

METROPOLITAN BOROUGH OF SEFTON

## COUNCIL SUMMONS

To Members of the Metropolitan Borough Council

Dear Councillor

You are requested to attend a Meeting of the Sefton Metropolitan Borough Council to

be held on **Thursday 3rd March, 2011 at 6.30 pm at the Town Hall, Bootle** to

transact the business set out on the agenda overleaf.

Yours sincerely,

A handwritten signature in black ink that reads "M. Carney".

Chief Executive

Town Hall,  
Southport

23 February 2011

Please contact Steve Pearce, Head of Committee and Member Services  
on 0151 934 2046 or e-mail [steve.pearce@sefton.gov.uk](mailto:steve.pearce@sefton.gov.uk)

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# **A G E N D A**

**1. Apologies for Absence**

**2. Declarations of Interest**

Members and Officers are requested to give notice of any personal or prejudicial interest and the nature of that interest, relating to any item on the agenda in accordance with the relevant Code of Conduct.

**3. Minutes of Previous Meeting**

(Pages 7 - 32)

Minutes of the meeting held on 27 January 2011

**4. Mayor's Communications**

**Public Session**

**5. Matters Raised by the Public**

(Pages 33 - 38)

The details of two petitions submitted in accordance with the Council's Petition Scheme are attached. The petitions request the Council to:

- 1) reverse the decision taken by the Council on 27 January 2011, to stop the funding of the seven Local Authority Youth Centres; reconsider the cessation of the Duke of Edinburgh Awards Scheme, and make no further cuts to Tier 2 funding of youth services
- 2) reduce and/or defer the budget saving of £3m required from the Sefton New Directions budget to allow further and proper meaningful discussions to take place around service provision and terms and conditions

A representative of each deputation will be permitted to speak for up to five minutes in support of their petition

(The details of any further Petitions submitted by members of the public will be circulated at the meeting)

**Council Business Session**

**6. Questions Raised by Members of the Council**

To receive and consider questions to Cabinet Members, Chairs of Committees or Spokespersons for any of the Joint Authorities upon any matter within their portfolio/area of responsibility, of which notice has been given in accordance with Rule 12 of the Council and Committee Procedure Rules.

7. **Modernising Democratic Services**  
Report of the Assistant Chief Executive to follow
8. **Members' Allowances** (Pages 39 - 46)  
Report of the Director of Corporate Services
9. **Treasury Management Policy and Strategy 2011/12** (Pages 47 - 82)  
Report of the Chief Executive and Section 151 Officer
10. **The Prudential Code for Capital Finance in Local Authorities - Prudential Indicators 2011/12** (Pages 83 - 94)  
Report of the Chief Executive and Section 151 Officer
11. **Capital Programme** (Pages 95 - 120)  
Joint report of the Interim Head of Corporate Finance and ICT Strategy and the Strategic Directors – Children, Schools and Families; Communities; and Social Care and Wellbeing
12. **Council Tax for 2011/12**
- a) **Local Government Act 2003 - Chief Financial Officer's Requirements**  
Report of the Chief Executive and Section 151 Officer to follow
- b) **Statements by Party Group Leaders**  
To receive statements by the three Party Group Leaders on the Revenue Budget for 2011/12
- c) **Transformation Programme and Final Revenue Budget Options 2011/12**  
Report of the Chief Executive to follow
- d) **Council Tax Recommendation 2011/12**  
Report of the Chief Executive and Section 151 Officer  
  
A copy of the draft Budget Resolution will be circulated at the Council meeting
13. **Membership of Committees 2010/11**  
To consider any changes to the Membership of any committees etc.

**14. Notice of Motion by Councillor P. Dowd**

To consider the following Motion submitted by Councillor P. Dowd:

“That the Council recognises the concerns expressed in a letter to The Times Newspaper of 10 February 2011, by 91 Liberal Democrat Council Group Leaders, that the Coalition Government’s frontloading of their cuts to local government are too big and are proceeding too quickly. The Council also recognises that the Government should deploy all its efforts to help Councils’ minimise the impact on vulnerable communities and frontline services.

Furthermore, the Council would wish to discuss with the Secretary of State how it could take on the difficult challenges shared by all levels of government and would prefer to do this through dialogue. Therefore, the Council requests that the three MPs for Sefton assist in organising a tripartite meeting with the Secretary of State for Communities and Local Government, the three Party Leaders and the MPs themselves.”

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**THIS SET OF MINUTES IS NOT SUBJECT TO "CALL-IN"**

## COUNCIL

### MEETING HELD AT THE TOWN HALL, SOUTHPORT ON THURSDAY 27TH JANUARY, 2011

**PRESENT:**                The Mayor (Councillor M Fearn) (in the Chair)  
                                 The Deputy Mayor (Councillor Cummins) (Vice  
                                 Chair)

Councillors Barber, Blackburn, Bradshaw, Brennan,  
Brodie - Browne, Byrne, Byrom, Carr, K. Cluskey,  
L. Cluskey, Cuthbertson, Dodd, Doran, Dorgan,  
M. Dowd, P. Dowd, Dutton, Fairclough, Lord Fearn,  
Fenton, Friel, Gibson, Griffiths, Glover, Gustafson,  
Hands, Hardy, Hill, Hough, Howe, Ibbs, Jones, Kelly,  
Kerrigan, Maher, Mahon, C Mainey, S Mainey,  
McGinnity, McGuire, Mclvor, Moncur, Papworth,  
Parry, Porter, Preece, Preston, B Rimmer,  
D Rimmer, Robertson, Shaw, Sumner, Tattersall,  
Tonkiss, Tweed, Veidman, Sir Ron Watson,  
Weavers and Webster

#### **60.    APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Booth, Brady, Hubbard, Larkin and Pearson.

#### **61.    DECLARATIONS OF INTEREST**

The following declarations of interest were received:

Member	Minute No.	Reason	Action
Councillor Blackburn	69 - Transformation Programme and Further Options	Personal - He is a Member of Lydiate Parish Council and Maghull Town Council which may be affected by Double Rating referred to in the report	Took part in the consideration of the item and voted thereon
Councillor Brennan	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - He is employed by Sefton Council for Voluntary Service which is affected by the proposals in the report	Took part in the consideration of the item and voted thereon

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Councillor Brodie-Browne	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Prejudicial - His employer may benefit from proposals set out in the report	Left the room during the consideration of the item
Councillor Brodie-Browne	69 - Transformation Programme and Further Options	Personal - He is the Chair of Governors at Farnborough Road Junior School which is affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Carr	69 - Transformation Programme and Further Options	Personal - He is a Member of the Unite Union which is affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor K. Cluskey	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - He intends to use the facilities of the Catch 22 organisation which is referred to in the report for Councillors Surgery Sessions	Took part in the consideration of the item and voted thereon
Councillor Cummins	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - He is a Trustee of the Sefton Council for Voluntary Service which is referred to in the report and his employer is also referred to in the report	Took part in the consideration of the item and voted thereon
Councillor Cummins	69 - Transformation Programme and Further Options	Personal - He is a Trustee of the Sefton Council for Voluntary Service which is referred to in the report and his employer is also referred to in the report	Took part in the consideration of the item and voted thereon



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Councillor Cuthbertson	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - She is a Council representative on the Community Foundation for Merseyside which is referred to in the report	Took part in the consideration of the item and voted thereon
Councillor Doran	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - He is a Council representative on the Sefton Council for Voluntary Service which is referred to in the report	Took part in the consideration of the item and voted thereon
Councillor M. Fearn	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - She is a Trustee of Light for Life which is referred to in the report	Took part in the consideration of the item and voted thereon
Councillor M. Fearn	69 - Transformation Programme and Further Options	Personal - She is a Governor of Linaker Primary School which is referred to in the report	Took part in the consideration of the item and voted thereon
Councillor Friel	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - He is a Member of the Unison union which is affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Friel	69 - Transformation Programme and Further Options	Personal - He is a Member of the Unison union which is affected by proposals in the report	Took part in the consideration of the item and voted thereon

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Councillor Gustafson	69 - Transformation Programme and Further Options	Personal - She is a Member of the Unison union which is affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Hands	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Prejudicial - His daughter works for Southport YMCA which is affected by proposals in the report	Left the room during the consideration of the item
Councillor Hands	69 - Transformation Programme and Further Options	Prejudicial - He is the Manager of a Youth Club directly affected by proposals in the report	Left the room during the consideration of the item
Councillor Hardy	69 - Transformation Programme and Further Options	Personal - She is a Governor of Springwell Park Primary School and her son attends a Nursery School which are both affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Hill	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - He is a Trustee of Crosby Age Concern, a Member of the Alzheimers Disease Society and a Council Representative on Sefton Council for Voluntary Service which are affected by proposals in the report	Took part in the consideration of the item and voted thereon

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Councillor Hill	69 - Transformation Programme and Further Options	Prejudicial - He is a Governor of Hugh Baird College which is affected by proposals in the report	Left the room during the consideration of the item
Councillor Howe	69 - Transformation Programme and Further Options	Personal - He is a Governor of Hudson Primary School and a Member of the Aintree Youth Club Management Committee which are affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Kelly	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - He is a Trustee of the Pride of Sefton Narrow Boat Committee which is affected by the proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Kerrigan	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - She is a Council representative on the Community Foundation for Merseyside and a Governor of All Saints Primary School which are affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Kerrigan	69 - Transformation Programme and Further Options	Personal - She is a Member of the GMB Union which is affected by proposals in the report	Took part in the consideration of the item and voted thereon

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Councillor McGuire	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - She is a Trustee of Sefton Pensioners Advocacy which is affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Maher	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - He is a Trustee of St Augustine Park Taskman and Northfield Group which is referred to in the report	Took part in the consideration of the item and voted thereon
Councillor Maher	69 - Transformation Programme and Further Options	Personal - He is a Governor of Springwell Park Primary School which is affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Mahon	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - He has given assistance to the L30 Centre which is referred to in the report	Took part in the consideration of the item and voted thereon
Councillor Mahon	69 - Transformation Programme and Further Options	Personal - He has given assistance to organisations which would be affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor B. Rimmer	69 - Transformation Programme and Further Options	Prejudicial - He is a Foundation Governor of Bishop David Sheppard Primary School which is affected by proposals in the report	Left the room during the consideration of the item

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Councillor Robertson	69 - Transformation Programme and Further Options	Personal - He is a Member of Lydiate Parish Council and Maghull Town Council which may be affected by Double Rating referred to in the report	Took part in the consideration of the item and voted thereon
Councillor Shaw	69 - Transformation Programme and Further Options	Personal - His son is employed by Sefton Library Service and he is a Governor of Farnborough Road Infant School which are affected by proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Sumner	69 - Transformation Programme and Further Options	Prejudicial - He is a Member of Meols Cop Youth Club Management Board and a personal friend of the Youth Leader of the Club who are affected by proposals in the report	Left the room during the consideration of the item
Councillor Veidman	68 - Big Idea 5 - Transforming Sefton - Voluntary, Community and Faith Sector Review - Stage 1	Personal - His employer is referred to in the report	Took part in the consideration of the item and voted thereon
Councillor Sir Ron Watson	69 - Transformation Programme and Further Options	Personal – His son is employed by Sefton Council in the Supporting People Team	Took part in the consideration of the item and voted thereon

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Councillor Weavers	69 - Transformation Programme and Further Options	Prejudicial - He is a Member of Meols Cop Youth Club Management Board and a personal friend of the Youth Leader of the Club who are affected by proposals in the report	Left the room during the consideration of the item
Councillor Weavers	70 – REECH (Renewable Energy and Energy Efficiency in Community Housing) Project	Personal - He is a Director of an Alternative Energy Solution Company	Took part in the consideration of the item and voted thereon

## 62. MINUTES

RESOLVED:

That the Minutes of the Council Meeting held on 16 December 2010 be approved as a correct record subject to:

- the amendment of Minute No. 47 (Declarations of Interest) to indicate that Councillor Shaw had a prejudicial interest in Option SCL7a in the revised Appendix E and not a personal interest and that he left the Council Chamber during the vote on that particular issue which is referred to in Minute No. 58 (Transformation Programme and Further Options) and,
- the amendment of Minute No. 58 (Transformation Programme and Further Options) to indicate that the meeting was adjourned to enable Councillor Parry to seek legal advice from the Monitoring Officer and not Councillor Porter as indicated in the minute.

## 63. MAYOR'S COMMUNICATIONS

### Death of Former Mayoress Mrs. Audrey White

The Mayor reported that the family of the late Audrey White, former Mayoress of Sefton had made arrangements for a Memorial Service to be held on Friday 4 February 2011, at 12 noon in Christ Church, Lord Street, Southport.

### Death of Former Councillor Mr. Robert Henry Golightly

The Mayor reported on the recent sad death of former Councillor, Mr. Robert Henry Golightly who served the Birkdale Ward from September

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1978 until May 1980. A service was held for Mr. Golightly at Southport Crematorium on Monday, 17 January 2011.

## Holocaust Memorial Service 2011

The Mayor reported that in conjunction with the Chairman and Members of the Southport Branch of the Association of Jewish Ex-Service Men and Women, a Holocaust Memorial Day Service would take place at the Garden of Remembrance, Lord Street, Southport on Sunday, 30 January 2011 at 10.30 a.m.

## **64. CONSTITUTION - RULES OF PROCEDURE - REVENUE BUDGET**

Further to Minute No. 187 of the Cabinet Meeting held on 27 January 2011, the Council considered the report of the Acting Head of Corporate Legal Services and Monitoring Officer on proposals to amend the Constitution with regard to the setting of the Revenue Budget.

It was moved by Councillor Robertson, seconded by Councillor Brodie-Browne and

RESOLVED:

That approval be given to the amendment of the Constitution to provide that the provisions of Rule 15.4 (Content and Length of Speeches) and Rule 17 (Previous Decisions and Motions) of the Council and Committee Procedure Rules be suspended only to enable statements to be made on behalf of the three Political Groups on the forthcoming year's Revenue Budget and to allow Political Group Leaders to move amendments to the forthcoming Revenue Budget where items have been previously debated and voted upon at a Council meeting in the past six months.

## **65. MATTERS RAISED BY THE PUBLIC**

- 1) The Mayor reported that a petition with 3,329 signatures had been submitted objecting to the closure of the Botanic Gardens Nursery operation which had been approved by the Council on 16 December 2010.

In accordance with the Council's Petition Scheme, Mr S. Taylor of Southport, the lead petitioner, made a statement in support of the petition.

Councillor Robertson referred to the current position relating to the operation of the nursery and the support being given to the existing staff, and a debate took place on the content of the petition.

It was then moved by Councillor Robertson, seconded by Councillor Brodie-Browne and

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RESOLVED:

That the petition be noted.

- 2) The Mayor reported that another petition with 3,775 signatures had been submitted requesting the Council to reconsider the closure of a number of SureStart Centres which were referred to in the report to be considered later in the meeting under Minute No.69

In accordance with the Council's Petition Scheme, Ms G. Brannan, the lead petitioner, made a statement in support of the petition.

Councillor Robertson referred to the decision taken by Cabinet earlier that day (Cabinet Minute No. 183 (10) (d) refers) relating to a deferral of any decision on all stages of the Sure Start Programme – Childrens Centres pending a Strategic Review and a debate took place on the content of the petition.

It was then moved by Councillor Robertson, seconded by Councillor Brodie-Browne and

RESOLVED:

That the petition be considered as part of the Strategic Review.

## **66. QUESTIONS RAISED BY MEMBERS OF THE COUNCIL**

The Council considered a written question from Councillor Papworth to the Cabinet Member - Technical Services relating to the proposal to increase the parking charges on the Crosby Town Centre Car Parks. One supplementary question was put and responded to.

## **67. ADULT SOCIAL CARE DEPARTMENT I.T. CAPITAL PROGRAMME**

Further to Minute No. 188 of the Cabinet Meeting held on 27 January 2011, the Council considered the report of the Strategic Director - Social Care and Wellbeing which provided further information relating to the I.T. Capital Programme for the Adult Social Care Department together with proposals to use the ICT Strategy Capital in conjunction with the Adult Social Care infrastructure grant to support the implementation of a new Client Management Database.

It was moved by Councillor Robertson, seconded by Councillor Brodie-Browne and

RESOLVED:

That the following three schemes be approved for inclusion in the Capital Programme for completion:-



- Adult Social Care ICT Strategy. (£194,600)
- Adult Social Care IT Infrastructure Grant 2008/2011 (£317,052)
- Capital Investment for Transformation of Adult Social Care (£197,000)

**68. BIG IDEA 5 - TRANSFORMING SEFTON - VOLUNTARY, COMMUNITY AND FAITH SECTOR REVIEW - STAGE 1**

Further to Minute No. 182 of the Cabinet Meeting held on 27 January 2011, the Council considered the report of the Assistant Chief Executive on the initial outcome of the review undertaken by a project group of Members and Officers on how the Council supports, commissions and procures services through the Voluntary, Community and Faith Sector. The review is one of the six 'Big Ideas' projects being undertaken as part of the Council's Transformation Programme.

It was moved by Councillor Robertson, seconded by Councillor Blackburn:

That:

- (1) approval be given to the honouring of 90 day contractual commitments for all Voluntary, Community and Faith Sector organisations or groups that lose 100% funding as set out in Appendix D1 and D2 to the report, and to the sum of £10,661 being prioritised in the 2011/12 budget (£5,242 for schemes in Appendix D1 and £5,419 for schemes reduced in Appendix D2 of the report);
- (2) approval be given to the reduced allocations of funding for organisations as detailed in Appendix D1 of the report and to Officers being mandated to formally write to the organisations advising them that the funding has ceased;
- (3) approval be given to the proposed reductions in funding for organisations as detailed in Appendix D2 of the report and to Officers being mandated to formally write to the organisations advising them that the funding has been proportionately reduced and/or ceased and that this will be further reviewed in 2011/12;
- (4) approval be given to officers being mandated to formally write to the organisations in Appendix B1, 2 and 3 of the report advising them that the Local Enterprise Growth Initiative funding has ceased and/or will cease and the Council will not have the resources to continue with these schemes once the specific funding comes to a natural end;
- (5) approval be given to the sum of £15,705 (core) being retained and to the provision of £56,258 for the activity detailed in Appendix C of the report continuing for one year only;

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- (6) approval be given to the establishment of a set of reviews as detailed at Appendix E of the report and to the sum of £1,855,353 being prioritised in 2011/12 pending the outcomes of the reviews;
- (7) approval be given to the establishment of a consolidated grant fund of £50,000 for 2011/12 and to Officers and Members of the Voluntary, Community and Faith Sector Overseeing Group being mandated to establish criteria and a process for the allocation of such funds to eligible organisations and that this fund be the responsibility of a designated Cabinet Member (as yet to be determined); and
- (8) further reports be submitted to the Cabinet and Council on the outcomes of the Voluntary, Community and Faith Sector Reviews proposed with any further recommendations.

An **amendment** was moved by Councillor Hardy and seconded by Councillor P. Dowd that the motion be amended by the addition of the following text:

*"Subject to the deletion of Options B15-114 and B15-115 in Appendix D1, the deletion of Option B15-43.1 in Appendix D2, the re-instatement of a sum of £169,858 to the Sefton Citizens Advice Bureau referred to in Appendix E and the removal of that organisation from the review of services"*

On a show of hands, the amendment was **lost** by 36 votes to 22.

A further **amendment** was then moved by Councillor Moncur and seconded by Councillor P. Dowd that the motion be amended by the addition of the following text:

*"Subject to the deletion of the Options B15-116, B15-117, B15-118, B15-119, B15-120 and B15 -121 in Appendix D1"*

The requisite number of Members having then signified their wish that the voting on the amendment should be recorded in accordance with Rule 18.4 of the Council and Committee Procedure Rules, the voting was duly recorded and the Members of the Council present at the time, voted as follows:

FOR THE AMENDMENT:

Councillors Bradshaw, Brennan, Byrom, Carr, K. Cluskey, L. Cluskey, Cummins, Doran, M. Dowd, P. Dowd, Fairclough, Friel, Gustafson, Hardy, Kelly, Kerrigan, Maher, Mahon, McGinnity, Moncur, Tweed, Veidman and Webster.

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## AGAINST THE AMENDMENT:

Councillors Barber, Blackburn, Byrne, Cuthbertson, Dodd, Dorgan, Dutton, M. Fearn, Lord Fearn, Fenton, Gibson, Glover, Griffiths, Hill, Hough, Howe, Ibbs, Jones, C. Mainey, S. Mainey, McGuire, McIvor, Papworth, Parry, Porter, Preece, Preston, D. Rimmer, Robertson, Shaw, Sumner, Tattersall, Tonkiss, Sir Ron Watson and Weavers.

The amendment was **lost** by 35 votes to 23.

Following further debate, a vote was taken on the original motion and on a show of hands, the Motion was **carried** by 35 votes to 23 and it was

## RESOLVED:

That

- (1) approval be given to the honouring of 90 day contractual commitments for all Voluntary, Community and Faith Sector organisations or groups that lose 100% funding as set out in Appendix D1 and D2 to the report, and to the sum of £10,661 being prioritised in the 2011/12 budget (£5,242 for schemes in Appendix D1 and £5,419 for schemes reduced in Appendix D2 of the report);
- (2) approval be given to the reduced allocations of funding for organisations as detailed in Appendix D1 of the report and to Officers being mandated to formally write to the organisations advising them that the funding has ceased;
- (3) approval be given to the proposed reductions in funding for organisations as detailed in Appendix D2 of the report and to Officers being mandated to formally write to the organisations advising them that the funding has been proportionately reduced and/or ceased and that this will be further reviewed in 2011/12;
- (4) approval be given to officers being mandated to formally write to the organisations in Appendix B1, 2 and 3 of the report advising them that the Local Enterprise Growth Initiative funding has ceased and/or will cease and the Council will not have the resources to continue with these schemes once the specific funding comes to a natural end;
- (5) approval be given to the sum of £15,705 (core) being retained and to the provision of £56,258 for the activity detailed in Appendix C of the report continuing for one year only;
- (6) approval be given to the establishment of a set of reviews as detailed at Appendix E of the report and to the sum of £1,855,353 being prioritised in 2011/12 pending the outcomes of the reviews;

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- (7) approval be given to the establishment of a consolidated grant fund of £50,000 for 2011/12 and to Officers and Members of the Voluntary, Community and Faith Sector Overseeing Group being mandated to establish criteria and a process for the allocation of such funds to eligible organisations and that this fund be the responsibility of a designated Cabinet Member (as yet to be determined); and
- (8) further reports be submitted to the Cabinet and Council on the outcomes of the Voluntary, Community and Faith Sector Reviews proposed with any further recommendations.

(In accordance with Rule 18.5 of the Council and Committee Procedure Rules the following Councillors requested that their votes against resolutions (2) to (4) set out above be recorded, namely:

Councillors Bradshaw, Brennan, Byrom, Carr, K. Cluskey, L. Cluskey, Cummins, M. Dowd, P. Dowd, Fairclough, Friel, Gustafson, Hardy, Kelly, Kerrigan, Maher, Mahon, McGinnity, Moncur, Tweed, Veidman and Webster.)

## **69. TRANSFORMATION PROGRAMME AND FURTHER OPTIONS**

Further to Minute No. 183 of the Cabinet Meeting held on 27 January 2011, the Council considered the report of the Chief Executive which provided an update on the Transformation Programme and set out recommendations on the relative priority of Council services in the light of the forecast savings required following the Government's Comprehensive Spending Review. This prioritisation informed the identification of further budget options which would reduce the 2011/12-2013/14 budget gap.

This was a Key Decision and was included in the Council's Forward Plan of Key Decisions.

It was moved by Councillor Robertson, seconded by Councillor Brodie-Browne:

That

- (1) approval be given to the activities of the Economic Development Division being directly funded from successful bids for external funding, realising a core budget saving of £714,000, and the Economic Development Division be allowed to reinvest future "other achievements" of external funding into maintaining and further developing service provision;
- (2) approval be given to officers being mandated to continue the consultation process with employees and Trade Unions with a view to realising the reduction in costs identified for the Specialist

Transport Unit including the issue of relevant statutory and contractual notifications;

- (3) approval be given to the further tactical savings options set out in Appendix B of the report subject to:
  - a) the amendment of option SCL4A to a budget saving of £40,000 to be achieved across the Borough including a reduction in winter bedding
  - b) the deferral of option CM60
  - c) a revised charge of £10 for Option CM61 achieving a saving of £10,000 (to be confirmed); and
  - d) the deletion of option CM62;
- (4) approval be given to the package of terms and conditions proposals identified in paragraph 4.3 of the report for negotiating purposes and to officers being mandated to continue negotiations with Trade Unions in this respect;
- (5) the activities to cease/reduce as outlined in Appendix C of the report be noted and approval be given to officers being mandated to commence a consultation process with partners, employees and Trade Unions with a view to ceasing the activities identified including the issue of relevant statutory and contractual notifications;
- (6) approval be given to:
  - a) all Tier 3 Services detailed in Appendix E being de-commissioned to achieve savings of £3.0m in 2011/12;
  - b) subject to the review of Neighbourhoods/Safer Stronger Communities (Tier 1 Service), savings of £1.2m being assumed from these areas from improved co-ordination and the rationalisation of functions. (The detailed achievement of this saving to be reported to the Cabinet meeting on 17 February 2011);
  - c) a saving of £400,000 to be identified in Leisure Centres to reflect smarter ways of working (Tier 1 Service). (The detailed achievement of this saving to be reported to the Cabinet meeting on 17 February 2011);
  - d) the deferral of any decision on all stages of the Sure Start Programme - Children's Centres pending a Strategic Review which will consider the national policy direction, local priorities and the need to engage communities to deliver priority outcomes with fewer resources. (The terms of

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reference and the timescale of this review to be reported to the Cabinet meeting on 17 February 2011);

- e) the previous assumption on Management and Support savings being rephased to achieve 20% in 2011/12 and a further 5% in 2012/13, thereby increasing the savings in 2011/12 by £1.5m with a corresponding reduction in 2012/13. (The detailed achievement of this saving to be reported to the Cabinet meeting on 17 February 2011);
  - f) a further review of Tier 2 services being undertaken to determine if and how 50% cost savings can be achieved in 2011/12. (The outcome of this review to be reported to the Cabinet meeting on 17 February 2011 and to include a detailed assessment of the relative priority of service outcomes and implications); and
  - g) note the potential to use one off resources to balance any remaining savings requirement subject to the outcome of the above reviews; and
- (7) approval be given to officers being authorised to engage in consultation with employees and trade unions as appropriate and to prepare and issue relevant notifications under Section 188 of the Trade Union Labour Relations (Consolidation) Act 1992 and form HR1 to the Secretary of State.

An **amendment** was then moved by Councillor P. Dowd and seconded by Councillor Maher that the motion be amended by the addition of the following text:

*"All current Children's Centres in all phases continue to receive funding and specifically in relation to those Children's Centres under threat in phases 2 and 3, that current funding totalling £1.84m for 2011/12 be provided using one-off resources if necessary"*

The requisite number of Members having then signified their wish that the voting on the amendment should be recorded in accordance with Rule 18.4 of the Council and Committee Procedure Rules, the voting was duly recorded and the Members of the Council present at the time, voted as follows:

FOR THE AMENDMENT:

Councillors Bradshaw, Brennan, Byrom, Carr, K. Cluskey, L. Cluskey, Cummins, M. Dowd, P. Dowd, Fairclough, Friel, Gustafson, Hardy, Kelly, Kerrigan, Maher, Mahon, McGinnity, Moncur, Tweed, Veidman and Webster

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## AGAINST THE AMENDMENT:

Councillors Barber, Blackburn, Brodie-Browne, Byrne, Cuthbertson, Dodd, Doran, Dorgan, Dutton, Lord Fearn, M. Fearn, Fenton, Gibson, Glover, Griffiths, Hill, Hough, Howe, Ibbs, Jones, C. Mainey, S. Mainey, McGuire, McIvor, Papworth, Parry, Porter, Preece, Preston, D. Rimmer, Robertson, Shaw, Tattersall, Tonkiss, Sir Ron Watson and Weavers.

The amendment was **lost** by 36 votes to 22.

At this point, the Mayor indicated that the meeting be adjourned for a short period of time for a refreshment break. Following the adjournment, the meeting resumed.

A further **amendment** was then moved by Councillor Maher and seconded by Councillor P. Dowd that the motion be amended by the addition of the following text:

*"The proposed closure of the Centre Based Youth Services be deleted from Appendix E (Tier 3) and the identified saving be found from other one-off resources"*

The requisite number of Members having then signified their wish that the voting on the amendment should be recorded in accordance with Rule 18.4 of the Council and Committee Procedure Rules, the voting was duly recorded and the Members of the Council present at the time, voted as follows:

## FOR THE AMENDMENT:

Councillors Bradshaw, Brennan, Byrom, Carr, K. Cluskey, L. Cluskey, Cummins, M. Dowd, P. Dowd, Fairclough, Lord Fearn, Friel, Gustafson, Hardy, Ibbs, Kelly, Kerrigan, Maher, Mahon, McGinnity, Moncur, Tweed, Veidman and Webster.

## AGAINST THE AMENDMENT:

Councillors Barber, Blackburn, Brodie-Browne, Byrne, Cuthbertson, Dodd, Doran, Dorgan, Dutton, Fenton, Gibson, Glover, Griffiths, Hill, Hough, Howe, Jones, C. Mainey, S. Mainey, McGuire, McIvor, Papworth, Parry, Porter, Preece, Preston, D. Rimmer, Robertson, Shaw, Tattersall, Tonkiss and Sir Ron Watson.

## ABSTENTION:

Councillor M. Fearn.

The amendment was **lost** by 32 votes to 24 with one abstention.

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A further **amendment** was then moved by Councillor Carr and seconded by Councillor P. Dowd that the motion be amended by the addition of the following text:

*"The Duke of Edinburgh Scheme in Appendix E be deleted and the identified saving be found from other one-off resources"*

On a show of hands, the amendment was **lost** by 35 votes to 21.

Following further debate, the requisite number of Members having signified their wish that the voting on the Substantive Motion should be recorded in accordance with Rule 18.4 of the Council and Committee Procedure Rules, the voting was duly recorded and the Members of the Council present at the time, voted as follows:

## FOR THE SUBSTANTIVE MOTION:

Councillors Barber, Blackburn, Brodie-Browne, Byrne, Cuthbertson, Dodd, Doran, Dorgan, Dutton, Lord Fearn, M. Fearn, Fenton, Gibson, Glover, Griffiths, Hill, Hough, Howe, Ibbs, Jones, C. Mainey, S. Mainey, McGuire, McIvor, Papworth, Parry, Porter, Preece, Preston, D. Rimmer, Robertson, Shaw, Tattersall, Tonkiss and Sir Ron Watson.

## AGAINST THE SUBSTANTIVE MOTION:

Councillors Bradshaw, Brennan, Byrom, Carr, K. Cluskey, L. Cluskey, Cummins, M. Dowd, P. Dowd, Friel, Hardy, Kelly, Kerrigan, Maher, Mahon, McGinnity, Moncur, Tweed, Veidman and Webster.

The Substantive Motion was **carried** by 35 votes to 20 and it was

## **RESOLVED:** That

- (1) approval be given to the activities of the Economic Development Division being directly funded from successful bids for external funding, realising a core budget saving of £714,000, and the Economic Development Division be allowed to reinvest future "other achievements" of external funding into maintaining and further developing service provision;
- (2) approval be given to officers being mandated to continue the consultation process with employees and Trade Unions with a view to realising the reduction in costs identified for the Specialist Transport Unit including the issue of relevant statutory and contractual notifications;



- (3) approval be given to the further tactical savings options set out in Appendix B of the report subject to:
  - a) the amendment of option SCL4A to a budget saving of £40,000 to be achieved across the Borough including a reduction in winter bedding
  - b) the deferral of option CM60
  - c) a revised charge of £10 for Option CM61 achieving a saving of £10,000 (to be confirmed); and
  - d) the deletion of option CM62;
- (4) approval be given to the package of terms and conditions proposals identified in paragraph 4.3 of the report for negotiating purposes and to officers being mandated to continue negotiations with Trade Unions in this respect;
- (5) the activities to cease/reduce as outlined in Appendix C of the report be noted and approval be given to officers being mandated to commence a consultation process with partners, employees and Trade Unions with a view to ceasing the activities identified including the issue of relevant statutory and contractual notifications;
- (6) approval be given to:
  - a) all Tier 3 Services detailed in Appendix E being de-commissioned to achieve savings of £3.0m in 2011/12;
  - b) subject to the review of Neighbourhoods/Safer Stronger Communities (Tier 1 Service), savings of £1.2m being assumed from these areas from improved co-ordinating and the rationalisation of functions. (The detailed achievement of this saving to be reported to the Cabinet meeting on 17 February 2011);
  - c) a saving of £400,000 to be identified in Leisure Centres to reflect smarter ways of working (Tier 1 Service). (The detailed achievement of this saving to be reported to the Cabinet meeting on 17 February 2011);
  - d) the deferral of any decision on all stages of the Sure Start Programme - Children's Centres pending a Strategic Review which will consider the national policy direction, local priorities and the need to engage communities to deliver priority outcomes with fewer resources. (The terms of reference and the timescale of this review to be reported to the Cabinet meeting on 17 February 2011);

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- e) the previous assumption on Management and Support savings being rephased to achieve 20% in 2011/12 and a further 5% in 2012/13, thereby increasing the savings in 2011/12 by £1.5m with a corresponding reduction in 2012/13. (The detailed achievement of this saving to be reported to the Cabinet meeting on 17 February 2011);
  - f) a further review of Tier 2 services being undertaken to determine if and how 50% cost savings can be achieved in 2011/12. (The outcome of this review to be reported to the Cabinet meeting on 17 February 2011 and to include a detailed assessment of the relative priority of service outcomes and implications); and
  - g) note the potential to use one off resources to balance any remaining savings requirement subject to the outcome of the above reviews; and
- (7) approval be given to officers being authorised to engage in consultation with employees and trade unions as appropriate and to prepare and issue relevant notifications under Section 188 of the Trade Union Labour Relations (Consolidation) Act 1992 and form HR1 to the Secretary of State.

( In accordance with Rule 18.5 of the Council and Committee Procedure Rules the following Councillors requested that their votes against resolutions (2) to (6) set out above be recorded, namely:

Councillors Bradshaw, Brennan, Byrom, Carr, K. Cluskey, L. Cluskey, Cummins, M. Dowd, P. Dowd, Fairclough, Friel, Gustafson, Hardy, Kelly, Kerrigan, Maher, Mahon, McGinnity, Moncur, Tweed, Veidman and Webster.)

## **70. REECH (RENEWABLE ENERGY AND ENERGY EFFICIENCY IN COMMUNITY HOUSING) PROJECT**

Further to Minute No. 192 of the Cabinet Meeting held on 27 January 2011, the Council considered the joint report and supplementary note of the Planning and Economic Development Director and Neighbourhoods and Investment Programmes Director which indicated that the REECH (Renewable Energy and Energy Efficiency in Community Housing) Project had now been approved by the North West Development Agency; and seeking, subject to the agreement of arrangements for the delivery of economic development activity, approval to accept the Offer Letter and to approve the revenue and capital financial implications of the Project.

It was moved by Councillor Robertson, seconded by Councillor Brodie-Browne and

COUNCIL- THURSDAY 27TH JANUARY, 2011

RESOLVED:

That approval be given to the inclusion of the REECH Project in the Capital Programme as set out in Annex A of the report in the sum of £7,170,624 to be fully funded from European Regional Development Fund grant.

## **71. POSTPONEMENT OF GUILLOTINE PROCEDURE**

At this point in the meeting, the Mayor indicated that the Guillotine Procedure should be applied as the time was 11.00 p.m.

It was then moved by Councillor Moncur, seconded by Councillor Friel that the Guillotine Procedure be postponed in accordance with Rule 10.5 of the Council and Committee Procedure Rules.

On a show of hands, the Motion was carried by 34 votes to 19 and it was

RESOLVED:

That the Guillotine Procedure be postponed in accordance with Rule 10.5 of the Council and Committee Procedure Rules.

## **72. MEMBERSHIP OF COMMITTEES 2010/11**

It was proposed by Councillor Ibbs, seconded by Councillor Porter that the following changes be made to the membership of Committees:

### Cabinet Member - Children's Services

Councillor Dutton to replace Councillor Doran as the Substitute Spokesperson.

### Cabinet Member - Communities

Councillor Papworth to replace Councillor Doran as the Spokesperson.

### Cabinet Member - Leisure and Tourism

Councillor Griffiths to replace Councillor Glover as the Spokesperson.

Councillor Jones to replace Councillor Pearson as the Substitute Spokesperson.

### Cabinet Member - Regeneration

Councillor Ibbs to replace Councillor Pearson as the Substitute Member for Councillor Dorgan.

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## Overview and Scrutiny Committee (Children's Services)

Councillor Dorgan to replace Councillor Glover as Spokesperson on the Committee.

Councillor McIvor to replace Councillor Glover as a Member of the Committee.

Councillor Barber to replace Councillor Sir Ron Watson as a Substitute Member for Councillor McIvor.

## Overview and Scrutiny Committee (Health and Social Care)

Councillor Jones to replace Councillor Pearson as Spokesperson on the Committee.

Councillor Ibbs to replace Councillor Pearson as a Member of the Committee.

Councillor Dutton to be the Substitute Member for Councillor Ibbs.

## Overview and Scrutiny Committee (Regeneration and Environmental Services)

Councillor McIvor to replace Councillor Pearson as a Member and Vice-Chair of the Committee.

Councillor Cuthbertson to be the Substitute Member for Councillor McIvor on the Committee.

## Overview and Scrutiny Committee Management Board

Councillor McIvor to replace Councillor Pearson as a Member of the Management Board.

## Audit and Governance Committee

Councillor Barber to replace Councillor Sir Ron Watson as the Substitute Member for Councillor McIvor.

## Licensing and Regulatory Committee

Councillor Dorgan to replace Councillor Doran as a Member of the Committee.

Councillor Barber to replace Councillor Pearson as a Member of the Committee.

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## Planning Committee

Councillor Papworth to replace Councillor Doran as the Substitute Member for Councillor Ibbs.

Councillor Barber to replace Councillor Pearson as the Substitute Member for Councillor Griffiths.

Councillor Cuthbertson to replace Councillor Jones as a Member of the Committee and Councillor Jones to be the Substitute Member for Councillor Cuthbertson

## Planning (Urgent Referrals) Committee

Councillor Griffiths to replace Councillor Glover as a Member of the Committee.

Councillor Dorgan to be the Substitute Member for Councillor Griffiths.

## Joint Consultative Committee for Teaching Staffs

Councillor Dutton to replace Councillor Glover as a Member of the Committee.

## Local Joint Consultative Committee

Councillor Parry to replace Councillor Sir Ron Watson as a Member of the Committee.

Councillor Barber to replace Councillor Parry as the Substitute Member for Councillor McIvor on the Committee.

## Joint Health and Wellbeing Scrutiny Committee

Councillor Ibbs to replace Councillor Pearson as a Council representative on the Committee.

(On a show of hands the Motion was carried by 32 votes in support of the Motion and none against).

It was proposed by Councillor Blackburn, seconded by Councillor Brodie – Browne that the following change be made:

## Pay and Grading Committee

Councillor Hands to replace Councillor Robertson as a Member of the Committee.

# Agenda Item 3

COUNCIL- THURSDAY 27TH JANUARY, 2011

RESOLVED:

That the changes to the membership of Committees listed above be approved.

## **73. NOTICE OF MOTION BY COUNCILLOR SIR RON WATSON**

It was moved by Councillor Sir Ron Watson, seconded by Councillor Glover:

*"That this Council:*

*Supports the Prime Minister in his opposition to the introduction of an Alternative Voting (AV) system;*

*Believes that AV is an unfair system that unduly complicates the electoral process and gives fringe parties several votes whilst supporters of mainstream candidates have one vote only;*

*Considers that as there are only three countries in the world using AV - Fiji, Papua New Guinea and Australia, this hardly represents an endorsement of the system by the international community;*

*Agrees with the Deputy Prime Minister, who has described AV voting as "a miserable little compromise" and with the late Lord Jenkins of Hillhead who has described AV as "disturbingly unpredictable"; and*

*Believes that introducing such a system in the UK would further alienate the general public from the democratic process and considers that Sefton should restate its commitment to "first past the post".*

During the debate, Councillor Sir Ron Watson indicated that he would withdraw the words "Prime Minister in his" in the second line of the motion in order to gain all-party support for the motion.

Following debate, on a show of hands, the revised motion was **carried** by 35 votes to 23 and it was

RESOLVED:

That this Council:

Supports the opposition to the introduction of an Alternative Voting (AV) system;

Believes that AV is an unfair system that unduly complicates the electoral process and gives fringe parties several votes whilst supporters of mainstream candidates have one vote only;

COUNCIL- THURSDAY 27TH JANUARY, 2011

Considers that as there are only three countries in the world using AV - Fiji, Papua New Guinea and Australia, this hardly represents an endorsement of the system by the international community;

Agrees with the Deputy Prime Minister, who has described AV voting as "a miserable little compromise" and with the late Lord Jenkins of Hillhead who has described AV as "disturbingly unpredictable"; and

Believes that introducing such a system in the UK would further alienate the general public from the democratic process and considers that Sefton should restate its commitment to "first past the post".

#### **74. NOTICE OF MOTION BY COUNCILLOR SIR RON WATSON**

It was moved by Councillor Sir Ron Watson, seconded by Councillor Glover and unanimously

RESOLVED:

This Council considers that the representations from Unison to the effect that there is an important financial issue in relation to school balances needs to be addressed and suggests that as the balances in Sefton schools is now in excess of £12 million, the Coalition Government should be urged to consider ways in which these amounts can be used possibly through more advantageous lending arrangements to alleviate the financial pressure on Sefton Council and on its service provision.

The Council support any moves in a pragmatic manner by Unison on both a local and national basis to help secure this flexibility.

On a local basis the Council will work with Unison and the schools in a constructive manner to identify service areas where the schools could reasonably be expected to meet the costs currently borne by all Council taxpayers from their own resources.

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PETITION

***Don't Punish Us - the Young People –  
Respect us!***

**16,845 longhand signatures**

**Over 4,000 on-line supporters**

(As of 21/02/2011, figures rising daily)

As young residents - and soon to be voters- of the Borough of Sefton we deplore Sefton Council's decisions to:

- Close the 7 Local Authority owned youth centres.
- Cease the Duke of Edinburgh Award scheme (DofE).
- Cut more funding from Tier 2 youth service funding.

The young people of Sefton hope that a mutually agreeable outcome can be reached.

We, the young people of Sefton, believe the decisions made on 27<sup>th</sup> January 2011 were done so without Councillors' being in possession of the full facts regarding the benefits of these resources within the borough. We believe that Councillors were misinformed about the effectiveness of these resources. We

# Agenda Item 5

believe the decisions were made without Councillors' having fully considered the equality and social impact of withdrawing these resources.

Having been involved in Democracy workshops and the local United Kingdom Youth Parliament elections - supported by youth workers and held within the youth centres – we believe that the voice and opinions of young people on these matters should be heard.

We the young people of the Sefton community are active and valued citizens and have a right to be included in decision-making processes that affect us.

The signatures collected within this petition highlight the civic action approach by us the young people of the Sefton community to expressing our displeasure at the decisions made on 27<sup>th</sup> January 2011 to withdraw future funding of the 7 Local Authority owned Youth Centres and Duke of Edinburgh Award scheme (DofE). The signatures collected within this petition should earn us the young people of the Sefton community the right to voice concerns and address all Elected and Council Members. The signatures collected within this petition draws attention to the high level of community support us the young people of this community have received to try to safeguard our right to centre based youth work including the facilitation of DofE (in line with Statutory Guidance on Section 507B Education Act 1996). We, the young people of Sefton also request that there are no further cuts to tier 2 funding of youth services.

# Agenda Item 5

I Jacob Kristopher Wilson request that I be allowed to speak at the Council Meeting dated 03 March 2011 as a representative of the young people of Sefton. On behalf of the young people of Sefton, I would like to request that the Cabinet: -

- Reverse the decision made at the council meeting on 27<sup>th</sup> January 2011 to stop future funding of the 7 Local Authority Youth Centres for both Universal and Targeted work.
- Reconsider the cessation of the Duke of Edinburgh Award Scheme.
- That a twelve month strategic review take place to explore funding streams for the continuation of the centres and that no centre be closed until the completion of such.
- That there are no further cuts to tier 2 funding of youth services.

Can I also request 4 tickets for people to support me at the Council meeting.

Regards

Jacob Kristopher Wilson

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## **SEFTON NEW DIRECTIONS PETITION**

The following is intended to be a helpful 'script' to accompany the Sefton New Directions Petition and outline the case to be made by UNISON at Full Council on March 3<sup>rd</sup>.

**Background** – Sefton New Directions established in 2007 – *a wholly owned Council Service*. UNISON expressed grave concerns at the haste, the deliberate attempt to avoid Equal Pay costs, the false assurances given to staff about service security and future funding streams and the lack of independence from the Council. Staff placed between redundancy or transfer 'rock and a hard place'.

**Present** – July 2010 Fresh Care Consultants produce report that reaffirms UNISON concerns and is extremely critical of the entire setting up process and subsequent management of the company. Despite several requests, this report has never been shared with the staff or the unions. Findings of the report were accepted by the Board and consultants brought in to manage the Company.

- SND have blamed the Council for withdrawing £3m (25% of their entire budget).
- SND have blamed the unions for their legitimate Equal Pay claims.
- The Council have blamed the SND for not managing or marketing their business properly (although several requests for evidence of concerns being reported before December Cabinet have never been provided)

**Future** – 500 staff placed once again between a 'rock and a hard place', over 4,000 vulnerable service users now in a position of extreme uncertainty through no fault of their own. Fresh Care have produced savage proposals including pay cut for some staff of 25%, 52 redundancies and a wide range of other severe cuts to terms and conditions raising approx £2m of the £3m required by the Council. It is clear these proposals will be rejected and will provoke industrial action.

Fresh Care present some innovative and challenging ideas in relation to income generation and service reconfiguration and UNISON is more than happy to engage in this debate, but not with the threat, caused by the Council requiring £3m of such massive cuts to pay and terms and conditions. There are extremely complex legal issues relating to this matter also that will be robustly defended by the unions if this cannot be sensibly resolved.

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**Request** – UNISON is asking that Elected Members give consideration to reduce and/or defer the amount required from the SND budget to allow further and proper meaningful discussions to take place around service provision and terms and conditions. There is a shared aim between Fresh Care and the Unions to resolve this without recourse to unrest, but the financial penalty posed by the Council and the extreme haste has extremely limited the manner in which negotiations can be carried out and any alternatives explored. Having been let down by the Council before, it should now be incumbent upon Councillors for this wholly owned Council company and its 500 staff to be treated fairly and be provided with the reprieve necessary.

**Glen Williams,**

**Branch Secretary,**

**Sefton UNISON**

**February 2011**

# Agenda Item 8

**REPORT TO:** Standards Committee  
Cabinet  
Council

**DATE:** 3 February 2011  
17 February 2011  
3 March 2011

**SUBJECT:** Members' Allowances

**WARDS  
AFFECTED:** All

**REPORT OF:** Director of Corporate Services

**CONTACT  
OFFICER:** Mike Fogg  
0151 934 4082

**EXEMPT/  
CONFIDENTIAL:** No

**PURPOSE/SUMMARY:**

To consider the proposals put forward by the Independent Remuneration Panel for a reduction in the 2011/12 Scheme of Members' Allowances.

**REASON WHY DECISION REQUIRED:**

In order to achieve savings on the Members' Allowances budget

**RECOMMENDATION(S):**

That the Council approve the following recommendations:

1. That the recommendations made by the Independent Remuneration Panel in Paragraph 2.2 of the report be accepted.
2. That the changes be implemented with effect from 1<sup>st</sup> April 2011.
3. That the proposed Scheme of Members Allowances as set in Annex A of the report be accepted
4. That the Independent Remuneration Panel be asked to formally review the full Scheme during 2011/12.

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**KEY DECISION:** No

**FORWARD PLAN:** No

**IMPLEMENTATION DATE:** 1<sup>st</sup> April 2011

**ALTERNATIVE OPTIONS:**

The alternative is to continue with the existing scheme.

**IMPLICATIONS:**

**Budget/Policy Framework:** The proposals represent an annual saving in the order of £50,865 (inc on costs) pa

**Financial:**

<b><u>CAPITAL EXPENDITURE</u></b>	<b>2009 2010 £</b>	<b>2010/ 2011 £</b>	<b>2011/ 2012 £</b>	<b>2012/ 2013 £</b>
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<b><u>REVENUE IMPLICATIONS</u></b>				
<b>Gross saving</b> in Revenue Expenditure			<b>£50,865</b>	
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

**Legal:**

**Risk Assessment:** No specific risk assessment has been carried out, but the risks associated with the report are already being addressed as part of the Council's



approach to risk management.

**Asset Management:**

**CONSULTATION UNDERTAKEN/VIEWS  
LEADERS**

**CORPORATE OBJECTIVE MONITORING:**

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

**LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT**

Report of the findings of the Independent Remuneration Panel 2007

# Agenda Item 8

## 1. Background

- 1.1 In September 2007, following recommendations from the Independent Remuneration Panel, the Council revised its Scheme of Members' Allowances to reflect the average rate of Basic Allowance for Merseyside, and recommended that a fundamental review should be carried out in 2010/11.
- 1.2 Until 2009/10, the allowances were increased annually linked to the Local Government Annual Pay Settlement. No such increases were awarded in 2010/11, which in effect mirrored the situation with Senior Officers of the Council.
- 1.3 Following Council approval, the Special Responsibility Allowances paid to certain Member were reduced by 5% with effect from September 2010. This saved £14,800 (including on costs) in 2010/11 and would save £25,400 (including on costs) in 2011/12.
- 1.4 The proposals were also applied to the payments for Mayoralty duties, which although not part of the Scheme are linked to it.

## 2. Current Position

- 2.1 The Independent Remuneration Panel met on 14<sup>th</sup> December 2010 to consider if it was appropriate in view of the Council's current financial position, to defer the pending review of the Members' Allowances Scheme.
- 2.2 The Independent Remuneration Panel made the following recommendations:
  - “(1) in order to show leadership during the current harsh economic times, the Cabinet / Council be recommended to reduce the Basic Allowance by 5%, such reduction to take effect from the commencement of the financial year 2011/12. This would restore the discrepancies in the multipliers used to calculate the Special Responsibility Allowances;
  - (2) a meeting of the Panel be held at 10.00 a.m. on Wednesday, 16 March 2011 at Southport Town Hall;
    - (i) to commence the review of Members' Allowances for 2012/13; and
    - (ii) in order to formulate an objective view of the Members' Allowance Scheme, to receive a presentation on the responsibility of functions and volume of work of Cabinet Member portfolios and Committees and any changes made due to the recently announced Localism Bill;
  - (3) a meeting of the Panel be held at 10.00 a.m. on Wednesday, 7 September 2011 at Bootle Town Hall to:
    - (i) formulate recommendations for submission to the Council on the Members' Allowance Scheme for 2012/13; and

# Agenda Item 8

- (ii) receive a presentation from the Head of Corporate Finance and Information Services on the up to date financial position of the Council; and
  - (4) the decision making model referred to above, namely that the Panel meets in March and September, be continued in subsequent years.
- 2.3 The proposals put forward by the Independent Remuneration Panel would generate total budget savings in 2011/12 of £50,865 including “on costs”. The proposed changes are reflected in the proposed revised Scheme at Annex A.

### **3. Recommendations**

- 3.1 That the recommendations made by the Independent Remuneration Panel in Paragraph 2.2 of the report be accepted.
- 3.2 That the changes be implemented with effect from 1<sup>st</sup> April 2011.
- 3.3 That the proposed Scheme of Members Allowances as set in Annex A of the report be accepted
- 3.4 That the Independent Remuneration Panel be asked to formally review the full Scheme during 2011/12.

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### **MEMBERS' ALLOWANCES SCHEME**

The following scheme is made under powers conferred by – Section 174 of the Local Government Act 1972 – Local Authorities (Members' Allowances) (England) Regulations 2003

1.1. The scheme shall be cited as the Sefton Council Members' Allowances Scheme and have effect from 1<sup>st</sup> April 2011, and for subsequent years commencing on 1<sup>st</sup> April.

1.2. In this Scheme, "Councillor" means a Member of Sefton Council who is a Councillor.

#### **2. Basic Allowance**

2.1. The Basic Allowance is a flat rate sum paid to all Members. It recognises the time devoted and expenses incurred by Members in carrying out their duties.

2.2. Subject to paragraph 4 the amount allocated per annum is £8,520

#### **3. Special Responsibility Allowance**

3.1 In order to recognise additional time and expenses incurred by Councillor's who have significant additional responsibilities in carrying out their duties for Sefton Council, subject to paragraph 4 the following Special Responsibility Allowances shall be paid: Only one Special Responsibility Allowance is paid per Member.

Leader of the Council	£25,560
Political Group Leaders (with Cabinet position)	£21,300
Other Members of the Cabinet	£17,040
Chair of Planning Committee	£8,520
Chairs of Overview & Scrutiny Committees	£4,260
Chair of Licensing and Regulatory Committee	£8,520
Chair of Audit and Governance Committee	£4,260
Political Group Spokespersons for Cabinet Member	
Portfolio & Planning Committee	£4,260
Waste Disposal Authority - Chair	£8,520
or	
Waste Disposal Authority - Spokesperson	£2,130

#### **4. Part Year Payments**

If in the course of a year, the scheme is amended or a Councillor becomes, or ceases to be a Councillor, then all allowances shall be adjusted on a pro-rata basis.

#### **5. Renunciation**

A Councillor may, by giving notice in writing to the Head of Corporate Finance & Information Services elect to forgo any part of their entitlements to an allowance under the Scheme.

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## 6. Mayoral Allowances

The allowances paid to the Mayor and Deputy are linked to the Scheme of Members Allowances and for the Municipal year 2011/2012 the following shall be paid:

Mayor	£12,780
Deputy Mayor	£ 4,260

## 7. Travel and Subsistence

Travel and Subsistence Allowances will be paid for travel to meetings etc outside of the borough which are authorised by the Council e.g. -

- meetings and annual conferences of Outside Bodies to which Sefton has made appointments or nominations.
- meetings and annual conferences of Local Authority Associations of which Sefton is a member.
- meetings, conferences and other duties which have been authorised in advance by the Council, Cabinet or by a Cabinet Member in consultation with party spokespersons and to which representatives of more than one political party have been invited.

## 8. Claims and Payments

Payments shall be made in respect of Basic and Special Responsibility Allowances in monthly instalments on the 15<sup>th</sup> day of each month by bank transfer.

All claims for additional expenses must be accompanied by receipts and will therefore be paid in arrears directly into Members Bank Accounts.

# Agenda Item 9

**REPORT TO:** Cabinet  
Council

**DATE:** 3 March 2011

**SUBJECT:** Treasury Management Policy & Strategy 2011/12

**WARDS AFFECTED:** All

**REPORT OF:** Margaret Carney  
Chief Executive & Section 151 Officer  
0151 934 2057

**CONTACT OFFICER:** Jeff Kenah  
Corporate Finance Manager  
0151 934 4104

**EXEMPT/CONFIDENTIAL:** No

**PURPOSE/SUMMARY:**

To advise Cabinet of the proposed procedures and strategy to be adopted in undertaking the Treasury Management Function in 2011/2012.

**REASON WHY DECISION REQUIRED:**

To enable the Council to effectively manage its Treasury activities.

**RECOMMENDATION(S):**

Cabinet is recommended to

- a) Agree the Treasury Management Policy Document for 2011/2012 (Annex A);
- b) Agree the Treasury Management Strategy Document for 2011/2012 (Annex B);
- c) Approve the amendment to Banking arrangements contained within the Financial Procedures Rules of the Constitution (Para 3);
- d) Agree the Money Laundering Policy Document (Para 4 and Annex C);
- e) Agree the basis to be used in the calculation of the Minimum Revenue Provision for Debt Repayment in 2011/2012 (Para 5);
- f) Refer the report to Council for approval.

# Agenda Item 9

**KEY DECISION:** No, this report does not represent a key decision in itself but forms part of the delivery of the 2011/2012 Budget, which is a key decision for the Council.

**FORWARD PLAN:** No – see above.

**IMPLEMENTATION DATE:** With effect from 1 April 2011.

**ALTERNATIVE OPTIONS:**

The Cabinet could decide not to comply with the CIPFA Code of Practice on Treasury Management that recommends production of Treasury Management Policy and Strategy Documents. Non-compliance with the Code would significantly increase the risks associated with this activity and would not be complying with best practice.

**IMPLICATIONS:**

**Budget/Policy Framework:** Compliance with the Policy and Strategy Documents will enable the Council to secure the most favourable terms for raising funds, maximise returns on investments whilst at all times minimising the level of risk to which it is exposed.

**Financial:** See above.

<b><u>CAPITAL EXPENDITURE</u></b>	<b>2011/ 2012 £</b>	<b>2012/ 2013 £</b>	<b>2013/ 2014 £</b>	<b>2014/ 2015 £</b>
Gross Increase in Capital Expenditure	N/a	N/a	N/a	N/a
Funded by:	N/a	N/a	N/a	N/a
Sefton Capital Resources	N/a	N/a	N/a	N/a
Specific Capital Resources	N/a	N/a	N/a	N/a
<b><u>REVENUE IMPLICATIONS</u></b>				
Gross Increase in Revenue Expenditure	N/a	N/a	N/a	N/a
Funded by:	N/a	N/a	N/a	N/a
Sefton funded Resources	N/a	N/a	N/a	N/a
Funded from External Resources	N/a	N/a	N/a	N/a
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

**Legal:** None.



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**Risk Assessment:** The Policy and Strategy Documents minimise the level of risk to which the Council is exposed.

**Asset Management:** None.

## CONSULTATION UNDERTAKEN/VIEWS

None.

## CORPORATE OBJECTIVE MONITORING:

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

## LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Treasury Management in the Public Services – Code of Practice CIPFA 2001.  
The Prudential Code for Capital Finance in Local Authorities CIPFA 2003.

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## 1. Background

- 1.1. The Council has previously adopted CIPFA's revised 2001 Code of Practice on Treasury Management in the Public Services which recommends the production of annual Treasury Management Policy and Strategy Documents, and the revision to The Code in 2009 following the Icelandic bank collapse.
- 1.2. In addition, the Council has also adopted, and incorporated into both documents:
  - a) The requirements of the 2003 Prudential Code for Capital Finance in Local Authorities; and,
  - b) An Investment Strategy produced in line with guidance from the then Office of the Deputy Prime Minister concerning the investment of surplus funds. This sets out the manner in which the Council will manage its investments, giving priority to the security and liquidity of those investments.

## 2. Treasury Management Policy and Strategy Documents

- 2.1. The Code requires the Council to produce:
  - a) A Treasury Management Policy Document – which outlines the broad policies, objectives and approach to risk management of its treasury management activities;
  - b) A Treasury Management Strategy Document – This sets out specific treasury activities which will be undertaken in compliance with the Policy in 2011/2012; and
  - c) Suitable treasury management practices, setting out the manner in which the organisation will seek to achieve these policies and objectives, prescribing how it will manage and control those activities.

The content of the policy statement and the treasury management practices will follow the recommendations contained in sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of the Council. Such amendments will not result in the Council materially deviating from the Codes key principles.

- 2.2. The proposed Policy and Strategy Documents are attached at **Annex A and B** respectively.
- 2.3. Economic conditions have been difficult since the onset of the credit crunch in August 2007. This caused all major economies to enter into recession caused by a reduction in lending as banks attempted to repair their balance sheets, with concerns being raised over the financial health of many institutions. The wider economic position has meant that a continuing review of the Treasury Management Policy and Strategy documents has been undertaken to identify whether any improvements can be made.

- 2.4. All investments are made in accordance with the Council's Investment Criteria. This takes account of market and risk conditions at the time the investment is made, with security being assessed over liquidity, and liquidity being assessed over return.
- 2.5. In view of the complex nature of Treasury Management, regular treasury update reports have not only be presented to Cabinet (who have the delegated responsibility), but also to Corporate Services Cabinet Member and the Audit and Governance Committee.

### **3. Financial Procedure Rules – Banking Arrangements**

- 3.1. The Treasury Management Policy Document at **Annex A** delegates certain responsibilities to the Head of Corporate Finance and Information Services, including all executive decisions on borrowing, investment or financing, in line with the Constitution of the Council.
- 3.2. The Constitution (Financial Procedure Rules – Banking Arrangements Para 8.2) currently provides the following:

“No overdraft shall be permitted save on the general account, a maximum overdraft for which shall be fixed from time to time by the Council following recommendations by the Head of Corporate Finance and Information Services.” In order to facilitate a “group” approach to the Council's bank account and related individual balances (a number of services provided by Sefton have bank accounts separate to the Council's main account), it is recommended that the paragraph be reworded as follows:

“On a day to day basis, no overdraft shall be permitted unless agreed by the Head of Corporate Finance and Information Systems. A maximum overdraft shall be fixed from time to time by the Council following recommendations by the Head of Corporate Finance and Information Services....”

### **4. Money Laundering Policy Document**

- 4.1. The Money Laundering Policy Document is attached at **Annex C** for approval, which outlines the approach the Council will adopt to comply with its legal obligations.

### **5. Minimum Revenue Provision (MRP) for Debt Repayment Policy Document**

- 5.1. The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 introduced changes to the calculation of the MRP.
- 5.2. As a transitional arrangement for 2008/09, authorities were able to continue to calculate MRP as in previous years i.e. 4% of the underlying need to borrow for capital purposes, as measured at 31 March 2008. The Council's revenue budget for 2008/09 was constructed on this basis.

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- 5.3. To comply with the legislative changes, the Council has, from 2009/10, retained this calculation for borrowing supported through the Revenue Support Grant but for unsupported prudential borrowing, MRP will be calculated using the estimated life method. This links the charges to revenue more closely to the life of the asset. The Council's Revenue Budget for 2010/11 and 2011/12 has been constructed on this basis.
- 5.4. The change in legislation also allows councils to apply an MRP "Holiday" on large projects, the costs of which span a number of financial years. Rather than starting to charge MRP as the expenditure is incurred, the option is given to apply MRP only when the scheme becomes operational. The total level of MRP remains unchanged, only the timing of the charge is altered. This option is considered to be the most appropriate for use within Sefton.

## 6. Recommendations

Cabinet is recommended to:

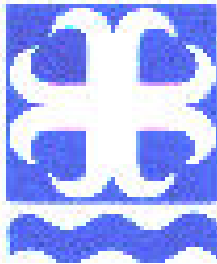
- a) Agree the Treasury Management Policy Document for 2011/2012 (**Annex A**);
- b) Agree the Treasury Management Strategy Document for 2011/2012 (**Annex B**);
- c) Approve the amendment to Banking Arrangements contained within the Financial procedures Rules of the Constitution (Para 3);
- d) Agree the Money Laundering Policy Document (Para 4 and **Annex C**);
- e) Agree the basis to be used in the calculation of the Minimum Revenue Provision for debt repayment in 2011/12 (Para 5);
- f) Refer the report to Council for approval.

SEFTON COUNCIL

TREASURY MANAGEMENT

POLICY

2011/2012



CORPORATE FINANCE AND INFORMATION SERVICES

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## 1. **Treasury Management Policy**

### 1.1. The Council defines Treasury Management as:

The management of the Authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

### 1.2. The Council's Statement of Treasury Management Policy is:

- a) Effective Treasury Management is acknowledged as providing support towards the achievement of the Council's business and service objectives. It is therefore committed to the principles of achieving best value in Treasury Management, and to employing suitable performance measurement techniques, within the context of effective risk management;
- b) The successful identification, monitoring and control of risk is regarded as being the prime criteria by which the effectiveness of the Council's Treasury Management activities will be measured. Accordingly, the analysis and reporting of Treasury Management activities will focus on their risk implications for the organisation.

### 1.3 A dedicated team of three officers carries out the day-to-day treasury management activities. Two of the current officers are qualified accountants, whilst the third is a qualified accounting technician. The Treasury Group Accountant has recently obtained the CIPFA/Association of Corporate Treasurers sponsored qualification CertITM-PF, which is aimed at giving a solid grounding in treasury management and which is tailored to the public sector.

### 1.3.1 Members should receive training in the Treasury Management function, in order to assist in the understanding of this relatively complex area. This will be addressed via the provision of regular reporting to Cabinet, Corporate Services Cabinet Member Meeting and the Audit and Governance Committee.

## 2. **Treasury Management Strategy**

### 2.1. The Annual Strategy Document sets out in detail how the Treasury Management Activities are to be undertaken in a particular financial year to comply with the Council's Policy. The strategy for 2011/2012 is attached at **Annex B**.

## 3. **Delegated Powers**

### 3.1. The Head of Corporate Finance and Information Services, under the Council's Constitution, is given the following authority:

- a) All money in the hands of the Council shall be aggregated for the purposes of Treasury Management and shall be under the control of the

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Head of Corporate Finance and Information Services, the Officer designated for the purposes of Section 151 of the Local Government Act, 1972;

- b) All executive decisions on borrowing, investment or financing shall be delegated to the Head of Corporate Finance and Information Systems (or in his/her absence the Deputy Section 151 Officer) who shall be required to act in accordance with the Council's Treasury Policy, Treasury Management Practices and CIPFA's Standard of Professional Practice on Treasury Management.

## 4. **Reporting Requirements/Responsibilities**

### 4.1. Council

Council will approve, prior to each financial year, the Treasury Management Policy and Strategy Documents, and will also receive a mid-year review, as well as receiving an annual outturn report on Treasury Management activity before 30 June following the end of the previous financial year, which reports actual treasury activity in the year.

### 4.2. Cabinet

Cabinet will:

- a) Consider, prior to each financial year, Treasury Management Policy and Strategy Documents and refer them to Council for approval;
- b) Implement and monitor these documents, approving any in-year amendments (at least on a quarterly basis) necessary to facilitate continued effective Treasury Management;
- c) Receive an annual outturn report on Treasury Management activity prior to the 30<sup>th</sup> June following each financial year; and
- d) Receive a quarterly update of the treasury management activity.

### 4.3. Audit and Governance Committee

Audit and Governance Committee will:

- a) Monitor these Documents on at least a quarterly basis necessary to facilitate continued effective Treasury Management;
- b) Receive an annual outturn report on Treasury Management activity prior to the 30 June following each financial year; and
- c) Will be responsible for ensuring effective scrutiny of the treasury management and policies.

### 4.4. Head of Corporate Finance and Information Systems

The Head of Corporate Services and Information Services will:

- a) Draft and submit to Cabinet and Council prior to each financial year, Treasury Management Policy and Strategy Documents;

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- b) Implement and monitor these Documents resubmitting any necessary in-year revisions/amendments (at least on a quarterly basis) to Cabinet for approval;
- c) Draft and submit an annual outturn report on Treasury Management activity to Council, Cabinet, and Audit & Governance by the 30 June following each financial year-end;
- d) Maintain suitable Treasury Management Practices (TMP), setting out the manner in which the Council will seek to achieve its objectives. The TMP's will also prescribe how the treasury activities will be managed and controlled;
- e) Be responsible for the execution and administration of treasury management decisions; and
- f) Act in accordance with the Council's policy statement and treasury management practices, and also in accordance with CIPFA's Standard of Professional Practice on Treasury Management.

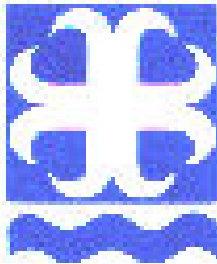


SEFTON COUNCIL

TREASURY MANAGEMENT

STRATEGY

2011/2012



CORPORATE FINANCE AND INFORMATION SERVICES

# Agenda Item 9

## **SEFTON COUNCIL**

### **Treasury Management Strategy**

#### **1. Introduction**

- 1.1. The Treasury Management Strategy Document sets out in detail how the Treasury Management Activities are to be undertaken in a particular financial year to comply with the Council's Treasury Management Policy.
- 1.2 The Strategy had been produced to incorporate the requirements of the CIPFA Code of Practice on Treasury Management and the 2003 Prudential Code for Capital Finance, and the revised Treasury Management in the Public Services code of Practice and Cross-Sectoral Guidance Notes (2009).

#### **Economic Background**

The economic background has been particularly turbulent over the last three years, and this has put treasury management within the authority under greater scrutiny.

Economic conditions have been difficult since the onset of the credit crunch in August 2007. GDP growth is likely to have peaked at 1.2% in quarter 2 of 2010. The outlook is for poor growth in 2011/12. The Consumer Price Index (CPI) has remained high during 2010, starting at 3.7% in April and then increasing to 4.0% in January 2011. Although this is above the Monetary Policy Committee's (MPC) target of 2%, the MPC predicts that inflation will fall back under target over the next two years. Sector, our Treasury Management Consultants, have suggested that an increase in the Bank of England base rate may occur in May 2011, however, such an increase is dependent upon the state of the economy.

The reduction in the base rate to 0.5% in March 2009 has caused investment income to be severely reduced in 2010/11, compared to the levels earned in, for example, 2008/09. Despite the potential for a small increase in Bank Rate later this year, it is expected to remain at a level significantly lower than experienced a few years ago. The budgeted investment returns for 2011/12 reflect this scenario.

## 2. Treasury Management Strategy 2011/2012

### 2.1. The Strategy for 2011/2012 covers:

- a) Treasury Limits in force which will limit the borrowing activity of the Council (2.2);
- b) Prudential Indicators 2011/2012 to 2013/2014 (2.3);
- c) Interest Rates (2.4);
- d) Capital Borrowing (2.5);
- e) Debt Rescheduling opportunities (2.6);
- f) Investment Strategy (2.8).

### 2.2. Treasury Limits for 2011/2012

The Treasury Limits set by Council in respect of its borrowing activities are:

The overall or Affordable Borrowing Limit.	Maximum	£180.500m
--------------------------------------------	---------	-----------

It is a statutory duty under S.3 of the Local Government Act 2003 and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the 'Affordable Borrowing Limit'. The Affordable Borrowing Limit takes into account the Council's current debt, an assessment of external borrowing to finance the Capital Programme in 2011/2012, the need to finance capital expenditure previously met from internal funding, and cash flow requirements.

The amount of overall borrowing, which maybe outstanding by way of short-term borrowing.	Maximum	£15m
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The Short – Term Borrowing limit takes into account an assessment of any potential short-term financing the Council may need (e.g. bank overdraft, short-term funding in anticipation of grant receipts). Short-Term Borrowing is defined as being for less than 12 months.

The proportion of external borrowing which is subject to variable rate interest.	Maximum	33%
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The limit on variable rate borrowing gives the Council flexibility to finance expenditure at favourable market rates, but ensures Council exposure to variable interest commitments is within prudent levels.

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## 2.3. Prudential Indicators

The following prudential indicators are considered relevant by CIPFA for setting an integrated Treasury Management Strategy.

### 2.5.1. Interest Rate Exposure Indicators

Fixed rate borrowing and investment has the benefit of reducing the uncertainty surrounding future interest rate changes. However, in looking to improve performance best practice recommends retaining a degree of flexibility through the use of variable rates on at least part of the Treasury Management Activity.

To ensure that the risk associated with improved performance which may be achieved by using variable loans and investments is minimised, it is necessary to establish indicators to control the position. The control is based on setting an upper limit for both fixed and variable interest rate exposures expressed as a percentage of the Council's net outstanding principal sum. The following indicators are to be used:

<b>Upper Limit for Interest Rate Exposures</b>	<b>2011/12 %</b>	<b>2012/13 %</b>	<b>2013/14 %</b>
Upper limit for fixed interest rate exposure expressed as a percentage of net outstanding principal sum	250	250	250
Upper limit for variable interest rate exposure expressed as a percentage of net outstanding principal sum	-50	-50	-50

This prudential indicator has been revised this year due to a number of breaches noted in 2010/11. This revision is because in order to protect the security and liquidity of the Council's funds more cash deposits are being placed overnight rather than long term.

### 2.5.2. Non Specified Investment Indicator

The Investment Strategy (Para 2.7.4) allows non-specified investments to be made using funds managed by the Council. The indicator is designed to control the level of such non-specified investments when compared to the overall investments of the Council.

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<b>Upper Limit on Non-Specified Investments</b>	<b>2011/12 %</b>	<b>2012/13 %</b>	<b>2013/14 %</b>
Upper limit on the value of non-specified investments as a percentage of total investments	40	40	40

## 2.5.3. Debt Maturity Indicators

The indicators are designed to be a control over an authority having large concentrations of fixed rate debt needing to be replaced at times of high interest rates. The control is based on the production of a debt maturity profile, which measures the amount of borrowing that is fixed rate that will mature in each period as a percentage of total projected borrowing that is fixed rate. Any borrowing decision and related maturity dates will be taken by the Council mindful of maturity profile limits set out below to ensure large concentrations of debt do not fall due for repayment in any one future financial year. The profile reflects borrowing advice provided by Sector, the Council's Treasury Management Advisors, and has been agreed with them.

<b>Maturity Structure of Fixed Rate Borrowing During 2011/2012</b>	<b>Upper Limit %</b>	<b>Lower Limit %</b>
Under 12 month	35%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	40%	0%
10 years and above	90%	25%

### Policy on the use of external service providers

The Council employs SECTOR as its treasury consultants. The Council recognises that responsibility for treasury management decisions rests with the Council at all times. It also recognises that there is value in such arrangements in order to acquire access to specialist skills and knowledge. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly documented, and subjected to regular review. The agreement with Sector is up for renewal at the end of March 2011. A quotation exercise will be undertaken in order to test the market at that point.

It should be noted that SECTOR, although regulated by the FSA, are unregulated in terms of the investment advice that they give to local authorities, because as an organisation it does not give advice in respect of *investments*, which is covered by the FSA, but it gives advice in respect of

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*deposits*. Under FSA regulations local authority cash balances placed with institutions are classed as deposits.

## 2.4. Interest Rates

2.5.4. Sector Treasury Services Ltd (“Sector”) to provide regular forecasts of interest rates to assist decisions in respect of:

- a) Capital Borrowings (2.5);
- b) Debt Rescheduling opportunities, (2.6); and
- c) Investments strategy (2.8).

2.4.2. **Annex B2** gives details of Sector’s central view regarding Public Works Loan Board (PWLB) interest rate forecasts.

2.4.3. The advice from Sector takes into account financial activity both in the UK and world economies and the impact of major national and international events. It is essential that borrowing and investment decisions are taken mindful of independent forecasts as to interest rate movements. The Council will continue to take account of the advice of Sector.

## 2.5. Capital Borrowing

2.5.5. The Council’s debt portfolio as at 31<sup>st</sup> January 2011 is as set out below:

<b>Debt Portfolio</b>	
Average Interest Rate	4.66%
<u>Debt Outstanding – Fixed Rate</u>	£m
PWLB	131.542
Other Borrowing	0.024
Other Long Term Liabilities	<u>6.783</u>
Total Debt	138.349

The category of other borrowing (£0.024m) represents counter bonds and mortgages.

Other long term liabilities (£6.783m) represent transferred debt from the Merseyside Residuary Body.

2.5.6. The Council will raise its required finance, following advice from Sector, from the Public Works Loan Board (PWLB).

The Council’s borrowing requirement for 2011/2012 is as follows:

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<b>Borrowing Requirement</b>	<b>Estimate £m</b>
New Borrowing	19.611
Replacement Borrowing	<u>0.000</u>
Total Borrowing	19.611

The new borrowing represents the unsupported borrowing as required by the capital programme in 2011/12. As noted in 2.5.4 below the Council is internally borrowed, and may take additional borrowing if required in order to reverse this position.

2.5.3. The Sector forecast for PWLB interest rates (as set out at **Annex B2**). This would suggest that the following strategy is followed:

- The cheapest borrowing will be internal borrowing, which involves running down cash balances and foregoing interest earned at historically low rates. Consideration will always be given to long term borrowing rates and the possibility of rates rising, which could mean borrowing at future higher rates which could erode the advantages of internal borrowing
- Temporary borrowing from money markets or other local authorities
- PWLB rates on loans of less than ten years duration are expected to be substantially lower than longer term PWLB rates offering a range of options for new borrowing which will spread debt maturities away from a concentration in long dated debt.

2.5.4. The authority borrows from the PWLB in order to fund part of the capital programme, the maximum that we can borrow being the CFR. Current PWLB borrowing is £131.542m, as against a CFR of £182.4m for 2011/12. This position is classed as being internally borrowed which does have the advantage of reducing exposure to interest rate and credit risk. To be internally borrowed is a conscious decision to use cash balances to fund capital expenditure, rather than borrow from the PWLB. This position can be reversed at any time by borrowing from the PWLB.

2.5.5. 2011/12 is expected to experience a continuation of a low bank rate. Hence, internal borrowing is a sensible option where interest rates on deposits are much lower than the current PWLB borrowing rates.

2.5.6. However, as noted in 2.5.3, savings have to be weighed against the potential for incurring long term extra costs by delaying unavoidable new borrowing until later years when PWLB rates are forecast to be higher.

2.5.7. Against this background, caution will be adopted in undertaking borrowing in 2011/2012. The Head of Corporate Finance and Information Systems will monitor the interest rate market and following advice from Sector, adopt a pragmatic approach to changing circumstances during the year.

2.5.8. External v Internal Borrowing

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2.5.9. The Council currently has a difference between gross debt and net debt (gross debt net of cash balances) of £50m. The general aim of the strategy would be to reduce the difference between the two in order to reduce the credit risk of holding investments.

2.5.10. As noted in 2.5.4 above the Council is internally borrowed. If this continues this will reduce the difference between gross and net debt. Early repayment of debt is, however, not a realistic option since the introduction by the PWLB of significantly lower rates on 1 November 2007, which has now been compounded since October 2010 by a considerable further widening of the difference between new borrowing and repayment has meant that large premiums would be incurred.

## 2.6. Debt Rescheduling Opportunities

2.6.1. As noted in 2.5.10 above, restructuring with the PWLB is now much less attractive than before due to the potentially large premiums that would be incurred.

As short term borrowing rates are likely to be cheaper than long term rates, saving could be made by changing to short term debt. However, this must be considered in the light of the likely financing costs once these loans mature. It is likely that this situation will be reviewed early in 2011/12 to see if there is any merit in following a restructuring of debt.

## 2.7 Borrowing in advance of need

The Council will not borrow more than, or in advance of, its needs purely to profit from the investment income made on the extra sums borrowed. However should a decision to borrow in advance of need will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.

In determining whether to borrow in advance of need the Council will;

- Ensure that there is a direct link between the capital programme and maturity profile of the existing debt portfolio which supports the need to borrow in advance of need;
- Ensure that the revenue implications of such borrowing have been considered in respect of future plans and budgets; and
- Consider the merits of other forms of funding.

## 2.8. Investment Strategy

2.8.1. The Council manages the investment of its surplus funds internally, and operates in accordance with the Guidance on Local Government Investments issued by ODPM in March 2004 and the 2009 CIPFA Treasury Management in Public Services and Cross Sectoral Guidance Notes.



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2.8.2 The Council's investment priorities are, in order of priority:

- The security of capital
- The liquidity of capital

The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

2.8.3. Under the system of guidance investments are classified as Specified or Non Specified.

Specified Investments are those which satisfy the following conditions:

- a) The investment and all related transactions are in sterling;
- b) The investment is short-term i.e. less than 12 months;
- c) The investment does not involve the acquisition of share or loan capital;  
Either:
  - i) The investment is made with the UK Government or local authority;  
OR
  - ii) The investment is made with a body or scheme, which has been awarded a high credit rating by a credit rating agency.

Non Specified Investments are those that do not meet the above definition.

2.8.4 The Council's investment portfolio as at 31<sup>st</sup> January 2011 is set out below:

<b>Investments Portfolio</b>	<b>£m</b>
Specified Investments	73.610
Non-Specified Investments	<u>Nil</u>
Total	73.610

2.8.5 The Council banks with National Westminster, which is part of the Royal Bank of Scotland Group. It is classed as a part nationalised institution.

2.8.6 The Council undertaken a tendering exercise in order to award the banking contract for a period of two years, with an annual option to extend for one year over a three year period.

2.8.7 The Council Strategy will be:

- a) To make Specified Investments in line with the above conditions;
- b) To make Non Specified Investments which satisfy all of the above with the exception of 2.8.6 a) which is extended to a period of less than 2 years;

It is suggested that the following investment vehicles should be made available to the authority:

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Investment	Reason	Risk
Term deposits made with banks as listed in annexe B5, following the investment criteria as listed in annexe B4. Deposits also acceptable on an overnight call basis. Can also deposit with Local Authorities.	Certainty of rate of return and repayment of capital	Liquid, with potential for deterioration in credit risk. Local Authorities not credit rated.
Supra-national bonds	Greater levels of security of investment. A fairly liquid investment, though not as liquid as Gilts	High credit rating as placed with EIB and World Bank (AAA rated). Bond price may vary if sold early
Money Market Fund (MMF)	Similar or better rate than bank deposits, with no penalty charge for early redemption. Same day liquidity	High credit rating via the International Money Market Fund Association or IMMFA (AAA rated)
Gilts	Liquid and very secure. Interest paid every six months	High credit rating as Government backed (AAA rated). Bond price may vary if sold early
Treasury Bills	Liquid and very secure. Duration of < 1 year	No interest paid – they are zero-coupon rated.
Debt Management Agency Account Deposit Facility (DMADF)	Secure investment	High credit rating as Government backed (AAA rated). Interest earned low. Investment cannot be repaid early

The maximum that can be invested in any of the above vehicles is £25m, except for term deposits and MMF's for which no limit is set. The maximum maturity period in any of the above is 1 year, apart from suitably creditworthy banks which can be invested in for up to 2 years, in line with advice from SECTOR.

It is NOT proposed that the Council will be making any Non Specified Investments in 2011/2012 that do not comply with the above, however, should the situation change, the Head of Corporate Finance and Information Systems will report to Cabinet requesting appropriate approval to amend the Strategy before any such investments are made.

2.8.8 The Bank of England Base Rate was reduced significantly in March 2009 to 0.5%. Sector's projections expect the rate to stabilise at 0.5% until starting to rise gradually with a potential increase in Q2 2011 to 0.75% and then up to 3.25% during Q4 2014. Sector's current interest rate view is outlined at **Annex B2**. Given the volatility of the market, the forecasts can only be used

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as a general guide to the future position. Consequently for 2011/12, the Authority has taken a prudent view and budgeted for an investment return based upon Sector's base rate projection during 2011/12.

2.8.8. In order to pursue the strategy of maximising returns from surplus funds at an acceptable level of security and liquidity, the following Brokers as suggested by Sector will be utilised for investments of over one month:

- i) Sterling International Brokers Limited;
- ii) Tradition UK Limited;
- iii) Tullet Prebon Limited.

2.8.9 Virtually any investment involves risk. The Council will consider the credit ratings supplied by a variety of recognised money market organisations, as part of the process to determine the list of Banks where the level of risk is acceptable, with security, then liquidity, being the key aims.

SECTOR supplies a methodology which the Council uses as the basis for producing its counterparty list. It uses a simple mathematical calculation to produce a score which is then used to categorise an institution in terms of the duration of an investment, a spread of scores defining each duration period. Each duration period is classified by a colour as follows

•	Green	3 months
•	Red	6 months
•	Orange	12 months
•	Purple	24 months

The calculation involves taking a simple weighted average across the main three credit ratings agencies, for the key factors of long term ratings, short term ratings, individual support, and external support rating. This gives a final score attributed to the institution. Overlaid over this are rating watches, which can either improve or worsen the score, depending upon whether the rating watch is positive or negative.

Credit default swap data (CDS) is then taken account of as part of the process. If the CDS causes the institution to be classed as being monitored, it is dropped to the next shortest duration. If it is considered to be out of range, it will no longer be considered credit worthy.

The Council will not use the approach suggested by CIPFA of using the lowest rating from all three rating agencies to determine creditworthiness of counterparties, as Moody's are currently very much more aggressive in giving low ratings. This would leave the Council with few banks on the approved counterparty list. The Sector creditworthiness service does however use ratings from all three agencies, but does not give preponderance to just one agency's ratings.

However, to ensure that risk is managed to a greater extent, layered onto the new Sector methodology of selecting institutions for the Council's approved counterparty list will be the previous methodology of firstly choosing institutions that have a scoring of Fitch rating F1+/AA-, with an individual rating of minimum C, and support rating of minimum 2, i.e. excellent credit

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rating. This will define the first group of institutions that will be reviewed for investment purposes. However, any other available institutions that are deemed creditworthy as per the Sector methodology can be used if no suitable institutions are available from the main list.

2.8.10 Information from other sources will also be used such as

- Background research in the financial press
- Discussion with our treasury consultants
- Internal discussion with Head of Corporate Finance and Information Services

As a means of clarifying the level of acceptable risk, the Risk Matrix at **Annex B3** will be used. The Council will only invest in Banks that have a Risk Matrix scoring of F1+, AA- and Buildings Societies with a score of F1 (i.e. low risk) using the Fitch scoring methodology.

The Council maintains a full record of each investment decision taken, each of which is authorised by an appropriate level of signatory.

2.8.11 As noted in last year's report, Cabinet agreed that the limit of investments that can be made to any UK or international banking institution or group was raised from £15m to £25m. This reflected the fact that our counterparty list became drastically reduced following the downgrading of many banks by the credit rating agencies following the credit crunch. However, now that stability has now entered the banking sector, on an operational basis we are using an institutional or group limit of £15m in order to increase security of capital by spreading risk. However, the overall limit of £25m will be maintained as a maximum, should conditions change.

2.8.12 The current list of Banks at **Annex B5** has been produced for information; this takes account of the most up-to-date credit ratings available in respect of the Banks and Building Societies named, and utilising Sector's creditworthiness service. It has also been rationalised to only include institutions that are backed by a sovereign rating of AAA, which implies that national Governments would support the Banks if they were facing financial difficulties. The organisations listed will be monitored daily with the assistance of Sector to ensure they continue to meet the requirements outlined at **Annex B4**. In the event of a change in credit rating or outlook, the Council, with advice from Sector, will evaluate its significance and determine whether to include (subject to Cabinet approval) or remove the organisation from the approval list.

2.8.13 **Nationalised banks** are now recipients of an F1+ short term rating as they effectively take on the creditworthiness of the Government itself i.e. deposits made with them are effectively being made to the Government. They also have a support rating of 1. Hence on both counts they have the highest ratings possible.

2.8.14 **UK banking system support package.** Please note that the UK Government has NOT given a blanket guarantee on all deposits but has underlined its

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determination to ensure the security of the UK banking system by supporting eight named banks with a £500bn support package.

2.8.15 If any of the Council's investments appear at risk of loss due to default (ie this is a credit related loss, and not one resulting from a fall in price due to movements in interest rates) the Council will make an assessment of whether a revenue provision of an appropriate amount is required.

## 2.8.16 Performance monitoring

The performance of the Council's investment strategy will be assessed by monitoring the average interest rate earned against the average 7 day LIBID on a monthly basis. This will be reported to Cabinet on a quarterly basis.

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## ANNEX B2

### SECTOR INTEREST

### RATE FORECAST

#### Sector's Interest Forecast as at 21 February 2011

	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14
Bank rate	0.50%	0.50%	0.75%	1.00%	1.00%	1.25%	1.50%	2.00%	2.25%	2.50%	3.00%	3.25%	3.25%
3 month LIBID	0.70%	0.80%	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	3.00%	3.25%	3.50%	3.50%
6 month LIBID	1.00%	1.10%	1.20%	1.50%	1.80%	2.10%	2.40%	2.60%	2.80%	3.20%	3.50%	3.80%	4.00%
12 month LIBID	1.50%	1.60%	1.80%	2.10%	2.40%	2.70%	3.00%	3.10%	3.20%	3.40%	3.70%	4.00%	4.20%
5yr PWLB rate	3.70%	3.70%	3.70%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	4.50%	4.60%	4.70%	4.80%
10yr PWLB rate	4.90%	4.90%	4.90%	4.90%	4.90%	5.00%	5.10%	5.20%	5.20%	5.30%	5.40%	5.40%	5.50%
25yr PWLB rate	5.40%	5.40%	5.40%	5.40%	5.40%	5.50%	5.50%	5.50%	5.50%	5.60%	5.60%	5.70%	5.70%
50yr PWLB rate	5.40%	5.40%	5.40%	5.40%	5.40%	5.50%	5.50%	5.50%	5.50%	5.60%	5.60%	5.70%	5.70%

## **RISK ASSESSMENT MATRIX**

<b>DEFAULT</b>	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
					<b>EXPOSURE</b>

**RISK TOLERANCE**

- LOW RISK            <2             24 months
- MEDIUM RISK    3-9            12 months
- HIGH RISK         >9 or =9     6 months and below

## **FITCH RATING EXPLANATION**

### **Short term rating**

This places greater emphasis on the liquidity necessary to meet financial commitments.

**F1** – highest credit quality - + denotes exceptionally strong

**F2** – good credit quality

**F3** – fair credit quality

### **Long term rating**

**AAA** – highest credit quality – lowest expectation of credit risk and exceptionally strong capacity to pay financial commitments

**AA** – very high credit quality – very low credit risk and very strong capacity to pay financial commitments

**A** – high credit quality – low credit risk and considered to have strong capacity to pay financial commitments, but may be vulnerable

### **Individual rating**

This assesses how a bank would be viewed if it were entirely independent and could not rely on external support.

**A** – very strong bank – outstanding profitability and balance sheet integrity

**B** – strong bank – no major concerns regarding the bank

**C** – adequate bank – may have one or two troublesome characteristics

**D** – weak

**E** – serious problems

**F** – defaulted

### **Support rating**

Judgement of a potential supporter's (either sovereign state of parent) propensity to support the bank and its ability to support it.

**1** – extremely high probability of external support

**2** – extremely high probability of external support

**3** – moderate probability

**4** – limited probability

**5** – cannot rely on support

### **Rating watch**

This suggests that there is likely to be a rating change of any of the above four ratings.



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Investments with UK and International Banks (including the Nationwide Building Society) are limited by the Head of Corporate Finance and Information Systems to a maximum principal sum of £25m with any of the institutions listed above. A group limit of £25m will also be applied to institutions that are part of a group.

Investment with the Government's Debt Management Account Deposit Facility (DMADF), local authorities or any AAA MR1 + rated or equivalent Money Market Fund (with a maximum 60 day weighted average maturity) will be limited to a maximum principal sum of £25m. However, the Head of Corporate Finance and Information Systems can decide day to day maximum sums lower than this; an operational limit of £15m is currently in place.

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**ANNEX B5**

**SEFTON COUNCIL**  
**STANDARD LENDING LIST – main list**

<b><u>UK and International Banks (including Nationwide Building Society)</u></b>	<b>RATING</b>	<b>Negative rating watch?</b>	<b>Individual rating</b>	<b>Support rating</b>	<b>CDS</b>
<b><u>United Kingdom AAA</u></b>					
Santander UK)	F1+ / AA-	Yes	B	1	Monitoring
Bank of New York Mellon	F1+ / AA-			1	N/A
Barclays	F1+ / AA-	Yes	B	1	In range
Clydesdale Bank	F1+ / AA-	Yes	C	1	N/A
HSBC	F1+ / AA	Yes	B	1	In range
Lloyds TSB/HBOS - nationalised	F1+ / AA-		C	1	N/A
RBS Group – nationalised	F1+ / AA-		C/D	1	N/A
Nationwide	F1+ / AA-	Yes	B	1	In range
<b><u>Canada AAA</u></b>					
Bank of Montreal	F1+ / AA-	Yes	B	1	N/A
Bank of Nova Scotia	F1+ / AA-		B	1	N/A
Canadian Imperial Bank of Commerce	F1+ / AA-	Yes	B	1	N/A
Royal Bank of Canada	F1+ / AA	Yes	A/B	1	N/A
Toronto Dominion Bank	F1+ / AA-	Yes	B	1	N/A
<b><u>Finland AAA</u></b>					
Nordea Bank	F1+ / AA-		B	1	N/A
<b><u>France AAA</u></b>					
BNP Paribas	F1+ / AA	Yes	B	1	In range

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<b><u>UK and International Banks (including Nationwide Building Society)</u></b>	<b>RATING</b>	<b>Negative rating watch?</b>	<b>Individual rating</b>	<b>Support rating</b>	<b>CDS</b>
CNCE Calyon Corporate & Investment	F1+ / AA-	Yes	C	1	In range
Credit Industriel et Commercial	F1+ / AA-		B/C	1	N/A
Credit Agricole	F1+ / AA-	Yes		1	In range
<b><u>Germany AAA</u></b>					
Deutsche Bank	F1+ / AA-	Yes	B/C	1	In range
Landwirtschaftliche retenbank	F1+/AAA		W/D	1	N/A
<b><u>Netherlands AAA</u></b>					
Bank Nederlandse Gemeenten	F1+ / AAA		A	1	N/A
Coop Centrale Raiffeisen – Boerenleenbank BA	F1+ / AA+	Yes	A/B	1	In range
<b><u>Singapore AAA</u></b>					
DBS	F1+ / AA-		B	1	In range
Overseas Chinese Banking Corporation	F1+ / AA-		B	1	In range
United Overseas Bank	F1+ / AA-		B	1	In range

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<u>UK and International Banks (including Nationwide Building Society)</u>	RATING	Negative rating watch?	Individual rating	Support rating	CDS
<b><u>Sweden AAA</u></b>					
Nordea Bank	F1+ / AA-	Yes	B	1	N/A
Svenska Handelsbanken	F1+ / AA-	Yes	B	1	In range
<b><u>Switzerland AAA</u></b>					
Credit Suisse	F1+ / AA-	Yes	B	1	In range
<b><u>USA AAA</u></b>					
Bank of New York Mellon	F1+ / AA-	Yes	A/B	2	N/A
Deutsche Bank Trust Company Americas	F1+ / AA-	Yes	N/R	1	N/A
HSBC Bank USA	F1+ / AA	Yes	B/C	1	N/A
JP Morgan Chase Bank	F1+ / AA-	Yes	B	1	In range
Northern Trust Company	F1+ / AA-	Yes	B	1	N/A
Wells Fargo	F1+ / AA-	Yes	B	1	In range



SEFTON COUNCIL

MONEY LAUNDERING

POLICY

2011/12



CORPORATE FINANCE AND INFORMATION SERVICES

## 1. **Introduction**

- 1.1. This document sets out the Council's policy in relation to money laundering. The aim of the policy is to outline the approach the Council will adopt complying with its legal and professional obligations in relation to money laundering. The policy applies to all employees of the Council and aims to maintain the high standards of conduct that currently exist within the Council by preventing criminal activity through money laundering.

## 2. **What is Money Laundering?**

- 2.1. Money laundering is defined within Part 7 of the Proceeds of Crime Act (POCA) 2002 and Section 18 of the Terrorism Act 2000.
- 2.2. Money laundering is defined as:
- a) Concealing, disguising, converting, transferring criminal property or removing it from the UK (s327 of the POCA 2002); or
  - b) Entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person (s328 of the POCA 2002); or
  - a) Acquiring, using or possessing criminal property (s329 of the POCA 2002); or
  - b) Becoming concerned in an arrangement facilitating concealment, removal from the jurisdiction, transfer to nominees or any other retention or control of terrorist property (s18 of the Terrorism Act 2000).
- 2.3. The above are the primary money laundering offences and thus prohibited acts under the legislation.
- 2.4. Potentially, any member of staff could be caught by the money laundering provisions if they suspect money laundering and either become involved with it and/or do nothing about it. This policy outlines the approach to be taken in raising any concerns about money laundering.
- 2.5. It is recognised that the risk to the Council of contravening the legislation is low. However, it is extremely important that all employees are familiar with the legal responsibilities, as serious criminal penalties can be imposed for breaches of the legislation.

## 3. **Obligations on the Council**

- 3.1. The Council is required to undertake the following:
- a) Appoint a Money Laundering Reporting officer ("MLRO") to receive disclosures from employees concerning suspicions of money laundering activity;
  - b) Implement disclosure procedures to enable the reporting of suspicions of money laundering by all staff;

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- c) Provide training to those staff considered to be most likely to encounter money laundering.

## 4. **The Money Laundering Reporting Officer**

- 4.1. The officer nominated to receive disclosures about money laundering activity within the Council (w.e.f. 1 April 2011) will be Margaret Rawding, Head of Corporate Finance and Information Services, who can be contacted as follows:

Address: 4th Floor, Magdalen House, Trinity Road, Bootle, L20 3NJ  
Telephone No: 0151 934 4096.

- 4.2. The officer nominated to act as deputy in the absence of the MLRO is Mike Martin, Strategic Finance Manager, who can be contacted as follows:

Address: 4th Floor, Magdalen House, Trinity Road, Bootle, L20 3NJ  
Telephone No: 0151 934 3506.

## 5. **Disclosure Procedure**

- 5.1. Following approval of the policy, guidelines will be separately produced by the MLRO and made available to all staff detailing the action that should be taken in the event of suspicions of money laundering. They will include a value limit for cash transactions above which staff must report the transaction to the MLRO. The value of this transaction limit has been set at £10,000.
- 5.2. The Guidelines will be drafted in a manner that ensures the Council and its staff act in a manner which complies with the relevant money laundering legislation. The guidelines will detail:
  - a) How staff should report their suspicions to the MLRO;
  - b) Action to be taken by staff once the report has been made to the MLRO;
  - c) Evaluation action to be taken by the MLRO on receipt of a report;
  - d) Action to be taken by the MLRO following evaluation of the report.

## 6. **Training and Awareness**

- 6.1. The success of the Council's actions in seeking to prevent money laundering will depend largely on the communication of the policy and guidelines to staff, particularly those staff more involved in the handling of cash transactions which could be significant and exceed the transaction limit noted at Para 5.1. In respect of current staff, communication of the money laundering policy and guidelines will be carried out as part of the normal cascading of information by senior management within the Council and by publishing the documents on the intranet.
- 6.2. Communication of the policy and guidelines will also be achieved as part of induction training of relevant new employees of the Council.



## 7. **Summary**

- 7.1. The Council is determined to ensure that it has robust procedures in order to prevent money laundering as a result of criminal activity. This Policy has been written in order to ensure that the Council establishes procedures that will ensure that it meets its legal and professional requirements in relation to money laundering but in a way that reflects the low risk to the Council of contravening the legislation.

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# Agenda Item 10

**REPORT TO:** Cabinet  
Council

**DATE:** 3 March 2011

**SUBJECT:** The Prudential Code for Capital Finance in Local  
Authorities – Prudential Indicators

**WARDS AFFECTED:** All

**REPORT OF:** Margaret Carney  
Chief Executive and S151 Officer  
0151 934 2057

**CONTACT OFFICER:** Jeff Kenah  
Corporate Finance Manager  
0151 934 4104

**EXEMPT/CONFIDENTIAL:** No

**PURPOSE/SUMMARY:**

To establish the Prudential Indicators for Sefton required under the Prudential Code for Capital Finance in Local Authorities.

**REASON WHY DECISION REQUIRED:**

To enable the Council to effectively manage its Capital Financing activities, and comply with the CIPFA Prudential Code for Capital Finance in Local Authorities.

**RECOMMENDATION(S):**

Cabinet is recommended to:

- a) Approve the Prudential Indicators detailed in the report, and summarised in Annex A, as the basis for compliance with The Prudential Code for Capital Finance in Local Authorities;
- b) Approve the amendments of relevant Prudential Indicators in the event that any unsupported borrowing is approved as part of the 2011/2012 Revenue Budget;
- c) Delegate authority to the Head of Finance and Information Services to manage the Authorised Limit and Operational Boundary for external debt as detailed in Section 5 of the report; and
- d) Refer the report to Council for approval.

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**KEY DECISION:** No, this report does not represent a key decision in itself but is critical in the delivery of the 2011/2012 Budget, which is a key decision for the Council.

**FORWARD PLAN:** No – see above.

**IMPLEMENTATION DATE:** With effect from 1 April 2011.

**ALTERNATIVE OPTIONS:**

There are no alternative options. Under The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 the Council must have regard to the CIPFA Prudential Code for Capital Finance in Local Authorities.

**IMPLICATIONS:**

**Budget/Policy Framework:** The establishment and monitoring of Prudential Indicators will ensure that the financial implications of capital investment will be contained within approved revenue budgets.

**Financial:** See above.

<b><u>CAPITAL EXPENDITURE</u></b>	<b>2010/ 2011 £</b>	<b>2011/ 2012 £</b>	<b>2012/ 2013 £</b>	<b>2013/ 2014 £</b>
Gross Increase in Capital Expenditure	N/a	N/a	N/a	N/a
Funded by:				
Sefton Capital Resources	N/a	N/a	N/a	N/a
Specific Capital Resources	N/a	N/a	N/a	N/a
<b><u>REVENUE IMPLICATIONS</u></b>				
Gross Increase in Revenue Expenditure	N/a	N/a	N/a	N/a
Funded by:				
Sefton funded Resources	N/a	N/a	N/a	N/a
Funded from External Resources	N/a	N/a	N/a	N/a
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

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**Legal:** To comply with The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003.

**Risk Assessment:** Operation within the Prudential Indicators will minimise the risk of any additional revenue budget pressures resulting from capital financing decisions.

**Asset Management:** None.

## CONSULTATION UNDERTAKEN/VIEWS:

None.

## CORPORATE OBJECTIVE MONITORING:

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

## LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT:

The CIPFA Prudential Code for Capital Finance in Local Authorities.

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## BACKGROUND:

### 1. Introduction

- 1.1. The CIPFA Prudential Code for Capital Finance in Local Authorities (The Prudential Code) was introduced following the Local Government Act 2003. It details a number of measures/limits/parameters (Prudential Indicators) that are required to be set each financial year. The approval of these limits will ensure that the Council complies with the relevant legislation and is acting prudently and that its capital expenditure proposals are affordable. This report presents for approval the Prudential Indicators required to be set by the Council in 2011/2012 to comply with the Code.
- 1.2. The Council is required to approve Prudential Indicators for the following items:
- (i) Capital Expenditure (Section 2);
  - (ii) Financing Costs/Net Revenue Stream (Section 3);
  - (iii) Capital Financing Requirement (Section 4);
  - (iv) External Debt (Section 5-6);
  - (v) Impact on Council Tax (Section 7);
  - (vi) Treasury Management Indicators (Section 8).

These indicators are presented in the following paragraphs and summarised at Annex A.

### 2. Prudential Indicator – Capital Expenditure

- 2.1. This indicator details the overall total planned capital expenditure of the Council and therefore reflects the Council's Capital Programme. This is the subject of a separate report elsewhere on today's agenda.
- 2.2. The actual capital expenditure that was incurred in 2009/2010 and the estimates for the current and future years capital programme recommended for approval are:-

	<u>2009/2010</u> <u>Actual</u> <u>£m</u>	<u>2010/2011</u> <u>Estimate</u> <u>£m</u>	<u>2011/2012</u> <u>Estimate</u> <u>£m</u>	<u>2012/2013</u> <u>Estimate</u> <u>£m</u>	<u>2013/2014</u> <u>Estimate</u> <u>£m</u>
Children's Services	27.885	36.792	9.494	0.610	0.000
Housing – General Fund	18.460	15.443	8.052	0.000	0.000
Technical Services	7.731	6.507	1.747	3.000	0.300
Other Services	20.022	24.502	23.817	8.009	4.068
Total	74.098	83.244	43.110	11.619	4.368

- 2.3. At this time, the Council has only received provisional indications as to the capital resources it may be given in 2012/2013 and 2013/2014 and this is reflected in the current levels of planned expenditure. The reductions noted in 2011/12 reflect the ending of major schemes such as Litherland OSP, and the effect of the Comprehensive Spending Review.

### 3. **Prudential Indicator – Financing Costs/Net Revenue Stream**

- 3.1. This indicator measures the total capital financing costs of capital expenditure as a proportion of the total level of income from Government grants and local Council Taxpayers. From 2011/12 Net Revenue Stream no longer includes Area Based Grant, but includes Council Tax Freeze Grant.
- 3.2. Estimates of the ratio for the current and future years and the actual figures for 2009/2010 are:

<b>Financing Costs/Net Revenue Stream</b>					
	<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>	<u>2013/2014</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
General Fund	4.4%	5.2%	6.4%	6.9%	6.7%

- 3.3. The estimates of financing costs include current commitments and proposals contained in the capital programme. The movement in the figure reflects the reduction in investment income earned during 2010/11 and projected in future years, as a result of the reduction in the Bank of England base rate as a ongoing consequence of the events of the banking crisis in 2009.

### 4. **Prudential Indicator – Capital Finance Requirement**

- 4.1. The Capital Financing Requirement indicator reflects the Authority's underlying need to borrow for a capital purpose. This is based on historic capital financing decisions and a calculation of future years planned capital expenditure requirements. It should be noted that the Council's PFI scheme for Crosby Leisure Centre has now been included as part of the Capital Financing Requirement. This is due to the implementation of International Financial Reporting Standards and the anticipated need for the scheme to be brought back onto the balance sheet from 2009/10 (previously it had been accounted for "off balance sheet").

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- 4.2. Estimates of the end of year Capital Financing Requirement for the current and future years are set out in the table below:

<b>Capital Financing Requirement</b>					
	<u>31/03/10</u>	<u>31/03/11</u>	<u>31/03/12</u>	<u>31/03/13</u>	<u>31/03/14</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
General Fund	182.400	194.700	207.000	204.000	199.000

- 4.3. CIPFA's Prudential Code for Capital Finance in Local Authorities includes the following statement as a key indicator of prudence:

*"In order to ensure that the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short-term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years".*

- 4.4. The Authority will comply with this requirement in 2011/12, 2012/13 and 2013/14.

## 5. **Prudential Indicator – Borrowing Limits**

- 5.1. External borrowing undertaken by the Council arises as a consequence of all the financial transactions of the Authority, both capital and revenue, and not simply those arising from capital spending. The Council manages its Treasury Management position in terms of its external borrowings and investments in accordance with its approved Treasury Management Strategy and Policy Statements. These documents are presented for approval elsewhere on today's agenda.

### 5.2. The Operational Boundary

- 5.2.1. The Operational Boundary sets a limit on the total amount of long-term borrowing that the Council can undertake. It reflects the Authority's current commitments, existing capital expenditure plans, and is consistent with its approved Treasury Management Policy Statement and practices. The figures are based on prudent estimates.

- 5.2.2. In respect of the Operational Boundary it is recommended that the Council approves the following limits for the next three financial years. These limits separately identify borrowing from other long-term liabilities.



<b>Operational Boundary</b>				
	<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>	<u>2013/2014</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Borrowing (long-term)	140.000	159.000	163.000	164.000
Other long term liabilities	7.500	6.500	6.500	5.500
<b>Total</b>	<b>147.500</b>	<b>165.500</b>	<b>169.500</b>	<b>169.500</b>

5.2.3. The Council is asked to approve these limits and to delegate authority to the Head of Corporate Finance and Information Services to manage the movement between the separately agreed limits for borrowing and other long-term liabilities within the total limit for any individual year. Any such changes made will be reported to Members at the earliest opportunity.

### 5.3. The Authorised Limit

5.3.1. The Authorised Limit sets a limit on the amount of borrowing (both short and long-term) that the Council undertakes. It uses the Operational Boundary as its base but also includes additional headroom to allow, for example, for exceptional cash movements. Under the terms of section 3 (1) of the Local Government Act 2003, the Council is legally obliged to determine and review how much it can afford to borrow i.e. the authorised limit. The authorised limit determined for 2011/12 will be the statutory limit determined under section 3 (1).

5.3.2. The Council is asked to delegate authority to the Head of Corporate Finance and Information Services to effect movement between the separately agreed figures for borrowing and other long-term liabilities within the total authorised limit for any year. Any such changes will be reported to the Council at the earliest opportunity. The Authorised Limit for external debt is:

<b>Authorised Limit</b>				
	<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>	<u>2013/2014</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Borrowing (short & long-term)	155.000	174.000	178.000	179.000
Other long term liabilities	7.500	6.500	6.500	5.500
<b>Total</b>	<b>162.500</b>	<b>180.500</b>	<b>184.500</b>	<b>184.500</b>

### 6. Prudential Indicator – Actual External Debt

6.1. The Prudential Code requires that in setting indicators for 2011/12, the Council reports its actual levels of external debt as at 31 March 2010. The Council's actual external debt at 31 March 2010 was £118.937 comprising £111.935m borrowing and £7.002m other long-term liabilities.

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## **7. Prudential Indicator – Impact on Council Tax**

- 7.1. Under the Prudential Code, Local Authorities are able to decide the level of borrowing required to meet the demands of the capital programme. The Authority is given revenue support for borrowing up to a limit determined by Central Government, and this will therefore have no effect on the Council Tax. However, any unsupported borrowing will have to be funded by Council Taxpayers. As such, these indicators are a key measure of affordability of unsupported borrowing undertaken to support capital investment decisions.
- 7.2. The indicators for the impact on Council Tax of unsupported borrowing are to reflect any ADDITIONAL/NEW unsupported borrowing approval.
- 7.3. Due to current budget constraints no new starts have been included within the 2011/12 capital programme.
- 7.4. In the event that any amendments are made to the New Starts Capital Programme considered on today's agenda, the actual indicator will be recalculated accordingly.

## **8. Prudential Indicator – Treasury Management**

- 8.1. The Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Services. The annual Policy and Strategy Documents establish the following limits/controls for interest rate exposure, debt maturity profiles and an upper limit for investments made by the Council for more than 364 days.

### **8.1.1. Interest Rate Exposure**

- i) An upper limit on its fixed interest rate exposures for 2011/2012 – 2013/2014 of 250% of its net outstanding principal sums;
- ii) An upper limit on its variable interest rate exposures for 2011/2012 – 2013/2014 of -50% of its net outstanding principal sums.

This indicator calculates exposure of either fixed or variable rate borrowings, less fixed or variable rate investments, expressed as a percentage of both fixed and variable rate borrowings net of fixed and variable rate investments.

This prudential indicator has been revised this year due to a number of breaches noted in 2010/11. This revision is because in order to protect the security and liquidity of the Council's funds more cash deposits are being placed overnight rather than long term.

## 8.1.2. Debt Maturity Profile

A debt maturity profile is detailed in the following table i.e. the amount of borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate.

<b>Debt Maturity Profile</b>	<u>Upper limit</u>	<u>Lower limit</u>
Under 12 months	35%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	40%	0%
10 years and above	90%	25%

## 8.1.3. Investments Over 1 Year

An upper limit on the value of non-specified investments over 1 year, but less than 5 years with Banks/Building Societies (as approved in the annual Policy and Strategy Documents) of 40% of Total Investments. This limit will be kept under review to take advantage of any opportunities in the current money market. Members will be advised of any change.

## 9. Monitoring Prudential Indicators

- 9.1. Having established the Prudential Indicators the Head of Corporate Finance and Information Services will monitor them during the year and report on actual performance as part of the Council's Annual Accounts. In the event of any variations during a financial year, reports will be presented to Cabinet highlighting the variation, the reason and the corrective action to be taken.

## 10. Recommendations

- 10.1. Cabinet is recommended to:

- a) Approve the Prudential Indicators detailed in the report, and summarised in Annex A to be used as the basis for compliance with The Prudential Code for Capital Finance in Local Authorities;
- b) Approve the amendments of relevant Prudential Indicators in the event that any unsupported borrowing is approved as part of the 2011/2012 Revenue Budget;
- c) Delegate authority to the Head of Corporate Finance & Information Services to manage the Authorised Limit and Operational Boundary for external debt as detailed in Section 5 of the report; and
- d) Refer the report to Council for approval.

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## Summary of Prudential Indicators.

## ANNEX A

<b>Capital Expenditure - 2009/2010 to 2013/2014 (Para 2)</b>					
	2009/10 £'000 Actual	2010/11 £'000 Estimate	2011/12 £'000 Estimate	2012/13 £'000 Estimate	2013/14 £'000 Estimate
Education	27.885	36.792	9.494	0.610	0.000
Housing – General Fund	18.460	15.443	8.052	0.000	0.000
Technical Services	7.731	6.507	1.747	3.000	0.300
Other Services	20.022	24.502	23.817	8.009	4.068
<b>TOTAL</b>	<b>74.098</b>	<b>83.244</b>	<b>43.110</b>	<b>11.619</b>	<b>4.368</b>

<b>Financing Costs/Net Revenue Stream (Para 3)</b>					
	2009/10 Actual	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate
	4.4%	5.2%	6.4%	6.9%	6.7%

<b>Capital Financing Requirement (Para 4)</b>					
	31/03/10 £'000 Actual	31/03/11 £'000 Estimate	31/03/12 £'000 Estimate	31/03/13 £'000 Estimate	31/03/14 £'000 Estimate
	182.400	194.700	207.000	204.000	199.000

<b>Operational Boundary (Para 5)</b>				
	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m
Borrowing	140.000	159.000	163.000	164.000
Other long term liabilities	7.500	6.500	6.500	5.500
<b>Total</b>	<b>147.500</b>	<b>165.500</b>	<b>169.500</b>	<b>169.500</b>

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<b>Authorised Limit (Para 5)</b>				
	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m
Borrowing	155.000	174.000	178.000	179.000
Other long term liabilities	7.500	6.500	6.500	5.500
<b>Total</b>	<b>162.500</b>	<b>180.500</b>	<b>184.500</b>	<b>184.500</b>

<b>Unsupported Borrowing (Para 7)</b>				
	2010/1 £m	2011/12 £m	2012/13 £m	2013/14 £m
General Fund	0.000	0.000	0.000	0.000

<b>Impact on the Band D Council Tax (Para 7 – New starts)</b>				
	2010/11 £	2011/12 £	2012/13 £	2013/14 £m
	0.000	0.000	0.000	0.000

<b>Limit on Interest Rate Exposure (Para 8)</b>		
	Upper Limit	Lower Limit
Fixed Borrowing/ Investment	250%	150%
Variable Borrowing/ Investment	-50%	-150%

<b>Fixed Rate Debt Maturity (Para 8)</b>		
	Upper Limit	Lower Limit
Under 12 months	35%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	40%	0%
10 years and above	90%	25%

<b>Investments over 1 Year (Para 8)</b>	
Non-Specified Investments over 1 year but less than 5 years with approved Banks/Building Societies	) 40% of Total Investments

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# Agenda Item 11

**REPORT TO:** Cabinet  
Council

**DATE:** 3 March 2011

**SUBJECT:** Capital Programme

**WARDS AFFECTED:** All

**REPORT OF:** John Farrell - Interim Head of Corporate  
Finance and ICT  
Bill Milburn - Strategic Director Communities  
Charlie Barker - Strategic Director Social Care  
and Wellbeing  
Peter Morgan - Strategic Director Children,  
Schools and Families

**CONTACT OFFICER:** Mike Martin –Strategic Finance Manager  
0151 934 3506

**EXEMPT/CONFIDENTIAL:** No

## **PURPOSE/SUMMARY:**

To consider the formulation of the capital programme as part of the budget setting process for approval by Council. The report also includes some recommendations to change the Constitution for approval by Council that will improve accountability and management of the capital programme.

## **REASON WHY DECISION REQUIRED:**

The recommended capital programme must be approved by Cabinet as part of the budget setting process.

## **RECOMMENDATION(S):**

Cabinet is requested to:-

- a) Approve the revised phasing of the ongoing Capital Programme as shown in Annex A;
- b) Approve the inclusion of the Leisure and Tourism capital schemes, funded from specific capital resources and outlined in paragraph 2.4, in the 2010/11 capital programme;
- c) Recommend to Council that the proposals outlined in section 3 to change the Scheme of Delegation in the Constitution be made;
- d) Confirm that the allocations detailed in paragraph 4.5.1 are utilised by the relevant service, with proposals for their use reported in line with the Constitution;
- e) Note the approval by the Environment Agency of the Regional Coastal Monitoring Programme 2011/16 as outlined in paragraph 4.6.11;
- f) Refer the report to Council for approval.

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## Council is requested to :-

- a) Approve the Capital Programme;
- b) Approve the inclusion of the Leisure and Tourism capital schemes, funded from specific capital resources and outlined in paragraph 2.4, in the 2010/11 capital programme;
- c) Approve the recommended changes to the Scheme of Delegation and the Constitution as outlined in section 3 of the report;
- d) Confirm that the allocations detailed in paragraph 4.5.1 are utilised by the relevant service, with proposals for their use reported in line with the Constitution;
- e) Approve the inclusion of the North West Regional Monitoring Strategy in the capital programme at a cost of £879,000 in 2011/12, fully funded from Environment Agency grant and that future years' allocations will be included as and when final confirmation is received from DEFRA.

**KEY DECISION:** Yes

**FORWARD PLAN:** Yes

**IMPLEMENTATION DATE:** Following Council on 3 March 2011

## ALTERNATIVE OPTIONS:

To not approve the capital programme may prevent progress of capital schemes.

## IMPLICATIONS:

**Budget/Policy Framework:** The revenue implications of the ongoing schemes presented in this report can be contained in the draft Base Budget for 2011/12, which is the subject of a separate report on the agenda.

**Financial:** See above

**Legal:** The report includes some recommended changes to the Council's Constitution. These have been formulated in conjunction with the Head of Legal Services and the Strategic Asset Management Group.

**Risk Assessment:** Delivery of certain schemes in the programme for example, those of a health and safety nature will reduce that level of risk to which the Council may be exposed.

**Asset Management:** Approval of the capital programme will enable the delivery of the Council's Asset Management Plan.

## CONSULTATION UNDERTAKEN/VIEWS

Strategic Asset Management Group



Head of Legal Services (LD00060/11)

The Interim Head of Corporate Finance & Information Services has been consulted and his comments have been incorporated into this report.

**FD 674/2011**

## **CORPORATE OBJECTIVE MONITORING:**

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

### **LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT**

[www.local.communities.gov.uk/finance/1112/capitalgrant](http://www.local.communities.gov.uk/finance/1112/capitalgrant)

Letter from Department for Education: Local Authority Allocations – 13 December 2010

Letter from Department for Transport: Local Transport Settlement (2011/12 – 2012/13) – 13 December 2010

Letter from Department for Health : Adults' Personal Social Services: Specific Revenue Grants and Capital Grant Allocations for 2011-12 and 2012-13 – 13 December 2010

Letter from Environment Agency : Flood and Coastal Erosion Risk Management CAPITAL GRANT ALLOCATION – 10 February 2011

# Agenda Item 11

## 1. Introduction

- 1.1. This report considers the latest position in respect of 2010/11 and includes proposals for a review of the funding of capital investments that will allow the development of a new starts programme for 2011/12 in the light of recent resource notifications received from Central Government and the formulation of the Revenue Budget.

## 2. Capital Programme 2010/11

- 2.1. Following the review of the capital programme by Cabinet on 2 September 2010, which resulted in the resources associated with several uncommitted capital schemes being released, all remaining approved and ongoing schemes have now been completely reviewed and any changes have reflected in the ongoing capital programme attached at Annex A.

- 2.2. In summary, the payments to be made within the ongoing capital programme will be resourced as follows:

<b>Resource</b>	<b>2010/11</b>	<b>2011/12</b>	<b>Later</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Supported borrowing	4.486	2.061	0.023
Prudential borrowing	14.442	17.550	6.156
Grants	60.929	15.712	8.408
Contributions	1.271	0.531	1.370
Capital receipts	1.150	5.987	0.000
Direct revenue funding	0.966	0.269	0.030
	<b>83.244</b>	<b>42.110</b>	<b>15.987</b>

- 2.3. The Council has received two capitalisation directions, for 2010/11 only, which have been included in Annex A and are detailed below:-

Equal pay capitalisation	£2.151m
Redundancy pay capitalisation	£3.040m
<b>Total</b>	<b>£5.191m</b>

- 2.4. The following Section 106 funded schemes were approved by the Strategic Asset Management Group in the latter part of 2010. Furthermore, both the Hatton Hill and Tree Planting schemes were reported to Leisure and Tourism Cabinet Member on 3 November 2010, where it was resolved that Cabinet be requested to include the schemes in the capital programme.

South Park Improvements, Bootle	£253,000
Hatton Hill Park Improvements, Litherland	£68,000
North Park Improvements, Bootle	£127,000
Derby Park Improvements, Bootle	£67,500
Tree Planting Programme 2010/11	£125,500
<b>Total</b>	<b>£641,000</b>

All of the above expenditure can be funded in full from various Section 106 deposits received by the Council. Currently, the Constitution requires Cabinet approval for such schemes to be included in the capital programme and, therefore, to proceed.

## 3. Proposed Changes to the Constitution

- 3.1 The Constitution, as it relates to Standing Orders Relating to Financial Matters, specifically section 13 – Capital Programme and Expenditure on page 230, currently states:

*“13.1 Each Chief Officer, in conjunction with the Chief Executive and the Finance and IS Director, shall compile such programmes of projects of a capital nature as from time to time shall be required by the Council.*

*13.2 Subsequent to the Council's adoption of the capital programme and before any expenditure (other than preliminary expenditure necessary for the preparation of the scheme) is incurred, individual schemes shall be submitted to the Council for approval together with a financial appraisal of the scheme prepared jointly by the Finance and IS Director and the appropriate Chief Officer.”*

- 3.2 The requirements in sub paragraph 13.2 causes administrative burdens and, at times, can lead to inordinate delays in progressing schemes with the possibility of incurring additional costs. The matter has been considered and reviewed by the Strategic Asset Management Group (SAMG) and the following amendments are recommended:

*“13.1 Each Chief Officer in conjunction with the Chief Executive and Head of Corporate Finance shall compile and allocate such programmes of projects of a capital nature as from time to time shall be required by the Council.*

*13.2 Subsequent to the Council adopting the general Capital Programme and before any expenditure (other than preliminary expenditure necessary for the preparation of a scheme) is incurred, individual capital schemes over £500,000 in value shall be submitted to the Cabinet for approval together with a financial appraisal of the scheme prepared jointly by the Head of Corporate Finance and the appropriate Chief Officer. Individual capital schemes under £500,000 in value shall be submitted to the appropriate Cabinet Member for approval together with a financial appraisal.”*

- 3.3 SAMG also considered matters relating to potential capital schemes to be funded from resources generated by planning requirements under Section 106 (Town and Country Planning Act 1990) and Section 278 (Highways Act 1980). It is recommended that the Delegation to Planning Committee on page 63 of the Constitution be amended to read :

*“(A) COMMITTEE {P.63}*

*3. Authorisation to enter into agreements under Section 106 of the Town and Country Planning Act 1990 and S. 278 of the Highways Act 1980 for planning purposes and to approve entry into the budgetary process at the appropriate time of any commuted sums payable thereunder.”*

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- 3.4 As a consequence of the changes in paragraphs 3.2 and 3.3 above it will be necessary to amend the Scheme of Delegation of Responsibility for Executive Functions to Cabinet; specifically item 13 on page 101 of the Constitution as follows:

*"CABINET {P.101}*

*13 Implementation and monitoring of budget changes including the approval of the entry of new Schemes into the Capital Programme."*

## **4. Capital Resources 2011/12**

- 4.1 As part of its Spending Review 2010, announced last October, the Government made the decision that no new supported borrowing (SCE(R)) allocations will be made in the review period. In future, Government capital support will be given in the form of capital grants only, with the aim of offering greater transparency, simplicity and targeted funding for capital purposes.
- 4.2 However, whilst there are no new SCE (R) allocations in 2011/12, the level of assumed outstanding debt is still included in the Formula Grant calculation as in previous years.
- 4.3 As part of the Government's decentralisation agenda, the Spending Review aims to provide freedom and flexibility to Councils. As a result, capital grants to Councils have been simplified. The majority of capital grants are now completely non-ringfenced and there are fewer grant regimes for Councils to deal with.
- 4.4 Under the Prudential Code, the Council can supplement Government capital support by "prudential borrowing" funded exclusively from the Council's revenue budget. Such borrowing must be affordable and within authorised limits approved by the Council (there is a report elsewhere on this agenda on Treasury Management Policy and Strategy 2011/2012 dealing with these limits). Members should note that the revenue budget proposals for 2011/12 do not include any provision to support any new capital expenditure funded by prudential borrowing.

## **4.5 Government Capital Allocations 2011/2012**

- 4.5.1 The table below itemises capital allocations that have been notified to date for 2011/12; the 2010/11 figures, where applicable, are shown for comparison.

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	2010/11 £'000	2011/12 £'000	Variation £'000
Children's Services - Devolved Formula Capital (ringfenced)	1,895	620	-1,275
Children's Services - Basic Need	655	894	+239
Children's Services - Capital Maintenance	-	3,516	+3,516
Children's Services - Modernisation	1,287	-	-1,287
Children's Services - Targeted Capital Fund Grant	5,000	-	-5,000
Children's Services - Extended Schools Grant	237	-	-237
Children's Services - Youth Capital Fund Grant	75	-	-75
Children's Services - Primary Capital Programme Grant	5,996	-	-5,996
Children's Services - Schools Access Initiative	401	-	-401
Children's Services - Personal Social Services	45	-	-45
Children's Services – Aiming High for Disabled Children Grant	391	-	-391
Children's Services – Playbuilder Grant	275	-	-275
Children's Services - City Learning Centres Grant	300	-	-300
<b>Total Children's Services</b>	<b>16,557</b>	<b>5,030</b>	<b>-11,527</b>
HMR Grant	7,577		-7,577
HCA Grant	2,548		-2,548
Housing – Regional Housing Pot	2,188		-2,188
Disabled Facilities Grant #	1,336	TBC	?
<b>Total Housing</b>	<b>13,649</b>	<b>-</b>	<b>-12,313</b>
Social Services - Social Care Grant	147	-	-147
Social Services - Mental Health Grant	150	-	-150
Social Services -Adult Social Care IT Infrastructure Grant	112	-	-112
Social Services – Investment for Transformation in Adult Social Care Grant	197	-	-197
Dept. of Health Capital Grant	-	797	+797
<b>Total Social Services</b>	<b>606</b>	<b>797</b>	<b>+191</b>
Highways Maintenance	2,421	2,474	+53
Integrated Transport Block Grant (indicative)	2,683	981	-1,702
De-trunked Roads Maintenance Grant	226	-	-226
<b>Total Transportation</b>	<b>5,330</b>	<b>3,455</b>	<b>-1,875</b>
<b>Total Allocations</b>	<b>36,142</b>	<b>9,282#</b>	<b>-25,524</b>

**Note #** The 2011/12 capital allocation in respect of Disabled Facilities Grants is still awaited. Members are reminded that all 2011/12 allocations are now

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capital grant. Previous years' allocations, except where described, have been supported borrowing approvals.

- 4.5.2 The significant reduction in Children's Services capital allocations is as a result of the removal of several annual funding streams such as Modernisation and Schools' Access Initiative. The Targeted Capital Fund was a specific allocation but for 2009/10 and 2010/11 only.
- 4.5.3 In respect of the Children's Services Devolved Formula Capital ringfenced allocation, the Secretary of State for Education made the following comments in his ministerial statement on education spending. *"The Devolved Formula Capital Grant is a much lower rate than previously. The Audit Commission criticised the allocation of large amounts of funding to schools that was not targeted to building need. Therefore, in view of the need to prioritise, I have balanced the bulk of maintenance funding to local authorities, to support local prioritisation and larger projects, with coordinated and efficient procurement"*.
- 4.5.4 The Children's Services Capital Maintenance allocation is a new funding stream, which is aimed at ensuring that buildings and equipment are properly maintained, to ensure that health and safety standards are met, and to prevent a backlog of decay building up which is expensive to address.
- 4.5.5 As part of the Spending Review, the Department for Transport has announced a radical simplification of local transport funding, moving from 26 separate grant streams to just 4:-
- a new Local Sustainable Transport Fund (capital and revenue);
  - major schemes (capital);
  - block funding for Highways Maintenance (capital); and
  - block funding for Integrated Transport (capital).
- The allocations are now distributed via the local Integrated Transport Authority (ITA).
- 4.5.6 The Department for Transport has established a new £560m Local Sustainable Transport Fund to support packages of transport interventions that promote economic growth and reduce carbon emissions in their communities. In addition to delivering cleaner environments and improved air quality the fund aims to promote enhanced road safety and reduce congestion. The fund will be in the form of £350m revenue and £210m capital resources spread nationally over the next four years. Authorities will be invited to bid for funds, with the allocations being announced later in the year.
- 4.5.7 Members are informed that on 4 February 2011 the Department for Transport approved the Council's funding bid for the Thornton to Switch Island Link Road capital scheme. The Council will receive £14.5m of capital grant towards the £19.238m scheme; the balance is to be funded from the approved ongoing capital programme by prudential borrowing. This is the subject of a separate report elsewhere on the agenda.
- 4.5.8 The Council has in the past received an allocation of capital grant from the Regional Housing Pot. In 2010/2011 this allocation was £2.188m. However, from 2011/2012 onwards these resources will no longer be made available. Similarly the Council received grants from Government and the Homes and Communities Agency for the Housing Market Renewal Initiative (HMR) but

these are ceasing at 31 March 2011; any grant that is not utilised at the year end may be carried forward to meet expenditure falling into 2011/12. Members should note that there are sufficient resources to meet the existing commitments of the HMR programme in 2011/12 shown in Annex A.

- 4.5.9 Traditionally, the Cabinet has recommended that all capital allocations should be utilised by the appropriate service receiving the allocation. As indicated in paragraph 4.3 above, the Government has removed the ringfence from the majority of capital allocations. However, Members should note that the Highways allocations are controlled via the local ITA, the implication being that if they are not used for transport related schemes the ITA could withhold the grant which could place the Council at risk of having a shortfall of capital resources.
- 4.5.10 Accordingly, Members are therefore asked to confirm that the allocations detailed in paragraph 4.5.1 are utilised by the relevant service. Officers will then formulate proposals for a new starts capital programme for 2011/12 and report them in line with the changes to the Constitution as outlined in section 3.
- 4.5.11 Finally, Members are advised that following a new grant application to the Environment Agency, grant approval has been received for the period 2011-2016 for the continuation of the North West Regional Monitoring Strategy which collects, analyses and interprets local and regional datasets to inform coastal flood and erosion risk management. The Programme is 100% grant aided by the Environment Agency and has been coordinated by Sefton Council since 2007 on behalf of the North West and North Wales Coastal Group. The grant approval for the five year period is analysed as follows:-

	<b>Regional Total</b>
Year 1	£879,000
Year 2	£1,309,000
Year 3	£803,000
Year 4	£734,000
Year 5	£534,000
<b>Total</b>	<b>£4,259,000</b>

Members are advised that the Year 1 (2011/12) allocation is a firm offer. However, subsequent years' allocations are indicative only and are subject to DEFRA'S ongoing considerations about changes to funding which may affect investment choices from 2012/13 onwards. Approval is therefore sought to include the North West Regional Monitoring Strategy scheme in the capital programme at a cost of £879,000 in 2011/12 only, fully funded from Environment Agency grant, and that future years' grant allocations will be included as and when final confirmation is received from DEFRA.

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## 5. Recommendations

### 5.1 Cabinet is requested to:-

- a) Approve the revised phasing of the ongoing Capital Programme as shown in Annex A;
- b) Approve the inclusion of the Leisure and Tourism capital schemes, funded from specific capital resources and outlined in paragraph 2.4, in the 2010/11 capital programme;
- c) Recommend to Council that the proposals outlined in section 3 to change the scheme of delegation and the Constitution be made;
- d) Confirm that the allocations detailed in paragraph 4.5.1 are utilised by the relevant service, with proposals for their use reported in line with the Constitution;
- e) Note the approval by the Environment Agency of the Regional Coastal Monitoring Programme 2011/16 as outlined in paragraph 4.6.11;
- f) Refer the report to Council for approval.

### Council is requested to :-

- a) Approve the Capital Programme;
- b) Approve the inclusion of the Leisure and Tourism capital schemes, funded from specific capital resources and outlined in paragraph 2.4, in the 2010/11 capital programme;
- c) Approve the recommended changes to the Scheme of Delegation in the Constitution as outlined in Section 3 of the report;
- d) Confirm that the allocations detailed in paragraph 4.5.1 are utilised by the relevant service, with proposals for their use reported in line with the Constitution;
- e) Approve the inclusion of the North West Regional Monitoring Strategy in the capital programme at a cost of £879,000 in 2011/12, fully funded from Environment Agency grant and that future years' allocations will be included as and when final confirmation is received from DEFRA.



# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### Committee Summary

COMMITTEE	TOTAL COST	Phasing of remaining expenditure		
		2010/11	2011/12	LATER YEARS
	£'000	£'000	£'000	£'000
Children's Services	109,981.77	36,791.19	9,493.17	610.33
Corporate Services	8,968.16	2,995.92	1,065.16	0.00
Environmental	3,432.96	1,492.03	780.00	0.00
Health & Social Care	3,928.40	1,537.75	797.39	129.06
Leisure and Tourism	66,135.30	11,535.25	13,750.24	6,292.60
Regeneration	55,009.52	16,193.17	13,476.53	3,654.73
Technical Services	15,450.99	6,507.31	1,747.14	3,300.00
Capitalisation - Maintenance Projects	4,000.00	1,000.00	1,000.00	2,000.00
Capitalisation - Equal Pay	2,151.00	2,151.00	0.00	0.00
Capitalisation - Redundancy Costs	3,040.00	3,040.00	0.00	0.00
<b>TOTAL ALL SCHEMES</b>	<b>272,098.10</b>	<b>83,243.62</b>	<b>42,109.63</b>	<b>15,986.72</b>

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### CHILDREN'S SERVICES

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
<b><u>General</u></b>					
1	Great Crosby RC PS - Single Siting	327.83	17.99	0.00	0.00
2	Forefield Juniors-Alteration and Extension	222.88	13.86	0.00	0.00
3	Capitalised Maintenance	805.83	750.00	55.83	0.00
4	Merefield-New Classrooms	1,471.86	33.20	0.00	0.00
5	School Travel Plans 2004/05 - 2009/10	320.07	86.19	0.00	0.00
6	Litherland Sports Park	5,551.35	44.05	0.00	0.00
7	Hillside High School - Sports Hall	1,700.00	15.77	0.00	0.00
8	Devolved Formula Capital	3,179.75	1,800.00	1,379.75	0.00
9	Birkdale High School-Media Hall	1,338.52	17.03	0.00	0.00
10	Range HS - Specialist Accommodation	2,781.00	10.34	0.00	0.00
11	Rimrose Hope Primary School-Targeted Capital	6,390.00	298.35	10.00	0.00
12	Youth Capital Fund	634.17	45.91	0.00	0.00
13	Thomas Gray PS - Single Siting	3,128.00	68.43	0.00	0.00
14	South Sefton Sixth Form Centre	12,494.98	385.94	150.00	0.00
15	Churchtown CP School - SEN Facilities	142.61	2.62	0.00	0.00
16	Litherland OSP	26,415.62	14,112.69	2,105.00	467.62
17	Newfield School - Specialist College Status	159.82	12.37	0.00	0.00
18	Fair Play Playbuilder Programme	961.83	294.57	0.00	0.00
19	Forefield Juniors - Outdoor Facilities	335.35	5.05	0.00	0.00
20	TCF SEN - Post 16 SEN Facility Thornton	2,000.00	325.00	1,610.00	65.00
21	Low and Zero Carbon Schools	250.00	116.34	0.00	0.00
22	Play Naturally	278.07	221.07	0.00	0.00
23	Extended Schools 2008/09 - 2010/11	1,021.87	315.35	0.00	0.00
24	TCF Kitchens / Dining Rooms	607.41	466.24	0.00	0.00
25	Meols Cop Specialist College for Sport	150.00	144.29	5.00	0.00
26	Aimimg High for Disabled Children	158.70	158.70	0.00	0.00
27	Hillside High School Specialist College Redesignation	25.00	14.44	0.00	0.00
28	Formby HS Specialist College Redesignation	25.00	14.29	0.00	0.00
29	Maghull High School Specialist College Redesignation	25.00	25.00	0.00	0.00
30	Meols Cop HS Dining Room Conservatory	212.17	196.50	0.00	0.00
31	Forefield JS Entrance and Reception Area	171.00	165.92	5.08	0.00
32	Bedford PS Family Room	307.50	100.00	200.00	7.50

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### CHILDREN'S SERVICES

1 REF. NO.	2 PROJECT DESCRIPTION	3 TOTAL COST	4 Phasing of remaining expenditure		
			5 2010/11	6 2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
33	Birkdale HS Science Lab Refurbishment	328.53	318.53	10.00	0.00
34	Meols Cop HS Science Prep Room Extension	33.10	33.10	0.00	0.00
35	Greenacre Nursery - provision of multipurpose room	86.33	81.33	5.00	0.00
36	Kings Meadow PS Kitchen Refurbishment	158.13	153.13	5.00	0.00
37	Norwood PS After School Club/Kitchen Extension	242.81	242.81	0.00	0.00
38	Special Guardianship Capital Grant	26.75	26.75	0.00	0.00
39	Presfield Special School Spec. School Status	20.00	20.00	0.00	0.00
40	Old Schemes	113.51	47.70	0.00	0.00
<b>Total General</b>		<b>74,602.35</b>	<b>21,200.85</b>	<b>5,540.66</b>	<b>540.12</b>

#### IT Schemes

41	City Learning Centres - Capital Redev. Grant	4,641.77	276.52	300.00	0.00
42	CSF IT Strategy	1,250.00	0.23	13.80	0.00
43	CS IT (Single Child Record)	540.00	65.00	470.35	0.00
<b>Total IT Schemes</b>		<b>6,431.77</b>	<b>341.75</b>	<b>784.15</b>	<b>0.00</b>

#### Primary Capital Programme

44	Aintree Davenhill PCP	2,488.65	2,135.57	45.00	0.00
45	Lander Road PCP	1,895.87	1,163.01	585.44	23.00
46	St Philips CE PS PCP	228.94	106.62	5.00	0.00
47	Christ Church CE PS PCP	566.89	433.10	6.19	0.00
48	Other Primary Capital Programme Schemes	5,277.25	2,593.75	908.30	0.00
<b>Total Primary Capital Programme</b>		<b>10,457.60</b>	<b>6,432.05</b>	<b>1,549.93</b>	<b>23.00</b>

#### Modernisation

49	Maghull High School - Maths/ Music Rooms	1,065.00	1.59	0.00	0.00
50	Crossens Nursery Relocation to Larkfield CP School	673.25	1.87	0.00	0.00
51	Farnborough Road School Kitchen / Dining Imps.	2,097.89	677.10	112.51	0.00
52	Kew Woods - New Classrooms	780.26	390.76	360.00	24.47
53	Other NDS Modernisation Schemes	429.59	0.00	429.59	0.00
<b>Total Modernisation</b>		<b>5,045.99</b>	<b>1,071.32</b>	<b>902.10</b>	<b>24.47</b>

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### CHILDREN'S SERVICES

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
<b><u>School Access Initiative</u></b>					
54	Litherland HS - Hygiene Area/ Lift	277.78	9.90	0.00	0.00
55	Primary School Schemes	105.15	14.82	0.00	0.00
56	Stanley HS - Special needs base	69.44	51.55	0.00	0.00
57	Improved Access to the National Curriculum	72.00	52.39	0.00	0.00
58	Waterloo PS - SEN bases	224.50	11.95	0.00	0.00
59	Rowan Park Car Park	69.38	58.58	5.00	0.00
60	Waterloo PS - Lift Installation	69.35	64.35	5.00	0.00
61	Summerhill PS - DDA Compliance, Doors, Ramp	33.47	28.98	4.49	0.00
62	Merefield - one way system	80.00	40.00	40.00	0.00
63	Stanley HS mobile lifting device	8.00	8.00	0.00	0.00
64	Christ Church CE PS - improve accessibility	9.00	9.00	0.00	0.00
65	Maghull HS - evacuation lift	34.33	34.33	0.00	0.00
66	Other School Access Initiative Schemes	85.23	0.00	85.23	0.00
<b>Total Schools Access Initiative</b>		<b>1,137.63</b>	<b>383.85</b>	<b>139.72</b>	<b>0.00</b>
<b><u>New Pupil Places</u></b>					
67	Deyes High School - Repl. rotted windows	58.04	4.78	0.00	0.00
68	Oakfield PRU - Boiler Repl.	103.71	1.30	0.00	0.00
69	Shoreside Primary School Boiler Repl.	88.08	3.58	0.00	0.00
70	Crosby High School Car Park Imps.	20.35	1.03	0.00	0.00
71	Woodlands PS Kitchen Refurbishment	167.39	0.76	0.00	0.00
72	Northway PS Kitchen Refurbishment	110.17	13.97	0.00	0.00
73	Lydiate PS Kitchen Refurbishment	214.81	10.09	0.00	0.00
74	Hatton Hill Primary-Boiler Replacement	74.26	10.38	0.00	0.00
75	St Andrews Maghull - Repl of infant boiler	114.24	86.50	6.00	0.00
76	Shoreside PS Window Replacement	126.32	119.72	6.60	0.00
77	Hatton Hill PS Kitchen Refurbishment	155.58	150.58	5.00	0.00
78	Summerhill PS Kitchen Refurbishment	153.76	148.76	5.00	0.00
79	Valewood PS Kitchen Refurbishment	149.59	144.59	5.00	0.00
80	Valewood PS Roof Repairs	68.57	65.57	3.00	0.00
81	Larkfield PS Roof Repairs	89.86	86.86	3.00	0.00
82	Linacre PS Boiler Replacement	48.00	46.00	2.00	0.00

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### CHILDREN'S SERVICES

1 REF. NO.	2 PROJECT DESCRIPTION	3 TOTAL COST	4 Phasing of remaining expenditure			6 LATER YEARS
			2010/11	2011/12	5	
		£'000	£'000	£'000	£'000	
83	Range HS Conversion of Oil Boiler to Gas	166.51	166.51	0.00	0.00	
84	Stanley HS Boiler Replcaement	179.20	172.20	7.00	0.00	
85	Shoreside Remodelling and new build	252.74	15.00	225.00	12.74	
86	Other New Pupil Places Schemes	154.79	0.00	154.79	0.00	
<b>Total New Pupil Places</b>		<b>2,495.97</b>	<b>1,248.18</b>	<b>422.39</b>	<b>12.74</b>	

#### TCF 14-19 Diplomas

87	Birkdale High School	346.29	287.20	7.23	0.00	
88	Chesterfield High School	125.32	120.32	5.00	0.00	
89	Deyes High School	1,179.56	1,073.71	17.00	0.00	
90	Formby High School	260.86	61.39	5.00	0.00	
91	Greenbank High School	315.81	77.54	5.00	0.00	
92	Hillside High School	236.87	205.16	5.50	0.00	
93	Maghull High School	387.22	352.72	9.02	0.00	
94	Meols Cop High School	269.00	53.24	0.00	0.00	
95	Range High School	347.46	77.09	17.47	0.00	
96	St George of England High School	60.00	56.60	3.00	0.00	
97	Stanley High School	397.53	387.53	10.00	0.00	
98	Christ the King RC High School	184.59	40.68	0.00	0.00	
99	Holy Family RC High School	269.93	269.93	0.00	0.00	
100	Maricourt RC High School	150.45	39.17	0.00	0.00	
101	Sacred Heart RC College	266.70	266.70	0.00	0.00	
102	Savio Salesian RC College	118.45	47.69	0.00	0.00	
103	St Michael's High School	202.26	196.98	0.00	0.00	
104	St Ambrose Barlow RC High School	137.54	137.54	0.00	0.00	
105	St Wilfrid's RC High School	114.46	36.00	0.00	0.00	
<b>Total TCF 14-19 Diplomas</b>		<b>5,370.30</b>	<b>3,787.19</b>	<b>84.22</b>	<b>0.00</b>	

#### Surestart Grant Schemes

106	Early Years & Childcare 2008/09 - 2010/11	2,882.88	1,855.60	0.00	0.00	
107	Summerhill PS -Construction of nursery	349.90	269.90	70.00	10.00	
108	Ph 1 & 2 Children's Centres Maintenance	212.46	58.34	0.00	0.00	
109	Valewood Children's Centre	337.92	41.99	0.00	0.00	

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### CHILDREN'S SERVICES

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
110	Freshfield Children's Centre	322.18	9.24	0.00	0.00
<b>Total Surestart Capital Grant</b>		<b>4,105.34</b>	<b>2,235.07</b>	<b>70.00</b>	<b>10.00</b>
-					
111	Children's PSS - Previous Years	290.09	46.20	0.00	0.00
112	Children's PSS - 2010/11	44.73	44.73	0.00	0.00
<b>Total Children's Personal Social Services</b>		<b>334.82</b>	<b>90.93</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL CHILDREN'S SERVICES SCHEMES</b>		<b>109,981.77</b>	<b>36,791.19</b>	<b>9,493.17</b>	<b>610.33</b>

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### CORPORATE SERVICES

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
<b><u>Admin Buildings</u></b>					
1	Old & Completing Schemes	52.55	35.30	17.25	0.00
2	Disabled Facilities	400.00	29.88	0.00	0.00
3	Health & Safety Programme	250.00	40.96	52.11	0.00
4	Pleasureland Clearance / Demolition	400.00	0.00	68.45	0.00
5	Demolition of Bootle High School	235.00	6.93	0.00	0.00
6	Energy Efficiency Measures	250.00	188.82	50.00	0.00
7	Refurbishment of St. Peter's House	3,816.11	402.32	50.00	0.00
8	Balliol House Demolition	1,300.00	1,000.00	300.00	0.00
9	Property Intervention Fund	500.00	150.00	350.00	0.00
	<b>Total Admin Buildings</b>	<b>7,203.66</b>	<b>1,854.21</b>	<b>887.81</b>	<b>0.00</b>
<b><u>Vehicles,Plant,Equipment</u></b>					
10	IT Equipment - Server Replacement	90.00	0.00	48.31	0.00
11	E Government Priority Service Outcomes	400.00	11.14	44.76	0.00
12	I.T. Firewall Replacement	25.00	0.00	7.55	0.00
13	I.T. Members ICT & Mobile Technology	120.00	1.07	76.73	0.00
14	Procurement of Passenger Transport Mgmt System	45.00	45.00	0.00	0.00
15	Vehicle & Plant Replacements	1,084.50	1,084.50	0.00	0.00
	<b>Total Vehicles,Plant,Equipment</b>	<b>1,764.50</b>	<b>1,141.71</b>	<b>177.35</b>	<b>0.00</b>
<b>TOTAL CORPORATE SERVICES SCHEMES</b>		<b>8,968.16</b>	<b>2,995.92</b>	<b>1,065.16</b>	<b>0.00</b>

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### ENVIRONMENTAL

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
<b>Sefton Coastline Sea Defence Work</b>					
1	Crosby Park to Formby Point Strategic Study	253.88	12.75	0.00	0.00
2	CERMS - 2008/09 - 2010/11	1,255.00	655.42	0.00	0.00
3	Adaptation to Climate Change on the Sefton Coast	185.00	103.47	10.00	0.00
4	Hightown Management Project -Design/tender Prep.	70.00	38.44	0.00	0.00
5	Pathfinder Fund Programme - Boardwalks	91.00	81.00	10.00	0.00
<b>Total Sefton Coastline Sea Defence Work</b>		<b>1,854.88</b>	<b>891.08</b>	<b>20.00</b>	<b>0.00</b>
<b>Environmental</b>					
6	Gypsy and Traveller Sites	202.90	14.50	0.00	0.00
7	Waste Infrastructure	1,160.18	371.45	760.00	0.00
8	Claremont Ave. Maghull L.D. Investigation	35.00	35.00	0.00	0.00
9	Thornton & Lunt L.D. Investigation	39.00	39.00	0.00	0.00
10	Dobbs Gutter L.D. Investigation	41.00	41.00	0.00	0.00
11	Surface Water Management Plan (SWMP)	100.00	100.00	0.00	0.00
<b>Total Environmental</b>		<b>1,578.08</b>	<b>600.95</b>	<b>760.00</b>	<b>0.00</b>
<b>TOTAL ENVIRONMENTAL SCHEMES</b>		<b>3,432.96</b>	<b>1,492.03</b>	<b>780.00</b>	<b>0.00</b>



# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### HEALTH & SOCIAL CARE

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
<b><u>COMMITTED SCHEMES</u></b>					
1	I.I.M Leasing 2003/2004	44.36	13.96	0.00	0.00
2	I.I.M Cap Grant 2006/07 - 07/08	172.78	8.01	4.00	0.00
3	Disability Discrimination Act	406.69	31.93	0.00	0.00
4	Mental Health SCE (R) - Ringfenced 05/06	130.70	1.28	0.36	0.00
5	Mental Health SCE (R) - Ringfenced 06/07	136.10	6.17	6.70	0.00
6	Mental Health SCE (R) - Ringfenced 07/08	140.48	1.53	9.10	0.00
7	Mental Health SCE (C) 2010/11	301.00	135.10	165.90	0.00
8	IT Strategy	805.06	45.61	337.00	129.06
9	Decontamination Unit	58.30	0.56	0.00	0.00
10	Independent Living Centre (Scarisbrick Avenue)	1,140.11	1,104.55	25.00	0.00
11	DAT Facility	85.13	66.37	0.00	0.00
12	Common Financial Assessment Project	150.00	112.91	0.00	0.00
13	Old & Completing Schemes	10.69	9.77	0.00	0.00
14	Piper Solo	150.00	0.00	52.33	0.00
<b>Total General</b>		<b>3,731.40</b>	<b>1,537.75</b>	<b>600.39</b>	<b>129.06</b>
<b><u>Provision for New Starts - Subject to report</u></b>					
15	Capital Investment for Transformation in Adult Social Care	197.00	0.00	197.00	0.00
<b>Total Provn. for new starts subj. to report</b>		<b>197.00</b>	<b>0.00</b>	<b>197.00</b>	<b>0.00</b>
<b>TOTAL HEALTH &amp; SOCIAL CARE SCHEMES</b>		<b>3,928.40</b>	<b>1,537.75</b>	<b>797.39</b>	<b>129.06</b>

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### LEISURE SERVICES

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
<b><u>Leisure - General</u></b>					
1	Old and Completing Schemes	1,925.33	11.31	33.53	0.00
2	Hesketh Park	2,239.05	102.86	35.00	0.00
3	Maghull Leisure Centre	8,346.09	374.14	100.00	0.00
4	Southport Leisure Pool Visitor Attraction	9,135.00	3.06	0.00	0.00
5	Derby Park Refurbishment	929.65	0.00	47.02	0.00
6	Repairs / refurbishment of park lodges	101.00	49.32	14.00	0.00
7	Hesketh Park Office / visitor centre	50.00	0.00	50.00	0.00
8	Crosby Coastal Park	226.88	201.78	15.00	0.00
9	Waterloo Judo Club	553.65	6.00	6.44	0.00
10	Netherton Activity Centre	5,629.75	2,240.05	2,900.00	149.00
11	Southport Sports Park Contribution	382.00	0.00	382.00	0.00
12	Botanic Gardens Museum, Roof and Lift	25.00	0.00	25.00	0.00
13	Flue Gas Filtration Work at Southport Crematorium	999.78	589.93	170.00	0.00
14	Southport Cultural Centre	15,607.86	6,505.64	7,037.59	512.65
15	Duke Street Play Area, Formby	90.50	14.00	0.00	0.00
16	Browns Lane Allotments	50.00	10.00	20.11	0.00
17	Bootle Cemetery Improvements	70.00	60.13	0.00	0.00
18	Portland Street Changing Facilities	429.50	405.92	20.50	0.00
19	Tree Planting Contract 2009/10	195.50	175.50	10.00	10.00
20	Temporary Library Service	49.00	37.05	5.00	6.95
21	Kings Gardens	5,919.00	65.00	415.00	5,439.00
22	Leisure Centres Disabled Facilities	10.00	10.00	0.00	0.00
23	Improvements to Victoria Park, Crosby	116.22	29.18	87.04	0.00
<b>Total General</b>		<b>53,080.76</b>	<b>10,890.87</b>	<b>11,373.23</b>	<b>6,117.60</b>
<b><u>Tourism</u></b>					
24	Southport Pier - Programmed Maintenance	200.00	50.00	50.00	100.00
25	Southport Pier repair / decoration	132.07	2.01	0.00	0.00
26	Floral Hall Improvement Project	8,176.11	66.93	0.00	0.00
27	Southport T I C relocation	59.14	0.00	53.79	0.00
28	Ainsdale Beach Access	15.23	13.23	0.00	0.00
29	Southport Market Refurbishment	3,032.00	502.21	2,250.00	75.00
30	Southport Pier Structural Assessment	20.00	10.00	10.00	0.00
<b>Total Tourism</b>		<b>11,634.55</b>	<b>644.38</b>	<b>2,363.79</b>	<b>175.00</b>

# Agenda Item 11

METROPOLITAN BOROUGH OF SEFTON

ONGOING CAPITAL PROGRAMME

LEISURE SERVICES

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
<u>Southport Action Plan</u>					
31	Southport Marine Lake Improvements Zone 1	1,419.99	0.00	13.22	0.00
<b>Total Southport Action Plan</b>		<b>1,419.99</b>	<b>0.00</b>	<b>13.22</b>	<b>0.00</b>
<b>TOTAL LEISURE &amp; TOURISM SCHEMES</b>		<b>66,135.30</b>	<b>11,535.25</b>	<b>13,750.24</b>	<b>6,292.60</b>

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### REGENERATION

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
<b><u>GENERAL</u></b>					
1	Development Fund	90.00	19.56	0.00	0.00
2	South Sefton Investment Centre	6,934.65	101.03	0.00	0.00
3	Crosby Lakeside Adventure Centre (CLAC)	8,946.00	22.84	0.00	0.00
4	Crosby Marine Lake - Water Quality Imprvmnt.	1,162.00	54.31	0.00	0.00
5	Crosby Lakeside Adventure Centre- Fit-out costs	897.00	197.00	0.00	0.00
6	Southport Commerce Pk. - 3rd phase Devel.	884.00	0.00	884.00	0.00
7	Stepclever Property Project	2,398.74	232.31	2,076.94	0.00
8	CLAC - Adaptations & Equipment (AHDC)	80.00	80.00	0.00	0.00
9	Safer Stronger Communities Fund	39.85	39.85	0.00	0.00
10	REECH Project	7,170.62	0.00	3,515.89	3,654.73
11	Old Schemes final accounts	3.23	3.23	0.00	0.00
<b>Total General</b>		<b>28,606.09</b>	<b>750.13</b>	<b>6,476.83</b>	<b>3,570.48</b>
<b><u>HOUSING REGENERATION</u></b>					
<b><u>Disabled Facilities Grants</u></b>					
12	Previous Years' Approvals	78.26	78.26	0.00	0.00
13	2009/10 Approvals	3,389.31	1,477.27	195.01	0.00
14	2010/11 Approvals	2,997.07	1,692.47	1,304.60	0.00
<b>Total Disabled Facilities Grants</b>		<b>6,464.64</b>	<b>3,248.00</b>	<b>1,499.61</b>	<b>0.00</b>
<b><u>Home Improvement Grants</u></b>					
15	Previous Years' Approvals	13.34	13.34	0.00	0.00
16	2009/10 Approvals	406.35	68.56	0.00	0.00
17	2010/11 Approvals (inc.grant admin. fees)	151.00	151.00	0.00	0.00
<b>Total Home Improvement Grants</b>		<b>570.69</b>	<b>232.90</b>	<b>0.00</b>	<b>0.00</b>
<b><u>General</u></b>					
18	Drug Rehabilitation / Boscoe Hostel	1,280.00	62.65	0.00	0.00
19	Energy Efficiency Grants	337.53	13.19	0.00	0.00
20	Landlord Accreditation / HMO's	35.00	5.22	0.00	0.00
21	Green Business Project	302.89	36.29	0.00	0.00
22	Strategic Housing Market Assessment	61.15	10.00	0.00	0.00
23	Housing Act - Works in Default	35.00	19.43	0.00	0.00
24	Older Persons Hsg Strat.- extra care provn.	200.00	200.00	0.00	0.00
25	Affordable Housing Study	25.00	24.76	0.00	0.00
26	Gypsy anfd Traveller Accom. Provision	12.00	12.00	0.00	0.00
27	Choice based lettings - ICT procurement	50.00	0.00	50.00	0.00
28	Old Schemes	10.24	9.40	0.00	0.00
<b>Total General</b>		<b>2,348.81</b>	<b>392.94</b>	<b>50.00</b>	<b>0.00</b>

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### REGENERATION

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
29	<u>Housing Market Renewal</u> Projects	4,230.61	2,284.00	1,946.61	0.00
30	Remediation	3,458.68	2,734.70	723.98	0.00
31	Acquisitions	5,969.00	4,568.00	1,401.00	0.00
32	Fees & Housing Management	2,536.00	1,582.50	953.50	0.00
33	Other	825.00	400.00	425.00	0.00
	<b>Total Housing Market Renewal</b>	<b>17,019.29</b>	<b>11,569.20</b>	<b>5,450.09</b>	<b>0.00</b>
	<b>TOTAL HOUSING REGENERATION</b>	<b>26,403.43</b>	<b>15,443.04</b>	<b>6,999.70</b>	<b>0.00</b>
	<b>TOTAL REGENERATION SCHEMES</b>	<b>55,009.52</b>	<b>16,193.17</b>	<b>13,476.53</b>	<b>3,654.73</b>

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### TECHNICAL SERVICES

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
<b>New Construction</b>					
1	Thornton Switch Island Link Scheme	5,912.00	380.07	1,020.00	3,300.00
2	<b>Asset Management Development</b>	<b>69.10</b>	<b>69.10</b>	<b>0.00</b>	<b>0.00</b>
<b><u>Carriageways / Priority Maintenance</u></b>					
3	A5090 Hawthorne Rd	1,898.36	242.12	0.00	0.00
4	Old & Completing Schemes	6.97	6.97	0.00	0.00
<b><u>Carriageway Resurfacing</u></b>					
5	Lady Green Lane, Ince Blundell	73.66	73.66	0.00	0.00
6	Bleasedale Avenue, Aintree	12.29	12.29	0.00	0.00
7	A565 Lord Street, Southport	63.03	63.03	0.00	0.00
8	Liverpool Road, Lydiate	48.11	48.11	0.00	0.00
9	Brownmoor Lane, Lydiate	47.88	47.88	0.00	0.00
10	Foxhouse Lane, Maghull	43.38	43.38	0.00	0.00
11	Croxteth Avenue, Litherland	35.46	35.46	0.00	0.00
12	Palmerston Avenue, Litherland	37.08	37.08	0.00	0.00
13	Henley Drive, Southport	101.07	101.07	0.00	0.00
14	Curzon Road, Waterloo	28.75	28.75	0.00	0.00
15	The Serpentine South, Blundellsands Phase 1	25.00	25.00	0.00	0.00
16	The Serpentine South, Blundellsands Phase 2	53.23	53.23	0.00	0.00
17	Hall Lane West, Blundellsands	28.38	28.38	0.00	0.00
18	Warren Road, Blundellsands	13.42	13.42	0.00	0.00
19	Hermitage Grove, Bootle	21.13	21.13	0.00	0.00
20	A565 Albert Road, Southport	40.40	40.40	0.00	0.00
21	A565 Liverpool Avenue, Ainsdale	17.53	17.53	0.00	0.00
22	Hawthorne Road, Bootle	41.37	41.37	0.00	0.00
23	Merton Road, Bootle	78.00	78.00	0.00	0.00
24	Ormskirk Road, Aintree	42.51	42.51	0.00	0.00
25	Haileybury Avenue, Aintree	39.05	39.05	0.00	0.00
26	Roselea Drive, Southport	65.76	65.76	0.00	0.00
27	Barkeley Drive, Seaforth	24.83	24.83	0.00	0.00
28	Old Hall Road, Maghull	43.45	43.45	0.00	0.00
29	Marian Road, Litherland	8.48	8.48	0.00	0.00
30	Ronaldsway, Crosby	58.56	58.56	0.00	0.00
31	Deyes Lane, Maghull	40.99	40.99	0.00	0.00
32	Breeze Hill, Bootle Phase 1	72.00	72.00	0.00	0.00
33	Breeze Hill, Bootle Phase 2	39.12	39.12	0.00	0.00

# Agenda Item 11

## METROPOLITAN BOROUGH OF SEFTON

### ONGOING CAPITAL PROGRAMME

#### TECHNICAL SERVICES

1	2	3	4	5	6
REF. NO.	PROJECT DESCRIPTION	TOTAL COST	Phasing of remaining expenditure		
			2010/11	2011/12	LATER YEARS
		£'000	£'000	£'000	£'000
34	Mircro Asphalt Surfacing	64.21	0.00	64.21	0.00
35	A565 Retentions	57.33	57.33	0.00	0.00
36	Capita Fees / Client Service Costs	125.14	125.14	0.00	0.00
<b>UTC Maintenance</b>					
37	Lulworth / Weld Rd, Birkdale	38.00	38.00	0.00	0.00
<b>Street Lighting</b>					
38	Marine Terrace, Waterloo	47.14	18.00	0.00	0.00
39	Stannyfield Drive, Thornton	43.00	43.00	0.00	0.00
40	Cast Iron, various sites, Southport	36.00	36.00	0.00	0.00
<b>Drainage</b>					
41	A565 Drainage	222.00	222.00	0.00	0.00
42	Northway, Maghull	59.00	0.79	58.21	0.00
43	Marine Drive, Southport	43.00	0.38	42.62	0.00
44	Capita Fees / Client Service Costs	55.00	55.00	0.00	0.00
<b>Total Carriageways / Priority Maintenance</b>		<b>3,939.07</b>	<b>2,088.65</b>	<b>165.04</b>	<b>0.00</b>
<b><u>Bridges and Structures</u></b>					
<b>Bridge Strengthening</b>					
45	Principal Bridge Inspections	33.00	33.00	0.00	0.00
46	Assessment - Retaining Walls	5.00	5.00	0.00	0.00
47	Hightown Station Footbridge Study	15.00	15.00	0.00	0.00
48	Parapet Strengthening	206.00	206.00	0.00	0.00
49	Rutherford Road	10.00	10.00	0.00	0.00
<b>Network Rail Structures</b>					
50	Miller's Bridge	75.00	48.00	27.00	0.00
51	Sussex Road	2.00	2.00	0.00	0.00
52	Norwood Road	20.00	20.00	0.00	0.00
53	Brook Vale	20.00	20.00	0.00	0.00
54	St. Lukes Rd Bridge Strengthening	930.83	208.00	0.00	0.00
55	Old and Completing Schemes	154.54	2.32	0.00	0.00
56	Capita Fees / Client Service Costs	33.00	33.00	0.00	0.00
<b>Total Bridges and Structures</b>		<b>1,504.37</b>	<b>602.32</b>	<b>27.00</b>	<b>0.00</b>
<b><u>Integrated Transport Programme</u></b>					
57	Current Schemes	3,116.45	2,681.35	435.10	0.00
<b><u>Other Schemes</u></b>					
58	Southport Cycle Town	560.00	560.00	0.00	0.00
59	Southport Cycle Town - Coastal Rd to Ainsdale	250.00	125.82	0.00	0.00
60	Highways Parking Improvements	100.00	0.00	100.00	0.00
<b>Total Other Technical Services Schemes</b>		<b>910.00</b>	<b>685.82</b>	<b>100.00</b>	<b>0.00</b>
<b>TOTAL TECHNICAL SERVICES SCHEMES</b>		<b>15,450.99</b>	<b>6,507.31</b>	<b>1,747.14</b>	<b>3,300.00</b>

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