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To: Members of the Council

Date: 13 July 2017

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Dear Councillor

## **COUNCIL - THURSDAY 13TH JULY, 2017**

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

<b>Agenda No.</b>	<b>Item</b>
<b>6.</b>	<b>Questions Raised by Members of the Council (Pages 217 - 222)</b> Schedule attached.

Yours faithfully,

M. CARNEY

Chief Executive

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## COUNCIL - 13<sup>TH</sup> JULY 2017

### QUESTIONS RAISED BY MEMBERS OF THE COUNCIL

1. **Question submitted by Councillor O’Hanlon to the Leader of the Council (Councillor Maher)**

"I am asking about Council decision making and in particular why wasn't Full Council input sought for the purchase of Bootle Strand. I discovered about the purchase of Bootle Strand not from Sefton Council itself but from concerned Maghull residents who asked me if I knew what was happening because they had read about this purchase in the local newspaper.

We live in a supposedly democratic society, democracy being defined as the belief in freedom and equality between people, or a system based on this belief, in which power is either held by elected representatives or directly by the people themselves.

Sefton Council also places great emphasis on community involvement, accountability and transparency in its various adopted policies but is not adhering to these policies”.

**Response:**

“When the Council purchased the Strand shopping centre, it relied on its powers of regeneration to consider and proceed with this acquisition. In addition, in considering whether the Council should acquire the Strand, the principles of determination were in line with approved Capital Strategy and the three year Framework for Change i.e. to generate a financial return on new property assets and a revenue stream for the Council.

The Council’s Capital Strategy was refreshed and approved by full Council in March 2017. The Strategy sets out the investment priorities for the Borough, notably the Council’s approach to the use of Capital expenditure and resources. This includes:

- To enable physical regeneration aligned to the Council’s town centre regeneration and other built-environment priorities set out in the complimentary published Investment Framework and associated delivery plans.
- To finance new capital investment e.g. regeneration and commercial acquisitions.

This means that the purchase of the Strand aligns entirely within the overall framework that the Capital Strategy provides, suffice that the business case meets the investment hurdle criteria and the financial and non-financial benefits required and agreed by the Council in considering the acquisition, investment and inward rate of return. In addition, Council has delegated the individual investment decisions to Cabinet. The Council bid for the Strand in an open market bid process, which demanded commercial confidentiality and as the successful bidder, this confidentiality became contractually bound. It was also not in the Council’s interest to compromise its competitive position by entering an open discussion with regards to this acquisition.

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In response to the points you raise, there has been community engagement through the Bootle town centre Investment Framework which was subject to an open consultation and engagement process. Accountability has been maintained to the Council approved Capital Strategy and the delegated powers from Council to Cabinet to act in this regard.”

## **2. Question submitted by Councillor Weavers to the Leader of the Council (Councillor Maher)**

“What is the total capital cost of the Council’s purchase of the New Strand shopping Centre and how does it affect the Council’s Supplementary balances?”

### **Response:**

“The capital cost of the acquisition is commercially sensitive. The Council is legally obliged to maintain confidentiality and will not make a public statement as to its value. This sensitivity is important to both the Council as the purchaser and the organisation that sold the centre. The purchase however does not have any direct effect on the Council’s reserves and balances position.”

## **3. Question submitted by Councillor Dan Lewis to the Leader of the Council (Councillor Maher)**

“What is the annual cost of the interest payments on the loan taken out by the Council to purchase the New Strand Shopping Centre, is the interest fixed or variable?”

### **Response:**

“The interest payments due on the loan reflect the financial terms and agreement that were agreed for the acquisition of the centre and as such are commercially sensitive. The loan that was taken to fund the purchase is for 25 years and with a fixed interest rate. This will provide the council with certainty over future repayments and reflected the advice provided by the Council’s advisors.”

## **4. Question submitted by Councillor Pullin to the Leader of the Council (Councillor Maher)**

“What is the expected annual net revenue contribution (excluding any business rates) to the Council’s budget of the New Strand Shopping Centre once the overheads have been accounted for?”

### **Response:**

“The potential annual revenue income is commercially sensitive and will reflect a range of individual financial agreements with tenants and other income e.g. from the car park. As part of the due diligence undertaken during the acquisition process, the Council worked with its advisors to develop a model that took account of a number of

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scenario's and sensitivities in order to inform its decision making. This took account of the overheads that are payable within the centre."

5. **Question submitted by Councillor Welsh to the Leader of the Council (Councillor Maher)**

"How was the loan for the purchase of the New Strand shopping centre arranged and with whom?"

**Response:**

"The Council arranged the loan via the Public Works Loan Board."

6. **Question submitted by Councillor Hands to the Leader of the Council (Councillor Maher)**

"What fees or charges were paid to external parties other than the vendor during the purchase of the New Strand Shopping Centre?"

**Response:**

"As would be expected with a transaction of this nature the Council required specialist legal, financial and property advice. The terms of these engagements are commercially sensitive, however, they were met from existing revenue budget provision."

7. **Question submitted by Councillor Dawson to the Cabinet Member for Regeneration and Skills (Councillor Atkinson)**

"Is the Cabinet Member aware that the organisers of the Open Golf tournament in Birkdale are not permitting day 'pass-outs' this year - and does she possess any analysis or view of how this policy will impact upon the local visitor economy?"

**Response:**

"I'm disappointed but not surprised Cllr Dawson has raised this only now given the Labour leadership of the Council has already taken the challenge on behalf of businesses in Birkdale, Hillside and Southport to the R&A some 9 months ago. Some of us at least are on the ball.

In 2008 when The Open was last staged here the Liberal Democrats were responsible for the Tourism portfolio. Unfortunately they did not conduct any economic impact assessments, therefore their lack of foresight left it difficult for us to measure or compare potential impacts. Notwithstanding this, officers conducted an assessment on potential impact and it was thought to be minimal.

I'm sure the Councillor will join me in **Page 219** news that this Open has been the fastest selling of all time with an impact of an expected £100million on the economy,

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along with the increased visitor numbers in 2016 and the trend set to continue on the back of The Open in 2017. Furthermore, we are also making sure local areas such as Birkdale village are promoted to visitors through dedicated signage.

I, along with the support from my Leader, (which a little birdie told me Cllr Dawson no longer has from his) and officers, have worked to capture the benefits for our residents' ensuring employment opportunities via Invest Sefton, recruitment drives via Sefton@Work and also offering training via Sefton Adult Learning Service targeting The Open, all with the rationale of boosting the local economy and building resilient communities. The eyes of the world are now on Sefton and the Labour group have and will continue to ensure we make it a huge success.

## 8. Question submitted by Councillor Dawson to the Cabinet Member for Health and Wellbeing (Councillor Moncur)

"Is the Cabinet Member aware of the rate of corrosion which is affecting the 'outdoor' exercise machines on the Southport sea wall and can he say how long he expects these machines to last before they require scrapping or replacing?"

### Response:

"Yes, the equipment is regularly inspected and will shortly be treated and repainted. The normal anticipated lifespan is up to 15 years."

## 9. Question submitted by Councillor Dawson to the Cabinet Member for Health and Wellbeing (Councillor Moncur)

"Can the Cabinet Member inform the Council whether he believes the Acute Hospital needs of adult and child patients from Southport and the northern part of the Borough to be presently being planned within the NHS:

- (a) together with those of the people of St Helens
- (b) together with those of the people of Wigan
- (c) together with those of the people of Bootle, Crosby and Liverpool or
- (d) not at all?"

### Response:

- (e) "None of the above."

10. **Question submitted by Councillor McGuire to the Cabinet Member for Communities and Housing (Councillor Hardy)**

“It was agreed to take Cllr Sue McGuire's suggestion of adopting the "Ask Angela" Bar Campaign to Cabinet. Is there any update?”

**Response:**

“It was agreed that in order to implement this innovative idea that an approach across the Liverpool City Region would be beneficial to ensure consistency.

The adoption of such an idea will require effective communications and marketing so that the roll out of this would be known across all licensed premises, where possible.

It became apparent during these discussions that we should adopt a wider sexual violence campaign across, not only Sefton, but the wider City Region to ensure a consistent and clear message that such acts will not be tolerated in our thriving communities. Discussions have been on-going between Domestic Abuse leads on how we can implement this across the region.

The issue has been raised recently with the Office of the Police and Crime Commissioner to engage her support and to assist in the development and roll out of this.

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