

MEETING: CABINET MEMBER - REGENERATION
DATE: Wednesday 19 January 2011
TIME: 10.00 am
VENUE: **Town Hall, Bootle (this meeting will be video conferenced to the Town Hall, Southport)

Councillor

DECISION MAKER: Maher
SUBSTITUTE: Fairclough

SPOKESPERSONS: Dorgan Hough

SUBSTITUTES: Pearson Sumner

COMMITTEE OFFICER: Olaf Hansen Committee Clerk
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The Cabinet is responsible for making what are known as Key Decisions, which will be notified on the Forward Plan. Items marked with an * on the agenda involve Key Decisions

A key decision, as defined in the Council's Constitution, is: -

- any Executive decision that is not in the Annual Revenue Budget and Capital Programme approved by the Council and which requires a gross budget expenditure, saving or virement of more than £100,000 or more than 2% of a Departmental budget, whichever is the greater
- any Executive decision where the outcome will have a significant impact on a significant number of people living or working in two or more Wards

If you have any special needs that may require arrangements to facilitate your attendance at this meeting, please contact the Committee Officer named above, who will endeavour to assist.

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A G E N D A

Items marked with an * involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>	
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 the meeting held on 15 December, 2010		(Pages 5 - 6)
4.	Skills Funding Agency (SFA)/ European Social Fund (ESF) Provision (Greater Merseyside Provision for NEET ESF 2011 - 2013 Youth Programme) Joint Report of the Strategic Director - Children, Schools and Families and the Planning and Economic Development Director	All Wards;	(Pages 7 - 14)
* 5.	REECH (Renewable Energy And Energy Efficiency In Housing) Joint Report of the Planning and Economic Development Director and the Neighbourhoods and Investment Programmes Director	Church; Derby; Linacre; Litherland; Netherton and Orrell;	(Pages 15 - 30)
6.	North Liverpool / South Sefton Strategic Regeneration Framework Report of the Planning and Economic Development Director	Derby; Linacre;	(Pages 31 - 42)
7.	Anchor Staying Put Sefton Joint Report of the Adult Social Care Director and the Neighbourhoods and Investment Programmes Director	All Wards;	(Pages 43 - 50)

8. Exclusion of Press and Public

To consider passing the following resolution:

That, under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act. The Public Interest Test has been applied and favours exclusion of the information from the Press and Public.

9. Bedford/Queens, 19/29 Stanley Road Bootle, Housing Market Renewal Initiative - Disposal to Plus Dane Housing Association Limited

Derby;

(Pages 51 - 56)

Joint Report of the Neighbourhoods and Investment Programmes Director and Environmental and Technical Services Director

THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON WEDNESDAY 22 DECEMBER, 2010.

CABINET MEMBER - REGENERATION

MEETING HELD AT THE TOWN HALL, BOOTLE ON WEDNESDAY 15 DECEMBER 2010

PRESENT: Councillor Maher

ALSO PRESENT: Councillors Dorgan and Hough

59. APOLOGIES FOR ABSENCE

No apologies for absence were received.

60. DECLARATIONS OF INTEREST

No declarations of interest were received.

61. MINUTES OF THE MEETING HELD ON 27 OCTOBER, 2010

RESOLVED:

That the Minutes of the meeting held on 27 October 2010 be confirmed as a correct record.

62. PERIPHERAL AREAS OF THE KLONDYKE ESTATE, BOOTLE: OUTCOME OF CONSULTATION ON FUTURE PLANS

The Cabinet Member considered the report of Neighbourhoods and Investment Programmes Director that provided advice on the outcome of the review of options for future plans and consultation with residents of three groups of properties on the edge of the Klondyke Estate in Bootle, and made recommendations relating to properties, as detailed within the report.

RESOLVED: That

- (1) demolition and redevelopment remains the preferred option for 2-24 Menai Road (even numbers), and that the Neighbourhoods and Investment Programmes Director be requested to pursue the resources necessary, through the Regional Growth Fund, to enable, acquire and demolish the properties;
- (2) demolition and redevelopment remains the preferred option for 1 to 23 Marion Road (odd numbers) and 4 to 14 Annie Road (even numbers), and that the Neighbourhoods and Investment

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Programmes Director be requested to pursue the resources necessary, through the Regional Growth Fund, to enable, acquire and demolish the properties;

- (3) the retention of the properties in Cinder Lane and Hermitage Grove instead of redevelopment be supported;
- (4) the Neighbourhoods and Investment Programmes Director be requested to explore the making available of Home Improvement Grants and Loans to enable house owners of Hermitage Grove and Cinder Lane to refurbish their properties; and
- (5) the Neighbourhoods and Investment Programmes Director be requested to explore ways of bringing the empty properties, in Hermitage Grove and Cinder Lane, back into use.

63. SKILLS FUNDING AGENCY (SFA)/ EUROPEAN SOCIAL FUND (ESF) CO-FINANCED PROVISION

Further to Minute No.72 of the meeting of Cabinet Member – Children’s Services held on 7 December 2010, the Cabinet Member considered the joint report of the Strategic Director Children, Schools and Families and the Planning and Economic Development Director that informed of the progress of two Skills Funding Agency and ESF Co-financed funded projects.

RESOLVED: That

- (1) the Skills Funding Agency (SFA)/ European (ESF) Co-Financed Provision report be noted; and
- (2) the Strategic Director Children, Schools and Families and the Planning and Economic Development Director be requested to draft further reports regarding the projects’ progress.

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CABINET REPORT TO: Cabinet Member (Children Schools and Families)
Cabinet Member (Regeneration)

SUBJECT: 8th February 2011
19th January 2011
Skills Funding Agency (SFA)/ European Social Fund (ESF)
Provision (Greater Merseyside Provision for NEET ESF 2011 –
2013 Youth Programme)

WARDS AFFECTED: All

REPORT OF: Peter Morgan
Strategic Director Children's Services
Andy Wallis
Planning and Economic Development Director

CONTACT OFFICER: Eddie Sloan 3410
Mo. Kundi 3447

**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY:

To inform Members of the Greater Merseyside Provision for NEET ESF 2011 –2013 Youth Programme, and to seek Cabinet Member approval to enter into a contract with the Skills Funding Agency to deliver the Sefton element of the project.

REASON WHY DECISION REQUIRED:

Cabinet Member approval is required to extend the current contract with the Skills Funding Agency, and to accept the offer letter for the Greater Merseyside Provision for NEET ESF 2011 –2013 Youth Programme project for Sefton.

RECOMMENDATION(S):

It is recommended that Cabinet Member for Children's Services:-

1. Agree that, subject to the bid being successful, authorise Officers to accept the officer letter and to enter into a contract with the Skills Funding Agency for the Greater Merseyside Provision for NEET ESF 2011 – 2013 Youth Programme project for Sefton, and
2. Agree that Management and Delivery of the NEET project be transferred to Council's Planning and Economic Development Department, as out lined in paragraph 4.0 of the report.

Cabinet Member for Regeneration:-

3. Note the report, and
4. Request further progress reports.

KEY DECISION: None

FORWARD PLAN: None

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IMPLEMENTATION DATE: After the expiry of "Call in Period"

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ALTERNATIVE OPTIONS: Any proposals not to support and continue with the provision of such services risks future provision becoming unsustainable, and loss of pre matched funding for this purpose.

IMPLICATIONS:

Budget/Policy Framework: None

Financial:

There are no calls on Council's financial resources as all costs associated with management and delivery of the project will be met in full by the project.

<u>CAPITAL EXPENDITURE</u>	2011/ 2012 £	2012/ 2013 £	2013/ 2014 £	2014/ 2015 £
Gross Increase in Capital Expenditure	0	0	0	0
Funded by:				
Sefton Capital Resources	0	0	0	0
Specific Capital Resources	0	0	0	0
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure	188,540	262,025	196,598	0
Funded by:				
Sefton funded Resources	0	0	0	0
Funded from External Resources	188,540	262,025	196,598	0
Does the External Funding have an expiry date? YES	When? 31 ST December 2013			
How will the service be funded post expiry?	Provision will cease			

Legal: A legal agreement will be drawn up between the provision delivery agents and Sefton Council.

Risk Assessment: NA

Asset Management: NA

CONSULTATION UNDERTAKEN/VIEWS

LD 00016/10 - Legal

FD 600 - The Interim Head of Corporate Finance & Information Services has been consulted and his comments have been incorporated into this report.

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Children, Schools and Families

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 to Cabinet Member for Children's Services (7th December 2010), and Cabinet Member for Regeneration (15th December 2010) entitled Skills Funding Agency (SFA)/European Social Fund (ESF) Co-Financed Provision

1.0 Background

1.1 Cabinet Member for Children's Services (7th December 2010), and Cabinet Member for Regeneration (15th December 2010) at their respective meetings considered a report entitled Skills Funding Agency (SFA)/European Social Fund (ESF) Co-Financed Provision, which provided background information on Learning & Support during KS4 project (contract value £699,999) and Retention in Post 16 Learning project (contract value £574,169). The report highlighted the current delivery arrangements whereby Sefton Council is the accountable body, and manages the two projects, but partners undertake the actual delivery. Cabinet Members noted the successful delivery model, and agreed to extend the end date of the two projects from 31st December 2010 to 31st March 2011, which would result in Sefton Council being able to attract additional £78,025.50 grant.

1.2 The Skills Funding Agency and European Social Fund have now combined the Learning & Support during KS4 and the Retention in Post 16 Learning strands into one single activity labelled Greater Merseyside Provision for NEET ESF 2011 –2013 Youth Programme. As with previous two projects SFA funding will be co-financed with the European Social Fund, and again there will be no call on Sefton resources.

1.2 An Invitation to Tender (ITT) was issued by the SFA for new activity under the Greater Merseyside Provision for NEET ESF 2011-2013 Youth Programme in October 2010, with a deadline for submission by 25th November 2010. In light of the very tight deadline Officers have responded to the Invitation to Tender, and if successful this will give Sefton Council the opportunity to draw down £647,163 of co-financed funding from April 2011- December 2013. The decision making time table is as follows:-

ITT evaluation completed by SFA	- 13 th January 2011
Contract award decision	- 21 st January 2011
Notification letters issued	- 24 th January 2011
Formal contract award letter issued	- 4 th February 2011
Project start	- 1 st April 2011

2.0 Key Components

2.1 The project will run from 1st April 2011 until 31st December 2013 and will support 295 young people, aged 14-18 (or up to 25 for young people with LLDD) in Sefton who are not in education, employment or training.

2.2 The project will focus on the following priority areas for Sefton:

- Supporting LLDD/Vulnerable Groups e.g. looked after children & young parents
- Developing Employability Skills
- Developing bespoke packages of support

2.3 Young people supported on this project will be assessed and offered customised packages of support resulting in the young person going onto further education or employment with training. Sefton Education Business Partnership (EBP) will assume responsibility for young people in Key stage 4 (aged 14-16) with the focus on

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“prevention of NEET”. The Connexions Service will take responsibility for re-engaging with young people post 16 who are already in NEET.

Key activities covered by this project will include: -

- Identification of young people
- Assessment of needs
- Action Planning
- Mentoring support
- Customised programme of activity
- Supported work based learning opportunities.

3.0 Delivery Arrangements

3.1 Service Level Agreements will again be agreed at the onset of the project with delivery partners named in the application. Clearly defined roles, responsibilities, the nature of activities and what was expected from the provider and all partners, together with financial and monitoring details will be included in the agreements.

3.2 The Authority has extensive experience in managing and monitoring the performance of externally funded projects and their beneficiaries, ensuring that delivery partners meet identified targets and contractual milestones and outcomes are achieved.

3.3 These arrangements will remain in place until the end of the projects on 31st December 2013, or any revised end date be agreed by the SFA. If a revised date is agreed by the SFA, then contracts with delivery partners be amended.

4.0 Management Arrangements

4.1 In light of the changes taking places in the Children’s Schools, and Families Services, it is now proposed that management and delivery responsibility for the project be now transferred to Planning and Economic Development Department. However Children’s Schools and Families Services will continue be involved with the project from a strategic, and policy perspective, and regular progress reports will be presented to Cabinet Member for Children’s Services.

5.0 Financial Implications

5.1 The total cost of the project if successful, is £647,163. There will be no call on Sefton resources as all costs associated with its management and delivery will be charged to the project.

6.0 Legal Implication

6.1 Sefton Council is the accountable for the two existing ESF Projects. As the Greater Merseyside Provision for NEET ESF 2011 –2013 Youth Programme is a continuation of existing two strands, it is proposed that Sefton Council continues to be the accountable body for the NEET Project.

7.0 Risk Assessment

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7.1 As with any externally funded projects there are some risks involved with this project, and these have been identified below together with their likelihood, impact, and mitigation measures required to address them.

Risk	Impact	Likelihood	Mitigation	Owner
Not sufficient or suitable delivery partners	High	Low	Suitable Partners have already been identified and signed up	PEDD
Not achieving sufficient number of beneficiaries to cover costs	High	Low	Key partners such Connexions and Sefton Education Business Partnerships have extensive experience in identifying and working with target groups.	Delivery Partners
Young People not completing their Programme	High	Medium	This will be mitigated by recruiting more beneficiaries at the start of the Programme, recognising that some will drop out during the course of the project.	Delivery Partners and PEDD
Capacity and experience within PEDD to manage and deliver the project	High	Low	PEDD has extensive experience in managing outcome based ESF/SFA project, and capacity has been identified to under take this project.	PEDD
Cash Flow/ budgetary constrains within PEDD	High	Low	Payment is only made once delivery partners have produced evidence of outputs achieved, and funding drawdown from grant bodies.	PEDD
Lack of sufficient employers engaged to provide suitable work based learning opportunities	High	Low	Sefton@work currently works with a range of local employers, who would participate in this project.	PEDD
Delivery Partners pull out of the project	Low	Low	There are number of delivery partners, who are not currently involved with this protect, but would be suitable replacements for any delivery partners that drop out.	PEDD

8.0 Summary

8.1 Sefton Council is currently managing two Skills Funding Agency (SFA)/European Social Fund (ESF) Co-Financed projects until March 2011. In future these two strands have been combined into single activity labelled Greater Merseyside Provision for NEET ESF 2011 –2013 Youth Programme. Sefton Officers have responded to the ITT, the outcome of which will announced in January/February 2011. If successful this will give Sefton Council the opportunity to draw down £647,163 of co-financed funding from April 2011- December 2013.

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- 8.2 As with existing two ESF projects Sefton Council will continue to be the accountable body. However, there are no financial implications, as both the management and delivery costs will be charged to the NEET Project.
- 8.3 The two existing ESF projects are currently managed by Children's Schools and Families, with Planning and Economic Development Department ensuring that all contractual, monitoring and compliance procedures are met. In light of the changes taking place within the Children's, Schools and Families Services it is proposed that management responsibility for the NEET, together with contractual, monitoring and compliance procedures should now all rest with Planning and Economic Development Department.

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REPORT TO: Cabinet Member – Regeneration
Cabinet Member – Technical Services
Cabinet
Cabinet Member – Environmental

DATE: 19th January 2011
26th January 2011
27th January 2011
9th February 2011

SUBJECT: REECH (Renewable Energy and Energy Efficiency in Community Housing) Project

WARDS AFFECTED: Linacre, Derby, Litherland, Netherton & Orrell, Church,

REPORT OF: Andy Wallis – Planning and Economic Development
Director
Alan Lunt – Neighbourhood & Investment Programmes
Director

CONTACT OFFICER: Mo Kundi X3447

EXEMPT/ CONFIDENTIAL: No

PURPOSE/SUMMARY:

To inform Members that the REECH Project has now been approved by the North West Development Agency. Subject to the agreement of arrangements for the delivery of Economic Development activity presented elsewhere on the agenda, to seek Members' approval to accept the Offer letter and also to agree the Revenue and Capital financial implications of the project.

REASON WHY DECISION REQUIRED:

Cabinet approval is required for Sefton Council to accept the REECH Project Offer letter.

RECOMMENDATION(S):

1. Members note that the REECH Project was approved by the North West Development Agency on 16th December 2010.
2. That subject to the agreement of arrangements for future delivery of Economic Development, tabled elsewhere on this agenda, Cabinet: -
 - (a) accept the Offer Letter from the North West Development Agency in relation to the REECH Project, and approve a start date of 1st January 2011.
 - (b) agree the inclusion of the REECH Project in the Capital Programme as set out in Annex A in the sum of £7,170,624 to be fully funded from ERDF grant, and
 - (c) agree the Revenue budget for the project as set out in Annex A which requires that the Council provides revenue match funding amounting to £413,862 over 3 calendar years.
3. Cabinet Members for Regeneration, Technical Services, and Environment note the content of the report and request further progress reports.

FORWARD PLAN:

Yes

Approved on 12th May 2010

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IMPLEMENTATION DATE: After the call in period

ALTERNATIVE OPTIONS:

Not to accept the Offer letter from the Regional Development Agency would mean that both Sefton and the rest of the sub-region would lose the opportunity to progress both the climate change, and the low carbon economy agenda, particularly during this financially constrained period.

IMPLICATIONS:

Budget/Policy Framework:

Financial:

The Council is required to provide revenue match funding of £413,862 over 3 calendar years as set out in Annex A.

As regards the Capital element of the project there are no financial implications for the Council. Sefton's role will be to release ERDF grant on receipt of detailed evidence of spend by the Delivery Partners. The Council's Capital Programme will therefore reflect the 50% ERDF element of the project amounting to £7,170,624 as detailed in the following table. The Capital match funding will be provided in total by each of the Delivery Partners as set out in Annex B.

<u>CAPITAL EXPENDITURE</u>	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £	2013/ 2014 £
Gross Increase in Capital Expenditure		3,515,888	3,570,480	84,256
Funded by:				
Sefton Capital Resources				
Specific Capital Resources(ERDF)		3,515,888	3,570,480	84,256
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure	55,231	198,136	195,110	165,385
Funded by:				
Sefton funded Resources				
External Resources (ERDF)	55,231	198,136	195,110	165,385
Does the External Funding have an expiry date? Yes	31/12/13			
How will the service be funded post expiry?	Project ceases on			

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Legal: N/A

Risk Assessment: Council has already accepted that in taking on responsibility as the Accountable Body for this scheme, the Council would potentially be liable if specific conditions are not met in the spending of this grant. See attached risk analysis at Annex C.

Asset Management: N/A

CONSULTATION UNDERTAKEN/VIEWS

LD 00018/10 – Legal Department

FD603 – The Acting Head of Corporate Finance & IS has been consulted and his comments have been incorporated into this report.

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 to Cabinet dated 10th June 2010 entitled 'REECH (Renewable Energy and Energy Efficiency in Community Housing) Programme'

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1.0 Background

- 1.1 The Cabinet at its meeting on 10th June 2010 considered a report entitled 'REECH (Renewable Energy and Energy Efficiency in Community Housing) Programme' which provided detailed information on the bid submitted to the Regional Development Agency for £7,170,624 ERDF funding. The aim of this sub-regional (including Halton) Programme is to directly stimulate the market for low carbon and environmental technologies and renewable energies via their application within existing social and low income housing.
- 1.2 The report of 10th June 2010 also provided information on the setting up of the REECH Steering Group, the proposed Programme delivery team, and on financial implications. The Cabinet noted the submission of the REECH Programme bid, and:-
 1. Approved the establishment of a REECH Steering Group as outlined in paragraph 3.0 of that report,
 2. Agreed that Cabinet Member for Regeneration be appointed Chair of the REECH Steering Group, and that
 3. Subject to the REECH Programme bid being successful and a final offer having been made by the Regional Development Agency, requested that a further report be submitted with a view to accepting that offer, and the report to include any financial and operational implications, and
 4. Subject to 3 above, agreed to the inclusion of the REECH Programme in the Capital Programme for 2010/11
- 1.3 Members at their earlier meeting on 17th December 2009 had already agreed to Sefton Council being the accountable body for this sub-regional bid.

2.0 Current Position

- 2.1 After prolonged discussions and consultations with the Regional Development Agency the REECH Programme bid was finally submitted to the Agency on 2nd September 2010. As Members may be aware with the proposed demise of the Agency, there has been a significant turn around of staff dealing with ERDF funded projects. During this period a new officer within the Agency indicated that the REECH bid as submitted can not be progressed any further unless the Action Plan approach suggested in the bid was changed. The Agency insisted that the existing bid must be revised and should be based on identification of individual eligible projects (across the sub-region, and over the life of the bid), including their aims, objectives and costing. This was a major change of direction by the Agency, particularly as the Agency had approved the Action Plan based approach clearly articulated within the REECH bid during the earlier Expression of Interest stage, and the Concept stage.
- 2.2 The Agency also indicated that the end date of December 2013 (by which time all ERDF expenditure must be defrayed) can not be changed. This means, g) **Page 18** and scale, the project needs to

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officially start no later than on 1st January 2011. The Agency's revised timetable is as follows:-

- | | |
|---|--------------------------------|
| ▪ Final revised bid to NWDA | 2 nd November 2010 |
| ▪ Responding to issues raised by the Agency | 5 th November 2010 |
| ▪ Project Review Group | 22 nd November 2010 |
| ▪ Programme Monitoring Sub Committee | 30 th November 2010 |
| ▪ NWDA Board | 16 th December 2010 |
| ▪ Offer Letter/Contract issued | 21 st December 2010 |

2.3 Delivery of the REECH programme is dependent upon Cabinet agreeing to the revised arrangements for the delivery of Economic Development activity presented elsewhere on this agenda.

3.0 Individual Projects

3.1 In line with the Agency's request, Officers have worked with Registered Social Landlord (RSL) delivery partners to identify all those projects that would be eligible for ERDF grant, can be delivered within the bid timetable and critically, will lead to outputs required as part of the funding condition. Not surprisingly the request for ERDF support by delivery partners far exceeds the amount the Agency has allocated to the Merseyside sub-region. The allocation for Halton is coming from the budget earmarked for the rest of the North West region, and therefore cannot be spent within the sub-region. The reverse also applies.

3.2 The attached Annex B shows the following elements:-

- RSL delivery partners
- RSLs' proposed geographical delivery areas
- Start and end date of individual RSL projects
- Number of properties involved, their borough wide locations, and the nature of work proposed
- Original ERDF request and revised ERDF allocation

3.3 The total original request for ERDF resources from RSLs came to some £18,775,893, compared to £7,170,624 that is available from the Regional Development Agency. The request therefore, has been scaled back based on the ability to deliver within the bid time scale, the type and number of energy measures proposed and the outputs produced and match provided. As set out in Annex B, the ERDF allocation in terms of geographical spread is now as follows; Liverpool (£526,157), Wirral (£688,237), Knowsley (£2,002,144), Sefton (£1,958,606), St Helens (£1,692,900). In the case of Halton (£302,580) the allocation has gone up as the amount available is ring fenced.

4.0 Financial Implications

As a result of the revised approach suggested by the Agency, and the fact that the project start date has changed from October 2010 to 1st January 2011, there have been changes to the financial tables provided in the previous Cabinet report. The tables in Annex A have been revised to reflect the

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4.1 Revenue

The total revenue cost of managing the project over the 3 calendar years is estimated to be £1,227,724. ERDF grant amounting to £613,862 will be received based on a 50% intervention rate.

This will leave the same amount to be found as match funding. Sefton Council will provide the largest share of the match funding in the sum of £413,862 over the 3 calendar years. This is based on the fact that Sefton needs to have maximum control of the REECH Project, which in turn allows Sefton to benefit directly from receiving 50% of the ERDF (£613,862) revenue match, and more critically allows Sefton to develop expertise in this particular field, which is likely to offer significant future opportunities. Each of the 5 other Local Authorities will contribute £40,000 in staff time over the 3 calendar years.

The Council would need to employ seven full time staff to manage the project. It has been agreed with the Regional Development Agency, given the current budget situation, that these posts will be restricted in the first instance, to those staff currently at risk within the Council, and will be dealt with in accordance with current policies and procedures. By agreeing to this method of recruitment, Sefton would save circa £337,000 over 3 calendar years.

4.2 Capital

As regards the Capital element of the project, there are no financial implications for the Council. Sefton's role will be to release ERDF grant on receipt of detailed evidence of spend by the Delivery Partners. As set out in Annex A, the Council's Capital Programme will therefore reflect the 50% ERDF element of the project amounting to £7,170,624. The Capital match funding will be provided in total by each of the Delivery Partners.

5.0 Comments

- 5.1 This is the first time that the European Commission has allowed the use of ERDF grant for housing related activities that were excluded from previous Objective 1 Programmes. Because of different rules and regulations pertaining to the housing sector, it has been a major learning curve for both the Regional Development Agency and Sefton Officers. However, I am please to report that after this lengthy application process the REECH Project was finally approved by the NWDA's Board at it's meeting on 16th December 2010.

6.0 Recommendations

- 6.1 It is recommended that:-

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- Members note that the REECH Project was approved by the North West Development Agency on 16th December 2010.
- That subject to the agreement of arrangements for future delivery of Economic Development, tabled elsewhere on this agenda, Cabinet: -
 - (a) accept the Offer Letter from the North West Development Agency in relation to the REECH Project, and approve a start date of 1st January 2011.
 - (b) agree the inclusion of the REECH Project in the Capital Programme as set out in Annex A in the sum of £7,170,624 to be fully funded from ERDF grant, and
 - (c) agree the Revenue budget for the project as set out in Annex A which requires that the Council provides revenue match funding amounting to £413,862 over 3 calendar years.
- Cabinet Members for Regeneration, Technical Services, and Environment note the content of the report and request further progress reports.

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ANNEX A

FUNDING OF REVENUE COSTS

Revenue Budget Head	Estimated Cost	Funding						
		ERDF	Sefton	Liverpool	Knowsley	St Helens	Wirral	Halton
	£	£	£	£	£	£	£	£
Staff costs	959,450	479,725	279,725	40,000	40,000	40,000	40,000	40,000
Accommodation costs	49,500	24,750	24,750					
Evaluation & Audit fees	85,000	42,500	42,500					
Running costs	30,000	15,000	15,000					
Research & technical support	30,000	15,000	15,000					
Events & Complementary support	73,774	36,887	36,887					
Total	1,227,724	613,862	413,862	40,000	40,000	40,000	40,000	40,000

REVENUE CALENDAR YEARS

Revenue Budget Head	Estimated Cost	2,011	2,012	2,013	2,014
	£	£	£	£	£
Staff costs	959,449	317,312	319,200	322,937	0
Accommodation costs	49,500	16,500	16,500	16,500	0
Evaluation & Audit fees	85,000	30,000	9,000	9,000	37,000
Running costs	30,000	10,000	10,000	10,000	0
Research & technical support	30,000	10,000	10,000	10,000	0
Events & Complementary support	73,775	24,000	24,000	25,775	0
Total	1,227,724	407,812	388,700	394,212	37,000

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REVENUE – FINANCIAL YEARS

ANNEX A

Revenue Budget Head	Estimated Cost	2010/11	2011/12	2012/13	2013/14 & later
	£	£	£	£	£
Staff costs	959,449	80,337	316,772	320,720	241,620
Accommodation costs	49,500	4,125	16,500	16,500	12,375
Evaluation & Audit fees	85,000	15,000	19,000	9,000	42,000
Running costs	30,000	2,500	10,000	10,000	7,500
Research & technical support	30,000	2,500	10,000	10,000	7,500
Events & Complementary support	73,775	6,000	24,000	24,000	19,775
Total	1,227,724	110,462	396,272	390,220	330,770

CAPITAL CALENDAR YEARS

Capital	2,011	2,012	2,013	2,014	Total
	£	£	£	£	£
Delivery Partners match Funding	2,220,696	4,745,425	204,504	0	7,170,625
ERDF grant	2,220,696	4,745,424	204,504	0	7,170,624
Total forecast capital spend	4,441,392	9,490,849	409,008	0	14,341,249

CAPITAL FINANCIAL YEARS

Capital	2010/11	2011/12	2012/13	2013/14	Total
	£	£	£	£	£
Delivery Partners match Funding	0	3,515,889	3,570,480	84,256	7,170,625
ERDF grant	0	3,515,888	3,570,480	84,256	7,170,624
Total forecast capital spend	0	7,031,777	7,140,960	168,512	14,341,249

Ms side ERDF Capital Allocation	6868044
Halton ERDF Capital Allocation	£302,580
Total ERDF Capital Allocation	£7,170,624

Technologies						
SWI	SWH	Gas savers	Air source	MHRV	Passive Vent	LED Lighting

Technology Unit Cost	6586	3500	750	5669	450	450	160	3581	4297
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Applicant	Scheme	Sub Region Allocation	ERDF	Total Project Cost	No. Properties	SWI	SWH	Gas savers	Air source	MHRV	Passive Vent	Led	Dry lining	Triple Glazing
Knowsley		£2,002,144												
Widnes	Stockbridge		£2,002,144	£4,004,288	608	608								
Wirral		£526,157		£0										
Widnes	Energy Eff a		£171,317	£342,635	85					85			85	
Widnes	Neigh Solar		£144,500	£289,000	68		68	68						
Widnes	Demo		£51,335	£102,670	5	5	5		5		5	1		5
Widnes	Everton Energy		£43,750	£87,500	25		25							
Widnes	L8		£115,255	£230,510	35	35								
Sefton		£1,958,606												
Riverside	Peel Rd		£829,836	£1,659,672	252	252								
OVH	Lowton Cubitt		£492,520	£985,040	140	140					140			
OVH	Roof Scheme		£592,500	£1,185,000	300		300				300			
Plus Dane	Bootle Solar		£43,750	£87,500	25		25							
St. Helens		£1,692,900												
Helena	Acre Green		£1,692,900	£3,385,800	300	300	300	300			300			
Wirral		£688,237												
WPH	Woodward		£688,237	£1,376,474	209	209								
Halton		£302,580												
Plus Dane	Castlefields		£302,580	£605,160	60	60	60							
Totals		£7,170,624	£7,170,624	14,341,249	2112	1609	783	368	5	85	745	1	85	5

ANNEX B

		Total Project Cost	ERDF	Match
Knowsley				
Villages	Stockbridge	8,686,802	3,474,721	5,212,081
Liverpool				
Plus Dane	Everton 4 Bed	150,000	75,000	75,000
Plus Dane	Everton Energy	125,000	62,500	62,500
Plus Dane	Kensington	312000	156000	156000
Plus Dane	L8	280000	140000	140000
Good Neighbour	Neighbourhood Solar	477495	238495	239000
Liverpool Hsg Trust	Energy Efficiency	612400	306200	306200
pool Mutual	Demo	95050	47525	47525
Warrington				
Plus Dane	Bootle Solar	125000	62500	62500
Plus Dane	Peel Road	4072000	2036000	2036000
One Vision	Oxford/Irlam	4950400	2475200	2475200
One Vision	Lowton Cubitt	1366400	683200	683200
One Vision	Roof Scheme	3467800	1733900	1733900
One Vision	LED Programme	5580000	2790000	2790000
St Helens				
Helena	Acre Green	6000000	3000000	3000000
St Helens Council	External Wall Insul	115000	57500	57500
Wirral				
Wirral Partnership	Woodward Estate	2524304	1262152	1262152
Plus Dane	Castlefields	350000	175000	175000
Grand Total		39289651	18775893	20513758

ERDF Capital Requests

	ERDF Requested	ERDF Allocated	%
Knowsley	3,474,721	£2,002,144	28
Liverpool	1,025,720	£526,157	7
Sefton	9,780,800	£1,958,606	27
St Helens	3,057,500	£1,692,900	24
Wirral	1,262,152	£688,237	10
Halton £300k Allocation	175,000	£302,580	4
	£ 18,775,893.00	£7,170,624	

NB Plus Dane submitted a draft ERDF Revenue request (£350k) for Smart Grid this was ineligible for funding.

Knowsley	3474721
Liverpool	1025720
Sefton	9780800
St Helens	3057500
Wirral	1262152
	<u>£ 18600893</u>
Halton	175000
Grand Total	<u>£ 18775893</u>

Key

Solid Wall Insulation (SWI), Solar Water Heat (SWH), Mechanical Heat Recovery (MHRV)

RISK ASSESMENT

ANNEX C

Risk Description	(a) Probability (Score 1-5)	(b)Impa ct (Score 1-5)	(c) Over all Risk (a x b)	Review Date	Risk Owner	Mitigation: What can be done to reduce risk or what contingency plans will be in place?	Residual Risk	
							Likelihood	IMPACT
Financial and Legal risk	1	5	5	On going	Sefton Council	Sefton would be undertaking the role of Programme management. Tendering exercise will be undertaken in accordance with ERDF regulations and successful tenderer will be legally and financially duty-bound to deliver the agreed out puts and out comes. Also payments will only be made on defrayed eligible expenditure.	0	0
Project not approved by the RDA	2	1	2	On going	Sefton Council	In the event the project is not approved, there are no cost implications to Sefton or to other delivery partners involved in the programme.	0	0
Project approved but ERDF grant reduced	3	2	6	On going	Sefton Council & Delivery Partners	In the event the ERDF allocation is reduced, the works programme will also be reduced accordingly. Depending on the reduction in the allocation, the delivery team may need to be reduced, and the nature and geographical spread of activity may also be curtailed.	0	0

	2	2	4	On going	RSL Delivery Partners/Sefton Council	Successful delivery contracts would be with the RSLs, who will then engage contractors to undertake the work. It will be the RSL who having signed the conditional offer letter legally and contractually obliged to complete agreed works. Failure to do so mean that they will not get paid, and Sefton would be in a position to claw back any money for non achievement of out puts.	0	0
RSL goes into Administration	1	5	5	On going	Sefton Council	Sefton Council will undertake financial credit rating of RSLs during the tendering exercise.	0	0
Individual Project cost overruns	3	2	6	On going	Delivery Partners & Sefton Council	Sefton Council will monitor RSLs, and their contracts very closely, and where necessary will ask RSLs to take corrective actions. Council will have no legal or contractual agreement to pay for any cost overruns incurred by the RSL or their contractors. This risk will lie entirely with the relevant RSL	0	0
Overall Programme cost overruns	1	5	5	On going	Sefton Council	Regular monitoring of contracts with delivery partners, and Management delivery costs will be undertaken, and reported both to the Steering Group and the Cabinet.	0	0
Delays/time constraints	3	2	6	On going	Sefton Council & Delivery Partners	At the start of the project, a reserve list of schemes would be produced and if some projects do not materialise, schemes could be brought forward from the reserve list	0	0

Local Supply Capacity problems	2	2	4	On going	Sefton Council & Delivery Partners	The Sefton Delivery Team is already engaging organisations such as Fusion 21(local supply chain company set up to work with RSLs) and Envirolink NW in order to raise awareness of the opportunities arising from this programme and help to find solutions for capacity development.	0	0
Skilled labour constraints	2	2	4	On going	Sefton Council & Delivery Partners	Working with other partners in the sub region/region in order to anticipate labour constraints and jointly work with them in order to address them	0	0
Funding problems	3	2	6	On going	Sefton Council & Delivery Partners	Increase the contribution from alternative sources of funding or seek extended timescales on the delivery of the project. As part of this development stage Sefton has sourced and collated Expressions Of Interest for more than double the bid amount so we have many potential projects in reserve	0	0
Technical barriers	3	1	3	Approval Stage and start of works	Sefton Council & Delivery Partners	This is will be addressed as part of the tendering exercise, where detailed appraisal and assessment will be undertaken of each tenderer.	0	0
During and post project responsibilities include safeguarding, and archiving of information	5	1	5	On going	Sefton Council & Delivery Partners	Steps will be undertaken at the start of the project to ensure that all relevant information is labelled, safely secured and archived and readily available should it become necessary in the event of audit work.	5	1

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REPORT TO: CABINET MEMBER - REGENERATION

DATE: 19TH JANUARY 2011

SUBJECT: NORTH LIVERPOOL/SOUTH SEFTON STRATEGIC REGENERATION FRAMEWORK

WARDS AFFECTED: LINACRE, DERBY

REPORT OF: PLANNING & ECONOMIC DEVELOPMENT DIRECTOR

CONTACT OFFICER: MARK LONG
x3471

EXEMPT/ CONFIDENTIAL: NO

PURPOSE/SUMMARY:

To offer members an appraisal of the North Liverpool/South Sefton Strategic Regeneration Framework, and seek endorsement of it.

REASON WHY DECISION REQUIRED:

To allow the SRF to proceed to the next stage of delivery planning and resource procurement.

RECOMMENDATION(S):

That members:

- (i) Note this report
- (ii) Member's views are requested on the Strategic Regeneration Framework
- (iii) Approve the North Liverpool/South Sefton Strategic Regeneration Framework, as amended
- (iv) Authorise officers to begin discussions with Liverpool City Council and other partners on possible governance, decision-making and public engagement arrangements for the SRF partnership, and to present them to this committee for discussion and/or approval
- (v) Authorise officers to begin policy development and action planning for the SRF, and recommend the most appropriate options for implementing SRF action plans, programmes and projects
- (vi) No liabilities are to be entered into because of SRF without the express approval of Cabinet

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KEY DECISION: NO

FORWARD PLAN: N/A

IMPLEMENTATION DATE: Immediately following the call-in period for the minutes of this meeting.

ALTERNATIVE OPTIONS: The preparation of a Strategic Regeneration Framework is seen as the best way, if not the only way, to access scarce public resources held by the HCA and other regeneration agencies.

IMPLICATIONS:

Budget/Policy Framework: There are no financial consequences as a direct result of this report and therefore the Finance Director has not been consulted.

Financial:

<u>CAPITAL EXPENDITURE</u>	2009 2010 £	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
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: N/a

Risk Assessment: N/a

Asset Management: N/a

CONSULTATION UNDERTAKEN/VIEWS

SRF Key Stakeholder Event – 1st March 2010
 Linacre/Derby Area Committee – 22nd March 2010
 SRF Key Stakeholder Event – 3rd November 2010

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

Shape DPP (2010), North Liverpool: A Strategic Regeneration Framework 2010.
Sefton and Liverpool Working Together

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Background

1. Members received a report at 27th October 2010 meeting of this committee on the North Liverpool/South Sefton Strategic Regeneration Framework.
2. They resolved to:
 - “(i) Note this report
 - (ii) Agree to support and attend the Key Stakeholder Event planned for November, with a specific invitation to members of this Committee and Linacre/Derby Area Committee, as well as other key partners
 - (iii) Refer the Final SRF document to Overview & Scrutiny (Regeneration and Environmental Services)
 - (iv) Request an appraisal of the SRF by officers, along with feedback from Overview & Scrutiny, to be presented to a future meeting of this Committee
 - (v) Concurrently with the consultation and approval process, authorise officers to begin work with Liverpool City Council, Liverpool Vision and Homes & Communities Agency on a comprehensive 3 year delivery and action plan.”
3. This report includes an officer appraisal of the SRF and requests member endorsement, subject to any final comments. It also updates members on the latest developments associated with the SRF.

Stakeholder Event

4. On 3rd November 2010 a consultation event was held at Firwood Bootle Cricket Club, Bootle, Sefton. A range of local stakeholders from public, private and third sector organisations were invited to attend the event, with 74 representatives in attendance on the day.
5. Sefton’s invitation list included the Council Leader, Cabinet Members for Regeneration, Childrens Services and Technical Services, and members of Linacre/Derby Area Committee.
6. The wider invitation list included Liverpool Vision, NWDA, HCA, local businesses, The Mersey Partnership, Hugh Baird College, Merseyside Police, Skills Funding Agency, Merseytravel, Merseyside Police, Stepclever, New Heartlands, Queens Road Community Centre, Brunswick Youth Club and the Universities of Liverpool.
7. The purpose of this consultation event was to provide the opportunity for local stakeholders from the private, public and third sector in North Liverpool / South Sefton to hear progress on the Framework and to feed in additional information and suggestions to influence the final report and action plans.

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8. Max Steinberg (Liverpool Vision) commenced the session with a welcome and introduction outlining the purpose of the event. This was followed by a presentation from Shelagh McNerny (DPP Shape) which provided an overview of the SRF document. For the remainder of the session the delegates were divided into 6 smaller workshop groups. Each group comprised a range of representatives from different organisations to ensure that all aspects of the SRF were covered to reflect the holistic approach adopted in the SRF.
9. A full write-up of the workshops is available on request. The event was well-received, and although not required to formally endorse the document, clearly confirmed the consensus that has built up during the SRF process.

The Strategic Regeneration Framework document

10. The final version of the SRF document is available on the Council's intranet, as it is too big to attach to this agenda.
11. A Forward and Vision has been prepared to start the document, to be signed by the two Council leaders: Cllr Joe Anderson (Liverpool CC) and Cllr Tony Robertson (Sefton MBC).

Overall assessment

12. As requested, officers have prepared an appraisal of the Strategic Regeneration Framework.
13. The SRF is a forward look at the future of a part of Merseyside which has failed to benefit from the wider renaissance of the city centre and Liverpool City Region. The gap between the 6 SRF wards (County, Anfield, Kirkdale, Everton, Linacre & Derby) and the rest of Merseyside has not significantly narrowed in the last decade. Without further action this gap will remain or increase as more prosperous parts of the city region forge ahead.
14. The SRF points out the costs to the local population, the business community and to public authorities of continued decline:
 - the cost to the public purse of welfare payments to a large workless population
 - risks to family life, and to the integration of young people into work and society
 - expenses associated with obsolescent infrastructure
 - housing market failure on an ever wider scale
 - physical dereliction and decay, deterring inward investment and new construction
 - the flight of capital, and economic abandonment.
15. In short, we run the risk of this part of Merseyside reaching a tipping point where people "vote with their feet" and leave. The reason for a 20 year forward look is to allow partners to consider radical alternatives, that are of sufficient scale to check and then reverse this pattern of decline.

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16. The SRF makes a strong and compelling case for the positive regeneration of the area. This confidence is associated with a number of major assets and opportunities that are unique in the UK:
 - The working port at Seaforth, NW Europe's Atlantic Gateway, the UK's northern port-centric distribution hub, and a potential onshore base for offshore wind industries in the Irish Sea
 - Prime development opportunities on a massive scale next the World Heritage waterfront and the regenerated City Centre, with a major developer (Peel Properties) recruiting investors for a 40 year masterplan to develop Liverpool Waters
 - New Anfield, the stadium redevelopment for Liverpool FC, securing the future in north Liverpool of one of the world's most famous football clubs.
17. The SRF also explores how a framework capable of holding these high-level developments can bring forward opportunities that benefit the local population:
 - The renewal of the local retail and service offer through Project Jennifer
 - The reshaping of the housing offer through careful deletion of obsolescent housing, and introduction of private housing and a range of social rented and affordable housing in desirable modern communities – continuation of the work begun by New Heartlands
 - The development of an entrepreneurial culture leading to higher business start-up and survival rates, taking to the next level the solid achievements of the Stepclever programme
 - The development of an "energy zone" alongside the working port to capture private sector investment in sustainable energy generation and recycling
 - A locally integrated approach to family support, education and skills
 - Neighbourhood management and a framework for places.
18. A powerful commitment is building up in Liverpool City Council, that having first tackled Speke/Garston, then the City Centre, it is now the turn of north Liverpool. This commitment is in turn engaging with Sefton Council's desire to focus on its priority regeneration zones in south Sefton, as exemplified most recently by New Heartlands and Stepclever, and before that by South Sefton Partnership, Atlantic Gateway and the Pathway Partnerships.
19. Together, the two Councils are now in a strong position to forge a powerful alliance to ensure sustained investment and development in their shared priority zones. This organisational and political alignment has been demonstrated at recent SRF stakeholder workshops in March and November 2010, and builds upon earlier partnership working in the context of the Merseyside Multi-Area Agreement and Liverpool City Region.
20. At a time of austerity and retrenchment, members may feel cautious about taking on new and ambitious objectives. However, the bigger risk is to miss the long-term opportunity that the SRF represents, while incurring all the costs of decline.
21. This scale of opportunity occurs only once in a generation. The challenge is to employ new ways of working that lever in private sector investment, and maximise

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the value of scarce public resources. Signing up to support the SRF does not necessarily require any Council funding commitments. This is a long term approach, and does not depend on possession of any individual funding stream, but on a strategic approach to assembling and employing all funding opportunities.

Governance issues for Sefton

22. Governance - Sefton needs to be represented within the decision-making and implementation arrangements for the SRF. This will need to include representation at both member and officer levels. There is little appetite for creating a new tier of organisation to run the SRF programme, but there are alternatives – such as a joint committee between the two Council – that offer both flexibility, accountability and affordability. Appropriate governance structures will be discussed between Liverpool and Sefton Councils and brought back to this committee or Cabinet for discussion and approval.
23. Accountability - When partnership processes have been agreed, they will be ratified by Sefton Council and registered in line with the Council's policy on external partnerships (and if appropriate, for accountable bodies).
24. Implementation - A further round of policy development and action planning will be needed to translate the high-level objectives of the SRF into tangible proposals. All action plans and project proposals will require the approval of the appropriate Cabinet member, and all capital projects will be appraised and approved through the normal procedure (via Cabinet). No liabilities will be entered into without the express approval of Cabinet.
25. Community involvement - The SRF was not designed for mass participation, but to identify an overall economic trajectory. Officers for Sefton have insisted throughout on the need to involve communities at both the planning and implementation stages if the final outcomes are to be acceptable. Sefton's approach will be consistent with the Public Engagement & Consultation Standards it has signed up to through the Sefton Borough Partnership.

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Policy issues for Sefton

26. Housing. A key challenge is how do we ensure that there is a continued supply of new homes developed in Bootle? In this regard, the HMRI process has led with the delivery of new homes and especially new private sector housing which for many years previously was almost totally absent in Bootle. After the 'wind down' of the HMRI process, we need to ensure that the flow of new homes - and especially private sector homes - continues, in a situation where many sites may be contaminated and have infrastructural problems etc and will therefore require external funding support to deliver them. In the Core Strategy we will be identifying the need for a greater choice of housing as a key challenge for Bootle, in order to try to stem the flow of people away from this area - the SRF offers potential funding opportunities to be able to achieve this. We should be able to include appropriate references to the SRF in our emerging strategic housing policies in terms of land availability, affordability etc. Clearly we cannot assume that new houses will become available through this process, but we can refer to the potential for this, and take account of what does happen in our monitoring. This will then have an effect on our 5 year housing land supply and the timescale for releasing land in the Green Belt.
27. Economic Development. The Council is completing a Local Economic Assessment by spring 2011, and a Sustainable Economic Development Strategy will follow. The Strategy will take full account of the opportunities and assets identified in the SRF, and show how they can be utilised to strengthen the economic base, promote investment, grow jobs, and improve access and affordability to investors and developers. In particular, we will want to continue to close the business start-up and survival gap, invest in the low carbon economy, maximise the value of the Port and maritime cluster to the city region, and ensure local people get local jobs, while mitigating the impact of recession and public sector job loss.
28. Area Management. The SRF is consistent with Sefton's emerging approach to Area Partnerships and Area Management of services. The Localism Bill, and government's promotion of neighbourhood plans and the Community Infrastructure Levy, provide additional reinforcement for effective local action through the SRF.
29. Transport. The Third Local Transport Plan for Merseyside is in the final stages of development for submission to Government in March 2011. With a horizon of 2024, the overarching vision is to create a good transport system to help improve people's lives through improved access to essential services and everyday facilities and to support the growth of Merseyside's economy and to make it a better place to visit. Underpinning this will be a desire to also improve the safety and health of residents and provide value for money in all services. Development of the SRF strategy has had a key role in providing a strong evidence base for the new LTP. Recognising that transport has a significant role in facilitating the delivery of the plan, the key issues identified in the SRF area, where transport improvements would provide major benefits, will be priorities for delivery through the LTP Implementation Plans. These include increased rail capacity for people and freight, improved public transport especially for east-west movements, better management of traffic particularly on the main transport corridors including the A565, improved pedestrian facilities in shopping areas and linking to core services

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and access by cycle. Liverpool City Council and Sefton Council are developing LTP Implementation plans on a 3 year rolling programme basis to deliver these aspirations within the context of available funding.

30. Port & Maritime Zone. The SRF rightly foregrounds the value of a major port to the city region and to the north of England. Some 40% of the Merseyside Maritime Cluster is located within the SRF area. We have clearly not exhausted the potential of the port and maritime zone in terms of translating throughput into value-added processing, smart logistics, or port-related uses such as energy generation and re-use of natural resources and waste. Officers are in close contact with TMP (offshore wind) and Mersey Maritime (trade development and training), as well as leading on the Port Access study. All of these will be reported to members in due course. We are aware that the port operators already face a constrained land supply to meet their operational requirements. We need to ensure that, subject to the agreement of appropriate compensation (details of a specific site currently being discussed by Peel Ports and Natural England), the Seaforth Nature Reserve site can be brought forward for development but the Port may also need to extend their operational area in other locations (e.g. to the east of Derby Road for example).
31. Bootle Town Centre. We recognise that things don't stand still in retail terms and competition from other centres (including Liverpool 1, Kirkby Town Centre) and out of centre retail development (Liverpool Waters, Project Jennifer) will intensify in the years ahead. The challenge will be how to maintain and enhance Bootle's role and function as the most important retail centre in South Sefton. This will be identified in the Core Strategy policy approach setting out the retail hierarchy. The SRF provides up-to-date evidence and a rationale for defending the retail hierarchy and for attracting investment and/or higher-order services into Bootle Town Centre.
32. Bootle Office Quarter. This has and continues to perform a key local employment role and complements Bootle Town Centre. We need to ensure that its revitalisation continues and its role is enhanced, and this will include continued refurbishment of the existing office stock and some complementary new build e.g. adjacent St John's House.
33. Local Shopping Provision/ Shopping Parades in Bootle - linked to the above, we need to recognise that the role and function of some local shopping parades will change and some may need consolidation or change to other uses. Again, the challenge will be how to ensure that they continue to perform a key local retail function. Equally importantly we need to ensure that local shopping centres, such as Seaforth, continue to perform a key local convenience retail function, albeit that this will almost inevitably mean downsizing and consolidation in the case of Seaforth.

Implementation issues for Sefton

34. As a long-term policy framework, the SRF does not need to contain specific recommendations for implementing the strategy. However, officers have begun to consider the means of delivery as part of planning for the next stage. Essentially, the two Councils can choose from any of these options:

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- To implement the SRF incrementally through individual decisions on private sector projects, using planning and other regulatory powers
 - To develop and implement projects, or programmes of projects, consistent with the SRF, using a variety of public and private resources
 - To adopt or create a special purpose vehicle, under suitable democratic control, which is better equipped to deliver long-term development and investment objectives.
35. If the SRF is embedded in Liverpool and Sefton's Local Development Framework, and in other statutory plans, then development can be steered towards the long-term aims of the SRF. This will work well for incremental upgrading of designated areas, and when seeking to make development proposals from the private sector more acceptable. However, where the market is flat-lining, or investment is weak, then regulatory control will be correspondingly less effective.
36. Where external resources are available, and/or the Councils can draw on their own resources, then pro-active initiatives can be pursued that will re-shape the functions of key areas where the market cannot. This was the normal route used when public resources were flowing in volume through the Objective 1 programme, Working Neighbourhoods Fund, Housing Market Renewal Fund etc. These sources are starting to dry up, though some pockets of resource are available that need to be maximised for use by SRF. In particular, the two Councils are collaborating to submit a joint application for the SRF area under Regional Growth Fund. Further details on progress will be brought back to this committee. This approach tends to be most useful when the need is for time-limited, site-specific or bespoke support.
37. Finally, the government is looking to increase the range of policy instruments available to local authorities. The most important land and property-related instruments include:
- Tax Increment Finance
 - Community Infrastructure Levy
 - Business Improvement Districts
 - Business Bonus (for business rates growth)
 - JESSICA (EU funded property development fund).

There may in addition be cases where the local authorities are not best placed to act, and they seek to form a partnership with the private sector.

In terms of special purpose vehicles. Liverpool has several years experience of operating an Economic Development Company (Liverpool Vision) which is jointly owned by the City Council, LCCI and NWDA. Though to be absorbed by the Council in April 2010, the lessons learnt in the regeneration of Speke/Garston and the City Centre are particularly relevant to north Liverpool.

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Sefton Council approved a Strategic Investment Framework in 2009 and commissioned legal and financial advice on the creation of a Local Asset Backed Vehicle. This is a public/private partnership endowed with Council assets, fuelled with external grant and providing the security for commercial borrowing to finance development. By retaining developer's profits within the company, and recycling proceeds in a rolling programme of investment, the partnership can provide a more efficient route for maximising the value of the Council's assets which would otherwise be sold off piecemeal without long-term benefit. The Council could not proceed at the time with this proposal because of adverse market conditions, but the slump in land and property prices, and the possibility of taking potential liabilities off the Council's books, may make this proposal attractive once again.

As part of delivery planning, the most appropriate mode of implementation will be determined for each activity. Members will be fully involved in these decisions.

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Agenda Item 7

REPORT TO: Cabinet Member Social Care
Cabinet Member Regeneration

DATE: 22nd December 2010
19th January 2011

SUBJECT: Anchor Staying Put Sefton

**WARDS
AFFECTED:** All

REPORT OF: Robina Critchley (Adult Social Care Director)
Alan Lunt (Neighbourhoods & Investments Programmes
Director)

**CONTACT
OFFICER(s) :** Margaret Milne
(Principal Manager Adult Social Care)

**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY:

To inform Cabinet Members of the notification of Anchor Housing Association to discontinue the "Staying put Service" from 31st March 2011 and to inform Cabinet Members of the proposed interim arrangements.

REASON WHY DECISION REQUIRED:

Anchor have served notice on the above service and in light of the financial review the directorate are considering sustainability of the service and cost efficiencies for the delivery of the service.

RECOMMENDATION(S):

The Cabinet Member is asked to note the report.

KEY DECISION:**FORWARD PLAN:**

IMPLEMENTATION DATE: 1st January 2011.

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ALTERNATIVE OPTIONS:

IMPLICATIONS:

Budget/Policy Framework:

Financial: None

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

Legal: N/a

Risk Assessment: No specific risk assessment has been carried out in respect of this issue although such matters are covered in Departmental risk registers

Asset Management:

CONSULTATION UNDERTAKEN

Discussions have taken place with Anchor since June 2010.

Anchor have sought expressions of interest for the transferring of undertakings of the service since June 2010 with a range of providers including the Community, Voluntary and Faith sector.

The Head of Corporate Finance and Information Services has been consulted and has no comments on the report. FD 586/10.

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

- The Chronically Sick and disabled persons act 1970
- Community Care Act 1990
- Putting People First: a shared vision and commitment to the transformation of adult social care
- National Health service long term conditions model (DH 2005)
- Section five (Delayed Discharged Act)
- Our Health Our Care, our Say: a new direction for community services
- Liberating the NHS
- A Vision for Adult Social Care: Capable Communities and Active Citizens

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Background

The Anchor Staying Put, Home Improvement Agency has been funded by Sefton since it was first established in approximately 1995. The service has been very valuable and cost effective as it helps people to remain independent in their own homes for as long as reasonably possible.

In July this year Anchor Housing Association (the national body) served notice to the Council that it planned to discontinue the provision of Home Improvement Agencies to all Councils from 31st March 2011. In the meantime Anchor has been in discussion with a range of providers about possible transfer of services to other not for profit organisations.

Due to the economic climate there have been few expressions of interest except from the Mears Group who are a profit making organisation.

Anchor Staying Put core services were originally established to provide help and assistance to applicants through the Council's Disabled Facilities Grant programme (DFG). The aim of this is to assist applicants in completing their applications and gathering associated supporting information. They also procure the works on behalf of the client, which includes tendering and managing of the contract on site. This is an essential service to the majority of grant recipients who are elderly or disabled. The Council does not have the resources or the staff to provide this level of support and assistance. Without this assistance the majority of applications may not progress beyond the application phase.

In the current financial year Anchor Staying Put is involved in over £2.5 million pounds worth of work in respect of the Council's DFG programme. The agency generates a fee based upon the volume of work completed in any given year. The fee is currently set at 10% of the Council's approved costs.

Anchor Staying Put Sefton activity funded by Sefton Community Equipment Service (SCES)

- Disability Resource Centre
- Small Aids & Equipment Service
- Intermediate Care Minor Adaptations
- Adaptations & Coordinating Service
- Sensory Impairment Service
- Hospital Discharge Service

Total funding **£133,200** from SCES **plus £2,500** contribution towards the rent of the Disability Resource Centre (DRC).

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The costs of the services include overheads (including stationary, equipment, utilities and back office functions).

To match the £5000 that SCES and NHS Sefton pay (50% shared cost) Anchor pay the rest of the rent, a further £5000, plus all the VAT out of their own budget.

Since 2008 there has been additional funds provided through the Supporting People Programme to enhance the level of services to enable people to remain at home.

Supporting People currently fund three services these are:

- Anchor Staying Put Sefton (core service) - **£41,500.00**.
- Handyperson Service - **£38,810.90**
- Enhanced Handyperson Service - **£95,495.00**

Total £175,806

The Enhanced Handyperson Service is funded until March 2011 via a specific time-limited grant received from Communities and Local Government.

The core service relates to work in respect of The Council's Disabled Facilities Grants (DFGs).

The Handyperson services involve the conducting of minor repairs and adaptations with work including:

- Fitting locks & bolts, door bells / crime prevention enhancements
- Putting up shelves/curtain rails/tracks and curtains
- Re-hanging doors/moving furniture
- Small areas of plastering and tiling/ decorating
- Basic plumbing i.e. unblocking sinks / tap washers

The Enhanced Handyperson Service also includes the provision of gardening services. Jobs include:

- Cutting Lawns
- Trimming Hedges
- Clearance
- Pruning
- Weeding
- Strimming
- Planting

This service is only available to vulnerable clients. Jobs which take less than two hours to complete, are delivered free of charge with clients only having to pay for materials. For jobs taking more than two hours, the service charge is £10 per hour.

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The Staffing Structure for the service may be found at appendix 1.

On 22nd November, the Regional Manager from the Mears Group met with Council officers to advise that with effect from 1st December 2010 they have committed to take over the majority of Anchor HIA (including Sefton's).

Mears advised that they are:

- The leading providers of repairs, adaptations and home improvement to the Social Housing Sector.
- Provide over 4 million hours of domiciliary care to people in the UK in their own homes
- Have the highest customer satisfaction scores in the housing sector and best overall quality rating from the Care Quality Standards Commission

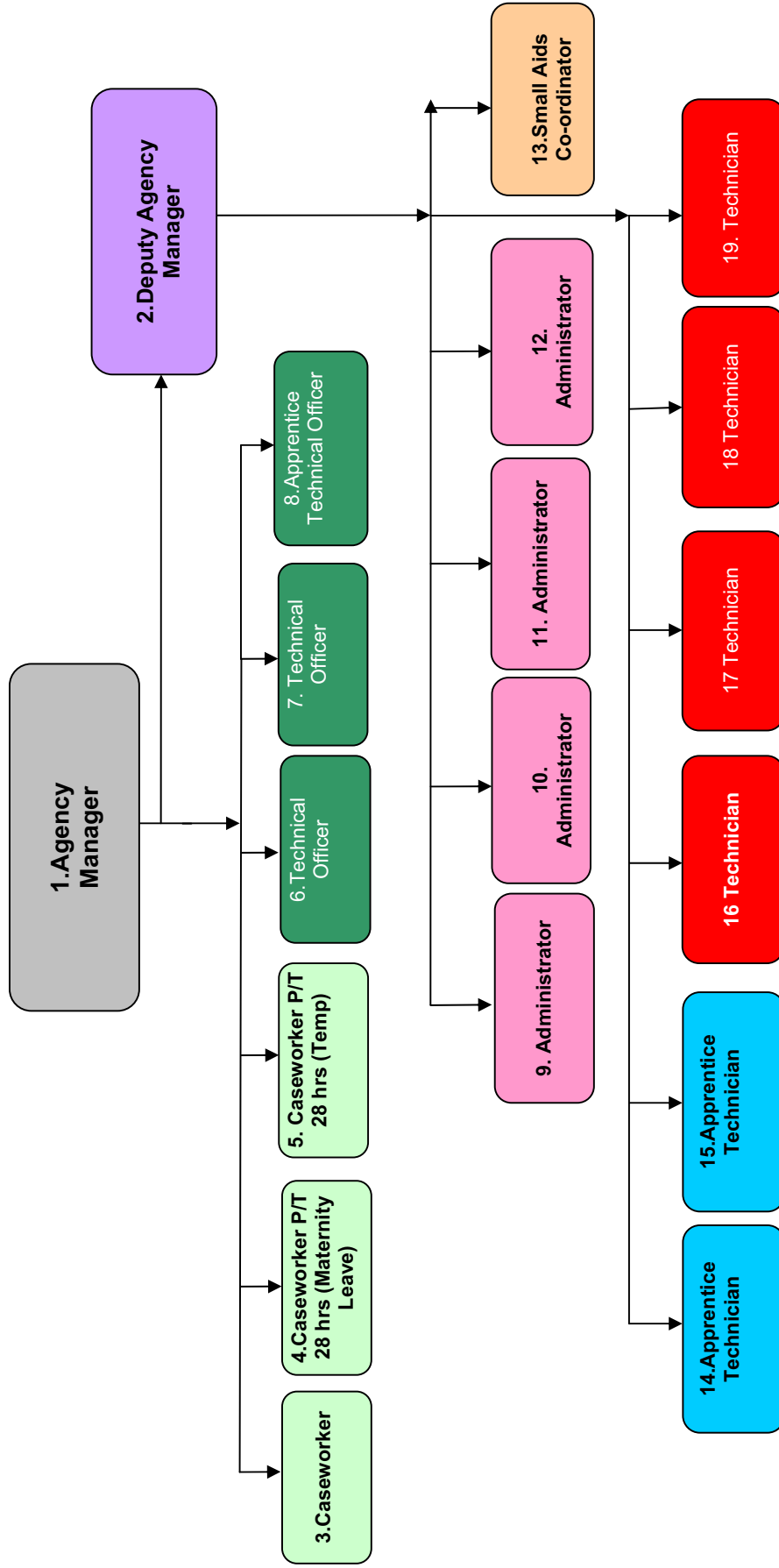
Mears presented their business case in sustaining Home Improvement Agency services in Sefton which included opportunities to reduce costs and improve services and are looking at this work as a long term business development opportunity.

Officers made Mears aware of the current and future financial constraints within the Council and that a review is being undertaken of which essential services we aim to commission from 1st April 2011 and that the present contracts with Anchor are likely to be considerably reduced.

Mears provided assurance that they will provide central support to the Sefton Home Improvement Agency and are committed to maintaining this as a local project and would agree to a one year contract monitored by a working group which would include officers and service users from Sefton.

Corporate procurement has advised that we are required to tender this service in preparation for the expiry of the current contract even though this will likely (due to the uncertain economic climate) be for an initial period of one year with the potential for two twelve month roll over contracts. Mears have been notified of this situation.

Another report will be provided to members early in the New Year to update them of the outcome of that exercise.



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