

MEETING: CABINET URGENT BUSINESS COMMITTEE  
DATE: Thursday 13th January, 2011  
TIME: 9.30 am  
VENUE: Town Hall, Bootle

**Member**

Councillor

Robertson (Chair)  
P. Dowd  
Parry

COMMITTEE OFFICER: Steve Pearce  
Head of Committee and Member Services  
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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.              | <b>Apologies for Absence</b>  |   |
| 2.              | <b>Declarations of Interest</b><br>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.              | <b>Minutes</b><br>Minutes of the meeting held on 11 March 2010  | (Pages 5 - 6)   |
| 4.              | <b>Additional Funding from Homes and Community Agency to fund acquisitions in the Klondyke Area of Bootle</b><br>Report of the Neighbourhoods and Investment Programmes Director  | Litherland;<br>Netherton and<br>Orrell;<br>(Pages 7 - 10) |
| 5.              | <b>Variation to Remediation Contract with Blackwells Limited and Funding Agreement with the Homes and Communities Agency</b><br>Report of the Neighbourhoods and Investment Programmes Director   | Litherland;<br>(Pages 11 - 14)                            |
| 6.              | <b>Proposed Amendment to the Overarching Development Agreement with Keepmoat Limited.</b><br>Report of the Neighbourhoods and Investment Programmes Director  | Linacre;<br>(Pages 15 - 20)                               |
| 7.              | <b>Exclusion of Press and Public</b><br>To consider passing the following resolution:<br><br>That, under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item(s) 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.

8. **Bedford/Queens, 105 Balliol Road, Bootle (Kings Centre) and adjacent land**

Derby;

(Pages 21 - 26)

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 THURSDAY 25 MARCH 2010.**

## CABINET URGENT BUSINESS COMMITTEE

MEETING HELD AT THE TOWN HALL, BOOTLE  
ON THURSDAY 11TH MARCH, 2010

PRESENT: Councillor Robertson (in the Chair)  
Councillors Maher and Parry

### **20. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor P. Dowd.

### **21. DECLARATIONS OF INTEREST**

No declarations of interest were received.

### **22. MINUTES**

RESOLVED:

That the Minutes of the meeting of the Committee held on 25 February 2010, be confirmed as a correct record.

### **23. LANDER ROAD PRIMARY SCHOOL, BOOTLE - PROPOSED ALTERATIONS AND EXTENSION**

The Committee considered the report of the Strategic Director - Communities on the tenders received for the provision of new and refurbished accommodation at Lander Road Primary School, Bootle.

RESOLVED: That

- (1) approval be given to the allocation of funding totalling £1,895,866 in the Children's Services Capital Programme for the scheme to be funded through the Primary Capital Strategy for Change (£1,807,866) and the school's Devolved Capital resources (£88,000);
- (2) the lowest tender submitted by ROK (NW) Ltd. of Rochdale in the sum of £1,521,936 be accepted; and
- (3) the Legal Director be requested to enter into a formal contract with the successful tenderer.

# Agenda Item 3

CABINET URGENT BUSINESS COMMITTEE- THURSDAY 11TH  
MARCH, 2010

## **24. JOINT WASTE DEVELOPMENT PLAN: CONSULTATION ON PREFERRED OPTIONS REPORT**

Further to Minute No. 19 of the meeting held on 25 February 2010, the Committee considered the report of the Planning and Economic Development Director on the consultations held with the Planning Inspectorate and Counsel on the soundness of the Waste Development Plan Document Preferred Options Report.

The Director reported on the resolutions on this issue following the consideration of the report at the meetings of the Overview and Scrutiny Committee (Regeneration and Environmental Services held on 9 March 2010 and the Planning Committee held on 10 March 2010.

RESOLVED: That

- (1) the consultation undertaken and proposed to take place with the Planning Inspectorate Service be noted;
- (2) Site F1029: Site off Grange Road, Dunnings Bridge Road/Heysham Road junction, Bootle: Proposed District Site Allocation be removed from the Waste Development Plan Document Preferred Options Report;
- (3) subject to (2) above, approval be given to the commencement of a six-week public consultation process on the Waste Development Plan Document Preferred Options report later in the year after May 2010;
- (4) all Members of the Council be notified of the consultation arrangements in due course; and
- (5) the Chief Executive be requested to raise the following issues of concern within the Liverpool City Region:
  - (i) the process of formal consultation with the Merseyside Waste Disposal Authority (MWDA) has not resulted in the needs and outcomes of the formal procurement of MWDA being given sufficient weight or recognition;
  - (ii) insufficient recognition has been given to the cost of alternative waste scenarios; and
  - (iii) information and evidence of the scrutiny applied to the development of the preferred policy options on energy from waste has not been submitted to members of Overview and Scrutiny for information and guidance.

# Agenda Item 4

**REPORT TO:** Cabinet Urgent Business Committee

**DATE:** 13<sup>th</sup> January 2011

**SUBJECT:** Additional Grant Funding from Homes and Communities Agency to fund acquisitions in the Klondyke area of Bootle

**WARDS AFFECTED:** Litherland, Netherton and Orrell

**REPORT OF:** Alan Lunt - Neighbourhoods and Investment Programmes Director

**CONTACT OFFICER:** Tom Clay, HMR Programme Manager  
0151-934 4849

**EXEMPT/ CONFIDENTIAL:** No

**PURPOSE/SUMMARY:** To advise the Cabinet Urgent Business Committee of the offer from the Homes and Communities Agency (HCA) to provide £1million to fund further acquisitions of properties to be redeveloped in the Klondyke area of Bootle and seek cabinet approval to enter into a Grant Agreement with the HCA and commit the expenditure accordingly.

**REASON WHY DECISION REQUIRED:**

The Neighbourhoods and Investment Programmes Director does not have delegated authority to make decisions relating to such matters.

**RECOMMENDATION(S):**

That the Cabinet Urgent Business Committee agrees to accept the offer of £1 million of grant funding made by the HCA to fund further acquisitions in the Klondyke area of Bootle, and authorises the Acting Head of Corporate Legal Services to enter into a Grant Agreement with the Homes and Communities Agency accordingly.

**KEY DECISION:** No

**FORWARD PLAN:** N/A

**IMPLEMENTATION DATE:** Upon the expiry of the call in period for the minutes of the meeting

# Agenda Item 4

**ALTERNATIVE OPTIONS:** The Council could refuse the offer of this grant. However, this would mean that the Council was unable to continue the acquisition of properties to be redeveloped in the Klondyke area until further resources had been identified.

**IMPLICATIONS:**

**Budget/Policy Framework:** N/A

**Financial:**

|  | 2010/2011<br>£              | 2011/2012<br>£ | 2012/2013<br>£ | 2013/2014<br>£ |
|--|-----------------------------|----------------|----------------|----------------|
| <b><u>CAPITAL EXPENDITURE</u></b>                  |                             |                |                |                |
| Gross Increase in Capital Expenditure              | 1,000,000                   |                |                |                |
| Funded by:   |                             |                |                |                |
| Sefton Capital Resources                           |                             |                |                |                |
| Specific Capital Resources:<br>HCA Grant           | 1,000,000                   |                |                |                |
| <b><u>REVENUE IMPLICATIONS</u></b>                 |                             |                |                |                |
| Gross Increase in Revenue Expenditure              | 0                           |                |                |                |
| Funded by:   | 0                           |                |                |                |
| Sefton funded Resources                            | 0                           |                |                |                |
| Funded from External Resources                     | 0                           |                |                |                |
| Does the External Funding have an expiry date? Y/N | 31 <sup>st</sup> March 2011 |                |                |                |
| How will the service be funded post expiry?        | Capital expenditure: N/A    |                |                |                |

**Legal:**

The Council is legally able to enter into Grant agreements with the HCA for this purpose.



**Risk Assessment:** Acceptance of the grant will reduce the risk exposure of the Council.

**Asset Management:** N/A

**CONSULTATION UNDERTAKEN/VIEWS**

The Head of Corporate Legal Services has been consulted and has no comments on this report - LD00021/10.  
 FD 605: The Interim Head of Corporate Finance and Information Services has been consulted and has no comments on 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   |                        | x                     |                        |
| 2                          | Creating Safe Communities   | x                      |                       |                        |
| 3                          | Jobs and Prosperity   | x                      |                       |                        |
| 4                          | Improving Health and Well-Being   | x                      |                       |                        |
| 5                          | Environmental Sustainability  | x                      |                       |                        |
| 6                          | Creating Inclusive Communities  | x                      |                       |                        |
| 7                          | Improving the Quality of Council Services and Strengthening local Democracy |                        | x                     |                        |
| 8                          | Children and Young People   | x                      |                       |                        |

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

# Agenda Item 4

## **Background**

1. The Homes and Communities Agency (HCA) has identified a further £1 million it is able to provide to Sefton MBC in the current financial year for acquisitions of properties in the Klondyke area of Bootle which are intended for demolition (Phases 2 & 3).
2. The funding is being made available on condition that it is spent on the agreed purpose within the financial year.
3. This is very fortuitous as the Council had, at 31<sup>st</sup> December 2010, almost committed its available funding for acquisitions in the Klondyke area from within the approved HMR budget, and there is currently no certainty over future funding after the 1<sup>st</sup> April 2011, and many remaining home owners wish to sell and have agreed terms.
4. The funding should enable the acquisition of up to a further 20 properties by 31<sup>st</sup> March 2011.
5. Consent to enter into a Grant Agreement with the HCA is required urgently to ensure that the acquisitions can be completed by 31<sup>st</sup> March 2011.

# Agenda Item 5

**REPORT TO:** Cabinet Urgent Business Committee

**DATE:** 13<sup>th</sup> January 2011

**SUBJECT:** Variation to Remediation Contract with Blackwells Limited and funding agreement with the Homes and Communities Agency

**WARDS AFFECTED:** Litherland

**REPORT OF:** Alan Lunt - Neighbourhoods and Investment Programmes Director

**CONTACT OFFICER:** Tom Clay, HMR Programme Manager  
0151-934 4849

**EXEMPT/ CONFIDENTIAL:** No

**PURPOSE/SUMMARY:** to advise the Cabinet Urgent Business Committee of the funding offer from the Homes and Communities Agency in relation to remediation of the site known as Klondyke 1A, and to seek agreement to enter into a funding agreement accordingly and to issue a variation order to Blackwells Limited to their existing remediation contract to undertake the work.

**REASON WHY DECISION REQUIRED:**

The Neighbourhoods and Investment Programmes Director does not have delegated authority to make decisions relating to such matters.

**RECOMMENDATION(S):**

That Cabinet Urgent Business Committee give approval to:

- 1) the Council accepting the offer of grant funding from the HCA for the remediation of the site known as Klondyke Phase 1A and agrees to enter into a funding agreement with the Homes and Communities Agency accordingly; and
- 2) a variation to the existing remediation contract with Blackwells Ltd to instruct them to undertake this work.

# Agenda Item 5

**KEY DECISION:** No

**FORWARD PLAN:** N/A

**IMPLEMENTATION DATE:** Upon the expiry of the call in period for the minutes of the meeting

**ALTERNATIVE OPTIONS:** the Council could decline this offer of funding and not carry out the work. The site would not then be developed with new housing and the capital investment from the HCA lost to Sefton.

**IMPLICATIONS:**

**Budget/Policy Framework:** None

**Financial:** There are no net financial implications to the Council.

| <b><u>CAPITAL EXPENDITURE</u></b>                  | <b>2010/<br/>2011<br/>£</b> | <b>2011/<br/>2012<br/>£</b> | <b>2012/<br/>2013<br/>£</b> | <b>2013/<br/>2014<br/>£</b> |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Gross Increase in Capital Expenditure              | 250,000                     | 0                           | 0                           | 0                           |
| Funded by:   |                             |                             |                             |                             |
| Sefton Capital Resources                           |                             |                             |                             |                             |
| Specific Capital Resources: HCA                    | 250,000                     | 0                           | 0                           | 0                           |
| <b><u>REVENUE IMPLICATIONS</u></b>                 |                             |                             |                             |                             |
| Gross Increase in Revenue Expenditure              | 0                           | 0                           | 0                           | 0                           |
| Funded by:   |                             |                             |                             |                             |
| Sefton funded Resources                            | 0                           | 0                           | 0                           | 0                           |
| Funded from External Resources                     | 0                           | 0                           | 0                           | 0                           |
| Does the External Funding have an expiry date? Y/N | When? 31/3/2011             |                             |                             |                             |
| How will the service be funded post expiry?        | N/A                         |                             |                             |                             |

**Legal:** Legal services will need to agree the necessary funding agreement.

**Risk Assessment:** There is a risk of cost over-run in the event of unforeseen works. Further funding will be sought from the HCA in those circumstances.

**Asset Management:** N/a

**CONSULTATION UNDERTAKEN/VIEWS**

**FD 604** - The Interim Head of Corporate Finance & Information Services has been consulted and has no comments on this report  
**LD 00020/10** Corporate Legal Services

**CORPORATE OBJECTIVE MONITORING:**

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

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

# Agenda Item 5

## **Background**

1. The site known as Klondyke IA has been acquired by Compulsory Purchase for housing development. Demolition will be complete by the end of January 2011 on the final section of existing dwellings. The land is contaminated and remains to be remediated prior to development taking place.
2. The Homes and Communities Agency (HCA) has offered to fund the remediation costs of £250,000 provided that the funds can be expended by 31<sup>st</sup> March 2011. After 31<sup>st</sup> March 2011, there will be no new funding available to the HCA nationally to fund remediation. The HCA has already funded the remediation of the nearby Tannery site and adjacent Penpoll site.
3. Blackwells Ltd carried out the remediation of the Tannery and Penpoll sites as contractors to the Council. As part of their tender and contract, the remediation of Phase 1A was included as an optional extension to the contract as, at the time, there was some uncertainty of both timing and funding availability. It is therefore acceptable to issue a variation to the contract accordingly to cover the additional works.
4. Provided that the Cabinet Urgent Business Committee approval is granted in January 2011, the works can be completed and certificates for payment raised to enable claims to the HCA to be made by 31<sup>st</sup> March 2011.

# Agenda Item 6

**REPORT TO:** Cabinet Urgent Business Committee

**DATE:** 13<sup>th</sup> January 2011

**SUBJECT:** Proposed Amendment to the Overarching Development Agreement with Keepmoat Limited.

**WARDS AFFECTED:** Linacre

**REPORT OF:** Alan Lunt - Neighbourhoods and Investment Programmes Director

**CONTACT OFFICER:** Tom Clay, HMR Programme Manager  
0151-934 4849

**EXEMPT/ CONFIDENTIAL:** No

**PURPOSE/SUMMARY:**

To request approval to amend the Overarching Development Agreement (ODA) with Keepmoat Limited to enable a housing scheme to progress.

**REASON WHY DECISION REQUIRED:**

The Neighbourhoods and Investment Programmes Director does not have delegated authority to make decisions relating to such matters.

**RECOMMENDATION(S):**

That Cabinet Urgent Business Committee agrees that, in order to progress the scheme, Keepmoat funds the financial gap from its own resources, in exchange from them being able to retain 100% of any overage until the gap of £249,265 has been eliminated, at which point, the overage arrangement will revert to that currently within the ODA, and that the legal agreement in respect to this scheme is altered to permit this.

**KEY DECISION:** No

**FORWARD PLAN:** N/A

**IMPLEMENTATION DATE:** Upon the expiry of the call in period for the minutes of the meeting

# Agenda Item 6

## ALTERNATIVE OPTIONS:

The Council could decide to delay development until the scheme is financially viable. However, existing funding for the provision of social housing would be lost with no guarantee of its future availability. Alternatively, the Council could fund the 'gap' from its own resources. However, no such resources are identified and the scheme could therefore not progress, leaving an undeveloped site that would detract from the previous significant investment that has taken place in the area.

## IMPLICATIONS:

**Budget/Policy Framework:** None

### Financial:

The Council will forego potential overage of up to £249,265, but avoid having to find this sum at the present time. Keepmoat takes the risk that they make a loss on the scheme. If that is the case, no liability will fall upon the Council to meet any financial 'gap' in viability.

No income projection has been included for overage on this scheme. Therefore, any overage secured would be seen as a 'windfall'.

| <b><u>CAPITAL EXPENDITURE</u></b>                  | <b>2010/2011<br/>£</b> | <b>2011/<br/>2012<br/>£</b> | <b>2012/<br/>2013<br/>£</b> | <b>2013/<br/>2014<br/>£</b> |
|--|------------------------|-----------------------------|-----------------------------|-----------------------------|
| Gross Increase in Capital Expenditure              | 0                      | 0                           | 0                           | 0                           |
| Funded by:   | 0                      | 0                           | 0                           | 0                           |
| Sefton Capital Resources                           | 0                      | 0                           | 0                           | 0                           |
| Specific Capital Resources                         | 0                      | 0                           | 0                           | 0                           |
| <b><u>REVENUE IMPLICATIONS</u></b>                 |                        |                             |                             |                             |
| Gross Increase in Revenue Expenditure              | 0                      | 0                           | 0                           | 0                           |
| Funded by:   | 0                      | 0                           | 0                           | 0                           |
| Sefton funded Resources                            | 0                      | 0                           | 0                           | 0                           |
| Funded from External Resources                     | 0                      | 0                           | 0                           | 0                           |
| Does the External Funding have an expiry date? Y/N | When? N/A              |                             |                             |                             |
| How will the service be funded post expiry?        |                        |                             |                             |                             |

### Legal:

These changes will involve a minor adjustment to



# Agenda Item 6

**Risk Assessment:** the Overarching Development Agreement between the Council and Keepmoat PLC. The risks of no overage will lie with Keepmoat as a result of this proposal.

**Asset Management:** N/A

## CONSULTATION UNDERTAKEN/VIEWS

Head of Legal Services has been consulted in the preparation of this report.  
FD 593 - The Interim Head of The Finance & IS has been consulted and has no comments on 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   |                        | X                     |                        |
| 2                          | Creating Safe Communities   | x                      |                       |                        |
| 3                          | Jobs and Prosperity   | x                      |                       |                        |
| 4                          | Improving Health and Well-Being   | x                      |                       |                        |
| 5                          | Environmental Sustainability  | x                      |                       |                        |
| 6                          | Creating Inclusive Communities  | x                      |                       |                        |
| 7                          | Improving the Quality of Council Services and Strengthening local Democracy |                        | X                     |                        |
| 8                          | Children and Young People   | x                      |                       |                        |

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

October 6<sup>th</sup> 2005: Adoption of Overarching Development Agreement with Keepmoat PLC in respect of the Bedford / Queens and Worcester Housing Market Renewal Neighbourhood

# Agenda Item 6

## 1.0 **Background**

- 1.1 This scheme is the second phase of new development in the Queens Road area of Bootle on land which was acquired by the Council by Compulsory Purchase. The scheme consists of 84 houses and 4 apartments. Of these, 66 are for sale and 22 for social rent. HCA grant funding of £1.4 million towards the cost of the social rented units has been allocated for commitment in the current financial year. The scheme has full planning consent and can commence on site as soon as a Building Agreement is completed.
- 1.2 If a start is not made on site by 31<sup>st</sup> March the HCA grant will be lost. There will be no HCA grant for social rented housing after March 31<sup>st</sup>.2010 as a result of the recent spending review. This is to be replaced by an Affordable Grant regime, where rents are set at 80% of market rents, with a target grant level of £30,000 per unit. This is unlikely to be viable for RSLs in this area, where market rents are close to existing social rents and where the ability to secure additional income to fund investment in new-build is extremely limited.
- 1.3 Because of the current market values, which dropped dramatically during the 'Credit Crunch', and have risen only marginally since, the residual value calculation for the scheme shows a negative value of -£249,265. The funds to cover this negative value through 'gap funding' are not available within the HMR budget.
- 1.4 Under the existing Overarching Development Agreement (ODA), in the event of prices received upon the sale of units being above the values used at financial appraisal stage to demonstrate viability, any additional income is shared equally between Keepmoat and the Council as part of the 'overage' agreement contained in the ODA.
- 1.5 In order to progress the scheme, Keepmoat has proposed to fund the gap from its own resources, in exchange from them being able to retain 100% of any overage until the gap of £249,265 has been eliminated, at which point, the overage arrangement will revert to that currently within the ODA. To achieve this requires a change to the legal agreement in respect to this scheme, for which Cabinet approval is required.
- 1.6 As the alternative of funding this gap is not currently available to the Council, and as there will be no bespoke Housing Market Renewal funding after March 31<sup>st</sup> 2010, the only other option would be to leave the site undeveloped. It would not be eligible for the new regional growth fund as the above alternative way of developing the scheme is possible. Not to develop the scheme would deprive the Council of future Council Tax income on the homes not built, and of the New Homes Bonus applicable to the scheme.
- 1.7 It is therefore recommended that Cabinet Urgent Business Committee agrees that the ODA be amended in respect to the Bedford Road and Queens Road redevelopment scheme such that the gap in funding for the scheme can be funded by Keepmoat Ltd from its own resources, on the basis that Keepmoat Ltd will then retain any overage which arises on the scheme until the gap in

# Agenda Item 6

funding has been eliminated, whereupon the overage arrangement will revert to that currently applicable.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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