

CORPORATE STRATEGY AND FINANCE

A record of decisions made by the Executive Member with responsibility for Corporate Strategy and Finance on:-

WEDNESDAY, 21st NOVEMBER, 2007

following consideration of the matters detailed below in the presence of:-

Councillor Morris	Executive Member Corporate Strategy and Finance
Councillor J. Walsh	Major Opposition Spokesperson
Mr. S. Arnfield	Director of Corporate Resources
Mr. A. Eastwood	Director of Legal and Democratic Services
Mr. K. Davies	Director of Development and Regeneration
Mr. D. Winstanley	Assistant Chief Executive
Mrs. B. Newman	Policy Accountant
Mr. P. Marsh	Assistant Director Corporate Property Services
Mr. A. Jennings	Executive Support Manager

60. MONITORING OF EXECUTIVE MEMBER DECISIONS

The Director of Legal and Democratic Services submitted a report which monitored the progress of decisions within the portfolio of the Executive Member Corporate Strategy and Finance.

The Executive Member Corporate Strategy and Finance NOTED the progress of the decisions taken.

61. AGGREGATE FINANCIAL MONITOR HALF YEAR 2007/08

The Director of Corporate Resources submitted a report which advised the Executive Member of the outcome of the half year

aggregate financial monitoring exercise for 2007/08.

The report summarised the results of the half year aggregate financial monitoring exercise for 2007/08 and considered the following;

- General Fund Revenue Monitoring
- Aggregate Capital Monitoring
- Monitoring of the Prudential Guidelines

Overall there was no net movement in revenue balances compared with the first quarter report to the Executive Member on 29th August, 2007.

A number of other pressures and risks were noted at this time.

Projected Capital Expenditure had fallen by £5,536,000. The major changes in the period were an increase in HRA expenditure funded from resources carried forward from previous years offset by reduced Children's services projections following the decision to seek Academy status at Hayward. Expenditure at the projected level could be fully funded. A capitalisation directive had been received in respect of equal pay settlements for the current year and £1,878,000 had been included in the capital monitor for this purpose.

Monitoring of Prudential Indicators showed that only capital expenditure indicators were beyond those approved by the Council and that this was not unusual at this time of year and it was likely that slippage to 2008/09 would bring the expenditure to within the prudential limits.

The Executive Member NOTED the report.

62. CENTRAL DEPARTMENTS SERVICE AND FINANCIAL PERFORMANCE MONITORING REPORT SECOND QUARTER 2007-08

The Director of Corporate Resources submitted a report which provided the Executive Member with an overview of the key financial and service performance data from the central departments following the end of the second quarter 2007/08.

The report indicated that:-

- Performance of BVPIs was good, with 88% showing an improvement compared with the same period last year;
- Delivery of Service Improvement Action Plans (SIAPs) milestones was strong with 80% of Quarter two tasks being achieved;
- Compliance with corporate customer care standards was good (85% complaints made to the three central departments had been responded to in standard);
- The revenue monitor showed no variances to the budget at this stage;
- Legal Services' trading account was predicted to break even;
- The contribution the three departments were making towards achieving the Authority's overall Gershon efficiency targets; and
- Capital expenditure was largely on track, although slippage was predicted for the Asset Management Plan as outcomes of the Council's change programme were awaited.

Detailed information about each of the above was contained in the appendices to the report.

The Executive Member ENDORSED the updates on the improvement actions for priority BVPIs detailed in Appendix A and AGREED to address other financial matters arising with the Director of Corporate Resources.

63. CORPORATE STRATEGY AND FINANCE STRATEGIC RESOURCES OPTIONS 2008/09 TO 2010/2011

The Director of Corporate Resources submitted a report which detailed the proposed budget redirections in line with the budget guidance as agreed by the Executive at its meeting on 1st October, 2007.

The Executive had agreed a savings target of 5% for corporate resources which amounted to £794,700 and the proposals to meet the target were as follows:-

	Total
<u>Corporate Resources</u>	
	£
External audit fees	34,000
ICT contract savings	146,000
Tax & Benefits system savings when Business Case repaid	105,000
Printing & stationery	40,900
Insurance savings	10,000
Cashiers' Service	49,000
Accounts Payable efficiencies	55,000
Corporate Property staffing changes	83,000
Council Tax and NNDR Summons costs (income)	{80,000
	{22,000
Total Corporate Resources reduction options	625,000

Legal & Democratic Services

Democratic Services post and reorganisation	40,000
Mayoral Attendant post and reductions in hospitality	20,000
Town Twinning	10,000
Registrars' cash limited budgets	6,600
Count Venue	15,000
Legal Services cash limited budgets	44,000

Transfer of Overhead costs to Trading Accounts (income)	20,000
Total Legal & Democratic Services reduction options	155,600

Chief Executive's Department

Administrative Support	20,400
Review of recruitment advertising - share of efficiency savings	25,000
External funding – contribution to overheads (income)	10,000
Redeployment staffing funded from corporate budget	25,000
Voluntary Sector rent grant support	17,900
Strategic Projects - review of current arrangements	30,000
Departmental HR team - deletion of post	25,000
Health & Safety team - deletion of post	20,000
Translation Services - deletion of post	20,000
Corporate OD - deletion of 50% of a post	10,000
Total Chief Executive's reduction options	203,300

Grand total	983,800
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The Executive Member APPROVED –

(i) subject to the receipt of financial guidance, the budget options set out in Appendix C towards meeting the overall savings targets and ;NOTED

(ii) the demand led changes forecast for Corporate Strategy and Finance; and

(iii) the financial situation forecast for 2009/2010 and 2010/2011.

64. AUDIT COMMISSION – VALUE FOR MONEY PROFILES – CORPORATE STRATEGY AND FINANCE

The Director of Corporate Resources submitted a report which provided an analysis of the Authority's performance compared to other similar councils for areas covered by the Corporate Strategy and Finance portfolio.

The comparators were based upon the Value for Money Profiles produced by the Audit Commission which would be used to assist in the judgement of Use of Resources as part of the Corporate Performance Assessment (CPA). This was the third year the Audit Commission had produced the Value For Money profiles.

The report provided the following information in the appendices:-

- Appendix A provided the comparative information in a graphical format for the Council's nearest statistical neighbours;
- Appendix B provided the Metropolitan Districts' comparative information; and
- Appendix C provided Bolton MBC's collection rate statistics, compared to other Local Authorities.

The Executive Member NOTED the report

65. CORPORATE RESOURCES DEPARTMENT PERFORMANCE INDICATORS – QUARTER 2 2007/08

The Director of Corporate Resources submitted a report which provided information on the Corporate Resources Department performance indicators for quarter 2 of 2007/08.

Performance against the indicators was generally good and most targets were being met. Actions over the last twelve months had led to an improvement in performance against a range of indicators and performance was improving; all the identified actions could be met from within existing allocated resources.

The Executive Member NOTED the report.

66. BOLTON TOWN CENTRE MANAGEMENT PROPOSALS

The Director of Development and Regeneration submitted a report which detailed the use of the emergency powers procedure in consultation with the Executive Member ;the Executive Member Development and the Executive Member Human Resources, Performance and Diversity for the introduction of new arrangements for town centre management.

Plans and proposals were well underway for up to £1billion of investment in a range of mixed use development schemes and infrastructure improvements in the Town Centre. Alongside the development agenda it was clear that service standards also needed to significantly improve, and work had been undertaken with the full cooperation of the Town Centre Management Company to identify new arrangements to drive forward improvements.

The report identified proposals to strengthen the leadership, coordination and delivery of services. In particular, a new Town Centre Leadership Board was proposed in place of the current Town Centre Management Company, which would become the single voice for the Town Centre stakeholders, holding the Council and others to account. It would draw on the strengths of the existing key partners, together with a wider range of key stakeholders including major landowners, developers and key public sector partners.

The Director of Development and Regeneration would be responsible for coordinating Town Centre Management alongside the existing development activities, and would support the Leadership Board and pull together all key functions and Departments.

Existing services would be maintained and improved by integration with existing services. The retail crime initiative and evening economy initiatives would be transferred in their entirety to the Council's Community Safety Service working to the BeSafe Bolton Strategic Partnership. The Council's

Communication and Marketing Agency would play the central role in developing and implementing the Town Centre Marketing strategy; including the management of a strategic events programme, coordinating all bookings for activities on Town Centre Streets and spaces, and generating sponsorship income.

Further reviews were underway and would be reported separately including improvements to the management of the street scene and public realm, coordinated management and operation of the CCTV infrastructure, and street trading.

The practical consequences of these changes were set out in the report, and included the winding-up of the Town Centre Company, the transfer of staff to the Council in accordance with the Transfer of Undertakings, Protection of Employment (TUPE) regulations, and the establishment of a 3 year financial plan which maintained current levels of Council investment and increased private sector contributions following a transitional period of adjustment and consolidation.

The proposals were considered by the Board of the Town Centre Management Company on 6th November 2007 and unanimously endorsed.

It was proposed that the existing Town Centre Company be wound up by 31st March, 2008 ,or earlier ,provided that the successor Leadership Board was established, and all matters successfully wound up. To ensure a seamless transfer, it was proposed that the Council underwrite the financial liabilities of the Company during this transitional period. The level of financial risk forecasted by the Company comprised the bad and doubtful debts, the outstanding Council interest free loan, redundancy liabilities and any year end deficit. The budget estimate for these one-off exceptional costs was £40,000 which would be met from corporate budgets.

The emergency powers procedure had been utilised to secure the decisions required to ensure continuity of service provision, and to provide the necessary assurances for Board Directors and Company staff and the Executive Member had approved the future funding plan and the underwriting of any financial

liabilities incurred by the Town Centre Company prior to the Company closure as detailed above.

The Executive Member NOTED the use of the emergency powers procedure and requested that the Executive Member and the two Opposition Group Leaders be regularly consulted on the future programme of events for Victoria Square.

CONFIDENTIAL ITEMS

The background papers and reports in relation to the following item were considered confidential as defined in paragraph 3 of Schedule 12A of the Local Government Act 1972 and that it be deemed that, in all the circumstances of each case, the public interest in its exemption outweighs the public interest in its disclosure.

67. THE TEACHER'S CENTRE, RYDLEY STREET, BOLTON

The Director of Corporate Resources submitted a report which detailed the use of the emergency powers procedure for the disposal of the Teacher's Centre at Rydley Street to the University of Bolton in order to progress the sale of the whole site to a developer and to allow the exchange of contracts by 1st December, 2007.

The Director also reported on the latest position regarding the District Valuer's deliberations as to a mutually acceptable figure for the Council's site.

The Executive Member NOTED the use of the emergency powers procedure and that the Director be authorised to continue discussions with the District Valuer and the University as to an acceptable figure for disposal of the Council's site and to consult the Executive Member as appropriate.

DECISION MONITORING

**EXECUTIVE MEMBER FOR
CORPORATE STRATEGY AND FINANCE**

Date of Meeting	Item and Decision	Action and Progress
24 th October, 2007	<p>PROPERTY PERFORMANCE REPORT_</p> <p>The Executive Member NOTED -</p> <p>(i) the performance out-turn data for the suite of land and property performance indicators for 2006/07 as detailed in Appendix 3 of the draft 2007 Corporate Asset Management Plan;</p> <p>(ii) the suite of Land and Property Performance Indicators currently used by Corporate Property Services and that indicators will form a part of future Property Performance Reports; and</p> <p>(iii) the progress made to the end of the second quarter in respect of the delivery of Corporate Property Services' 2007/08 Service Improvement Action Plan ; and APPROVED -</p> <p>(iv) the proposal to receive a Property Performance Report from the Director of Corporate Resources on a six-monthly frequency commencing October 2007.</p>	<p>2007 Corporate Asset Management Plan to be published on the Council's website</p> <p>Out-turn performance data for 2006/07 to be benchmarked</p> <p>Director of Corporate Resources to review format of next Property Performance Report</p>
	ASSET TRANSFER_	

	<p>The Executive Member AGREED that, dependent upon further investigations and, if suitable, a bid be submitted for the Sunnyside Community Centre to participate in the Community Assets Programme.</p>	<p>Investigations ongoing regarding Sunnyside, and whether to submit. Members to be informed in due course</p>
	<p>PROPOSED PAPER STORAGE PROJECT WITH ROYAL BOLTON HOSPITAL NHS TRUST</p> <p>The Executive Member AGREED that the Council joins with Royal Bolton Hospital NHS Trust to develop a joint project with the aim of procuring a contract with an off site paper storage provider for the efficient and effective storage of paper records .</p>	<p>The project is progressing as scheduled and the first meeting of the joint Project Board and Project Team is arranged for 3rd December 2007 to formally start the project and discuss next steps.</p>
	<p>UPDATE ON PORTFOLIO PERFORMANCE CHALLENGES CONDUCTED BY THE EXECUTIVE MEMBER FOR HUMAN RESOURCES PERFORMANCE AND DIVERSITY</p>	

	<p>The Executive Member AGREED –</p> <p>(i) the improvement actions proposed and to work with Directors and Executive Members to drive them forward as part of their performance work ;and</p> <p>(ii) the future rolling programme of portfolio challenges as detailed in the report .</p>	<p>Actions progressing well and programme of portfolio challenges in place</p>
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	<p>FORMER COMMUNITY COLLEGE BUILDING - CLARENCE STREET</p> <p>The Executive Member AGREED to the sale of the property on the open market by tender and that the outcome of the tender exercise be reported to a future meeting of the Executive Member.</p>	<p>Brief Approved.</p> <p>Marketing particulars in hand</p>
	<p>LAND AT CROFT STREET</p> <p>The Executive Member AGREED –</p> <p>(i) to the sale of the Council owned land by auction as outlined in the report ; and</p> <p>(ii) to the sale of 287-289 Manchester Road by order of the Court by auction as outlined in the report .</p>	<p>Auctioneers instructed –Legal Services preparing legal pack</p>

	HORWICH LOCOMOTIVE ESTATE_ The Executive Member AGREED – the transaction as outlined in the report and authorised the Director of Legal and Democratic Services to complete the documentation	With Legal Services
	LAND AT PENNINE ROAD ,HORWICH_ The Executive Member AGREED- (i) the transaction as outlined in the report at less than market value and that the Director of Legal and Democratic Services be authorised to complete the necessary legal documentation; and (ii) that the purpose for which the land is to be disposed of at an undervalue is likely to contribute to the promotion of improvement of social wellbeing of the area as set out in the General Disposal Consent (England) 2003.	Legal Services instructed