, there is a forecast underspend against the budget for 2021/22 of £274k as detailed in **Appendix 1**.
5. The Council's Medium-Term Financial Strategy reported that working balances were to be maintained at a minimum of £4.0m due to the financial risks facing the Council. The forecast level of general fund balances as at 31<sup>st</sup> March 2022 is £4.415m.

### Reasons for Recommendations

6. To ensure the Council's budgetary targets are achieved.

# Agenda Item 9

## Alternative Options Considered and Rejected

7. None

## Corporate priorities

8. The report relates to the following corporate priorities:

<b>An exemplary council</b>	<b>Thriving communities</b>
<b>A fair local economy that works for everyone</b>	<b>Good homes, green spaces, healthy places</b>

## Background to the report

9. The net revenue budget for 2021/22 is £14.480m.

10. **Appendix 3** provides further information about the specific earmarked reserves and provisions available for use throughout 2021/22.

11. The Council's approved revenue budget for 2021/22 included target savings of £190k, comprising £150k in staffing turnover, and £40k from the expansion of shared services. The £150k target has been achieved and deducted from directorate staffing budgets as reported in the previous monitoring report. The £40k target has not yet been achieved.

## Section A: Current Forecast Position – Revenue

12. The forecast expenditure based on the position as at 30th September 2021 is £14.206m against the Council's budgets of £14.480m. Details of the forecast revenue outturn position are shown in **Appendix 1** and the movement and balances on reserves are outlined in **Appendix 3**. The main variances, by directorate, are detailed below.

13. The staffing budgets were set with no assumed percentage increase for a pay award but with a £250 increase for salaries below £25k, in line with the Government announcement at the time. Since then, negotiations have been ongoing between the National Joint Council trades unions and the National Employers, and a final offer of a 1.75% increase has been offered to the unions. The staffing forecasts have been updated to reflect this although it must be noted that the offer has not yet been accepted. The impact is an increase in staffing costs of around £142k for the current year.



# Agenda Item 9

## Variations from Budget

Directorate	Budget £'000	Forecast at 30 <sup>th</sup> Sept 21 £'000	Variance (Under)/Over spend £'000
Commercial & Property	1,750	1,789	39
Communities	1,689	1,507	(182)
Customer & Digital	6,217	6,074	(143)
Governance	1,796	1,826	30
Planning & Development	582	441	(141)
Policy	1,882	1,904	22
Budgets Not In Directorates	564	950	386
Covid-19	-	(286)	(286)
<b>Total Expenditure</b>	<b>14,480</b>	<b>14,206</b>	<b>(274)</b>
Funding	Budget £'000	Forecast at 30 <sup>th</sup> Sept 21 £'000	Variance (Under)/Over spend £'000
Council Tax	(8,599)	(8,599)	-
Lower Tier Support Grant	(100)	(100)	-
New Homes Bonus	(363)	(363)	-
Reserves	(124)	(124)	-
Retained Business Rates	(3,829)	(3,829)	-
Section 31 Government Grants	(1,465)	(1,465)	-
<b>Total Funding</b>	<b>(14,480)</b>	<b>(14,480)</b>	<b>-</b>

### 14. Commercial and Property – overspend of £39k

- The forecast is based on a reduced income of £94k from investment properties, the market and the business and conference centre.
- Additional staffing costs of £53k have been included in the projections, in respect of support required in the facilities and estates teams.
- Leisure Services is forecasted to underspend by £78k. South Ribble Leisure Ltd was established on 1<sup>st</sup> September 2021 and over the 7 month period September 2021 to March 2022 the Council will pay an agreed payment, under contract, to the company for service delivery. The Council's leisure services budget was set based on assumed costs for continuing to run the service in-house throughout the year. The budget included costs for NNDR but the company has exemptions from paying these costs, which is the main reason for a forecasted underspend.

### 15. Communities – underspend of £182k

- Community Involvement has an underspend of £55k due to staffing vacancies. The vacant assistant director post is generating an underspend of £34k, which is being used to offset the overspend of £15k in Environmental Health, which is due to additional staffing costs for a shared service lead.
- Additional grant funding relating to Homelessness of £49k is shown as a surplus because there are not yet definitive plans for spending this.

# Agenda Item 9

- Housing Support is forecast to underspend due to the expected level of the admin charge for Disabled Facilities Grants, which is charged to capital expenditure; it is expected that this will be £50k higher than the budget. The charge is based on the value of capital expenditure incurred, which is forecast to be much higher than the level assumed when the budget was set.

## **16. Customer and Digital – underspend of £143k**

- There is a surplus forecast of £149k on the housing benefit subsidy, based on the mid-year estimate.
- The Customer Services and the Revenues and Benefits cost centres have a forecast underspend of £138k on staffing costs due to vacant posts; a service review is in progress.
- Parks and Neighbourhoods is underspent on staffing by £18k due to vacancies
- This is offset by reduced income from court summonses of £95k and parking income of £93k.
- Garden waste income has a surplus of £87k but trade waste income is down by £16k.

## **17. Governance – overspend of £30k**

- £23k of this relates to a forecast overspend on Democratic Services due to additional staffing costs.

## **18. Planning and Development – underspend of £141k**

- Planning fee income is forecast to be in surplus by £71k against the budget. There are also staffing vacancies resulting in further underspends of £40k.
- The apprentices budget within the Investment and Skills service has an underspend of £44k due to vacancies.

## **19. Policy – overspend of £22k**

- Shared Financial Services has a forecasted overspend of £20k due to additional costs for agency staff. This is a temporary cost increase while business grants are brought to a close.

## **20. Budgets Not In Directorates – overspend of £386k**

- As noted in the last Revenue Monitoring Report presented to Cabinet in September, additional pension contributions of £353k will be required due to an underpayment of advance pension contributions paid to the Lancashire Pension Fund in April 2020. This has resulted in an in-year overspend of £240k on pensions.
- The original revenue budget included savings targets of £150k for staffing turnover and £40k for expanding shared services. The full savings of £150k have already been achieved and these have been deducted from directorate staffing budgets; £75k to Communities and £75k to Customer and Digital. The £40k savings target in respect of shared services will be identified following the reviews currently in progress.
- Parish precepts are £44k higher than budget due to the fact that their value was not available when the budget was set.
- Net Interest Receivable/Payable is forecast to be £63k overspent for 2021/22.

## **21. Covid-19 - underspend of £286k**

- £80k additional income is anticipated from the governments Covid-19 Sales, Fees and Charges Compensation Scheme to offset losses incurred in the first quarter of 2021/22.
- £206k additional income is anticipated from the Covid-19 Containing Outbreak Management Fund (COMF) to offset against staffing costs across various services.

## **22. Funding – No variations in funding are forecasted at this stage.**

# Agenda Item 9

## Section B: General Fund Resources and Balances

23. With regard to working balances, and as detailed in **Appendix 3**, the Council holds a £4.1m General Fund balance to manage budget risks not covered by earmarked reserves or provisions. The forecast outturn for 2021/22 shows a projected General Fund closing balance of £4.415m as detailed below.

<b>Summary of Movement in General Reserves</b>	<b>£m</b>
General Fund Reserves as at 1 <sup>st</sup> April 2021	(4.141)
Forecast revenue budget (surplus) / deficit	(0.274)
<b>Forecast General Reserve Closing Balance 2021/22</b>	<b>(4.415)</b>

24. **Appendix 3** provides further information about the specific earmarked reserves and provisions available for use throughout 2021/22.

25. Taking account of the adjustments highlighted in **Appendix 3**, the forecasted level of Earmarked reserves held for discretionary use by the Council at 31<sup>st</sup> March 2022 is £11.797m compared to a balance of £23.007m at 31<sup>st</sup> March 2021.

<b>Summary of Movement in Earmarked Reserves</b>	<b>£m</b>
Earmarked Reserves as at 1 <sup>st</sup> April 2021	(23.007)
Use of revenue reserves for capital financing	4.672
Release of S31 grant received in 2020/21 (and held in reserves) in respect of Business Rates reliefs stipulated by the government during – this offsets the resulting deficit brought forward on the Collection Fund	4.890
Forecast use of other earmarked reserves	1.648
<b>Forecast Earmarked Reserves Closing Balance 2021/22</b>	<b>(11.797)</b>

26. Amounts within the forecast use of 'other earmarked reserves' include;

- £306k from the leisure reserve in relation to one-off costs involved in bringing leisure services in-house from 1<sup>st</sup> April 2021 and transferring to a local authority trading company
- £242k from the Section 106 reserve relating to a specific section 106 agreement that requires the receipt to be paid over to City Deal.
- £236k from the business rates retention reserve to address the additional pension contributions required in relation to 2020/21.
- £177k to fund costs associated with the local plan.
- £150k from the business grants reserve to contribute to the wider programme of support to businesses, using Covid Additional Restrictions Grant funding.
- £113k of funding carried forward to be used for stock condition surveys for the Councils properties.
- The remainder of the movements are various, smaller adjustments related to revenue spending.

# Agenda Item 9

## Climate change and air quality

27. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place.

## Equality and diversity

28. None

## Risk

29. Please summarise the key risks identified in any risk assessments.

## Comments of the Statutory Finance Officer

30. The financial implications are contained within this report.

## Comments of the Monitoring Officer

31. None

## Background documents

32. There are no background papers to this report.

## Appendices

Appendix 1 – Revenue 2021/22 - position as at 30th September 2021

Appendix 2 – Revenue Budget Movements as at 30th September 2021

Appendix 3 – 2021/22 Reserves Programme position as at 30th September 2021

Appendix 4 – Staffing Vacancies as at 30th September 2021

Report Author:	Email:	Telephone:	Date:
Neil Halton (Principal Management Accountant), James McNulty (Senior Management Accountant)	neil.halton@southribble.gov.uk, louise.mattinson@southribble.gov.uk, james.mcnulty@southribble.gov.uk	01772 625625	28/10/21

# APPENDIX 1

## Revenue 2021/22 - position as at 30th September 2021

Directorate	Department / Section	Original Budget	Budget at 30th Sept 2021	Forecast Outturn based on position at 30th Sept 2021	Variance (Under) / Overspend
<b>Commercial &amp; Property</b>	Community Centres	12	12	(3)	(15)
	Departmental Costs	117	117	119	2
	Housing Delivery	(33)	(33)	(29)	4
	Investment Properties	(691)	(691)	(591)	100
	Leisure	1,438	1,438	1,360	(78)
	Projects & Development	216	216	188	(28)
	Property Services	649	691	746	55
<b>Commercial &amp; Property Total</b>		<b>1,708</b>	<b>1,750</b>	<b>1,790</b>	<b>39</b>
<b>Communities</b>	Community Involvement	625	580	524	(56)
	Departmental Costs	44	82	48	(34)
	Environmental Health	549	579	594	16
	Homelessness	350	350	306	(44)
	Housing Support	128	98	34	(64)
<b>Communities Total</b>		<b>1,695</b>	<b>1,689</b>	<b>1,506</b>	<b>(182)</b>
<b>Customer &amp; Digital</b>	Customer Services and Revenue and Benefits	753	678	484	(194)
	Departmental Costs	120	120	103	(17)
	Information Services	1,600	1,638	1,689	50
	Parks and Neighbourhoods	2,469	2,398	2,380	(18)
	Transport	336	336	403	67
	Waste Management	1,047	1,047	1,016	(31)
<b>Customer &amp; Digital Total</b>		<b>6,325</b>	<b>6,217</b>	<b>6,075</b>	<b>(143)</b>
<b>Governance</b>	Civic Services	-	-	-	(0)
	Democratic Services	785	785	815	31
	Departmental Costs	228	228	217	(11)
	Legal	300	303	303	1
	Shared Assurance Services	481	481	491	10
<b>Governance Total</b>		<b>1,794</b>	<b>1,796</b>	<b>1,826</b>	<b>30</b>
<b>Planning &amp; Development</b>	Building Control	(56)	(0)	6	7
	City Deal	(129)	(129)	(129)	-
	Departmental Costs	112	44	48	4
	Investment and Skills	408	408	365	(43)
	Licensing	4	4	7	3
	Planning	320	256	145	(111)
<b>Planning &amp; Development Total</b>		<b>659</b>	<b>582</b>	<b>442</b>	<b>(141)</b>
<b>Policy</b>	Communications & Visitor Economy	343	343	346	3
	Corporate	193	193	202	8
	Shared Financial Services	673	671	691	20
	Transformation & Partnerships	675	675	665	(10)
<b>Policy Total</b>		<b>1,885</b>	<b>1,882</b>	<b>1,904</b>	<b>22</b>

Directorate	Department / Section	Original Budget	Budget at 30th Sept 2021	Forecast Outturn based on position at 30th Sept 2021	Variance (Under) / Overspend
<b>Budgets Not In Directorates</b>	Covid-19	-	-	(286)	(286)
	Debt Repayment	298	298	298	-
	Interest	(118)	(118)	(55)	63
	Parish Precepts	434	434	478	44
	Pensions Costs	(11)	(11)	229	240
	Savings Targets	(190)	(40)		40
<b>Budgets Not In Directorates Total</b>		<b>414</b>	<b>564</b>	<b>664</b>	<b>100</b>
<b>Funding</b>	Council Tax	(8,599)	(8,599)	(8,599)	-
	Lower Tier Support Grant	(100)	(100)	(100)	-
	New Homes Bonus	(363)	(363)	(363)	-
	Reserves	(124)	(124)	(124)	-
	Retained Business Rates	(3,829)	(3,829)	(3,829)	-
	Section 31 Government Grants	(1,465)	(1,465)	(1,465)	-
<b>Funding Total</b>		<b>(14,480)</b>	<b>(14,480)</b>	<b>(14,480)</b>	<b>-</b>
<b>Grand Total</b>		<b>-</b>	<b>-</b>	<b>(274)</b>	<b>(274)</b>

## APPENDIX 2

### Revenue Budget Movements as at 30th September 2021

Directorate	Commercial & Property	Communities	Customer & Digital	Governance	Planning & Development	Policy	Budgets Not In Directorates	Funding	TOTAL
Budget approved by Council 26th Feb 2021	1,708	1,695	6,325	1,794	659	1,885	414	(14,480)	-
<b>Transfers between directorates</b>									
Realignment of staffing budgets	42	68	(33)	3	(77)	(3)			-
									-
									-
<b>Allocation of savings targets</b>									
Staffing turnover		(75)	(75)				150		-
									-
									-
<b>Carry forward of grants and other budgets to 2022/23</b>									
									-
									-
									-
<b>Transfers (to) / from Earmarked reserves</b>									
Defibrillators net expenditure		25							25
Defibrillators contribution from New Burdens reserve		(25)							(25)
									-
<b>Transfers (to) / from General Fund reserves</b>									
									-
									-
									-
<b>Other budget adjustments</b>									
									-
									-
									-
Revised Budget as at 31st July 2021	1,750	1,689	6,217	1,796	582	1,882	564	(14,480)	-

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# APPENDIX 3

## 2021/22 Reserves Programme position as at 30th September 2021

Reserves	Balance at 1st April 2021 £'000	Forecasted Movements			Forecasted Balance 31st March 2022 £'000
		Movement Between Reserves £'000	Transfers From Reserves £'000	Transfers To Reserves £'000	
<b>General Fund Balance</b>	<b>(4,141)</b>	<b>-</b>	<b>-</b>	<b>(274)</b>	<b>(4,415)</b>
<b>Corporate Reserves</b>					
Borough Investment account	(4,404)		1,823		(2,581)
Brexit Preparation Grant	(36)				(36)
Business rates retention reserve	(3,144)	236			(2,908)
Business rates temporary surplus to be repaid	(5,244)		4,890		(354)
Capital Funding Reserve	(1,851)		1,851		-
City Deal	(1,851)				(1,851)
Climate Emergency	(250)				(250)
Community Wealth Building	(150)				(150)
Covid Commitments Reserve	(654)				(654)
Covid Recovery Fund	(675)				(675)
Income Equalisation Reserve	(150)				(150)
Income Investment Reserve	(250)		10		(240)
New Burdens Grant	(99)		25		(74)
Pensions Reserve	-	(236)	236		-
Restructure costs	(200)		70		(130)
Section 106 Revenue Reserve	(242)		242		-
Shared Services Implementation	(48)				(48)
Towns Fund	(76)		76		-
Transformation Reserve	(230)		230		-

Reserves	Balance at 1st April 2021 £'000	Forecasted Movements			Forecasted Balance 31st March 2022 £'000
		Movement Between Reserves £'000	Transfers From Reserves £'000	Transfers To Reserves £'000	
<b>Commercial and Property</b>					
Asset Maintenance Reserve	(400)		250		(150)
Extra Care	(50)		50		-
Leisure Reserve	(546)		306		(240)
Leisure Strategy	(15)				(15)
Repairs and Maintenance Fund	(500)		400		(100)
Stock condition surveys	(113)		113		-
<b>Communities</b>					
Community Hubs Reserve	(109)				(109)
Energy efficiency	(27)		27		-
Homelessness prevention grants	(144)				(144)
Housing Standards Enforcement	(32)				(32)
Mental Health for Young People	(50)		3		(47)
Sports Development	(297)		22		(275)
<b>Customer and Digital</b>					
Grounds Maintenance	(7)		7		-
IT underspend non-staffing	(88)		88		-
Office supplies underspend	(36)		36		-
<b>Governance</b>					
Borough council elections	(160)				(160)
Internal Audit	(14)		14		-
<b>Planning and Development</b>					
Apprentice factory website	(15)				(15)
Business Grants	(150)		150		-
Business Support	(44)				(44)
Economic Development	(20)				(20)
Housing needs survey	(80)			(20)	(100)

Reserves	Balance at 1st April 2021 £'000	Forecasted Movements			Forecasted Balance 31st March 2022 £'000
		Movement Between Reserves £'000	Transfers From Reserves £'000	Transfers To Reserves £'000	
Local Plans	(267)		177		(91)
<b>Policy</b>					
Communications	(31)				(31)
Credit Union	(149)		66		(83)
Events	(48)		20		(28)
Music Festival	(48)		48		-
Performance Reward Grant	(11)				(11)
Policy and Performance	(2)		2		-
<b>Total Earmarked Reserves</b>	<b>(23,007)</b>	<b>-</b>	<b>11,230</b>	<b>(20)</b>	<b>(11,797)</b>
<b>Total Reserves - General and Earmarked</b>	<b>(27,149)</b>	<b>-</b>	<b>11,230</b>	<b>(294)</b>	<b>(16,213)</b>

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**Posts held pending review**

<b>Post Description</b>	<b>Shared Services</b>	<b>Notes</b>
<b>Commercial and Property</b>		
Facilities Team Leader		Vacant since March 2021. The budget is funding temporary arrangement in the facilities and estates teams. A review of the services is planned.
Leisure Partnership Development Manager		Vacant since April 2021
Graphic Designer (0.51 FTE)		Vacant throughout 2020/21. The budget is funding temporary arrangements in the facilities and estates teams.
Engineering Technician		As above
<b>Communities</b>		
Sports Development Officer (0.86 FTE)		A review of staffing across Sports Development is currently taking place. There are various temporary arrangements in place using different allocation grant funding.
Project Co-ordinator (Sports Development)		
Wellbeing Development Officer		
<b>Customer and Digital</b>		
Gateway Team Leader	Y	A shared services review of the Gateway team is ongoing
Gateway Officer	Y	
Benefits Assessor	Y	A shared services review of the Revenues and Benefits team is ongoing
Visiting Officer	Y	
Revenues Assistant (1.3 FTE)	Y	
Revenues and Benefits Officer	Y	
Clerical Assistant	Y	
Technical Support Analyst	Y	A shared services review of IT is ongoing
Senior Network Support Analyst	Y	
LLPG Officer	Y	
Security Support Officer	Y	
Senior Assistant		

**Notes:**

FTE stands for Full Time Equivalent and is used for part-time posts to show a comparison against a full-time post.

## Posts where the post-holder has been seconded to a Covid-specific role

Post Description	Shared Services	Notes
<b>Communities</b>		Some of these posts may be filled temporarily until the post holder returns.
Senior Community Involvement Officer		
<b>Customer and Digital</b>		
Gateway Officer (3 FTE)	Y	
Neighbourhood Officer (0.5 FTE)		
Waste Monitoring Officer		
Arborist		

## Other Vacancies

Post Description	Shared Services	Notes
<b>Communities</b>		
Community Involvement Officer		Vacant since July 2021
Assistant Director of Housing & Property		Vacant through 2020/21. The budget is funding a shared Environmental Health Manager post and a new Communities Team Leader post.
Environmental Health Technician		Vacant since July 2021
Community Safety Officer		Vacant since September 2021
<b>Customer and Digital</b>		
ICT Team Leader	Y	Vacant since 23/09/21
Assistant Director of Neighbourhoods	Y	Vacant since May 2021
Team Operative		Vacant since 10/09/21
<b>Governance</b>		
Executive Officer	Y	Became vacant in July 2021
Audit & Risk Assistant	Y	Became vacant in October 2021
Executive Assistant	Y	Became vacant in September 2021
<b>Planning &amp; Development</b>		
Head of Licensing		Vacant throughout 2020/21
(Apprentice) Internal Applicant or Mature Apprentice		Will be recruited to in the next round of apprentices.
Apprentice (3 FTE)		These will be recruited to in the next round of apprentices
Business Development Officer		Vacant since April 2021. Will be recruited to once work on Covid business grants is complete.
Strategic Housing Officer		Vacant since May 2021
<b>Policy</b>		
Museum Curator	Y	Vacant since May 2020 but the budget has been used to fund a temporary resource.

Report of	Meeting	Date
Director of Finance and Section 151 Officer (Introduced by Cabinet Member (Finance, Property and Assets))	Scrutiny Budget and Performance Panel	15 <sup>th</sup> November 2021
	Cabinet	17 <sup>th</sup> November 2021

Is this report confidential?	No
------------------------------	----

Is this decision key?	Yes
-----------------------	-----

<b>Savings or expenditure amounting to greater than £100,000</b>	<b>Significant impact on 2 or more council wards</b>
--	--

## 2021/22 Corporate Capital Programme and Balance Sheet Monitoring Report – position as at 30<sup>th</sup> September 2021

### Purpose of the Report

1. This report outlines the overall financial position of the Council in respect of the capital programme as at 30<sup>th</sup> September 2021, highlighting key issues and explaining key variances, and provides an overview of various elements of the Council's Balance Sheet as at 30<sup>th</sup> September 2021.

### Recommendations to Cabinet

2. To approve the revised capital programme as attached at **Appendix A** which includes approved amendments to the programme, as detailed at point 11 of this report, since the last Capital Monitoring report was approved by Cabinet in September;
3. To note the variations to the programme, (which are detailed, by scheme, at **Appendix B** and referenced within the body of the report);
4. To note the position in the Balance Sheet Monitoring section of the report in respect of cash, investment and loan balances, and debtors as at 30<sup>th</sup> September 2021.

### Reasons for Recommendations

5. To ensure the Council's Capital Programme is monitored effectively.

### Alternative Options Considered and Rejected

6. None

### Corporate priorities

7. The report relates to the following corporate priorities:

<b>An exemplary council</b>	<b>Thriving communities</b>
<b>A fair local economy that works for everyone</b>	<b>Good homes, green spaces, healthy places</b>

### Background

8. The capital budget for 2021/22 was set at £15.814m in February 2021. It was increased following approval of the outturn to £21.380m. In the last monitoring report, approved at Cabinet in September 2021, the budget was increased to £22.081m.

### Section A: Capital Programme

#### Key Issues

9. The total cost of the Council's capital investment programme for 2021/22 has decreased from £22.081m, as approved by Cabinet in the last monitoring report, to £16.159m at 30th September 2021; this includes the variations approved since the last report, along with those contained within in this report itself. A summary of the total costs of the programme, and the funding of this, is detailed at **Appendix A**.
10. The net variation of £5.922m is detailed by scheme in **Appendix B**. The net variation includes those variations approved since the previous monitoring report and variations in respect of the reprofiling of budgets within the existing programme.
11. Budget variations approved since the previous monitoring report are shown in the table below and have resulted in an increase of £0.836m in the 2021/22 capital programme and a decrease of £0.026m in the programme for 2022/23.



Scheme	Increase / (Reduction) 2021/22 £'000	Increase / (Reduction) 2022/23 and future years £'000	Approved by	Date approved
<b>Good homes, green spaces and healthy places</b>				
Farmyard Cottages in Worden Park - windows and rendering	26	-	EMD	30/09/21
Farmyard Cottages in Worden Park - heating	-	(26)	EMD	30/09/21
Affordable Housing - former McKenzie Arms, Bamber Bridge	810	-	Council	22/09/21
Leisure Centre refurbishments	(180)	-	Cabinet	15/09/21
Tennis Centre car park	180	-	Cabinet	15/09/21
Leisure Centre refurbishments	-	(500)	Council	22/09/21
Decarbonisation of Leisure Centres	-	500	Council	22/09/21
<b>Thriving Communities</b>				
Leisure Local	(175)	-	Cabinet	15/09/21
Vernon Carus Sports Club	175	-	Cabinet	15/09/21
<b>An exemplary council</b>				
IT Unallocated Funding	(50)	-	EMD	04/09/21
Revenues and Benefits Software Upgrade	50	-	EMD	04/09/21

12. The budgets for the following schemes have been reduced to reflect the fact that the tendered prices have come in lower than the estimated budget values:

- Open Spaces – Bent Lane reduction of £50k
- Lostock Hall Football Facility reduction of £25k
- A Tree for Every Resident reduction of £51k
- Parking Meter Replacements reduction of £15k

13. The budgets for the following scheme has been reduced following final completion of the project:

- Affordable Housing - Tom Hanson House, Station Road, Bamber Bridge reduction of £13k

14. Slippage and re-profiling of budgets between 2021/22 and 2022/23, since the previous report, totals £6.660m as detailed on the individual schemes in **Appendix B**. The largest movements are shown in the table below and explanations in the major variations section that follows.

<b>Scheme</b>	<b>Paragraph Ref</b>	<b>Slippage and Reprofileing £'000</b>
Green Infrastructure unallocated	17	(155)
Council Leisure Facilities other than Leisure Centres	20	(175)
Affordable Housing - former McKenzie Arms, Bamber Bridge	21	(1,710)
Masterplanning & Regen - Leyland	22	(2,000)
Town Deal RIBA Stage 3	23	(1,527)
Civic Centre New Entrance	26	(150)
Vehicles and Plant replacement programme	27	(763)
Other Schemes		(181)
<b>Total</b>		<b>(6,660)</b>

15. As at 30th September 2021 the capital expenditure across the programme was £2.800m representing 17.3% of the current, revised projected capital spend for the year. While spend in relation to the overall programme is currently relatively low, several large projects are underway (e.g. Worden Hall, Sport Pitch Hub, Affordable Housing at former McKenzie Arms, Town Deal) and will incur significant spend over the coming months.

16. No further capital receipts have been received since the last monitoring report. The total value of capital receipts as at 30<sup>th</sup> September 2021 is £70k.

### **Major Variations in the 2021/22 Capital Programme since the previous report**

#### **Good Homes, Green Spaces and Healthy Places**

17. The green infrastructure budget of £155k has not yet been allocated to specific projects and has been reprofiled to 2022/23. Spending on Leyland Loop is estimated to be £26k below budget and this residual amount has also been reprofiled to 2022/23.

18. The Leisure Centre Refurbishments scheme had a budget of £530k in 2021/22. Two projects have been split out within the overarching scheme and are now included as separate budget lines; work to the Tennis Centre Car Park (£100k) and Reception Refurbishments (£400k). Of the remaining budget for Leisure Centre Refurbishments, £30k has been reprofiled into 2022/23.

19. £500k has been allocated from the Leisure Centre Refurbishments budget in 2022/23 to a new scheme, 'Decarbonisation of Leisure Centres', in line with the report to Council on 22<sup>nd</sup> September 2021. This represents the initial match funding from the Council that has been included in a grant application for approximately £4.0m. If and when the application is successful, the budget will be increased accordingly.

20. Again following a review of the project spend profiles for all capital schemes, £175k of the budget for 'Council Leisure Facilities other than Leisure Centres' has been reprofiled from

2021/22 into 2022/23. The revised budget of £100k will cover work to Worden Park Pavilion and Gregson Green Pavilion.

21. Affordable Housing – former McKenzie Arms has an approved budget increase of £810k. funded by £675k expected grant from Homes England and additional Section 106 funding of £135k as detailed in the report to Council on 22<sup>nd</sup> September 2021. A review of the spend profile has been undertaken and £1.710m of the budget has been transferred from 2021/22 to 2022/23.

### **A Fair Economy that works for everyone**

22. Again, following the scheme by scheme review, the Masterplanning Leyland budget of £2.0m has been reprofiled to 2022/23 and will be incorporated into the wider Town Deal project.
23. Of the Town Deal RIBA Stage 3 budget of £2.774m, £1.527m has been reprofiled from 2021/22 to 2022/23. This means the revised budget for 2021/22 is £1.248m, which matches the value of grant that has been received to date.

### **Thriving Communities**

24. The Penwortham Community Centre Improvements budget for 2022/23 was set at £150k, with an assumed £75k contribution from Penwortham Town Council. The budget has been reduced to £100k and the assumed contribution removed.

### **An Exemplary Council**

25. The budgets for the four projects relating to decarbonisation works in the Civic Centre – Building Management System, Solar Panels, LED Lighting and Hot Water System – have been adjusted to reflect the revised costs following procurement exercises. There is an overall increase of £5k against the total budget of £145k.
26. The Civic Centre 3<sup>rd</sup> floor and new entrance projects have been reprofiled to 2022/23 and these projects have been delayed because of the pandemic.
27. The vehicle replacement scheme budget of £763k has been reprofiled to 2022/23; this relates to 4 refuse vehicles which will not be delivered before the financial year end.

## **Section B: Balance Sheet**

### **Overview**

28. Strong balance sheet management assists in the effective use and control over the Council's asset and liabilities. Key assets comprise of the Council's tangible fixed assets, debtors, investments and bank balances. Key liabilities include long and short-term borrowing, creditors and reserves.

## Non-current Assets

29. Tangible non-current assets include property, plant and equipment held by the Council for use in the production or supply of goods and services, for rental to others or for administrative purposes. One fifth of all assets are re-valued every year, and annual reviews are undertaken to establish whether any impairment or other adjustments need to be applied. New assets and enhancements to existing assets are managed through the Capital Programme as reported in Appendices A and B.

## Borrowing and Investments

30. Long-term borrowing requirements flow from the capital programme. Regular dialogue and meetings take place between the Director of Finance, her staff and the Council's independent Treasury Consultants, Link Treasury Services, and options for optimising treasury management activities are actively reviewed.

Both short and long-term borrowing interest rates were at low levels at the end of the period, having remained stable over the course of the year. Interest rates on investments have remained negligible throughout the period. It is projected that debt interest payable will be nil compared to a budget of £83k as the expected borrowing has not been required due to the timing of schemes within the capital programme, and due to positive cash balances. Interest receivable on cash and investments is forecasted to be £55k compared to a budget of £200k due to interest rates being lower than those estimated at budget setting.

	<b>Original Budget 2021/22 £'000</b>	<b>Forecast as at 30th September 2021/22 £'000</b>
Interest and Investment Income	(200)	(55)
Debt Interest Payable	83	0
Minimum Revenue Provision (MRP)	298	298
<b>TOTAL</b>	<b>181</b>	<b>243</b>

31. The current borrowing and investment position is as follows;

	<b>As at 30<sup>th</sup> September 2021 £'000</b>	<b>As at 30<sup>th</sup> September 2020 £'000</b>
Short term borrowing	Nil	Nil
Long term borrowing	Nil	Nil
<b>Total Borrowing</b>	<b>Nil</b>	<b>Nil</b>
Investments made by the Council	42,000	27,000
Cash Balance	17,939	18,062

## Debtors

32. The council has a corporate debt policy, as well as other specific policies for the management of debt in the key areas of council tax, business rates, and housing benefit overpayments. The table below summarises the collection performance of the various debts, and the total outstanding debt in the respective areas at 30th September 2021. The figures for the same point in time in the last financial year are not available and so for the purposes of comparison, the corresponding level of debt at 31<sup>st</sup> March 2021 is shown.

	<b>Position as at 30th Sept 2021 £'000</b>	<b>Position as at 31<sup>st</sup> March 2021 £'000</b>
<b>Council Tax</b>		
Expected Council Tax 21/22	73,930	69,675
Current year balance outstanding	29,330	2,149
Previous years balance outstanding	4,770	3,266
<b>Total Council Tax balance outstanding</b>	<b>34,100</b>	<b>5,415</b>
Collection Rates	56.50%	96.80%
<b>Business Rates</b>		
Expected Business Rates 21/22	33,891	24,821
Current year balance outstanding	15,604	1,285
Previous year balance outstanding	1,478	744
<b>Total Business Rates balance outstanding</b>	<b>17,082</b>	<b>2,030</b>
Collection Rates	51.97%	95.02%
<b>Housing Benefit</b>		
Overpayment balances outstanding	898	976
<b>Sundry Debtors</b>	<b>30th Sept 2021</b>	<b>31st July 2021</b>
Balance outstanding	1,133	1,360

33. Business Rates collection can fluctuate month on month but collection is currently broadly in line with expectations. Expected Business Rates for 2021/22 are much higher compared to those for last year due to the Covid reliefs that were applied in 2020/21 which are no longer applicable in 2021/22.
34. For debts relating to Housing Benefit and Sundry Debtors, in line with accounting standards and practice, the Council holds a provision for bad debt.
35. In respect of the figures above, the Council's share represents 11.7% of Council tax Income and 17.8% of Business Rates Income.

#### **Climate change and air quality**

36. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place.

#### **Equality and diversity**

37. None

#### **Risk**

38. Any risks are addressed in the body of the report.

#### **Comments of the Statutory Finance Officer**

39. The financial implications are contained within this report.

#### **Comments of the Monitoring Officer**

40. There are no concerns with this report from a Monitoring Officer perspective.

## Background documents

41. The information contained within the report is in line with the Capital Strategy and the Three Year Budget Forecast within the Medium Term Financial Strategy 2021-24, as approved by Council in February 2021.

## Appendices

Appendix A – 2021/22 Capital Programme

Appendix B – 2021/22 Capital Programme Scheme Variations

Report Author:	Email:	Telephone:	Date:
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**Capital Programme 2021/22 - position as at 30th September 2021**

**APPENDIX A**

	Budget 2021/22 Approved at Council Feb 2021	Budget 2021/22 Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budget (to)/from future years	Quarter 2 2021/22 Variations	Revised Budget 2021/22 as at 30th Sept 2021
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**COSTS**

Good homes, green spaces and healthy places	10,338	12,024	(2,096)	738	10,666
A fair economy that works for everyone	2,200	6,147	(3,527)	(15)	2,606
Thriving communities	350	369	(75)	-	294
An exemplary council	2,926	3,541	(963)	15	2,593
<b>Total Forecast Expenditure</b>	<b>15,814</b>	<b>22,081</b>	<b>(6,660)</b>	<b>738</b>	<b>16,159</b>

**RESOURCES**

Decarbonisation Grant	-	145			145
Disabled Facilities Grants	1,027	1,267			1,267
Homes England	-	-			-
Lottery Funding	213	324			324
One Public Estate - Land Release Funding	-	83			83
Sport England	-	816			816
Town Deal	-	750		1,248	1,998
<b>Government Grants</b>	<b>1,240</b>	<b>3,385</b>	<b>-</b>	<b>1,248</b>	<b>4,632</b>
Capital Receipts	-	70			70
CIL	150	500			500
External Contributions	30	132			132
Revenue Contributions	-	119			119
Reserves	3,417	6,772	(2,000)	-	4,772
Section 106 - Affordable	1,700	1,851	(900)	(13)	938
Section 106 - Other	355	590	(35)	150	704
Unsupported Borrowing	8,922	8,663	(3,725)	(646)	4,292
<b>Total Forecast Resources</b>	<b>15,814</b>	<b>22,081</b>	<b>(6,660)</b>	<b>738</b>	<b>16,159</b>

Budget 2022/23 and Future Years Approved at Council Feb 2021	Budget 2022/23 and Future Years Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budgets (to)/from 2021/22	Quarter 2 2021/22 Variations	Revised Budget 2022/23 and Future Years as at 30th Sept 2021
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36,170	36,376	2,096	(67)	38,405
2,000	2,060	3,527	-	5,587
750	750	75	(50)	775
1,444	1,444	963	-	2,407
<b>40,364</b>	<b>40,630</b>	<b>6,660</b>	<b>(117)</b>	<b>47,173</b>

-	-	-		-
1,364	1,364	-		1,364
-	-	-	675	675
-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
<b>1,364</b>	<b>1,364</b>	<b>-</b>	<b>675</b>	<b>2,039</b>
-	-	-		-
-	-	-		-
3,075	3,075	-	(75)	3,000
-	-	-		-
600	581	2,000	-	2,581
2,453	2,496	900	135	3,531
73	156	35	(77)	115
32,798	32,958	3,725	(775)	35,907
<b>40,364</b>	<b>40,630</b>	<b>6,660</b>	<b>(117)</b>	<b>47,173</b>

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**2021/22 Capital Programme - Scheme Variations as 30th September 2021**

**APPENDIX B**

Scheme Name	Budget 2021/22 Approved at Council Feb 2021	Budget 2021/22 Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budget (to)/from future years	Quarter 2 2021/22 Variations	Revised Budget 2021/22 as at 30th Sept 2021
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**Good homes, green spaces and healthy places**

**Green Infrastructure**

Green Infrastructure unallocated	189	155	(155)		-
Green Link - Penwortham Holme to Howick	150	250			250
Leyland Loop	100	131	(26)		105
Bridleway in western Leyland	-	81			81
<b>Green Infrastructure Total</b>	<b>439</b>	<b>616</b>	<b>(181)</b>	<b>-</b>	<b>436</b>

Budget 2022/23 and Future Years Approved at Council Feb 2021	Budget 2022/23 and Future Years Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budgets (to)/from 2021/22	Quarter 2 2021/22 Variations	Revised Budget 2022/23 and Future Years as at 30th Sept 2021
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400	400	155		555
-	-	-		-
-	-	26		26
-	-	-		-
<b>400</b>	<b>400</b>	<b>181</b>	<b>-</b>	<b>581</b>

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**Worden Park**

Arboretum landscaping	-	30			30
Craft Units Windows and Security Grills	-	-			-
Farmyard Cottages Windows and rendering	-	50		26	76
Farmyard Cottages - Heating	-	-			-
Ice House front façade	-	10			10
Sewerage pumping station and septic tanks	20	20			20
Shaw Brook weirs and banking	-	-			-
Shaw Wood footpaths	-	-			-
Walled garden pot house - replace the building frame and base walls	50	50			50
Worden Park fountain	80	80			80
Worden Park infrastructure and landscaping	120	-			-
Worden Hall refurbishment	1,450	2,195			2,195
<b>Worden Park Total</b>	<b>1,720</b>	<b>2,435</b>	<b>-</b>	<b>26</b>	<b>2,461</b>

-	-	-		-
-	40	-		40
-	-	-		-
-	50	-	(26)	24
-	-	-		-
-	20	-		20
40	40	-		40
33	33	-		33
50	50	-		50
-	-	-		-
312	351	-		351
600	598	-		598
<b>1,035</b>	<b>1,181</b>	<b>-</b>	<b>(26)</b>	<b>1,155</b>

Scheme Name	Budget 2021/22 Approved at Council Feb 2021	Budget 2021/22 Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budget (to)/from future years	Quarter 2 2021/22 Variations	Revised Budget 2021/22 as at 30th Sept 2021
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Budget 2022/23 and Future Years Approved at Council Feb 2021	Budget 2022/23 and Future Years Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budgets (to)/from 2021/22	Quarter 2 2021/22 Variations	Revised Budget 2022/23 and Future Years as at 30th Sept 2021
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### Other Parks and Open Spaces

Hurst Grange Park drainage	25	25			25
Hurst Grange Park Paths	40	40			40
Hurst Grange Coach House Phase 2	433	543			543
Open Spaces - Bent Lane	-	200		(50)	150
Open Spaces - Mounsey Road	50	25			25
Other Parks - Footpaths (Fossdale Moss, Priory, Valley Road)	45	45			45
Playground - Haig Avenue	175	175			175
Playground - Hurst Grange	35	-			-
Playground - Bellis Way	10	22			22
Playground - Bent Lane	175	175			175
Playground - The Holme, Bamber Bridge	175	175			175
Playground - Moss Side Village Green	125	125			125
Playground - Birch Avenue, Penwortham	75	75			75
Playground - Margaret Road, Penwortham	-	-			-
A tree for every resident	53	40		(10)	30
Withy Grove Park	-	-			-
<b>Other Parks and Open Spaces Total</b>	<b>1,416</b>	<b>1,665</b>	<b>-</b>	<b>(60)</b>	<b>1,605</b>

-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
-	25	-		25
-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
50	50	-		50
50	50	-		50
-	-	-		-
100	100	-		100
48	71	-	(41)	30
60	60	-		60
<b>308</b>	<b>356</b>	<b>-</b>	<b>(41)</b>	<b>315</b>

### Sports and Leisure

King George V Playing Fields, Higher Walton	-	19			19
King George V Playing Fields, Higher Walton Additional works	-	-			-
Leisure Facility	-	-			-

-	-	-		-
25	25	-	-	25
<b>18,988</b>	<b>18,988</b>	<b>-</b>		<b>18,988</b>

Scheme Name	Budget 2021/22 Approved at Council Feb 2021	Budget 2021/22 Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budget (to)/from future years	Quarter 2 2021/22 Variations	Revised Budget 2021/22 as at 30th Sept 2021
Leisure Centre refurbishments	500	530	(30)	(500)	-
Tennis Centre car park	-	-		100	100
Leisure Centre receptions	-	-		400	400
Lostock Hall Football Facility (St Gerard's)	-	145		(25)	120
Sport Pitch Hub	3,200	2,800			2,800
Council Leisure Facilities other than Leisure Centres	-	275	(175)		100
Decarbonisation of Leisure Centres	-	-			-
<b>Sports and Leisure Total</b>	<b>3,700</b>	<b>3,769</b>	<b>(205)</b>	<b>(25)</b>	<b>3,539</b>

Budget 2022/23 and Future Years Approved at Council Feb 2021	Budget 2022/23 and Future Years Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budgets (to)/from 2021/22	Quarter 2 2021/22 Variations	Revised Budget 2022/23 and Future Years as at 30th Sept 2021
1,600	1,570	30	(500)	1,100
-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
-	-	175		175
-	-	-	500	500
<b>20,613</b>	<b>20,583</b>	<b>205</b>	<b>-</b>	<b>20,788</b>

**Housing**

Affordable Housing - former McKenzie Arms, Bamber Bridge	1,700	1,700	(1,710)	810	800
Affordable Housing - Tom House, Station Road, Bamber Bridge	-	164		(13)	151
Disabled Facilities Grants	1,027	1,267			1,267
Extra Care scheme	200	200			200
Empty Homes grants	39	39			39
Next Steps Accom - Purchase 2 houses	-	70			70
Private Sector home improvement grants	98	98			98
Sumpter Horse Site	-	-			-
<b>Housing Total</b>	<b>3,064</b>	<b>3,538</b>	<b>(1,710)</b>	<b>797</b>	<b>2,625</b>

453	496	1,710		2,206
-	-	-		-
1,364	1,364	-		1,364
9,800	9,800	-		9,800
-	-	-		-
-	-	-		-
196	196	-		196
2,000	2,000	-		2,000
<b>13,813</b>	<b>13,856</b>	<b>1,710</b>	<b>-</b>	<b>15,566</b>

Good homes, green spaces and healthy places	10,338	12,024	(2,096)	738	10,666
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36,170	36,376	2,096	(67)	38,405
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Scheme Name	Budget 2021/22 Approved at Council Feb 2021	Budget 2021/22 Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budget (to)/from future years	Quarter 2 2021/22 Variations	Revised Budget 2021/22 as at 30th Sept 2021
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### A fair economy that works for everyone

Car Park resurfacing, Ryefield Avenue, Penwortham	40	40			40
Church Road, Bamber Bridge	40	40			40
Leyland Train Station Ticket Office	45	-			-
Acquisitions Quinn St	-	1,123			1,123
Masterplanning & Regen - Leyland	2,000	2,000	(2,000)		-
Masterplanning & Regen - Penwortham	-	50			50
New Longton Regeneration	75	75			75
Parking Meters replacements	-	45		(15)	30
Town Deal RIBA Stage 3	-	2,774	(1,527)		1,248
Town Deal A Town Centre Transformation	-	-			-
Town Deal B Market Regeneration	-	-			-
Town Deal C The Base2	-	-			-
<b>A fair economy that works for everyone</b>	<b>2,200</b>	<b>6,147</b>	<b>(3,527)</b>	<b>(15)</b>	<b>2,606</b>

-	-	-		-
-	-	-		-
-	60	-		60
-	-	-		-
-	-	2,000		2,000
2,000	2,000	-		2,000
-	-	-		-
-	-	-		-
-	-	1,527		1,527
-	-	-		-
-	-	-		-
-	-	-		-
<b>2,000</b>	<b>2,060</b>	<b>3,527</b>	<b>-</b>	<b>5,587</b>

### Thriving communities

Leisure Local	250	250	(75)	(175)	-
Penwortham Community Centre Improvements	-	-			-
Neighbourhood Improvements	-	-			-
St Mary's, Penwortham - Churchyard wall repairs	100	119			119
Vernon Carus Sports Club	-	-		175	175
<b>Thriving communities</b>	<b>350</b>	<b>369</b>	<b>(75)</b>	<b>-</b>	<b>294</b>

250	250	75		325
150	150	-	(50)	100
350	350	-		350
-	-	-		-
-	-	-		-
<b>750</b>	<b>750</b>	<b>75</b>	<b>(50)</b>	<b>775</b>

Scheme Name	Budget 2021/22 Approved at Council Feb 2021	Budget 2021/22 Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budget (to)/from future years	Quarter 2 2021/22 Variations	Revised Budget 2021/22 as at 30th Sept 2021
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Budget 2022/23 and Future Years Approved at Council Feb 2021	Budget 2022/23 and Future Years Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budgets (to)/from 2021/22	Quarter 2 2021/22 Variations	Revised Budget 2022/23 and Future Years as at 30th Sept 2021
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## An exemplary council

### Information Technology Programme

IT Unallocated Funding	262	112		(50)	62
Civic Centre conference centre hearing loop	35	35			35
Revenues and Benefits software	-	2		50	52
Idox	-	37			37
Single Sign On and Calendar Integration	-	25			25
Help Desk System	5	5			5
Front to Back Office Automation	-	17			17
Tablet refresh (agile working)	35	35			35
Mobile phone upgrade	-	3			3
Network switching and wireless infrastructure	-	150			150
<b>IT Programme Total</b>	<b>337</b>	<b>420</b>	<b>-</b>	<b>-</b>	<b>420</b>

400	400	-		400
-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
<b>400</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>400</b>

### Other non-ICT projects

Air Quality Monitors	-	24			24
Corporate Buildings	150	70			70
Corporate Buildings - Civic Centre	50	50			50
Civic Centre Building Management System	-	25		11	36
Civic Centre Hot Water System	-	3		1	3
Civic Centre LED Lighting	-	73		(15)	58
Civic Centre Solar Panels	-	45		8	53
Civic Centre 3rd Floor	50	50	(50)		-
Civic Centre New Entrance	150	150	(150)		-

-	-	-		-
400	400	-		400
100	100	-		100
-	-	-		-
-	-	-		-
-	-	-		-
-	-	-		-
-	-	50		50
-	-	150		150

Scheme Name	Budget 2021/22 Approved at Council Feb 2021	Budget 2021/22 Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budget (to)/from future years	Quarter 2 2021/22 Variations	Revised Budget 2021/22 as at 30th Sept 2021
Fire Safety - Civic, Depot, Kingsfold	-	135		10	145
Fire Doors at Kingsfold	-	16			16
Vehicles and Plant replacement programme	2,189	2,481	(763)		1,718

An exemplary council	2,926	3,541	(963)	15	2,593
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<b>Total</b>	<b>15,814</b>	<b>22,081</b>	<b>(6,660)</b>	<b>738</b>	<b>16,159</b>
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Budget 2022/23 and Future Years Approved at Council Feb 2021	Budget 2022/23 and Future Years Approved by Cabinet for the 4 months to July 2021	Slippage and reprofiling of budgets (to)/from 2021/22	Quarter 2 2021/22 Variations	Revised Budget 2022/23 and Future Years as at 30th Sept 2021
-	-	-		-
-	-	-		-
544	544	763		1,307

1,444	1,444	963	-	2,407
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<b>40,364</b>	<b>40,630</b>	<b>6,660</b>	<b>(117)</b>	<b>47,173</b>
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Report of	Meeting	Date
Director of Commercial (Introduced by Cabinet Member (Finance, Property and Assets))	Cabinet	Wednesday, 17 November 2021

Is this report confidential?	No
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Is this decision key?	Yes
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<b>Savings or expenditure amounting to greater than £100,000</b>	Significant impact on 2 or more council wards
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## West Paddock Extra Care - Procurement Strategy

### Purpose of the Report

1. To provide an overview on the main contractor procurement strategy for the 'Extra Care Scheme' at West Paddock. Life Expectancy in South Ribble is 80.1 years for men and 83.4 years for women. The appointment of a contractor and delivery of the extra care facility will ensure the commitment of South Ribble Council to provide affordable housing for this ageing population is achieved.

### Recommendations to Cabinet

2. To approve a 2-stage tender process.
3. To approve the tendering of the scheme to appoint a contractor at RIBA stage 3
4. To approve the use of the Northwest Construction Hub Framework, with an evaluation weighting of 70% quality (includes 20% Social Value) and 30% cost as stipulated by the Northwest Construction Hub.
5. To approve the use of the NEC4 Engineering and Construction form of contract to appoint a Contractor;
6. To delegate the award of a contract for stage 1 and stage 2 to Executive Member (Finance Property and Assets).

### Reasons for recommendations

7. Following review of the various procurement options available and the current market conditions being experienced within the construction sector the above recommendations

# Agenda Item 10

have been identified to provide the project with assurance that the proposed procurement strategy will look to ensure that the project provides value for money, can be delivered on time and importantly within budget.

## Other options considered

8. Covered under the main body of the report.

## Corporate priorities

9. The report relates to the following corporate priorities: (please bold all those applicable):

<b>An exemplary council</b>	<b>Thriving communities</b>
<b>A fair local economy that works for everyone</b>	<b>Good homes, green spaces, healthy places</b>

## Background to the report

10. The ambition to deliver Council owned affordable housing is outlined in the administration's Corporate Strategy.
11. In Sept 2020 Cabinet Members approved that the site for the new extra care facility would be the West Paddock site. Members approved £50,000 to progress the feasibility study
12. In July 2021 Members were asked to note that £200,000 of the £10m approved budget will be used to progress the design development of the Extra Care Scheme

## Main Report

13. As part of developing the procurement strategy a number of procurement options available for this project were reviewed. The findings are summarised below.
14. The various procurement options available reflect fundamental differences in the allocation of risk and responsibility between the Employer, Contractor and Consultants. The procurement methods applicable to the circumstances of this project can broadly be classified under four headings:
  - Traditional
  - Design and Build
  - Management Contracting
  - Construction Management

The four main procurement methods are considered further below.

### Traditional Form

15. The main feature of a traditional form is that the design process is separate from construction, and full documentation is required before the contractor is invited to tender for carrying out the work. The client retains control over design through the appointed consultants. Generally, there is little or no design responsibility on the contractor.



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## **Design and Build Form**

16. A tender method where the Contractor is responsible for undertaking both the design and construction of the work in return for a lump sum price. This requires involvement from the Contractor during the design stages to provide benefit from input into programme, design, cost, and de-risking the project. This design can either be undertaken up front via a 2-stage tendering process, or during the construction (technical) phase if a single stage tendering process is completed.

## **Management Contracting**

17. The Client appoints a design team as in the traditional method, augmented by a management contractor whose expertise and advice is available throughout the design development and procurement processes. The Management Contractor breaks the project down into works packages and appoints sub-contractors for each package. The Management Contractor is reimbursed their direct costs and paid a fee.

## **Construction Management**

18. This is a type of Management procurement route where the Client appoints a design team and enters into an agreement with a Construction Manager or in-house manager. The Construction Manager does not directly undertake any of the construction work, which is broken down into packages and carried out by trade contractors. These trade contractors are appointed by the Client and are directly and contractually responsible to him. Thus, the work involves a series of separate contracts rather than a single contract. Whilst the contract structure is different to Management Contracting, the advantages and disadvantages are similar to those listed in management contracting.

**A summary of the pros and cons for each procurement method are summarised in Table 1 below.**

**Table 1 - Procurement Method Pros and Cons**

Procurement Method	Pros	Cons
Traditional	<ul style="list-style-type: none"> <li>- Client retains design control through the consultants.</li> <li>- This is generally a popular procurement route with Contractors as they do not carry design risk and their tendering costs are relatively low.</li> <li>- A lump sum tender is obtained at the outset offering a reasonable degree of cost certainty to the client.</li> <li>- Completion within the contract period is an obligation on the contractor.</li> <li>- The method provides an effective means of fairly assessing cost implications on post contract variations (for example, by using Bills of Quantities).</li> </ul>	<ul style="list-style-type: none"> <li>- Full design is required before tenders are invited, so the pre-contract period is relatively long and this often results in increased project duration overall.</li> <li>- Overall allowances for Consultant’s fees are often relatively high with this route, due to the need to procure a full design prior to obtaining tenders.</li> <li>- There is little or no opportunity to take account of buildability advice from the Contractor, as design is usually complete prior to their involvement.</li> <li>- As the Employer retains responsibility for design they will as a consequence retain responsibility under the building contract for deficiencies in the design. This can lead to increased costs during the construction phase as instructions are given to introduce or amend design details or specifications.</li> </ul>
<b>Design and Build</b>	<ul style="list-style-type: none"> <li>- Can allow different design solutions to be submitted as part of the tender process, thus offering the Client a range of solutions.</li> <li>- Offers the greatest degree of cost certainty to the Client provided post contract changes are avoided.</li> <li>- Completion within the contract period is an obligation on the contractor.</li> <li>- Allows the contractor some input into design matters and can therefore offer some cost efficiencies through their influence on selection of materials and methods of construction.</li> <li>- Design and construction phases can overlap to some degree, potentially allowing a shorter pre-contract period and overall programme compared to traditional procurement.</li> </ul>	<ul style="list-style-type: none"> <li>- Loss of client control over detailed design.</li> <li>- A longer tender period is needed for the contractor to interpret and develop the design requirements of the project.</li> <li>- Contractors will have higher bid costs for this procurement route; therefore, it may be less attractive to them, particularly if the project is complex.</li> <li>- Tenders may be based upon different design solutions making direct comparison more difficult and requiring a longer tender evaluation process.</li> <li>- Employer’s Requirements need to be clearly defined at the outset, otherwise there will be uncertainty over quality standards for detail design and workmanship.</li> <li>- There is only a limited means of fairly assessing post-contract design changes so cost and time implications of changes are likely to be more onerous for the client. Consequently, this</li> </ul>

Procurement Method	Pros	Cons
	<ul style="list-style-type: none"> <li>- Offers reasonable degree of programme certainty.</li> <li>- Encourages a value for money design solution</li> <li>- Design risk is transferred to the contractor.</li> </ul>	<p>method is not suited to projects that are likely to involve significant changes after contract award.</p>
Management	<ul style="list-style-type: none"> <li>- Allows early appointment of the Main Contractor and a quick start on site.</li> <li>- The Contractor can provide buildability advice during the design stage</li> <li>- Design and construction can overlap to a large degree potentially offering programme savings</li> <li>- Offers flexibility to incorporate changes.</li> </ul>	<ul style="list-style-type: none"> <li>- Poor cost certainty. There is no certainty of costs at the outset and final costs will not be known until the final package is complete.</li> <li>- The risk of programme delays ultimately rests with the client.</li> <li>- Significant cost risks exist at the interfaces between the packages both in terms of design interface and in circumstances where one package sub-contractor causes disruption to another.</li> <li>- These risks will ultimately lie with the Client.</li> <li>- A high level of client involvement is required as the project develops.</li> <li>- High levels of control are required over all aspects of design development, package procurement and construction.</li> <li>- Significant potential for disputes over cost and time overruns.</li> </ul>

# Agenda Item 10

## **Tendering Process**

### **Single Stage**

19. A single stage tender process involves issuing tender documents to the tendering contractors and requesting a fixed price lump sum at the end of the tender period.

### **Two Stage**

20. The tender documents are issued before the designs are completed and costs are competitively tendered based on preliminaries and OH&P mark ups. Once appointed, the Contractor and design team work together to complete the designs and obtain fixed firm prices from sub-contractors as each package is developed.

A summary of the pros and cons of the tender processes are provided in Table 2 below:

**Table 2**

Tendering Process	Pros	Cons
Single Stage	<ul style="list-style-type: none"> <li>- Provides a fixed price at the end of the tender period.</li> <li>- As the fully detailed works are competitively tendered this usually results in a lower tender sum.</li> </ul>	<ul style="list-style-type: none"> <li>- Contractor carries the risk of price fluctuations after the tender period.</li> <li>- Significant time and cost required to provide a compliant tender can put off some Contractors.</li> <li>- Contractors are reluctant to tender especially in current market where construction costs continue to increase</li> </ul>
<b>Two Stage</b>	<ul style="list-style-type: none"> <li>- Early Contractor involvement provides input on buildability.</li> <li>- Early Contractor involvement provides input on supply chain and resources.</li> </ul>	<ul style="list-style-type: none"> <li>- Full costs not known until the end of the design stage once Contractor's fees have already been incurred.</li> <li>- As the works packages are not priced under competition, a 2 Stage tender process often comes at an increased cost over a single stage competitive tender.</li> </ul>

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21. The construction sector is currently under significant pressures following Brexit and the Covid pandemic. There are national shortages on labour and materials, and this is causing a significant amount of fluctuation and uncertainty around the price and availability of labour and materials.
22. Entering into a 2-stage tender process a contractor is appointed at RIBA stage 3 or 4 and they become involved in completing the detailed design whilst providing cost for each package as they are developed. In the current market, early contractor involvement would be beneficial from supply chain viewpoint and ensuring interest from the Contractors in tendering the scheme.

## **Procurement Mechanism**

23. Any Council procurement is subject to The Public Procurement Regulations which sets out the legal requirements for public procurement.
24. The approximate estimated construction cost of the scheme of circa £12 - £13 million (excluding fees and VAT) is above the current financial threshold for works within the WTO's Agreement on Government Procurement, and so we believe that the full requirements of the Public Procurement Regulations are applicable to this project.
25. The regulations require that public contracts should only be awarded where a call for competition has been published. In practical terms this means either:
  - Publishing a contract notice on Find a Tender specifically for the West Paddock project, or
  - Subscribing to an existing framework, which has itself been established in compliance with the Regulations.
26. The pros and cons of these options are considered in Table 3 below.

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Table 3

Procurement Mechanism	Pros	Cons
Advertised tender on Find a Tender	<ul style="list-style-type: none"> <li>- Estimate of the costs to undertake a competitive tender on Find a Tender to be circa £20K - £30K, which is cost effective compared to fees for some established Frameworks.</li> <li>- The Council would remain in control of the contractor selection criteria and the selection process.</li> <li>- The Council would remain in control of the delivery phase of the project (unlike some Frameworks which require their processes and procedures to be followed for the life of the project).</li> </ul>	<ul style="list-style-type: none"> <li>- The minimum procurement periods must be adhered to which can significantly increase programme.</li> <li>- It seems likely that the Open Procedure would need to be used on this project and whilst we would anticipate a high level of interest in a project of this nature, the number of bids in an open procedure may not be known in advance.</li> <li>- The risk of a challenge from an unsuccessful bidder is higher than for an established Framework.</li> </ul>
Use of a Framework	<ul style="list-style-type: none"> <li>- Provided the tender list is made up of suitable contractors there is a programme saving due to the fact that the tender list is already in place. The pre-qualification stage will already have been carried out and the tender evaluation period should be shorter than with an Open procedure.</li> <li>- The risk of a challenge is significantly reduced compared to a fresh procurement process (but the risk is not totally eliminated).</li> <li>- Key project documentation (e.g. contract amendments, forms of warranty etc.) may already be in place and available for use.</li> </ul>	<ul style="list-style-type: none"> <li>- Fees for established frameworks vary and can be as much as 2% of construction costs. Some frameworks are therefore more costly to use than a separate open process.</li> <li>- The Employer can only work with the Contractors who are already on the panel. They may or may not be suitable in terms of size, experience, financial standing, location, available resources etc.</li> <li>- The Employer would need to follow the contract processes set out by the Framework, e.g. pre-agreed contract documentation, evaluation criteria, contract structure and the like. Care needs to be taken therefore that these processes are acceptable.</li> <li>- The Employer must be named in the Framework notice as only permissible users can participate in a Framework. Many Frameworks are set up to all Public bodies to join them after inception.</li> </ul>



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27. The available framework options have been reviewed and further consideration has been given to two frameworks:

- Rise Construction Framework
- Northwest Construction Hub

Table 4 provides a comparison of each framework.

**Table 4 – Comparison of Frameworks**

Item	Rise Construction Framework	North West Construction Hub
Tender process	Single stage or two stage (note – EOI showed predominantly interest if two stage is used)	Two stage only
Contractors	Robertson’s (Haydock) Morgan Sindall (Manchester) John Turner (Preston)	Conlon Construction (Preston) Eric Wright (Preston) ISG Construction (Chorley) John Graham Construction (Manchester) Seddon Construction (Bolton) Wates Construction (Manchester)
Form of Contract	JCT or NEC	JCT or NEC
Evaluation Criteria	To be set by the Council	70% quality 30% cost
Fees	1% of construction costs (approx. £145k) with 25% of fee feed back into social value project	£19,250 Inc within contractor OH&P
Overhead and Profit	Set on a project by project basis by the Contractor	Fixed between 3.45% and 6.25%

## Form of Contract

28. Two of the most common forms of Contract have been considered to appoint the contractor;

- NEC4 Engineering and Construction Contract
- JCT Design and Build Contract.

29. The pros and cons of each contract are presented in Table 5 below:

**Table 5 – Form of Contract Pros and Cons**

Form of Contract	Pros	Cons
<b>NEC4</b>	<ul style="list-style-type: none"> <li>- Encourages timely resolution of issues between the parties.</li> <li>- Provides a clear audit trail for project events.</li> <li>- Focus on programme and regular updates.</li> <li>- Suited to larger / more complex projects where the benefits justify the extra admin.</li> </ul>	<ul style="list-style-type: none"> <li>- Increased admin resources needed to administer the processes for both consultants and Contractor.</li> <li>- Increased administration costs compared to JCT.</li> <li>- Clauses less well tested due to lack of published legal precedents so potential for different interpretations.</li> <li>- The precise scope of the Contractor’s design obligations needs to be clarified within the contract.</li> <li>- Ideally needs a document management system such as CEMAR to so that all parties have real time access to track the various NEC processes.</li> </ul>
JCT	<ul style="list-style-type: none"> <li>- Long established contract form – widely known in the industry.</li> <li>- Clauses well defined by legal precedent.</li> <li>- Standard D&amp;B version available.</li> <li>- Less time consuming to administer for both consultants and contractor so reduced admin costs to Employer.</li> </ul>	<ul style="list-style-type: none"> <li>• Less emphasis on timely resolution of issues so greater potential for disputes to emerge late in the project. This is a significant disadvantage to JCT.</li> <li>• Less focus on programme and programme updates.</li> </ul>

30. Given the current market volatility within the construction sector caused by the impact of both Brexit and Covid and the uncertainty around future market conditions it is advised that the NEC4 form of contract is used which will allow for real time monitoring of project with a clear focus on effective programme management and regular updates albeit at the cost of additional resourcing however it is understood the greater clarity would enable reduced potential for problems. It would also allow for improved risk opportunity and risk management and provide for a detailed audit trail.

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## Programme

31. The key dates to progress the design and procurement of a contractor are set out in the table below. This programme considers the proposed procurement strategy that will allow an earliest start on site. The contractor would be appointed on a design and build basis at stage 3 (novating the design team) through a framework via a 2-stage tender.

**Table 6 – Key Milestones**

Activity	Milestone
Leader Briefing	11 October 2021
Executive Cabinet to Approve Procurement Strategy	17 November 2021
Tender Period	29 November – 10 January 2022
Executive Cabinet to Update on Design and Budget	15 December 2021
Evaluation Period	26 January 2022
Mid Tender Interviews	w/c 17 January 2022
Contractor Appointment Approval via EMD	02 February 2022
10 Day Call in Period	16 February 2022
Appoint Contractor	18 February 2022
Stage 3+ Design	February 2022 -April 2022
Submit Homes England Funding Application	April 2022
Council Budget Approval to Deliver Scheme	20 April 2022
Submit Planning Application	April 2022
Planning Determination (incl Judicial Review Period) and Stage 4 Design	September 2022
Agree Final Contract Sum	August 2022
Start on Site	September 2022
Estimated Construction Completion	January 2024

32. This is an early appointment for a 2-stage tender process which would normally appoint a contractor during Stage 4. However early Contractor involvement would allow buildability, programme and more importantly, supply chain issues to be reviewed and accommodated in the scheme before submitting to planning in April 2022. This has the benefit that what is submitted to planning should be both buildable within the proposed timescales, and affordable within the available budget.
33. The Stage 4 design would be completed between the design team and the Contractor whilst the scheme is in for planning, so once approved the final contract sum can be agreed to allow the Contract to be let and the Contractor to begin mobilisation for commencement in Q3 2022.

## Social Value

34. The project will seek to use South Ribble Borough Council & Chorley Borough Council's Social Value Portal (SVP) as part of the Tender process to measure the social value impact and deliverability. The Social Value assessment will be included and undertaken as part of the tender process.

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35. The SRBC minimum standard for Social Value weighting in construction contracts is 15%. The minimum requirement under the proposed North West Construction Hub framework is 20%.
36. Therefore, it is proposed that the quality element of 70% will be made up of 50% on quality questions and 20% Social value.
37. The Social Value element will be made up of 10% allocated to the SV Quantitative assessment (total value from the SV calculator) and 10% to the Qualitative assessment (information provided about how the SV measures will be delivered)
38. The project will seek to use the LITE list (Social value measures) from the National Themes Outcome & Measures (TOM's) which is mapped to the Council's core priorities and is intended to be used for the majority of our above £100,000 procurements.
39. The measures are extracted for reference below -

Theme	Outcome	NT Ref	Measure
Jobs: Promote Local Skills and Employment	More local people in employment	NT1	No. of local direct employees (FTE) hired or retained (for re-tendered contracts) on contract for one year or the whole duration of the contract, whichever is shorter
		NT3	No. of employees (FTE) hired on the contract who are long term unemployed (unemployed for a year or longer) as a result of a recruitment programme
	More opportunities for disadvantaged people	NT4	No. of employees (FTE) hired on the contract who are Not in Employment, Education, or Training (NEETs) as a result of a recruitment programme
		NT5	No. of 18+ y.o. employees (FTE) hired on the contract who are rehabilitating or ex offenders as a result of a recruitment programme
		NT6	No. of disabled employees (FTE) hired on the contract as a result of a recruitment programme
		NT8	No. of staff hours spent on local school and college visits e.g. delivering career talks, curriculum support, literacy support, safety talks (including preparation time)
	Improved skills	NT9	No. of weeks of training opportunities on the contract (BTEC, City & Guilds, NVQ, HNC) that have either been completed during the year, or that will be supported by the organisation until completion in the following years - Level 2,3, or 4+
		NT10	No. of weeks of apprenticeships on the contract that have either been completed during the year, or that will be supported by the organisation until completion in the following years - Level 2,3, or 4+
	Improved employability of young people	NT13	Meaningful work placements that pay Minimum or National Living wage according to eligibility - 6 weeks or more (internships)
	Growth: Supporting Growth of Responsible Regional Business	More opportunities for local MSMEs and VCSEs	NT15
NT15a			Provision of expert business advice to help VCSEs and MSMEs achieve net zero carbon
NT18			Total amount (£) spent in local supply chain through the contract
NT18b			Total amount (£) spent in Lancashire supply chain through the contract.
NT19			Total amount (£) spent through contract with local micro, small and medium enterprises (MSMEs)
Improving staff wellbeing and mental health		NT20	No. of employees on the contract that have been provided access for at least 12 months to comprehensive and multidimensional wellbeing programmes
Reducing inequalities		NT41	Percentage of staff on contract that is paid at least the relevant Real Living wage as specified by Living Wage foundation
Ethical Procurement is promoted		NT43	Initiatives taken throughout the local and global supply chain to strengthen the identification, monitoring and reduction of risks of modern slavery and unethical work practices occurring in relation to the contract (i.e. supply chain mapping, staff training, contract management)
Social Value embedded in the supply chain		NT23	Percentage of contracts with the supply chain on which Social Value commitments, measurement and monitoring are required
Social: Healthier, Safer and more Resilient	More working with the Community	NT28	Donations or in-kind contributions to local community projects (£ & materials)
		NT29	No. of hours volunteering time provided to support local community projects
Environment: Decarbonising and Safeguarding our World	Carbon emissions are reduced	NT31	Savings in CO2 emissions on contract achieved through de-carbonisation (i.e. a reduction of the carbon intensity of processes and operations, specify how these are to be achieved)
	Air pollution is reduced	NT32	Car miles saved on the project as a result of a green transport programme or equivalent (e.g. cycle to work programmes, public transport or car pooling programmes, etc.)
		NT33	Car miles driven using low or no emission staff vehicles included on project as a result of a green transport programme
	Safeguarding the natural environment	NT67	Donations or investments towards initiatives aimed at environmental and biodiversity conservations and sustainable management projects for both marine and terrestrial ecosystems
		NT68	Plastic recycling rate on the contract (to e.g. reduce microplastics)

40. The fee payable by the successful contractor is 0.2% of the total contract value with a minimum fee of £750 per annum capped at a maximum possible fee of £7,500.
41. There is no charge for the bidders to use the SVP at tender submission stage.
42. Using the Councils SVP will mean support for the SV evaluation and ongoing contract management.
43. The NWCH SV does not include provision for undertaking the evaluation process.
44. It to be noted that the main procurement will be conducted through the Chest, but the Social Value element will be submitted as part of the process through the Social Value Portal with quantities and descriptions entered directly on to the SVP by the bidders. The SVP will complete this part of the evaluation after the closing date.

## Community Wealth Building and Social Value Opportunities

45. As the extra care development includes two on-site commercial units with the hairdressers and café, the Council will be in a position to shape how employment practices are established when these businesses are setup. This presents the Council

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with the opportunity to help the local economy to grow in a fair and sustainable way. To facilitate this the Development Officers will engage with the Community Wealth Building Officer to explore alternative ways to leverage these assets to build additional social value for the local community as part of the extra care development. The viability to use this space to accommodate alternative business models such as co-operate café and/or hairdressers will be considered with the aim of creating quality local jobs and retention of locally created wealth within South Ribble.

## Summary

46. It is proposed following consideration, review of the options available and the reasons detailed above that for this project the procurement strategy involves the undertaking of the procurement for the main contractor via the NWCH framework using the Councils Social Value Portal, focusing on a 2-stage tender process through early engagement and appointment. It is put forward that the contractor is appointed under the NEC4 form of contract which will look to mitigate programme risks through effective administration/programme management.

## Project updates

### Public Engagement

47. An early engagement session was held at the Civic Centre on Thursday 21<sup>st</sup> October between 16:30 & 18:30. The plans for the development were well received by members of the public. Further engagement sessions will be held during the next stage of the design process.

### Climate change and air quality

48. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place.

### Equality and diversity

49. There are no equality and diversity considerations within this report.

### Risk

50. Addressed within the body of the report

### Comments of the Statutory Finance Officer

51. There is currently £10m approved in the capital programme for this scheme. At the Cabinet meeting in July it was noted that the estimated cost to deliver a 72 unit scheme was £14.26 million, although that would be subject to finalisation of the design and the outcome of the tender process; approval will be sought to appoint the contractor and to set the final scheme budget once the procurement process nears completion.

52. It is important to note that due to the prevailing economic circumstances, an area of risk that cannot be controlled is the increase in construction costs. The tender price inflation

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has increased from 6.29% to 7.85% over a period of three months. This inflation may continue to increase, or steady, dependant on the future volatility of the construction market.

## Comments of the Monitoring Officer

53. The proposed procurement process is compliant with both legislation and the Contract Procedure Rules. It is noted that the scoring methodology for the bids is fixed by the framework but would seem appropriate for this type of contract.

## Background documents

South Ribble Extra Care Scheme – 16<sup>th</sup> September 2020

South Ribble Extra Care Scheme – West Paddock – 14<sup>th</sup> July 2021

## Appendices

None

Report Author:	Email:	Telephone:	Date:
Mark Lester (Director of Commercial)	mark.lester@southribble.gov.uk	01772 62xxxx	04/11/2021

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Report of	Meeting	Date
Director of Customer and Digital (Introduced by Cabinet Member (Finance, Property and Assets))	Cabinet	Wednesday, 17 November 2021

Is this report confidential?	No
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Is this decision key?	Yes
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<b>Savings or expenditure amounting to greater than £100,000</b>	Significant impact on 2 or more council wards
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## Refurbishment of The Holme Playground, Bamber Bridge

### Purpose of the Report

- To bring the refurbishment project for the playground at The Holme Playing Field, Bamber Bridge before members and to seek permission to award the contract to the Preferred contractor identified by the procurement processes.

### Recommendations to Cabinet

- That Cabinet grants permission for the following:
  - To award the contract for the works Bidder 1 in Table 1, Appendix A

### Reasons for recommendations

- The current capital programme includes a number of play areas identified for improvement. The Holme Playing Field Playground has funds allocated in this financial year and bids have been invited on a design and build basis.

### Other options considered and rejected

- The options of doing nothing and leaving the site in its current condition or carrying out partial refurbishment works were rejected as the site is now over 20 years old and in need of full refurbishment to provide quality facilities that meet modern standards for design and accessibility.

### Corporate priorities

- The report relates to the following corporate priorities:



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An exemplary council	Thriving communities
A fair local economy that works for everyone	<b>Good homes, green spaces, healthy places</b>

## Background to the report

6. The report *Creating Playful Communities* by Play England (2011) suggests improving opportunities for play provides additional benefits to the simple fun and enjoyment that it gives to children and young people:
  - Play is important for children's health - both physical and mental. Active physical play can contribute to reducing levels of childhood obesity.
  - Access to play and informal recreation opportunities can help to reduce anti-social behaviour
  - Providing play opportunities brings communities together and is a strong force for community cohesion.
7. A previous playground refurbishment programme ran from 2003 to 2012 and refurbished a number of the council's children's play areas. However, the programme ended before several sites were improved and these are now being prioritised under the current refurbishment programme.
8. The Holme Playing Field Playground was last comprehensively refurbished in 1999 and whilst it remains well used by the public, the layout and equipment is now dated and the site scores poorly for accessibility and inclusivity, especially when compared with the more modern designs of playground recently refurbished around the borough.

## Proposals

9. It is proposed to refurbish the Holme Playground to provide a modern accessible and inclusive playground for Toddlers (ages 2-6) and juniors (ages 7-12) and teens.
10. The contract is classed as a Services contract due to the contractor's design element and therefore the contract value exceeds the OJEU threshold above which the tender must be advertised across the EU. Therefore, an approved framework (ESPO) was utilised to allow a 'further competition' tender process to be undertaken with a pre-qualified list of bidders who have been included on the framework through an OJEU approved process.
11. Bidders were notified of the project budget and asked to design a scheme providing maximum value for the budget available. 3 tender submissions were received before the closing date and has been evaluated in accordance with the evaluation criteria. The details are listed in Table 1 in Appendix A. Tender Number 1 is an acceptable quality, compliant tender and is recommended for acceptance.
12. The preferred bidder is based in the UK and under the Social Value element of the bid has undertaken to source plant and materials from the South Ribble area and anticipates that 20-30% of materials will be sourced locally. In addition, the bidder has offered some learning opportunities on site for local school children during the works.
13. The approved capital programme includes a total budget of £225k for this scheme.

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## **Consultation Carried Out**

14. Consultation was carried out for the Holme Playground between 14<sup>th</sup> April and 28<sup>th</sup> April 2021. The consultations invited the public to submit their thoughts on the current sites and give views about suggested possible items of new equipment.
15. The information was provided on the council's online consultation portal with letters sent to surrounding houses, signs displayed on site and advertised through the council's social media channels. Consultation replies have been reviewed and fed into the design brief for bidders.
16. Details of the playground consultation have been sent to the Chairs of the relevant My Neighbourhood Hubs and there will be further engagement as the projects progress, if given approval to proceed at this stage by Cabinet.

## **Climate change and air quality**

17. The work noted in this report impacts on the following areas of climate change and sustainability targets of the Council's Green Agenda:
  - Reducing waste production.
18. The following remediations have been undertaken to limit the environmental effect:
  - Waste materials arising from the demolition of the existing playground including timber, metal, stone and rubber, will be reused and recycled where possible minimising the amount of material disposed of at landfill.

## **Equality and diversity**

19. The new play area will be more inclusive and accessible by design.

## **Risk**

20. A number of risks linked to the current site designs will be addressed through the improvement proposals. The project risk register identifies other key risks, the majority of which will be mitigated by the procurement process followed.

## **Comments of the Statutory Finance Officer**

21. The Capital Programme includes a total budget of £650,000 for the refurbishment of 4 play areas in addition to the ones refurbished in 2020/21. Of this budget, £225,000 has been allocated to The Holme Playing Field Playground.

## **Comments of the Monitoring Officer**

22. The council's Contract Procedure Rules have been complied with. In particular an EU compliant Framework has been used.
23. The Council will be bound by the terms and conditions it enters into with any external suppliers and contractors.

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## Background documents

Council Budget Report including capital programme details for 2021/22 - 24<sup>th</sup> February 2021

## Appendices

Appendix A – (Confidential) Tenders Received for Refurbishment of the Holme Playground

Report Author:	Email:	Telephone:	Date:
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## APPENDIX A

### Refurbishment of Holme Playing Field Playground, Bamber Bridge

Table 1 – Tenders Received

Tender No.	Price within Budget? Pass/Fail	Compliance with Spec? Pass/Fail	Quality Score (100%)	Suitability Questionnaire Pass/Fail
<b>1</b>	<b>Pass</b>	<b>Pass</b>	<b>97</b>	<b>Pass</b>
2	Pass	Pass	92	
3	Pass	Pass	93	

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# Agenda Item 13

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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