

To: Members of the Council

Date: 16 May 2011

Our Ref:

Your Ref:

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Dear Councillor

COUNCIL - TUESDAY 17TH MAY, 2011

I refer to the agenda for the above meeting and now enclose the following report(s) which were unavailable when the agenda was printed.

Agenda No.

Item

6. Election Results - 5 May 2011 (Pages 17 - 22)

To receive and note the report of the Assistant Chief Executive and Returning Officer on the results of the Council Elections held on 5 May 2011

7. Leader of the Council

The Council will be requested to note that in accordance with the Political Conventions of the Council signed by the three Political Group Leaders on 29 March 2010, that Councillor Robertson has submitted a notice to the Chief Executive indicating that he wishes to resign from the office of Leader of the Council with effect from the Adjourned Annual Council meeting on Tuesday 17th May 2011. The reason for his resignation is that he no longer represents the largest political group on the Council, and the Political Conventions provide that the Leader of the Council shall be drawn from the largest political group. The notice was served in accordance with Article 7.03 of the Council's Constitution.

The effect of his resignation is that all serving Cabinet Members also cease to hold office with effect from the date a new Leader is appointed to office, as per Article 7.06 of the Council's Constitution, and he/she appoints a new Cabinet.

A nomination will be submitted at the Council meeting that Councillor P. Dowd (as the Leader of the largest political group on the Council) be appointed as the Leader of the Council.

8. **Cabinet, Deputy Executive Leader and Deputy Leader** (Pages 23 - 26)
Report of the Leader of the Council (Councillor P. Dowd) on the size, composition and portfolios of the Cabinet and the appointment of the Deputy Executive Leader and Deputy Leader.
9. **Appointment of Committees and Working Groups 2011/12**
- a) To Determine the Size and Membership of Committees and Working Groups in accordance with the Political Balance Rules
Details of the allocation of Committee Places in accordance with the Political Balance Rules and the proposed membership of Committees and Working Groups for 2011/12 are attached
- b) Terms of Reference for Committees and Working Groups 2011/12
Subject to the item above, to approve the terms of reference of the Committees and Working Groups as set out in Part 3 of the Council Constitution
10. **Appointment of Representatives on Merseyside Joint Authorities 2011/12** (Pages 41 - 42)
To approve the Council's representation on the following Joint Authorities for 2011/12:
- (i) Merseyside Fire and Rescue Authority
 - (ii) Merseyside Integrated Transport Authority
 - (iii) Merseyside Waste Disposal Authority
 - (iv) Merseyside Police Authority (nominations only – appointments will be made by the Merseyside Police Authority Appointments Committee)
- (Details of the proposed representation on the above bodies are attached)
11. **Appointment of Representatives on Sefton Borough Partnership 2011/12** (Pages 43 - 48)
The report of the Assistant Chief Executive and the proposed representation on the various bodies are attached
12. **Review of the Council Constitution** (Pages 49 - 52)
Report of the Chief Executive
14. **Sefton New Directions - Shareholders Permissions** (Pages 53 - 72)
Report of the Head of Corporate Legal Services

Yours sincerely,

M. CARNEY
Chief Executive

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ADJOURNED ANNUAL COUNCIL - 17 MAY 2011

LOCAL GOVERNMENT ELECTIONS - 5 MAY 2011

SUMMARY OF ELECTION RESULTS

AINSDALE WARD

Terry Jones	Conservative Party	2030
Lynne Thompson	Liberal Democrats	1194
Stephen James Jowett	The Labour Party	799
Bryan Leech	United Kingdom Independence Party	318
John Raymond Bankes	British National Party	67
Lisa Morgan Clague	The Green Party	167
	Electorate	9558
	% Turnout	48%

BIRKDALE WARD

Simon John Shaw	Liberal Democrats	1361
Alastair James McNair	Conservative Party	934
Frank Michael Robinson	The Labour Party	830
Terry John Durrance	United Kingdom Independence Party	520
Denise Katherine Roney	The Southport Party	324
Robert Smith	British National Party	56
	Electorate	9870
	% Turnout	41%

BLUNDELLSANDS WARD

Peter Robert Papworth	Conservative Party	1823
Ben Winstanley	The Labour Party	1802
Carol Tonkiss	Liberal Democrats	281
Laurence Rankin	The Green Party	280
	Electorate	8877
	% Turnout	47%

CAMBRIDGE WARD

Tony Crabtree	Conservative Party	1339
Lauren Patricia Keith	Liberal Democrats	1323
Andy Dams	The Labour Party	737
Stuart Taylor	The Southport Party	475
Allen Ferguson	United Kingdom Independence Party	277
	Electorate	9464
	% Turnout	44%

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CHURCH WARD

Veronica Webster	The Labour Party	2413
Paul Martyn Barber	Conservative Party	506
Peter Gill	Liberal Democrats	259
Andrew Dennis Leary	British National Party	130
	Electorate	8853
	% Turnout	38%

DERBY WARD

David Robinson	The Labour Party	2071
John Philip Rice	United Kingdom Independence Party	404
Jennifer Robertson	Liberal Democrats	107
Kenneth George Parry	Conservative Party	95
Dean McGrane	English Democrats Party	55
	Electorate	9053
	% Turnout	31%

DUKES WARD

Pat Ball	Conservative Party	1475
Tony Dawson	Liberal Democrats	1152
Catherine Emily Cookson	The Labour Party	581
Harry Forster	The Southport Party	376
John Charles Lyon-Taylor	United Kingdom Independence Party	296
	Electorate	9913
	% Turnout	40%

FORD WARD

Kevin Eamonn Cluskey	The Labour Party	2281
Philip James Wordley	United Kingdom Independence Party	205
Jessamine Miles Hounslea	Conservative Party	196
Nicola Jane Smith	Liberal Democrats	84
Jane Alexandra Leary	British National Party	71
	Electorate	8876
	% Turnout	32%

HARINGTON WARD

Gillian Catherine Cuthbertson	Conservative Party	2646
Ben Bentley	The Labour Party	1519
Dru Haydon	Liberal Democrats	504
	Electorate	9710
	% Turnout	49%

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KEW WARD

Mike Booth	Liberal Democrats	1132
Richard James Owens	The Labour Party	867
Cath Regan	Conservative Party	777
Mike Lewtas	United Kingdom Independence Party	481
	Electorate	9252
	% Turnout	36%

LINACRE WARD

John Ronald Fairclough	The Labour Party	1758
Robin-Michael Thompson	United Kingdom Independence Party	191
Colin Anderson	Liberal Democrats	110
Thomas James Moylan	Conservative Party	93
	Electorate	7821
	% Turnout	28%

LITHERLAND WARD

Paul Tweed	The Labour Party	2132
Helen Louise Barber	Conservative Party	235
Daniel Lewis	Liberal Democrats	151
	Electorate	8230
	% Turnout	31%

MANOR WARD

Diane Edith Roberts	The Labour Party	2324
Martyn Paul Barber	Conservative Party	1538
James Philip Ludley	Liberal Democrats	468
	Electorate	9725
	% Turnout	45%

MEOLS WARD

Nigel Roy Ashton	Liberal Democrats	1211
Chris Cross	Conservative Party	1136
Maureen Stoker	The Labour Party	711
Margaret Brown	The Southport Party	628
Patricia Elaine Shanks	United Kingdom Independence Party	278
	Electorate	9760
	% Turnout	41%

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MOLYNEUX WARD

Marion Lauren Atkinson	The Labour Party	2494
Jack Colbert	Liberal Democrats	1004
John Jarvis	Conservative Party	416
Peter J. Harper	United Kingdom Independence Party	404
	Electorate	9940
	% Turnout	44%

NETHERTON AND ORRELL WARD

Susan Ellen Bradshaw	The Labour Party	2206
Pat Gaskell	United Kingdom Independence Party	271
Michael McGrady	Conservative Party	200
Peter Glover	Trade Unionist and Socialist Against Cuts	181
Carol Ann Hill	Liberal Democrats	97
	Electorate	8754
	% Turnout	34%

NORWOOD WARD

Marianne Welsh	Liberal Democrats	1121
Mike Nolan	The Labour Party	931
Graham Campbell	Conservative Party	629
Dr. Jim Ford	The Southport Party	570
Gordon Ferguson	United Kingdom Independence Party	269
	Electorate	10063
	% Turnout	35%

PARK WARD

Tony Robertson	Liberal Democrats	1480
Kris Brown	The Labour Party	1411
Alex Orme	Conservative Party	867
Roy Greason	The Green Party	200
	Electorate	9612
	% Turnout	42%

RAVENMEOLS WARD

Catie Page	The Labour Party	2032
Debi Jones	Conservative Party	1974
Linda Hough	Liberal Democrats	307
Richard Graham Willis	The Green Party	241
	Electorate	9378
	% Turnout	49%

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ST OSWALD WARD

Mark Michael Dowd	The Labour Party	2405
Nigel Stuart Barber	Conservative Party	200
Graham Bourne Farrell	Liberal Democrats	94
	Electorate	8465
	% Turnout	32%

SUDELL WARD

Patrick Anthony McKinley	The Labour Party	2314
Sylvia Frances Mainey	Liberal Democrats	1169
Wendy Moore	Conservative Party	713
Andrew David Rossall	The Green Party	143
	Electorate	9932
	% Turnout	44%

VICTORIA WARD

Leslie Byrom	The Labour Party	2258
Peter Hough	Liberal Democrats	1442
Sharon Hutchinson	Conservative Party	575
Michael Neale Kelly	United Kingdom Independence Party	289
	Electorate	10202
	% Turnout	45%

Samantha Tunney
Returning Officer

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ADJOURNED ANNUAL COUNCIL - 17 MAY 2011

REPORT OF THE LEADER OF THE COUNCIL

APPOINTMENT OF THE CABINET AND SPOKESPERSONS FOR 2011/12

PROPOSED MOTION

RESOLVED: That

- (1) Councillor Robertson as Leader of the Liberal Democrat Group, (the second largest political group on the Council) be appointed as the Deputy Executive Leader for a four year term of office or until such time as his term of office expires;
- (2) Councillor Parry as the Leader of the Conservative Group, (the third largest political group on the Council) be appointed as the Deputy Leader for a four year term of office or until such time as her term of office expires; and
- (3) it be noted that the Cabinet and Spokespersons comprising the Members indicated below will be appointed for a four year term of office or until such time as their term of office expires.

CABINET (10)

(Lib Dem 4 / Lab 4 / Con 2)

<u>Portfolio</u>	<u>Member</u>
Leader of the Council	Cllr. P. Dowd
Cabinet Member - Children, Schools and Families	Cllr. Moncur
Cabinet Member - Corporate Services	Cllr. Parry
Cabinet Member - Environmental	Cllr. Shaw
Cabinet Member - Leisure, Culture and Tourism Services	Cllr. Booth
Cabinet Member - Older People and Health	Cllr. Porter
Cabinet Member - Performance, Governance and Commissioning	Cllr. Brodie-Browne
Cabinet Member - Regeneration and Housing	Cllr. Maher
Cabinet Member - Safer Communities and Neighbourhoods	Cllr. Robertson
Cabinet Member - Street Scene and Transportation	Cllr. Fairclough

CABINET URGENT BUSINESS COMMITTEE (3)

The 3 Party Leaders or their nominees (who must be Cabinet Members).

Councillors P. Dowd, Robertson and Parry

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CABINET MEMBER - CHILDREN, SCHOOLS AND FAMILIES

<u>Member</u>	<u>Substitute</u>
Cllr. Moncur	Cllr. P. Dowd

<u>Spokespersons</u>	<u>Substitute</u>
Cllr. Dorgan	Cllr. Jones
Cllr. Preece	Cllr. Howe

The Education Added Members will be Mr. A. Bell and 1 Vacancy (Church Diocesan Representatives); Mrs. S. Cain and 1 Vacancy (Parent Governor Representatives) plus Mr. R. Gregson (Sefton Governors Forum).

CABINET MEMBER - CORPORATE SERVICES

<u>Member</u>	<u>Substitute</u>
Cllr. Parry	Cllr. Porter

<u>Spokespersons</u>	<u>Substitute</u>
Cllr. Ashton	Cllr. Mainey
Cllr. Carr	Cllr. Veidman

CABINET MEMBER - ENVIRONMENTAL

<u>Member</u>	<u>Substitute</u>
Cllr. Shaw	Cllr. Booth

<u>Spokespersons</u>	<u>Substitute</u>
Cllr. Dutton	Cllr. Cuthbertson
Cllr. Hardy	Cllr. Friel

CABINET MEMBER - LEISURE, CULTURE AND TOURISM SERVICES

<u>Member</u>	<u>Substitute</u>
Cllr. Booth	Cllr. Robertson

<u>Spokespersons</u>	<u>Substitute</u>
Cllr. Jones	Cllr. Griffiths
Cllr. Webster	Cllr. Gustafson

CABINET MEMBER – OLDER PEOPLE AND HEALTH

<u>Member</u>	<u>Substitute</u>
Cllr. Porter	Cllr. Parry

<u>Spokespersons</u>	<u>Substitute</u>
Cllr. Friel	Cllr. L. Cluskey
Cllr. Cuthbertson	Cllr. McIvor

CABINET MEMBER - PERFORMANCE, GOVERNANCE AND COMMISSIONING

<u>Member</u>	<u>Substitute</u>
Cllr. Brodie-Browne	Cllr. Shaw

<u>Spokespersons</u>	<u>Substitute</u>
Cllr. Brady	Cllr. Brennan
Cllr. Cuthbertson	Cllr. McIvor

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CABINET MEMBER - REGENERATION AND HOUSING

<u>Member</u>	<u>Substitute</u>
Cllr. Maher	Cllr. Fairclough

<u>Spokespersons</u>	<u>Substitute</u>
Cllr. Mainey	Cllr. Sumner
Cllr. McIvor	Cllr. Dutton

CABINET MEMBER - SAFER COMMUNITIES AND NEIGHBOURHOODS

<u>Member</u>	<u>Substitute</u>
Cllr. Robertson	Cllr. Brodie-Browne

<u>Spokespersons</u>	<u>Substitute</u>
Cllr. Papworth	Cllr. Cuthbertson
Cllr. Veidman	Cllr. Atkinson

CABINET MEMBER - STREET SCENE AND TRANSPORTATION

<u>Member</u>	<u>Substitute</u>
Cllr. Fairclough	Cllr. Maher

<u>Spokespersons</u>	<u>Substitute</u>
Cllr. Crabtree	Cllr. Jones
Cllr. Tonkiss	Cllr. Fenton

Cllr. P. Dowd
Leader of the Council

ALLOCATION OF COMMITTEE PLACES IN ACCORDANCE WITH THE POLITICAL BALANCE RULES 2011/12

GROUP	SEATS ON COUNCIL	%SEATS	NO COMMITTEE PLACES
Labour	28	42.42	36 (36.13)
Lib Dem	23	34.85	30 (29.68)
Conservative	11	16.67	14 (14.19)
UKIP	1	1.52	0
Conservative Ind .1	1	1.52	0
Conservative Ind .2	1	1.52	0
Conservative Ind .3	1	1.52	0
TOTAL	66	100	80

ENTITLEMENT TO FORMAL SEATS:

COMMITTEE	PLACES	LABOUR	LIB DEM	CONSERVATIVE
Audit & Governance	10	4	4 (Chair)	2
Licensing & Planning	15	7	5 (Chair)	3
Children's Services	15	7 (Chair)	5	3
Health & Soc Care	10	5 (Chair)	4	1
O & S Performance & Corporate Services	10	4	4 (Chair)	2
O & S Regeneration and Environmental	10	5 (Chair)	4	1
O & S Health & Soc Care	10	4	4	2 (Chair)
TOTAL	80	36	30	14

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ENTITLEMENT TO OTHER COMMITTEE PLACES:

COMMITTEE	PLACES	LABOUR	LIB DEM	CONSERVATIVE
Committee Chairs*	7	3	3	1
Cabinet	10	4	4	2
Licensing Urgent Referral	3	1	1	1
Pay and Grading Committee	6	3	2	1
Planning Urgent Referral	3	1	1	1
Standards (Ind Chair)	6	3	2	1
LJCC	12	5	5	2
JCC Teachers	9	4	3	2

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Committee places are allocated on a proportionate basis to Political Groups in accordance with the political balance requirement of the Local Government and Housing Act 1989. These are referred to above as 'entitlement to formal seats'. The list headed 'entitlement to other Committee places' is normally allocated in accordance with the Council's Political Conventions.

Committee Chairs*

Under the Council's Political Conventions, the Chair of the Audit and Governance Committee should not be from the same Party as the Leader of the Council and on the recommendation of Dr. Snape, that the largest Party should not hold the majority of Overview and Scrutiny Committee Chairs. In addition there is a statutory requirement that the Chair of the Standards Committee must be an Independent Member.

Within these constraints it has been an accepted convention that the Chairs of Committees are appointed proportionately in accordance with the overall political balance of the Council.

ADJOURNED ANNUAL COUNCIL - 17 MAY 2011

APPOINTMENT OF COMMITTEES AND WORKING GROUPS FOR 2011/12

PROPOSED MOTION

RESOLVED: That

- (1) the allocation of Committee places in accordance with the Political Balance Rules be noted;
- (2) the Members, Chairs, Vice-Chairs and Spokespersons for the Committees and Working Groups set out below be appointed for a period of twelve months until the Adjourned Annual Council Meeting to be held in May 2012.

(A) OVERVIEW AND SCRUTINY COMMITTEES

OVERVIEW AND SCRUTINY COMMITTEE (CHILDREN'S SERVICES) (10)

Plus 4 Education Added Members

(Lab 5/Lib Dem 4/Con 1)

	<u>Member</u>	<u>Substitute</u>
1.	Chair: Cllr. Brennan	Cllr. Veidman
2.	Vice-Chair: Cllr. Bradshaw	Cllr. L. Cluskey
3.	Cllr. Atkinson	Cllr. Kerrigan
4.	Cllr. Cuthbertson *	Cllr. Dutton
5.	Cllr. Hands *	Cllr. Ashton
6.	Cllr. Howe	Cllr. Weavers
7.	Cllr. Hubbard	Cllr. Dodd
8.	Cllr. Mainey	Cllr. Welsh
9.	Cllr. McKinley	Cllr. Byrom
10	Cllr. Page	Cllr. McGinnity

* Spokesperson

Education Added Members:- Father D. Seddon and 1 Vacancy
(Church Diocesan Representatives);
Mrs. S. Cain and 1 Vacancy.
(Parent Governor Representatives)

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OVERVIEW AND SCRUTINY COMMITTEE (HEALTH & SOCIAL CARE) (10)

(Lab 4/Lib Dem 4/Con 2)

	<u>Member</u>	<u>Substitute</u>
1.	Chair: Cllr. Hill	Cllr. M. Fearn
2.	Vice-Chair: Cllr. Hubbard	Cllr. Weavers
3.	Cllr. Ball	Cllr. Crabtree
4.	Cllr. L. Cluskey	Cllr. Tweed
5.	Cllr. Griffiths *	Cllr. Dutton
6.	Cllr. McGuire	Cllr. Hands
7.	Cllr. Page	Cllr. Hardy
8.	Cllr. Roberts	Cllr. Brennan
9.	Cllr. Welsh	Cllr. Preece
10.	Cllr. Webster *	Cllr. Bradshaw

* Spokesperson

OVERVIEW AND SCRUTINY COMMITTEE (PERFORMANCE & CORPORATE SERVICES) (10)

(Lab 5/Lib Dem 4/Con 1)

	<u>Member</u>	<u>Substitute</u>
1.	Chair: Cllr. McGinnity	Cllr. McKinley
2.	Vice-Chair: Cllr. Byrom	Cllr. Veidman
3.	Cllr. Carr	Cllr. M. Dowd
4.	Cllr. Dorgan *	Cllr. Jones
5.	Cllr. Gibson *	Cllr. Hubbard
6.	Cllr. Kelly	Cllr. Brady
7.	Cllr. Mainey	Cllr. Hill
8.	Cllr. Preece	Cllr. Tonkiss
9.	Cllr. Roberts	Cllr. Robinson
10.	Cllr. Weavers	Cllr. Sumner

* Spokesperson

OVERVIEW AND SCRUTINY COMMITTEE (REGENERATION AND ENVIRONMENTAL SERVICES) (10)

(Lab 4/Lib Dem 4/Con 2)

	<u>Member</u>	<u>Substitute</u>
1.	Chair: Cllr. Papworth	Cllr. Griffiths
2.	Vice-Chair: Cllr. Mclvor	Cllr. Dorgan
3.	Cllr. Ashton	Cllr. Rimmer
4.	Cllr. K. Cluskey *	Cllr. Kelly
5.	Cllr. Fenton	Cllr. Hubbard
6.	Cllr. Hardy	Cllr. Tweed
7.	Cllr. McKinley	Cllr. Webster
8.	Cllr. Robinson	Cllr. Bradshaw
9.	Cllr. Weavers *	Cllr. Blackburn
10.	Cllr. Welsh	Cllr. McGuire

* Spokesperson

(B) REGULATORY AND OTHER COMMITTEES

APPEALS COMMITTEE

All Members of the Council (other than Cabinet Members) to form a Panel from which 3 Members are selected to form a politically balanced Committee.

AUDIT AND GOVERNANCE COMMITTEE (10)

(Lab 4/Lib Dem 4/Con 2)

	<u>Member</u>	<u>Substitute</u>
1.	Chair: Cllr. Hands	Cllr. Mainey
2.	Vice-Chair: Cllr. Tonkiss	Cllr. M. Fearn
3.	Cllr. Brady *	Cllr. Tweed
4.	Cllr. Brennan	Cllr. Mahon
5.	Cllr. Lord Fearn	Cllr. Ashton
6.	Cllr. Friel	Cllr. McGinnity
7.	Cllr. Maher	Cllr. Moncur
8.	Cllr. Mclvor	Cllr. Crabtree
9.	Cllr. Parry *	Cllr. Porter
10.	Cllr. Robertson	Cllr. Brodie-Browne

* Spokesperson

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Membership is the Leader of the Council and the other 2 Party Group Leaders (or their nominees who should be Cabinet Members) and 7 Non-Executive Members of the Council.

EMPLOYMENT PROCEDURE COMMITTEE

All Members of the Council to form a panel from which a minimum of 3 Members are selected to form a politically balanced Committee. At least one member of the Cabinet to be included on the Committee.

LICENSING AND REGULATORY COMMITTEE (15)

(Lab 7/Lib Dem 5/Con 3)

	<u>Member</u>
1.	Chair: Cllr. McGuire
2.	Vice-Chair Cllr. Rimmer
3.	Cllr. Ashton
4.	Cllr. Blackburn
5.	Cllr. Bradshaw
6.	Cllr. Carr
7.	Cllr. Crabtree
8.	Cllr. Dorgan
9.	Cllr. Fenton
10.	Cllr. Gustafson
11.	Cllr. Kerrigan
12.	Cllr. Mahon *
13.	Cllr. McGinnity
14.	Cllr. Papworth *
15.	Cllr. Robinson

*Spokesperson

LICENSING AND REGULATORY (URGENT REFERRALS) COMMITTEE (3)

(Lab 1/Lib Dem 1/Con 1)

	<u>Member</u>	<u>Substitute</u>
1.	Chair: Cllr. McGuire	Cllr. Rimmer
2.	Cllr. Mahon	Cllr. Robinson
3.	Cllr. Papworth	Cllr. Dorgan

LICENSING SUB-COMMITTEE

All Members of the Licensing and Regulatory Committee to form a Panel from which 3 Members are selected to form a Sub-Committee.

PAY AND GRADING COMMITTEE (6)

(Lab 3/Lib Dem2/Con 1)

	<u>Member</u>
1.	Chair: Cllr. Parry
2.	Vice-Chair: Cllr. Fairclough
3.	Cllr. Hands
4.	Cllr. Rimmer
5.	Cllr. Roberts
6.	Cllr. Tweed

PLANNING COMMITTEE (15)

(Lab 7/Lib Dem 5/Con 3)

	<u>Member</u>	<u>Substitute</u>
1.	Chair: Cllr. Tweed	Cllr. Brady
2.	Vice-Chair: Cllr. Kelly	Cllr. Brennan
3.	Cllr. Atkinson	Cllr. Page
4.	Cllr. Ball	Cllr. Cuthbertson
5.	Cllr. L. Cluskey	Cllr. Kerrigan
6.	Cllr. Dodd	Cllr. Hill
7.	Cllr. Dorgan	Cllr. Dutton
8.	Cllr. M. Fearn *	Cllr. Lord Fearn
9.	Cllr. Griffiths *	Cllr. Jones
10.	Cllr. Gustafson	Cllr. Webster
11.	Cllr. Mahon	Cllr. Friel
12.	Cllr. Preece	Cllr. Hands
13.	Cllr. Roberts	Cllr. K. Cluskey
14.	Cllr. Tonkiss	Cllr. Gibson
15.	Cllr. Sumner	Cllr. Howe

*Spokesperson

PLANNING (URGENT REFERRALS) COMMITTEE (3)

(Lab 1/Lib Dem 1/Con 1)

	<u>Member</u>	<u>Substitute</u>
1.	Chair: Cllr. Tweed	Cllr. Kelly
2.	Cllr. M. Fearn	Cllr. Sumner
3.	Cllr. Griffiths	Cllr. Dorgan

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PLANNING VISITING PANEL (15)

The Committee comprises of the Members of the Planning Committee.

STANDARDS COMMITTEE (6) (plus 3 Independent Members and 2 Parish Council Members)

(Lab 3/Lib Dem 2/Con 1) - including 1 Cabinet Member +

	<u>Member</u>	<u>Substitute</u>
1.	Cllr. Byrom	Cllr. McKinley
2.	Cllr. Fairclough +	Cllr. Moncur
3.	Cllr. M. Fearn	Cllr. Welsh
4	Cllr. Hill	Cllr. Rimmer
5	Cllr. Papworth	Cllr. Griffiths
6	Cllr. Veidman	Cllr. Hardy

Independent Members:

Chair - Mr N. Edwards		3 year term until May 2013
Vice-Chair - Mr. E. Davies	}	
Mr. J.R. Fraser	}	3 year term until May 2014

Parish Council Members:

Mrs B. O'Brien
Mr. D. Warren

ASSESSMENT SUB-COMMITTEE OF STANDARDS COMMITTEE

All Members of the Standards Committee will form a Panel from which one Independent Member and two other Members will be selected to form a Sub-Committee.

HEARINGS SUB-COMMITTEE OF STANDARDS COMMITTEE

All Members of the Standards Committee will form a Panel from which one Independent Member and two other Members will be selected to form a Sub-Committee.

REVIEW SUB-COMMITTEE OF STANDARDS COMMITTEE

All Members of the Standards Committee to form a Panel from which one Independent Member and two other Members will be selected to form a Sub-Committee.

(C) LOCAL AREA COMMITTEES

The Members of the Wards included below in the Area of each Committee.

The Chair, Vice-Chair and Local Advisory Members to be appointed by the respective Area Committee.

CROSBY AREA COMMITTEE (11*)

Ward	Member
Blundellsands	Cllr. Dorgan
	Cllr. Papworth
	Cllr. Parry
Church	*
	Cllr. Veidman
	Cllr. Webster
Manor	Cllr. Gibson
	Cllr. McGinnity
	Cllr. Roberts
Victoria	Cllr. Byrom
	Cllr. Hill
	Cllr. Tonkiss

*The Mayor, Councillor Cummins (Church Ward) will not be a Member of the Area Committee during his year of office.

FORMBY AREA COMMITTEE (6)

Ward	Member
Harington	Cllr. Cuthbertson
	Cllr. Doran
	Cllr. Dutton
Ravenmeols	Cllr. Griffiths
	Cllr. Mclvor
	Cllr. Page

LINACRE AND DERBY AREA COMMITTEE (6)

Ward	Member
Derby	Cllr. L. Cluskey
	Cllr. Gustafson
	Cllr. Robinson
Linacre	Cllr. Fairclough
	Cllr. Friel
	Cllr. Kerrigan

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LITHERLAND AND FORD AREA COMMITTEE (6)

Ward	Member
Ford	Cllr. Brady
	Cllr. K. Cluskey
	Cllr. Moncur
Litherland	Cllr. Hardy
	Cllr. Kelly
	Cllr. Tweed

SEFTON EAST PARISHES AREA COMMITTEE (9)

Ward	Member
Molyneux	Cllr. Atkinson
	Cllr. Carr
	Cllr. Howe
Park	Cllr. Blackburn
	Cllr. Fenton
	Cllr. Robertson
Sudell	Cllr. Hubbard
	Cllr. Mainey
	Cllr. McKinley

SOUTHPORT AREA COMMITTEE (21)

Ward	Member
Ainsdale	Cllr. Jones
	Cllr. Porter
	Cllr. Preece
Birkdale	Cllr. Brodie-Browne
	Cllr. Hands
	Cllr. Shaw
Cambridge	Cllr. Crabtree
	Cllr. Glover
	Cllr. McGuire
Dukes	Cllr. Ball
	Cllr. Pearson
	Cllr. Sir Ron Watson
Kew	Cllr. Booth
	Cllr. M. Fearn
	Cllr. Weavers
Meols	Cllr. Ashton
	Cllr. Dodd
	Cllr. Rimmer
Norwood	Cllr. Lord Fearn
	Cllr. Sumner
	Cllr. Welsh

ST. OSWALD AND NETHERTON AND ORRELL AREA COMMITTEE (6)

Ward	Member
Netherton and Orrell	Cllr. Bradshaw
	Cllr. Brennan
	Cllr. Maher
St. Oswald	Cllr. M. Dowd
	Cllr. P. Dowd
	Cllr. Mahon

(D) CONSULTATIVE BODIES

INDEPENDENT REMUNERATION PANEL (3 members)

Canon R. Driver		4 year term until May 2013
Mr. S. Dickson	}	
Mrs. S. Lowe	}	4 year term until 23 October 2012

(To advise and make recommendations to the Authority about the allowances to be paid to Elected Members).

JOINT CONSULTATIVE COMMITTEE FOR TEACHING STAFFS

(9 Council Members plus 9 Teacher representatives)

(Lab 4/Lib Dem 3/Con 2)

	<u>Member</u>	<u>Substitute</u>
1.	Cllr. Brennan	Cllr. McKinley
2.	Cllr. Dorgan	Cllr. Ball
3.	Cllr. P. Dowd	Cllr. Page
4	Cllr. Dutton	Cllr. Cuthbertson
5	Cllr. Lord Fearn	Cllr. Tonkiss
6	Cllr. Hardy	Cllr. Bradshaw
7	Cllr. Howe	Cllr. Dodd
8	Cllr. Moncur	Cllr. Tweed
9	Cllr. Preece	Cllr. Gibson

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LOCAL JOINT CONSULTATIVE COMMITTEE (12)

(12 Council Members plus 12 Trade Union Representatives)

(Lab 5/Lib Dem 5/Con 2)

	<u>Member</u>	<u>Substitute</u>
1.	Cllr. Blackburn	Cllr. Tonkiss
2.	Cllr. Brady	Cllr. Friel
3.	Cllr. Brodie-Browne	Cllr. Shaw
4	Cllr. Carr	Cllr. McGinnity
5	Cllr. P. Dowd	Cllr. M. Dowd
6	Cllr. Fairclough	Cllr. Tweed
7	Cllr. Lord Fearn	Cllr. Sumner
8	Cllr. Fenton	Cllr. Hubbard
9	Cllr. Griffiths	Cllr. Dorgan
10	Cllr. Moncur	Cllr. Mahon
11	Cllr. Porter	Cllr. Parry
12	Cllr. Robertson	Cllr. Booth

PUBLIC ENGAGEMENT AND CONSULTATION PANEL (3)

(Lab 1/Lib Dem 1/Con 1)

	<u>Member</u>
1.	Cllr. Brodie-Browne
2.	Cllr. Friel
3.	Cllr. Mclvor

(E) MAJOR SERVICE REVIEW GOVERNANCE BODIES

STRATEGIC SERVICE PARTNERSHIP BOARD

Leader of the Council (Councillor P. Dowd) and the representatives on the Finance and Information Services Operational Board and the Technical Services Operational Board (Councillors Parry and Fairclough).

FINANCE AND INFORMATION SERVICES OPERATIONAL BOARD

Cabinet Member - Corporate Services (Councillor Parry).

TECHNICAL SERVICES OPERATIONAL BOARD

Cabinet Member - Street Scene and Transportation (Councillor Fairclough).

(F) OTHER BODIES

SHADOW HEALTH AND WELLBEING BOARD FOR SEFTON

	<u>Member</u>
1.	Cllr. Moncur
2.	Cllr. Porter
3.	Cllr. Rimmer

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ADJOURNED ANNUAL COUNCIL - 17 MAY 2011

APPOINTMENT OF REPRESENTATIVES ON THE JOINT AUTHORITIES 2011/12

PROPOSED MOTION

RESOLVED:

That the following Members be appointed to serve on the following Joint Authorities in 2011/12:

<u>Joint Authority</u>	<u>Representative</u>			
Merseyside Fire and Rescue Authority	Councillors Blackburn Jones	(LD) (Con)	Byrom Mahon	(Lab) (Lab)
Merseyside Integrated Transport Authority	Councillors Dodd Griffiths	(LD) (Con)	M. Dowd Sumner	(Lab) (LD)
Merseyside Waste Disposal Authority	Councillors K. Cluskey	(Lab)	Shaw	(LD)
Merseyside Police Authority (Nominations only - Appointed by the Merseyside Police Authority Appointments Committee).	Councillors Howe	(LD)	Kerrigan	(Lab)

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Report to: Council **Date of Meeting:** 17th May 2011

Subject: Sefton Borough Partnership

Report of: Assistant Chief Executive **Wards Affected:** All

Is this a Key Decision? No **Is it included in the Forward Plan?**
No

Exempt/Confidential No

Purpose/Summary

To request the Council to appoint representatives to the Sefton Borough Partnership Board Strategic Board, the Children's Trust Board, Safer and Stronger Communities Partnership and South Sefton and Southport Area Partnerships, but to defer consideration of the other appointments referred to in the Annex pending a further report.

Recommendation(s)

That the Council make the appointments referred to in the Annex to this report

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community	√		
2	Jobs and Prosperity	√		
3	Environmental Sustainability	√		
4	Health and Well-Being	√		
5	Children and Young People	√		
6	Creating Safe Communities	√		
7	Creating Inclusive Communities	√		
8	Improving the Quality of Council Services and Strengthening Local Democracy	√		

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Reasons for the Recommendation:

The Council is requested annually to make appointments in accordance with its Constitution.

What will it cost and how will it be financed?

(A) **Revenue Costs** – None directly arising from this decision

(B) **Capital Costs** – None directly arising from this decision

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal None applicable
Human Resources None applicable
Equality 1. No Equality Implication <input type="checkbox"/>
2. Equality Implications identified and mitigated <input type="checkbox"/>
3. Equality Implication identified and risk remains <input type="checkbox"/>

Impact on Service Delivery: None

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD772) and Head of Corporate Legal Services (LD132/11) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

Not to make any appointments

Implementation Date for the Decision

With immediate effect

Contact Officer:

Samantha Tunney, Assistant Chief Executive – Tel: 0151 934 2174

Email: samantha.tunney@sefton.gov.uk

1. Introduction/Background

A review of the Sefton Borough Partnership took place in 2008/09 for implementation in the 2009/10 Municipal Year, as part of the Governance Review. This culminated in the Council agreeing a new Membership and more defined role for the Strategic Board and its Operations Group. Thereafter, a review of the Thematic Groups of the Strategic Board took place and it was agreed that the Thematic Groups should transition to a new format or cease to exist, given the more focused role of the Strategic Board and due to the agreement of Council to create Area Partnerships within the Borough.

The refreshed Strategic Board started to meet in the 2010/11 Municipal Year as planned, but as a result of the Emergency Budget and Comprehensive Spending Review, and the ensuing prioritisation of resources, the meetings due to be held towards the end of the Municipal Year were cancelled. All Thematic Groups agreed a transition plan, and continued to meet in 2010/11.

2. Proposal

The national policy context in which the Council and its partners operates is and will continue to change. Locally there is a need to translate the outcome of the prioritisation process undertaken by the Council arising from the Comprehensive Spending Review into a replacement for the Sustainable Community Strategy (SCS) and Corporate Plan. The replacement for the SCS will need to be undertaken in collaboration with Partners to ensure it articulates the ambition for the Borough of Sefton. The Strategic Board will need to determine the impact of the national policy context on its vision and strategy for the borough, and how this will be delivered, bearing in mind the budget reductions which the Council and its partners will need to make in the current and future financial years. There is no longer a requirement on Councils to produce such a strategy. However, there needs to be some form of document which articulates the ambition and vision for the Borough, whilst the statutory requirement to have a Strategy, ceases.

This work needs to be undertaken over the coming months, and for this reason, the Council is requested to make appointments to the Strategic Board, Safer and Stronger Communities Partnership, the Children's Trust Board, South Sefton Area Partnership and Southport Partnership, but to defer consideration of appointments to other Groups/Boards as set out in the Annex to the report. With regards to the Area Partnerships, work is under way, and some are more developed than others. The South Sefton Area Partnership has been established and membership from partners including the community, voluntary and faith sector has been agreed in 2011/2012. This Area Partnership has set a forward work programme with some local priorities and to slow down the impetus of this group at this point would be detrimental to partnership working. Similarly, the Southport Partnership has been working on its transition into an Area Partnership and is keen to progress.

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With regards to the Area Partnerships for the Central area of the Borough, these are at varying stages of development with membership still to be determined. It is proposed that they meet in shadow form and the formal membership will be agreed at the Council meeting in July 2011.

With this in mind, it is proposed that appointments to the following be deferred until a future meeting of the Council to enable the Director of Corporate Commissioning to review the position relative to the Thematic Groups and several Partnerships, as follows:-

- Economic Development & Sustainability Thematic Group - defer
- Healthier Communities & Older People Thematic Group - defer
- Neighbourhood Regeneration Thematic Group (this group no longer exists as it is now the South Sefton Area Partnership)
- Sefton Compact Working Group - defer
- Area Partnerships – defer membership in the Central area and operate shadow arrangements

ADJOURNED ANNUAL COUNCIL - 17 MAY 2011

APPOINTMENT OF REPRESENTATIVES ON SEFTON BOROUGH PARTNERSHIP 2011/12

PROPOSED MOTION (See attached Report)

RESOLVED: That

- (1) the following Members be appointed to serve on the Strategic Board of the Sefton Borough Partnership in 2011/12:

Leader of the Council (Councillor P. Dowd) and the Leaders of Other Political Groups (Councillors Parry and Robertson) plus the following representatives which are subject to approval by the appropriate Joint Authority:

- Representative from Merseyside Fire and Rescue Authority (Councillor Byrom)
- Representative from Merseyside Integrated Transport Authority (Councillor Griffiths)
- Representative from Merseyside Police Authority (Councillor Howe)
- Representative from Merseyside Waste Disposal Authority (Councillor K. Cluskey); and

- (2) the following Members set out below be appointed to serve on the Thematic Groups of the Sefton Borough Partnership and Area Partnerships in 2011/12:

<u>Thematic Partnerships</u>	<u>Number of Representatives</u>	<u>Member</u>
Children's Trust Board	1	Cabinet Member - Children, Schools and Families (Councillor Moncur)
Economic Development & Sustainability	4	Defer consideration
Healthier Communities and Older People	1	Defer consideration
Safer and Stronger Communities Partnership	1	Cabinet Member - Safer Communities and Neighbourhoods (Councillor Robertson)

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<u>Thematic Partnerships</u>	<u>Number of Representatives</u>	<u>Member</u>
<u>Related Groups/ Partnerships</u>		
Sefton Compact Working Group	2	Defer consideration
South Sefton Area Partnership	7	<p>Leader of Labour Group (Councillor P. Dowd)</p> <p>Cabinet Member - Children, Schools and Families (Councillor Moncur)</p> <p>Cabinet Member - Regeneration and Housing (Councillor Maher)</p> <p>Cabinet Member - Street Scene and Transportation (Councillor Fairclough)</p> <p>Chairs of Area Committees:</p> <ul style="list-style-type: none"> • Linacre and Derby • Litherland and Ford • St. Oswald and Netherton and Orrell
Southport Area Partnership	3	<p>Member from each Political Group elected in Southport</p> <ul style="list-style-type: none"> • Cllr. Porter (Con) plus <p>Chair and Vice Chair of Southport Area Committee</p>
Central Area Partnership		Defer consideration of new membership until July 2011 and operate shadow arrangements in the interim period

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Report to: Adjourned Annual Council **Date of Meeting:** 17th May 2011
Subject: Review of the Constitution
Report of: Chief Executive **Wards Affected:** All wards
Is this a Key Decision? Yes **Is it included in the Forward Plan?** Yes
Exempt/Confidential No No

Purpose/Summary

To present to the Council proposed revisions to the Council's Constitution.

Recommendation(s)

That the revised Constitution be adopted.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity		√	
3	Environmental Sustainability		√	
4	Health and Well-Being		√	
5	Children and Young People		√	
6	Creating Safe Communities		√	
7	Creating Inclusive Communities		√	
8	Improving the Quality of Council Services and Strengthening Local Democracy	√		

Reasons for the Recommendation:

To allow the revised Constitution to be adopted.

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What will it cost and how will it be financed?

(A) Revenue Costs

Nil

(B) Capital Costs

Nil

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal The Interim Head of Corporate Legal Services has been consulted throughout the review of the Constitution	
Human Resources	
Equality	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

Impact on Service Delivery:

None

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD771) and Head of Corporate Legal Services (LD131/11) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

Not at present.

Implementation Date for the Decision

Immediately following the Council meeting.

Contact Officer: Andrea Grant, Assistant Director (Democratic Services)

Tel: 0151 934 2030

Email: andrea.grant@sefton.gov.uk

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 In September 2010, the political group leaders agreed to the establishment of a Constitution Working Party to review the Council's Constitution. In the meantime, the draft Localism Bill has been published and, whilst it is acknowledged that, once the Act is implemented a more fundamental review of the Constitution will be required, it was felt that the review should continue to amend the existing Constitution.
- 1.2 The Constitution Working Party (consisting of Councillors Brodie-Browne, Friel and Papworth) met on 5 occasions to review both the existing document and consider amendments proposed by Officers.
- 1.3 The format of the document has also been changed to reduce its size and include tables of content. Once published on-line, the document will be fully indexed and hyperlinks included enabling quick reference to different parts of the Constitution. 'Help text' boxes will also be used to provide further information on specific terms. It is envisaged that this will make the Constitution easier to use for Members, Officers and members of the public.
- 1.4 Issues taken into account during the course of the review included:
 - Minor amendments to Cabinet portfolios
 - The outcome of the scrutiny review of the Bribery Act
 - The changes required to realise savings agreed by the Council in terms of Cabinet Member delegated decision making
 - Changes to the senior management structure of the Council
 - The inclusion of additional information relating to financial procedures and contracts (in consultation with the Head of Internal Audit)
 - Summary and explanation of the Constitution in plain English
 - Updating of the scheme of Members' Allowances following previous decisions of the Council
- 1.5 The proposed amendments are shown as tracked changes and are available to view on the Council's intranet site at the following link <http://sb1msgov1:9070/ecCatDisplay.aspx?sch=doc&cat=13157&path=0> or from the Council's website at the following link <http://modgov.sefton.gov.uk/moderngov/ecCatDisplay.aspx?sch=doc&cat=13157&path=0>

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Report to: Council

Date of Meeting: 17 May 2011

Subject: Sefton New Direction – Shareholders Permissions

Report of: Head of Corporate Legal Services **Wards Affected:** All

Is this a Key Decision? No.

Is it included in the Forward Plan? No

Exempt/Confidential

No

Purpose/Summary

The report seeks the necessary permissions from the Council in its capacity as shareholder of Sefton New Directions (SND).

Recommendation(s)

- a) To note the proposals made by Fresh Care Consulting with respect to future viability of Sefton New Directions (SND), contained in the attached Appendices A and B;
- b) To note the efforts in respect of settling the Employment Tribunal claims;
- c) In accordance with SND's Articles of Association, the Council, as shareholder, resolves and consents in relation to the actions outlined in Appendices A & B to:
 - allow the Board to dismiss and re-engage all of SND's employees as necessary and/or;
 - allow employees to leave SND's employment through voluntary redundancy/voluntary retirement arrangements and/or; should the Board consider that the above steps have been insufficient to secure the finances and future viability of the Company to;
 - allow the Board to take necessary steps for the Company to be dissolved within the meaning as detailed in the body of the report and appendices
- d) To authorise the Council's Head of Corporate Legal Services to sign the Council's resolution in accordance with company law requirements;
- e) To request SND to provide a progress report in relation to action taken as outlined in Appendices A & B to the Council's Cabinet meeting in August 2011; and
- f) To authorise the Head of Corporate Legal Services to review the Council's current arrangements with respect to its oversight of the shareholding in SND and to make recommendations to Cabinet in due course.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity		√	
3	Environmental Sustainability		√	
4	Health and Well-Being		√	
5	Children and Young People		√	

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6	Creating Safe Communities		√	
7	Creating Inclusive Communities		√	
8	Improving the Quality of Council Services and Strengthening Local Democracy		√	

Reasons for the Recommendation: The Council as the sole shareholder in Sefton New Directions is required to give permissions for certain actions as specified in the Company's Articles of Association and in company law. This report outlines the actions of the Board of SND regarding the future viability of the Company and the relevant response of trade unions.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no specific revenue costs associated with this recommendation.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal	
The legal implications are contained and discussed within the contents of the report. The Council is acting under its powers as a shareholder and exercising those in accordance with the Companies Act 2006 (as amended).	
Human Resources;	
There are no implications for the Council arising from its decision as shareholder.	
Equality	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

Impact on Service Delivery:

Officers will work closely with SND in light of the circumstances outlined in the report to manage any impacts on service delivery and service users.

In the event of a dissolution of the company a carefully managed process would take place to ensure continuity of service.

What consultations have taken place on the proposals and when?

SND has outlined its consultations in the Appendix A and B. It is understood that SND will conduct appropriate consultations with employees and service users as necessary.

The Head of Corporate Finance (FD776) has been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

Viable options have been included in the report and indeed the resolutions sought of the Council give SND great flexibility to be able to make the most appropriate decisions.

Implementation Date for the Decision

No later than 31 December 2011

Contact Officer: Jill Coule, Head of Corporate Legal Services

Tel: 0151 934 2032

Email: jill.coule@sefton.gov.uk

Background Papers:

Nil

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1. Introduction and Background

Sefton New Directions (SND) was incorporated in 2007 as a local authority trading company. Sefton Council is the sole shareholder. The Company is an independent legal entity and operates under the governance of a Board. The Board is responsible for the Governance of the Company but certain actions require the permission of the Shareholder (the Council). The company is registered with the Care Quality Commission and conducts a range of care services. These services include residential homes, intermediate care, respite services, day services, supported living and meals on wheels. The services are provided to learning and physically disabled adults, older people and residents suffering from mental health and dementia. The client groups are primarily Sefton residents with some services being provided to Sefton NHS and other PCT's. There are circa 4000 service users. The company operates from 25 bases in the borough, which mostly belong to the Council. The company employs 500 staff, most of whom were Sefton staff immediately before the company formation and transferred under the TUPE provisions.

The Board consists of the following Directors; Councillors Parry, Rimmer, Brennan and the Council's Chief Executive. The Board is advised on HR matters by the Head of Corporate Personnel.

The Board of SND has since 2008 been attempting to secure the future viability of the Company. The main risk to this viability is the potential liability arising from a large number of Employment claims lodged by employees and Trade Unions. Numerous attempts (including meetings through ACAS) have been made to reach an agreed settlement. The value of these claims exceeds the assets of the company. In addition to this risk, the Council as the commissioner of adult social care has given notice in 2010 to the company that it is reducing its fee by £3 million with effect from April 2011 in order to bring its costs in line with other providers.

Following the contract reduction the Company prepared the report at Appendix A. This Appendix indicates the implications for the Company and its proposals to secure its future viability

Redactions have been made to the Appendices due to commercial sensitivities including the negotiating position of both the Trade Unions and SND. In addition, the appendices to Appendix B are not included in the Council report for the same reasons.

2. Latest Position

The Company has continued the negotiations with Trade Unions over the last few months. However as yet no agreement has been reached which would ensure that the Company can meet the reduced contract sum and manage the risk associated with the Employment Claims. The Company has taken specialist advice throughout the period. The Trade Unions are not able to agree to the package of terms and conditions. However, they are understanding of the Company's position. The Trade Unions want a Company to provide sustainable employment for individuals in the Borough.

At its meeting on 11 May 2011 the Board considered the report attached at Appendix B, which summarises the latest position. The Board also received representation from the Trade Unions

The Board wishes to dismiss and re-engage employees and to put in place new terms and conditions and continue attempts (with no admission of liability) to resolve Employment Tribunal claims.

However given the financial position of the Company, should efforts of the Board prove to be unsuccessful, permissions and consents are sought to allow the Company to be put through a process of administration, which could ultimately lead to the Company being wound up. This could occur if the imposition of terms and conditions does not prove successful or negotiations in respect of the Employment Tribunals claims do not reach a satisfactory conclusion.

Given this position the Board resolved to seek the following shareholders permission under the Articles of the Company and in accordance with Company Law.

In accordance with Article 18.16 the Board seeks permission from the Council a resolution to allow the dismissal and re-engagement of all of SND's employees and as necessary to allow employees to leave SND's employment through voluntary redundancy/voluntary retirement arrangements.

In accordance with Article 18.8, the Board seeks permission from the Council a resolution to allow the Board to take necessary steps for the Company to be dissolved.

Members will note Appendices A and B outline options to modernise the company further in an effort to secure its future viability.

3. Legal Considerations

As the sole shareholder, the Council owns SND outright. In order to protect that interest both the law and the Articles of Association gives shareholders rights to make certain decisions. A company's Articles of Association set out the parameters of what a company can and cannot do. Decisions which are to be taken by a shareholder need to be made by way of written resolution. Such a resolution needs to be signed by the shareholder.

The current circumstances of the company have been outlined in detail in the attached appendices prepared by Fresh Care Consulting. It is therefore vitally important that the shareholder gives the company relevant permissions and flexibility to make apposite and commercially expedient decisions.

To that end, it is recommended that Councillors (acting as shareholder), make the following decisions as sought by the Board and set out in paragraph 2 above.

In addition it is apposite for the Council to review its oversight and governance of its shareholding in this Company and it is therefore suggested that officers will closely monitor developments within SND. It is anticipated that a governance review will be presented to members of Cabinet in due course.

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Members should be aware that the Council is cited as a part to the Employment Tribunal claims. At this time, there is no conflict of interest between the Council and SND and the parties are therefore jointly represented. Should a conflict occur in any respect, the Council will secure its own representation. Given the background to the formation of SND and the arguments pursued by the TU's in the litigation, the inclusion of the Council in the Employment Tribunal proceedings is not surprising. The Board as carefully considered the risks of litigation and of the process of modernisation which is described in Appendices A and B. The Board of SND have where possible taken steps to mitigate risk and will continue to do so.

The Council acts as guarantor with respect to the pension fund. Claims of this nature are typical and at this point time pose no additional significant risk to the pension fund. Should the company enter into administration, the pension fund would seek SND's deficit by virtue of an increase in the Council's pension contributions.

Report of the Sefton New Directions Board to Sefton Council Proposed response to contract reduction of £3m

1. Introduction

Sefton Council at its meeting on 3 March agreed its budget for 2011/12. That budget finally confirmed that a contract reduction of £3m would be made from Sefton New Directions (SND). In addition, and in response to a petition from Trade Unions, the Council resolved to seek a report on the implications of the £3m reduction from independent officers of the Council.

Following clarification from Council Leaders, the Board of SND has been requested to report the implications to Council Officers who will review the document and advise Councillors appropriately.

This report provides the Council with the background to the current issues facing SND and more particularly the specific proposals regarding the £3m contract reduction.

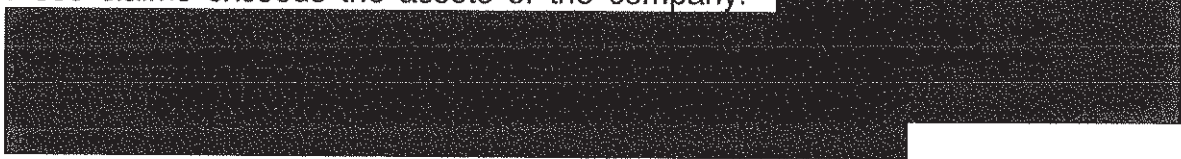
The report is provided to the Council as shareholder of the Company.

2. Current Issues Facing SND

SND is at a watershed in its relatively short life.

There are a number of issues which have a significant impact on the future viability of the Company:

- a) The Company is currently defending a large number of Employment claims lodged by employees and Trade Unions. Numerous attempts (including meetings through ACAS) have been made to reach an agreed settlement. The value of these claims exceeds the assets of the company.



- b) SND was notified in November 2010 that the Council wished to see a reduction in the fee paid to SND in order to bring this in line with other providers. We have been informed that a reduction of £3m was approved by the Council in September 2010.
- c) The core services offered by SND need to modernise to ensure they can meet commissioning objectives of personalisation, transforming social care and the expectation and aspirations of service users. The current approach will not satisfy current and future customers and there is a real risk that service users will choose not to access SND services.

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Each of these issues is significant in its own right. Taken together, they represent a real and immediate threat to the Company. In order to manage the risk associated with this position the Council advertised for Expressions of Interest from companies willing to undertake the work currently performed by SND. Sefton New Directions has returned the Expressions of Interest and awaits any response from the Council. In the meantime, the Company continues to deliver the contract requirement while planning for the issues above.

3. Response of SND

3.1 General

The Board of SND is acutely aware of the challenges facing the company. It receives regular updates and has taken a proactive approach in trying to resolve these issues. It has employed a specialist company Fresh (Care Consulting) Limited to provide interim management to identify opportunities for the Company to modernise its services and to ensure its viability.

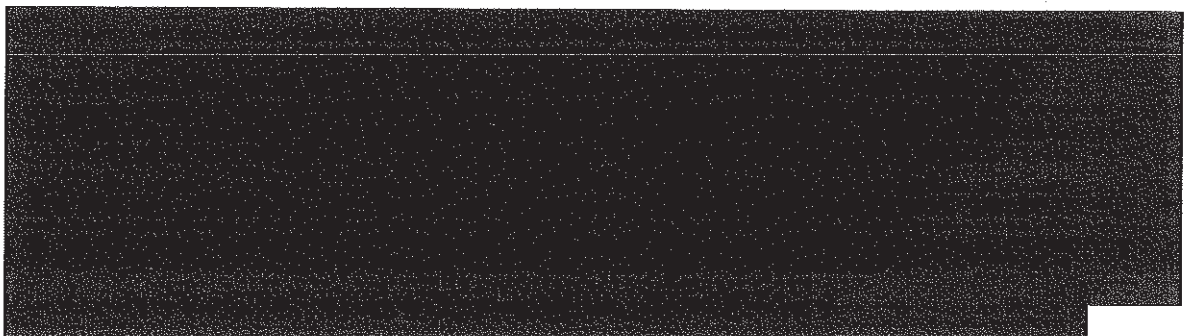
The Board is also conscious that if the Company is to remain viable that Governance structures need to be revised. The SND Board would welcome an early discussion with the Council about revised Board membership and accountability as well as an appropriate efficient mechanism for the Council to guard its shareholding.

3.2 Fresh Care Consulting

Fresh Care Consulting (FCC) was originally appointed to provide an assessment of SND in May 2010. They were subsequently appointed to undertake their existing role in December 2010. It is important to stress that Fresh are interim managers acting on the Board's instructions.

FCC is a respected healthcare industry specialist. It brings considerable experience in developing, delivering and implementing strategic change within commercial Care operations. Combined with this is extensive public and voluntary sector experience. FCC works with Care operations often in the most difficult of circumstances, even through Administration or Receivership, where they work with Creditors and other stakeholders to manage change. The two consultants engaged with SND bring considerable personal experience in Strategic Planning, Marketing, Service development and the much-needed consolidation required of SND.

3.3 Employment Tribunal Claims





3.4 Modernisation

SND offers a traditional but well loved package of services to older people and people with physical, learning or mental disabilities.

Services are provided from twenty-five locations across the borough of Sefton. These include a comprehensive range of services covering:

- Residential services including Supported Living and Shared Living
- Intermediate and Respite Care
- Re-enablement including hospital discharge
- Short breaks for Learning Disabled younger adults
- Day care placements for Adults including Older People and those with Physical and Learning Disabilities

However there are growing demands on the service to change to reflect modern approaches to, and personalisation of, these services to meet the wishes of service users.

A transformed SND would focus on three distinct service areas – Homecare, Inclusion for younger adults and Senior Living to provide dignity, respect and enhanced quality of life for all service users. The service features would include:

Home Service

- A targeted and structured re-enablement service, with additional professional input and guidance from Health and Social Care professionals and possibly NHS input. This would be geared to ensuring meaningful and effective re-enablement takes place
- A tailored domiciliary care and emergency/crisis hospital discharge service
- New Domiciliary Care and personal assistance for older people and younger adults with special needs including an enhanced dementia service
- Intermediate care at home or in day service units
- Supported living expanded
- Shared Lives

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- A Telecare operation to provide remote assistance would also be created to support independence of our **Home Service** users.

Intensive homecare is the emerging alternative to residential care but is caught in the trap of being unable to expand without the growth of alternative providers. SND can expand into this market locally and in neighbouring areas to reduce dependency on Sefton Council contracts and capture more personal budget holders.

Inclusion

This would be an integrated service focused on expanding SND's services to younger adults (under 65) including service users leaving the care of children's services.

SND's range of services would be in line with a philosophy to ***“delivering a pathway to inclusion and community for life and employment”***.

A comprehensive range of services would include:

- Day Services - Traditional Day Centres would be reshaped to provide improved pathways to other services. Premises use would be overhauled as they are transformed where appropriate from destinations in their own right to Service Support Units and transition gateways to superior venues and facilities (including the Council's own highly specified Leisure Services)
- Residential services for those where Supported Living is not feasible or where small group living is preferred by self-funding or budget holding service users
- Respite accommodation for LD and MH clients serving the local and wider community (beyond Sefton). This will include holiday breaks
- Outreach support, facilitating recreation and life-enhancing activity to add value and differentiate ND from the ordinary providers
- Employment creation through support for social and community enterprise, building on existing links to training and education providers
- Transition and Moving On services for children leaving care or those young people with LD and MH issues who are in contact with the Courts / Criminal Justice System.

The objective is to work with service users and other agencies to deliver an integrated and holistic service approach geared to meeting individual needs within the context of the local, regional and national Transformation agenda.

Senior Living

This service would mirror aspects of inclusion and community and link into the Home Service where appropriate.

This business arm would organise the provision of accommodation where necessary - either residential or day space.

SND will transform current services with improved emphasis on:

- Specialist Dementia services for older people
- Intermediate care and respite services - ND would look to include a nursing provision where required by commissioning partners while working with health and social care partner services (e.g. GP commissioners, H&SC and NHS) to provide back-up support and a joined up discharge service for clients
- Day Services - Traditional older people Day Centres would be overhauled and perhaps consolidated in the same as our younger people day services

The refreshed SND would be structured to enable staff and resources to be used effectively to meet the existing and new challenges.

3.5 Contract Reduction

As indicated above, SND has been notified that its fee will be reduced by £3m in 2011/12. The Company has agreed a payment schedule with the Council which delivers this reduction. The Board accepts that its current overall cost base is significantly higher than the market and that its ability to compete is weak. The main reason for the high cost base is that staff transferred with, and have maintained local government terms and conditions which are significantly better than our competitors. The Company has also had the protection of a long-term block contract with the Council which was negotiated when the Company was formed.

Delivering cost reductions which meet the Council's requirements is essential. It is also essential if the company wishes to compete for work from others. As identified above, the Council is seeking Expressions of Interest from other organisations wishing to provide the services which SND currently provide. SND have submitted an Expression of Interest at rates lower than its current cost base. The Company understand why the Council has sought these Expressions of Interest.

In order to reduce costs by at least £3m, the company has been developing a package of proposals which will achieve the reduced contract sum. These include:

- Additional income opportunities outside the Council
- Revised terms and conditions of employment for staff
- Restructuring the workforce including:
 - Targeted reduction in some parts of the workforce including opening a voluntary redundancy scheme
 - Recruitment of new staff to reshape the organisation and meet service demands

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- Identifying all opportunities to streamline costs across the whole business operation.

An initial package was developed and SND Board mandated Fresh to consult with staff and Trade Unions. This initial package is summarised at Appendix A. It is clear that whilst elements of the package relating to new business was attractive to the Trade Unions, the revised terms and conditions and restructuring the workforce was not. It has become very controversial with media pressure and councillors being lobbied.

The Company was copied into an e-mail from Trade Unions to Councillors suggesting that a similar package of changes to terms and conditions to that being introduced to the Council should be considered and that the Council should relax the £3m reduction. It is up to the Council to consider the latter point. In relation to the first, this package would produce around £300,000 of savings for SND which is significantly less than required. In addition the package is not appropriate for SND because the Unions' proposals for staff to take unpaid leave at Christmas could not be provided for as the business operates throughout this period and cover is required to deliver much needed services to the community including those in residential services or those at home and vulnerable.

Following these consultations a revised package has been devised and this is summarised in Appendix B. This will be communicated to the Trade Unions week beginning 14 March. This results in lower pay reductions but results in more redundancies. However following the approach to staff around voluntary redundancy/ early retirement it may be possible to cushion a number of these job losses by voluntary means. The initial reaction of Trade Unions is relatively positive and the Company awaits a formal response.


This package of proposals would produce the required cost reductions and would ensure the company is better able to compete. However they will have to be viewed as an interim measure as even if these changes were introduced the cost base on SND remains considerably higher than the market.

Assuming this package of proposals was implemented the Company would be able to achieve the £3m cost reductions. However in order to mitigate the implications of job losses, the Company would prefer to take advantage of the significant number of people who have expressed an interest in leaving the Company on voluntary means. This would incur additional cost and the business case for this is currently being developed. The Company would want to discuss this business case with the Council should the package at Appendix B be capable of being implemented.

3.6 Reaching a Final Agreement

The Board is conscious that the issues of Tribunal claims and viability have been hanging over the Company for years. The latest position represents the best chance to ensure this company is both financially viable and providing services that meet the needs of the Council and service users.

If the Company is to flourish these two issues must be resolved together. It would be inappropriate to agree revised terms and conditions only to find that the Company is unable to continue trading as a result of Tribunal claims. [REDACTED]



In addition to the risk of challenge the spectre of these issues is hampering the Company's progress in restructuring and transforming its service offer to meet the standards and aspiration of modern care services.

4. Conclusion

This is a very difficult period for the Company. The combination of employment claims, contract reduction and modernisation requirements are all having an impact on the future viability and sustainability of the Company. It is also impossible to separate out these issues as they are completely interrelated.

SND has to change if it is to have any future. The Board believes the company can achieve a £3m cost reduction but this requires changes to the way the company operates and the employment terms and conditions of staff. The latest package of proposals is the best the Company can offer at this time.

However even if these proposals were accepted, the future viability of the company remains at risk primarily from the employment claims but also from its ability to modernise and attract new business from others. The Board would be derelict in its duty if it did not ensure that any successful negotiation on terms and conditions was linked to resolution of the employment issues.

The Company would like to agree the way forward with Trade Unions and staff by 1 April. The Council as shareholder is recommended to endorse the approach taken by the Company to ensure the future viability of the Company.

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Sefton New Directions Limited

Report to Board

11th May 2011



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1. The Issue

At its meeting on 20th April 2011 the Board considered the implications of the rejection by both major Trades Union represented in SND of the proposed Terms & Conditions of employment and the resulting withdrawal of settlement proposals for Employment Tribunal actions.



Meanwhile, a financial analysis provided by the business managers indicated that while the business was considered solvent at present by a number of professional IPs, a no-change scenario would result in an operating loss of over £2m by March 2012 and further losses in 2012-13. It would also mean that the service offering would become increasingly unattractive to service commissioners, threatening the company's core contract.

In short, the company would be at risk of:

- Further employment tribunal claims from both employees and trade unions, and
- Insolvency within the foreseeable future.

2. Board Position

The Board decided that, in the absence of an acceptance by both Unison and GMB of the proposals put to them, a proposition should put to shareholders at an early opportunity. This proposition would be to consider, as shareholder, authorising the company's officers to instigate an orderly winding down and eventual liquidation of New Directions' operation. The timing of this and associated actions would be determined in consultation with the Council's Health and Social Care Directorate as service users' representative and lead service commissioner.

Before proceeding with this course of action, the Board instructed its consultants at Fresh Care to communicate the Board's intentions to both GMB and Unison and to obtain from those Trades Union a definitive position on the offers that had been presented to them on behalf of the company.

3. The Trades Union Position

On 21st April, Fresh Care informed the Trades Union of the Board's position and also issued a communication to all staff setting out the seriousness of the situation.

As a direct consequence of this the Trades Union consulted its membership

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4. Terms & Conditions

The [REDACTED] following Terms & Conditions (allied to service modernisation), and which are predominantly based on the Plan B proposal and which were reviewed in the Board's submission of 22nd March "Report of the Sefton New Directions Board to Sefton Council - Proposed response to contract reduction of £3m". These deliver:

- A pay reduction across the company of 5 per cent
- Targeted, and voluntary, and substantial job losses
- An end to unacceptable levels of enhancements
- Future recruitment based on a reduced set of Terms & Conditions
- Overall reduction in payroll costs in line with business objectives.

The Trades Union are amenable to the introduction of the new Terms & Conditions as early as possible – in all likelihood and given the need for permissions and notice periods this would be in August/September.

[REDACTED]

[REDACTED]

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- 150 or thereabouts FTE redundancies/ early retirements – to be achieved on a voluntary basis across all staffing grades. 246 EOI from employees have been received in the first round of consultation, a second stage is currently under way

The cost to the company of this is estimated not to exceed £1.4m in Redundancy payments and £652,000 on Pension payments.

- No deletion of existing posts.

[REDACTED]

- Dismissal and re-engagement of the entire workforce on revised terms and conditions of employment, being:
 - 5 per cent reduction in all current pay rates with further negotiation for 2012-13 (Under plan B the average was below 3 per cent)
 - Revision of all other Terms & Conditions in accordance with Plan B
 - Pay Protection – discontinued in accordance with Plan B except where enhanced pay rates apply for weekend /bank holiday working for employees currently receiving these as part of their normal working pattern. These will be protected (for those current staff affected) until 15 February 2012. The intention is to maintain the pay reduction at 5 per cent in the current year for retained staff.

5. Conclusion & Recommendation

The Board now needs to consider whether to authorise the submission to Shareholders at the council meeting on 17th May 2011 of its proposition to decommission SND or to amend its submission to seek necessary permissions to:

- 1. Settle the employment Tribunal Claims [REDACTED]
- 2. Introduce, [REDACTED] the new Terms & Conditions of Employment and transformation of the company into a more sustainable operation, or
- 3. [REDACTED] to allow the officers of the company to wind down the company and take steps to appoint where necessary an Insolvency Practitioner to support this.

The recommendation to the Board is to modify its submission as outlined.

Ends

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