

METROPOLITAN BOROUGH OF SEFTON

COUNCIL SUMMONS

To Members of the Metropolitan Borough Council

Dear Councillor

You are requested to attend a Meeting of the Sefton Metropolitan Borough Council to be held on **Thursday 24th November, 2011 at 6.30 pm at the Town Hall, Bootle** to transact the business set out on the agenda overleaf.

Yours sincerely,

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

Chief Executive

Town Hall,
Southport

16 November 2011

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

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AGENDA

1. Apologies for Absence

2. Declarations of Interest

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

3. Minutes of Previous Meeting

(Pages 5 - 16)

Minutes of the meeting held on 27 October 2011

4. Mayor's Communications

Public Session

5. Matters Raised by the Public

To deal with matters raised by members of the public within the Borough, in accordance with the procedures relating to Petitions, Public Questions and Motions set out in Rule 11 of the Council and Committee Procedure Rules.

Council Business Session

6. Questions Raised by Members of the Council

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

7. Transformation Programme 2011-2014

(Pages 17 - 64)

Report of the Chief Executive

8. Treasury Management 2011/12 - Half-Yearly Update

(Pages 65 - 80)

Report of the Head of Corporate Finance and ICT

9. Approval of the Recommendations of the Cabinet Urgent Business Committee

(Pages 81 - 82)

Schedule attached

10. Membership of Committees 2011/12

To consider any changes to the Membership of any committees etc.

11. Notice of Motion Submitted by Councillor Doran

To consider the following Motion submitted by Councillor Doran:

“This Council wishes to place on record its’ appreciation of the efforts made by the Merseyside Police Authority to protect front line police services across Sefton and the whole of Merseyside in the face of the extensive cuts imposed upon it by the Coalition Government.

This Council calls upon the Coalition Government to reassess its position on police budgets and to allocate the necessary finance for Merseyside Police to provide the service the public expect and deserve.”

12. Notice of Motion Submitted by Councillor Sir Ron Watson

To consider the following Motion submitted by Councillor Sir Ron Watson:

- (1) That in view of the significant economic and non partisan political advantages that membership of the Local Government Association offers the Borough of Sefton, the Council decision to cease membership of the Local Government Association on 31 March 2012 now be reconsidered; and
- (2) That the Cabinet receive a full report setting out the changes taking place at the Local Government Association including reduced membership fees and the specific economic advantages accrued by Sefton as a Member of the Local Government Association.

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

COUNCIL

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

PRESENT: The Mayor (Councillor Cummins) (in the Chair)

Councillors Ashton, Atkinson, Ball, Blackburn, Booth, Bradshaw, Brady, Brodie - Browne, Byrom, Carr, K. Cluskey, L. Cluskey, Crabtree, Cuthbertson, Dodd, Doran, Dorgan, M. Dowd, P. Dowd, Dutton, Friel, Gibson, Griffiths, Glover, Gustafson, Hands, Hardy, Howe, Hubbard, Kelly, Kerrigan, Maher, Mahon, Mainey, McGinnity, McGuire, Mclvor, McKinley, Moncur, Page, Papworth, Parry, Pearson, Porter, Preece, Rimmer, Roberts, Robertson, Robinson, Shaw, Sumner, Tonkiss, Tweed, Veidman, Sir Ron Watson, Weavers, Webster and Welsh

57. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Brennan, Fairclough, Lord Fearn, M. Fearn, Fenton, Hill and Jones.

58. DECLARATIONS OF INTEREST

The following declarations of interest were received:-

<u>Member</u>	<u>Minute No.</u>	<u>Reason</u>	<u>Action</u>
Councillor Cummins	63 – Transformation Programme 2011-2014	Personal - His employer works with Carers referred to in Annex B of the report	Took part in the consideration of the item and voted thereon
Councillor Dodd	67 - Further consideration of Notice of Motion by Councillor Robertson	Personal - Sefton Council Representative on the Merseyside Integrated Transport Authority	Took part in the consideration of the item and voted thereon
Councillor M. Dowd	67 - Further consideration of Notice of Motion by Councillor Robertson	Personal - Sefton Council Representative on the Merseyside Integrated Transport Authority	Took part in the consideration of the item and voted thereon

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Councillor Friel	67 - Further consideration of Notice of Motion by Councillor Robertson	Personal - Sefton Council Representative on the Merseyside Integrated Transport Authority	Took part in the consideration of the item and voted thereon
Councillor Griffiths	67 - Further consideration of Notice of Motion by Councillor Robertson	Personal - Sefton Council Representative on the Merseyside Integrated Transport Authority	Took part in the consideration of the item and voted thereon
Councillor Hands	71 - Notice of Motion by Councillor Moncur	Personal - He is a tenant of Adactus Housing Association that has been lobbying along the same lines as the terms of the Motion and he is Chair of the Sefton Customer Involvement Panel for his housing association	Took part in the consideration of the item and voted thereon
Councillor Kerrigan	63 – Transformation Programme 2011 – 2014	Personal – She is a Governor of All Saints’ Primary School which will be affected by the proposals in the report	Took part in the consideration of the item and voted thereon
Councillor Mahon	71 – The Notice of Motion by Councillor Moncur	Personal – He is the landlord of a property	Took part in the consideration of the item and voted thereon
Councillor Moncur	63 – Transformation Programme 2011 – 2014	Personal – His spouse is employed by the Council and may be affected by the proposals in the report	Took part in the consideration of the item and voted thereon

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Councillor Rimmer	70 – Notice of Motion by Councillor Robertson	Personal – He is a member of Southport and Birkdale Cricket Club	Took part in the consideration of the item and voted thereon
Councillor Veidman	63 – Transformation Programme 2011 – 2014	Personal – His employer may be subject to reduced funding referred to in the report	Took part in the consideration of the item and voted thereon
Councillor Sir Ron Watson	63 – Transformation Programme 2011 -2014	Personal – A relative is employed by the Council and may be affected by proposals in the report	Took part in the consideration of the item and voted thereon

59. MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the Council meeting held on 1 September 2011 be approved as a correct record, subject to the references to 'the Mayor' in Minute numbers 50 and 53 being amended to read 'The Chair'.

60. MAYOR'S COMMUNICATIONS

Former Councillor Mr. Bob Roberts

The Mayor reported on the sad death of the former Councillor Mr. Bob Roberts and indicated that the funeral service had taken place that day in Thornton.

The Mayor advised that Mr. Roberts had served the people of Blundellsands Ward from 1995 until 2010.

Councillors Parry and M. Dowd paid tribute to Mr. Roberts.

The Council then stood in silence for one minute as a mark of respect for Mr. Roberts.

Remembrance Sunday

The Mayor reported that this year's Remembrance Sunday would be held on 13 November 2011 and many services would take place across Sefton. This year the Mayor would attend the Service at Five Lamps Waterloo, the Leader of the Council would attend the Service at Bootle and Councillor Lord Fearn would be the Mayoral representative at Southport. The Mayor

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encouraged Members to attend Services in their local area to show the Borough's support for Veterans and for those members of HM Forces currently on active service.

Multi Faith and Volunteers Reception

The Mayor reported that he had the pleasure and honour of hosting a reception on 21 September 2011 for members of the Borough's Volunteer Sector and representatives from many faith organisations. The event was a joint venture between Civic and Mayoral Services and Sefton Council for Voluntary Service, with costs being shared between the two organisations. The Mayor indicated that it had been an opportunity not only for him to meet and thank the guests but an opportunity for them to network and establish useful contacts across the Borough.

HM Armed Forces Reception

The Mayor reported that a small Reception would be held in Bootle Town Hall on 16 November 2011 to show the Borough's appreciation to HM Forces, and their associated cadet organisations.

Councillor Mark Dowd

The Mayor reported that Councillor Mark Dowd had recently been re-elected Chair of the Local Government Association Integrated Transport Authorities Special Interest Group, which is regarded as one of the most influential public transport groups bringing together all six Integrated Transport Authorities in England. The Mayor extended congratulations to Councillor Mark Dowd on his re-appointment to the post.

PUBLIC SESSION

61. MATTERS RAISED BY THE PUBLIC

The Mayor reported that members of the public had not submitted any petitions or questions.

COUNCIL BUSINESS SESSION

62. QUESTIONS RAISED BY MEMBERS OF THE COUNCIL

The Council considered a schedule setting out a written question submitted by Councillor Papworth to the Leader of the Council and the response given.

63. TRANSFORMATION PROGRAMME 2011-2014

Further to Minute No. 50 of the Cabinet meeting held on 13 October 2011, the Council considered the report of the Chief Executive which provided details of a number of budget proposals for the 2012/13 Budget. These

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proposals did not include the budget savings options which were approved by Cabinet for consultation.

The report incorporated the following annexes:

- Annex A - Work Programme Timetable
- Annex B - On going Business Efficiencies and Change Proposals
- Annex C - Equality Impact Assessments

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

It was moved by Councillor P. Dowd, seconded by Councillor Maher and

RESOLVED: That

- (1) the Council meeting on 22 December 2011 be cancelled and re-scheduled to be held on 24 November 2011, commencing at 6.30 pm in Bootle Town Hall;
- (2) the change proposals in Annex B of the report be approved and Officers be mandated to commence consultation and implementation processes with partners, key stakeholders, employees and Trade Unions, including the issue of relevant statutory and contractual notifications, if appropriate, to achieve change;
- (3) the equality impact assessments set out in Annex C of the report be noted;
- (4) it be noted that all figures in Annex B of the report are working assumptions of proposals/options to be considered and these figures should not be seen as pre-determining any decisions;
- (5) it be noted that at its meeting held on 13 October 2011, the Cabinet approved changes in the Medium Term Financial Plan assumptions;
- (6) the risks outlined in Paragraph 8 of the report be noted; and
- (7) it be noted that further options will be submitted to Council for approval.

64. JOINT MERSEYSIDE AND HALTON WASTE DEVELOPMENT PLAN DOCUMENT: COUNCIL APPROVAL OF PUBLICATION OF WASTE DPD

Further to Minute No. 13 of the meeting of the Cabinet Urgent Business Committee held on 17 October 2011, the Council considered the report of the Director of Built Environment on the results of public consultation on the Merseyside and Halton Joint Waste Development Plan Document

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(DPD) Preferred Options 2 (New Sites Consultation) Report which was undertaken between May and June 2011.

The report also sought approval to a final six-week consultation at the end of 2011 on the document and to the submission of the document to the Secretary of State prior to the formal adoption of the document by each of the Merseyside District Councils in late 2012.

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

It was moved by Councillor P. Dowd, seconded by Councillor Maher and

RESOLVED: That

- (1) the results of consultation on the Waste Development Plan Document Preferred Options 2 (New Sites Consultation) Report be noted;
- (2) approval be given to the publication of the Waste Development Plan Document for the final six-week public consultation commencing in late 2011 followed by its submission to the Secretary of State.
- (3) delegated authority be granted to District officers within the Waste DPD Steering Group to make the necessary typographical changes to the Publication Document prior to submission of the Waste DPD and for any more substantial changes to be reported to Members through the appropriate scheme of delegation prior to submission; and
- (4) approval be given to the spatial distribution of one sub-regional site per district.

65. MATTERS DEALT WITH IN ACCORDANCE WITH RULE 17 OF THE SCRUTINY PROCEDURE RULES (CALL-IN AND URGENCY) OF THE CONSTITUTION

The Council considered the report of the Leader of the Council setting out details of those matters dealt with in accordance with Rule 17 of the Scrutiny Procedure Rules (Call-In and Urgency).

RESOLVED:

That the report be noted.

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66. MEMBERSHIP OF COMMITTEES 2011/12

It was proposed by Councillor Blackburn that the following change be made to the Membership of the following Committee:

Planning Committee

Councillor Hands to replace Councillor Preece as a Member of the Committee and Councillor Preece to be the Substitute Member for Councillor Hands.

RESOLVED:

That the changes to the Membership of the Committee listed above be approved.

67. FURTHER CONSIDERATION OF NOTICE OF MOTION SUBMITTED BY COUNCILLOR ROBERTSON

Further to Minute No. 53 of the meeting held on 1 September 2011, the Council considered the report of the Director of Corporate Commissioning on the Notice of Motion submitted by Councillor Robertson, which was deferred to this meeting for further consideration to enable the Chair of the Merseyside Integrated Transport Authority (MITA) to submit further information on the issues referred to in the Motion and to enable Members to make an informed decision on the content of the Motion.

The report set out the content of the Motion together with the response of the Chair of the MITA.

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

- “(1) this Council notes with disappointment the decision made by the controlling Labour Group on the Merseyside Integrated Transport Authority to end immediately, without further reports, or the results of any business case study, the opportunity to take local control of the Merseyrail Electrics network from Network Rail;
- (2) Council notes that this process has been ongoing for many years, and that in 2005/06 a business case for Full Local Decision Making (FLDM) was prepared and submitted showing clear benefits for Merseyside. This was endorsed by the Merseyside Passenger Transport Authority and was a Key Policy in Local Transport Plan Two (LTP2);
- (3) Council further notes that FLDM was re-launched as Localism for Merseyrail (LFM) in 2010 and that the imperative for greater local control over the network infrastructure remains and the commitment to developing the case for this was reiterated in Local Transport Plan Three (LTP3);

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- (4) Council also notes that LFM has the support of the Department for Transport, Network Rail, Office of the Rail Regulator and the Rail Freight Industry;
- (5) Council believes that a fully integrated Merseyrail network would be in the best interests of Merseyside's commuters and would enable local people and rail customers to have greater say in the decisions taken affecting the rail network in Merseyside;
- (6) Council notes that £1.5m was spent promoting this scheme.

Council therefore requests

- (1) that the Chief Executive write to the Chief Executive and Director General of Merseytravel, Neil Scales and to the Chairman of the Merseyside Integrated Transport Authority (MITA), expressing our Council's disappointment at the decision made at the Authority's meeting on 27 June, 2011; and
- (2) that MITA reverse the decision made at its meeting of 27 June, 2011 and ask that Merseytravel Passenger Transport Executive commission a Business Case Study to determine benefits and risks of LFM. The results of that study are considered by a future MITA Authority meeting before a final decision is made on whether to move this matter forward to the next stage."

An **amendment** was moved by Councillor P. Dowd, seconded by Councillor Maher that the response of the Chair of the Merseyside Integrated Transport Authority be noted.

Following debate, on a show of hands, the Mayor declared the amendment was carried by 39 votes to 19.

On a show of hands, the Mayor declared that the Substantive Motion was carried by 41 votes to 18 and it was

RESOLVED:

That the response of the Chair of the Merseyside Integrated Transport Authority be noted.

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68. NOTICE OF MOTION SUBMITTED BY COUNCILLOR FAIRCLOUGH

In the absence of Councillor Fairclough, it was moved by Councillor Moncur, seconded by Councillor Maher and unanimously

RESOLVED:

This Council instructs the Chief Executive to write to the Chief Executive of the Highways Agency and the Secretary of State for Transport with regard to the lack of interest shown by the Highways Agency to the many requests from Local Ward Councillors (Ford, Linacre, Church, Litherland, Netherton and Orrell, and St. Oswald) highlighting their concerns regarding the A5036 (Dunnings Bridge Road Corridor).

These concerns are the Health and Safety of the pedestrians, the lack of grass cutting, the lack of weed spraying, the disgraceful condition of the environmental barriers, the complete disregard to the many flooding issues and the surface of the highway.

The Highways Agency should take full regard to the importance of the A5036 as a major gateway into the Borough and with over 40,000 vehicle movements a day, the Borough of Sefton is being short changed by the Highways Agency.

Furthermore, this Council also requests a letter be sent to Joe Benton, MP requesting him to raise the disgraceful condition of the A5036 with the Secretary of State for Transport at the earliest possible occasion.

69. NOTICE OF MOTION SUBMITTED BY COUNCILLOR SHAW

It was moved by Councillor Shaw, seconded by Councillor McGuire:

“This Council notes:

- (i) the initial proposals put forward for the North West region by the Boundary Commission for England, which propose splitting the community of Formby in half, between two constituencies;
- (ii) the widespread opposition to such a split which has been voiced by elected representatives and by Formby residents;
- (iii) that a counter-proposal has been presented which satisfies the requirement for constituencies to have an electorate no smaller than 72,810 and no larger than 80,473, but which, rather than expanding the Southport constituency southwards into half of Formby, proposes expanding it eastwards along the Ribble estuary as far as the River Douglas, to include the neighbouring villages in Lancashire with which Southport has historic ties.

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This Council places on record its support for retaining the whole of Formby within one parliamentary constituency, and, consequently, the enlargement of the Southport constituency eastwards to include the neighbouring villages in Lancashire.

This Council resolves that the Boundary Commission for England be notified accordingly.”

An **amendment** was moved by Councillor Parry, seconded by Councillor Papworth that the Motion be amended as follows:

‘Delete the text in (iii) of the Motion;

delete the following text in the penultimate paragraph of the Motion:

“and, consequently, the enlargement of the Southport constituency eastwards to include the neighbouring villages in Lancashire”; and

add the following text after the penultimate paragraph of the Motion:

“This Council supports the transfer of Blundellsands Ward into the proposed Maghull Constituency and the retention of St. Oswald Ward in the Bootle Constituency”.

Following debate, on a show of hands, the Mayor declared that the amendment was lost by 19 votes to 9.

A **further amendment** was moved by Councillor Doran, seconded by Councillor Cuthbertson that the Motion be amended as follows:

Delete the text in (iii) of the Motion and substitute the following text:

“This Council calls upon the Coalition Government to relax the upper limit placed on the Boundary Commission of 80,473 per parliamentary constituency and thereby allowing the whole community of Formby to be placed within one parliamentary constituency without having to cross county boundaries, and

delete the following text in the penultimate paragraph of the Motion:

“and, consequently, the enlargement of the Southport constituency eastwards to include the neighbouring villages in Lancashire.”

Following debate, on a show of hands, the Mayor declared that the amendment was carried by 32 votes to 22.

On a show of hands, the Mayor declared that the Substantive Motion was carried by 35 votes to 4 and it was

RESOLVED:

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“This Council notes:

- (i) the initial proposals put forward for the North West region by the Boundary Commission for England, which propose splitting the community of Formby in half, between two constituencies; and
- (ii) the widespread opposition to such a split which has been voiced by elected representatives and by Formby residents.

This Council Calls upon the Coalition Government to relax the upper limit placed on the Boundary Commission of 80,473 per parliamentary constituency and thereby allowing the whole community of Formby to be placed within one parliamentary constituency without having to cross county boundaries.

This Council places on record its support for retaining the whole of Formby within one parliamentary constituency.

This Council resolves that the Boundary Commission for England be notified accordingly.

70. NOTICE OF MOTION SUBMITTED BY COUNCILLOR ROBERTSON

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

RESOLVED: That

This Council sends its congratulations to Lancashire County Cricket Club on winning outright the County Championship for the first time in 77 years.

We note with pleasure that County Cricket returned to Southport this summer. We also congratulate the Southport and Birkdale Cricket Club who were excellent hosts and note they attracted record crowds for a Championship Match.

To honour this success the Council resolves that the Lancashire flag should be flown from Bootle and Southport Town Halls, along with other towns in the area.

71. NOTICE OF MOTION SUBMITTED BY COUNCILLOR MONCUR

It was moved by Councillor Moncur, seconded by Councillor Maher and unanimously

RESOLVED: That

Council notes the concerns of One Vision Housing and the National Housing Federation regarding the proposed Welfare Reform Proposals. In

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particular those relating to under occupation, direct payment to landlords and overall benefit cap.

Council instructs the appropriate officers to prepare a report to Cabinet outlining the likely impact of these proposed changes.

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Report to: Council

Report: 24th November 2011

Subject: Transformation Programme 2011- 2014

Report of: Margaret Carney
Chief Executive

Wards Affected: All

Is this a Key Decision? Yes.

Is it included in the Forward Plan? Yes

Exempt/Confidential

No

Purpose/Summary

The Cabinet at its meeting on 10th November recommended to Council a further package of savings proposals relating to internal consultation options. This report presents these to Council for approval. The report contains two Annexes listed below for ease of reference:

Annex A Work Programme Timetable

Annex B Change Proposals

Recommendation(s)

Council is recommended to

- a) note the work programme timetable at Annex A
- b) agree that the first stage of consultation on the proposals in Annex B is considered to be complete
- c) show due regard for the information contained in the change proposals in Annex B, approve these and mandate Officers to continue with consultation and implementation processes with partners, key stakeholders, employees and Trade Unions including the issue of relevant statutory and contractual notifications if appropriate to achieve change (these matters have previously been considered and recommended by Cabinet 10th November 2011)
- d) note the risks and mitigating actions outlined in Annex B
- e) note that further options will be submitted to Council for approval.

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

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

The Council continues to forecast a significant budget gap over the next three years and additional budget savings will need to be identified over the coming months to ensure that future years' budgets can be balanced.

Early consideration of budget options continues to be essential as this will lead to informed decision making, including the consideration of the outcome of any consultations undertaken, the impact of any decisions to be made and any steps that can be taken to mitigate the impact of a decision.

What will it cost and how will it be financed?

FD 1151The Head of Corporate Finance and ICT has agreed this report.

(A) Revenue Costs

This report, together with the Medium Term Financial Plan 2012/13 – 2014/15, underpins the detailed financial position of the Council for the coming years and provides a framework for Revenue planning for the three years 2012/13, 2013/14 and 2014/15.

(B) Capital Costs

The Council's amended bid to capitalise any statutory redundancy costs incurred in 2011/12 (£2m) is still being considered by the Department for Communities and Local Government. There has, as yet, been no indication as to whether the full, or a reduced, capitalisation allowance is likely to be received.

Implications:

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

Legal LD 510/11

There are no direct legal implications arising from the contents of this report. However in the course of each of the individual projects, consultations, options etc. to achieve the savings outlined in Annex B, detailed consideration should be given to both the legal, human rights and equality implications. Such consideration will also need to be evidenced to ensure that the Council's decision making processes are defensible.

Human Resources

The proposals contained within this report have a potential impact upon employees and the potential for both voluntary and compulsory redundancies.

It will be necessary for the Authority to comply with the duty to consult with recognised Trade Unions (and as necessary employees) and to complete as necessary a notification under Section 188 of the Trade Union Labour Relations (Consolidation) Act 1992. Also form HR1 to the Department of Business Innovation and Skills notifying of redundancies may need to be filed dependent on numbers.

Full and meaningful consultation should take place with the Trade Unions and employees on the matters contained within this report.

Equality See Section 7

The Corporate Commissioning Team holds the responsibility for taking an overview on Equality Impact Assessments and assessing the impact of decisions. These will be published on the Council website.

- | | |
|---|-------------------------------------|
| 1. No Equality Implication | <input type="checkbox"/> |
| 2. Equality Implications identified and mitigated | <input checked="" type="checkbox"/> |
| 3. Equality Implication identified and risk remains | <input type="checkbox"/> |

In relation to compliance with the Equality Act 2010, Section 149, Members need to make decisions in an open minded balanced way showing due regard to the impact of the recommendations being presented. Members need to have a full understanding of any risks in terms of people with protected characteristics and any mitigation that has been put in place. Equality Impact Assessments, including consultation, provide a clear process to demonstrate that Cabinet and Council have consciously shown due regard and complied with the duty.

Impact on Service Delivery:

Service implications are contained in Annex B

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What consultations have taken place on the proposals and when?

Regular and ongoing consultations have taken place with Strategic Directors, Director of Built Environment, Director of Street Scene, Director of Young People & Families, Director of Older People, Director of Corporate Support Services and Director of Commissioning, Head of Personnel, Head of Corporate Finance & ICT, Head of Legal Services and Trade Unions.

Are there any other options available for consideration?

None but further options may be developed and brought forward at a later date. Any such options would be the subject of appropriate consultation.

Implementation Date for the Decision

Following 24th November Council 2011.

Contact Officers: Jan McMahon, Head of Transformation Services

Tel: 0151 934 4431

Email: jan.mcmahon@sefton.gov.uk

Background Papers:

The following papers are available for inspection by contacting the above officer(s).

Reports to Cabinet and Council 3 March 2011: Transformation Programme and Final Revenue Budget Items 2011/12

Report to Cabinet 14 April 2011: Transformation Programme 2011/12

Report to Cabinet 26 May 2011: Transformation Programme 2011-2014

Report to Cabinet 23 June 2011: Transformation Programme 2011-2014

Report to Cabinet 21 July 2011: Transformation Programme 2011-2014

Report to Cabinet 18 August 2011: Transformation Programme 2011- 2014

Transformation Update Report September 2011

Report to Cabinet 13th October 2011: Transformation Programme 2011- 2014

Report to Cabinet 10th November 2011: Transformation Programme 2011- 2014

1. Introduction/Background

- 1.1 At its meeting of 10th November 2011 Cabinet recommended to Council a further package of savings proposals relating to internal consultation options. This report relates to those proposals which Cabinet is recommending for immediate progression. They are of course still subject to any statutory consultation but this is on the basis that they are approved for implementation.
- 1.2 In addition to this consultation and engagement activity continues on a wider range of options totalling around £14m. This will ensure that the views of interested parties will be available for the Council prior to making its final decisions. The Council will therefore be able to take the consultation and engagement activity into account when the final 2012/13 budget is set.

2. Prioritisation & Work Programme

- 2.1 Officers are continuing to develop proposals relating to the reassessment of service prioritisation. These proposals will be presented to a future Cabinet.
- 2.2 Annex A details the agreed work programme, it is important to note that these activities will be supplemented as required in order to ensure that timescales are maintained. Council is asked to note the work programme timetable contained in Annex A.

3. Further Options to Progress

- 3.1 Members will recall that the timescales for consultation and engagement on options will vary depending on the option and whether it is predominantly internal or external consultation.
- 3.2 Annex B contains a number of options which predominantly involve internal consultation which have been put forward having taken into account consultation feedback. At its meeting of 10th November 2011 Cabinet recommended to Council that the first stage of consultation on these options be considered as complete and Council is asked to agree this.
- 3.3 Having due regard for the information contained in Annex B Council is asked to approve these proposals and authorise Officers to prepare for implementation immediately, including the issue of relevant statutory and contractual notifications, if appropriate to achieve change. These proposals total £1.571m.

4. Consultation and Engagement

- 4.1 An initial package of potential budget options was approved by Cabinet, 13th October 2011, to commence consultation and engagement. In relation to these, consultation activity continues with service users, the general public, partners, key stakeholders, staff and Trade Unions.

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- 4.2 The public engagement and consultation plans for the budget options that have a medium or high impact on the public were presented to the Public Engagement and Consultation Panel on the 21st October 2011. An additional meeting of the Panel has been scheduled for the 14th December 2011 to which interim update reports on the findings from the consultation and engagement will be presented.
- 4.3 The Transforming Sefton web pages have been updated to include the feedback from the YouChoose budget simulation consultation process and the Council's response to the main suggestions. All the budget options that require public consultation are available via e-consult, which can be accessed through the Transforming Sefton webpages. In order to ensure that members of the public who do not have access to the internet can give us their views, details of all consultations and any surveys have been circulated to libraries, one-stop shops, Town Halls. Information on the budget options will also be available via Looking Local, a digital TV communication tool, hosted by Sefton NHS, and members of the public will be signposted to libraries and one stop shops for more information.
- 4.4 Cabinet Member approval is currently being sought on the e-panel recruitment methodology, which when approved, will be undertaken to establish an e-panel in place of the Citizen's Panel.
- 4.5 Media briefings and media releases continue to be issued to sign-post interested parties to the full range of options.
- 4.6 Members will recall that before any notice to terminate employment is given to an employee, it is necessary for the Local Authority to comply with its duty to consult. This involves meaningful consultation taking place in respect of proposals with Trade Unions and as necessary employees.
- 4.7 Also Form HR1 must be provided to the relevant Government Department in the same timescale.
- 4.8 Dependent upon how options have an effect and/or are formulated, matters will then need to be put into place by officers and additionally when proposals are forthcoming; consideration needs to be given to the equality impact as necessary.
- 4.9 Weekly Wednesday meetings take place with the Trade Unions and consultation has commenced in respect of the options.
- 4.10 This has involved in respect of UNITE, GMB and UNISON meeting with the Head of Corporate Personnel and representatives from departments to be briefed in respect of each option. Any options which involve staff being potentially at risk if the option were to be taken, has been subject to an explanation to the trade unions. The Trade Unions have been given an opportunity to attend meetings in the workplace with their members and additionally to raise any questions or queries that they may have.
- 4.11 Separately consultation has also taken place with the Teacher related Trade Unions and additionally this commenced with the options being forwarded to those trade unions with an opportunity to raise questions, concerns and queries at regular trade union meetings. These meetings also take place weekly.

- 4.12 The consultation with all Trade Unions provides a good opportunity for an exchange of views and clarification on issues which affect employees.
- 4.13 Additionally the workforce has been written to advise of the availability of voluntary early retirement and or voluntary redundancy (VER/VR). Requests are being channelled through the Transformation Team.

5. Equality Act 2010 duty and Impact Assessments

- 5.1 Work continues on undertaking equality impact assessments on the budget proposals approved by Cabinet on the 13th October 2011. The impact assessments, including any feedback from consultation and engagement, will be made available to Members when final recommendations are presented for a decision. These assessments will identify any risks and mitigating actions to minimise the risk of impact on those with protected characteristics. This will ensure that Members make decisions in an open minded balanced way showing due regard to the impact of any recommendations being made in compliance with the Equality Act 2010.

6. Risk Management

- 6.1 As part of budget setting process the Council will continue to regularly review strategic and operational risks and put in place measures to manage those risks.
- 6.2 All options contained in Annex B have been risk assessed by the relevant senior officers with mitigating actions identified where possible.
- 6.3 Council is asked to note the risks and mitigating actions outlined in Annex B.
- 6.4 The Transformation Team will continue to monitor risks and issues, escalating significant risks and issues to the Strategic Leadership Team and Cabinet as appropriate.

7. Conclusion

- 7.1 The Council continues to face significant reduction in Government resources coupled with increased demographic pressures and inflationary increases. A budget gap of £20.5m is forecast for 2012/13 with a further £18m in the following two years. The Council must achieve a balanced budget by March 2012 while ensuring that relative priority of services is recognised and taken into account.
- 7.2 The table below summarises the progress to date towards achieving the forecast level of savings, assuming all the proposals presented in this report are approved. Whilst steady progress is being made, a significant gap remains.

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	2012/13	2013/14	2014/15
	£m	£m	£m
Forecast saving requirement	20.05	7.65	10.82
Less			
Assumed Council Tax Freeze Grant	-2.95	+2.95	0.00
Proposed Changes to MTFP Assumptions	-1.63	0.00	0.00
Change Proposals Approved by Council 27th October	-4.12	-0.39	+0.80
Forecast Excess (-)/ Residual Net Saving Requirement	11.35	10.21	11.62
Change Proposals Annex B*	-1.57	0.00	0.00
Updated Forecast Residual Net Saving Requirement	9.78	10.21	11.62

Note * this figure has been revised following the report to Cabinet 10th November 2011. Further financial analysis of change proposal 6.5 has reduced the working assumption to £0.150m.

- 7.3 Officers are continuing to further explore all areas of the budget with a view to identifying further options for consultation. Should further options for consultation be identified these may be brought forward at a later date, following discussions with political groups. Implementation of these options would need to take into account appropriate consultation requirements and the possible financial impacts of part year delivery.
- 7.4 Consultation will continue over the coming months. Recommendations for changes will be made once the consultation on specific options is considered to be finalised.
- 7.5 Strong leadership continues to be essential as the Council will continue to have to make difficult decisions around service cessation and reduction and identify opportunities for real innovation in service delivery that may mitigate some of the implications.

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Annex A

Timetable Strategic Leadership Team (SLT)

22 September	Cabinet Review Day	<ul style="list-style-type: none"> Agree final options, Consultation engagement plan (detailed), Agree next steps and approval process
13 th October	Cabinet	<ul style="list-style-type: none"> Approve options for immediate progression or consultation and engagement
21 st October	Public Engagement and Consultation Standards Panel Launch of Consultation/Engagement	<ul style="list-style-type: none"> Panel to sign off Consultation Plans for all options which have a high or medium impact on the service users/stakeholders Formal Launch of Public Consultation and Engagement – activity, including website go live date with link to e-consult Formal recruitment of e-panel to commence
27 th October	Council	<ul style="list-style-type: none"> Approve options for immediate progression contained in the report to Cabinet 13th October
10 th November	Cabinet	<ul style="list-style-type: none"> Feedback on internal consultation Recommend any budget savings for implementation where consultation is complete
24 th November	Council	<ul style="list-style-type: none"> Consider Cabinet recommendations on internal consultation
8 th December	Cabinet	<ul style="list-style-type: none"> Feedback on any consultations which have been completed Identify any further options for consultation Update on Government Grant if available
14 th December	Public Engagement and Consultation Panel	<ul style="list-style-type: none"> Interim update reports
19 th January	Cabinet	<ul style="list-style-type: none"> Feedback on any consultations which have been completed
2 nd February	Cabinet	<ul style="list-style-type: none"> Feedback on consultation and engagement activity
16 th February	Cabinet	<ul style="list-style-type: none"> Recommended additional meeting
16 th February	Council	<ul style="list-style-type: none"> Briefing to Council on outcome of consultation and engagement activity on options
21 st February	Overview & Scrutiny (Performance & Corporate Services)	<ul style="list-style-type: none"> Proposed Revenue Budget for 2012/13 for comment
1 st March	Cabinet	<ul style="list-style-type: none"> No budget activity scheduled
1 st March	Budget Council	<ul style="list-style-type: none"> Approval of Budget and Council Tax

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Annex B

This Annex contains a number of options which involve internal consultation which Cabinet recommends to Council that the first stage consultation is considered to be complete. These options have taken account of the consultation and are now presented to Council for approval. Having due regard for the information contained in this Annex Council is asked to consider these proposals and approve that Officers are to continue with consultation and authorised to prepare for implementation immediately, including the issue of relevant statutory and contractual notifications, if appropriate to achieve change.

E1 Children & Families

Ref	Service Area	Option
E1.1	Family Centres	Reducing running costs, resources and management costs by co-working and co-location
E 1.5	Quality Assurance and Safeguarding	Review of the Independent Review Team
E 1.6	Educational Psychologists	Review of the Educational Psychologist Team
E 1.8	Social Care Administration	Review of children's social work teams administration arrangements

E2 Older People

Ref	Service Area	Option
E 2.5	Assessment & Care Management Reviewing Team	Review of Reviewing Team

E3 Leisure & Culture

Ref	Service Area	Option
E 3.2	Sports & Recreation	To increase the income target of the Active Sports programmes (includes B-Active, Active Kids, Active Sports, Sportiv8)
E 3.3	Sports & Recreation	Review the organisational structure of the 'Business Development' team and the teams marketing and advertising budget
E 3.4	Sports & Recreation	Review the Crosby Lakeside staffing structure water sports and adventurous activity team and increase the income target.
E 3.8	Sports & Recreation	Review the management arrangements
E 3.10	Library Services	Restructure of the Community Cohesion team
E 3.11	Library Services	Restructure of the Facilities Team

E4 Street Scene

Ref	Service Area	Option
E 4.1	Cleansing Administration	Review of team

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E5 Regulatory

Ref	Service Area	Option
E 5.1	Highways/Environmental Enforcement	Seek further rationalisation through the reorganisation of Highways and Environmental enforcement teams
E 5.2	Planning	Deletion of post and reduced revenue expenditure
E 5.3	Planning	Review Regulatory Support Team resources in Planning Services to identify opportunities for efficiencies and new ways of working
E 5.5	Car Parks (including Management)	Implementation of 'National Blue Badge Improvement service'

E6 Other

Ref	Service Area	Option
E 6.2	Democracy	Reduction in Committee & Scrutiny Support
E 6.5	Building Cleaning	Reduction in Cleaning Schedules
E 6.8	Environmental Conservation & Coast Management	Reorganisation of service

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Budget Committee Summary

		2012/13 Budget £m	2013/14 Budget £m	2014/15 Budget £m
E1 Children and Families				
E1.1	Reducing running costs, resources and management costs by co-working and co-location	-0.160	-0.160	-0.160
E1.5	Review of the Independent Review Team	-0.148	-0.148	-0.148
E1.6	Review of the Educational Psychologist Team	-0.048	-0.048	-0.048
E1.8	Review of children's social work teams administration arrangements	-0.135	-0.135	-0.135
E2 Older People				
E2.5	Review of Reviewing Team	-0.191	-0.191	-0.191
E3 Leisure and Culture				
E3.2	To increase the income target of the Active Sports programmes (includes B-Active, Active Kids, Active Sports, Sportiv8)	-0.010	-0.010	-0.010
E3.3	Review the organisational structure of the 'Business Development' team and the teams marketing and advertising budget	-0.025	-0.025	-0.025
E3.4	Review the Crosby Lakeside staffing structure water sports and adventurous activity team and increase the income target.	-0.225	-0.225	-0.225
E3.8	Review the management arrangements	-0.050	-0.050	-0.050
E3.10	Restructure of the Community Cohesion team	-0.033	-0.033	-0.033
E3.11	Restructure of the Facilities Team	-0.019	-0.019	-0.019
E4 Street Scene				
E4.1	Review of team	-0.050	-0.050	-0.050
E5 Regulatory				
E5.1	Seek further rationalisation through the reorganisation of Highways and Environmental enforcement teams	-0.025	-0.025	-0.025
E5.2	Review of organisational structure	-0.088	-0.088	-0.088
E5.3	Review regulatory support resources to identify opportunities for efficiencies and new ways of working	-0.050	-0.050	-0.050
E5.5	Implementation of 'National blue Badge Improvement service'	-0.015	-0.015	-0.015
E6 Other				
E6.2	Reduction in Committee & Scrutiny Support	-0.061	-0.061	-0.061
E6.5	Reduction in Cleaning Schedules	-0.150	-0.150	-0.150
E6.8	Reorganisation of service	-0.088	-0.088	-0.088
Total Proposals		-1.571	-1.571	-1.571

E1 Children & Families

Reference E 1.1

Service Description: Family Centres

Categorisation: Critical

The four Family Centres provide services to children and families within Sefton, assessed by the field social work teams as 'in need'. Key functions delivered:

- Assessment –commissioned by field social work teams
- Crisis intervention and support- this includes working with children and families who are subject of child protection investigations or child protection plans and those who are subject to statutory proceedings or care orders. They offer support to substitute families in order to prevent placement breakdown. Hours of work are based on those of residential workers, day work, evenings, weekends(on a needs led basis)
- Direct work with children and families - for example dealing with issues such as loss, behaviour, self protection/keeping safe, self-esteem and life story work (in partnership with specialist services)
- Formal contact sessions between looked after children and their parents or between siblings and extended family members
- Children in Need Plans - when it has been assessed that a child is in need and requires a social care intervention the Family Centre Managers holds case responsibility. The family centres work closely with partner and voluntary agencies to ensure families receive appropriate support and exit strategies to meet their needs.

The centres provide local support and assessment services for children and their families who have been assessed and have suffered, or are at risk of significant harm or children who have become looked after. The direct work and specific assessments undertaken by the Family Centres provide critical information for courts and for the planning for those children who are most at risk or who have suffered serious neglect and abuse. In addition they provide a range of supervised contact activities for those children who require this level of protection or as directed by the courts. The family centres provide services to these children and families outside of core hours including weekend cover to maintain these children safely in the community and to facilitate court directed interventions provision.

Consultation has commenced on the following – reducing running costs, resources and management costs by co-working and co-location.

Rationale for service change proposal – The efficiency target has been set for this service, which can be achieved with a limited impact on front line delivery.

The following activity will change, stop or significantly reduce – Part of new Early Intervention & Prevention Services and integrated teams. It is expected that the savings will be made from taking a more effective and efficient integrated approach in managing the centres – with particular focus on running costs.

Impact of Service Change –

Service Users – Limited impact on service users.

Partners - Further efficiencies by co-working and co-location, particularly with Health.

Council – better value for money.

Communications, Consultations & Engagement –

Type Consult x

Internal consultation has now commenced.

- meetings held with Trade Unions on 19 October 2011
- meetings with staff commenced on 29 September 2011
- no further meetings are scheduled as this saving can be made without staff being placed at risk

The anticipated process timeline includes –

- implementation of the change that will include a short review of service delivery.

Forecast Implementation Date 1st April 2012

Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.

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Options considered - The local authority has a general duty 'to provide family centres as they consider appropriate in relation to children within their area'(Paragraph 9 Section 2 – Children's Act 1989)

Risks & Mitigating Actions – At present reducing services from family centres may jeopardise our ability to strengthen family resilience to enable parents to look after their own children; therefore potentially increasing the number of high cost Looked After Children - Reduction in specific dedicated services could be mitigated by co-location and co-working as appropriate.

Risk to placement stability or assisting with family reunification. Mitigated by monitoring and managing to ensure reduction does not affect front line delivery.

Cost of Service: £1.626m

Staffing: 57

Other Resources: £247,150

Proposed Cost 2012/13: £1.466m

Saving 2012/13: £160k ongoing

Will the saving be full or part year? Full

Investment Required: No

Staff at Risk: No

Approximate number of posts at risk

subject to Council approval: Nil

Reference E1.5

Service Description: Independent Reviewing Officers Service – Quality Assurance and Safeguarding

Categorisation: Critical This service has responsibility for chairing Multi-Agency meetings about children who are at risk of significant harm or who are looked after by the Local Authority. As at September 2011 there are 221 children subject to Child Protection Plans and 373 children who are looked after by Sefton Council. In addition to the above duties, Independent Reviewing Officers currently chair meetings in respect of children where there are concerns relating to them being missing from care, in danger of sexual exploitation or where they have come to harm whilst being looked after.

The Independent Reviewing Officers also chair complex meetings when there have been sudden unexpected deaths of children, when fabricated or induced illness is suspected or where there are large scale child protection investigations involving groups of children. The Independent Reviewing Officers also attend a variety of multi-agency meetings including Multi Agency Public Protection Arrangements and Multi Agency Risk Assessment Committee (MAPPA) and (MARAC).

The Service has direct input into the Local Safeguarding Children's Board and has responsibilities relating to Serious Case Reviews.

The Independent Reviewing Service has the lead role in quality assuring the services offered and delivered to the children and young people who are looked after by the Local Authority or are subject to Child Protection Plans.

Consultation has commenced on the following – Reduce the number of Independent Reviewing Officers by 2 and remove a tier of management.

Rationale for service change proposal – Efficiencies through a reduction in the number of children being looked after, and children receiving Child Protection Plans.

The following activity will change, stop or significantly reduce – Fewer Safeguarding Independent Reviewing Officers – however there will also be fewer cases to review – see above.

Impact of Service Change – Limited – will prioritise more effectively

Service Users – None.

Partners – None.

Council – None

Communications, Consultations & Engagement –

Type Consult

Internal consultation has now commenced.

- meetings held with Trade Unions on 19 October 2011
- meetings with staff commenced on 5 October 2011
- further meetings with staff are scheduled for early November and any alternative options to meet the saving target will be considered
- Each member of staff to be offered an opportunity to have an individual meeting with Director.

The anticipated process timeline includes –

- further consultation subject to political approval
- implementation of the change e.g. restructure, recruitment and selection.

Forecast Implementation Date 1st April 2012

Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.

Legislation Considered - The Children Act 1989, Children and Young Persons Act 2008, Working together to safeguard children: a guide to inter-agency working to safeguard and promote the welfare of children (DCSF, 2010).

Risks & Mitigating Actions – Timescales missed for Ofsted inspections – General Safeguarding.

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<p>Performance management systems are robust and plans are monitored. Risks in terms of court proceedings. Prioritise work to meet statutory deadlines. Risk – This area is subject to a high level of inspection. Mitigated by the formal People Directorate Improvement Board.</p>	
<p>Cost of Service: £531,000</p> <p>Staffing: 11 Other Resources: N/A</p>	<p>Proposed Cost 2012/13: £383,000 Saving 2012/13: £148,000 ongoing Will the saving be full or part year? Full Investment Required: No Staff at Risk: Yes Approximate number of posts at risk subject to Council approval: 2</p>

Reference E1.6

<p>Service Description: Educational Psychologists Categorisation: Regulatory Statutory service providing frontline critical services to the most vulnerable children and young people (0 – 19) and their families / carers advising Local Authority and schools regarding nature of Special Educational Needs (SEN) to enable appropriate provision to be put in place. Also works with families and others settings. Savings of £150,000 (25%) made in 2011/12 budget.</p>	
<p>Consultation has commenced on the following - To reduce number of Educational Psychologists by one.</p>	
<p>Rationale for service change proposal – Staff levels currently at national average with savings through reduction in staff and joint accommodation, service will focus on statutory minimum.</p>	
<p>The following activity will change, stop or significantly reduce – Impact on early intervention and preventative work as service focuses on statutory minimum.</p>	
<p>Impact of Service Change – Service Users – Less likely to be able to address issues at an earlier stage. Partners – None. Council – Potential for increased cost if assessments not reviewed, potential for tribunal/legal costs to increase.</p>	
<p>Communications, Consultations & Engagement – Type Consult <input checked="" type="checkbox"/></p>	
<p>Internal consultation has now commenced.</p> <ul style="list-style-type: none"> • meetings held with Trade Unions on 19 October 2011 • meetings with staff commenced on 5th October 2011 • further meetings with staff are scheduled for early November and any alternative options to meet the saving target will be considered <p>The anticipated process timeline includes –</p> <ul style="list-style-type: none"> • further consultation subject to political approval • implementation of the change e.g. restructure, recruitment and selection. <p>Forecast Implementation Date 1st April 2012</p>	
<p>Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.</p>	
<p>Legislation Considered - Statutory requirement for any new and reviewed statement to have an Educational Psychologist assessment and report. Education Act 1996, amended by Education Act 1997. School Standards and Framework Act 1998. Special Education Needs and Disability Act 2001. (2001 legislation was amended in January 2002).</p>	
<p>Risks & Mitigating Actions– As early intervention is reduced there is an increased likelihood of more formal statements and consequent costs to the Authority as responsible for this. Uncertainty over continued support for Post 16 Special Educational Needs (SEN) from Connexions and Young People Learning Agency (YPLA) may impact upon this team and duties expected. Reputational risk. Traded services model has been developed with access to income stream. Early discussions with Secondary Headteachers have indicated that they may be prepared to pay for elements of the service which will help mitigate any impact.</p>	
<p>Cost of Service: £621,000</p> <p>Staffing: 20</p> <p>Other Resources:</p>	<p>Proposed Cost 2012/13: £573,000 Saving 2012/13: £48,000 ongoing Will the saving be full or part year? Full Investment Required: No Staff at Risk: Yes Approximate number of posts at risk subject to Council approval: 1</p>

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Reference E1.8

<p>Service Description: Administrative support to Children’s Social Care Teams Categorisation: Critical</p>	
<p>Consultation has commenced on the following – Review of children’s social work teams administration arrangements.</p>	
<p>Rationale for service change proposal – To co-locate a number of social work teams to ensure efficiency of service delivery including administrative support. The efficiencies will also be dependent on the successful implementation of the new Integrated Children’s System (ICS).</p>	
<p>The following activity will change, stop or significantly reduce – current levels of support to Social Workers and their Managers.</p>	
<p>Impact of Service Change – Reduced admin support to social workers and their managers. Service Users - None Partners - None Council – potential staffing reductions.</p>	
<p>Communications, Consultations & Engagement – Type Consult <input checked="" type="checkbox"/></p> <p>Internal consultation has now commenced.</p> <ul style="list-style-type: none"> • meetings held with Trade Unions on 19 October 2011 • meetings with staff commenced on 7th October 2011 ○ staff involved in this option have been informed, a number of alternative options are being developed with staff during this consultation process and is expected to be complete by 11th November 2011 <p>The anticipated process timeline includes –</p> <ul style="list-style-type: none"> • further consultation subject to political approval • implementation of the change that includes co-location of teams restructure, recruitment and selection. <p>Forecast Implementation Date 1st April 2012</p>	
<p>Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.</p>	
<p>Legislation Considered – None.</p>	
<p>Risks & Mitigating Actions– Risk - support for statutory panels will be affected by any reductions. <i>Risk</i> – delayed/unsuccessful implementation of Integrated Children’s System will lead to ongoing reliance on current levels of admin support. <i>Mitigating Action</i> – Plan for implementation monitored and reviewed on a regular basis. Targets remain challenging but achievable. <i>Risk</i> – Implementation of Electronic Social Care Record (ESCR)/Data Cleansing in advance of Liquid Logic system implementation. <i>Mitigation Action</i> – Person appointed to look specifically at data cleansing. Work has already begun on planning for this. Existing staff resources will need to be allocated to this in the short/medium term on an ‘invest to save’ basis. Liaison ongoing with IT colleagues around server capacity and legislative requirements.</p>	
<p>Cost of Service: £1,228,150</p> <p>Staffing: 37.8 Full Time Equivalents</p> <p>Other Resources:</p>	<p>Proposed Cost 2012/13: £1,093,150 Saving 2012/13: £135,000 ongoing Will the saving be full or part year? Full Investment Required: No Staff at Risk: Yes Approximate number of posts at risk subject to Council approval: 10</p>

E2 Older People
Reference E2.5

<p>Service Description: Assessment & Care Management – Reviewing Team Categorisation: Critical Assessment and Care Management functions are covered by specialist teams consisting of social workers, community care practitioners and managers. Teams consist of Hospital Social Work, Elderly Mentally Infirm, Mental Health, Learning Disability and Occupational Therapy (who also work with young adults with disabilities and special needs). Teams assess people’s needs and either refer for low level intervention to the voluntary community and faith sector or if service users meet the Fair Access to Care criteria (critical/substantial) they are then assessed by the appropriate team. Within the Assessment and Care Management teams there are 5 Reviewing Officer posts, this function provides a 12 monthly review for service users to ascertain changes in need or circumstances. These posts do not require a social work qualification.</p>	
<p>Consultation has commenced on the following - Cease 5 posts & decrease amount of reviews undertaken by transferring reviews to Social Workers.</p>	
<p>Rationale for service change proposal – Implementation of Liquid Logic system in 2012 may have a positive impact and create process efficiencies for care management teams.</p>	
<p>The following activity will change, stop or significantly reduce – This will significantly reduce care management teams’ ability to conduct timely outcome focused reviews.</p>	
<p>Impact of Service Change – Service Users – Better prioritisation to reduce any potential reduction in timely reviews of services. Partners – None Council – Possible increase in complaints, also negative impact on key performance indicator.</p>	
<p>Communications, Consultations & Engagement – Type Consult <input checked="" type="checkbox"/> Internal consultation has now commenced.</p> <ul style="list-style-type: none"> ○ First meeting with staff – 03/10/11 ○ Second meeting with staff and Trades Unions – 20/10/11 ○ Regular meetings will be held with staff and Unions throughout November <p>The anticipated process timeline includes –</p> <ul style="list-style-type: none"> ● further consultation subject to political approval ● implementation of the change <p>Forecast Implementation Date 1st April 2012</p>	
<p>Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.</p>	
<p>Legislation Considered – NHS & Community Care Act 1990.</p>	
<p>Risks & Mitigating Actions –</p> <ul style="list-style-type: none"> ● This will significantly reduce care management teams’ ability to conduct timely outcome focused reviews ● There is potential for delays in the completion of complex reviews which may result in subsequent issues with care ● Awareness and responses to safeguarding issues could be delayed at a time when reforms are taking place within the Care Quality Commission around regulation and compliance of residential providers ● Key performance indicator for reviews will significantly reduce in the short term. <p>Mitigation is by transfer of all reviews to social work staff, however, this will reduce their capacity in other areas of work and a reconfiguration of both teams would be necessary to assist to mitigate any reduction of staff.</p>	
<p>Cost of Service: £191,000 Staffing: 5 Other Resources:</p>	<p>Proposed Cost 2012/13: £NIL Saving 2012/13: £191,000 ongoing Will the saving be full or part year? Full Investment Required: No Staff at Risk: Yes Approximate number of posts at risk subject to Council approval: 5</p>

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Reference E3.2

<p>Service Description: Active Sports Categorisation: Tier 1 To increase the income target of the Active Sports programmes by £10,000.</p> <p>The Sport & Recreation Service is responsible for the management and operation of the Councils sport & leisure centres, sports development, physical activity and health promotion programmes, positive futures project, contract monitoring for Crosby Leisure Centre & Formby Pool. Assets: 5 sport & leisure centres; 1 outdoor pursuits & residential activity centre; 2 facilities under contract; a workforce of 250 full time equivalents. It has in excess of 3m visits/users p.a.</p> <p>It is commissioned to deliver services to partners; value circa £1.4m p.a. with grant support sustaining an additional 30 fixed term posts.</p>	
<p>Consultation has commenced on the following - To increase the income target of the Active Sports programmes by £10,000.</p>	
<p>Rationale for service change proposal – All the Active Sports programmes now have some form of charge and it is feasible to increase the income target for these programmes.</p>	
<p>The following activity will change, stop or significantly reduce – N/A</p>	
<p>Impact of Service Change – Service Users – None. Partners – None. Council – None.</p>	
<p>Communications, Consultations & Engagement – Type Consult <input type="checkbox"/> Inform <input checked="" type="checkbox"/></p> <p>Internal consultation is not needed – this option is an ongoing business efficiency and as such should be progressed as those in Annex C of 13th October report.</p> <p>Forecast Implementation Date 1st April 2012</p>	
<p>Equality Impact Assessment – This will be should members agree proposal is to be progressed.</p>	
<p>Legislation Considered - Local Government (Miscellaneous Provisions) Act 1976.</p>	
<p>Risks & Mitigating Actions– Risk presents itself if the section is unable to deliver the various sports programmes if at some point users become unable to pay.</p>	
<p>Cost of Service: £ N/A Staffing: N/A Other Resources: N/A</p>	<p>Proposed Cost 2012/13: N/A Saving 2012/13: £10,000 increased income ongoing Will the saving be full or part year? Full Investment Required: None Staff at Risk: No Approximate number of posts at risk subject to Council approval: None</p>

Reference: E3.3

Service Description: Business Development Team

Categorisation: Tier 1

Review the organisational structure of the 'Business Development' team and the teams marketing and advertising budget.

The Sport & Recreation Service is responsible for the management and operation of the Councils sport & leisure centres, sports development, physical activity and health promotion programmes, positive futures project, contract monitoring for Crosby Leisure Centre & Formby Pool. Assets: 5 sport & leisure centres; 1 outdoor pursuits & residential activity centre; 2 facilities under contract; a workforce of 250 full time equivalents. It has in excess of 3m visits/users p.a.

It is commissioned to deliver services to partners; value circa £1.4m p.a. with grant support sustaining an additional 30 fixed term posts.

Consultation has commenced on the following –

- i) To review organisational structure and responsibilities within the 'Business Development' team with the intention of reducing the staffing costs.
- ii) Reduce the Business Development Team's marketing and advertising budget.

Rationale for service change proposal –

Will help to minimise the impact of further cuts on other front line services.

The following activity will change, stop or significantly reduce –

i) The Business Development team coordinate and generate the majority of 'back office' support to the front line services and activities. It deals with;

- all marketing and communication functions;
- event support;
- administrative & statistical support
- performance management and service planning;
- budget monitoring;
- income collection & direct debit payment coordination;
- contract liaison and monitoring (Parkwood Leisure and Formby Pool Trust);
- the delivery of certain activity under commissioning arrangements (e.g. NHS Sefton)

ii) The marketing, advertising & communications budget is crucial to the successful trading of the service. It is central to all promotion and advertising for leisure centres and all projects and programmes operated in facilities and community venues. The level of activity will be reduced.

Impact of Service Change –

Service Users – Unable to meet demands for keeping users up to date with information and the new projects and programmes.

Partners – It will be necessary to consider whether the section will be able to meet its obligations to partners that commission it to deliver outcomes around marketing and advertising.

Council – Any reduction in staff and budgets will affect the overall performance of the service, and have an adverse effect on income.

Communications, Consultations & Engagement –

Type Consult Engage

Internal consultation has now commenced.

- Soft staff consultation commenced on Monday October 3rd 2011
- Trade Union consultation was held on October 19th 2011
- Formal staff consultation held on Nov 3rd 2011

The anticipated process timeline includes –

- Service review to be completed by Nov 18th 2011

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Proposed Implementation Date Implementation of any changes by January 12 th 2012	
Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.	
Legislation Considered - Local Government (Miscellaneous Provisions) Act 1976.	
Risks & Mitigating Actions– Awareness and promotion of all of the section’s services are at risk and may reduce income.	
Cost of Business Development Team: £127,450 Staffing: 4 Other Resources: £50,000 The service is commissioned by NHS to deliver social marketing activity in support of health improvement outputs.	Proposed Cost 2012/13: £102, 450 Saving 2012/13: £25,000 ongoing Will the saving be full or part year? Full Investment Required: No Staff at Risk: Yes Approximate number of posts at risk subject to Council approval: 4

Reference E3.4

Service Description: Crosby Lakeside Activity Centre

Categorisation: Tier 1

The Sport & Recreation Service is responsible for the management and operation of the Councils sport & leisure centres, sports development, physical activity and health promotion programmes, positive futures project, contract monitoring for Crosby Leisure Centre & Formby Pool. Assets: 5 sport & leisure centres; 1 outdoor pursuits & residential activity centre; 2 facilities under contract; a workforce of 250 full time equivalents. It has in excess of 3m visits/users p.a.

It is commissioned to deliver services to partners; value circa £1.4m p.a. with grant support sustaining an additional 30 fixed term posts.

Consultation has commenced on the following - Following a full 12 months of operation of the Crosby Lakeside Adventure Centre (CLAC) (July 2010 – July 2011), officers are in a better position to assess the options to make savings within its operation. It is proposed to make the following changes:

- i) increase the income target by £200,000
- ii) review the staffing structure water sports and adventurous activity team

Rationale for service change proposal –

- i) The centre is on course to exceed its income target. The trend for the last 12 months suggests that an increased target is realistic.
- ii) The water sports and adventurous activity team was set up in advance of the business activity being fully known. After two operating seasons (summer) it is clear that it would benefit from a different staffing arrangement which would move towards self employed coaches rather than full time staff.

The following activity will change, stop or significantly reduce –

No significant changes.

Impact of Service Change –

Service Users – Negligible.

Partners – Negligible.

Council – Negligible.

Communications, Consultations & Engagement –

Type Consult Engage Partnership

Internal consultation has now commenced.

- Soft staff consultation commenced on Monday October 3rd 2011
- Trade Union consultation was held on October 19th 2011
- Formal staff consultation held on Nov 3rd 2011

The anticipated process timeline includes –

- Service review to be completed by Nov 18th 2011

Forecast Implementation Date

Implementation of any changes by January 12th 2012

Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.

Legislation Considered -Local Government (Miscellaneous Provisions) Act 1976.

Risks & Mitigating Actions– Other savings taken elsewhere in this round will have a knock-on effect for CLAC (e.g. Marketing) which make the increased income target more challenging. In addition, the extra Bank Holidays this year had a big impact in usage.

Steps are being taken to increase the number of private bookings (e.g. weddings) and plans

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It will be necessary to secure extended water sports bookings from outside organisations. This will mean that on a number of occasions the centre will be partly closed to 'open access' for local residents.

Cost of Service (whole operation at C.L.A.C.): £277,650

Staffing: 1 x full time post

Other Resources:

Grant support from Sport England & sports governing bodies enable the employment of additional support staff to the operation.

Proposed Cost 2012/13: £232,650

Saving 2012/13: £225,000 ongoing

Will the saving be full or part year? Full

Investment Required: No

Staff at Risk: Yes

Approximate number of posts at risk

subject to Council approval: 1

Reference E3.8

Service Description: Principal Manager

Categorisation: Tier 1

Review the management arrangements for the section with the intention of reducing by one Principal Manager.

The Sport & Recreation Service is responsible for the management and operation of the Councils sport & leisure centres, sports development, physical activity and health promotion programmes, positive futures project, contract monitoring for Crosby Leisure Centre & Formby Pool. Assets: 5 sport & leisure centres; 1 outdoor pursuits & residential activity centre; 2 facilities under contract; a workforce of 250 full time equivalents. It has in excess of 3m visits/users p.a.

It is commissioned to deliver services to partners; value circa £1.4m p.a. with grant support sustaining an additional 30 fixed term posts.

Consultation has commenced on the following –

Review the management of the Sport & Recreation section by reorganising the structure and responsibilities.

Rationale for service change proposal – To meet savings target.

The following activity will change, stop or significantly reduce –

The review will reprioritise all the key service areas and responsibilities, allocating duties amongst fewer managers. As one post will be deleted the capacity and workload will therefore be reduced and it will not be feasible to deliver services and activity to the same level or standard as at present.

Impact of Service Change –

These will only be clearer once the restructure has been completed.

Service Users – There will be a knock-on effect in terms of the overall quality of the service provided. Less Management support.

Partners – Reduction in ability to maintain relationships and service the demands of partners, attend their meetings and working on joint ventures.

Council – The section will have reduced capacity to participate in Council corporate matters and maintain the standards and range of services available. Increased pressure on remaining managers.

Communications, Consultations & Engagement –

Type Consult Engage

Internal consultation has now commenced.

- Soft staff consultation commenced on Monday October 3rd 2011
- Trade Union consultation was held on October 19th 2011
- Formal staff consultation held on Nov 3rd 2011

The anticipated process timeline includes –

- Service review to be completed by Nov 18th 2011

Forecast Implementation Date

Implementation of any changes by January 12th 2012

Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.

Legislation Considered - Local Government (Miscellaneous Provisions) Act 1976.

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Risks & Mitigating Actions –

There will be a risk to the performance of the business however a reassessment of priorities will endeavour to ensure that the Councils key objectives are still met.

Cost of management Service: £300,000	Proposed Cost 2012/13: £250,000
Staffing: 5	Saving 2012/13: £50,000 ongoing
	Will the saving be full or part year? Full
	Investment Required: No
	Staff at Risk: Yes
Other Resources: N/A	Approximate number of posts at risk subject to Council approval: 1

Reference: E3.10

Service Description: Library Service – Community Cohesion Team

Categorisation: Other Tier 1

The Community Cohesion team delivers specialist support and advice to staff delivering the service to children and young people, and to disadvantaged groups to enable them to access library services. They also work with partners to improve and deliver services to these groups. The specific responsibilities of this team are library services to children and young people, equality of access for all individuals and groups within the community, management of the Home Visits Service and its 80 community volunteers that deliver a service to 200 people unable to visit libraries, management and support of the library service at HMP Kennet (for which a management fee is charged).

Since the team was created in 2005 the use of the library service by children and young people has increased through increased issues, activities, class visits and the Summer Reading Challenge. This is through extensive training and support for frontline staff working in the libraries. Work with partners and access groups have resulted in improvements to services including those for people with disabilities. The team was reduced from 4 posts to 2 with effect from 1st July 2011. The impact of this reduction is currently under going assessment.

The team consists of one full time Senior Development Manager (SDM) Children and Young People and one full time SDM Social Inclusion. Cost 2011/12 = £65,690 (cost in 2010/11 = £119, 488).

There is limited comparator data available for this area of work. National data for the summer reading challenge and delivery of the Bookstart scheme show that we have a comparatively high level of participation per head of population. The level of staffing and expertise that local authorities use to provide this is not available, but local knowledge of the region and national developments show that this varies considerably from services with large to middle sized units, specialist support such as children's librarians in libraries, and Home Visits Services delivered by paid staff. Sefton provides an extremely low but effective level of specialist support and expertise.

Consultation has commenced on the following –

- Restructure the Community Cohesion team to reduce from 2 SDM's to one, resulting in the deletion of 1 SDM post.
- This will require the merger of the work of the 2 SDMs for children and young people, and social inclusion, into the 1 remaining SDM post.

Rationale for service change proposal – To reduce the costs of the team to deliver savings and deliver the minimum level of specialist support and advice to staff in libraries delivering the service whilst attempting to continue a high quality of service.

The following activity will change, stop or significantly reduce –

There will be a loss of the skills, knowledge and input of one of the specialist SDM's, leading to a requirement for the remaining SDM to expand their knowledge and capacity to deliver services for both areas. This will result in a reduction of specialist input, reduction in activities to targeted groups, reduction in outreach and partnership working, and reduction in response time to enquiries.

There will be specific reductions to:

- The provision of services to the public.
- The ability to carry out special project work such as the Summer Reading Challenge and reading groups, resulting in a significant reduction of the use of the service.
- The ability to work with schools.
- The ability to manage and deliver volunteering opportunities in the Library Service, to manage the Home Visits Service, to manage the library service at HMP Kennet (and potential loss of income).
- The ability to respond to partnership enquiries and requests, deliver outreach work in the community.
- The ability to select and purchase appropriate stock for the public.

There will be an increase in front line library staff having to deal with enquiries of a specialised

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<p>and possibly sensitive nature e.g. compliance with equalities legislation.</p>	
<p>Impact of Service Change – Service Users -</p> <ul style="list-style-type: none"> • May see a reduction in the diversity and responsiveness of the Library Services offered. <p>Partners –</p> <ul style="list-style-type: none"> • Reduction in work with schools across Sefton. • Reduction in work with NHS. • Reduction in capacity to help people to live at home through the Home Visits Library Service. • Reduction in management input to the Library Service at HMP Kennet. • Reduction in capacity to take volunteers from Sefton CVS and work with volunteers. <p>Council – There will be a reduction in the Library Service’s ability to liaise with other sections of the Council to deliver services to the community.</p>	
<p>Communications, Consultations & Engagement –</p> <p>Type Consult <input checked="" type="checkbox"/></p> <p>Internal consultation has now commenced.</p> <ul style="list-style-type: none"> • Initial Consultation with staff – 30th September and 3rd October • Consultation commenced with Trade Unions – 19th October 2011 • Further consultation commenced with staff – week beginning 31st October 2011 <p>The anticipated process timeline includes –</p> <ul style="list-style-type: none"> • further consultation subject to political approval • implementation of the change <p>Forecast Implementation Date Implementation of any changes to commence January 2012</p>	
<p>Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.</p>	
<p>Legislation Considered -</p> <p>Our statutory obligation under the Public Libraries and Museums Act 1964 is to provide a comprehensive and efficient library service for all persons in the area that want to make use of it. One of the duties is to promote the service to children and adults. The Act has a number of regulations including what services can be charged.</p>	
<p>Risks & Mitigating Actions–</p> <p>There will be a loss of the skills, knowledge and input of one of the specialist SDM, leading to a requirement for the remaining SDM to expand their knowledge and capacity to deliver services for both areas. This may result in a reduction of specialist input and reduction in activities.</p> <p>Services can to be absorbed by the remaining library staff. The Principal Development Manager for Community Cohesion would work with the remaining SDM, and frontline library staff, to minimise the impact of the staffing reduction on the service to the public.</p>	
<p>Cost of Community Cohesion team: £65,690</p> <p>Staffing: Senior Development Manager – Children and Young People Senior Development Manager – Social Inclusion</p> <p>Other Resources:</p>	<p>Proposed Cost 2012/13: £32,690 Saving 2012/13: £33,000 ongoing Will the saving be full or part year? Full Investment Required: No Staff at Risk: Yes Approximate number of posts at risk subject to Council approval: 2</p>

Reference: E3.11

Service Description: Library Service – Facilities Team

Categorisation: Other Tier 1

The facilities team provides security functions to libraries such as call outs, plus routine repairs and maintenance. There has been no major investment in the infrastructure of the majority of the Council's libraries, and as a result the libraries are in a poor state of repair. The structural survey costs for the 10 libraries that are not new or to be re-developed = £1.3m. The costs of the team have been analysed and indicate that the tasks undertaken by the facilities team are provided at a lower cost than an external contractor and at greater speed, avoiding the need for ad hoc closures of libraries. Larger repairs are undertaken by contractors. They also open and close libraries outside library opening hours for external groups to hire. They provide cover for the mobile library when the driver/assistant is absent. The team also delivers a daily delivery service of books, internal post etc. The team (excluding the delivery driver) was reduced from 5 staff to 3 from 1st July 2011. The cost of the team (excluding the driver) in 2011/12 = £71,000 (£111,339 in 2010/11).

Consultation has commenced on the following –

To review the Facilities team and reduce the number of Facilities Assistants from 2 to 1.

Rationale for service change proposal – To reduce the costs of the service as part of the Council's service.

The following activity will change, stop or significantly reduce –

The following will stop:

- The provision of lettings out of hours at Crosby Library. This currently generates £8500 income per annum. The provision of a 'latch key' operation will be considered, a full risk assessment will be undertaken before a decision is made.

The following will be reduced:

- Ability to cover sickness and annual leave for the Mobile Library and the daily delivery van. Cover for the mobile library will not be a factor if E3.13 (Mobile Library Service) is also accepted.
- Ability to carry out routine and non-routine maintenance, resulting in much higher levels of essential maintenance passed to contractors, with an increased cost.
- Ability to respond to emergency maintenance work.
- Ability to respond to health & safety requests from libraries.
- Ability to respond to out of hour call-outs.

There may be an increase in the time library managers have to deal with contractors, carry out routine maintenance checks and administration.

Impact of Service Change –

Service Users -

- Maintenance levels of front line areas will be reduced.
- Increased risk of accident in public areas of the library.
- Increased risk of temporary closure to libraries due to health and safety issues.
- Further deterioration of the buildings and their appearance, less appealing to people to use them.

Partners – Unable to use library outside library opening hours

Council – Potentially more costs by using contractors for small jobs

Communications, Consultations & Engagement –

Type Consult

x

Internal consultation has now commenced.

- Initial Consultation with staff – 30th September and 3rd October
- Consultation commenced with Trade Unions – 19th October 2011
- Further consultation commenced with staff – week beginning 31st October 2011

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<p>Proposed process timeline includes –</p> <ul style="list-style-type: none">• further consultation subject to political approval• implementation of the change <p>Forecast Implementation Date Implementation of any changes to commence January 2012</p>	
<p>Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.</p>	
<p>Legislation Considered - Health and Safety at Work Act 1994.</p>	
<p>Risks & Mitigating Actions–</p> <ul style="list-style-type: none">• Risk of health and safety maintenance issues not being addressed in an acceptable timescale. Mitigated by increased use of contractors.• Risk of loss of income from out of hours lettings – investigate alternative methods of making access available.	
<p>Cost of Facilities team (minus delivery service): £71,000</p> <p>Staffing: 1 Facilities Officer 2 x Facilities Assistant</p> <p>Other Resources: Van – lease and maintenance = £4,500</p>	<p>Proposed Cost 2012/13: £52,000 Saving 2012/13: £19,000 ongoing Will the saving be full or part year? Full Investment Required: No Staff at Risk: Yes Approximate number of posts at risk subject to Council approval: 2</p>

E4 Street Scene

Reference E4.1

Service Description: Cleansing Administration and Running Costs - Review

Categorisation: Frontline

The management, supervision, equipment, supplies and administrative support for all street cleansing, refuse collection and recycling contract services currently costs £399,000 per year.

In addition to management/supervisory/admin functions, all necessary training and personal protective equipment (PPE) for both Street Cleansing and Refuse Collection is purchased via this cost centre.

Current administrative support levels and operational costs are at minimum levels in order to support the operation of all street cleansing, refuse collection and recycling contract services.

A further reorganisation is currently being developed which would further reduce management levels and save an additional £50k.

Consultation has commenced on the following – To further reduce management levels across Street Cleansing and Refuse Collection Services by two posts in order to achieve an additional saving of £50k.

Rationale for service change proposal – The provision of frontline services such as Street Cleansing and Refuse Collection are vital to the infrastructure of the Borough. As such, whilst a large volume of savings have already been identified within operational areas of the services, additional savings still need to be found and have been identified within management functions so as to maintain minimum service levels at the frontline.

The following activity will change, stop or significantly reduce – It is hoped that the impact of further management reductions will be limited as much as possible by a series of internal reorganisations which will see staff at management levels taking on additional responsibilities in areas not previously under their control. The amount of responsibility will also be reduced as much as possible by distributing management functions across a number of service areas.

Impact of Service Change –

Service Users – No Change

Partners – No Change

Council – No operational change. However, essential management functions will be distributed across remaining personnel and service areas.

Communications, Consultations & Engagement –

Type Inform

- Consultation with the Trade Unions regarding this change proposal was completed on Wednesday 26th October 2011, the deletion of two vacant posts will achieve the saving identified.

No further meetings as part of the consultation are envisaged.

Forecast Implementation Date Implementation of new structure by December 31st 2011

Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.

Risks & Mitigating Actions– With a further reduction in management capacity, all of the cleansing services (waste, streets and recycling) will then be operating at minimum support levels. Such support is an integral part of the operation of frontline services in order to ensure the health & safety of employees and public. The waste collection and cleansing services are large logistical exercises on a daily basis. As such, a minimum number of support staff is required to ensure that the services can operate effectively and efficiently and that tasks are completed on time every day.

Without dedicated support services the operation would be unable to function. In addition to

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Administrative and financial problems caused through a lack of support services, there is a real risk of injury to staff or public if correct procedures, checks and assessments are not undertaken.

In order to reduce the risks associated with the non-performance of services, plans have been prepared to allow decisions and authorisations to be taken by a wider circle of managers across the Department.

Cost of Cleansing Service Operational Support: £399k	Proposed Cost 2012/13: £349k Saving 2012/13: £50k ongoing Will the saving be full or part year? Full Investment Required: None
Staffing: 8	Staff at Risk: None – Saving relates to 2 vacant posts.
Other Resources: None	

E5 Regulatory

Reference E5.1

<p>Service Description: Highways/Environmental Enforcement Categorisation - Regulatory - Proactively and in response to public complaint discharge the Councils statutory duties and tackle issues relating to highway obstruction, flytipping, dog fouling and litter. Approximately 3000 requests for service per year.</p>	
<p>Consultation has commenced on the following – Seek further rationalisation through the reorganisation of Highways and Environmental enforcement teams as an extension to CM40 “Merger of Highways and Environmental Enforcement”.</p>	
<p>Rationale for service change proposal – Budget savings driven. This is a further rationalisation of the Highways/Environmental enforcement capacity.</p>	
<p>The following activity will change, stop or significantly reduce – Activities will be prioritised to those statutory activities having the greatest public safety risk. The team may not be able to respond to all public requests for service as capacity is further diminished.</p>	
<p>Impact of Service Change – Service Users – There will be less capacity to proactively manage, protect and respond to community environmental enforcement needs. Partners - None Council – to be accommodated through ongoing restructure. Potential liabilities if statutory duties not adequately discharged.</p>	
<p>Communications, Consultations & Engagement – Type Inform <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> • Raised with Trade Unions 26 September 2011. • Post became vacant during 2011/12 and is offered for deletion. • Deletion of vacant post subject to political approval & effective 1 April 2012. 	
<p>Forecast Implementation Date Implementation of revised structure by 1st April 2012</p>	
<p>Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.</p>	
<p>Legislation Considered - Statutory duties primarily under Highways Act and Environmental Protection Act</p>	
<p>Risks & Mitigating Actions– Reduced enforcement activity - Training to facilitate comprehensive service despite reduction</p>	
<p>Cost of Service: £270,000 (staffing) Staffing: 9 posts Other Resources: NS</p>	<p>Proposed Cost 2012/13: £220,000 (staffing) Staffing 7 posts Saving 2012/13: £25,000 ongoing Will the saving be full or part year? Full Investment Required: None Staff at Risk: No</p>

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Reference E5.2

Service Description: Planning Services

Categorisation: Regulatory

Development Management – approximately 1,800 planning applications per annum; 800 pre application development enquiries p.a.; approx 20 planning appeals p.a (including public enquiries); planning enforcement; Tree Preservation Orders and tree works re planning applications; condition monitoring approx 200 per annum.

Building Control – Approx 700 full building regs apps per annum; approx 1,200 building notices per annum; 300 dangerous structure inspections; emergency call out; service marketing due to being open to competition and need to retain and maximise income.

Planning Policy – Progression of Core Strategy, Local Development Framework, planning policy development briefs; conservation work – i.e. conservation appraisals etc; Annual Monitoring Report; collection and updating of planning evidence base

Regulatory Support - supports technical administration of planning and building control processes; e.g. validation of applications; consultations on applications; IT support; information management.

Consultation has commenced on the following –

Deletion of post (Snr Planner). This post is currently vacant and it is proposed to delete it from the establishment. This will lead to a reduction in capacity/ expertise in ‘urban design’ as part of the planning/development management process. This will need to be addressed by others in the Development Management team who have the appropriate skills, experience and qualifications.

Reduction in Regulatory Support – hours reduction of one post. Small saving will have some minor impact on Building Control support.

Change provider for press notices/planning publicity – same service level and similar geographical spread/coverage with press but cost of adverts of planning applications reduced by £20k p.a.

Minimise officer mileage/spend on equipment and subscriptions etc. Will mean officers reduce business miles and frequency of site visits with consequent impact on service delivery. Timescales for decisions on applications may be extended. Team managers have alerted staff to this saving requesting that appropriate changes in work prioritisation/ site visits are implemented as necessary.

Merseyside Information Services (MIS) contract – planning contribution. There has been a corporate decision to cease the MIS contract. Proposed saving of £20k p.a. (out of the £76k total budget) due to need to fund progression of Local Development Framework to adoption etc.)

Rationale for service change proposal – Planning Services are statutory/regulatory services which are required to operate ‘in the public interest’. Since 2007 there has been a 25% reduction in planning staff budgets.

The savings associated with the post deletion arose from to that postholders request to leave. This opportunity therefore led to the post being identified as a potential saving. The post is currently vacant and can be deleted without placing any current member of staff at risk.

Other revenue savings provide the opportunity to allow staff within the service to review spend on various revenue budgets and to minimise costs, including those associated with mileage allowances.

The following activity will change, stop or significantly reduce – Urban design input into the application and policy workload will reduce significantly. This will need to be picked up by other planning services team members thereby potentially impacting on decision making timescales.

Impact of Service Change –

Service Users – Some potential for delay in planning decisions.

Partners –

Council – Potential for corporate and external complaints due to extended timescales for decisions.

Communications, Consultations & Engagement –

Type Inform <input type="checkbox"/> <input checked="" type="checkbox"/>			
Proposed Timeline Summer/Autumn 2011			
<p>As part of the budget process the team have been informed of the proposals. These potential savings do not require any staff or team restructure – nor are there any at risk or redundancy issues. The post proposed to be deleted is vacant are can be deleted without any delay.</p> <p>The revenue savings are currently being considered by service managers to ensure, if approved, necessary steps can be implemented. Changing provider for press notices for example is a simple task to realise a potential £20,000 saving.</p>			
Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.			
Legislation Considered Planning and Building Control Legislation			
Risks & Mitigating Actions– Service – re prioritising, maximising efficiencies in processes, managing expectations. <p>It will be necessary to manage customer expectations about the service – for example time taken to undertake site visits may be increased causing some delay in decision making. Service managers will need to monitor this moving forward if the saving is approved. In addition it will be necessary to re prioritise workloads especially those involving site visits – this can be communicated through a variety of pro active measures including the next Service Plan; Planning Services Agents Forum; the Sefton Access Forum; the website etc.</p> <p>There may be a need to identify an additional team member to undertake some urban design training – this will be monitored and progressed through the service plan and staff appraisals as necessary.</p>			
Cost of Planning Services: £814,000 Staffing: 1 x vacant senior planner post to be deleted Other Resources: Savings in revenue budgets – eg press notices, office supplies, potentially reduced site visits.	Proposed Cost 2012/13: £ 726k (see also E5.3) Saving 2012/13: £88,000 ongoing Will the saving be full or part year? Full Staff at Risk: none		

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Reference E5.3

Service Description: Planning Services:

Regulatory Support- supports technical administration of planning services – i.e. planning and building control e.g. validation of applications; consultations on applications; IT support; information management; customer interface.

Rationale for service change proposal –

Review regulatory support team resources in Planning Services to identify opportunities for streamlining processes; realise efficiencies and implement new ways of working. This will involve a re structure of the Regulatory Support team.

A separate savings proposal is being progressed by the Head of Economy and Tourism. (E6.8). As a consequence of that saving it is necessary to ensure that support work from that team is properly considered with a view to determining whether any of that workload can/should be accommodated within a re -structured Regulatory Support Team; within Economy and Tourism or elsewhere in Built Environment.

Rationale for service change proposal –

There are opportunities to realise savings within the current resource through a re-organisation of the Planning Services Regulatory Support Team. This restructure will aim to re allocate work tasks, redefine roles; streamline processes and re prioritise workloads. These changes are aimed at improving service outcomes and realising savings.

These changes are linked to the need to continue to deliver a flexible, customer focussed service whilst meeting statutory requirements.

The following activity will change, stop or significantly reduce –

There may be some associated impacts on customers/applicants accessing the service – e.g. time to receive/register/determine applications may all be extended. This may ultimately impact on timescales for decisions on planning and building regulation applications – however the aim is to minimise this through a streamlining of current processes and workflow.

It may be necessary to limit time spent on non fee earning elements of the service – however as the service is a statutory one it will not be possible to stop various elements.

Impact of Service Change –

Service Users - Other team members; applicants; developers and external customers. Potential for delay in enquiries and formal decisions.

Partners – N/A

Council – Potential for corporate or external complaints if action/decision making times extended.

Communications, Consultations & Engagement –

Type **Consult**

Consult with staff Proposed Timeline Autumn 2011

Internal consultation has now commenced. There have been two staff meetings in Planning Services during October as part of this consultation. In addition a meeting with the Environment and Regeneration Team has been held – with a second follow up meeting on 26 October.

Further meetings as part of the consultation are envisaged along the following potential timelines;

26 October – meet with Trade Union to advise of restructure to progress saving option.

Early November – consult team on revised team structure and new job descriptions.

Early/Mid November – communicate recruitment process details following confirmation from HR – i.e. ring fences/interviews etc.

End Nov/Early December – Interview and selection process – subject to Council approvals

<p>December/early January – inform staff of selection process outcomes and then report that as appropriate – subject to Council approvals</p>	
<p>Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.</p>	
<p>Legislation Considered Various Planning and Building Control legislation.</p>	
<p>Risks & Mitigating Actions– Need to re prioritise work tasks; maximise efficiencies in processes; re organise responsibilities; manage resources and expectations.</p> <p>During the consultation stage meetings are being with HR to ensure the process undertaken follows appropriate council procedures. In particular advice is being taken about the selection process; the use of ring fences for interviews; the appropriate grading of posts and content of job descriptions etc.</p> <p>As part of the consultation process – and as a consequence of a separate potential saving in the Environment and Regeneration Team - Heads of Service are currently reviewing whether any aspects of work currently undertaken in that other team will be carried forward in either this new structure or elsewhere in the Built Environment Department. The outcome of this work will be considered as part of the consultation process and used with all other relevant information to inform decisions about new structures. Examples include support for Conservation work and support for mapping/digitising various information.</p> <p>It will be necessary to manage customer expectations about the planning service as a consequence of a reduction in staff levels if this saving in regulatory support is progressed. This can be communicated through a variety of pro active measures including the next Service Plan; Planning Services’ Agents Forum; the Sefton Access Forum; the website etc. The Service Plan for 2012/13 will also need to identify any areas of work which will no longer be a priority for the service to allow effective allocation of workloads within available resources. The Building Control service is open to competition and it will be necessary to ensure service impacts are minimised and well managed in order to protect fee income for the service.</p> <p>Managers will need to carefully monitor these changes moving forward - if the saving is approved. New job descriptions will be prepared to ensure the tasks and responsibilities of the restructured team are streamlined efficiently and appropriately organised. The new team structure will need to maximise opportunities for the flexible use of resources across this team – whilst recognising the specialist and technical nature of some roles. Some staff training may be necessary if individuals undertake different roles/responsibilities in the structure.</p> <p>Planning Services are currently preparing a Capital Bid for investment in IT – this will be necessary in order to maximise efficiencies and could be seen as an invest to save opportunity, especially around document management; scanning/consulting on planning applications and the ability to implement opportunities for mobile working – particularly in Building Control. It is hoped this funding may be available in the next financial year.</p>	
<p>Cost of Planning Service: £814,000</p> <p>Staffing:</p> <p>Other Resources:</p>	<p>Proposed Cost 2012/13: £764,000 (See also E5.2)</p> <p>Saving 2012/13: £50,000 ongoing</p> <p>Will the saving be full or part year? Full</p> <p>Investment Required: Potential for Capital investment in IT if proposed bid is successful – estimate not currently available.</p> <p>Staff at Risk: Yes</p> <p>Approximate number of posts at risk subject to Council approval: approx 2.5 fte – to be confirmed following completion of review</p>

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Reference E5.5

Service Description: Car Parks (Including Management) Blue Badges

Categorisation: Regulatory

A new National Blue Badge Improvement Service (BBIS) will change the way in which badges are issued in England. As a result, Local Authorities will now have discretion to charge for the provision of blue badges up to £10 from the current £2. However, the cost of procuring each blue badge from the national supplier is £4.60, meaning that on the basis of a continued maximum current provision of blue badges (18,000 renewable every three years, so an average of 6,000 renewals per year) an additional income of £3.40 is possible, should Cabinet Member (Transportation) decide to charge the maximum £10 per badge issue. The Service would also need to accommodate some small set up costs.

As the number of applications for Blue Badges cannot be guaranteed the financial implications have been calculated on the basis of 5,000 applications per year.

As all Blue Badges will have to be ordered through the BBIS at a cost of £4.60 per badge this will lead to an increased cost to the service of £23,000. However, the charge to the customer will be raised from £2 per £10, an increase of £8 per badge giving an increased income of £40,000. This gives a net income of £17,000 per annum. However, as there will be some set up costs and other on-going costs of the new service the increased income has been shown as £15,000 per annum

Consultation has commenced on the following – Implementation of a £10 charge for the issue of each badge

Rationale for service change proposal – National Policy has revised the Blue Badge scheme in England. Badges will now be produced centrally by an approved contractor who will be administering and printing the badges. Although Sefton Council will retain overall responsibility for dealing with clients' applications and making the decision over eligibility for badges, they will be printed centrally. All current issuing authorities will be legally obliged to use the contractor as of January 2012. As part of these reforms the maximum fee that local authorities can charge for a badge will be raised from £2 to £10 for all new style badges issued from 1st January 2012.

The following activity will change, stop or significantly reduce – N/a

Impact of Service Change – The changes to the administration of the Blue Badge Scheme as a result of the National Blue Badge Improvement Service (BBIS) will allow applicants to apply on line, will improve the security of the badge and will reduce Blue Badge fraud.

Service Users – Additional charge.

Partners – n/a

Council – Additional income.

Communications, Consultations & Engagement –

Type Inform

Meetings have been taking place with staff on a fortnightly basis to ensure the national changes to the Blue Badge service (including the increased charge) are implemented smoothly in Sefton. These meetings will continue until the changes are introduced on the 1st January 2012.

The issues were discussed with the The Sefton Access Forum at its meeting held on the 20th September. The forum supported the changes

The Department for Transport are due to publish a communications strategy in early November which will include Ministerial comments and templates of statements to be issued to the local press. The strategy will be followed by Sefton.

The proposal has been considered by the public consultation & engagement panel who have approved the proposed course of action.

Forecast Implementation Date Implementation by 1st January 2012

Equality Impact Assessment –The National blue Badge Improvement Scheme has been assessed at National level

Legislation Considered

Risks & Mitigating Actions–

The saving will be dependant upon the number of applicants each year. The number of applicants cannot be guaranteed. There is also some additional revision and set up costs.

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Cost of Blue Badge Service £91,500	Proposed Cost 2012/13: £114,500
Staffing: 1.5 fte	Saving 2012/13: £15,000 (increased revenue ongoing)
Other Resources:	Will the saving be full or part year? Full Year
Notes:	Investment Required: N/A
	Staff at Risk: No

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E6 Other

Reference E6.2

<p>Service Description: Committee Services Categorisation: Cost of Democracy. Servicing of all meetings within the democratic process (including scrutiny support), publication of delegated reports and associated decisions, co-ordination of the Forward Plan, maintenance of statutory registers, organisation of tender opening, co-ordination of Member training (including Member Induction), provision of clerking service for school admission and exclusion appeals.</p>	
<p>Consultation has commenced on the following – To reconfigure the staffing structure for the service.</p>	
<p>Rationale for service change proposal – To base service staffing at minimum levels</p>	
<p>The following activity will change, stop or significantly reduce – There may be delays in producing minutes and decision records although all statutory timeframes will be met. Member's expectations regarding the level of scrutiny support would need to be examined.</p>	
<p>Impact of Service Change – Service Users – None Partners –None Council – There may be some delays in terms of publication of decisions and minutes and the level of support for scrutiny reviews may reduce.</p>	
<p>Communications, Consultations & Engagement – Type Consult <input checked="" type="checkbox"/></p> <p>Proposed Timeline: Staff initially briefed at the team meeting held on Tuesday 4th October 2011 and a further consultation process will be carried out at the team meeting scheduled for Wednesday 9th November 2011. Staff on long term sick and maternity leave have also been briefed. Staff will be asked to bring forward any proposals they have and this will inform a proposed restructure of the service. This will be further considered by the Trade Unions prior to implementation. It is anticipated that the restructure proposals will be finalised by the middle of December 2011 and implemented by 1st April 2012. Forecast Implementation Date Implementation of new structure by 1st April 2012</p>	
<p>Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.</p>	
<p>Legislation Considered There is no specific legislation in relation to this however we must be mindful of the statutory obligations with regards the publication of agendas and plans</p>	
<p>Risks & Mitigating Actions– Risks – Publication of agendas and statutory plans are delayed and level of scrutiny support not meeting member expectations. This would be mitigated through prioritising statutory work and ensuring members are aware of the impact of a reduced resource.</p>	
<p>Cost of Committee Support: £ 405,000</p> <p>Staffing:11 FTE Other Resources:</p>	<p>Proposed Cost 2012/13: £344,000 Saving 2012/13: £61,000 ongoing Will the saving be full or part year? Full year Investment Required: No Staff at Risk: Yes Approximate number of posts at risk subject to Council approval: 1 or 2</p>

Reference E6.5

Service Description: Building Cleaning – Reduction in Cleaning Schedules

Categorisation: Traded Service

The Building Cleaning Section currently operates across a number of contract areas. The 'core' contracts relate to the cleaning functions undertaken at a range of Council buildings, facilities and services. In addition cleaning contracts are operated at a large number of schools and work premises.

The 'core' contracts employ some 110 staff operating at 65 sites.

The cost of providing this service is currently £730k per annum which is collected via internal recharge.

Every site is currently being assessed to establish the minimum cleaning requirement to maintain necessary health & safety standards. It is envisaged that the absolute minimum level of service is 55% of the current levels.

Consultation has commenced on the following – It is proposed to reduce the cleaning operation across all sites by an average of 45%.

This will allow cleaning to be undertaken in areas where there are health & safety implications, such as toilets, kitchen/mess facilities, stairs, entrances/exits, etc. Cleaning operations will be reduced in areas which are deemed 'non essential'. This does not mean that cleaning will stop in these areas, but cleaning frequencies will be greatly reduced in order to reduce the overall time spent cleaning in any given facility or service.

It is proposed that a saving of £150,000 per year would initially be generated through implementing amended cleaning frequencies. The savings would be generated from the budgets of services which currently contribute to the cleaning operation undertaken at their facilities.

Rationale for service change proposal – The regular cleaning of any workplace is obviously a very important function, and in addition to providing a pleasant environment, it also provides safeguards against a number of potential hazards including slips and trips and infection and bacteria control.

However, there are also a number of functions which may be reduced without overly affecting the important issues outlined above. These 'lesser' functions may include wiping, polishing, emptying waste bins, hoovering, etc.

By reducing the time spent on some of the non-essential tasks there will be a reduction in the amount of hours spent cleaning at each location. If cleaning hours were reduced by an average of 45% across all sites, the resultant savings would total some £150k.

The following activity will change, stop or significantly reduce – The type of functions that would be reduced would be those considered non-essential. At this stage all contracts are being reviewed to establish where such reductions can take place without increasing any Health & Safety related risks. There will be a significant and noticeable reduction in the levels of cleanliness at all sites, whilst maintaining minimum standards in those areas deemed to pose a Health & Safety risk.

Impact of Service Change –

Service Users -

There will be less cleaning in offices, corridors and other non-essential areas.

Partners - N/A

Council – There will be a perceived decline in cleanliness in certain areas. High risk areas will be targeted in order to maintain high standards of risk control.

Communications, Consultations & Engagement –

Type Consult

X

- There are a large number of staff potentially affected by this change proposal who work at various locations and at various different times during the week, therefore group meetings were not the most effective method of consultation. An initial letter, to inform

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The staff change proposal and to outline the reasons why it is being considered/consulted on was issued week commencing 10/10/2011 as an attachment to payslips. The letter was also shared with the Trade Unions. A further letter to inform the staff of the timeline for decisions and when detailed proposals which determine what the impact will be for each individual member of staff will be consulted on, was issued w/c 31/10/2011. The content of this letter and approach being taken to consult on this change proposal was discussed with the Trade Unions on Wednesday 2/11/2011.

Please describe the anticipated process timeline this might include –

- Subject to political approval of this change proposal further consultation via ‘drop-in’ sessions and meetings at various work locations and service points will be arranged with the staff affected in late November or early December.
- Implementation of the necessary changes to current cleaning schedules will be determined via the formal consultation process. The impact for staff may be mitigated by requests to leave the service on a voluntary basis. Upon completion of the formal consultation process any formal variation to the terms and conditions of individual contracts will be issued.

Forecast Implementation Date Implementation of new structure by 1st April 2012

Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.

Legislation Considered Health & Safety issues related to cleaning operations.

Risks & Mitigating Actions– If workplaces are not regularly cleaned there is a risk that germs and bacteria could pose a threat to employees. In addition, cleansing of stairs, rails, corridors, etc, reduce the risk of accident from trips and falls. Cleaning also reduces dust and other irritants which can cause respiratory problems for employees

The saving proposal is based on being able to reduce cleaning hours at all sites by an average 45%. At sites or facilities where there is only one or a small number of cleaners this may necessitate a negotiated reduction in working hours. At sites or facilities with larger numbers of cleaners this may result in the deletion of one or more posts and subsequent redundancy. Rotas are currently being assessed across all contract areas to examine the possibility of transferring staff to existing ‘external’ contracts to lessen the impact of the reductions.

The proposed saving to internal Council facilities is based on the cost of providing such services of £730k, quoted in the budget book for 2011/12. If the actual level of budget available to customer departments proves to be less than the figure quoted for the Building Cleaning trading service the actual saving achieved may be less.

Cost of Cleaning ‘internal’ Council facilities:
£730,000

Staffing:
110 staff across 65 sites.

Other Resources:

Proposed Cost 2012/13: £410,000

Saving 2012/13: £150,000 ongoing

Will the saving be full or part year? Full

Investment Required: None

Staff at Risk: Yes

Approximate number of posts at risk subject to Council approval: Maximum 50, subject to individual site plans being developed. A generic reduction in hours worked may significantly reduce this figure.

Reference E6.8

Service Description: Environmental Regeneration

Categorisation: Other

NB. The Environmental Regeneration team has been referred to in previous budget reports as the Environmental Conservation & Coastal Management Team.

The service comprises one Team Leader and 8 posts (3 full-time, 5 on reduced hours).

The Service is currently and principally responsible for:

- Delivery of Strategic Regeneration Frameworks (SRFs) for Southport and Sefton/North Liverpool.
- Project management for key SRF investments such as Kings Gardens, Southport Town Centre, and Bootle Town Centre/Office Quarter.
- Preparation of Sefton Economic Assessment and Sefton Economic Strategy
- Procurement of external funding
- Technical support to above: consultation & engagement, event organising, network development, database marketing, & digital mapping

The team supports various other functions within the Built Environment Department e.g. conservation, mapping and digitising data. The team is also involved in work for other parts of the Council from time to time. Some team members hold expertise in Geographical Information Systems of value to many services and service users.

It is proposed to commence consultation on/implement the following change

To create and recruit to 3 posts in Economy & Tourism (Dept of Built Environment)

To create and recruit to 2 posts in Investment Programmes & Infrastructure (Dept of Built Environment)

To create and recruit to 1 post in Planning Services (Dept of Built Environment)

Subject to consultation and approval from Personnel, to ringfence these 6 posts to Environmental Regeneration team.

To reformat the Dept of Built Environment budget so that salaries for the 6 posts are transferred to the destination budget holder.

To review the position of any Environmental Regeneration posts not absorbed elsewhere, and place at risk of redundancy.

The estimated saving from this review is £88,400 in 2012/13.

Agenda Item 7 Rationale for a service charge proposal

The rationale is that Department of Built Environment has had to review all services classified as “other” in the budget process. This includes the whole of Economy & Tourism including Environmental Regeneration.

The proposal is to create posts in income-generating functions that draw down additional resources and make new investment possible, at no additional cost to the Council. This is the most effective use of scarce Council resources, protects the capacity to drawn down additional funding, and still allows for a saving to be made on “other” services.

Future opportunities for the new posts to access include

- European funding ringfenced for Merseyside up to 2013 and for 2014-20, which Sefton can access
- Regional Growth Fund up to 2014. For example, Sefton MBC is considering whether to become accountable body for the £40m RGF2 bid by Peel Ports to dredge the river at Seaforth and build a river berth.
- Coastal Community Fund has been announced and will open for bids in 2012.

Head of Economy & Tourism has concluded that three new posts are required to deliver on the following priorities:

1. To provide the strategic management function for area-based and thematic regeneration programmes and partnerships. In the first instance these comprise Sefton’s two Strategic Regeneration Frameworks:
 - South Sefton & North Liverpool
 - Southport Investment Strategy
2. To provide high-level co-ordination and management capacity for major multi-agency initiatives within these SRFs, for example:
 - Bootle Town Centre & Office Quarter
 - Port Expansion (inc. RGF2 and other projects arising from the Mersey Ports Master Plan)
3. To help the Economy & Tourism service formulate Sefton Economic Strategy, and associated implementation plans, and to provide evidence-based performance monitoring and management support to the Management Team.
4. To investigate the wider regeneration environment, form operational and strategic linkages as appropriate, investigate and procure resources, and exploit opportunities for the benefit of Sefton.
5. To support E&T’s proposed Business Investment & Promotion Manager with the implementation of the business engagement plan, and
6. To provide supporting services in terms of event co-ordination, network development, subscriptions, registration, marketing, targeting and mapping.

The Head of Investment Programmes & Infrastructure is considering how to enhance the service’s capacity for the development and implementation of physical development projects, and has concluded that three posts are required to deliver on the following priorities:

1. To provide area-based advice and policy in the form of plans, master plans, design guidance etc to make development acceptable, and consistent with the Council’s policies for places and people.
2. To manage project initiation, pre-development work, procurement of resources, contracting, and all stages of project management through to sign-off and handover, across a wide range of types of development project, as part of a multi-disciplinary development team
3. To provide a range of supporting technical services, including project management support, applications for funding, statistical analysis and database management

In parallel with the review of Economy & Tourism, the Head of Planning Services is reviewing Regulatory Support staff (E5.3). This review will also consider whether any additional functions need to be incorporated into that review from the Environmental Regeneration team. To take account of the input from Environmental Regeneration, it is anticipated that the duties of one part time Environmental Regeneration technician post could potentially be included in the scope of the Regulatory Support Services review. This has been factored into the costings for new posts/structures. The reviews will be staged so that the post included in the Regulatory Services Review is also included in the review of Environmental Regeneration.

At the end of these reviews, a recruitment process will be undertaken. Subject to consultation and approval from Personnel, the 6 new posts will be ringfenced to Environmental Regeneration team. Any staff who are not appointed to the new posts will be declared "at risk".

The following activity will change, stop or significantly reduce

Decisions will need to be made about which aspects of current workplans within the Environmental Regeneration team will no longer be delivered within existing structures. This will be necessary to achieve the identified saving.

Such work areas being considered include

- GIS support and specialist mapping
- Technical support for other Departments and organisations not contained within the priorities listed above.

Impact of Service Change

Service Users - The impact of the changes upon other departments of the Council is being updated as a result of consultation with staff.

Partners - None. The aim of the proposal is to retain the capacity that supports external partnerships and funding relationships.

Council – Financial saving.

Communications, Consultations & Engagement

Type Consult

Internal consultation with TUs and staff commenced with a meeting on 21st October. A set of written questions from staff has been responded to.

Oct/Nov – Ongoing consultations with staff to inform the reviews and new structures.

Head of Planning Services is capturing additional information from the ER team w/b 24 October.

GIS users in the Council are being consulted on the impact of the proposal.

The target date to complete formal consultation is mid-November.

Equality Impact Assessment Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.

Legislation Considered N/a

Risks & Mitigating Actions The impacts are internal to the Council, and impacts are being reviewed as part of the consultation process.

Cost of Service: £301,100

Staffing: 9 staff

Other Resources: N/a

Proposed Cost 2012/13: £212,700

Budget reformatting tbc

Saving 2012/13: £88,400 ongoing

Will the saving be full or part year? Full

Investment Required **No**

Staff at Risk: Actual number will depend on outcome of interviews

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Agenda Item 8

Report to: Cabinet
Council

Date of Meeting: 10 November 2011
24 November 2011

Subject: Treasury Management 2011/12 – Half year Update

Report of: Head of Corporate Finance & ICT

Wards Affected: All

Is this a Key Decision? No

Is it included in the Forward Plan? No. Report presented due to changes in the financial markets which may have a revenue impact.

Exempt/Confidential No

Purpose/Summary

To inform members of Treasury Management Activities undertaken in the first half of 2011/12, and of the recent activity of credit rating agencies. An amendment of the credit ratings as approved by Council on 3 March 2011 is also presented.

Recommendation(s)

1. The Treasury Management update for the first half year of 2011/12 be noted;
2. Recommend to Council the following change to The Treasury Management Strategy Document approved by Council on 3 March 2011. The report stated that our credit criteria for investing with institutions would include those that had a “Fitch rating of F1+ AA-, with an individual rating of C, and support rating of minimum 2” (paragraph 2.8.9). This is to be amended to “Fitch rating F1 A-“.

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

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

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Reasons for the Recommendation:

To ensure that Cabinet are fully appraised of treasury activity undertaken in the first quarter 2011/12, and approve the proposed actions in relation to the investment of temporarily available cash resources, following the recent credit rating agencies downgrading of a number of UK banks.

What will it cost and how will it be financed?

(A) Revenue Costs

The report recommendations seek to mitigate against a falling investment income.

(B) Capital Costs

None.

Implications:

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

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

Impact on Service Delivery:

None.

What consultations have taken place on the proposals and when?

The Head of Corporate Legal Services has been consulted on the content of this report. (LD 457/11)

Are there any other options available for consideration?

None.

Implementation Date for the Decision

Immediately following the Committee Meeting.

Contact Officer: Margaret Rawding Head of Finance and ICT

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Background Papers:

Treasury Management advisory reports.

TREASURY MANAGEMENT ACTIVITY HALF YEAR REPORT 2011/12

1. BACKGROUND

1.1 *Glossary of terms*

TMSS	Treasury Management Strategy Statement
CPI	Consumer Price Index
MPC	Monetary Policy Committee
ILO	International Labour Organisation
EFSS	European Financial Stability Facility
PWLB	Public Works Loan Board
CFR	Capital Financing requirement

1.2 The Treasury Management Policy and Strategy document for 2011/12 (approved by Council on 3 March 2011) included a requirement for a mid-year review of treasury management activities in 2011/12. The strategy document also requires a quarterly update on treasury management activity. The second quarter report will be included as part of this mid-year review and no separate quarterly report will be issued for the second quarter to September 2011.

1.3 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2009) was adopted by this Council on 3 March 2011.

The primary requirements of the Code are as follows:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- Receipt by the full council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy for the year ahead, a Mid-year Review Report and an Annual Report covering activities during the previous year.
- Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is Audit & Governance Committee.

This mid-year report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:

- An economic update for the first six months of 2011/12

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- A review of the Treasury Management Strategy Statement and Annual Investment Strategy
- A review of the Council's investment portfolio for 2011/12
- A review of interest earned
- A review of the Council's borrowing strategy for 2011/12
- A review of any debt rescheduling undertaken during 2011/12
- A review of compliance with Treasury and Prudential Limits for 2011/12

2 ECONOMIC UPDATE

2.1 **Growth:** Global growth prospects deteriorated considerably over the six months to September, moving from an expectation of modest expansion to the risk of a double-dip recession. Quarter 1 of 2011 Gross Domestic Product in the UK was 0.5% but was just 0.2% in Quarter 2. Economies such as Germany's, which were hitherto seemingly strong, have also now begun to see reductions, with growth registering 0.1% in Quarter 2.

Inflation: Inflation remained stubbornly high. Annual CPI for September was 5.2%; CPI had remained above MPC's 3% upper limit for 21 consecutive months and required the Bank of England's Governor to write a further open letter to the Chancellor. The Bank believed the elevated rate of inflation reflected the temporary impact of several factors: the increase in the VAT rate to 20%, past increases in global energy prices and import prices.

Employment / Consumer Confidence: Weakness has persisted in the labour market. Job creation was unable to absorb the 90,000 quarterly growth in jobseekers, particularly those in the 16-20 age bracket. Unemployment on the International Labour Organisation (ILO) measure rose to 7.9%. Earnings growth is only 2.9%, with scarce availability of credit, stagnant house prices, all combined to lower disposable income, squeeze household spending power and leave consumer confidence fragile.

Central bankers' policies were driven by the low growth outlook rather than the upward trend in inflation. The Bank of England's Inflation Report downgraded the growth forecast, as it acknowledged CPI of 5% with an expectant reduction in inflation to 2% target over the medium-term. The UK's strategy of combining loose monetary policy (the Bank Rate had remained at 0.5% for 2½ years and Quantitative Easing at £200bn, although a further £75bn has recently been announced) with tight fiscal policy supported the rebalancing of the economy and also commanded support in the markets.

The impasse to resolve the US debt ceiling issue has identified a lack of both political governance and measures to address the high debt burden (put off until after the 2012 presidential election). This has ultimately led Standard & Poor's to downgrading the US Sovereign from AAA to AA+. The country's weak economic and fiscal situation and an unemployment rate of 9.1% left the Federal Reserve little option but to commit to exceptionally low interest rates until mid 2013.

The European sovereign debt crisis has deepened. The agreement in July to address Greece's fiscal problems and broaden the mandate for the European

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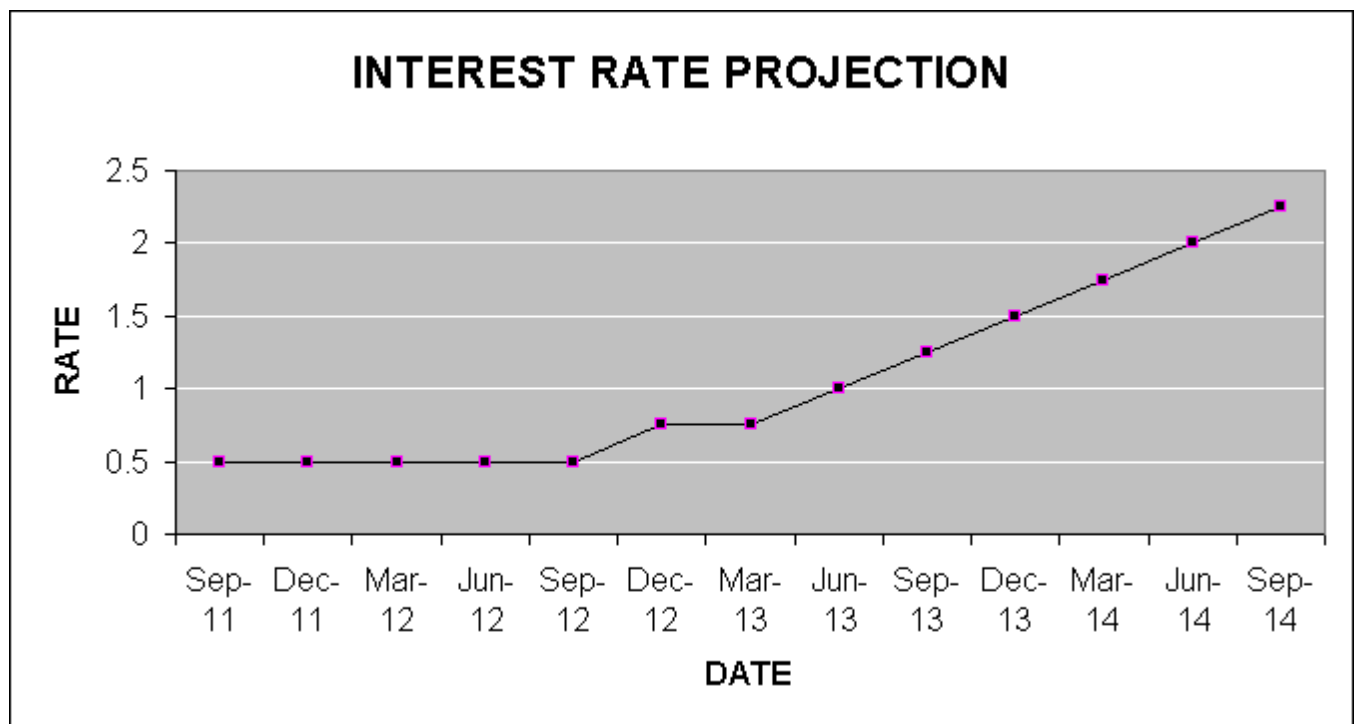
Financial Stability Facility (EFSF) only bought time for the Eurozone as market pressure increased on Italy and Spain, but did little to address the issue of overburdened sovereign balance sheets.

The European Banking Authority released the results of the second of its stress tests in July. Eight banks (two Greek, one Austrian and five small domestic Spanish banks) out of ninety one banks failed the tests. All of the UK and non-UK banks tested by the EBA and which are on the Council's lending list met the 'stressed' Core Tier 1 Ratio of 5%, none were adjudged as 'near-failed' (i.e. having ratios between 5% and 6%).

Gilt yields and money market rates: The economic uncertainty resulted in analysts postponing the likelihood of an increase in the UK Bank Rate until mid 2012. Gilts were considered a safe haven and benefited from market turmoil. Gilt yields fell to their lowest levels in five years. Five year gilt yields fell to 1.25%, ten year yields to 2.2% and twenty year yields to 3.05%.

PWLB borrowing rates fell commensurately (the Board maintained the +0.90% margin above the equivalent gilt yield for new borrowing).

- 2.2 **AAA rating** – prior to the general election, credit rating agencies had been issuing repeated warnings that unless there was a major fiscal contraction, then the AAA sovereign rating was at significant risk of being downgraded. Sterling was also under major pressure during the first half of the year. However, after the Chancellor's budget on 22 June, Sterling has strengthened against the US dollar and confidence has returned that the UK will retain its AAA rating. In addition, international investors now view UK government gilts as being a safe haven from EU government debt. The consequent increase in demand for gilts has helped to add downward pressure on gilt yields and PWLB rates.
- 2.3 The Council's Treasury Management Consultants, Arlingclose, project bank base interest rates to be as follows:



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3 TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY UPDATE

The Treasury Management Strategy Statement (TMSS) for 2011/12 was approved by this Council on 3 March 2011. The Council's Annual Investment Strategy, which is incorporated in the TMSS, outlines the Council's investment priorities as follows:

- Security of capital
- Liquidity

The Council will also aim to achieve the optimum return (yield) on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term (maximum investment period of 3 or 6 months as advised by Arlingclose), and only invest with highly credit rated financial institutions, using Arlingclose's suggested creditworthiness approach, including sovereign credit rating and credit default swap (CDS) information. This is discussed further below.

A breakdown of the Council's investment portfolio is shown in Section 5 of this report.

Investments and borrowing during the first six months of the year have been in line with the strategy.

As outlined in Section 2 above, there is still uncertainty and volatility in the financial and banking market, both globally and in the UK. Against this background it is considered that the strategy approved on 3 March 2011 is still applicable in the current economic climate, subject to the issues raised in paragraph 10.

4 RISK APPETITE

4.1 The Council's current policy is that investments will only be held in banking institutions that hold a minimum Fitch rating of F1+ AA-, or Aaa/Mr1+ for money market funds. The ratings applied to investment grade institutions and the much riskier speculative grade institutions, as defined by Fitch, has been placed into a risk matrix – see Appendix B. The matrix defines institutions in terms of their Fitch rating, and grades them as follows:

- Low risk – score of 1 – 4
- Low to medium risk - score of 5 – 9
- Medium risk – score of 10 – 20
- High risk – score of 21 - 36

4.2 The matrix shows how the Council has set its risk appetite by being risk averse and putting security and liquidity before yield, by ensuring that it invests with institutions where the probability of default, and consequence of any default, is kept to a minimum. This is done by keeping within the confines of institutions rated

with a risk profile of 1 - 4. The matrix also shows where the Council's deposits are held in terms of the matrix as at 30 September 2011.

- 4.3 Recent turmoil in the world markets has resulted in Ratings Agencies downgrading the credit ratings of a number of sovereign states. Whilst the U.K. has not been affected by this, (it has retained a AAA rating), there has been widespread reduction in the credit ratings of U.K. banking institutions during October (discussed further in paragraph 10). The Independent Commission on Banking issued a report, which said investment banks should be ring-fenced from retail banks so investment banks could be allowed to fail. The credit rating agencies have seen this as the Government signalling that it is now more likely to allow smaller institutions to fail if they get into financial difficulty. The expectation is that the Government is likely to continue to provide support to systemically important institutions. The banks which fall within this definition have not been made clear.

Downgrades do not represent deterioration in the financial strength of the UK government or the banking system. However, the implications of this for Sefton are potentially significant. However, a saving proposal to achieve an additional £100,000 of investment income in 2012/13, may be at risk as a result of the decision to downgrade the credit rating of UK banks.

5 INVESTMENTS HELD

- 5.1 Investments held at the end of September 2011 comprise the following:

Immediate access deposits

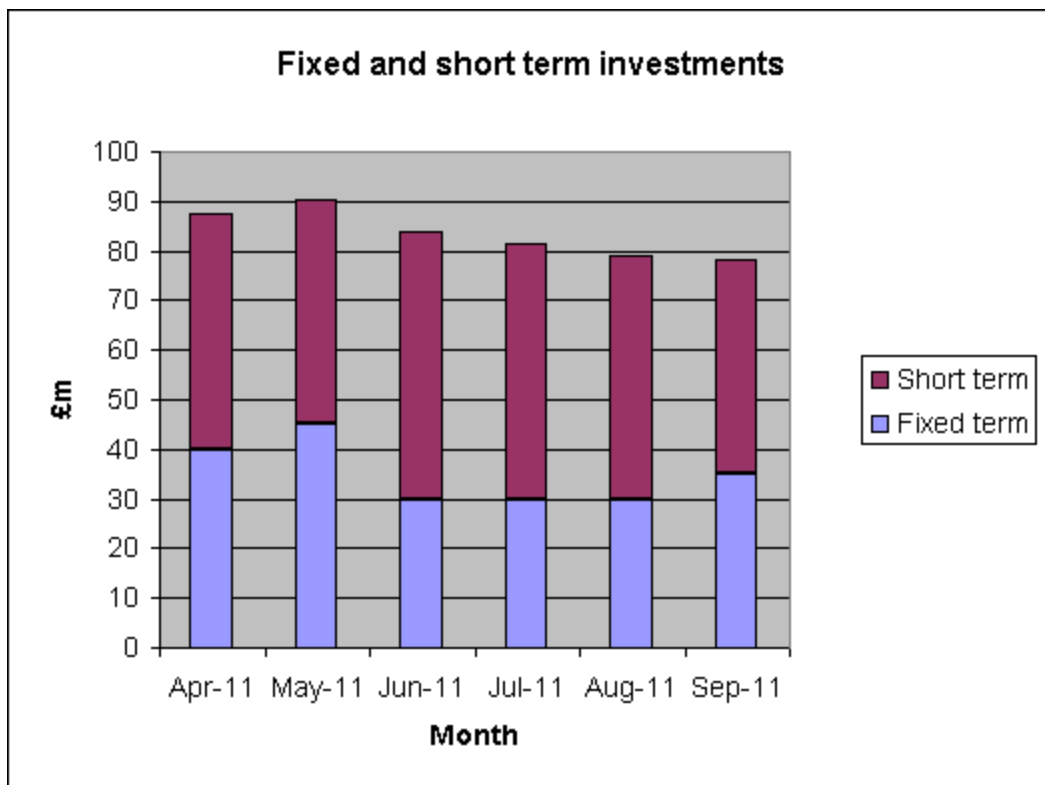
Institution	Deposit £m	Rate %	Maturity date	On current counterparty list?
Natwest	15.000	0.80	N/A	No
Blackrock MMF	9.060	0.58	N/A	Yes
Insight MMF	9.900	0.62	N/A	Yes
Goldman-Sachs MMF	9.070	0.6	N/A	Yes
Total	<u>43.030</u>			

Fixed term deposits

Santander	10.000	1.32	14/10/2011	No
Santander	5.000	1.35	22/12/2011	No
Barclays	5.000	1.20	30/03/2012	Yes
Lloyds	10.000	1.14	23/03/2012	No
Lloyds	5.000	2.65	27/07/2012	No
Total	<u>35.000</u>			
TOTAL	<u><u>78.030</u></u>			

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- 5.2 As can be seen, not all of the above organisations are on the **current** counterparty list as contained in Appendix A due to the recent reduction in credit ratings by Moody's and Fitch (see paragraph 10).
- 5.3 The maximum level of investment permitted in any one institution, or banking group, is currently £25m. Whilst the maximum should be retained, in case conditions change, a day to day operational maximum of £15m is currently being imposed. This will spread the risk of investments for the Council, but will have a small detrimental impact on the returns the Council will receive in the future.
- 5.3 The amount of cash held in fixed term deposits has recently increased in order to maximise investment income. In line with advice from Arlingclose, our overnight deposits with Money Market Funds (MMF's) are maintained at approximately equal levels between each institution.
- 5.4 The ratio of overnight deposits (i.e. short term) to fixed term investments is illustrated below:



The standard lending list is contained within appendix A

6 INTEREST EARNED

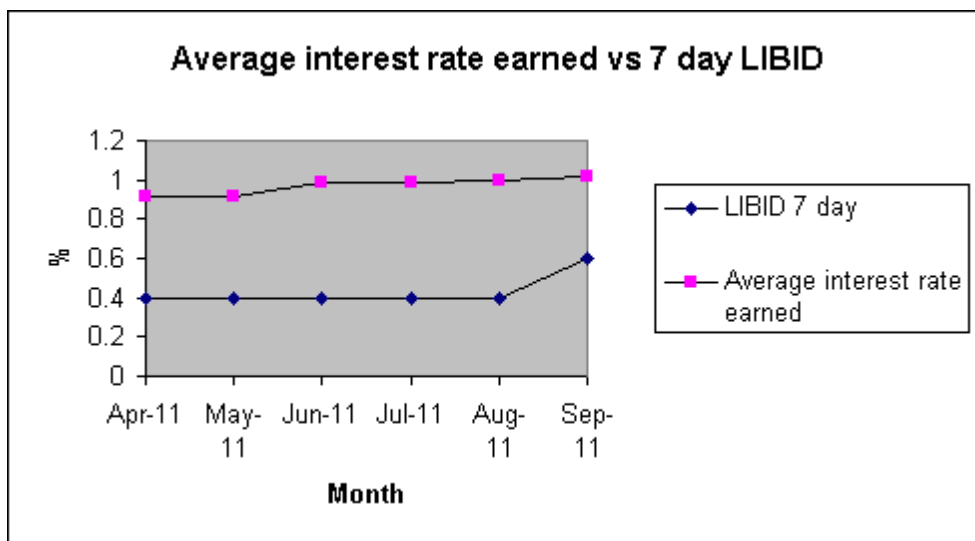
- 6.1 The actual performance of investments against the profiled budget for the period to 30 September is shown below:

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	Budget £'000s	Actual £'000s	Variance £'000s
To 30 September	354	397	43

- 6.2 The original budget of investment income for 2011/12 was £0.856m (which equated to an average interest rate of 0.819%), was based on investments in place at 1st April 2010.
- 6.3 The investment income achieved during the first half year is £0.354m, which equates to an average interest rate of 0.97%.

We have outperformed the 7 day LIBID average (standard measure of performance for local authorities) as follows:



7 BORROWING

The Council's Capital Financing Requirement (CFR) for 2011/12 is £224m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive, the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. Due to the high cost of borrowing as against the low level of interest rates earned on investments, the Council had taken the decision to internally borrow and not taken on any new external borrowings this financial year.

The Council's current level of PWLB borrowing at September 2011 is £131.24m, which in comparison with the CFR gives a borrowing capacity of £92.76m. It is not anticipated that any borrowing will be undertaken during the remainder of this financial year.

8 DEBT RESCHEDULING

Debt rescheduling opportunities have been limited in the current economic climate and consequent structure of interest rates. During the first six months of the year,

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no debt rescheduling was undertaken. However, any future potential restructurings will be considered as they arise.

9 PRUDENTIAL INDICATOR MONITORING

- 9.1 Prudential indicators are an integral component of measuring how prudently a Council is acting with regard to its finances. They were introduced into all local authorities (by CIPFA) following the Local Government Act 2003. A number of measures/limits/parameters including capital financing, external debt, impact on council tax, and treasury management are set prior to the start of the year and are monitored on a monthly basis.
- 9.2 It should be noted that the Interest Rate Exposure Indicator has been exceeded on a number of occasions in the recent months:
- The limits for fixed rate interest rate exposure expressed as a percentage of net outstanding debt were set to remain between 250% and 150%.
 - The limits for variable rate interest rate exposure expressed as a percentage of net outstanding debt were set to remain between -50% and -150%.
- 9.4 The above indicators are there to prevent either too much investment in fixed or variable interest rate arrangements. This is to ensure a reasonable balance between fixed rate investments where cash is locked away, and variable rate investments that earn a lower rate of interest but give more immediate access to funds.
- 9.5 The variance in both of these indicators is due to the higher level of overnight deposits being held than originally envisaged earlier in the financial year. This is the same issue that arose in the last financial year. The Prudential Indicators were adjusted for 2011/12 in order to try and align the policy of retaining more temporarily available cash in short-term investments. However, the recent turmoil in the world / UK economic markets has meant that more short-term investments have been retained than anticipated. However, the breaching of these indicators is unlikely to continue over coming months, as the ratio of overnight to fixed term investments has reduced.
- 9.6 The breaching of these indicators has been caused by specific reasons identified which are not considered to be an indication of any inherent problems.

10 UK BANKS CREDIT RATINGS DOWNGRADE

- 10.1 Due to the recent turmoil in the European financial sector, the spotlight has fallen on exposure that UK banks have to those Eurozone countries that are felt to be at risk (Spain, Portugal, Ireland, and Italy). This has caused Fitch and Moody's to downgrade a number of UK financial institutions.
- 10.2 The Council's Treasury Management Policy and Strategy, as agreed by Cabinet on 3 March 2011, allowed investments with institutions contained on our treasury management consultants approved counterparty list, but that had a minimum

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credit rating with Fitch of F1+ (short term), AA- (long term) credit rating, and individual financial strength rating of the institution of C.

- 10.3 Fitch has recently downgraded number of institutions to F1 and A, and downgraded individual strength to C-, which is below the threshold contained in the Council's Treasury Management Policy and Strategy. The institutions downgraded are as follows:

RBS
Natwest
Lloyds
HBOS

- 10.4 Moody's has downgraded RBS, Natwest, and Nationwide to a level comparable to the F1 and A rating used by Fitch. Lloyds, HBOS, and Santander have been downgraded to a level comparable to the F1 and A+ rating used by Fitch.

The advice from Arlingclose is that for those institutions downgraded:

- No new investments to be undertaken
- Fixed term investments should not be broken
- Funds in call accounts should be recalled.

A number of authorities have already withdrawn substantial resources from such banks. Recent discussions with Arlingclose have identified that they are completing work on a strategy for local authorities for the 2012/13 financial year. Consideration has been given by them to a range of options which could allow investment in the banks that have been downgraded. This however, puts their current advice to local authorities in a potentially conflicting situation. The potential impact of all authorities doing this could result in a de-stabilising impact on those banks with a wider impact on the economy.

- 10.5 The current advice from Arlingclose is to amend this year's strategy to reflect the advice which will be given for 2012/13, if required, which is to reduce our credit rating requirement to F1 A-. This will allow the Council to use the institutions noted above. Although a maximum duration of 6 months is suggested by Arlingclose for such institutions, it is advised by them that only call accounts are used. This revision has been reflected within appendix A pending Council's approval. These deposits would be classed as non-specified deposits as they are not of the highest credit rating.

- 10.6 The Council's current exposure, as at 25/10/2011, to such institutions is as follows:

Nationwide	£5m	Fixed term to 04/04/2012
Santander	£5m	Fixed term to 22/12/2011
Santander	£10m	Fixed term to 16/01/2012
Lloyds	£10m	Fixed term to 23/03/2012
Lloyds	£5m	Fixed term to 27/07/2012
Natwest	£15m	Call account

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The deposit risk matrix has been updated in order to reflect the current situation (see appendix C).

- 10.7 It should be noted that Natwest is the Council's banker. Although it does not meet the minimum credit criteria of F1+ AA-, it will still be used for short term liquidity arrangements (overnight and weekend investments) and business continuity arrangements.
- 10.8 The level of systemic support given by the Government to these institutions has not been removed, and the main level of exposure of these banks is to Ireland, which is currently fairing best out of the troubled Eurozone economies. With regard to the Nationwide, Santander, and Lloyds investments, no action is proposed, as there is no immediate need to recall the monies in Arlingclose's advice. It is felt that our only exposure is to a Natwest overnight call account. Given that the NatWest are the Council's own bankers, as noted in 10.7, and more particularly, that the investment allows immediate access, the level of risk is considered to be low. Consequently, at this point in time, no action is being proposed to withdraw any monies from the "Call Account". Cabinet is asked to agree to this course of action.
- 10.9 The potential transfer of monies from the Call Account, poses the question as to where it can be invested. The Council's prudent approach means that there are limited investment opportunities in UK banks. One option is the investment in other Money Market Funds. Council Officers are currently looking at gaining access to new money market funds in order that the breadth of investment opportunities is as wide as possible, the 40% limit in non-specified investments is not breached, and that the £15m maximum investment in any one banking institution is maintained. This may result in a lowering of the level of investment income.

APPENDIX A

SEFTON COUNCIL STANDARD LENDING LIST POST CREDIT RATING REVISION

<u>UK and International Banks</u> <u>(including Nationwide</u> <u>Building Society</u>	RATING	Individual rating	Support rating
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United Kingdom AAA

Santander UK Requires Council approval	F1 / A+	C-	1
Barclays	F1+ / AA-	B	1
Lloyds TSB/HBOS – nationalised Requires Council approval	F1 / A	C-	1
RBS Group – nationalised Requires Council approval	F1 / A	C-/D+	1
Nationwide Requires Council approval	F1 / A	C-	1
HSBC	F1+ / AA	B	1

Australia AAA

Australia & New Zealand Banking Group	F1+ / AA-	B	1
Commonwealth Bank of Australia	F1+ / AA-	A/B	1
National Australia Bank	F1+ / AA-	B	1
Westpac Banking Group	F1+ / AA-	A/B	1

Canada AAA

Bank of Montreal	F1+ / AA-	B	1
Bank of Nova Scotia	F1+ / AA-	B	1
Canadian Imperial Bank of Commerce	F1+ / AA-	B	1
Royal Bank of Canada	F1+ / AA	A/B	1
Toronto Dominion Bank	F1+ / AA-	B	1

Finland AAA

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<u>UK and International Banks (including Nationwide Building Society)</u>	RATING	Individual rating	Support rating
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Nordea Bank	F1+ / AA-	B	1
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Germany AAA

Deutsche Bank	F1+ / AA-	B/C	1
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Sweden AAA

Svenska Handelsbanken	F1+ / AA-	A/B	
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Switzerland AAA

Credit Suisse	F1+ / AA-	B/C	
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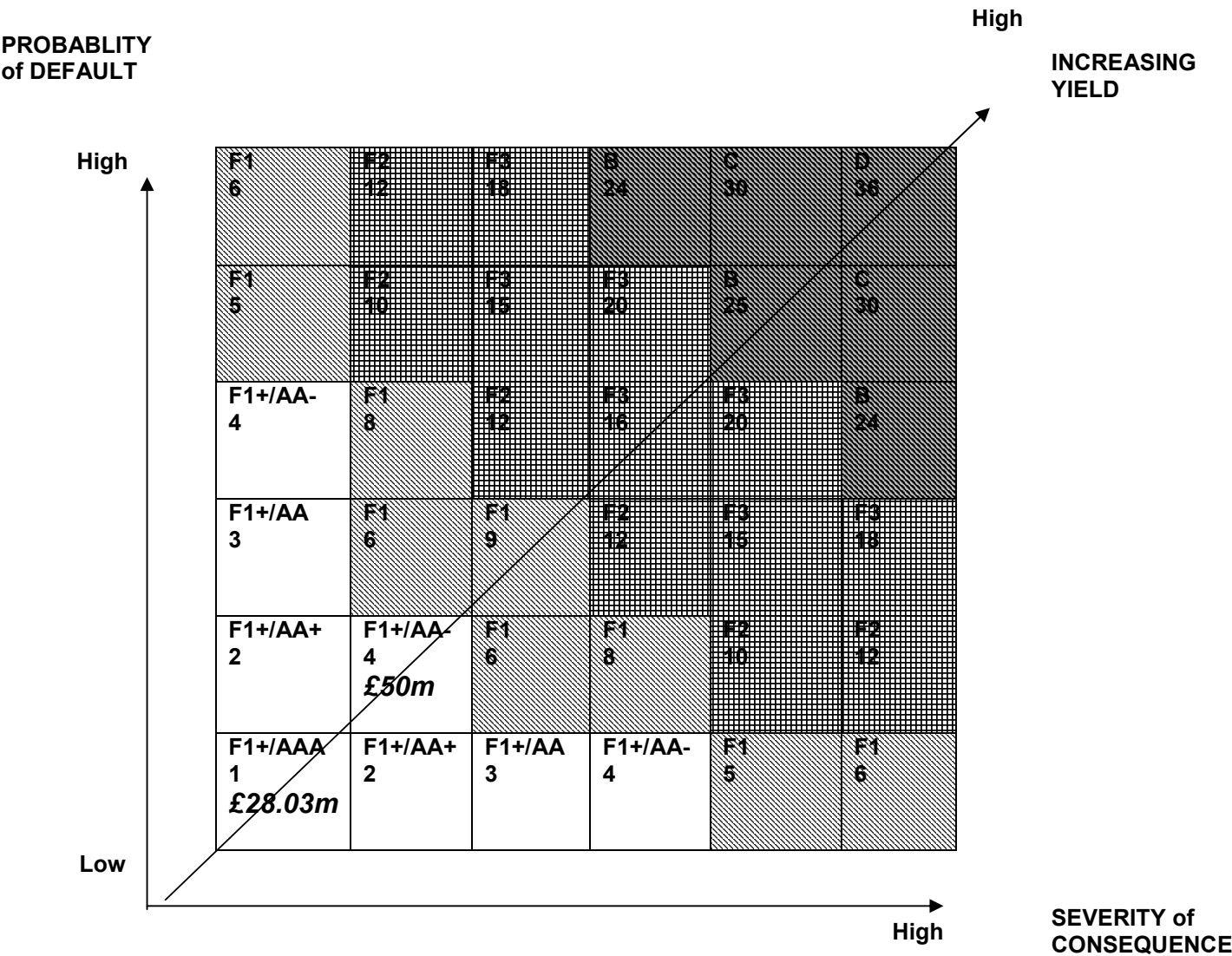
USA AAA

JP Morgan Chase Bank	F1+ / AA-	B	
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The recent economic situation has provided challenges for the Council with regard to its investment strategy. The report presented to Cabinet on 11 June 2009 explained the difficulties in identifying banking institutions to invest in (which provided reasonable investment returns), whilst remaining within the deposit limit of £15m. Consequently, Cabinet agreed to increase the deposit limit from £15m to £25m. As noted in 5.2 above, the Council has remained within an operational boundary of £15m. At present, it is not expected that the operational boundary will be increased to £25m.

Appendix B

RISK ASSESSMENT MATRIX - FITCH RATINGS @ 30/09/2011

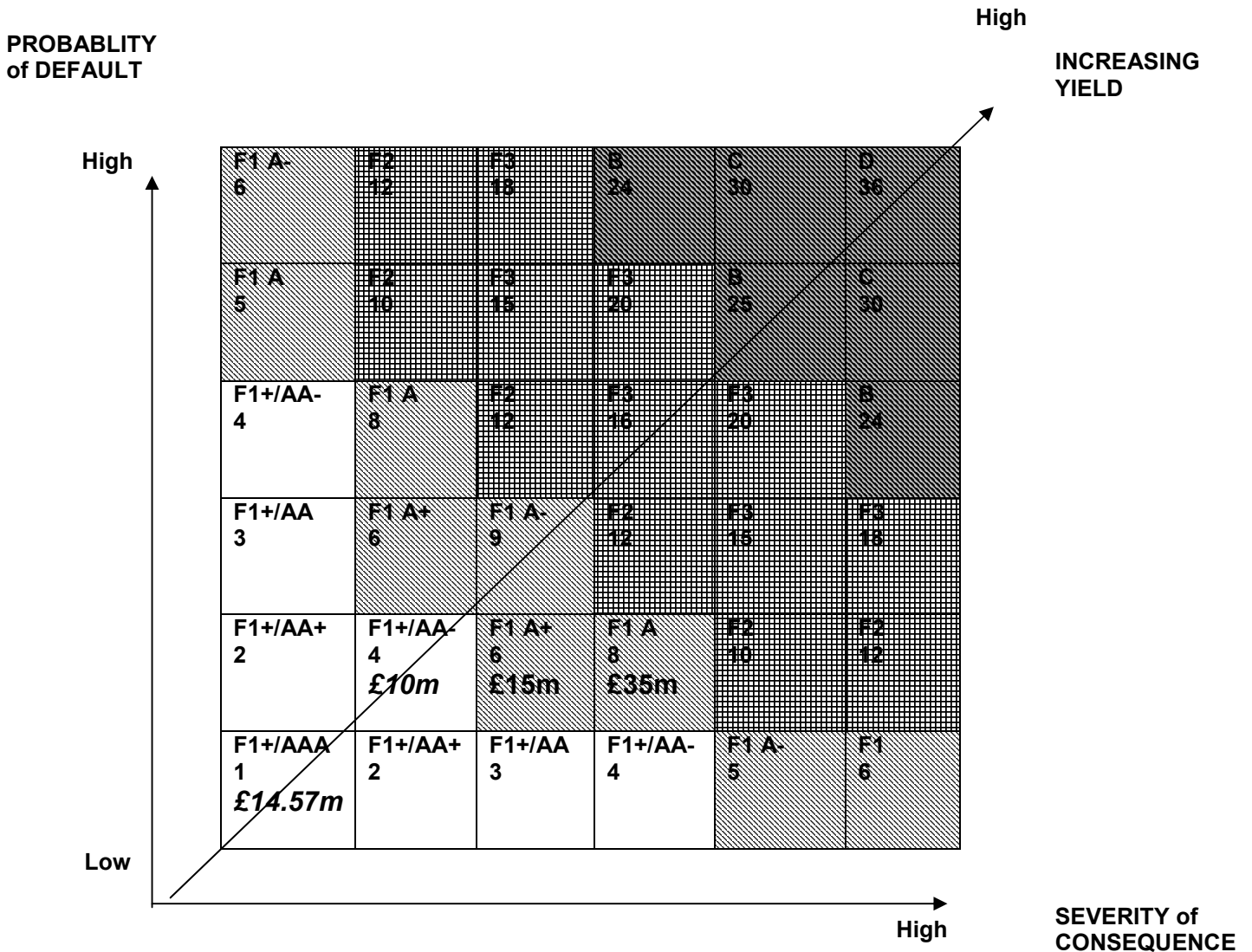


SEFTON RISK TOLERANCE	4		INVESTED
LOW RISK	1 - 4	Investment Grade	£78.030m
LOW - MEDIUM RISK	5 - 9	Investment Grade	Nil
MEDIUM RISK	10 - 20	Investment Grade	Nil
HIGH RISK	21 - 36	Speculative Grade	Nil

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Appendix C

RISK ASSESSMENT MATRIX - FITCH RATINGS POST REVISION @ 25/10/2011



SEFTON RISK TOLERANCE	4		INVESTED
LOW RISK	1 - 4	Investment Grade	£24.57m
LOW - MEDIUM RISK	5 - 9	Investment Grade	£50m
MEDIUM RISK	10 - 20	Investment Grade	Nil
HIGH RISK	21 - 36	Speculative Grade	Nil

COUNCIL – 24 NOVEMBER 2011

APPROVAL OF THE RECOMMENDATIONS OF THE CABINET URGENT BUSINESS COMMITTEE

The Council is requested to approve the following recommendations of the Cabinet Urgent Business Committee from the meeting held on 17 October 2011:

13. JOINT MERSEYSIDE AND HALTON WASTE DEVELOPMENT PLAN DOCUMENT: COUNCIL APPROVAL OF PUBLICATION WASTE DPD

Further to Minute No. 45 of the meeting of the Cabinet held on 13 October 2011, the Committee considered the report of the Director of Built Environment on the results of public consultation on the Merseyside and Halton Joint Waste Development Plan Document Preferred Options 2 (New Sites Consultation) Report which was undertaken between May and June 2011.

The report also sought approval to a final six-week consultation at the end of 2011 on the document and to the submission of the document to the Secretary of State prior to the formal adoption of the document by each of the Merseyside District Councils in late 2012.

The Director reported on the historical context to the production of the document and upon the decisions taken by the other Merseyside District Councils on the document.

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

RESOLVED: That

- 1) the results of consultation on the Waste Development Plan Document Preferred Options 2 (New Sites Consultation) Report be noted;
- 2) the Council be recommended to approve the Publication Document for the final six-week public consultation commencing late in 2011 followed by Submission to the Secretary of State subject to:
 - (a) the removal of any reference to Atlantic Park within the Waste Development Plan Document; and
 - (b) clarification being made in the Waste Development Plan Document that the proposed waste uses for the site F3 – Site North of Farriers Way would be restricted to enclosed reprocessing activities and/or primary treatment facilities such as a Materials Recycling Facility or a Mechanical Biological

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Treatment plant and for all activities to be contained within purpose-built, fully enclosed building(s). Open air uses that store wastes outside would not be suitable at this location.

- 3) the Council be recommended to grant delegated authority to District officers within the Waste DPD Steering Group to make the necessary typographical changes to the Publication Document prior to submission of the Waste DPD and for any more substantial changes to be reported to Members through the appropriate scheme of delegation prior to Submission; and
- 4) the Council be recommended to approve the spatial distribution of one sub-regional site per district.